

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 30, 2024

**BANK QUALIFIED
BOOK-ENTRY ONLY**

RATING: MOODY'S: “__”

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”): (1) the interest on the Series 2024 Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; (2) the interest on the Series 2024 Bonds is excluded from income taxation by the State of Kansas; and (3) the Series 2024 Bonds are “qualified tax-exempt obligations” within the meaning of Code §265(b)(3). Bond Counsel notes that for tax years beginning after December 31, 2022, interest on the Series 2024 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS- Opinion of Bond Counsel” in this Official Statement.

\$1,895,000*
RENO COUNTY, KANSAS
PUBLIC BUILDING COMMISSION
REVENUE BONDS
SERIES 2024

Dated: Date of Delivery

Due: October 1, as shown herein

The Series 2024 Revenue Bonds (the “Bonds” or the “Series 2024 Bonds”) will be issued by the Reno County, Kansas Public Building Commission (the “Issuer”), as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Series 2024 Bonds. Purchases of the Series 2024 Bonds will be made in book-entry form, in the denominations of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). Purchasers will not receive certificates representing their interests in Series 2024 Bonds purchased. So long as Cede & Co. is the registered owner of the Series 2024 Bonds, as nominee of DTC, references herein to the Series 2024 Bond owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as herein defined) of the Series 2024 Bonds. Principal will be payable upon presentation and surrender of the Series 2024 Bonds by the registered owners thereof at the office of the Treasurer of the State of Kansas, Topeka, Kansas, as bond registrar and paying agent (the “Paying Agent” and “Bond Registrar”). Interest payable on each Series 2024 Bond shall be paid to the persons who are the registered owners of the Series 2024 Bonds as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date by check or draft of the Paying Agent mailed to such registered owner or, in the case of an interest payment to a registered owner of \$500,000 or more in aggregate principal amount of Series 2024 Bonds, by electronic transfer. So long as DTC or its nominee, Cede & Co., is the Owner of the Series 2024 Bonds, such payments will be made directly to DTC. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners. Principal of the Series 2024 Bonds will be payable on each October 1, beginning in 2025, and semiannual interest will be payable on April 1 and October 1, beginning on April 1, 2025.

The Series 2024 Bonds are payable solely and only from the net earnings and revenue received by the Issuer from the Project described herein, including rental payments received under the provisions of a Lease dated as of December 3, 2024 (the “Lease”) between the Issuer and Reno County, Kansas (the “County”) and the Series 2024 Bonds are secured by a pledge of the Pledged Property established by the Resolution of the Issuer authorizing the Series 2024 Bonds, which Pledged Property is comprised primarily, but not completely, of such rental payments. The Series 2024 Bonds shall not be or constitute a general obligation of the Issuer, nor shall they constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision, limitation or restriction. The Issuer has no taxing power. The Lease payments made by the County shall not be or constitute general obligations of the County within the meaning of any constitutional or statutory provision (see “THE SERIES 2024 BONDS-Security”).

MATURITY SCHEDULE LISTED ON INSIDE COVER PAGE

The Series 2024 Bonds are subject to optional redemption as described herein. (See “THE SERIES 2024 BONDS-Redemption Provisions” herein).

The Series 2024 Bonds are offered when, as and if issued by the Issuer, subject to the approval of legality by Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel. It is expected that the Series 2024 Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about December 3, 2024.



THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. THE COVER PAGE IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. "APPENDIX C - SUMMARIES OF PRINCIPAL FINANCING DOCUMENTS" CONTAINS DEFINITIONS USED IN THIS OFFICIAL STATEMENT.

The date of this Official Statement is November __, 2024

**Preliminary, subject to change.*

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. As of this date, this Preliminary Official Statement has been deemed “final” by the County for purposes of SEC Rule 15c2-12(b)(1) except for the omission of certain information permitted by SEC Rule 15c2-12(b)(1).

\$1,895,000*
RENO COUNTY, KANSAS
PUBLIC BUILDING COMMISSION
REVENUE BONDS
SERIES 2024

MATURITY SCHEDULE

SERIAL BONDS

Stated Maturity <u>October 1</u>	Principal <u>Amount</u>	Interest <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u>⁽¹⁾
2025	\$250,000			
2026	315,000			
2027	330,000			
2028	340,000			
2029	365,000			
2030	55,000			
2031	55,000			
2032	55,000			
2033	65,000			
2034	65,000			

[TERM BONDS

Stated Maturity <u>October 1</u>	Principal <u>Amount</u>	Interest <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u>⁽¹⁾
]

(All plus accrued interest, if any)

⁽¹⁾ CUSIP numbers have been assigned to this issue by Standard & Poor's CUSIP Service Bureau, a division of S&P Global Inc., and are included solely for the convenience of the Owners of the Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

*Preliminary, subject to change.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SLY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS PRELIMINARY OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS PRELIMINARY OFFICIAL STATEMENT CONTAINS STATEMENTS THAT ARE "FORWARD-LOOKING STATEMENTS" AS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WHEN USED IN THIS PRELIMINARY OFFICIAL STATEMENT, THE WORDS "ESTIMATE," "INTEND," "EXPECT" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. SUCH STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE HEREOF.

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE ISSUER FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

RENO COUNTY, KANSAS
206 WEST 1st AVENUE
HUTCHINSON, KANSAS 67501

COUNTY COMMISSION

Randy Parks, Chairperson
Don Bogner, Vice-Chairman
John Whitesel, Commissioner
Ron Hirst, Commissioner
Daniel Friesen, Commissioner

COUNTY OFFICIALS

Randy Partington, County Administrator
Donna Patton, County Clerk
Leslie Roederer, Financial Specialist
Richele Calvert, Treasurer
Thomas R. Stanton, County Attorney
Michelle Updegrove, Register of Deeds
Patrick Hoffman, County Counselor
Don Brittain, Director of Public Works
Mark Vonachen, Planning Director

CERTIFIED PUBLIC ACCOUNTANT

Adams Brown, LLC
Hutchinson, Kansas

BOND COUNSEL

Gilmore & Bell, P.C.
Wichita, Kansas

UNDERWRITER

Raymond James & Associates, Inc.
Leawood, Kansas

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the County and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the Federal Securities Laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. , and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Bonds.

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\$1,895,000*
RENO COUNTY, KANSAS
PUBLIC BUILDING COMMISSION
REVENUE BONDS
SERIES 2024

INTRODUCTION

General Matters

The purpose of this Official Statement is to furnish information relating to Reno County, Kansas Public Building Commission (the "Issuer"), Reno County, Kansas (the "County") and the Revenue Bonds, Series 2024 (the "Bonds" or the "Series 2024 Bonds"), of the Issuer, dated as of the Date of Delivery, to be issued in the principal amount of \$1,895,000*.

The Appendices to this Official Statement are integral parts of this document, to be read in their entirety.

The Issuer is a municipal corporation duly organized and existing under the laws of the State of Kansas. Additional information regarding the County is contained in *APPENDIX A* to this Official Statement.

The materials contained on the cover page, in the body and in the Appendices to this Official Statement are to be read in their entirety. All financial and other information presented herein has been compiled by the Issuer. Except for the information expressly attributed to other sources deemed to be reliable, all information has been provided by the Issuer. The presentation of information herein, including tables of receipts from various taxes, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the Issuer. No representation is made that past experience, as might be shown by such financial or other information, will necessarily continue or be repeated in the future.

Definitions

Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in "*APPENDIX C – SUMMARIES OF PRINCIPAL FINANCING DOCUMENTS – THE BOND RESOLUTION - DEFINITIONS.*"

Continuing Disclosure

The Securities and Exchange Commission (the "SEC") has promulgated amendments to Rule 15c2-12 (the "Rule"), requiring continuous secondary market disclosure. In connection with the issuance of the Bonds, the County will enter into a continuing disclosure undertaking (the "Disclosure Undertaking") wherein the County covenants to annually provide certain financial information and operating data (collectively the "Annual Report") and other information necessary to comply with the Rule, and to transmit the same to the MSRB. Pursuant to the Disclosure Undertaking, the County has agreed to file its Annual Report with the national repository ("EMMA") not later than the last day of the eighth month after the end of the County's Fiscal Year, commencing with the year ending December 31, 2024. In the Lease, herein defined, the County covenants with the Underwriter and the Beneficial Owners to apply the provisions of the Disclosure Undertaking to the Bonds. This covenant is for the benefit of and is enforceable by the Beneficial Owners of the Bonds.

The County has previously entered into disclosure undertakings pursuant to the Rule (the "Prior Undertakings"). In 2012, the County hired a third-party firm to assist the County in meeting its continuing disclosure obligations pursuant to the Prior Undertakings. During 2023 and 2024, the County internally financed certain projects through the issuance of a series of temporary notes that were purchased by the County. This effectively resulted in the County using its own funds to pay cash for certain projects rather than incurring indebtedness. The County did not file a Material Event Notice related to the issuance of the Series 2023 Temporary Notes and Series 2024 Temporary Notes since these issues were internally purchased by the County. The Issuer's filings for its last five fiscal years are set forth in the table below:

**Preliminary, subject to change.*

Fiscal Year Ending <u>December 31</u>	Filing Time Period (Days)	Financial Information <u>Filing Date</u>	Operating Data <u>Filing Date</u>
2019	August 31 st	8/26/2020	8/26/2020
2020	August 31 st	8/25/2021	8/25/2021
2021	August 31 st	8/26/2022	8/26/2022
2022	August 31 st	8/10/2023	8/10/2023
2023	August 31 st	8/26/2024	8/26/2024

During the past five years, the Issuer has made filings of event notices on EMMA with respect to bond calls and defeasances, however, during said time period, the Issuer may not have made timely filings of event notices on EMMA relating to all bond calls, defeasances or rating changes. The Issuer believes this information was disseminated or available through other sources.

For more information regarding the County's continuing disclosure undertaking, see “*APPENDIX D – FORM OF CONTINUING DISCLOSURE UNDERTAKING*.”

Authority

The Series 2024 Bonds are issued by the Issuer pursuant to and in full compliance with the Constitution and statutes of the State of Kansas (the “State”), including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.*, K.S.A. 10-1201 *et seq.* and K.S.A. 12-1757 *et seq.*, as amended by Charter Ordinance No. XXI of the County (collectively, the “Act”). **The Series 2024 Bonds are payable solely from the net earnings and revenues derived from the Project, including the rents received from the County under the Lease, and do not in any respect represent or constitute a debt or pledge of the faith and credit of the Issuer or of Reno County, Kansas (except to the extent that rentals payable by the County under the Lease constitute an unconditional obligation of the County for the payment of which the County may levy taxes, if necessary, without limit on all taxable tangible property within its territorial jurisdiction).**

THE SERIES 2024 BONDS

General

The Series 2024 Bonds will be issued as fully registered book entry only bonds in the denomination of \$5,000 each or integral multiples thereof. The Series 2024 Bonds will be dated December 3, 2024 and will mature, subject to prior redemption, as hereinafter described, and will bear interest from their dated date at the rates per annum shown on the inside cover page. The principal of and interest on the Series 2024 Bonds will be payable at such place and as is shown on the cover page.

Bonds will be transferable at the office of the Bond Registrar and Paying Agent upon payment, by the Bondowner, of any charge made by the Bond Registrar as reimbursement for any tax, fee or other governmental charge and for all other costs and expenses incurred by the Issuer or the Bond Registrar in connection with such transfer. The County has agreed to pay as Additional Rent under the Lease all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Series 2024 Bonds except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any tax or other governmental charge imposed in relation to the transfer exchange, registration, redemption or payment of the Series 2024 Bonds. No transfer of a Bond is required to be made by the Bond Registrar on or subsequent to the Record Date and prior to the succeeding Payment Date or during the 15 days immediately preceding selection of Bonds for such redemption or after such Bonds or any portion thereof has been selected for redemption.

Security

The Series 2024 Bonds and the interest thereon will constitute limited obligations of the Issuer, payable solely from, and secured as to the payment of principal and interest by a pledge of, the net earnings and revenues of the Project, including, but not limited to, the rents, revenues and receipts received by the Issuer under the Lease (including, in certain circumstances, Bond proceeds and income from the temporary investment thereof and proceeds from insurance and condemnation awards) and are secured by a pledge and assignment of the Pledged

Property, as defined by the Bond Resolution, which is comprised primarily, but not completely, of such rental payments. The terms of the Lease and the schedule of lease payments are designed to produce moneys sufficient to pay the principal of the Series 2024 Bonds and interest thereon when due. The County may also elect to purchase the Issuer's interest in the Project by payment of the purchase option price set forth in the Lease. The Series 2024 Bonds shall not be or constitute a debt or general obligation of the Issuer or the County, nor shall they constitute an indebtedness of the Issuer or the County within the meaning of any constitutional, statutory or charter provision, limitation or restriction.

The Basic Rent payable under the Lease is an unconditional and absolute obligation of the County and the County is obligated to make payments under the Lease to the Paying Agent in amounts sufficient to pay principal and interest on the Series 2024 Bonds. The payments made by the County to the Issuer are exempted by Kansas law from the limitations imposed by the Kansas Cash Basis and Budget Laws. The obligation of the County to make payments under the Lease is not subject to annual appropriation or termination during the Lease term. See "SUMMARIS OF PRINCIPAL FINANCING DOCUMENTS—Summary of the Lease—Events of Default" in *Appendix C*.

Designation of Paying Agent and Bond Registrar

The Issuer will at all times maintain a paying agent and bond registrar meeting the qualifications set forth in the Resolution. The Issuer reserves the right to appoint a successor paying agent or bond registrar. No resignation or removal of the paying agent or bond registrar shall become effective until a successor has been appointed and has accepted the duties of paying agent or bond registrar. Every paying agent or bond registrar appointed by the Issuer shall at all times meet the requirements of Kansas law.

The Treasurer of the State of Kansas, Topeka, Kansas (the "Bond Registrar" and "Paying Agent") has been designated by the Issuer as paying agent for the payment of principal of and interest on the Series 2024 Bonds and bond registrar with respect to the registration, transfer and exchange of Bonds.

Method and Place of Payment of the Series 2024 Bonds

The principal of, or Redemption Price, and interest on the Series 2024 Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner or (b) in the case of an interest payment to any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall notify the Issuer of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice not less than 10 days prior to such Special Record Date.

SO LONG AS CEDE & CO., REMAINS THE REGISTERED OWNER OF THE BONDS, THE PAYING AGENT SHALL TRANSMIT PAYMENTS TO THE SECURITIES DEPOSITORY, WHICH SHALL REMIT SUCH PAYMENTS IN ACCORDANCE WITH ITS NORMAL PROCEDURES. See "THE BONDS – Book-Entry Bonds; Securities Depository."

Payments Due on Saturdays, Sundays and Holidays

In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Book-Entry Bonds: Securities Depository

The Series 2024 Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Series 2024 Bonds, except in the event the Bond Registrar issues Replacement Bonds. It is anticipated that during the term of the Series 2024 Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Series 2024 Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraphs.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interest in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Series 2024 Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities

depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of the Series 2024 Bonds to the successor Securities Depository in appropriate denominations and form as provided in the Resolution.

Exchange, Transfer and Registration of the Series 2024 Bonds

As long as any Bonds remain Outstanding, each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register. Bonds may be transferred and exchanged only on the Bond Register as hereinafter provided. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of the Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest.

Mutilated, Lost, Stolen or Destroyed Bonds

If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount. If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond. Upon the issuance of any new Bond, the Issuer may require the payment by the Owner of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Nonpresentment of Bonds

If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or required to be paid with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money any such registration, exchange or transfer.

Redemption Provisions

Optional Redemption. The Series 2024 Bonds maturing in the years 2032 and thereafter are subject to redemption and payment prior to maturity by the Issuer on and after October 1, 2031, in whole or in part at any time, at a redemption price equal to the principal amount thereof, plus interest accrued to the date of redemption.

Extraordinary Optional Redemption. The Series 2024 Bonds shall be subject to redemption and payment prior to the stated maturity thereof by the Issuer, at the direction of the County, as a whole or in part on any date, at a redemption price of 100% of the principal amount of the Series 2024 Bonds being called for redemption, plus accrued interest to the redemption date, upon the occurrence of any of the following conditions or events:

- (1) title to, or the temporary use of, all or any substantial part of the Project shall be condemned by any authority exercising the power of eminent domain;
- (2) title to such portion of the Project is found to be deficient or nonexistent to the extent that the Project is untenable or the efficient utilization of the Project by the County is substantially impaired;
- (3) substantially all of the Project are damaged or destroyed by fire or other casualty; or
- (4) as a result of (i) changes in the constitution of the State; or (ii) any legislative or administrative action by the State or any political subdivision thereof, or by the United States; or (iii) any action instituted in any court, the Lease shall become void or unenforceable, or impossible of performance without unreasonable delay, or in any other way by reason of such changes of circumstances, unreasonable burdens or excessive liabilities are imposed upon Issuer or County.

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine, Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in minimum Authorized Denomination in such equitable manner as the Bond Registrar may determine. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of a minimum Authorized Denomination. If it is determined that one or more, but not all, of the minimum Authorized Denomination value represented by any Bond is selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of such minimum Authorized Denomination value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination value called for redemption (and to that extent only).

Notice and Effect of Call for Redemption. Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Underwriter. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information: (a) the Redemption Date; (b) the Redemption Price; (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed; (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent. The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. The Paying Agent is also directed to comply with any mandatory or voluntary standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

FOR MORE DISCUSSION OF THE BONDS AND THE RESOLUTION SEE “**APPENDIX C - SUMMARIES OF PRINCIPAL FINANCING DOCUMENTS.**”

THE DEPOSITORY TRUST COMPANY

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each scheduled maturity of the Bonds, and will be deposited with DTC.

2. DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries

made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of the Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Paying Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

THE PROJECT

The proceeds of the Bonds will be used to acquire, construct, reconstruct, rehabilitate, repair, furnish and equip certain public building facilities, including a law enforcement training center, a fire station in Fire District #3 and a fire station in Fire District #7 (collectively the "Project") and pay the costs of issuance for the Bonds.

THE ISSUER

The Reno County, Kansas Public Building Commission, a municipal corporation, was organized in 1998 by the County pursuant to Resolution No. 98-41 of the County and the Act. The Issuer's principal function and responsibility is to finance the acquisition of land and construction of facilities for lease to governmental entities. The Issuer has authority to issue the Series 2024 Bonds and undertake the Project under the Act.

THE COUNTY

Reno County, Kansas is a political subdivision organized under the laws of the State. General information with respect to the County is included in *Appendix A*.

SOURCES AND USES OF FUNDS

The following table summarizes the sources and uses of funds associated with the issuance of the Bonds:

Sources of Funds:

Bond Proceeds	\$2,045,000.00*
Original Issue Premium	
Total Sources of Funds	

Uses of Funds:

Deposit to the Project Fund
Costs of Issuance
Underwriter's Discount
Total Uses of Funds

* Preliminary, subject to change.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

A PROSPECTIVE PURCHASER OF THE BONDS DESCRIBED HEREIN SHOULD BE AWARE THAT THERE ARE CERTAIN RISKS ASSOCIATED WITH THE BONDS WHICH MUST BE RECOGNIZED. THE FOLLOWING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE BONDS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD ANALYZE CAREFULLY THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AND MAY BE OBTAINED FROM THE ISSUER OR THE UNDERWRITER.

Special Obligations

The Bonds are special obligations of the Issuer. Neither the Bonds nor the interest thereon constitute a general obligation or indebtedness of, nor is the payment thereof guaranteed by the Issuer, or any governmental subdivision, agency or instrumentality. The Bonds are payable from tax revenues only to the extent that the County generates the rentals payable under the Lease from taxation.

Debt Service Source

The Bonds are payable solely from rental payments payable by the County under the Lease. The Bonds are secured by a pledge of the Pledged Property, which is comprised primarily of such rental payments. Under the Act, the County is authorized to enter into long-term leases with the Issuer for use of facilities, such as the Project. The obligation of the County to make rental payments under the Lease is not subject to annual appropriation and is exempt from the application of the Kansas cash basis and budget laws.

While the future ability of the County to meet its obligations under the Lease are based upon assumptions and business judgments which the County believes are reasonable and appropriate, they are subject to conditions which may change in the future to an extent that presently cannot be determined.

Legal Matters

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the Issuer or the taxing authority of the County.

Limitations on Remedies Available to Owners of Bonds

The enforceability of the rights and remedies of the owners of Bonds, and the obligations incurred by the Issuer in issuing the Bonds, are subject to the following: the federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the United States Constitution; and the reasonable and necessary exercise, in certain unusual situations, of the police power inherent in the State of Kansas and its governmental subdivisions in the interest of serving a legitimate and significant public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy and otherwise, and consequently may involve risks of delay, limitation or modification of their rights.

Taxation of Interest on the Bonds

An opinion of Bond Counsel will be obtained to the effect that interest earned on the Bonds is excludable from gross income for federal income tax purposes under current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable rulings and regulations under the Code; however, an application for a ruling has not been made and an opinion of counsel is not binding upon the Internal Revenue Service. There can be no assurance that the present provisions of the Code, or the rules and regulations thereunder, will not be adversely amended or modified, thereby rendering the interest earned on the Bonds includable in gross income for federal income tax purposes.

The Issuer and County have covenanted in the Bond Resolution and in other documents and certificates to be delivered in connection with the issuance of the Bonds to comply with the provisions of the Code, including those which require the Issuer and County to take or omit to take certain actions after the issuance of the Bonds. Because the existence and continuation of the excludability of the interest on the Bonds depends upon events occurring after the date of issuance of the Bonds, the opinion of Bond Counsel described under "TAX MATTERS" assumes the compliance by the Issuer and County with the provisions of the Code described above and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Bonds in the event of noncompliance with such provisions. The failure of the Issuer and County to comply with the provisions described above may cause the interest on the Bonds to become includable in gross income as of the date of issuance.

Premium on Bonds

[The initial offering price of the Bonds that are subject to optional redemption are in excess of the principal amount thereof]. Any person who purchases a Bond in excess of its principal amount, whether during the initial offering or in a secondary market transaction, should consider that the Bonds are subject to redemption at par under the various circumstances described under "THE BONDS – Redemption Provisions."

No Additional Interest or Mandatory Redemption upon Event of Taxability.

The Bond Resolution does not provide for the payment of additional interest or penalty on the Bonds or the mandatory redemption thereof if the interest thereon becomes includable in gross income for federal income tax purposes. Likewise, the Bond Resolution does not provide for the payment of any additional interest or penalty on the Bonds if the interest thereon becomes includable in gross income for Kansas income tax purposes.

Suitability of Investment

The tax exempt feature of the Bonds is more valuable to high tax bracket investors than to investors who are in low tax brackets, and so the value of the interest compensation to any particular investor will vary with individual tax rates. Each prospective investor should carefully examine this Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment.

Market for the Bonds

Bond Rating. The Bonds have been assigned the financial ratings set forth in the section hereof entitled "BOND RATING." There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Bonds.

Secondary Market. There is no assurance that a secondary market will develop for the purchase and sale of the Bonds. It is the present practice of the Underwriter, however, to make a secondary market as dealers in issues of municipal bonds which the Underwriter distributes. The Underwriter intends to continue this practice with respect to the Bonds, but is not obligated to do so. Prices of bonds traded in the secondary market, though, are subject to adjustment upward and downward in response to changes in the credit markets. From time to time it may be necessary for the Underwriter to suspend indefinitely secondary market trading in the Bonds as a result of the financial condition or market position of the Underwriter, prevailing market conditions, lack of adequate current financial information about the Issuer, or a material adverse change in the financial condition of the Issuer, whether or not the Bonds are in default as to principal and interest payments, and other factors which in the opinion of the Underwriter may give rise to uncertainty concerning prudent secondary market practices.

Kansas Public Employees Retirement System

As described in "APPENDIX A – FINANCIAL INFORMATION – Pension and Employee Retirement Plans," the Issuer participates in the Kansas Public Employees Retirement System ("KPERS"), as an instrumentality of the State to provide retirement and related benefits to public employees in Kansas. KPERS administers three statewide defined benefit retirement plans for public employees which are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Issuer participates in the Police and Firemen's Retirement System ("KP&F") and the Public Employees Retirement System – Local Group (the "Plan"). Under existing law, employees make contributions and the Issuer makes all employer contributions to the Plan; neither the employees nor the Issuer are directly responsible for any unfunded accrued actuarial liability ("UAAL"). However, the Plan contribution rates may be adjusted by legislative action over time to address any UAAL. According to KPERS' Valuation Reports, the Local Group had an UAAL of approximately \$2.089 billion in calendar year 2023 and KP&F had an UAAL of approximately \$1.381 billion.

Abandonment of Project

The Issuer has certain remedies under the Lease if an event of default (as defined in the Lease) occurs and continues, including the ability to take possession of the Project and re-let it, with the proceeds being available to pay and interest on the Bonds. The Lease gives the Issuer the option, under such circumstances not to re-enter or

take possession of the Project thereby abandoning a part of the security for the Bonds. In the event that the Project should become contaminated by the presence of Hazardous Substances (as defined in the Lease), or the County is the subject of a remedial action under an Environmental Law (as defined in the Lease) as a result of such contamination, the Issuer would have the discretion to abandon the Project, and probably would abandon it if its market value are substantially impaired by the presence of the contamination or if re-entering or taking possession of the Project would probably expose the Issuer or the owners of Bonds to liability for costs of remedial action under an Environmental law.

Title to Land; No Mortgage of Project

In conjunction with the issuance of the Bonds, the County is leasing certain real property constituting the Land to the Issuer pursuant to the Base Lease. Such Land, together with the Bond-financed Project improvements thereon, will be leased from the Issuer to the County pursuant to the Lease.

Other than the right of the Issuer to enforce the Lease and Base Lease, neither the Project nor the underlying Land is pledged or mortgaged to secure payment of the Bonds. If there is a default in the payment of the Bonds, the owners of the Bonds will have no right to foreclose upon or otherwise obtain use or possession of the Project, other than to enforce the Issuer's rights in the Lease and Base Lease.

Cybersecurity Risks

Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches could create disruptions or shutdowns of the Issuer and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If a security breach occurs, the Issuer may incur significant costs to remediate possible injury to the affected persons, and the Issuer may be subject to sanctions and civil penalties. Any failure to maintain proper functionality and security of information systems could interrupt the Issuer's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

Natural Disasters, Terrorist or Cyber Attacks

The occurrence of a terrorist attack or cyber security breach in the Issuer, or natural disasters, such as fires, tornadoes, winter storms, extreme cold, earthquakes, floods or droughts, could damage the Issuer and its systems and infrastructure, and interrupt services or otherwise impair operations of the Issuer.

Potential Impacts Resulting from Epidemics or Pandemics

The County's finances may be materially adversely affected by unforeseen impacts of future epidemics and pandemics, such as the Coronavirus (COVID-19) pandemic. The County cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the local, State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the County, including but not limited to the payment and debt service on the Bonds.

BOND RATING

Moody's Investors Service has assigned an independent rating of "___" to the Bonds. Any further explanation of the significance of such rating may be obtained only from the rating agency. Such rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. No such rating constitutes a recommendation to buy, sell, or hold any bonds, including the Bonds, or as to the market price or suitability thereof for a particular investor. The Issuer furnished such rating agency with certain information and materials relating to the Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse effect on the market price of the Bonds.

ABSENCE OF LITIGATION

There is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the Issuer, the County or the County's boundaries, or the right or title of any officers of the Issuer or County to their respective offices, or the legality of any official act or the constitutionality or validity of the indebtedness represented by the Bonds or the validity of said Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof, including the Lease, or the payment of Basic Rent under the Lease or the levy and collection of any taxes to pay such Basic Rent.

LEGAL MATTERS

Approval of Bonds

All matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Wichita, Kansas ("Bond Counsel"), bond counsel to the Issuer. The factual and financial information appearing herein has been supplied or reviewed by certain officials of the Issuer and its certified public accountants, as referred to herein. Bond Counsel has participated in the preparation of the Official Statement but expresses no opinion as to the accuracy or sufficiency thereof, except for the matters appearing in the sections of this Official Statement captioned "THE BONDS," "LEGAL MATTERS," "TAX MATTERS" and "*APPENDIX C – SUMMARIES OF PRINCIPAL FINANCING DOCUMENTS.*"

Certain Relationships

Bond Counsel has represented the Underwriter in transactions unrelated to the issuance of the Bonds, but is not representing the Underwriter in connection with the issuance of the Bonds.

TAX MATTERS

General

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of holders subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Kansas, does not discuss the consequences to an owner under state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market at a premium or a discount. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Bond Counsel, under the law existing as of the issue date of the Bonds:

Federal Tax Exemption. The interest on the Bonds is excluded from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Bank Qualification. The Bonds have been designated as "qualified tax-exempt obligations" for purposes of Code § 265(b).

Kansas Tax Exemption. The interest on the Bonds is exempt from income taxation by the State.

No Other Opinions. Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the Issuer and County comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and County have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds.

Other Tax Consequences

[***Original Issue Discount.*** For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2024 Bond over its issue price. The stated redemption price at maturity of a Series 2024 Bond is the sum of all payments on the Series 2024 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2024 Bond is generally the first price at which a substantial amount of the Series 2024 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2024 Bond during any accrual period generally equals (1) the issue price of that Series 2024 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2024 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2024 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2024 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

[***Original Issue Premium.*** For federal income tax purposes, premium is the excess of the issue price of a Series 2024 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2024 Bond is the sum of all payments on the Series 2024 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2024 Bond is generally the first price at which a substantial amount of the Series 2024 Bonds of that maturity have been sold to the public. Under Code § 171, premium on tax-exempt obligations amortizes over the term of the Series 2024 Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2024 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2024 Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of premium.]

Sale, Exchange or Retirement of Series 2024 Bonds. Upon the sale, exchange or retirement (including redemption) of a Series 2024 Bond, an owner of the Series 2024 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Series 2024 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2024 Bond. To the extent the Series 2024 Bonds are held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2024 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on Series 2024 Bonds, and to the proceeds paid on the sale of Series 2024 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2024 Bonds should be aware that ownership of the Series 2024 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social

Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2024 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2024 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2024 Bonds, including the possible application of state, local, foreign and other tax laws.

UNDERWRITING

The Bonds are being purchased for reoffering by Raymond James & Associates, Inc., Leawood, Kansas (the “Underwriter”) at a price equal to the principal amount of the Bonds, less an underwriting discount of \$ _____, plus an original issue premium of \$ _____. The Bond Purchase Agreement provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Bonds is subject to various conditions contained in the Bond Purchase Agreement.

The Bonds will be offered to the public initially at the prices determined to produce the yields set forth on the inside cover page of this Official Statement. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices other than the price stated on the inside cover page hereof and may change the initial offering price from time to time subsequent to the date hereof. In connection with the offering, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

AUTHORIZATION OF OFFICIAL STATEMENT

The preparation of this Official Statement and its distribution has been authorized by the governing body of the Issuer as of the date on the cover page hereof. This Official Statement is submitted in connection with the issuance of the Bonds and may not be reproduced or used as a whole or in part for any other purpose. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Bonds.

RENO COUNTY, KANSAS PUBLIC BUILDING COMMISSION

By: _____
President

RENO COUNTY, KANSAS

By: _____
County Administrator

APPENDIX A

INFORMATION CONCERNING THE COUNTY

GENERAL

Size and Location

The county seat of Reno County is located in Hutchinson, Kansas, approximately 40 miles northwest of Wichita, Kansas. The County encompasses approximately 1,256 square miles and has a current estimated population of 61,436 persons. Fifteen cities and 31 townships are located within the County's boundaries.

Government and Organization of the County

The County is a political subdivision of the State of Kansas.

The County is governed by a legislative body consisting of a five member Board of County Commissioners, elected to four year staggered terms. The Board which performs both executive and legislative functions, is responsible for all policy and executive decisions regarding county government. Other elected officials include the County Clerk, Treasurer, Sheriff, County Attorney and Register of Deeds.

Municipal Services and Utilities

Water and sewer utility systems are provided by the various cities located within the County. There are also several water and sewer districts established in the unincorporated portion of the County.

The County has 76 sworn sheriff's officers which provide continuous full-time protection to the County. The various cities of the area operate emergency ambulance services for the County.

Transportation and Communication Facilities

Reno County is served by U.S. Highway 50 and Kansas Highways 61 and 96. Rail service is provided by the Frisco, Hutchinson, Missouri, Pacific, Santa Fe, Southern Pacific and Union Pacific Railroads. The Hutchinson Airport has three runways, which are asphalt and concrete with a length of 7,000 feet each, capable of handling private and corporate aircraft, a lighted tower and private aircraft storage is located. Regularly scheduled air service is available at Wichita Dwight D. Eisenhower National Airport, located 40 miles from the County.

Educational Institutions and Facilities

The County is served by six public school districts with a total enrollment of approximately 9,600 students. Post-secondary education is provided by Hutchinson Community College and Reno County Industrial Training Center. Higher education is also available outside of Hutchinson in nearby cities at Wichita State University, Friends University, Kansas Newman College, all in Wichita, and Bethel College in North Newton, Sterling College in Sterling and McPherson College in McPherson.

Medical and Health Facilities

The County has over 80 physicians and 28 dentists. Hutchinson Regional Medical Center, constructed in 1975 on an 83-acre site, has over 200 acute care beds and 30 skilled nursing units. Since its original construction, a Linear Accelerator Cancer Treatment Facility has been added to the Hospital's facilities as well as a same-day surgery facility and an open heart surgery facility. The Hutchinson Clinic which includes ambulatory surgery and dialysis treatment centers, brings together 65 physicians and nearly 700 health care professionals to provide advanced health care services.

Recreational, Cultural and Religious Facilities

There is recreation available in the area including sporting events, movie theaters, parks, swimming pools, country clubs, golf courses and tennis courts. Additionally, the Kansas Cosmosphere, space science center and museum, is located in Hutchinson. The annual Kansas State Fair is held in Hutchinson each September.

ECONOMIC INFORMATION

Reno County is a rich agricultural area and one of the leading wheat-producing counties in the State of Kansas and one of the largest salt-producing areas in the United States. The County ranks high in the production of sorghum, barley, alfalfa hay and seed, milk and eggs. The County is one of the largest prime wheat markets in the world with storage capacity of nearly 42 million bushels.

In addition, the County is a major retail center and has a diversified economic base with more than 200 industries represented, including: paper products, hydraulic valves, signs, farm machinery, agricultural research, food distribution and processing, millwork, baked goods, ice cream, school buses, ambulances, rebuilt engines, grain handling equipment and mobile homes.

In October 2024, Evergy announced plans to construct a new 705 MW high-efficiency, combined-cycle natural gas power plant to be constructed in the County. The plant is expected to be operational in 2030.

Major Employers

Listed below are the major employers located in the County and the number employed by each:

<u>Major Employers</u>	<u>Product/Service</u>	<u>Number of Full- & Part-time Employees</u>
Hutchinson Regional Healthcare System	Medical Services	1,297
Dillons Corporate and Store Front	Groceries	1,035
Hutchinson Unified School District No. 308	Public Education	927
Hutchinson Community College	Higher Education	724
Hutchinson Clinic	Medical Services	653
Tyson Prepared Foods	Pre-cooked Meats	560
Hutchinson Correctional Facility	State Prison	509
City of Hutchinson	Local Government	400
Kuhn Krause, Inc.	Agricultural Manufacturer	399
Reno County	Local Government	395
Wal-Mart Super Center	Discount Retailer	362
Buhler Unified School District No. 313	Education	356
Grand Prairie Hotel and Convention Center	Hospitality	290
Kroeger Accounting Services	Back Office & Support	287
Wesley Towers	Health Care/Retirement Services	254
Mennonite Manor	Health Care/Retirement Services	248
Kuhn Krause, Inc.	Agricultural Manufacturer	246
Collins Bus Corporation	Type A Bus Manufacturer	218
Nickerson Unified School District No. 309	Education	216
Lowen Corporation	Industrial Marking/Sign Mfr.	201
Portfolio Recovery Associates	Debt Collection	196
The Medical Center	Medical Services	185
Data Center, Inc.	Financial Technology / Banking	176
Horizons Mental Health Center	Health Care	174
First National Bank of Hutchinson	Financial Services	170
Morton Salt, Inc.	Salt	150
Siemens Wind Power	Wind Turbine Components Mfr.	150
Eaton Corporation	Hydraulic Components Mfr.	147
Kwik Shop, Inc.	Retail Store	145
TECH, Inc.	Education & Training for Special Needs	140
Good Samaritan Society Hutchinson Village	Retirement, Assisted Living	140
Social Rehabilitation Services	Social Services	124
Hutchinson News, The	Newspapers	122
Jackson Dairy	Food - Bakers, Processors & Wholesalers	121
Sonoco	Manufacturers - Paper Products	115
TSW Products	Manufacturer - Hydraulic parts	114
Cargill Salt	Salt	107
Conklin Cars Hutchinson	Automobile - Dealers	105
APAC-Kansas, Inc. - Shears Division	Commercial Contractors	103

Labor Force

The following table sets forth the labor force figures for Reno County and the State of Kansas:

RENO COUNTY

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2014	31,235	29,870	1,365	4.4%
2015	30,925	29,594	1,331	4.3%
2016	30,273	28,944	1,329	4.4%
2017	30,159	28,996	1,163	3.9%
2018	29,905	28,823	1,082	3.6%
2019	30,002	29,041	961	3.2%
2020	29,892	28,277	1,615	5.4%
2021	29,673	28,690	983	3.3%
2022	29,161	28,347	814	2.8%
2023	28,928	28,095	833	2.9%

STATE OF KANSAS

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2014	1,494,203	1,426,892	67,311	4.5%
2015	1,493,782	1,431,533	62,249	4.2%
2016	1,491,961	1,431,920	60,041	4.0%
2017	1,488,346	1,434,516	53,830	3.6%
2018	1,493,360	1,443,204	50,156	3.4%
2019	1,504,415	1,456,662	47,753	3.2%
2020	1,501,827	1,414,596	87,231	5.8%
2021	1,498,226	1,448,294	49,932	3.3%
2022	1,502,603	1,463,010	39,593	2.6%
2023	1,510,988	1,470,936	40,052	2.7%

Source: Kansas Department of Labor

Retail Sales Tax Collections

The following table lists the sales tax collections for the State of Kansas portion of the total sales tax collections for the years indicated for sales occurring in Reno County, Kansas:

<u>Year</u>	<u>Sales Tax Collections</u>	<u>Per Capita Sales Tax</u>
2014	\$56,340,450	\$903.10
2015	57,399,164	899.97
2016	57,169,084	907.40
2017	54,964,610	886.40
2018	64,459,087	901.90
2019	68,158,428	1,072.51
2020	72,267,562	1,125.82
2021	77,028,648	1,226.08
2022	84,951,704	1,314.38
2023	84,758,321	1,403.33

The statewide sales and use tax was increased from 4.25% to 4.90% effective July 1, 1992. It was subsequently increased to 6.3%, effective July 1, 2010, and decreased to 6.15%, effective July 1, 2013. Effective July 1, 2015, the statewide sales and use tax was increased to 6.50%.

Source: Kansas Statistical Abstract and Kansas Department of Revenue

Local Option Sales and Use Tax

The following table provides the amount of local sales tax collected and received by the County during the years indicated. A 1% countywide sales tax is collected by the County, portions of which are distributed to other jurisdictions in the County. The following table sets forth the County’s portion of the 1% countywide sales tax:

<u>Year</u>	<u>Receipts</u>
2016	\$4,495,306.37
2017	4,292,318.77
2018	4,411,414.14
2019	4,694,578.39
2020	4,811,360.01
2021	5,154,010.75
2022	5,528,678.49
2023	5,990,438.00
2024	3,902,015.33

* Updated through August 31, 2024.

Source: County Administration

Oil Production

The oil production (in number of barrels) for Reno County for the years listed is indicated in the following table:

<u>Year</u>	<u>Oil Production</u>
2015	930,818
2016	652,030
2017	701,605
2018	539,929
2019	478,520
2020	414,089
2021	398,513
2022	390,354
2023	396,048
2024*	163,492

* Production through May 2024

Source: Kansas Geological Survey

Financial and Banking Institutions

There are currently 11 banks located in Reno County. For the years listed, bank deposits of the County's banks are as follows:

<u>Year</u>	<u>Total Bank Deposits</u>
2014	\$1,101,609,000
2015	1,066,849,000
2016	1,127,224,000
2017	1,093,023,000
2018	1,111,814,000
2019	1,113,977,000
2020	1,285,861,000
2021	1,388,750,000
2022	1,359,469,000
2023	1,387,600,000

Source: FDIC

Building Permits

The following table indicates the number of building permits and total valuation of these permits issued within the County for the years indicated. The permit information is only for the zoned area of the county. Two-thirds of the County is not zoned where no permit is required. Also, the permit information listed below does not include areas of the County under a city's extra-territorial zoning jurisdiction. Under these two situations, the County does not have jurisdiction to issue a permit. These numbers reflect permits issued either for new construction or for major renovation.

<u>Year</u>	<u>Number of Permits Issued</u>		<u>Total Valuation</u>	
	<u>Residential</u>	<u>Non-Residential</u>	<u>Residential</u>	<u>Non-Residential</u>
2016	39	9	\$8,734,832	\$5,290,000
2017	32	63	7,393,500	5,965,323
2018	24	6	4,202,110	856,500
2019	43	8	6,132,218	1,792,878
2020	82	6	7,967,704	625,500
2021	62	8	5,621,761	3,966,300
2022	83	5	6,240,270	3,841,000
2023	84	7	8,789,746	763,000
2024*	56	9	5,621,761	4,156,300

* Permits for 2024 are through September 20, 2024.

Residential permits figures include new houses, sheds, garages, or additions. Non-residential permits include commercial and industrial projects, telecommunication towers, and pavilions for schools and other non-profit organizations. Valuation figures are based off of figures provided to the County Planner by the person applying for the permit.

Source: County Planner

Population

The following table shows the approximate population of Reno County in the years indicated:

<u>Year</u>	<u>Reno County Population</u>
1960	59,055
1970	60,765
1980	64,983
1990	62,389
2000	64,790
2010	64,511
2020	61,650
2024	61,436

The median age of persons in Reno County and the State of Kansas is 38.3 and 36.0, respectively, per the 2010 Census.

Source: Kansas Statistical Abstract

Personal Income Trends

Reno County total personal (in thousands of dollars) and per capita income and the State of Kansas per capita income are listed for the years indicated, in the following table:

<u>Year</u>	<u>Reno County Total Personal Income</u>	<u>Reno County Per Capita Income</u>	<u>State of Kansas Per Capita Income</u>
2013	\$2,264,714,000	\$35,331	\$45,670
2014	2,270,928,000	35,634	46,290
2015	2,316,663,000	36,409	46,597
2016	2,292,483,000	36,244	46,718
2017	2,418,387,000	38,519	48,272
2018	2,450,369,000	39,271	50,283
2019	2,543,661,000	41,025	52,127
2020	2,816,379,000	45,508	55,041
2021	2,920,660,000	47,483	58,569
2022	2,935,983,000	47,727	60,424

Source: Bureau of Economic Analysis (BEA)

FINANCIAL INFORMATION

Accounting, Budgeting and Auditing Procedures

The County follows a statutory basis of accounting for all funds of the County, including the General Fund. The statutory basis of accounting, as used in the preparation of the statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made. The County has obtained a GAAP waiver from the State of Kansas.

An annual budget of estimated receipts and disbursements for the coming calendar year is required by statute to be prepared for all funds (unless specifically exempted). The budget is prepared utilizing the modified accrual basis which is further modified by the encumbrance method of accounting. For example, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes. The proposed budget is presented to the governing body of the County prior to August 1, with a public hearing required to be held prior to August 15, with the final budget to be adopted by a majority vote of the governing body of the County prior to August 25 of each year (or September 20 if the County must conduct a public hearing to levy taxes in excess of its revenue neutral rate described below). Budgets may be amended upon action of the governing body after notice and public hearing, provided that no additional tax revenues may be raised after the original budget is adopted.

The County may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the County and the assessed valuations provided by the County appraiser. In 2021, the Kansas Legislature passed legislation (the "Revenue Neutral Tax Act") that repeals a previous "tax lid" (formerly K.S.A. 79-2925c) and provides that, beginning January 1, 2021, a taxing subdivision (which includes any political subdivision of the State that levies an ad valorem property tax, including the County) is not authorized to levy a property tax rate in excess of its revenue neutral rate without first providing notice, holding a public hearing, and authorizing such property tax rate by majority vote of its governing body. The revenue neutral rate means the tax rate for the current tax year that would generate the same property tax revenue as levied the previous tax year using the current tax year's total assessed valuation.

The Revenue Neutral Tax Act provides that by June 15 of every year, each county clerk shall calculate the revenue neutral rate for each taxing subdivision in their respective county. If a taxing subdivision desires to levy a tax rate in excess of its revenue neutral rate, it must first publish notice of a public hearing and notify, by July 20, the county clerk of the taxing subdivision's intent to exceed the revenue neutral rate. The county clerk is required to provide notice of the public hearing to each taxpayer with property in the taxing subdivision, along with following information concerning the taxing subdivision: (1) the revenue neutral rate, (2) the proposed property tax revenue needed to fund the proposed budget, (3) the proposed tax rate based on the proposed budget, (4) the tax rate and property tax of each taxing subdivision on the taxpayer's property from the previous year's tax statement, (5) the appraised value and assessed value of the taxpayer's property, (6) estimates of the tax for the current tax year on the taxpayer's property based on the revenue neutral rate of each taxing subdivision and any proposed tax rates that exceed the revenue neutral rates, (7) the difference between the estimates of tax based on the proposed tax rate and the revenue neutral rate. The public hearing regarding exceeding the revenue neutral rate is to be held between August 20 and September 20, and can be held in conjunction with the taxing subdivision's budget hearing. If multiple taxing subdivisions within the county are required to hold a public hearing, the county clerk's notices to the taxpayer can be combined into a single notice. After the public hearing, the taxing subdivision can approve exceeding the revenue neutral rate by governing body approval of a resolution or ordinance, and thereafter the taxing subdivisions will hold the public hearing and adopt the budget by majority vote of its governing body. The amount of tax to be levied and the adopted budget must be certified to the county clerk by October 1. The taxing subdivision's adopted budget shall not result in a tax rate in excess of its proposed rate stated in the notice provided to the taxpayers. If a taxing subdivision fails to comply with the requirements of the Revenue Neutral Tax Act, it shall refund to the taxpayers any property taxes over-collected based on the amount of the levy that was in excess of the revenue neutral rate.

The County cannot predict the impact of the Revenue Neutral Tax Act on the ratings on the Bonds, or the general rating of the County. A change in the rating on the Bonds or a change in the general rating of the County may adversely impact the market price of the Bonds in the secondary market.

Kansas law prohibits governmental units from creating indebtedness unless there are funds on hand in the proper accounts and unencumbered by previous action with which to pay such indebtedness. An exception to this cash-basis operation is made where provision has been made for payment of obligations by bonds or other specific debt obligations authorized by law.

The financial records of the County are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. In recent years, the annual audit has been performed by Adams Brown, LLC, Certified Public Accountants, Hutchinson, Kansas. Copies of the audit reports for the past five (5) years are on file in the County Clerk's office and are available for review. The audit for the Fiscal Year ended December 31, 2023 is attached hereto as *Appendix B*.

The financial information contained in the Appendices to this Official Statement are an integral part of this document and are intended to be read in conjunction herewith.

Property Valuations

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties under the direction of state statutes. The County Appraiser's office determines the fair market value of all taxable property within the County and the assessed valuation thereof that is to be used as a basis for the mill levy on property located in the County.

Property subject to ad valorem taxation is divided into two classes, real property and personal property. Real property is divided into seven subclasses; there are six subclasses of personal property. The real property (Class 1) subclasses are: (i) real property used for residential purposes including multi-family mobile or manufactured homes and the real property on which such homes are located, assessed at 11.5%, (ii) agricultural land, valued on the basis of agricultural income or productivity, assessed at 30%, (iii) vacant lots, assessed at 12%, (iv) real property, owned and operated by a not-for-profit organization not subject to federal income taxation, pursuant to Code §501, assessed at 12%, (v) public utility real property, except railroad real property, assessed at the average rate that all other commercial and industrial property is assessed, assessed at 33%, (vi) real property used for commercial and industrial purposes and buildings and other improvements located on land devoted to agricultural use, assessed at 25%, and (vii) all other urban and real property not otherwise specifically classified, assessed at 30%. Tangible personal property (Class 2) subclasses are: (i) mobile homes used for residential purposes, assessed at 11.5%, (ii) mineral leasehold interests, except oil leasehold interests, the average daily production from which is 5 barrels or less, and natural gas leasehold interests, the average daily production from which is 100 mcf or less, which shall be assessed at 25%, assessed at 30%, (iii) public utility tangible personal property, including inventories thereof,

except railroad personal property, including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed, assessed at 33%, (iv) all categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985, assessed at 30%, (v) commercial and industrial machinery and equipment which if its economic life is 7 years or more, shall be valued at its retail cost, when new, less seven-year straight-line depreciation, or which, if its economic life is less than 7 years, shall be valued at its retail cost when new, less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property, assessed at 25%, and (vi) all other tangible personal property not otherwise specifically classified, assessed at 30%. All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

The Kansas Legislature (the "Legislature") reduced the applicable assessment rates on motor vehicles from 30% of market value to 20% of market value as of January 1, 2000.

The 2006 Legislature exempted from all property or ad valorem property taxes levied under the laws of the State all commercial, industrial, telecommunications and railroad machinery and equipment acquired by qualified purchase or lease after June 30, 2006 or transported into the State after June 30, 2006 for the purpose of expanding an existing business or creation of a new business.

The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the County's property tax collections. If a taxpayer valuation challenge is successful, the liability of the County to refund property taxes previously paid under protest may have a material impact on the County's financial situation.

Assessed Valuation

The following table shows the assessed valuation of the taxable tangible property within the County for the following years:

<u>Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Utilities</u>	<u>Motor Vehicles</u>	<u>Total Valuation</u>
2016	\$443,965,860	\$23,071,369	\$99,040,412	\$64,135,643	\$630,213,284
2017	457,830,351	25,464,817	95,940,342	64,112,319	643,347,829
2018	465,262,649	24,847,099	103,292,741	64,384,689	657,786,862
2019	468,100,690	22,564,445	111,084,139	65,032,974	666,781,146
2020	480,737,839	18,471,603	116,727,703	65,840,258	681,777,403
2021	489,516,329	20,410,419	131,807,341	68,467,087	710,201,176
2022	522,667,345	21,903,474	131,838,716	67,158,436	743,567,971
2023	561,781,200	24,335,137	128,727,367	68,213,180	783,056,884
2024*	591,115,609	23,226,331	128,326,423	68,213,810**	810,882,173

* 2024 estimated

**2024 motor vehicle valuation not yet available; 2023 data used for estimation purposes only.

Source: County Clerk

Fair Market Value

The following table shows the fair market value of the taxable property within the County for the following years:

<u>Year</u>	<u>Fair Market Value</u>	<u>Year</u>	<u>Fair Market Value</u>
2016	\$3,938,833,025	2021	\$4,438,757,350
2017	4,020,923,931	2022	4,647,299,819
2018	4,111,167,888	2023	4,894,105,525
2019	4,167,382,163	2024*	5,068,013,581
2020	4,261,108,769		

* Preliminary

Property Tax Levies and Collections

Tax Collections:

Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are considered delinquent and accrue interest at a per annum rate established by State law until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale on or before August 1 of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal taxes are due and may be paid in the same manner as real estate taxes, with the same interest applying to delinquencies. If personal taxes are not paid when due, and after written notice, warrants are issued and placed in the hands of the Sheriff for collection. If not paid on or before October 1, legal judgment is entered and the delinquent tax becomes a lien on the property. Unless renewed, a non-enforced lien expires five years after it is entered.

Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

Tax Rates:

The County may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the County and the assessed valuations provided by the County appraiser.

The following table shows the County's mill levies by fund (per \$1,000 of assessed valuation) for each of the years indicated and the current year:

<u>Year</u>	<u>General Fund</u>	<u>Road/Bridge Fund</u>	<u>Employee Benefit Fund</u>	<u>G.O. Bonds</u>	<u>Misc. Funds</u>	<u>Total Levy</u>
2016/17	14.485	6.003	10.794	1.813	8.680	41.775
2017/18	14.100	6.163	11.814	1.440	8.158	41.675
2018/19	15.325	6.150	11.539	0.487	8.186	41.687
2019/20	16.161	6.176	10.517	0.479	8.354	41.687
2020/21	16.417	7.455	9.691	0.469	7.567	41.599
2021/22	15.027	6.164	9.804	1.624	6.879	39.498
2022/23	17.993	7.253	7.193	1.259	4.110	37.808
2023/24	12.126	7.367	8.228	1.984	6.057	35.762

Source: County Clerk

Aggregate Tax Levies:

The aggregate tax levies (per \$1,000 assessed valuation) of the County and underlying jurisdictions for the years indicated are included in the following table:

<u>Year</u>	<u>City</u>	<u>Reno County</u>	<u>School District</u>	<u>State</u>	<u>Other</u>	<u>Total Levy</u>
2016/17	43.984	41.775	55.168	1.500	32.202	174.629
2017/18	44.123	41.675	54.983	1.500	32.209	174.490
2018/19	44.144	41.687	54.884	1.500	32.511	174.726
2019/20	44.513	41.687	54.456	1.500	32.093	174.249
2020/21	44.462	41.599	53.507	1.500	32.094	173.162
2021/22	44.492	39.498	53.515	1.500	31.869	170.874
2022/23	41.555	37.808	53.494	1.500	31.862	166.219
2023/24	40.331	35.762	53.096	1.500	31.877	162.566

Source: County Clerk

Tax Collection Record:

The following table sets forth tax collection information for the County for the years indicated:

<u>Year</u>	<u>Total</u>	<u>Total Taxes</u>	<u>Current Taxes Collected</u>		<u>Current & Delinquent Taxes Collected</u>	
	<u>Levy</u>	<u>Levied</u>	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
2015/16	40.897	\$23,059,431	\$22,229,657	96.40%	\$22,955,047	99.55%
2016/17	41.775	23,654,753	22,715,647	96.03%	23,505,660	99.37%
2017/18	41.675	24,141,271	23,194,776	96.08%	23,900,691	99.00%
2018/19	41.687	24,716,096	23,646,335	95.67%	24,317,821	98.39%
2019/20	41.687	25,080,339	24,183,184	96.41%	25,049,420	99.88%
2020/21	41.599	25,601,671	24,827,592	96.98%	25,526,519	99.71%
2021/22	39.498	25,309,526	24,535,898	96.94%	25,174,545	99.47%
2022/23	37.808	25,549,032	24,552,521	96.10%	25,192,611	98.60%
2023/24	35.762	25,544,928	24,605,455	96.32%	24,643,993	96.47%

Source: County Administration

Major Taxpayers:

The following table sets forth the ten largest property taxpayers in the County for taxes levied in 2023:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Taxes Levied</u>
1. Everygy Kansas Central, Inc.	\$51,320,214	\$7,609,770
2. BNSF Railroad	12,761,978	1,924,927
3. Kansas Gas Service (a division of One Gas)	10,308,896	1,641,039
4. Bluestem Pipeline, LLC	9,052,457	1,255,061
5. Panhandle Eastern Pipeline Company	8,475,866	1,161,187
6. Union Pacific Railroad Company	7,223,997	1,082,572
7. Siemens Gamesa Renewable Energy LLC	6,719,892	1,078,596
8. Mid America Pipeline Company LLC	6,394,903	910,457
9. Main Line, Inc.	5,561,358	916,278
10. Magellan Pipeline Company LLC	5,110,344	746,548

Source: County Clerk

Risk Management

The County is insured against the risks arising from general liability and workers compensation by Travelers Ins. Company and KWORCC.

The County partly self finances the risks generated by employee medical coverage. The fund classification used to account for the County's risk management activities is the Self-Insurance Fund. Protecting the County against unanticipated catastrophic loss, the County purchased specific stop loss coverage and aggregate stop loss coverage through Granular Insurance Company ("Granular") for the plan year ending September 30, 2024, with premiums paid monthly by the County through the Third-Party Administrator, Allied Benefit LLC. The specific stop-loss coverage provides protection to Reno County for annual medical/prescription drug claims over \$125,000 per individual and aggregate annual medical/prescription drug claims over \$4,395,923, up to a maximum benefit of \$1,000,000 to the County. The aggregate stop-loss attachment point was calculated at 125% of annualized expected medical/prescription drug claims factors. A similar arrangement will be contracted for the following plan year.

The County assumes the difference between the risks generated by general liability and the risks covered by the stop loss policies.

History of Employment

The following table indicates the history of the County's employment for the years indicated.

<u>Year</u>	<u>Total Full-Time Employees >40 Hours</u>	<u>Total Part-Time Employees <40</u>	<u>Total</u>
2016	370	38	408
2017	375	36	411
2018	372	36	408
2019	369	44	413
2020	370	45	415
2021	348	48	396
2022	348	47	395
2023	350	43	393
2024	355	50	403

Source: County Human Resources

Employee Relations

Employee relations are characterized as good.

Pension and Employee Retirement Plans

The County participates in the Kansas Public Employees Retirement System (“KPERS”) established in 1962, as an instrumentality of the State, pursuant to K.S.A. 74-4901 *et seq.*, to provide retirement and related benefits to public employees in Kansas. KPERS is governed by a board of trustees consisting of nine members each of whom serve four-year terms. The board of trustees appoints an executive director to serve as the managing officer of KPERS and manage a staff to carry out daily operations of the system.

As of December 31, 2023, KPERS serves approximately 330,000 members and approximately 1,500 participating employers, including the State, school districts, counties, cities, public libraries, hospitals and other governmental units. KPERS administers the following three statewide, defined benefit retirement plans for public employees:

- (a) Kansas Public Employees Retirement System;
- (b) Kansas Police and Firemen’s Retirement System; and
- (c) Kansas Retirement System for Judges.

These three plans are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Kansas Public Employees Retirement System is the largest of the three plans, accounting for approximately 95% of the members. The Kansas Public Employees Retirement System is further divided into two separate groups, as follows:

(a) *State/School Group* - includes members employed by the State, school districts, community colleges, vocational-technical schools and educational cooperatives. The State of Kansas makes all employer contributions for this group, the majority of which comes from the State General Fund.

(b) *Local Group* - all participating cities, counties, library boards, water districts and political subdivisions are included in this group. Local employers contribute at a different rate than the State/School Group rate.

KPERS is currently a qualified, governmental, § 401(a) defined benefit pension plan, and has received IRS determination letters attesting to the plan’s qualified status dated October 14, 1999, and March 5, 2001. KPERS is also a “contributory” defined benefit plan, meaning that employees make contributions to the plan. This contrasts it from noncontributory pension plans, which are funded solely by employer contributions. The County's employees currently annually contribute 6% of their gross salary to the plan if such employees are KPERS Tier 1 members (covered employment prior to July 1, 2009), KPERS Tier 2 members (covered employment on or after July 1, 2009), or KPERS Tier 3 members (covered employment on or after January 1, 2015).

In 2004, 2015, and 2021, the Kansas Development Finance Authority, on behalf of the State, issued pension obligation bonds and contributed the proceeds thereof to KPERS to assist with improving the status of the unfunded actuarial pension liability. In 2022 the Legislature provided for additional contributions totaling \$1.125 billion in four payments to be deposited into the KPERS trust fund for the School Group. For more information about the Legislature's actions related to KPERS, please see the 2023 Valuation Report referenced below.

The County's contribution varies from year to year based upon the annual actuarial valuation and appraisal made by KPERS, subject to legislative caps on percentage increases. The County's contribution is 9.71% of the employee's gross salary for calendar year 2025, and is projected to change to 9.59% of the employee's gross salary for calendar year 2026. In addition, the County contributes 1% of the employee's gross salary for Death and Disability Insurance for covered employees.

According to the Valuation Report as of December 31, 2023 (the "2023 Valuation Report") the KPERS Local Group, of which the County is a member, carried an unfunded accrued actuarial liability ("UAAL") of approximately \$2.090 billion at the end of 2023. The amount of the UAAL in 2023 changed from the previous year's amount due to the factors discussed in the 2023 Valuation Report; such report also includes additional information relating to the funded status of the KPERS Local Group, including recent trends in the funded status of the KPERS Local Group. A copy of the 2023 Valuation Report is available on the KPERS website at kpers.org/about/reports. The County has no means to independently verify any of the information set forth on the KPERS website or in the 2023 Valuation Report, which is the most recent financial and actuarial information available on the KPERS website relating to the funded status of the KPERS Local Group. The 2023 Valuation Report sets the employer contribution rate for the period beginning January 1, 2026, for the KPERS Local Group, and KPERS' actuaries identified that an employer contribution rate of 9.6% of covered payroll would be necessary, in addition to statutory contributions by covered employees, to eliminate the UAAL by the end of the actuarial period set forth in the 2023 Valuation Report. The statutory contribution rate of employers currently equals the 2023 Valuation Report's actuarial rate. As a result, members of the Local Group are adequately funding their projected actuarial liabilities and the UAAL can be expected to diminish over time. The required employer contribution rate may increase up to the maximum statutorily allowed rate, which is 1.2% in fiscal year 2017 and thereafter.

The County has established membership in the Kansas Police and Fire Retirement System ("KP&F") for its police and fire personnel. KP&F is a division of and is administered by KPERS. Annual contributions are adjusted annually based on actuarial studies, subject to legislative caps on percentage increases. According to the 2023 Valuation Report, KP&F carried an UAAL of approximately \$1.382 billion at the end of 2023. For KP&F, the County's employees currently annually contribute 7.15% of their gross salary to the plan. For the year beginning January 1, 2025, the County contributes 24.67% of employees' gross salary, and is projected to change to 24% of the employee's gross salary for calendar year 2026.

The County has not implemented GASB 68 – Accounting and Financial Reporting for Pensions – An Amendment of GASB 27, because the County's financial statements are prepared on a regulatory basis of accounting which is a comprehensive basis of accounting different from accounting principles generally accepted in the United States of America. KPERS, however, has implemented GASB 67 – Financial Reporting for Pension Plans – An Amendment of GASB Statement 25, and is required annually to provide its participants the proportional share of the net pension liability of KPERS allocated to each participant as of the end of the prior fiscal year. The KPERS' Schedule of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer (the "GASB 68 Report") provides the net pension liability allocated to each KPERS participant, including the County. The GASB 68 Report is available on the KPERS website at kpers.org/about/reports.html. Because the County has not implemented GASB 68, the net pension liability calculated by KPERS for the County is not reflected as a liability on the County's financial statements. The County has no means to independently verify any of the information set forth on the KPERS website or in the GASB 68 Report. It is important to note that under existing State law, the County has no legal obligation for the UAAL or the net pension liability calculated by KPERS, and such figures are for informational purposes only.

DEBT STRUCTURE

Debt Summary

The following table summarizes certain key statistics with respect to the County's general obligation debt, including the Bonds:

Assessed Valuation	\$810,882,173
Estimated Actual Valuation	\$5,068,013,581
Outstanding General Obligation Debt.....	\$10,265,000
Net Overlapping/Underlying Debt.....	\$132,465,792
Population	61,436
Direct & Net Overlapping/Underlying Debt.....	\$142,730,792
Direct Debt Per Capita	\$167.08
Direct and Overlapping Debt Per Capita.....	\$2,323.24
Direct Debt as a Percentage of Assessed Valuation.....	1.27%
Direct and Overlapping Debt as a Percentage of Assessed Valuation	0.20%
Direct Debt as a Percentage of Actual Fair Market Value	17.60%
Direct and Overlapping Debt as a Percentage of Actual Fair Market Value.....	2.81%

Current Indebtedness of the County

The following table sets forth as of the date of issuance of the Bonds, all of the outstanding obligations of the County and the Issuer, including the Bonds:

GENERAL OBLIGATION BONDS

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Dated Date</u>	<u>Final Maturity</u>	<u>Original Principal Amount</u>	<u>Amount Outstanding</u>
General Obligation Refunding Bonds	2012	12/18/2012	09/01/2028	\$5,925,000	\$1,225,000
General Obligation Bonds	2015	09/10/2015	01/01/2036	260,000	170,000
General Obligation Refunding and Imp. Bonds	2021	02/25/2021	09/01/2036	12,080,000	<u>8,870,000</u>
				Total	<u>\$10,265,000</u>

RENO COUNTY, KANSAS PUBLIC BUILDING COMMISSION REVENUE BONDS

<u>Description of Indebtedness⁽¹⁾</u>	<u>Series</u>	<u>Dated Date</u>	<u>Final Maturity</u>	<u>Original Principal Amount</u>	<u>Amount Outstanding</u>
PBC Revenue Bonds ⁽²⁾	2024	12/3/2024	10/1/2034	\$1,895,000	<u>\$1,895,000</u>
				Total	<u>\$1,895,000</u>

⁽¹⁾ With respect to the Public Building Commission Bonds, the Public Building Commission and the County have entered into a lease obligating the County to make rental payments sufficient to meet principal and interest requirements on such bonds. The County's obligations under the leases are not subject to annual appropriation by the County and are exempt from the provision of the Kansas cash basis, budget and tax lid laws.

⁽²⁾ This issue. Preliminary, subject to change.

History of General Obligation Indebtedness

The following table sets forth the general obligation bonds and temporary notes of the County, excluding any bonds issued on behalf of a fire district or sewer district in the County, as of the years indicated:

<u>Year</u>	<u>Total Debt</u>	<u>Debt As Percentage of Assessed Value</u>	<u>Debt Per Capita</u>
2019	\$9,297,225	1.48%	\$150.05
2020	8,894,225	1.38%	143.94
2021	14,220,000	2.00%	231.54
2022	13,005,000	1.75%	211.41
2023	11,690,000	1.49%	190.09

Source: County Clerk

The County has never in its history defaulted on the payment of any of its debt obligations.

Lease Obligations

In addition to the foregoing debt obligations, the County has entered into the following lease obligations. Lease obligations of the County constitute valid and binding obligations of the County in accordance with their terms subject to funds budgeted and appropriated for that purpose during the County's current budget year or funds made available from any lawfully operated revenue producing source as per K.S.A. 10-1116b. The following table sets forth the outstanding lease obligations as of December 31, 2023:

<u>Purpose of Indebtedness</u>	<u>Dated Date</u>	<u>Final Payment Date</u>	<u>Original Principal Amount</u>	<u>Amount Outstanding</u>
MFP machines	11/05/2021	11/05/2026	\$131,599	\$74,572
Tasers	02/15/2022	03/14/2027	107,500	66,000
Mail machine	03/02/2022	03/02/2027	76,667	49,833
Election Poll Pads	02/02/2023	02/02/2026	27,432	17,016

Source: County Clerk

Underlying Indebtedness

The following table sets forth underlying indebtedness as of December 31, 2023, and the percent attributable (on the basis of assessed valuation) to the County:

<u>Taxing Jurisdiction</u>	<u>Assessed Valuation</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Percent Applicable to County</u>	<u>Gross Amount Applicable to County</u>	<u>Net Amount Applicable to County</u>
U.S.D. No. 308 ^{vv}	\$250,721,665	\$29,230,000	100.00%	\$29,230,000	\$17,694,600
U.S.D. No. 309 ^{vv}	93,291,216	7,600,000	96.84%	7,359,840	7,283,840
U.S.D. No. 310	47,667,548	4,790,000	97.07%	4,649,653	4,649,653
U.S.D. No. 311 ^{vv}	23,136,471	7,555,000	93.83%	7,088,857	6,711,107
U.S.D. No. 312 ^{vv}	104,086,815	7,265,000	91.81%	6,669,997	6,669,997
U.S.D. No. 313 ^{vv}	201,327,021	28,255,000	97.56%	27,565,578	24,748,678
City of Buhler	8,265,916	955,000	100.00%	955,000	955,000
City of Haven	8,703,004	4,870,307	100.00%	4,870,307	4,870,307
City of Hutchinson	362,465,300	44,685,000	100.00%	44,685,000	44,685,000
City of Nickerson	4,776,326	2,715,000	100.00%	2,715,000	2,715,000
City of Pretty Prairie	2,952,692	625,000	100.00%	625,000	625,000
City of South Hutchinson	27,087,263	7,675,000	100.00%	7,675,000	7,675,000
City of Sylvia	813,517	0	100.00%	0	0
City of Willowbrook	1,765,484	1,410,000	100.00%	1,410,000	1,410,000
Fire District No. 8 ^{vv}	27,872,599	0	100.00%	0	0
Fire District No. 9 ^{vv}	34,699,451	0	100.00%	0	0
Fire District Joint No. 2 ^{vv}	26,029,487	185,000	90.60%	167,610	167,610
Sewer District No. 3-10 ^{vv}	3,393,144	425,000	100.00%	425,000	425,000
Sewer District No. 8 ^{vv}	5,548,331	1,180,000	100.00%	1,180,000	1,180,000
			Total	<u>\$145,861,842</u>	<u>\$132,465,792</u>

Source: County Clerk

- (1) The State of Kansas established the school district Capital Improvement Fund ("CIF") in 1992 to assist school districts in making principal and interest payments on voted general obligation bond issues. Each school district that is obligated to make payments from its bond and interest fund is entitled to receive state aid from the CIF. A school district's entitlement of state aid from the CIF each year is determined by applying its state aid percentage factor to the bond and interest fund payment obligation for that year. Under current law, for USD No. 308 bonds approved by voters prior to July 1, 2015, the State of Kansas will pay 58% of debt service; bonds approved by voters after July 1, 2017, the State of Kansas will pay 22% of debt service. For USD No. 309 bonds approved by voters prior to July 1, 2015, the State of Kansas will pay 37% of debt service; bonds approved by voters after July 1, 2017, the State of Kansas will pay 1% of debt service. For USD No. 311 bonds approved by voters prior to July 1, 2015, the State of Kansas will pay 41% of debt service; bonds approved by voters after July 1, 2017, the State of Kansas will pay 5% of debt service. For USD No. 312 bonds approved by voters prior to July 1, 2015, the State of Kansas will pay 5% of debt service; bonds approved by voters after July 1, 2017, the State of Kansas will pay 0% of debt service. For USD No. 313 bonds approved by voters prior to July 1, 2015, the State of Kansas will pay 34% of debt service; bonds approved by voters after July 1, 2017, the State of Kansas will pay 0% of debt service.
- (2) The Board of County Commissioners, acting as governing body of certain fire districts, water districts and sewer districts in the County, issued general obligation bonds of those fire districts, water districts and sewer districts. These bonds are payable from such fire districts, water districts and sewer districts, which are separate taxing subdivisions.

Future Indebtedness

The County routinely incurs indebtedness in the form of notes and general obligation bonds to finance capital needs and expects to continue to routinely incur such indebtedness in future years.

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APPENDIX B

**FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
(FOR THE FISCAL YEAR ENDED 12/31/2023)**

RENO COUNTY, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2023

RENO COUNTY, KANSAS
 Financial Statement With Independent Auditors' Report
 For the Year Ended December 31, 2023

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RENO COUNTY, KANSAS
 Financial Statement With Independent Auditors' Report
 For the Year Ended December 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the County Commission
Reno County, Kansas
Hutchinson, Kansas

Report on the Audit of the Financial Statement

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Reno County, Kansas**, as of and for the year ended December 31, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County as of December 31, 2023, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the County as of December 31, 2023, 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.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the County 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.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 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.

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

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial

statements. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional 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 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 accompanying supplementary 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the County as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated July 12, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits>. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2023 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 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 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2022, 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 July 10, 2024, on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's 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.



ADAMSBROWN, LLC
Certified Public Accountants
Hutchinson, Kansas

July 10, 2024

RENO COUNTY, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Regulatory Basis Fund Types							
General Fund	\$ 12,154,292	-	25,658,315	22,690,369	15,122,238	1,479,808	16,602,046
Special Purpose Funds							
Road and Bridge Fund	985,056	-	7,369,176	6,815,021	1,539,211	324,074	1,863,285
Special Road Fund	1,214,746	-	85,219	226,902	1,073,063	-	1,073,063
Special Bridge Fund	2,512,504	-	705,553	2,261,081	956,976	2,176,638	3,133,614
Noxious Weed Fund	20,901	-	148,655	147,698	21,858	3,478	25,336
Noxious Weed Capital Outlay Fund	104,276	-	12,000	-	116,276	-	116,276
Public Health Fund	2,217,897	-	3,227,594	3,410,108	2,035,383	120,292	2,155,675
Public Health Capital Outlay Fund	413,201	-	250,000	-	663,201	-	663,201
Aging & Transit Fund	749,353	4,821	1,939,276	2,046,125	647,325	242,234	889,559
Mental Health Fund	20,584	-	449,858	452,025	18,417	-	18,417
TECH Center Fund	24,975	-	506,681	510,000	21,656	-	21,656
Employee Benefits Fund	4,936,353	-	6,914,105	8,304,081	3,546,377	-	3,546,377
Youth Services Fund	818,451	-	1,723,545	2,002,411	539,585	77,014	616,599
Historical Museum Fund	8,630	-	183,944	185,000	7,574	-	7,574
Special Parks and Recreation Fund	13,572	-	22,248	10,000	25,820	-	25,820
Special Alcohol and Drug Fund	38,524	-	24,006	10,000	52,530	-	52,530
CIP Fund	356,430	900	280,559	448,027	189,862	68,923	258,785
Special Equipment Fund	225,120	-	666,399	707,126	184,393	144,086	328,479
Fire District No. 2 General Fund	346,627	-	2,483,113	2,523,654	306,086	-	306,086
Fire District No. 3 General Fund	30,630	-	202,848	202,410	31,068	1,607	32,675
Fire District No. 4 General Fund	34,585	-	239,051	245,771	27,865	2,696	30,561
Fire District No. 6 General Fund	12,779	-	112,367	99,588	25,558	1,572	27,130
Fire District No. 7 General Fund	27,828	-	105,115	104,912	28,031	1,171	29,202
Fire District No. 8 General Fund	26,477	-	157,358	169,859	13,976	185	14,161
Fire District No. 9 General Fund	25,217	-	197,787	196,924	26,080	912	26,992
Fire District Jt. No. 1 RN-KM General Fund	23,608	-	162,907	165,696	20,819	6,457	27,276
Fire District Jt. No. 2 RN-HV General Fund	37,552	-	182,908	189,912	30,548	971	31,519
Sewer District No. 1 General Fund	8,792	-	9,785	5,955	12,622	-	12,622
Sewer District Nos. 3 and 10 General Fund	98,991	-	35,467	40,953	93,505	173	93,678
Sewer District No. 8 General Fund	146,794	-	100,951	106,748	140,997	185	141,182
Sewer District No. 201 General Fund	14,720	-	54,908	31,875	37,753	429	38,182
Sewer District No. 202 General Fund	26,095	-	60,093	36,364	49,824	233	50,057
Water District No. 8 General Fund	468,462	-	104,171	81,385	491,248	1,140	492,388
Water District No. 101 General Fund	41,012	-	62,772	47,716	56,068	3,377	59,445
Special Highway Improvement Fund	1,828,013	-	500,000	-	2,328,013	-	2,328,013
Road & Bridge Special Machinery Fund	135,000	-	175,000	-	310,000	-	310,000
K-14 Highway Fund	2,972,243	-	-	31,926	2,940,317	-	2,940,317
Register of Deeds Technology Fund	268,804	-	60,748	153,452	176,100	53,650	229,750
Clerk Technology Fund	43,331	-	15,187	13,246	45,272	-	45,272
Treasurer Technology Fund	92,244	-	15,187	-	107,431	-	107,431
County Technology Equipment and Services Fund	99,765	-	50,000	45,734	104,031	28,570	132,601
County CIP Reserve Fund	4,599,414	-	1,571,000	1,822,609	4,347,805	730,692	5,078,497
County Equipment Reserve Fund	1,052,661	-	861,000	-	1,913,661	-	1,913,661
County Economic Development Reserve Fund	726,500	-	386,500	-	1,113,000	-	1,113,000

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

RENO COUNTY, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Special Purpose Funds (continued)							
Fire District No. 3 Special Fund	\$ 325,452	-	30,715	73,147	283,020	-	283,020
Fire District No. 4 Special Fund	511,852	-	113,350	365,270	259,932	276,506	536,438
Fire District No. 6 Special Fund	82,279	-	42,465	12,852	111,892	-	111,892
Fire District No. 7 Special Fund	321,731	-	49,000	35,000	335,731	-	335,731
Fire District No. 8 Special Fund	267,085	-	10,000	154,773	122,312	86,511	208,823
Fire District No. 9 Special Fund	513,619	-	128,025	7,781	633,863	-	633,863
Fire District Jt. No. 1 RN-KM Special Fund	160,326	-	50,017	24,982	185,361	-	185,361
Fire District Jt. No. 2 RN-HV Special Fund	215,213	-	71,500	41,865	244,848	217,886	462,734
Sewer District No. 1 Reserve Fund	-	-	3,000	-	3,000	-	3,000
Sewer District Nos. 3 and 10 Reserve Fund	-	-	25,000	-	25,000	-	25,000
Sewer District No. 8 Reserve Fund	-	-	25,000	-	25,000	-	25,000
Sewer District No. 201 Reserve (formerly Replacement) Fund	16,030	-	9,000	-	25,030	-	25,030
Sewer District No. 202 Reserve (formerly Replacement) Fund	105,255	-	14,000	-	119,255	-	119,255
Water District No. 8 Reserve Fund	-	-	32,000	-	32,000	-	32,000
Water District No. 101 Reserve Fund	-	-	15,000	-	15,000	-	15,000
Emergency Management Citizens Corp. Fund	16,293	-	-	11,077	5,216	179	5,395
Field Correction Offices Special Rental Fund	481,125	-	97,917	36,433	542,609	2,258	544,867
American Rescue Plan Act Fund	782,005	-	414,915	54,707	1,142,213	8,520,527	9,662,740
LATCF Federal Grant Fund	50,000	-	50,000	-	100,000	-	100,000
Municipalities Fight Addiction Fund	11,556	-	155,369	50,000	116,925	-	116,925
Public Health Federal Grant Fund	-	-	13,580	12,314	1,266	-	1,266
Bond and Interest Funds							
Bond and Interest Fund	550,702	-	1,463,982	1,749,800	264,884	-	264,884
Fire District No. 9 Bond and Interest Fund	6,922	-	61,004	62,500	5,426	-	5,426
Fire District Jt. No. 2 RN-HV Bond and Interest Fund	3,448	-	27,705	25,641	5,512	-	5,512
Sewer District Nos. 3 and 10 Bond and Interest Fund	58,563	-	38,890	41,875	55,578	-	55,578
Sewer District No. 8 Bond and Interest Fund	96,408	-	100,694	102,750	94,352	-	94,352
Capital Project Funds							
Courthouse Capital Project Fund	31,813	14,725	7,546	54,084	-	-	-
Landfill Improvement Fund	152,026	-	1,860	153,886	-	-	-
Sewer Districts 201 & 202 Improvement Fund	-	-	355,409	355,093	316	215	531
Business Funds							
Solid Waste Fund	5,322,574	-	6,121,237	5,914,797	5,529,014	227,832	5,756,846
Solid Waste Post-Closure Fund	6,919,613	-	1,292,573	685,649	7,526,537	387,398	7,913,935
Internal Services Fund	69,360	-	528,297	494,436	103,221	23,570	126,791
Self-Insurance Fund	4,677,076	-	5,282,010	5,278,237	4,680,849	653,023	5,333,872
Trust Funds							
Motor Vehicle Special Fund	76,386	-	523,826	549,815	50,397	22,507	72,904
Prosecuting Attorneys Training Fund	2,360	-	6,061	4,485	3,936	361	4,297
Law Enforcement Drug Unit Fund	6,747	-	32,671	33,216	6,202	598	6,800
Special Prosecutor Trust for Drug Asset Forfeitures Fund	21,114	-	1,106	7,346	14,874	-	14,874
Prosecutor Administration Fees Fund	781	-	106	-	887	-	887
Total Primary Government (Excluding Distributable and Agency Funds)	<u>\$ 61,858,723</u>	<u>20,446</u>	<u>75,268,186</u>	<u>72,936,474</u>	<u>64,210,881</u>	<u>15,889,938</u>	<u>80,100,819</u>

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

RENO COUNTY, KANSAS
 Summary Statement of Receipts, Expenditures and Unencumbered Cash
 Regulatory Basis
 For the Year Ended December 31, 2023

Composition of Cash

Reno County Accounts		
Checking Accounts and Money Market Accounts	\$	2,009,469
Certificates of Deposit		86,416,455
Cash and Undeposited Checks on Hand		7,766
Reno County Temporary Notes		355,000
Kansas Municipal Investment Pool		<u>62,711,335</u>
Cash Composition of Reno County Accounts		<u>151,500,025</u>
Clerk of the District Court and Law Library Accounts		
Checking Accounts and Money Market Accounts		922,324
Certificates of Deposit		54,876
Cash on Hand		<u>540</u>
Cash Composition of Clerk of the District Court and Law Library		<u>977,740</u>
Total Cash		152,477,765
Distributable Funds, State Funds and Subdivision Funds per Schedule 3-1		(69,449,459)
Agency Funds per Schedule 3-2		<u>(2,927,487)</u>
Total Primary Government (Excluding Distributable and Agency Funds)	\$	<u><u>80,100,819</u></u>

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

RENO COUNTY, KANSAS
Notes to Financial Statement
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reno County, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The County is a municipal corporation governed by an elected five-member commission. This financial statement does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the County and/or its constituents.

Extension Council

Reno County 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 executive board. The County annually provides significant operating subsidies to the Council. Audited financial statements can be obtained by contacting the Extension Council.

Public Building Commission

Reno County Public Building Commission (PBC) was created by County resolution to finance the acquisition, construction and improvement of certain public buildings to be used for County related offices. The PBC has a three-member board appointed by the Reno County Commission. Unaudited financial statements can be obtained by contacting the County Administration office.

Included in Schedule 3-2, Agency Funds, are the accounts of the Clerk of the District Court and the Law Library.

Basis of Presentation – Fund Accounting

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

The following types of funds comprise the financial activities of the County for the year ended December 31, 2023.

Regulatory Basis Fund Types

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific revenue 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.

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

RENO COUNTY, KANSAS
Notes to Financial Statement
December 31, 2023

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

Trust Fund – fund used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

Basis of Accounting

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

Reimbursements

The County records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

NOTE 2 – 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 (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

If the County is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The County did hold a revenue neutral rate hearing this year.

RENO COUNTY, KANSAS
Notes to Financial Statement
December 31, 2023

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues 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 capital project funds, trust funds, and the following special purpose funds and business funds:

Special Highway Improvement Fund	Fire District Jt. No. 1 RN-KM Special Fund
Road & Bridge Special Machinery Fund	Fire District Jt. No. 2 RN-HV Special Fund
K-14 Highway Fund	Sewer District No. 1 Reserve Fund
Register of Deeds Technology Fund	Sewer District Nos. 3 and 10 Reserve Fund
Clerk Technology Fund	Sewer District No. 8 Reserve Fund
Treasurer Technology Fund	Sewer District No. 201 Reserve (formerly Replacement) Fund
County Technology Equipment and Services Fund	Sewer District No. 202 Reserve (formerly Replacement) Fund
County CIP Reserve Fund	Water District No. 8 Reserve Fund
County Equipment Reserve Fund	Water District No. 101 Reserve Fund
County Economic Development Reserve Fund	Emergency Management Citizens Corp. Fund
Fire District No. 3 Special Fund	Field Correction Offices Special Rental Fund
Fire District No. 4 Special Fund	American Rescue Plan Act Fund
Fire District No. 6 Special Fund	LATCF Federal Grant Fund
Fire District No. 7 Special Fund	Municipalities Fight Addiction Fund
Fire District No. 8 Special Fund	Public Health Federal Grant Fund
Fire District No. 9 Special Fund	Self-Insurance 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.

NOTE 3 – DEPOSITS AND INVESTMENTS

Reno County, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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 County 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 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.

RENO COUNTY, KANSAS
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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. The rating of the County's investments is noted below.

As of December 31, 2023, the County had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities (in years) Less than One	Rating
Kansas Municipal Investment Pool	\$ 62,711,335	62,711,335	N/A

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 K.S.A. 9-1405. The County's allocation of investments as of December 31, 2023, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

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, Clerk of the District Court and Law Library do not use "peak periods". All deposits were not legally secured at December 31, 2023.

At December 31, 2023, the County's carrying amount of bank deposits was \$88,788,690 (including \$7,766 cash on hand and \$355,000 temporary notes) and the bank balance was \$88,771,626. The bank balance was held by six banks resulting in a concentration of credit risk. Of the bank balance, \$81,498,044 was covered by federal depository insurance and \$6,756,313 was collateralized with securities held by the pledging financial institutions' agents in the County's name, resulting in \$517,269 unsecured at December 31, 2023, due to a transaction being in-transit at year end which would have provided an additional \$1,477,000 of federal depository insurance. The County and its bank subsequently put procedures in place to add additional collateralized securities and to further add collateralized securities any day necessary before the banking cutoff time to avoid security shortages.

At December 31, 2023, the Clerk of the District Court's and the Law Library's carrying amount of bank deposits was \$977,740 (including \$540 cash on hand) and the bank balance was \$991,182. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance, \$473,527 was collateralized with securities held by the pledging financial institution's agents in the name of the State of Kansas, designated for the Clerk of the District Court and \$17,655 was collateralized with securities held by the pledging financial institutions' agents in the Law Library's name.

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.

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At December 31, 2023, the County had invested \$62,771,335 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 4 – 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. **Reno County, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2023 were as follows:

From	To	Regulatory Authority	Amount
Motor Vehicle Special Fund	General Fund	K.S.A. 8-145	\$ 76,386
General Fund	Youth Services Fund	Commission	400,000
General Fund	Aging & Transit Fund	Commission	437,340
General Fund	County Economic Development Reserve Fund	Commission	386,500
General Fund	Community Corrections Fund	Budgetary	75,000
General Fund	County CIP Reserve Fund	K.S.A. 19-120	1,500,000
General Fund	County Equipment Reserve Fund	K.S.A. 19-119	736,000
Aging & Transit Fund	County Equipment Reserve Fund	K.S.A. 19-119	75,000
Road and Bridge Fund	Special Highway Improvement Fund	K.S.A. 68-590	500,000
Road and Bridge Fund	Road & Bridge Special Machinery Fund	K.S.A. 68-141g	175,000
CIP Fund	County CIP Reserve Fund	K.S.A. 19-120	71,000
Special Equipment Fund	County Equipment Reserve Fund	K.S.A. 19-119	50,000
Fire District No. 3 General Fund	Fire District No. 3 Special Fund	K.S.A. 19-3612c	21,000
Fire District No. 4 General Fund	Fire District No. 4 Special Fund	K.S.A. 19-3612c	100,000
Fire District No. 6 General Fund	Fire District No. 6 Special Fund	K.S.A. 19-3612c	9,000
Fire District No. 7 General Fund	Fire District No. 7 Special Fund	K.S.A. 19-3612c	49,000
Fire District No. 8 General Fund	Fire District No. 8 Special Fund	K.S.A. 19-3612c	10,000
Fire District No. 9 General Fund	Fire District No. 9 Special Fund	K.S.A. 19-3612c	100,000
Fire District Jt. No. 1 RN-KM General Fund	Fire District Jt. No. 1 RN-KM Special Fund	K.S.A. 19-3612c	50,000
Fire District Jt. No. 2 RN-HV General Fund	Fire District Jt. No. 2 RN-HV Special Fund	K.S.A. 19-3612c	70,000
Fire District Jt. No. 2 RN-HV Bond and Interest Fund	Fire District Jt. No. 2 RN-HV General Fund	K.S.A. 10-117a	4,000
Sewer District No. 1 General Fund	Sewer District No. 1 Reserve Fund	K.S.A. 12-631o	3,000
Sewer District Nos. 3 and 10 General Fund	Sewer District Nos. 3 and 10 Reserve Fund	K.S.A. 12-631o	25,000
Sewer District No. 8 General Fund	Sewer District No. 8 Reserve Fund	K.S.A. 12-631o	25,000
Sewer District No. 201 General Fund	Sewer District No. 201 Reserve Fund	K.S.A. 12-631o	9,000
Sewer District No. 202 General Fund	Sewer District No. 202 Reserve Fund	K.S.A. 12-631o	14,000
Water District No. 8 General Fund	Water District No. 8 Reserve Fund	K.S.A. 19-3516	32,000
Water District No. 101 General Fund	Water District No. 101 Reserve Fund	K.S.A. 19-3516	15,000
Noxious Weed Fund	Noxious Weed Capital Outlay Fund	K.S.A. 2-1318	12,000
Public Health Fund	Public Health Capital Outlay Fund	Commission	250,000
Solid Waste Fund	Solid Waste Post-Closure Fund	K.S.A. 65-3410	1,292,573
Solid Waste Fund	Bond and Interest Fund	Budgetary	250,950
Sewer District No. 8 General Fund	Sewer District No. 8 Bond and Interest Fund	Budgetary	50,375
Courthouse Capital Project Fund	Bond and Interest Fund	Budgetary	52,257
Landfill Improvement Fund	Bond and Interest Fund	Budgetary	151,194
Register of Deeds Technology Fund	County Technology Equipment and Services Fund	K.S.A. 28-115a	50,000
Employee Benefits Fund	Self-Insurance Fund	K.S.A. 12-2615	4,096,269

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NOTE 5 – CAPITAL PROJECTS

The County adopted Resolution 2020-30 on September 22, 2020 authorizing \$3,515,000 of estimated project cost for construction, installation, furnishing and equipping of weatherization, window restoration, exterior earthquake repairs and interior plaster repairs to be made to the Reno County Courthouse. A 2021 change order of \$19,200 for additional dome repairs was authorized, then in 2022 the County authorized a construction change order of \$928,441 for further repairs to the Courthouse dome, decreased to a net of \$883,741 upon a change order credit being received. On April 26, 2022, the County authorized an additional \$16,500, for architect fees due to the additional dome repair work. A change order decrease of \$12,850 for the weatherization project was executed with the contractor in May of 2023, lowering our cost. At the same time, a change order decrease with the architect for the weatherization project lowered our cost by \$1,875. The issuance of Series 2021 General Obligation Refunding and Improvement Bonds provided \$2,350,950 to the Courthouse Improvement Fund for the project. The improvements have been paid from proceeds of those General Obligation bonds, insurance proceeds and available funds of the County.

The Courthouse Improvement project was certified as complete in May 2023. After final payments of \$129,474 in 2023, the \$52,257 excess remaining in the Courthouse Capital Project Fund was transferred to the County’s Bond and Interest Fund to be available for payment of debt service on the Series 2021 bonds.

The cumulative expenditures for this project from inception to completion were as follows:

	Cumulative Expenditures from Inception through December 31, 2023
Weatherization	\$ 393,525
Windows	1,834,990
Subtotal	2,228,515
Earthquake Repairs (Insurance Reimbursed)	1,324,461
Earthquake Repairs (County Funds)	762,840
Subtotal	2,087,301
Total	\$ 4,315,816

The State of Kansas issued Reno County \$888,709 of State Rehabilitation Tax Credits (“Historic Tax Credits”) at the conclusion of this project. Upon completion of a bid process authorized by the County, the Historic Tax Credits were sold in early 2024, with the \$831,832 realized from the sale on April 29, 2024, received by the County’s General Fund and Bond and Interest Fund in the amount of \$416,916 each.

The County adopted Resolution 2020-31 on November 3, 2020 authorizing \$4,940,000 of estimated purchasing and financing cost for certain refuse disposal improvements at the refuse disposal site in Reno County. The issuance of Series 2021 General Obligation Refunding and Improvement Bonds provided \$3,315,318 to the Landfill Improvement Fund for the project. The improvements went into operation in 2022. The cumulative expenditures were \$3,168,231 from inception until completion. In May 2023, after final payments, the \$151,194 excess remaining in the Landfill Improvement Fund was transferred to the County’s Bond and Interest Fund to be available for payment of debt service on the Series 2021 bonds.

The County adopted Resolutions 2023-15 and 2023-16 on July 12, 2023 authorizing certain sewer treatment improvements to serve Sewer District Nos. 201 (Yoder) and 202 (H.A.B.I.T) at an estimated cost, including finance and interest costs, of \$6,133,100. In those resolutions, \$355,000 of General Obligation Temporary Notes of the County were authorized (and issued on July 27, 2023 as Series 2023) to pay a

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portion of the costs of the improvements. Expenditures from the improvement fund through December 31, 2023 were \$355,093 (\$354,878 from cash and accounts payable and from encumbrances of \$215). To finance additional improvement costs, including engineering design, easements and other costs, additional General Obligation Temporary Notes of \$450,000 were authorized and issued May 9, 2024 pursuant to Resolution 2024-10 on April 10, 2024 and Resolution 2024-12 on April 24, 2024. The Temporary Notes and all costs related to these sewer districts will be paid by the customers of the districts.

NOTE 6 – LITIGATION

Reno County, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the County.

NOTE 7 – RISK MANAGEMENT

Reno County, Kansas is exposed to various risks of loss related to torts; damage to and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than related to employee health benefits. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Workers compensation coverage written by private carriers was found by the County to be priced unjustifiably high. Accordingly, the County joined Kansas Workers Risk Cooperation for Counties (KWORCC), a group-funded government risk workers compensation insurance program with 94 government members.

The County pays an annual premium to KWORCC for its workers compensation insurance coverage. The agreement to participate provides that the KWORCC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$750,000 to \$1,000,000 for each insured incident. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KWORCC management.

NOTE 8 – GRANTS AND SHARED REVENUES

Reno County, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the County, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 9 – ECONOMIC INCENTIVES

Reno County, Kansas' Economic Development Job Incentive Policy was amended and restated September 13, 2016, and further amended and restated on March 5, 2019, for Applicants (employers) who create new employment within **Reno County, Kansas**. The policy establishes criteria under which the County may agree to offer and pay cash incentives to approved Applicants. Among other provisions, the Applicant is required to satisfy to the County that the proposed job creation would not take place but for the payment of cash incentives. The policy requires Development Agreements to be negotiated and executed between Reno County and the Applicant. These agreements require at least four consecutive quarters of verified qualifying employment prior to the County making any payment, any future payments are dependent on job creation levels achieved and subject to funds being budgeted annually by the County and being available for said purpose under Kansas Cash Basis Law.

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During the year ended December 31, 2023, the County paid \$13,500 to Superior Holdings, Inc. for 15 new jobs created (in addition to 17 created the prior year) under a 2023 amendment to a 2020 agreement for incentives on a maximum 52 new jobs.

NOTE 10 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Expenditures exceeded available monies in the following fund, which is a violation of K.S.A. 10-1113:

Payroll Clearing Fund	\$ (13,724)
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The Payroll Clearing Fund is operated on a reimbursement basis; therefore, the fund is expected to have such a negative cash balance.

NOTE 11 – HEALTH CARE SELF-INSURANCE CLAIMS

Reno County, Kansas established a limited risk management program for employees' health care coverage effective October 1, 2015.

Acting on behalf of the County, most medical and prescription drug claims are paid by a Third-Party Administrator ("TPA"), which has been Allied Benefit LLC, or "Allied" since October 1, 2022. The contract between the County and its TPA is renewable annually and includes monthly administrative fees. The TPA pays claims from the County's local PPO network and national wrap-around PPO network and Pharmacy Benefit Manager ("PBM"), as well as a Patient Assistance Program vendor. The County reimburses the TPA weekly for claims paid.

The County also offers a Fair Market Health incentive for members covered under the County's group health plan to utilize high quality, low-cost providers that participate with the Fair Market Health ("FMH") Program. The County generally reimburses the FMH claims daily.

Protecting the County against unanticipated catastrophic loss, the County purchased specific stop loss coverage and aggregate stop loss coverage through Granular Insurance Company ("Granular") for the plan year ending September 30, 2024. The stop-loss premiums are billed monthly by the TPA. The specific stop-loss coverage provides protection to Reno County for annual medical/prescription drug claims over \$125,000 per individual and aggregate annual medical/prescription drug claims over \$4,395,923, up to a maximum benefit of \$1,000,000 to the County. The aggregate stop-loss attachment point was calculated at 125% of annualized expected medical/prescription drug claims factors.

Effective October 1, 2021, dental insurance has been provided through Delta Dental, or "Delta", with administration fees paid monthly, and dental claims reimbursed to Delta weekly. The dental claims paid by the County are capped at \$1,500 annually per individual.

As of December 31, 2023, the County has recorded in the Self-Insurance Fund \$653,023 of encumbrance payable for incurred but unpaid health care claims, based on claims paid through April 26, 2024 for 2023 health care services.

Self-Insurance Liability	Beginning of Fiscal Year Balance	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Assets Available To Pay Claims At Year End
2022	\$ 744,506	4,653,365	4,805,779	592,092	5,269,168
2023	592,092	4,417,954	4,537,023	653,023	5,333,872

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NOTE 12 – DEFERRED COMPENSATION PLAN

Reno County, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The County is not required to make any contributions.

NOTE 13 – DEFINED BENEFIT PENSION

General Information about the Pension Plan

Plan Description

Reno County, Kansas participates in the Kansas Public Employees Retirement System (KPERs) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. KPERs and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs and KP&F issue 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 or by writing to KPERs (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERs member-employee contribution rates. KPERs has multiple benefit structures and contribution rates depending on whether the employee is a KPERs 1, KPERs 2 or KPERs 3 member. KPERs 1 members are active and contributing members hired before July 1, 2009. KPERs 2 members were first employed in a covered position on or after July 1, 2009, and KPERs 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERs member-employee contribution rate at 6% of covered salary for KPERs 1, KPERs 2 and KPERs 3 members. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7.15% of covered salary. 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, KPERs 3 and KP&F 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 8.43% for KPERs and 22.86% for KP&F for the fiscal year ended December 31, 2023. Contributions to the pension plan from the County were \$1,577,664 for KPERs and \$731,225 for KP&F for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, the County's proportionate share of the collective net pension liability reported by KPERs was \$15,934,133 and \$7,334,246 for KP&F. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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.

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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 or can be obtained as described above.

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **Reno County, Kansas** allows retirees to participate in the group health insurance program. 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.

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, 2023.

NOTE 15 – COMPENSATED ABSENCES

Sick Leave

Sick leave is granted for full-time, 40 hours per week employment (regular part-time employees earn it on a pro-rated basis) at the rate of 3.7 hours each pay period. Sick leave begins for eligible employees following the initial six months of employment. An employee may accumulate no more than 1,120 hours of sick leave. Any employee retiring from the County shall be reimbursed for 25% of any unused sick leave. An employee who voluntarily resigns or is laid off and is not eligible for KPERS or KP&F retirement, may also receive a payout based on longevity after 10 years of continuous service.

Personal Leave

Personal Leave Time (“PLT”) accrues from the first pay period of employment and may be used upon approval of the supervisor. PLT may be accumulated for a maximum carryover of 250 hours for employees with 9 or fewer years of service and 275 hours for employees with 10 or more years of service at the end of any year. Unused PLT will be due to an employee who terminates employment with the County and is to be paid on the payroll following the final date of employment, for individuals employed six months or more who give required notice. PLT with pay is granted for full-time, 40 hours per week employment in the following schedule (regular part-time employees earn PLT on a pro-rated basis):

<u>Years of Service</u>	<u>Amount Earned</u>
5 years or less	112 hours
6 years	120 hours
7 years	128 hours
8 years	136 hours
9 years	144 hours
10 years	152 hours
11 – 14 years	160 hours
15+ years	176 hours

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Compensatory Time

Some departments grant compensatory time to hourly employees in lieu of overtime for hours worked in excess of 40 hours per week. A Compensatory Time Off Agreement form must be signed prior to the accumulation of any comp time hours. Compensatory time may be limited, preserved, used or cashed out consistent with provisions of applicable laws and regulations of the U.S. Department of Labor.

NOTE 16 – LANDFILL CLOSURE AND POST-CLOSURE COSTS

State and federal laws and regulations require **Reno County, Kansas** to place a final cover on its landfill site when it stops accepting waste and also to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County has a potential liability for a portion of this closure and post-closure care costs in each period based on the landfill capacities used as of each year end.

Disposal Unit	Permit No.	Total Estimated Cost	Estimated Closure Cost	Estimated Post-Closure Cost
Municipal Solid Waste (MSW) Landfill (Site D)	723	\$ 16,098,208	\$5,119,589	\$10,978,619
Compost Facility	723	\$36,789	\$36,789	-
Construction & Demolition Landfill (Site E - Phases 1 & 2)	723	\$742,579	\$570,055	\$172,524
Pre-Subtitle D MSW Landfill (Site A) (closed site)	723	\$718,290	-	\$718,290
Pre-Subtitle D MSW Landfill (Site C) (closed site)	723	\$593,190	-	\$593,190
Household Hazardous Waste (HHW) Facility	607	\$53,580	\$53,580	-
Totals		\$ 18,242,636	\$5,780,013	\$12,462,623

The above figures have been estimated and the potential for change due to inflation or deflation, technology, or applicable laws or regulations, exists to affect the above calculations.

At December 31, 2023, the permit for 2024 identifies that the remaining volume capacity of the site is 56% of the original capacity and that the remaining life of the landfill is 60.77 years.

The County is also required by regulations to provide financial assurance for the closure and post-closure costs. The allowable mechanisms for this financial assurance are as follows: 1) trust fund, 2) surety bond guaranteeing payment or performance, 3) letter of credit, 4) insurance certificate, and 5) a financial test for local governments. The County has elected to use the financial test to provide financial assurance.

The County is in compliance with the financial test as of December 31, 2023.

NOTE 17 – LONG-TERM DEBT

Reno County, Kansas has the following types of long-term debt.

General Obligation Bonds

On November 15, 2007, the County issued \$740,000 in Series 2007 Fire District No. 9 General Obligation Bonds for the purpose of capital improvements. The final payments were made in 2023.

On December 19, 2012, the County issued \$5,925,000 in Series 2012 General Obligation Refunding Bonds for the purpose of refunding Series 2004-1, 2006-1, 2006-2 and 2007 bonds.

On September 3, 2015, the County issued \$260,000 in Series 2015 Prairie Dunes / Linksland General Obligation Bonds for the purpose of capital improvements.

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On September 28, 2017, the County issued \$550,000 in Series 2017 Sewer District No. 3 and 10 Blue Spruce General Obligation Bonds for the purpose of capital improvements.

On December 20, 2018, the County issued \$1,350,000 in Series 2018 Sewer District No. 8 Highlands General Obligation Bonds for the purpose of capital improvements.

On June 18, 2019, the County issued \$240,000 in Series 2019 Fire District Jt. No. 2 RN-HV General Obligation Bonds for the purpose of capital improvements.

On February 25, 2021, the County issued \$12,080,000 in Series 2021 General Obligation Refunding and Improvement Bonds for the purpose of refunding Series 2010 bonds, paying off Series 2019 General Obligation Temporary Notes and providing additional financing for costs of replacing certain bridges and providing financing for courthouse improvements and refuse disposal improvements.

Temporary Notes

On July 27, 2023, the County issued \$355,000 in Series 2023 SD 201 Yoder and SD 202 H.A.B.I.T. General Obligation Temporary Notes for the purpose of capital improvements.

Lease Obligations

The County has entered into various finance lease agreements for the use of property and equipment. All the leases contain a fiscal funding clause.

On May 21, 2019, the County signed a \$82,545 finance lease, with Peoples Bank and Trust Company. The lease is for a pumper truck for Fire District Jt. No. 1 RN-KM. The final payment was made in 2023.

On November 5, 2021, the County's sixty-month lease with 360 Document Solutions began for thirty-five MFP machines or multi-function printer-scanner-copier-fax machines.

On February 15, 2022, the County's sixty-month lease with Axon Enterprise, Inc. began for forty-five Tasers and associated items.

On March 2, 2022, the County's sixty-month lease began with Quadiant Leasing for a mail machine with folder/insertor.

On February 2, 2023, the County's thirty-six month lease began with Know Ink for seventy election poll pads. Renewal provisions for an additional three years exist.

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Changes in long-term liabilities for the County for the year ended December 31, 2023, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Special Assessment GO Bonds									
Prairie Dunes / Linksland Series 2015	3.125-3.750%	09/03/15	\$ 260,000	09/01/35	\$ 190,000	-	10,000	180,000	6,712
Fire District GO Bonds									
Fire District No. 9 Series 2007	3.45-4%	11/15/07	740,000	06/01/23	65,000	-	65,000	-	1,300
Fire District Jt. No. 2 RN-HV Series 2019	3.32%	06/18/19	240,000	09/01/34	200,000	-	15,000	185,000	6,640
Total GO Bonds Paid by Fire Districts					265,000	-	80,000	185,000	7,940
Sewer District GO Bonds									
SDs 3 and 10 Blue Spruce Series 2017	3.75%	09/28/17	550,000	09/01/37	450,000	-	25,000	425,000	16,875
SD 8 Highlands Series 2018	3-4%	12/20/18	1,350,000	09/01/39	1,235,000	-	55,000	1,180,000	47,750
Total GO Bonds Paid by Sewer Districts					1,685,000	-	80,000	1,605,000	64,625
County GO Bonds									
GO Refunding Bonds Series 2012	2.0-3.0%	12/19/12	5,925,000	09/01/28	1,795,000	-	250,000	1,545,000	38,538
GO Refunding and improvement Bonds Series 2021	3.0-4.0%	02/25/21	12,080,000	09/01/36	11,020,000	-	1,055,000	9,965,000	388,350
Total Paid by County GO Bonds					12,815,000	-	1,305,000	11,510,000	426,888
Total General Obligation Bonds					14,955,000	-	1,475,000	13,480,000	506,165
Temporary Notes									
SD 201 Yoder & SD 202 H.A.B.I.T GO Temporary Notes Series 2023	3.50%	07/27/23	355,000	08/01/25	-	355,000	-	355,000	-
County Finance Leases									
360 Document Solutions (MFP machines)	0.00%	11/05/21	131,599	11/05/26	100,892	-	26,320	74,572	-
Axon Enterprise, Inc. (Tasers)	0.00%	02/15/22	107,500	03/14/27	88,000	-	22,000	66,000	-
Quadient Leasing (mail machine)	0.00%	03/02/22	76,667	03/02/27	65,167	-	15,334	49,833	-
Know Ink (Election Poll Pads)	0.00%	02/02/23	27,432	02/02/26	-	27,432	10,416	17,016	-
Total County Capital Leases					254,059	27,432	74,070	207,421	-
Special District Finance Leases									
Reno/Kingman Jt 1 Fire Dist. Pumper Truck	3.50%	05/21/19	82,545	07/01/23	21,797	-	21,797	-	763
Total Contractual Indebtedness of Reno County					\$ 15,230,856	382,432	1,570,867	14,042,421	506,928

RENO COUNTY, KANSAS
Notes to Financial Statement
December 31, 2023

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

Issue	Years								Total
	2024	2025	2026	2027	2028	2029-2033	2034-2038	2039	
Principal									
General Obligation Bonds	\$ 1,520,000	1,540,000	995,000	1,035,000	1,080,000	4,195,000	3,015,000	100,000	13,480,000
Temporary Notes	-	355,000	-	-	-	-	-	-	355,000
Finance Leases	71,526	72,797	59,265	3,833	-	-	-	-	207,421
Total Principal	<u>1,591,526</u>	<u>1,967,797</u>	<u>1,054,265</u>	<u>1,038,833</u>	<u>1,080,000</u>	<u>4,195,000</u>	<u>3,015,000</u>	<u>100,000</u>	14,042,421
Interest									
General Obligation Bonds	454,267	400,257	344,558	310,198	274,501	910,633	234,502	4,000	2,932,916
Temporary Notes	-	24,850	-	-	-	-	-	-	24,850
Total Interest	<u>454,267</u>	<u>425,107</u>	<u>344,558</u>	<u>310,198</u>	<u>274,501</u>	<u>910,633</u>	<u>234,502</u>	<u>4,000</u>	2,957,766
Total Principal and Interest	\$ <u>2,045,793</u>	<u>2,392,904</u>	<u>1,398,823</u>	<u>1,349,031</u>	<u>1,354,501</u>	<u>5,105,633</u>	<u>3,249,502</u>	<u>104,000</u>	<u>17,000,187</u>

RENO COUNTY, KANSAS

Regulatory-Required Supplementary Information

RENO COUNTY, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Regulatory Basis Fund Types					
General Fund	\$ 28,016,457	-	28,016,457	22,690,369	(5,326,088)
Special Purpose Funds					
Road and Bridge Fund	7,175,225	-	7,175,225	6,815,021	(360,204)
Special Road Fund	791,465	-	791,465	226,902	(564,563)
Special Bridge Fund	2,750,000	-	2,750,000	2,261,081	(488,919)
Noxious Weed Fund	151,021	-	151,021	147,698	(3,323)
Noxious Weed Capital Outlay Fund	99,776	-	99,776	-	(99,776)
Public Health Fund	3,875,395	-	3,875,395	3,410,108	(465,287)
Public Health Capital Outlay Fund	433,480	-	433,480	-	(433,480)
Aging & Transit Fund	2,563,058	-	2,563,058	2,046,125	(516,933)
Mental Health Fund	452,025	-	452,025	452,025	-
TECH Center Fund	510,000	-	510,000	510,000	-
Employee Benefits Fund	10,709,321	-	10,709,321	8,304,081	(2,405,240)
Youth Services Fund	2,482,214	-	2,482,214	2,002,411	(479,803)
Historical Museum Fund	185,000	-	185,000	185,000	-
Special Parks and Recreation Fund	27,256	-	27,256	10,000	(17,256)
Special Alcohol and Drug Fund	49,236	-	49,236	10,000	(39,236)
CIP Fund	557,000	-	557,000	448,027	(108,973)
Special Equipment Fund	868,009	-	868,009	707,126	(160,883)
Fire District No. 2 General Fund	2,656,713	-	2,656,713	2,523,654	(133,059)
Fire District No. 3 General Fund	219,710	-	219,710	202,410	(17,300)
Fire District No. 4 General Fund	255,275	-	255,275	245,771	(9,504)
Fire District No. 6 General Fund	110,325	-	110,325	99,588	(10,737)
Fire District No. 7 General Fund	121,870	-	121,870	104,912	(16,958)
Fire District No. 8 General Fund	177,910	-	177,910	169,859	(8,051)
Fire District No. 9 General Fund	203,130	-	203,130	196,924	(6,206)
Fire District Jt. No. 1 RN-KM General Fund	169,620	-	169,620	165,696	(3,924)
Fire District Jt. No. 2 RN-HV General Fund	202,350	-	202,350	189,912	(12,438)
Sewer District No. 1 General Fund	6,145	-	6,145	5,955	(190)
Sewer District Nos. 3 and 10 General Fund	82,025	-	82,025	40,953	(41,072)
Sewer District No. 8 General Fund	148,877	-	148,877	106,748	(42,129)
Sewer District No. 201 General Fund	34,911	-	34,911	31,875	(3,036)
Sewer District No. 202 General Fund	48,872	-	48,872	36,364	(12,508)
Water District No. 8 General Fund	510,719	-	510,719	81,385	(429,334)
Water District No. 101 General Fund	59,496	-	59,496	47,716	(11,780)

RENO COUNTY, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Bond and Interest Funds					
Bond and Interest Fund	1,899,701	-	1,899,701	1,749,800	(149,901)
Fire District No. 9 Bond and Interest Fund	66,400	-	66,400	62,500	(3,900)
Fire District Jt. No. 2 RN-HV Bond and Interest Fund	27,740	-	27,740	25,641	(2,099)
Sewer District Nos. 3 and 10 Bond and Interest Fund	96,971	-	96,971	41,875	(55,096)
Sewer District No. 8 Bond and Interest Fund	187,750	-	187,750	102,750	(85,000)
Business Funds					
Solid Waste Fund	10,245,008	-	10,245,008	5,914,797	(4,330,211)
Solid Waste Post-Closure Fund	6,462,913	-	6,462,913	685,649	(5,777,264)
Internal Services Fund	590,846	-	590,846	494,436	(96,410)

RENO COUNTY, KANSAS
General Fund

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Interest Earned				
Interest Earned	\$ 779,682	3,462,365	25,000	3,437,365
Interest on Taxes	642,904	608,032	281,000	327,032
Total Interest Earned	<u>1,422,586</u>	<u>4,070,397</u>	<u>306,000</u>	<u>3,764,397</u>
Taxes				
Ad Valorem Tax	9,328,947	11,672,487	12,158,915	(486,428)
Neighborhood Revitalization	(63,647)	(68,285)	(79,683)	11,398
Delinquent Tax	277,521	405,213	-	405,213
Vehicle Tax	1,157,962	1,075,797	958,993	116,804
In Lieu of Tax	20,108	28,560	-	28,560
Severance Tax	23,679	20,802	10,000	10,802
Federal Land Entitlement	43,087	46,167	35,000	11,167
Sales and Liquor Tax	5,547,124	6,012,686	4,268,000	1,744,686
Total Taxes	<u>16,334,781</u>	<u>19,193,427</u>	<u>17,351,225</u>	<u>1,842,202</u>
Licenses, Permits and Fees				
County Officers' Fees	525,521	438,467	400,000	38,467
Other Licenses, Permits and Fees	478,517	434,494	316,750	117,744
Total Licenses, Permits and Fees	<u>1,004,038</u>	<u>872,961</u>	<u>716,750</u>	<u>156,211</u>
Reimbursements				
County Correctional Facility and Law Enf. Center Shared Expense	566,931	532,222	450,000	82,222
Federal Grants	11,495	24,756	12,000	12,756
State Aid	24,032	171,612	21,000	150,612
Other Reimbursements	645,218	688,796	509,500	179,296
Total Reimbursements	<u>1,247,676</u>	<u>1,417,386</u>	<u>992,500</u>	<u>424,886</u>
Miscellaneous				
Miscellaneous	660	1,673	5,000	(3,327)
Sale of Assets	3,603	26,085	-	26,085
Transfers In	74,010	76,386	25,000	51,386
Total Miscellaneous	<u>78,273</u>	<u>104,144</u>	<u>30,000</u>	<u>74,144</u>
Total Receipts	\$ <u>20,087,354</u>	<u>25,658,315</u>	<u>19,396,475</u>	<u>6,261,840</u>

RENO COUNTY, KANSAS**General Fund**

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
County Commission	\$ 58,936	59,407	60,850	(1,443)
County Clerk	303,006	314,730	315,977	(1,247)
County Treasurer	242,966	277,573	280,663	(3,090)
District Attorney	1,230,594	1,453,829	1,596,354	(142,525)
Register of Deeds	165,046	171,498	175,868	(4,370)
Sheriff	3,872,153	4,135,527	4,224,371	(88,844)
County Administration	537,016	570,696	560,484	10,212
District Court	541,952	577,497	616,140	(38,643)
Courthouse General	1,513,101	1,323,807	1,340,749	(16,942)
County General	5,372,095	6,173,885	11,062,729	(4,888,844)
Maintenance	864,424	898,597	1,051,482	(152,885)
Planning and Zoning	96,448	95,836	107,364	(11,528)
Emergency Management	335,507	373,205	388,166	(14,961)
Sheriff - Jail	3,681,212	3,720,358	3,638,209	82,149
Human Resources	229,364	246,462	259,683	(13,221)
Appraiser	708,053	740,413	772,147	(31,734)
County Clerk - Election	388,913	378,836	388,878	(10,042)
Information Technology	806,963	982,419	975,860	6,559
Auto Center	189,243	195,794	200,483	(4,689)
Total Expenditures	<u>21,136,992</u>	<u>22,690,369</u>	<u>28,016,457</u>	<u>(5,326,088)</u>
Receipts Over (Under) Expenditures	(1,049,638)	2,967,946		
Unencumbered Cash - Beginning	13,199,895	12,154,292		
Prior Year Cancelled Encumbrances	<u>4,035</u>	<u>-</u>		
Unencumbered Cash - Ending	\$ <u>12,154,292</u>	<u>15,122,238</u>		

RENO COUNTY, KANSAS

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
County Commission				
Personal Services	\$ 53,999	53,681	54,000	(319)
Contractual Services	1,923	5,346	4,350	996
Commodities	3,014	380	2,500	(2,120)
Total County Commission	<u>58,936</u>	<u>59,407</u>	<u>60,850</u>	<u>(1,443)</u>
County Clerk				
Personal Services	274,851	282,993	284,207	(1,214)
Contractual Services	25,807	29,126	27,170	1,956
Commodities	2,348	2,611	4,600	(1,989)
Total County Clerk	<u>303,006</u>	<u>314,730</u>	<u>315,977</u>	<u>(1,247)</u>
County Treasurer				
Personal Services	180,079	207,110	208,938	(1,828)
Contractual Services	36,632	40,544	40,275	269
Commodities	26,255	29,919	31,450	(1,531)
Total County Treasurer	<u>242,966</u>	<u>277,573</u>	<u>280,663</u>	<u>(3,090)</u>
District Attorney				
Personal Services	1,090,614	1,198,687	1,190,954	7,733
Contractual Services	78,508	211,749	356,400	(144,651)
Commodities	38,264	43,393	49,000	(5,607)
Capital Outlay	23,208	-	-	-
Total District Attorney	<u>1,230,594</u>	<u>1,453,829</u>	<u>1,596,354</u>	<u>(142,525)</u>
Register of Deeds				
Personal Services	151,536	160,346	160,663	(317)
Contractual Services	7,945	8,613	9,455	(842)
Commodities	3,910	2,539	5,750	(3,211)
Capital Outlay	1,655	-	-	-
Total Register of Deeds	<u>165,046</u>	<u>171,498</u>	<u>175,868</u>	<u>(4,370)</u>
Sheriff				
Personal Services	2,974,333	3,099,413	3,298,628	(199,215)
Contractual Services	348,001	397,508	382,938	14,570
Commodities	318,545	400,532	455,123	(54,591)
Capital Outlay	229,773	36,388	85,682	(49,294)
Miscellaneous	1,501	1,686	2,000	(314)
Transfer Out to County Equipment Reserve Fund	-	200,000	-	200,000
Total Sheriff	<u>3,872,153</u>	<u>4,135,527</u>	<u>4,224,371</u>	<u>(88,844)</u>

RENO COUNTY, KANSAS

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
County Administration				
Personal Services	\$ 395,620	519,014	501,934	17,080
Contractual Services	137,663	48,663	55,550	(6,887)
Commodities	3,733	3,019	3,000	19
Total County Administration	<u>537,016</u>	<u>570,696</u>	<u>560,484</u>	<u>10,212</u>
District Court				
Contractual Services	495,195	514,800	561,040	(46,240)
Commodities	46,757	62,697	55,100	7,597
Total District Court	<u>541,952</u>	<u>577,497</u>	<u>616,140</u>	<u>(38,643)</u>
Courthouse General				
Personal Services	86,633	88,854	87,749	1,105
Contractual Services	374,694	335,187	351,000	(15,813)
Commodities	961	-	2,000	(2,000)
Courthouse Improvements	75,317	156,766	900,000	(743,234)
Transfer Out to County CIP Reserve Fund	973,000	500,000	-	500,000
Transfer Out to County Equipment Reserve Fund	-	243,000	-	243,000
Miscellaneous	2,496	-	-	-
Total Courthouse General	<u>1,513,101</u>	<u>1,323,807</u>	<u>1,340,749</u>	<u>(16,942)</u>
County General				
Contractual Services	1,040,703	887,266	893,500	(6,234)
Commodities	7,157	9,893	1,000	8,893
Outside Agencies - Appropriations	559,500	604,000	604,000	-
Ambulance Services	1,646,572	1,290,817	1,816,889	(526,072)
Emergency Communications	628,847	806,567	850,000	(43,433)
Economic Development Projects	23,500	13,500	400,000	(386,500)
Transfer Out to County Economic Development Reserve Fund	376,500	386,500	-	386,500
Transfer Out to Youth Services Fund	475,000	400,000	400,000	-
Transfer Out to Aging and Transit Fund	352,000	437,340	437,340	-
Transfer Out to County CIP Reserve Fund	-	1,000,000	-	1,000,000
Transfer Out to County Equipment Reserve Fund	210,000	255,000	-	255,000
Transfer Out to Community Corrections Fund	32,986	75,000	75,000	-
Capital Outlay	-	-	5,550,000	(5,550,000)
Commissioner Discretionary	18,224	6,257	20,000	(13,743)
Miscellaneous and Interest on Refunds	1,106	1,745	15,000	(13,255)
Total County General	<u>5,372,095</u>	<u>6,173,885</u>	<u>11,062,729</u>	<u>(4,888,844)</u>

RENO COUNTY, KANSAS

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Maintenance				
Personal Services	\$ 701,207	750,767	887,421	(136,654)
Contractual Services	88,738	90,500	86,110	4,390
Commodities	53,240	57,330	77,951	(20,621)
Capital Outlay	21,239	-	-	-
Total Maintenance	<u>864,424</u>	<u>898,597</u>	<u>1,051,482</u>	<u>(152,885)</u>
Planning and Zoning				
Personal Services	84,132	87,903	88,964	(1,061)
Contractual Services	12,064	7,514	17,700	(10,186)
Commodities	252	419	700	(281)
Total Planning and Zoning	<u>96,448</u>	<u>95,836</u>	<u>107,364</u>	<u>(11,528)</u>
Emergency Management				
Personal Services	275,650	302,450	305,391	(2,941)
Contractual Services	34,043	40,275	47,575	(7,300)
Commodities	25,814	30,480	35,200	(4,720)
Total Emergency Management	<u>335,507</u>	<u>373,205</u>	<u>388,166</u>	<u>(14,961)</u>
Sheriff - Jail				
Personal Services	2,439,913	2,467,434	2,502,889	(35,455)
Contractual Services	1,000,254	1,010,931	920,320	90,611
Commodities	208,654	241,993	215,000	26,993
Capital Outlay	32,391	-	-	-
Total Jail	<u>3,681,212</u>	<u>3,720,358</u>	<u>3,638,209</u>	<u>82,149</u>
Human Resources				
Personal Services	182,527	186,748	190,733	(3,985)
Contractual Services	41,175	49,674	52,950	(3,276)
Commodities	5,662	10,040	16,000	(5,960)
Total Human Resources	<u>229,364</u>	<u>246,462</u>	<u>259,683</u>	<u>(13,221)</u>
Appraiser				
Personal Services	596,280	644,639	676,347	(31,708)
Contractual Services	71,216	70,171	71,300	(1,129)
Commodities	17,054	25,603	24,500	1,103
Capital Outlay	23,503	-	-	-
Total Appraiser	<u>708,053</u>	<u>740,413</u>	<u>772,147</u>	<u>(31,734)</u>
County Clerk - Election				
Personal Services	134,889	124,197	130,107	(5,910)
Contractual Services	237,289	194,788	181,810	12,978
Commodities	14,069	21,851	18,800	3,051
Transfer Out to County Equipment Reserve Fund	2,666	38,000	58,161	(20,161)
Total County Clerk - Election	<u>388,913</u>	<u>378,836</u>	<u>388,878</u>	<u>(10,042)</u>

RENO COUNTY, KANSAS**General Fund**

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Information Technology				
Personal Services	\$ 508,938	556,021	548,285	7,736
Contractual Services	288,714	421,909	418,075	3,834
Commodities	9,311	4,489	9,500	(5,011)
Total Information Technology	<u>806,963</u>	<u>982,419</u>	<u>975,860</u>	<u>6,559</u>
Auto Center				
Personal Services	163,877	171,835	170,223	1,612
Contractual Services	14,520	15,428	14,880	548
Commodities	10,846	8,531	15,380	(6,849)
Total Auto Center	<u>189,243</u>	<u>195,794</u>	<u>200,483</u>	<u>(4,689)</u>
Total Expenditures	\$ <u>21,136,992</u>	<u>22,690,369</u>	<u>28,016,457</u>	<u>(5,326,088)</u>

RENO COUNTY, KANSAS
Road and Bridge Fund

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 4,475,526	5,326,040	5,294,280	31,760
Neighborhood Revitalization	(26,108)	(27,526)	(32,118)	4,592
Intergovernmental	1,542,631	1,617,928	1,536,438	81,490
Federal Grants	244,518	-	-	-
State Grants	32,453	200,000	-	200,000
Reimbursed Expenses	12,338	14,190	-	14,190
Reimbursed Expenses - Other County	4,756	-	-	-
Reimbursed Expenses - K-14 Highway Fund	34,631	21,481	-	21,481
Insurance Proceeds	860	59,830	-	59,830
Miscellaneous	10,167	6,373	-	6,373
Sale of Assets	-	150,860	-	150,860
Total Receipts	<u>6,331,772</u>	<u>7,369,176</u>	<u>6,798,600</u>	<u>570,576</u>
Expenditures				
Personal Services	2,060,773	2,032,296	2,327,125	(294,829)
Contractual Services	210,228	215,725	299,600	(83,875)
Commodities	3,201,401	3,391,621	3,682,000	(290,379)
Vehicle Repairs Reimbursed by Insurance	-	59,830	-	59,830
Capital Outlay	484,928	440,549	466,500	(25,951)
Transfers Out	712,000	675,000	400,000	275,000
Total Expenditures	<u>6,669,330</u>	<u>6,815,021</u>	<u>7,175,225</u>	<u>(360,204)</u>
Receipts Over (Under) Expenditures	(337,558)	554,155		
Unencumbered Cash - Beginning	<u>1,322,614</u>	<u>985,056</u>		
Unencumbered Cash - Ending	\$ <u>985,056</u>	<u>1,539,211</u>		

RENO COUNTY, KANSAS
Special Road Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 171,749	18,969	8,976	9,993
Federal Grants	-	66,250	-	66,250
Total Receipts	171,156	85,219	<u>8,976</u>	<u>76,243</u>
Expenditures				
Road Engineering and Construction	335,305	226,902	755,000	(528,098)
Cash Reserve	-	-	36,465	(36,465)
Total Expenditures	335,305	226,902	<u>791,465</u>	<u>(564,563)</u>
Receipts Over (Under) Expenditures	(164,149)	(141,683)		
Unencumbered Cash - Beginning	1,378,895	1,214,746		
Unencumbered Cash - Ending	\$ <u>1,214,746</u>	<u>1,073,063</u>		

RENO COUNTY, KANSAS
Special Bridge Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 1,241,793	310,682	277,362	33,320
Neighborhood Revitalization	(7,586)	(915)	(1,068)	153
KDOT Federal Fund Exchange	347,254	308,473	300,000	8,473
KDOT Grants	754,022	87,313	-	87,313
Total Receipts	2,335,483	705,553	<u>576,294</u>	<u>129,259</u>
Expenditures				
Bridge Construction	2,418,507	2,261,081	<u>2,750,000</u>	<u>(488,919)</u>
Receipts Over (Under) Expenditures	(83,024)	(1,555,528)		
Unencumbered Cash - Beginning	2,591,002	2,512,504		
Prior Year Cancelled Encumbrances	4,526	-		
Unencumbered Cash - Ending	\$ <u>2,512,504</u>	<u>956,976</u>		

RENO COUNTY, KANSAS
Noxious Weed Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 116,514	129,058	128,848	210
Neighborhood Revitalization	(733)	(660)	(772)	112
Chemical, Labor and Equipment Sales	26,853	20,257	12,000	8,257
Total Receipts	<u>142,634</u>	<u>148,655</u>	<u>140,076</u>	<u>8,579</u>
Expenditures				
Personal Services	81,361	85,862	85,221	641
Contractual Services	2,318	2,388	4,650	(2,262)
Commodities	48,578	47,448	51,150	(3,702)
Transfers Out	14,500	12,000	10,000	2,000
Total Expenditures	<u>146,757</u>	<u>147,698</u>	<u>151,021</u>	<u>(3,323)</u>
Receipts Over (Under) Expenditures	(4,123)	957		
Unencumbered Cash - Beginning	<u>25,024</u>	<u>20,901</u>		
Unencumbered Cash - Ending	\$ <u>20,901</u>	<u>21,858</u>		

RENO COUNTY, KANSAS
Noxious Weed Capital Outlay Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfers In	\$ 14,500	12,000	<u>10,000</u>	<u>2,000</u>
Expenditures				
Cash Reserve	-	-	<u>99,776</u>	<u>(99,776)</u>
Receipts Over (Under) Expenditures	14,500	12,000		
Unencumbered Cash - Beginning	<u>89,776</u>	<u>104,276</u>		
Unencumbered Cash - Ending	\$ <u>104,276</u>	<u>116,276</u>		

RENO COUNTY, KANSAS
Public Health Fund

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 999,418	696,819	677,562	19,257
Neighborhood Revitalization	(5,769)	(3,317)	(3,871)	554
Combined Federal and State Grants				
Federal	1,366,741	1,072,107	-	-
State	290,316	331,860	-	-
Total Combined Federal and State Grants	1,657,057	1,403,967	1,032,000	371,967
COVID SPARK Grants (Federal)	697,269	237,504	-	237,504
Local and Other Grants	254,555	260,299	208,500	51,799
Other Reimbursements including				
Private Pay, Contracts and Insurance	609,346	587,081	566,000	21,081
Licenses, Permits and Fees	735	37,263	10,500	26,763
COVID Vaccinations Reimbursement from Medicare and Insurance	167,957	-	-	-
Miscellaneous Revenue	-	7,978	500	7,478
Sale of Used Equipment	485	-	-	-
Total Receipts	4,381,053	3,227,594	2,491,191	736,403
Expenditures				
Personal Services	2,231,785	2,236,886	2,625,375	(388,489)
Contractual Services	771,282	605,151	648,870	(43,719)
Commodities	286,412	318,071	249,150	68,921
Cash Reserve	-	-	352,000	(352,000)
Transfers Out	-	250,000	-	250,000
Total Expenditures	3,289,479	3,410,108	3,875,395	(465,287)
Receipts Over (Under) Expenditures	1,091,574	(182,514)		
Unencumbered Cash - Beginning	1,126,323	2,217,897		
Unencumbered Cash - Ending	\$ 2,217,897	2,035,383		

RENO COUNTY, KANSAS
Public Health Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfers In	\$ -	250,000	-	250,000
Federal Grant	46,667	-	-	-
Total Receipts	46,667	250,000	<u>-</u>	<u>250,000</u>
Expenditures				
Capital Outlay - Software paid by Grant	46,667	-	-	-
Capital Outlay - Vehicle	20,279	-	-	-
Capital Outlay - Buildings and Fixed Equipment	-	-	25,000	(25,000)
Cash Reserve	-	-	408,480	(408,480)
Total Expenditures	66,946	-	<u>433,480</u>	<u>(433,480)</u>
Receipts Over (Under) Expenditures	(20,279)	250,000		
Unencumbered Cash - Beginning	433,480	413,201		
Unencumbered Cash - Ending	\$ <u>413,201</u>	<u>663,201</u>		

RENO COUNTY, KANSAS
Aging & Transit Fund

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 293,741	211,872	207,182	4,690
Neighborhood Revitalization	(1,770)	(1,013)	(1,183)	170
Federal Grant for Capital Award	-	75,665	185,104	(109,439)
State Grant for Capital Award	-	18,352	-	18,352
Federal Grant for Transit Operations	739,961	651,350	737,007	(85,657)
State Grant for Transit Operations	277,166	204,238	238,742	(34,504)
Federal SCKAAA Grant	14,060	74,512	11,070	63,442
Sale of Used Equipment	405	27,325	30,000	(2,675)
Insurance Proceeds	11,795	15,639	1,000	14,639
Reimbursed Expenses	5,137	6,909	5,000	1,909
Elderly Transportation Reimbursement	151,000	170,076	170,076	-
Fares and Donations	41,312	47,011	57,225	(10,214)
Transfers In	352,000	437,340	437,340	-
Total Receipts	<u>1,884,807</u>	<u>1,939,276</u>	<u>2,078,563</u>	<u>(139,287)</u>
Expenditures				
Aging Services				
Personal Services	202,653	200,110	213,513	(13,403)
Contractual Services	346,296	370,472	389,051	(18,579)
Commodities	2,128	11,909	6,825	5,084
Cash Reserve	-	-	60,000	(60,000)
Total Services for the Elderly	<u>551,077</u>	<u>582,491</u>	<u>669,389</u>	<u>(86,898)</u>
Public Transit				
Personal Services	913,168	908,551	1,142,227	(233,676)
Contractual Services	135,824	167,233	205,400	(38,167)
Commodities	169,456	154,339	279,750	(125,411)
Capital Outlay	94,364	158,511	266,292	(107,781)
Transfers Out	125,000	75,000	-	75,000
Total Public Transportation	<u>1,437,812</u>	<u>1,463,634</u>	<u>1,893,669</u>	<u>(430,035)</u>
Total Expenditures	<u>1,988,889</u>	<u>2,046,125</u>	<u>2,563,058</u>	<u>(516,933)</u>
Receipts Over (Under) Expenditures	(104,082)	(106,849)		
Unencumbered Cash - Beginning	853,435	749,353		
Prior Year Cancelled Encumbrances	-	4,821		
Unencumbered Cash - Ending	\$ <u>749,353</u>	<u>647,325</u>		

RENO COUNTY, KANSAS
Mental Health Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 452,963	452,143	447,552	4,591
Neighborhood Revitalization	(2,681)	(2,285)	(2,668)	383
Total Receipts	450,282	449,858	<u>444,884</u>	<u>4,974</u>
Expenditures				
Appropriations - Mental Health	452,025	452,025	<u>452,025</u>	<u>-</u>
Receipts Over (Under) Expenditures	(1,743)	(2,167)		
Unencumbered Cash - Beginning	22,327	20,584		
Unencumbered Cash - Ending	\$ <u>20,584</u>	<u>18,417</u>		

RENO COUNTY, KANSAS
TECH Center Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 509,705	509,254	503,401	5,853
Neighborhood Revitalization	(3,016)	(2,573)	(3,001)	428
Total Receipts	506,689	506,681	<u>500,400</u>	<u>6,281</u>
Expenditures				
Appropriations - TECH	510,000	510,000	<u>510,000</u>	<u>-</u>
Receipts Over (Under) Expenditures	(3,311)	(3,319)		
Unencumbered Cash - Beginning	28,286	24,975		
Unencumbered Cash - Ending	\$ <u>24,975</u>	<u>21,656</u>		

RENO COUNTY, KANSAS
Employee Benefits Fund

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 6,963,607	5,592,768	5,486,211	106,557
Neighborhood Revitalization	(41,525)	(27,298)	(31,854)	4,556
Reimbursed Expenses	1,349,355	1,348,635	1,314,000	34,635
Total Receipts	<u>8,271,437</u>	<u>6,914,105</u>	<u>6,768,357</u>	<u>145,748</u>
Expenditures				
Social Security	1,433,366	1,509,990	1,600,000	(90,010)
KPERS	1,512,191	1,577,664	1,650,000	(72,336)
KP & F	680,020	731,225	815,000	(83,775)
Workers' Compensation Insurance	223,118	294,453	245,321	49,132
Unemployment Tax	18,872	19,220	22,000	(2,780)
Health Insurance - Transfer to Self-Ins. Fund	4,393,478	4,096,269	4,800,000	(703,731)
Tuition Reimbursement	1,500	1,000	5,000	(4,000)
Professional Services	4,225	3,485	-	3,485
Wellness Program/Consultant	72,686	69,600	65,000	4,600
Other Insurance	1,277	1,175	3,000	(1,825)
Other Reimbursement	16,061	-	4,000	(4,000)
Cash Reserve	-	-	1,500,000	(1,500,000)
Total Expenditures	<u>8,356,794</u>	<u>8,304,081</u>	<u>10,709,321</u>	<u>(2,405,240)</u>
Receipts Over (Under) Expenditures	(85,357)	(1,389,976)		
Unencumbered Cash - Beginning	<u>5,021,710</u>	<u>4,936,353</u>		
Unencumbered Cash - Ending	\$ <u>4,936,353</u>	<u>3,546,377</u>		

RENO COUNTY, KANSAS
Youth Services Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Reimbursements (Shelter Per Diem) \$	913,175	933,864	849,720	84,144
State Reimbursements (Detention Per Diem)	15,240	10,440	-	10,440
Other Reimbursements (Detention Per Diem)	457,650	342,180	465,375	(123,195)
Donations and Miscellaneous	6,960	9,319	7,500	1,819
State Grant	55,485	27,742	7,000	20,742
Transfers In	475,000	400,000	400,000	-
Total Receipts	<u>1,923,510</u>	<u>1,723,545</u>	<u>1,729,595</u>	<u>(6,050)</u>
Expenditures				
Youth Shelter				
Personal Services	764,471	799,587	787,257	12,330
Contractual Services	42,565	63,359	56,205	7,154
Commodities	19,881	17,192	27,050	(9,858)
Reimbursement - Youth Shelter Food	63,692	51,854	63,041	(11,187)
Cash Reserve	-	-	432,178	(432,178)
Total Youth Shelter	<u>890,609</u>	<u>931,992</u>	<u>1,365,731</u>	<u>(433,739)</u>
Detention Center				
Personal Services	876,546	950,104	966,652	(16,548)
Contractual Services	41,896	43,004	51,340	(8,336)
Commodities	16,899	21,038	28,450	(7,412)
Capital Outlay	19,380	-	-	-
Reimbursement - Youth Shelter Food	63,692	51,854	63,041	(11,187)
Total Detention Center	<u>1,018,413</u>	<u>1,066,000</u>	<u>1,109,483</u>	<u>(43,483)</u>
YS Misc. Grant				
Contractual Services	4,842	4,312	6,200	(1,888)
Commodities	502	107	800	(693)
Total Grants	<u>5,344</u>	<u>4,419</u>	<u>7,000</u>	<u>(2,581)</u>
Total Expenditures	<u>1,914,366</u>	<u>2,002,411</u>	<u>2,482,214</u>	<u>(479,803)</u>
Receipts Over (Under) Expenditures	9,144	(278,866)		
Unencumbered Cash - Beginning	<u>809,307</u>	<u>818,451</u>		
Unencumbered Cash - Ending	<u>\$ 818,451</u>	<u>539,585</u>		

RENO COUNTY, KANSAS
Historical Museum Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 185,859	184,878	182,743	2,135
Neighborhood Revitalization	(1,101)	(934)	(1,089)	155
Total Receipts	184,758	183,944	<u>181,654</u>	<u>2,290</u>
Expenditures				
Appropriations - Museum	185,000	185,000	<u>185,000</u>	<u>-</u>
Receipts Over (Under) Expenditures	(242)	(1,056)		
Unencumbered Cash - Beginning	8,872	8,630		
Unencumbered Cash - Ending	\$ <u>8,630</u>	<u>7,574</u>		

RENO COUNTY, KANSAS
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental	\$ 18,446	22,248	18,965	3,283
Expenditures				
Contractual Services	13,165	10,000	10,000	-
Cash Reserve	-	-	17,256	(17,256)
Total Expenditures	13,165	10,000	27,256	(17,256)
Receipts Over (Under) Expenditures	5,281	12,248		
Unencumbered Cash - Beginning	8,291	13,572		
Unencumbered Cash - Ending	\$ 13,572	25,820		

RENO COUNTY, KANSAS
Special Alcohol and Drug Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental	\$ 21,418	24,006	18,965	5,041
Expenditures				
Contractual Services	10,000	10,000	10,000	-
Cash Reserve	-	-	39,236	(39,236)
Total Expenditures	10,000	10,000	49,236	(39,236)
Receipts Over (Under) Expenditures	11,418	14,006		
Unencumbered Cash - Beginning	27,106	38,524		
Unencumbered Cash - Ending	\$ 38,524	52,530		

RENO COUNTY, KANSAS
CIP Fund

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2023

(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 609,977	272,037	256,805	15,232
Neighborhood Revitalization	(3,588)	(1,139)	(1,329)	190
Reimbursed Expenses	9,691	9,661	-	9,661
Total Receipts	<u>616,080</u>	<u>280,559</u>	<u>255,476</u>	<u>25,083</u>
Expenditures				
Capital Outlay				
Building Maintenance/Improvements	37,248	377,027	457,000	(79,973)
Finance Lease - Public Works Building	87,625	-	-	-
Transfers Out - County CIP Reserve Fund	277,000	71,000	-	71,000
Transfers Out - Bond and Interest Fund	359,875	-	-	-
Cash Reserve	-	-	100,000	(100,000)
Total Expenditures	<u>761,748</u>	<u>448,027</u>	<u>557,000</u>	<u>(108,973)</u>
Receipts Over (Under) Expenditures	(145,668)	(167,468)		
Unencumbered Cash - Beginning	502,098	356,430		
Prior Year Cancelled Encumbrances	-	900		
Unencumbered Cash - Ending	\$ <u>356,430</u>	<u>189,862</u>		

RENO COUNTY, KANSAS
Special Equipment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 367,310	525,519	526,762	(1,243)
Neighborhood Revitalization	(2,300)	(2,763)	(3,225)	462
Reimbursed Expenses	136,803	143,643	130,288	13,355
Total Receipts	<u>501,813</u>	<u>666,399</u>	<u>653,825</u>	<u>12,574</u>
Expenditures				
Capital Outlay				
Computer Equipment	56,148	62,066	167,559	(105,493)
LEC Tyler - NWS Software Maintenance	182,404	191,523	182,900	8,623
Software & Software Maintenance	201,536	190,780	131,300	59,480
Vehicles	-	212,757	236,250	(23,493)
Transfers Out	-	50,000	-	50,000
Cash Reserve	-	-	150,000	(150,000)
Total Expenditures	<u>440,088</u>	<u>707,126</u>	<u>868,009</u>	<u>(160,883)</u>
Receipts Over (Under) Expenditures	61,725	(40,727)		
Unencumbered Cash - Beginning	<u>163,395</u>	<u>225,120</u>		
Unencumbered Cash - Ending	\$ <u>225,120</u>	<u>184,393</u>		

RENO COUNTY, KANSAS
Fire District No. 2 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 2,288,153	2,483,113	<u>2,465,232</u>	<u>17,881</u>
Expenditures				
Fire Protection - Contractual Services	<u>2,289,408</u>	2,523,654	<u>2,656,713</u>	<u>(133,059)</u>
Receipts Over (Under) Expenditures	(1,255)	(40,541)		
Unencumbered Cash - Beginning	<u>347,882</u>	346,627		
Unencumbered Cash - Ending	\$ <u>346,627</u>	306,086		

RENO COUNTY, KANSAS
Fire District No. 3 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 190,296	198,994	199,156	(162)
Reimbursed Expenses	-	3,854	-	3,854
Donations	83	-	-	-
Total Receipts	<u>190,379</u>	<u>202,848</u>	<u>199,156</u>	<u>3,692</u>
Expenditures				
Personal Services	26,437	34,909	33,000	1,909
Contractual Services	56,766	81,744	69,235	12,509
Commodities	67,841	48,140	36,925	11,215
Capital Outlay	1,640	16,617	65,050	(48,433)
Transfers Out	38,000	21,000	15,500	5,500
Total Expenditures	<u>190,684</u>	<u>202,410</u>	<u>219,710</u>	<u>(17,300)</u>
Receipts Over (Under) Expenditures	(305)	438		
Unencumbered Cash - Beginning	<u>30,935</u>	<u>30,630</u>		
Unencumbered Cash - Ending	\$ <u><u>30,630</u></u>	<u><u>31,068</u></u>		

RENO COUNTY, KANSAS
Fire District No. 4 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 199,978	235,997	235,809	188
Reimbursed Expenses	907	969	-	969
Donations	1,078	2,085	-	2,085
Total Receipts	<u>201,963</u>	<u>239,051</u>	<u>235,809</u>	<u>3,242</u>
Expenditures				
Personal Services	21,057	30,725	42,000	(11,275)
Contractual Services	79,199	67,375	98,700	(31,325)
Commodities	38,186	34,966	35,875	(909)
Capital Outlay	6,955	12,705	62,700	(49,995)
Transfers Out	57,000	100,000	16,000	84,000
Total Expenditures	<u>202,397</u>	<u>245,771</u>	<u>255,275</u>	<u>(9,504)</u>
Receipts Over (Under) Expenditures	(434)	(6,720)		
Unencumbered Cash - Beginning	<u>35,019</u>	<u>34,585</u>		
Unencumbered Cash - Ending	\$ <u><u>34,585</u></u>	<u><u>27,865</u></u>		

RENO COUNTY, KANSAS
Fire District No. 6 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 74,301	105,766	107,380	(1,614)
Reimbursed Expenses	-	5,463	-	5,463
Donations	1,812	1,138	-	1,138
Total Receipts	<u>76,113</u>	<u>112,367</u>	<u>107,380</u>	<u>4,987</u>
Expenditures				
Personal Services	8,967	21,404	18,000	3,404
Contractual Services	41,778	32,064	34,550	(2,486)
Commodities	16,066	30,305	21,725	8,580
Capital Outlay	3,231	6,815	10,550	(3,735)
Transfers Out	6,000	9,000	10,500	(1,500)
Cash Reserve	-	-	15,000	(15,000)
Total Expenditures	<u>76,042</u>	<u>99,588</u>	<u>110,325</u>	<u>(10,737)</u>
Receipts Over (Under) Expenditures	71	12,779		
Unencumbered Cash - Beginning	<u>12,708</u>	<u>12,779</u>		
Unencumbered Cash - Ending	\$ <u><u>12,779</u></u>	<u><u>25,558</u></u>		

RENO COUNTY, KANSAS
Fire District No. 7 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 92,265	104,416	103,618	798
Donations	183	-	-	-
Reimbursed Expenses	-	699	-	699
Total Receipts	<u>92,448</u>	<u>105,115</u>	<u>103,618</u>	<u>1,497</u>
Expenditures				
Personal Services	13,452	16,879	16,000	879
Contractual Services	24,518	27,254	35,820	(8,566)
Commodities	10,952	11,779	24,050	(12,271)
Capital Outlay	2,693	-	21,000	(21,000)
Transfers Out	41,000	49,000	15,000	34,000
Cash Reserve	-	-	10,000	(10,000)
Total Expenditures	<u>92,615</u>	<u>104,912</u>	<u>121,870</u>	<u>(16,958)</u>
Receipts Over (Under) Expenditures	(167)	203		
Unencumbered Cash - Beginning	<u>27,995</u>	<u>27,828</u>		
Unencumbered Cash - Ending	\$ <u>27,828</u>	<u>28,031</u>		

RENO COUNTY, KANSAS
Fire District No. 8 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 155,215	156,759	156,366	393
Donations	83	-	-	-
Reimbursed Expenses	635	599	-	599
Insurance Proceeds	4,315	-	-	-
Transfers In	6,118	-	-	-
Total Receipts	<u>166,366</u>	<u>157,358</u>	<u>156,366</u>	<u>992</u>
Expenditures				
Personal Services	18,904	30,934	32,000	(1,066)
Contractual Services	39,387	63,514	63,325	189
Commodities	51,679	54,120	39,800	14,320
Capital Outlay	20,351	11,291	22,785	(11,494)
Transfers Out	36,000	10,000	15,000	(5,000)
Cash Reserve	-	-	5,000	(5,000)
Total Expenditures	<u>166,321</u>	<u>169,859</u>	<u>177,910</u>	<u>(8,051)</u>
Receipts Over (Under) Expenditures	45	(12,501)		
Unencumbered Cash - Beginning	<u>26,432</u>	<u>26,477</u>		
Unencumbered Cash - Ending	\$ <u>26,477</u>	<u>13,976</u>		

RENO COUNTY, KANSAS
Fire District No. 9 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 174,318	192,639	190,663	1,976
Reimbursed Expenses	70	919	-	919
Federal Grants	-	2,927	-	2,927
State Grants	-	1,302	-	1,302
Donations	82	-	-	-
Total Receipts	<u>174,470</u>	<u>197,787</u>	<u>190,663</u>	<u>7,124</u>
Expenditures				
Personal Services	20,374	18,494	25,000	(6,506)
Contractual Services	37,391	53,415	57,830	(4,415)
Commodities	26,942	11,964	51,100	(39,136)
Capital Outlay	9,654	9,251	54,200	(44,949)
Bond Principal	-	3,800	-	3,800
Transfers Out	80,000	100,000	15,000	85,000
Total Expenditures	<u>174,361</u>	<u>196,924</u>	<u>203,130</u>	<u>(6,206)</u>
Receipts Over (Under) Expenditures	109	863		
Unencumbered Cash - Beginning	<u>25,108</u>	<u>25,217</u>		
Unencumbered Cash - Ending	\$ <u>25,217</u>	<u>26,080</u>		

RENO COUNTY, KANSAS
Fire District Jt. No. 1 RN-KM General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 132,432	135,229	154,900	(19,671)
Funds from Other Counties	20,575	20,732	-	20,732
Reimbursed Expenses	231	6,946	-	6,946
Donations	83	-	-	-
Total Receipts	<u>153,321</u>	<u>162,907</u>	<u>154,900</u>	<u>8,007</u>
Expenditures				
Personal Services	22,372	26,819	28,000	(1,181)
Contractual Services	41,832	50,676	54,870	(4,194)
Commodities	25,220	30,901	24,250	6,651
Capital Outlay	-	7,300	8,000	(700)
Transfers Out	64,000	50,000	54,500	(4,500)
Total Expenditures	<u>153,424</u>	<u>165,696</u>	<u>169,620</u>	<u>(3,924)</u>
Receipts Over (Under) Expenditures	(103)	(2,789)		
Unencumbered Cash - Beginning	<u>23,711</u>	<u>23,608</u>		
Unencumbered Cash - Ending	\$ <u>23,608</u>	<u>20,819</u>		

RENO COUNTY, KANSAS
Fire District Jt. No. 2 RN-HV General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 145,505	159,827	174,172	(14,345)
Funds from Other Counties	12,465	14,982	-	14,982
Donations	7,082	3,500	-	3,500
Reimbursed Expenses	-	599	-	599
Transfers In	-	4,000	4,000	-
Total Receipts	<u>165,052</u>	<u>182,908</u>	<u>178,172</u>	<u>4,736</u>
Expenditures				
Personal Services	17,017	23,974	33,000	(9,026)
Contractual Services	43,969	41,184	49,100	(7,916)
Commodities	55,308	38,149	35,250	2,899
Capital Outlay	27,390	16,605	59,000	(42,395)
Bond Principal	4,000	-	-	-
Transfers Out	17,000	70,000	26,000	44,000
Total Expenditures	<u>164,684</u>	<u>189,912</u>	<u>202,350</u>	<u>(12,438)</u>
Receipts Over (Under) Expenditures	368	(7,004)		
Unencumbered Cash - Beginning	<u>37,184</u>	<u>37,552</u>		
Unencumbered Cash - Ending	\$ <u><u>37,552</u></u>	<u><u>30,548</u></u>		

RENO COUNTY, KANSAS
Sewer District No. 1 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 4,150	3,918	3,229	689
User Fees	-	5,867	-	5,867
Installation or Connection	500	-	-	-
Total Receipts	<u>4,650</u>	<u>9,785</u>	<u>3,229</u>	<u>6,556</u>
Expenditures				
Personal Services	1,885	2,456	2,830	(374)
Contractual Services	241	284	2,285	(2,001)
Commodities	257	215	430	(215)
Capital Outlay	-	-	600	(600)
Transfers Out	-	3,000	-	3,000
Total Expenditures	<u>2,383</u>	<u>5,955</u>	<u>6,145</u>	<u>(190)</u>
Receipts Over (Under) Expenditures	2,267	3,830		
Unencumbered Cash - Beginning	<u>6,525</u>	<u>8,792</u>		
Unencumbered Cash - Ending	\$ <u>8,792</u>	<u>12,622</u>		

RENO COUNTY, KANSAS
Sewer District Nos. 3 and 10 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 50,367	34,967	34,247	720
Connection Fees	-	500	-	500
Total Receipts	<u>50,367</u>	<u>35,467</u>	<u>34,247</u>	<u>1,220</u>
Expenditures				
Personal Services	6,626	11,543	12,890	(1,347)
Contractual Services	3,136	2,761	9,585	(6,824)
Commodities	950	1,649	2,050	(401)
Capital Outlay	-	-	37,500	(37,500)
Transfers Out	-	25,000	-	25,000
Cash Reserve	-	-	20,000	(20,000)
Total Expenditures	<u>10,712</u>	<u>40,953</u>	<u>82,025</u>	<u>(41,072)</u>
Receipts Over (Under) Expenditures	39,655	(5,486)		
Unencumbered Cash - Beginning	<u>59,336</u>	<u>98,991</u>		
Unencumbered Cash - Ending	\$ <u>98,991</u>	<u>93,505</u>		

RENO COUNTY, KANSAS
Sewer District No. 8 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 30,823	5,317	4,826	491
User Fees	93,164	94,763	84,000	10,763
Installation or Connection	1,050	500	500	-
Reimbursed Expenses	386	371	-	371
Total Receipts	<u>125,423</u>	<u>100,951</u>	<u>89,326</u>	<u>11,625</u>
Expenditures				
Personal Services	18,908	21,485	24,700	(3,215)
Contractual Services	5,365	5,965	17,135	(11,170)
Commodities	3,566	3,923	10,750	(6,827)
Capital Outlay	-	-	40,273	(40,273)
Transfers Out	50,375	75,375	50,375	25,000
Cash Reserve	-	-	5,644	(5,644)
Total Expenditures	<u>78,214</u>	<u>106,748</u>	<u>148,877</u>	<u>(42,129)</u>
Receipts Over (Under) Expenditures	47,209	(5,797)		
Unencumbered Cash - Beginning	<u>99,585</u>	<u>146,794</u>		
Unencumbered Cash - Ending	\$ <u>146,794</u>	<u>140,997</u>		

RENO COUNTY, KANSAS
Sewer District No. 201 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 18,972	26,709	26,353	356
User Fees	3,538	28,199	-	28,199
Total Receipts	<u>22,510</u>	<u>54,908</u>	<u>26,353</u>	<u>28,555</u>
Expenditures				
Personal Services	6,338	8,101	9,246	(1,145)
Contractual Services	5,883	11,302	12,585	(1,283)
Commodities	3,595	3,472	3,080	392
Transfers Out	6,000	9,000	10,000	(1,000)
Total Expenditures	<u>21,816</u>	<u>31,875</u>	<u>34,911</u>	<u>(3,036)</u>
Receipts Over (Under) Expenditures	694	23,033		
Unencumbered Cash - Beginning	<u>14,026</u>	<u>14,720</u>		
Unencumbered Cash - Ending	\$ <u>14,720</u>	<u>37,753</u>		

RENO COUNTY, KANSAS
Sewer District No. 202 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 23,617	26,154	28,149	(1,995)
User Fees	1,931	33,439	-	33,439
Meter Installation or Reconnect	-	500	-	500
Total Receipts	<u>25,548</u>	<u>60,093</u>	<u>28,149</u>	<u>31,944</u>
Expenditures				
Personal Services	6,626	8,553	9,752	(1,199)
Contractual Services	3,455	11,157	13,920	(2,763)
Commodities	852	768	1,200	(432)
Capital Outlay	-	1,886	4,000	(2,114)
Transfers Out	14,000	14,000	10,000	4,000
Cash Reserve	-	-	10,000	(10,000)
Total Expenditures	<u>24,933</u>	<u>36,364</u>	<u>48,872</u>	<u>(12,508)</u>
Receipts Over (Under) Expenditures	615	23,729		
Unencumbered Cash - Beginning	<u>25,480</u>	<u>26,095</u>		
Unencumbered Cash - Ending	\$ <u>26,095</u>	<u>49,824</u>		

RENO COUNTY, KANSAS
Water District No. 8 General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
User Fees	\$ 90,420	94,221	85,000	9,221
Meter Installation or Reconnect	2,050	1,000	1,000	-
Miscellaneous	5,726	8,950	-	8,950
Total Receipts	<u>98,196</u>	<u>104,171</u>	<u>86,000</u>	<u>18,171</u>
Expenditures				
Personal Services	16,394	21,200	27,601	(6,401)
Contractual Services	12,321	13,182	23,650	(10,468)
Commodities	8,356	15,003	12,500	2,503
Transfers Out	-	32,000	-	32,000
Cash Reserve	-	-	446,968	(446,968)
Total Expenditures	<u>37,071</u>	<u>81,385</u>	<u>510,719</u>	<u>(429,334)</u>
Receipts Over (Under) Expenditures	61,125	22,786		
Unencumbered Cash - Beginning	<u>407,337</u>	<u>468,462</u>		
Unencumbered Cash - Ending	\$ <u>468,462</u>	<u>491,248</u>		

RENO COUNTY, KANSAS
Water District No. 101 General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
User Fees	\$ 22,001	61,995	19,500	42,495
Meter Installation or Reconnect	-	650	-	650
Reimbursed Expenses	50	-	-	-
Miscellaneous	-	127	-	127
Total Receipts	<u>22,051</u>	<u>62,772</u>	<u>19,500</u>	<u>43,272</u>
Expenditures				
Personal Services	9,481	12,194	17,995	(5,801)
Contractual Services	16,741	15,492	17,325	(1,833)
Commodities	2,234	5,030	4,750	280
Capital Outlay	12,108	-	-	-
Transfers Out	-	15,000	-	15,000
Cash Reserve	-	-	19,426	(19,426)
Total Expenditures	<u>40,564</u>	<u>47,716</u>	<u>59,496</u>	<u>(11,780)</u>
Receipts Over (Under) Expenditures	(18,513)	15,056		
Unencumbered Cash - Beginning	<u>59,525</u>	<u>41,012</u>		
Unencumbered Cash - Ending	\$ <u>41,012</u>	<u>56,068</u>		

RENO COUNTY, KANSAS
Special Highway Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 577,000	500,000
Expenditures	-	-
Receipts Over (Under) Expenditures	577,000	500,000
Unencumbered Cash - Beginning	1,251,013	1,828,013
Unencumbered Cash - Ending	\$ <u>1,828,013</u>	<u>2,328,013</u>

RENO COUNTY, KANSAS
Road & Bridge Special Machinery Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 135,000	175,000
Expenditures	-	-
Receipts Over (Under) Expenditures	135,000	175,000
Unencumbered Cash - Beginning	-	135,000
Unencumbered Cash - Ending	\$ <u>135,000</u>	<u>310,000</u>

RENO COUNTY, KANSAS
K-14 Highway Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts	\$ -	-
Expenditures		
Contractual Services	34,631	21,481
Commodities	-	10,445
Total Expenditures	<u>34,631</u>	<u>31,926</u>
Receipts Over (Under) Expenditures	(34,631)	(31,926)
Unencumbered Cash - Beginning	<u>3,006,874</u>	<u>2,972,243</u>
Unencumbered Cash - Ending	\$ <u><u>2,972,243</u></u>	<u><u>2,940,317</u></u>

RENO COUNTY, KANSAS
Register of Deeds Technology Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Fees	\$ 70,576	60,748
Expenditures		
Contractual Services and Miscellaneous	33,084	103,452
Capital Outlay	51,244	-
Transfers Out	-	50,000
Total Expenditures	84,328	153,452
Receipts Over (Under) Expenditures	(13,752)	(92,704)
Unencumbered Cash - Beginning	282,556	268,804
Unencumbered Cash - Ending	\$ 268,804	176,100

RENO COUNTY, KANSAS
Clerk Technology Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Fees	\$ 17,644	15,187
Expenditures		
Contractual Services	25,690	7,651
Capital Outlay	11,026	5,595
Total Expenditures	36,716	13,246
Receipts Over (Under) Expenditures	(19,072)	1,941
Unencumbered Cash - Beginning	62,403	43,331
Unencumbered Cash - Ending	\$ <u>43,331</u>	<u>45,272</u>

RENO COUNTY, KANSAS
Treasurer Technology Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Fees	\$ 17,644	15,187
Expenditures		
Software Maintenance	16,000	-
Receipts Over (Under) Expenditures	1,644	15,187
Unencumbered Cash - Beginning	90,600	92,244
Unencumbered Cash - Ending	\$ <u>92,244</u>	<u>107,431</u>

RENO COUNTY, KANSAS
County Technology Equipment and Services Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ -	50,000
Expenditures		
Technology	25,494	45,734
Receipts Over (Under) Expenditures	(25,494)	4,266
Unencumbered Cash - Beginning	125,259	99,765
Unencumbered Cash - Ending	\$ 99,765	104,031

RENO COUNTY, KANSAS
County CIP Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 1,250,000	1,571,000
Insurance Proceeds	261,213	-
Total Receipts	<u>1,511,213</u>	<u>1,571,000</u>
Expenditures		
Earthquake Damage Costs	786,562	-
Courthouse Space Renovation Costs	105,625	1,807,609
Shooting Range Construction	20,000	15,000
Total Expenditures	<u>912,187</u>	<u>1,822,609</u>
Receipts Over (Under) Expenditures	599,026	(251,609)
Unencumbered Cash - Beginning	<u>4,000,388</u>	<u>4,599,414</u>
Unencumbered Cash - Ending	\$ <u><u>4,599,414</u></u>	<u><u>4,347,805</u></u>

RENO COUNTY, KANSAS
County Equipment Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 337,666	861,000
Expenditures		
Capital Outlay	114,000	-
Receipts Over (Under) Expenditures	223,666	861,000
Unencumbered Cash - Beginning	828,995	1,052,661
Unencumbered Cash - Ending	\$ <u>1,052,661</u>	<u>1,913,661</u>

RENO COUNTY, KANSAS
County Economic Development Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 376,500	386,500
Expenditures	-	-
Receipts Over (Under) Expenditures	376,500	386,500
Unencumbered Cash - Beginning	350,000	726,500
Unencumbered Cash - Ending	\$ <u>726,500</u>	<u>1,113,000</u>

RENO COUNTY, KANSAS
Fire District No. 3 Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Insurance Reimbursement	\$ 2,322	-
Sale of Used Equipment	-	9,715
Transfers In	38,000	21,000
Total Receipts	40,322	30,715
Expenditures		
Capital Outlay	397,113	73,147
Receipts Over (Under) Expenditures	(356,791)	(42,432)
Unencumbered Cash - Beginning	682,243	325,452
Unencumbered Cash - Ending	\$ 325,452	283,020

RENO COUNTY, KANSAS
Fire District No. 4 Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Insurance Reimbursement	\$ 39,914	-
Sale of Used Equipment	-	13,350
Transfers In	57,000	100,000
Total Receipts	96,914	113,350
Expenditures		
Capital Outlay	42,692	365,270
Receipts Over (Under) Expenditures	54,222	(251,920)
Unencumbered Cash - Beginning	457,630	511,852
Unencumbered Cash - Ending	\$ 511,852	259,932

RENO COUNTY, KANSAS
Fire District No. 6 Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Sale of Used Equipment	\$ -	33,465
Donations	4,460	-
Transfers In	6,000	9,000
Total Receipts	10,460	42,465
Expenditures		
Capital Outlay	16,739	12,852
Receipts Over (Under) Expenditures	(6,279)	29,613
Unencumbered Cash - Beginning	88,558	82,279
Unencumbered Cash - Ending	\$ 82,279	111,892

RENO COUNTY, KANSAS
Fire District No. 7 Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Donations	\$ 1,539	-
Transfers In	41,000	49,000
Total Receipts	42,539	49,000
Expenditures		
Capital Outlay	4,050	35,000
Receipts Over (Under) Expenditures	38,489	14,000
Unencumbered Cash - Beginning	283,242	321,731
Unencumbered Cash - Ending	\$ <u>321,731</u>	<u>335,731</u>

RENO COUNTY, KANSAS
Fire District No. 8 Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 36,000	10,000
Expenditures		
Capital Outlay	-	154,773
Receipts Over (Under) Expenditures	36,000	(144,773)
Unencumbered Cash - Beginning	231,085	267,085
Unencumbered Cash - Ending	\$ <u>267,085</u>	<u>122,312</u>

RENO COUNTY, KANSAS
Fire District No. 9 Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Sale of Used Equipment	\$ -	28,025
Transfers In	80,000	100,000
Total Receipts	80,000	128,025
Expenditures		
Capital Outlay	45,861	7,781
Receipts Over (Under) Expenditures	34,139	120,244
Unencumbered Cash - Beginning	479,480	513,619
Unencumbered Cash - Ending	\$ 513,619	633,863

RENO COUNTY, KANSAS
Fire District Jt. No. 1 RN-KM Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Reimbursed Expenses	\$ -	17
Transfers In	64,000	50,000
Total Receipts	<u>64,000</u>	<u>50,017</u>
Expenditures		
Capital Outlay	63,367	2,468
Finance Lease Payment - Equipment	22,560	22,514
Total Expenditures	<u>85,927</u>	<u>24,982</u>
Receipts Over (Under) Expenditures	(21,927)	25,035
Unencumbered Cash - Beginning	182,233	160,326
Prior Year Cancelled Encumbrances	<u>20</u>	<u>-</u>
Unencumbered Cash - Ending	<u>\$ 160,326</u>	<u>185,361</u>

RENO COUNTY, KANSAS
Fire District Jt. No. 2 RN-HV Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Sale of Used Equipment	\$ -	1,500
Transfers In	17,000	70,000
Total Receipts	17,000	71,500
Expenditures		
Capital Outlay	282,732	41,865
Receipts Over (Under) Expenditures	(265,732)	29,635
Unencumbered Cash - Beginning	480,945	215,213
Unencumbered Cash - Ending	\$ 215,213	244,848

RENO COUNTY, KANSAS
Sewer District No. 1 Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ -	3,000
Expenditures	-	-
Receipts Over (Under) Expenditures	-	3,000
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	3,000

RENO COUNTY, KANSAS
Sewer District Nos. 3 and 10 Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ -	25,000
Expenditures	-	-
Receipts Over (Under) Expenditures	-	25,000
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	25,000

RENO COUNTY, KANSAS
Sewer District No. 8 Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ -	25,000
Expenditures	-	-
Receipts Over (Under) Expenditures	-	25,000
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	25,000

RENO COUNTY, KANSAS
Sewer District No. 201 Reserve (formerly Replacement) Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 6,000	9,000
Expenditures	-	-
Receipts Over (Under) Expenditures	6,000	9,000
Unencumbered Cash - Beginning	10,030	16,030
Unencumbered Cash - Ending	\$ <u>16,030</u>	<u>25,030</u>

RENO COUNTY, KANSAS
Sewer District No. 202 Reserve (formerly Replacement) Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 14,000	14,000
Expenditures	-	-
Receipts Over (Under) Expenditures	14,000	14,000
Unencumbered Cash - Beginning	91,255	105,255
Unencumbered Cash - Ending	\$ <u>105,255</u>	<u>119,255</u>

RENO COUNTY, KANSAS
Water District No. 8 Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ -	32,000
Expenditures	-	-
Receipts Over (Under) Expenditures	-	32,000
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	32,000

RENO COUNTY, KANSAS
Water District No. 101 Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ -	15,000
Expenditures	-	-
Receipts Over (Under) Expenditures	-	15,000
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	15,000

RENO COUNTY, KANSAS
Emergency Management Citizens Corp. Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts	\$ -	-
Expenditures		
Capital Outlay	-	11,077
Receipts Over (Under) Expenditures	-	(11,077)
Unencumbered Cash - Beginning	16,293	16,293
Unencumbered Cash - Ending	\$ <u>16,293</u>	<u>5,216</u>

RENO COUNTY, KANSAS
Field Correction Offices Special Rental Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Rental Income - County	\$ 65,742	65,742
Rental Income - State	32,175	32,175
Total Receipts	<u>97,917</u>	<u>97,917</u>
Expenditures		
Contractual Services	40,429	35,653
Repairs at Corrections Office Building	3,894	780
Total Expenditures	<u>44,323</u>	<u>36,433</u>
Receipts Over (Under) Expenditures	53,594	61,484
Unencumbered Cash - Beginning	<u>427,531</u>	<u>481,125</u>
Unencumbered Cash - Ending	\$ <u><u>481,125</u></u>	<u><u>542,609</u></u>

RENO COUNTY, KANSAS
American Rescue Plan Act Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Federal Grants	\$ 6,021,192	-
Interest	125,633	414,915
Total Receipts	6,146,825	414,915
Expenditures		
ARPA Expenses Paid and Encumbered	11,386,085	54,707
Receipts Over (Under) Expenditures	(5,239,260)	360,208
Unencumbered Cash - Beginning	6,021,265	782,005
Unencumbered Cash - Ending	\$ <u>782,005</u>	<u>1,142,213</u>

RENO COUNTY, KANSAS
LATCF Federal Grant Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Grants	\$ 50,000	50,000
Expenditures	-	-
Receipts Over (Under) Expenditures	50,000	50,000
Unencumbered Cash - Beginning	-	50,000
Unencumbered Cash - Ending	\$ <u>50,000</u>	<u>100,000</u>

RENO COUNTY, KANSAS
Municipalities Fight Addiction Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
State Distribution of Municipalities Fight Addiction Funds	\$ 11,556	155,369
Expenditures		
Contractual Expenditures	-	50,000
Receipts Over (Under) Expenditures	11,556	105,369
Unencumbered Cash - Beginning	-	11,556
Unencumbered Cash - Ending	\$ <u>11,556</u>	<u>116,925</u>

RENO COUNTY, KANSAS
Public Health Federal Grant Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Grant	\$ -	13,580
Expenditures		
Personal Services	-	12,094
Contractual Services	-	178
Commodities	-	42
Total Expenditures	-	12,314
Receipts Over (Under) Expenditures	-	1,266
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	1,266

RENO COUNTY, KANSAS
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 1,059,697	961,495	954,540	6,955
Neighborhood Revitalization	(6,879)	(4,778)	(5,576)	798
Special Assessments	54,845	52,864	52,314	550
Transfer In from Landfill Improvement Fund	-	151,194	-	151,194
Transfer In from Solid Waste Fund	251,950	250,950	250,950	-
Transfer In from Courthouse Capital Project Fund	-	52,257	-	52,257
Transfer In from CIP Fund	359,875	-	-	-
Transfer In from Bridge Improvements 2019 Fund	376,017	-	-	-
Total Receipts	<u>2,095,505</u>	<u>1,463,982</u>	<u>1,252,228</u>	<u>211,754</u>
Expenditures				
Bond Principal	1,205,000	1,305,000	1,305,000	-
Interest on Bonds	472,338	426,888	426,888	-
Specials - Bond Principal	10,000	10,000	10,000	-
Specials - Interest on Bonds	7,025	6,712	6,713	(1)
Contractual Services	1,000	1,200	1,100	100
Cash Reserve	-	-	150,000	(150,000)
Total Expenditures	<u>1,695,363</u>	<u>1,749,800</u>	<u>1,899,701</u>	<u>(149,901)</u>
Receipts Over (Under) Expenditures	400,142	(285,818)		
Unencumbered Cash - Beginning	<u>150,560</u>	<u>550,702</u>		
Unencumbered Cash - Ending	\$ <u>550,702</u>	<u>264,884</u>		

RENO COUNTY, KANSAS
Fire District No. 8 Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts	\$ -	-	-	-
Expenditures				
Transfers Out	6,118	-	-	-
Receipts Over (Under) Expenditures	(6,118)	-		
Unencumbered Cash - Beginning	6,118	-		
Unencumbered Cash - Ending	\$ -	-		

RENO COUNTY, KANSAS
Fire District No. 9 Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 63,989	61,004	60,177	827
Expenditures				
Bond Principal	60,000	61,200	65,000	(3,800)
Interest on Bonds	3,800	1,300	1,300	-
Contractual Services	-	-	100	(100)
Total Expenditures	<u>63,800</u>	<u>62,500</u>	<u>66,400</u>	<u>(3,900)</u>
Receipts Over (Under) Expenditures	189	(1,496)		
Unencumbered Cash - Beginning	<u>6,733</u>	<u>6,922</u>		
Unencumbered Cash - Ending	\$ <u>6,922</u>	<u>5,426</u>		

RENO COUNTY, KANSAS
Fire District Jt. No. 2 RN-HV Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 17,252	25,308	27,740	(2,432)
Funds from Other Counties	1,479	2,397	-	2,397
Total Receipts	<u>18,731</u>	<u>27,705</u>	<u>27,740</u>	<u>(35)</u>
Expenditures				
Bond Principal	11,000	15,000	15,000	-
Interest on Bonds	7,138	6,640	6,640	-
Contractual Services	1	1	100	(99)
Transfers Out	-	4,000	4,000	-
Cash Reserve	-	-	2,000	(2,000)
Total Expenditures	<u>18,139</u>	<u>25,641</u>	<u>27,740</u>	<u>(2,099)</u>
Receipts Over (Under) Expenditures	592	2,064		
Unencumbered Cash - Beginning	<u>2,856</u>	<u>3,448</u>		
Unencumbered Cash - Ending	\$ <u><u>3,448</u></u>	<u><u>5,512</u></u>		

RENO COUNTY, KANSAS
Sewer District Nos. 3 and 10 Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 19	-	-	-
Special Assessments	40,587	38,890	39,507	(617)
Total Receipts	40,606	38,890	<u>39,507</u>	<u>(617)</u>
Expenditures				
Bond Principal	20,000	25,000	25,000	-
Interest on Bonds	17,625	16,875	16,875	-
Cash Reserve	-	-	55,096	(55,096)
Total Expenditures	37,625	41,875	<u>96,971</u>	<u>(55,096)</u>
Receipts Over (Under) Expenditures	2,981	(2,985)		
Unencumbered Cash - Beginning	55,582	58,563		
Unencumbered Cash - Ending	\$ <u>58,563</u>	<u>55,578</u>		

RENO COUNTY, KANSAS
Sewer District No. 8 Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes	\$ 65,997	50,319	51,094	(775)
Transfers In	50,375	50,375	50,375	-
Total Receipts	116,372	100,694	<u>101,469</u>	<u>(775)</u>
Expenditures				
Bond Principal	50,000	55,000	55,000	-
Interest on Bonds	49,250	47,750	47,750	-
Cash Reserve	-	-	85,000	(85,000)
Total Expenditures	99,250	102,750	<u>187,750</u>	<u>(85,000)</u>
Receipts Over (Under) Expenditures	17,122	(2,056)		
Unencumbered Cash - Beginning	79,286	96,408		
Unencumbered Cash - Ending	\$ <u>96,408</u>	<u>94,352</u>		

RENO COUNTY, KANSAS
Bridge Improvements 2019 Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Interest	\$ 2,313	-
Expenditures		
Bridge Improvements	7,251	-
Transfers Out	376,017	-
Total Expenditures	383,268	-
Receipts Over (Under) Expenditures	(380,955)	-
Unencumbered Cash - Beginning	274,390	-
Prior Year Cancelled Encumbrances	106,565	-
Unencumbered Cash - Ending	\$ -	-

RENO COUNTY, KANSAS
Courthouse Capital Project Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Insurance Proceeds	\$ 220,559	3,872
Interest	2,778	3,674
Total Receipts	<u>223,337</u>	<u>7,546</u>
Expenditures		
Courthouse Windows Project	-	1,150
Earthquake Damage Costs	199,345	677
Transfers Out	-	52,257
Total Expenditures	<u>199,345</u>	<u>54,084</u>
Receipts Over (Under) Expenditures	23,992	(46,538)
Unencumbered Cash - Beginning	7,821	31,813
Prior Year Cancelled Encumbrances	<u>-</u>	<u>14,725</u>
Unencumbered Cash - Ending	<u>\$ 31,813</u>	<u>-</u>

RENO COUNTY, KANSAS
Landfill Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Interest	\$ 2,173	1,860
Expenditures		
Solid Waste Refuse Disposal Improvements	67,688	2,692
Transfers Out	-	151,194
Total Expenditures	67,688	153,886
Receipts Over (Under) Expenditures	(65,515)	(152,026)
Unencumbered Cash - Beginning	217,541	152,026
Unencumbered Cash - Ending	\$ 152,026	-

RENO COUNTY, KANSAS
Sewer Districts 201 & 202 Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Temporary Note Proceeds	\$ -	355,000
Reimbursements	-	409
Total Receipts	-	355,409
Expenditures		
Sewer Districts 201 & 202 Improvements Cost	-	350,318
Temporary Note Cost of Issuance	-	4,346
Contractual Services	-	429
Total Expenditures	-	355,093
Receipts Over (Under) Expenditures	-	316
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	316

RENO COUNTY, KANSAS
Solid Waste Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
User Fees	\$ 4,313,961	4,237,988	4,125,000	112,988
Tipping Fees from Other Counties	1,108,084	1,292,573	865,000	427,573
Special Waste Fees	56,746	188,352	100,000	88,352
Construction & Demolition Waste User Fees	127,753	252,092	-	252,092
Insurance Proceeds	13,722	-	-	-
Reimbursed Expenses	102,544	114,242	55,000	59,242
Land Rent	17,015	9,940	5,000	4,940
Sale of Equipment	-	26,050	-	26,050
Total Receipts	<u>5,739,825</u>	<u>6,121,237</u>	<u>5,150,000</u>	<u>971,237</u>
Expenditures				
Personal Services	1,337,516	1,368,692	1,683,838	(315,146)
Contractual Services	1,049,913	820,379	1,216,950	(396,571)
Commodities	509,783	397,405	609,500	(212,095)
Capital Improvements	2,998,933	1,784,798	2,050,000	(265,202)
Cash Reserve	-	-	4,033,770	(4,033,770)
Transfer Out to Solid Waste Post-Closure Fund	1,108,084	1,292,573	400,000	892,573
Transfer Out to Bond and Interest Fund	251,950	250,950	250,950	-
Total Expenditures	<u>7,256,179</u>	<u>5,914,797</u>	<u>10,245,008</u>	<u>(4,330,211)</u>
Receipts Over (Under) Expenditures	(1,516,354)	206,440		
Unencumbered Cash - Beginning	<u>6,838,928</u>	<u>5,322,574</u>		
Unencumbered Cash - Ending	\$ <u>5,322,574</u>	<u>5,529,014</u>		

RENO COUNTY, KANSAS
Solid Waste Post-Closure Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfers In	\$ 1,108,084	1,292,573	400,000	892,573
Expenditures				
Contractual Services	206,384	685,649	330,000	355,649
Post-Closure Cost	-	-	6,132,913	(6,132,913)
Total Expenditures	206,384	685,649	6,462,913	(5,777,264)
Receipts Over (Under) Expenditures	901,700	606,924		
Unencumbered Cash - Beginning	6,017,913	6,919,613		
Unencumbered Cash - Ending	\$ 6,919,613	7,526,537		

RENO COUNTY, KANSAS
Internal Services Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Maintenance/Purchased Services	\$ 309,172	237,087	240,000	(2,913)
Auto Center Services	331,086	291,210	275,000	16,210
Total Receipts	640,258	528,297	<u>515,000</u>	<u>13,297</u>
Expenditures				
General Supplies	311,237	213,954	260,000	(46,046)
Parts, Tires, and Other Supplies	89,888	73,074	75,000	(1,926)
Fuel and Oil	245,619	207,408	255,846	(48,438)
Total Expenditures	646,744	494,436	<u>590,846</u>	<u>(96,410)</u>
Receipts Over (Under) Expenditures	(6,486)	33,861		
Unencumbered Cash - Beginning	75,846	69,360		
Unencumbered Cash - Ending	\$ <u>69,360</u>	<u>103,221</u>		

RENO COUNTY, KANSAS
Self-Insurance Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Contributions from Employer - Transfers In	\$ 4,393,478	4,096,269
Employee Premiums	775,935	781,416
Retiree Premiums	81,490	53,476
COBRA Reimbursements	12,942	16,151
Formulary Drug Rebate	177,104	174,742
Reimbursements by Stop Loss Insurance	815,839	16,521
Miscellaneous Reimbursements	5,189	20,331
Interest Earned	20,226	123,104
Total Receipts	<u>6,282,203</u>	<u>5,282,010</u>
Expenditures		
Claims	4,653,365	4,417,954
Stop Loss Premiums	531,278	593,938
Administrative Fees	207,085	264,378
Health Care Taxes	1,952	1,967
Miscellaneous Expenses	69	-
Total Expenditures	<u>5,393,749</u>	<u>5,278,237</u>
Receipts Over (Under) Expenditures	888,454	3,773
Unencumbered Cash - Beginning	<u>3,788,622</u>	<u>4,677,076</u>
Unencumbered Cash - Ending	<u>\$ 4,677,076</u>	<u>4,680,849</u>

RENO COUNTY, KANSAS
Motor Vehicle Special Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Licenses, Permits, and Fees	\$ 522,463	523,826
Expenditures		
Personal Services	411,001	439,206
Contractual Services	28,159	28,822
Commodities	6,917	5,401
Transfers Out	74,010	76,386
Total Expenditures	<u>520,087</u>	<u>549,815</u>
Receipts Over (Under) Expenditures	2,376	(25,989)
Unencumbered Cash - Beginning	<u>74,010</u>	<u>76,386</u>
Unencumbered Cash - Ending	\$ <u><u>76,386</u></u>	<u><u>50,397</u></u>

RENO COUNTY, KANSAS
Prosecuting Attorneys Training Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Fees	\$ 6,226	6,061
Reimbursed Expenses	80	-
Total Receipts	6,306	6,061
Expenditures		
Contractual Services	11,014	4,485
Receipts Over (Under) Expenditures	(4,708)	1,576
Unencumbered Cash - Beginning	7,068	2,360
Unencumbered Cash - Ending	\$ <u>2,360</u>	<u>3,936</u>

RENO COUNTY, KANSAS
Law Enforcement Drug Unit Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Drug Tax Distribution	\$ 56	-
Forfeiture, Restitution Proceeds and Reimbursed Expenses	11,550	32,141
Law Enforcement Center Reimbursement	5,992	530
Total Receipts	17,598	32,671
Expenditures		
Miscellaneous	24,434	33,216
Receipts Over (Under) Expenditures	(6,836)	(545)
Unencumbered Cash - Beginning	13,583	6,747
Unencumbered Cash - Ending	\$ 6,747	6,202

RENO COUNTY, KANSAS
Special Prosecutor Trust for Drug Asset Forfeitures Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Forfeiture Proceeds	\$ 6,139	152
Reimbursed Expenses	-	954
Total Receipts	6,139	1,106
Expenditures		
Miscellaneous	5,494	7,346
Receipts Over (Under) Expenditures	645	(6,240)
Unencumbered Cash - Beginning	20,469	21,114
Unencumbered Cash - Ending	\$ 21,114	14,874

RENO COUNTY, KANSAS
Prosecutor Administration Fees Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Fees	\$ 232	106
Expenditures	-	-
Receipts Over (Under) Expenditures	232	106
Unencumbered Cash - Beginning	549	781
Unencumbered Cash - Ending	\$ 781	887

RENO COUNTY, KANSAS
Distributable Funds, State Funds and Subdivision Funds
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended December 31, 2023

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Distributable Funds				
Current Tax	\$ 64,269,411	110,099,783	106,104,657	68,264,537
Motor Vehicle Tax	189,039	9,770,016	9,738,961	220,094
Motor Vehicle Excise Tax	-	95,464	95,464	-
Commercial Vehicle	-	1,229,899	1,229,899	-
Real Estate Redemption	587,445	3,991,928	4,068,776	510,597
Tax Warrants and Judgments	3,003	225,580	222,631	5,952
City and County Highway Gas Tax	-	1,995,256	1,995,256	-
Payments in Lieu of Tax	222,669	278,777	258,299	243,147
Severance Tax	-	41,603	41,603	-
Neighborhood Revitalization Fund	-	675,140	675,140	-
Total Distributable Funds	65,271,567	128,403,446	124,430,686	69,244,327
State Funds				
Education Building	-	676,126	676,126	-
Eleemosynary Building	-	338,063	338,063	-
Combined Motor Vehicle Tax	-	106,113	106,113	-
Motor Vehicle Licenses	5,068	3,332,360	3,331,237	6,191
Motor Vehicle Sales Tax	194,503	2,979,935	2,976,029	198,409
Heritage Trust	-	38,944	38,944	-
Total State Funds	199,571	7,471,541	7,466,512	204,600
Subdivision Funds				
Cities	-	22,526,655	22,526,655	-
Townships	-	4,657,825	4,657,825	-
School Districts and Community College	-	52,425,209	52,425,209	-
Joint Fire Districts	-	153,593	153,593	-
Joint Cemeteries	-	24,879	24,347	532
Hutchinson Public Library	-	2,462,163	2,462,163	-
South Central KS Library System	-	410,483	410,483	-
Drainage Districts and Watershed	-	527,665	527,665	-
Total Subdivision Funds	-	83,188,472	83,187,940	532
Total	\$ 65,471,138	219,063,459	215,085,138	69,449,459

RENO COUNTY, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Community Corrections Fund	\$ 194,884	1,233,169	1,226,528	201,525
Community Corrections Juvenile Intensive Supervision Probation Fund	11,213	305,226	293,049	23,390
Community Corrections Juvenile Grant Benefit Payout Fund	2,000	-	-	2,000
Juvenile - Prevention Programs Fund	4,800	41,489	34,843	11,446
Juvenile Grant Benefit Payout Fund	36,731	1,345	-	38,076
Community Corrections Juvenile Case Manager Fund	4,833	83,707	77,820	10,720
Juvenile Justice Reinvestment Fund	4	250,000	80,000	170,004
Juvenile Corrections JCAB Grant Fund	-	326,281	96,996	229,285
Jail Commissary Proceeds Fund	323,374	171,398	65,910	428,862
Community Corrections Juvenile Reimbursement Fund	41,001	320	280	41,041
Community Corrections Substance Abuse Fund	51,516	-	-	51,516
Community Corrections QA Grant Fund	63,912	-	26,251	37,661
DA Drug Endangered Children Fund	1,119	-	-	1,119
Drug Court Fund	64,482	34,581	36,646	62,417
RCCC DA First Time Felony Drug Diversion Fund	-	25,000	-	25,000
Juvenile Intake and Assessment System Fund	55,495	245,763	234,544	66,714
Youth Services Food Fund	15,769	146,239	145,234	16,774
P-Card Clearing	36,055	434,354	426,939	43,470
Payroll Clearing	14,886	28,444,982	28,473,592	(13,724)
Court Electronic Fee Fund	277,068	-	10,480	266,588
Alcohol and Drug Safety Fund	9,325	-	-	9,325
D.A.R.E. Fund	5,110	-	-	5,110
Sheriff VIN Inspection Fund	-	13,610	1,600	12,010
Judicial District Juvenile Incentive Fund	2,750	500	-	3,250
Domestic Violence Program Fund	3,520	-	-	3,520
Sheriff's Grant Fund	(636)	31,363	17,050	13,677
Sheriff's Concealed Carry Fund	55,048	3,108	5,572	52,584
Sheriff's Offender Registration Fund	18,913	40,100	44,373	14,640
Juvenile Immediate Intervention Program	12,695	4,848	-	17,543
Performance Bonds Fund	-	128,219	128,219	-
Change Checks Fund	-	933	933	-
Jail - Commissary & Inmate	61,666	786,491	780,695	67,462
Sheriff Tax Foreclosure	-	335,323	335,323	-
Sheriff Civil Process	-	32,150	32,150	-
Sheriff THC	39,425	62,768	65,451	36,742
Reno County Law Library	253,644	44,485	30,504	267,625
State of KS - Clerk of District Court	711,035	186,044	186,964	710,115
Total	\$ 2,371,637	33,413,796	32,857,946	2,927,487

RENO COUNTY, KANSAS

Single Audit Information

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

To the County Commission
Reno County, Kansas
Hutchinson, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Reno County, Kansas**, as of and for the year ended December 31, 2023, and the related notes to the financial statement, and have issued our report thereon dated July 10, 2024. The report on the audited financial statement was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented 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 accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Reno 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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Reno County, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Reno 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 County's financial statement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

ADAMSBROWN, LLC
Certified Public Accountants
Hutchinson, Kansas

July 10, 2024

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

To the County Commission
Reno County, Kansas
Hutchinson, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Reno County, Kansas'** compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of **Reno County, Kansas'** major federal programs for the year ended December 31, 2023. **Reno County, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **Reno 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **Reno County, Kansas** and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **Reno County, Kansas'** compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to **Reno County, Kansas'** federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **Reno County, Kansas'** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Reno County, Kansas'** compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Reno County, Kansas'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of **Reno County, Kansas'** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **Reno County, Kansas'** internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies

Reno County, Kansas

Page 3

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Hutchinson, Kansas

July 10, 2024

RENO COUNTY, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Grantor/ Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-through Number	Passed-through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Passed Through Kansas Department of Education				
Child Nutrition Cluster				
National School Lunch Program	10.555	X0944	\$ -	26,832
Summer Food Service Program for Children	10.559	X0944	-	1,818
COVID-19 Funding				
National School Lunch Program	10.555	X0944	-	10,968
Total Child Nutrition Cluster			-	39,618
Passed Through Kansas Department of Health and Environment				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	3077-264310U	66,938	341,013
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	3077-264310V	-	70,784
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	3077-264736R	-	3,687
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	3077-264736T	-	3,340
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	3077-264736U	-	7,567
Total U.S. Department of Agriculture			66,938	466,009
U.S. Department of Justice				
Direct Funding				
Bulletproof Vest Partnership Program	16.607	2022 Grant	-	1,113
Comprehensive Opioid, Stimulant, and Other Substances Use Program				
Program	16.838	2019-RURAL-0053	-	34,984
Comprehensive Opioid, Stimulant, and Other Substances Use Program				
Program	16.838	15PBJA-23-GG-02371-COAP	-	13,727
Total U.S. Department of Justice			-	49,824
U.S. Department of Transportation				
Passed Through Kansas Department of Transportation				
Highway Planning and Construction	20.205	C-5198-01	-	76,561
Federal Transit Cluster				
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	PT-1102-23 051230214	-	75,666
Highway Safety Cluster				
State and Community Highway Safety	20.600	SP-1300-23	-	3,082
National Priority Safety Programs	20.616	SP-4704-23	-	6,597
Total Highway Safety Cluster			-	9,679
Passed Through West Central Kansas Coordinated Transit Council				
Formula Grants for Rural Areas and Tribal Transit Program	20.509	U.S.C. 49-5311	-	658,100
Total U.S. Department of Transportation			-	820,006
U.S. Department of the Treasury				
Direct Funding				
COVID-19 Funding				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-0635	537,100	2,989,087
Passed Through South Central Kansas Area Agency on Aging				
COVID-19 Funding				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Title IIIB - ARPA	-	11,000
Coronavirus State and Local Fiscal Recovery Funds	21.027	Title IIIB Outreach - ARPA	-	21,936
Coronavirus State and Local Fiscal Recovery Funds	21.027	Title IIIIE - ARPA	-	5,962
Passed Through Kansas Office of Judicial Administration				
COVID-19 Funding				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SPARK	-	8,693
Total U.S. Department of the Treasury			\$ 537,100	3,036,678

See accompanying notes to schedule of expenditures of federal awards.

RENO COUNTY, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Grantor/ Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-through Number	Passed-through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services				
Passed Through South Central Kansas Area Agency on Aging				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	IIIB FY 2023	\$ -	9,860
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	IIIB FY 2024	-	8,518
Total Aging Cluster			-	18,378
National Family Caregiver Support, Title III, Part E	93.052	IIIE FY 2023	-	20,498
National Family Caregiver Support, Title III, Part E	93.052	IIIE FY 2024	-	1,800
Passed Through Kansas Department of Health and Environment				
Public Health Emergency Preparedness	93.069	3329-264678B	-	22,626
Public Health Emergency Preparedness	93.069	3329-264678C	-	19,916
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	N/A	-	656
Injury Prevention and Control Research and State and Community Based Programs				
Family Planning Services	93.136	3294-264RX23	-	32,668
Family Planning Services	93.217	3622-264FPFFY22	-	38,351
Family Planning Services	93.217	3622-264FPFFY23	-	20,050
Immunization Cooperative Agreements	93.268	3372-264IMM22PPHF	-	3,106
Immunization Cooperative Agreements	93.268	3372-264IMM23PPHF	-	9,638
Medical Reserve Corps Small Grant Program	93.008	264KSMRC	-	8,261
Assistance Programs for Chronic Disease Prevention and Control	93.945	3401-264ARTH22	-	1,456
Preventive Health and Health Services Block Grant	93.991	3614-264277P	-	13,434
Preventive Health and Health Services Block Grant	93.991	3614-264277R	-	11,684
Maternal and Child Health Services Block Grant to the States	93.994	3616-264329S	-	27,508
Maternal and Child Health Services Block Grant to the States	93.994	3616-264329T	-	26,421
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	3150-264ELC22H	-	6,000
Medicaid Cluster				
Medical Assistance Program	93.778	264MEDICAIDADM	147,000	150,000
CCDF Cluster				
Child Care and Development Block Grant	93.575	3028-2643450N	-	43,608
Child Care and Development Block Grant	93.575	3028-2643450P	-	55,494
COVID-19 Funding				
Child Care and Development Block Grant	93.575	3028-2642731_ARPA	-	9,140
Total CCDF Cluster			-	108,242
COVID-19 Funding				
Immunization Cooperative Agreements	93.268	3372-264IMM_COVIDR3	-	15,352
Immunization Cooperative Agreements	93.268	3372-264IMM_COVIDR4S	-	32,481
COVID-19 Funding				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	3150-264ELC_COVIDED	-	54,321
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	3150-264ELC_COVIDEDX	-	7,076
Total U.S. Department of Health and Human Services			147,000	649,923
Total Expenditures of Federal Awards			\$ 751,038	\$ 5,022,440

See accompanying notes to schedule of expenditures of federal awards.

RENO COUNTY, KANSAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Reno County, Kansas** under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *Audits of States, Local Governments, and Non-Profit Organizations*. 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 or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are presented in accordance with the regulatory basis of accounting. This is 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. Such expenditures are recognized following the cost principles contained in the Uniform Guidance cost principles, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 – INDIRECT COST RATE

The County has elected to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

NOTE 4 – OTHER EXPENDITURES

The County did not receive any federal awards in the form of noncash assistance, insurance, loans, or loan guarantees, and incurred no expenditures in relation thereof for the year ended December 31, 2023.

RENO COUNTY, KANSAS
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued on whether the financial statements were prepared in accordance with a special purpose framework that is not in compliance with GAAP.

Unmodified

Internal control over financial reporting:

- Material weakness identified? _____ Yes X No
- Significant deficiency identified? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness identified? _____ Yes X No
- Significant deficiency identified? _____ Yes X None reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance?

_____ Yes X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

RENO COUNTY, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters noted in the current year.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs are required to be disclosed under the Uniform Guidance.



Randy Partington
County Administrator

Administration
206 West First Ave.
Hutchinson, KS 67501-5245
620-694-2929

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters noted for the year ended December 31, 2022.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

SIGNIFICANT DEFICIENCY

2022-001

Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) – 93.323 and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) – 10.557

Condition

During testing, it was discovered that errors were made while allocating expenditures between grants. In addition, errors were made when summarizing mileage data that was then used in the allocation process.

Recommendation

We recommend that the County review its procedures and implement controls to ensure that expenditures are properly calculated and booked.

Status

Not a repeat finding.

SIGNIFICANT DEFICIENCY

2022-002

Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) – 93.323

Condition

During testing, it was discovered that food and beverage expenditures were reimbursed under the program.

Recommendation

We recommend that the County review its procedures and implement controls to ensure that expenditure allowability is properly determined.

Status

Not a repeat finding.

July 10, 2024

To the County Commission
Reno County, Kansas
Hutchinson, KS

We have audited the financial statement of **Reno County, Kansas** for the year ended December 31, 2023, and have issued our report thereon dated July 10, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 10, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **Reno County, Kansas** are described in Note 1 to the financial statement. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2023. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statement in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Reno County, Kansas

Page 2

July 10, 2024

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statement or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 10, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statement or a determination of the type of auditors' opinion that may be expressed on that statement, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

There were no changes to our initial assessment of risks of material misstatements to the financial statement, which were communicated to you in our letter dated April 17, 2024.

Other Matters

We were engaged to report on the supplementary information as outlined in the table of contents, which accompany the financial statement but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the regulatory basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statement. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statement or to the financial statement itself.

Information Technology

Information Security Governance

Information security isn't merely a technological concern, it's a governance and management challenge. In the present landscape marked by frequent cybersecurity breaches, protecting the confidentiality, integrity and availability of critical information assets has become paramount. The involvement of owners, executive managers, and periodic sharing of summary reports with governance personnel is essential for maintaining a holistic understanding of the Company's information security stance.

Reno County, Kansas

Page 3

July 10, 2024

While many organizations believe their security practices are adequate, unexpected vulnerabilities often manifest, leading to severe consequences. Information security demands executive stewardship for timely threat assessment and effective response mechanisms.

A structured assessment is invaluable. It clarifies your security processes' strengths and weaknesses and guides you with actionable recommendations, aiming to bolster the safety of your information, infrastructure, personnel, and technology.

Connecting management with peer networking groups and other resources to stay updated with evolving IT risks and best practices allows for additional insights from others with similar backgrounds and experiences.

Vulnerability Assessment

Beyond routine information system governance reviews, there's a pressing need for periodic vulnerability assessments, preferably semi-annually or annually. There are more than 100,000 known network vulnerabilities that can leave organizations open to cyber-attacks.

In an era where high-profile security breaches are regrettably frequent, many organizations remain exposed to these pitfalls. Network vulnerability assessments are a proactive measure to identify and address these vulnerabilities preemptively.

At Adams Brown, our seasoned technology professionals leverage network vulnerability assessments to uncover and analyze these flaws. By utilizing automated scanning tools combined with their judgment, they pinpoint vulnerabilities, gauge their severity, and propose actionable solutions to mitigate them. For more information, please visit <https://www.adamsbrown.tech.com/>.

We would like to express our appreciation for the opportunity to perform the December 31, 2023 audit for **Reno County, Kansas** and to the employees for the cooperation and assistance given to us during the audit.

Restriction on Use

This communication is intended solely for the information and use of management, the County Commission, others within the organization, State of Kansas, and applicable federal agencies, and is not intended to be, and should not be, used by anyone other than these specified parties.



ADAMSBROWN, LLC

Certified Public Accountants

Hutchinson, Kansas

APPENDIX C

SUMMARIES OF PRINCIPAL FINANCING DOCUMENTS

APPENDIX C

SUMMARIES OF PRINCIPAL FINANCING DOCUMENTS

The following, in addition to the information provided elsewhere herein, summarizes certain provisions of the Lease, the Base Lease and the Bond Resolution to which reference is made for the detailed provisions thereof.

DEFINITIONS

Definitions of Words and Terms. In addition to the words and terms defined elsewhere in this Preliminary Official Statement, in the Lease, the Base Lease and the Bond Resolution, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

“Act” means K.S.A. 12-1757 *et seq.*, as amended by and Charter Resolution No. 98-XXI of Reno County, Kansas.

“Additional Bonds” means any Bonds issued in addition to the Series 2024 Bonds pursuant to the Bond Resolution.

“Additional Rent” means all fees, charges and expenses of the PBC, all Impositions, and all other expenses of whatever nature which Tenant has agreed to pay or assume, under the provisions of the Lease and all expenses and costs incurred by the PBC in connection with the enforcement of any rights under the Base Lease, the Lease or the Bond Resolution. The fees, charges and expenses of the PBC shall include all claims and litigation approved by Tenant brought by or on behalf of the PBC for any claim arising out of the construction and operation of the Project, including warranty, defects, title and all other claims of whatever nature, and all claims and litigation brought against the PBC, including liability, condemnation awards, title claims of whatever nature, including claims against the PBC board members individually or any of the agents, servants and employees of the PBC arising out of the work and employment of the PBC which are not covered by any insurance of the PBC. The fees, charges and expenses of the PBC shall further include, without limitation, all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any tax or other government charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds, and any amount to provide for the payment of all required rebate amounts to the United States in accordance with the Code.

“Additional Term” shall mean any additional term of the Lease commencing on the last day of the Basic Term and terminating not later than the payment of the principal of, redemption premium, if any, and interest on all Outstanding Bonds has been made.

“Authorized PBC Representative” means the President of the PBC or such other person as is designated to act on behalf of the PBC as evidenced by a written certificate containing the specimen signature of such person. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized PBC Representative.

“Authorized Tenant Representative” means the Chairperson of the governing body of the County or such other person as is designated to act on behalf of the County as evidenced by a written certificate furnished to the PBC containing the specimen signature of such person. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Tenant Representative.

“Base Lease” means the Base Lease dated as December 3, 2024 between Reno County, Kansas, as lessor, and the PBC, as lessee, as from time to time amended and supplemented in accordance with the provisions thereof.

“Basic Rent” means the semi-annual amount, when added to Basic Rent Credits, will be sufficient to pay, on any Bond Payment Date, all principal of, redemption premium, if any, and interest on the Bonds which is due and payable on such Bond Payment Date.

“Basic Rent Credits” means all funds on deposit in the Debt Service Account and available for the payment of principal of, redemption premium, if any, and interest on the Bonds on any Bond Payment Date, and shall include payments made by or on behalf of the County directly to the Paying Agent for the Bonds.

“Basic Rent Payment Date” means three days prior to October 1, 2025, and three days preceding any Bond Payment Date thereafter until the principal of, redemption premium, if any, and interest on the Bonds have been fully paid or provision made for their payment in accordance with the provisions of the Bond Resolution.

“Basic Term” means that term commencing as of the date of the Lease and ending on October 1, 2034, subject to prior termination as specified in the Lease, but to continue thereafter until all of the principal of, redemption premium, if any, and interest on all Outstanding Bonds shall have been paid in full or provision made therefore in accordance with the provisions of the Bond Resolution and the County has exercised its option to purchase the Project.

“Bond Counsel” means the firm of Gilmore & Bell, P.C., Wichita, Kansas, or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to Issuer and Tenant.

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable.

“Bond Resolution” means jointly, the Resolution of the PBC authorizing the issuance of the Series 2024 Bonds, as amended and supplemented, and any Supplemental Bond Resolutions adopted in accordance with the provisions of the Bond Resolution.

“Bonds” means collectively the Series 2024 Bonds and any Additional Bonds.

“Business Day” means a day other than a Saturday, Sunday or holiday on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, *et seq.*

“Certificate of Completion” means a written certificate signed by the Authorized Tenant Representative stating that: (a) the Project has been completed in accordance with the plans and specifications prepared or approved by Issuer or Tenant, as the case may be; (b) the Project has been completed in a good and workmanlike manner; (c) no mechanic's or materialmen's liens have been filed, nor is there any basis for the filing of such liens, with respect to the Project; and (d) if required by applicable building codes, that an appropriate certificate of occupancy has been issued with respect to the Project.

“Change of Circumstances” means the occurrence of any of the following events:

- (1) title to, or the temporary use of, all or any substantial part of the Project shall be condemned by any authority exercising the power of eminent domain;
- (2) title to such portion of the Project is found to be deficient or nonexistent to the extent that the Project is untenable or the efficient utilization of the Project by the County is substantially impaired;
- (3) substantially all of the Project is damaged or destroyed by fire or other casualty; or
- (4) as a result of (i) changes in the constitution of the State; or (ii) any legislative or administrative action by the State or any political subdivision thereof, or by the United States; or (iii) any action instituted in any court, the Lease shall become void or unenforceable, or impossible of performance without unreasonable delay, or in any other way by reason of such changes of circumstances, unreasonable burdens or excessive liabilities are imposed upon Issuer or Tenant.

“County” means Reno County, Kansas.

“Code” means the Internal Revenue Code of 1986, as amended, together with the regulations promulgated thereunder by the United States Department of the Treasury.

“Costs of Issuance” means all costs of issuing the Bonds, including all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“Costs of Issuance Account” means the “Reno County, Kansas Public Building Commission Cost of Issuance Account for Revenue Bonds, Series 2024” created pursuant to the Bond Resolution.

“Dated Date” means December 3, 2024.

“Debt Service Account” means the “Reno County, Kansas Public Building Commission Debt Service Account for Revenue Bonds, Series 2024” created pursuant to the Bond Resolution.

“Debt Service Requirements” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

“Defeasance Obligations” means any of the following obligations:

- (a) United States Government Obligations that are not subject to redemption in advance of their maturity dates;
- or
- (b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:
 - (1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;
 - (2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;
 - (3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;
 - (4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;
 - (5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and
 - (6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Derivative” means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

“Disclosure Undertaking” means the Continuing Disclosure Undertaking of the County (as amended from time to time) to be delivered at the time of issuance and delivery of any series of the Bonds, relating to certain matters within the scope of the SEC Rule, in accordance with its terms.

“Environmental Laws” means CERCLA, SARA, and any other federal, state or local environmental statute, regulation or Resolution presently in effect or coming into effect during the term of the Lease.

“Event of Bankruptcy” means an event whereby the County shall: (a) admit in writing its inability to pay its debts as they become due; or (b) file a petition in bankruptcy or for reorganization or for the adoption of an arrangement under the Bankruptcy Code as now or in the future amended, or file a pleading asking for such relief; or (c) make an assignment for the benefit of creditors; or (d) consent to the appointment of a trustee or receiver for all or a major portion of its property; or (e) be finally adjudicated as bankrupt or insolvent under any federal or state law; or (f) suffer the entry of a final and nonappealable court order under any federal or state law appointing a receiver or trustee for all or a major part of its property or ordering the winding-up or liquidation of its affairs, or approving a petition filed against it under the Bankruptcy Code, which order, if the County has not consented thereto, shall not be vacated, denied, set aside or stayed within 60 days after the day of entry; or (g) suffer a writ or warrant of attachment or any similar process to be issued by any court against all or any substantial portion of its property, and such writ or warrant of attachment or any similar process is not contested, stayed, or is not released within 60 days after the final entry, or levy or after any contest is finally adjudicated or any stay is vacated or set aside.

“Event of Default” with respect to the Lease means any one of the following events:

- (a) Failure of Tenant to make any payment of Basic Rent at the times and in the amounts required hereunder; or

(b) Failure of Tenant to make any payment of Additional Rent at the times and in the amounts required hereunder; or

(c) Failure to observe or perform any other covenant, agreement, obligation or provision of the Lease on the County's part to be observed or performed (other than covenants with respect to Continuing Disclosure), and the same is not remedied within thirty (30) days after the PBC has given the County written notice specifying such failure or such longer period as the PBC may grant to correct such default; provided that (i) Tenant has commenced such correction within said 30-day period, and (ii) Tenant diligently prosecutes such correction to completion; or

(d) Tenant shall (i) apply for consent to the appointment of a receiver, trustee, custodian or liquidator of Tenant, or of all or a substantial part of the assets of Tenant, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the State in any bankruptcy, reorganization or insolvency proceeding; or

(e) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of the County of all or a substantial part of the assets of the County, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

“Event of Default” with respect to the Bond Resolution means any one of the following events:

(a) Default in the due and punctual payment of the principal of, premium, if any, and interest on the Bonds whether at the stated maturity or accelerated maturity thereof, or at the Redemption Date thereof;

(b) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the PBC under the Bond Resolution or the Bonds, and the continuance thereof for a period of 30 days after written notice thereof shall have been given to the PBC by the County, or to the PBC and the County by the Owners owning not less than 25% in aggregate principal amount of Bonds then Outstanding; provided, however, if any default shall be such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the PBC or the County within such period and diligently pursued until the default is corrected; or

(c) Default as defined in the Lease shall have occurred.

“Fiscal Year” means the twelve month period ending on December 31.

“Fitch” means Fitch Ratings, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the PBC.

“Governmental Unit” means a state or political subdivision or agency or instrumentality thereof.

“Hazardous Substances” means all “hazardous substances” as defined in CERCLA.

“Impositions” means all taxes and assessments, general and special, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or payable for or in respect of the Project or any part thereof, or any improvements at any time thereon or Tenant's interest therein, including any new lawful taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen.

“Improvements” means and includes a law enforcement training center and two separate fire stations in and for Reno County, Kansas and all improvements related thereto acquired, constructed or installed with the proceeds of the Series 2024 Bonds, together with any Project Additions.

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Bond, which for the Series 2024 Bonds shall be April 1 and October 1 of each year, commencing April 1, 2025.

“Issuer” means the PBC, its successors and assigns.

“Land” means the real property (or interests therein), including all improvements and structures currently existing thereon, described in the Lease.

“Lease” means the Lease Purchase Agreement dated as Dated Date, between the PBC and the County, as from time to time amended and supplemented in accordance with the provisions thereof and of the Bond Resolution.

“Maintenance Costs” means all costs and expenses of every kind of operating and maintaining the Project during the Term of the Lease.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“Moody's” means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the PBC.

“Net Proceeds” means, when used with respect to any insurance or condemnation award with respect to the Project, the proceeds from the insurance or condemnation award remaining after the payment of all expenses (including attorney's fees and any extraordinary expenses of the Bond Registrar and Paying Agent) incurred in the collection of such proceeds.

“Original Purchaser” means Raymond James & Associates, Inc., Leawood, Kansas.

“Outstanding” means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore, authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Section 601* of the Bond Resolution; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under the Bond Resolution.

“Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

“Paying Agent” means the Office of the State Treasurer, Topeka, Kansas, and any successors and assigns.

“PBC” means the Reno County, Kansas Public Building Commission.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the County's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the PBC is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

“Person” means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Pledged Property” means (a) all right, title and interest, of the PBC in the Land, in, to and under the Lease, all Basic Rent or Additional Rent derived by the PBC pursuant to the Lease, subject to the provisions of the and Lease; provided that the pledge and assignment hereby made shall not impair or diminish the obligations of the PBC under the provisions of the Lease; and (b) all moneys and Permitted Investments from time to time held under the terms of the Bond Resolution, including, without limitation, Bond proceeds and income from the temporary investment thereof, proceeds from insurance and condemnation awards, any and all real or personal property of every kind and nature from time to time hereafter, by delivery or by right of any kind, pledged, assigned or transferred as and for additional security for the Bonds by the PBC.

“Principal Payment Date” shall mean with respect to the Series 2024 Bonds, the 1st day of October, commencing October 1, 2025, until such time as the aggregate principal amount of the Series 2024 Bonds has been paid or provisions is made for the payment thereof, whether at Stated Maturity or Redemption Date.

“Project” means Issuer’s interest in the Land together with the Improvements acquired, constructed or installed with the proceeds of the Series 2024 Bonds, together with any Project Additions.

“Project Additions” means any additions to the Project acquired, constructed or installed from proceeds of any series of Additional Bonds authorized and issued pursuant to the Resolution. It also includes any alterations or additions made to the Project to the extent provided in the Lease.

“Project Costs” means those costs incurred in connection with the Project, including:

(a) fees and expenses of architects, appraisers, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of architects, appraisers, surveyors and engineers in relation to the construction, furnishing and equipping of the Project or the issuance of the Series 2024 Bonds.

(b) all costs and expenses of every nature incurred in constructing, acquiring or installing the Project.

(c) payment of interest actually incurred on any interim financing obtained from a lender unrelated to the County for performance of work on the Project prior to the issuance of the Series 2024 Bonds.

(d) the cost of any title insurance policies and the cost of any insurance and performance and payment bonds required by of the Lease.

(e) interest accruing on the Series 2024 Bonds during the period of construction of the Project.

(f) Costs of Issuance.

“Project Documents” means those documents for construction of the Project, referred to in the Lease.

“Project Fund” means the “Reno County, Kansas Public Building Commission Project Fund for Revenue Bonds, Series 2024” created pursuant to the Bond Resolution.

“Rating Agency” means any company, agency or entity that provides financial ratings for the Bonds.

“Record Dates” for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of each month preceding such Interest Payment Date.

“Redemption Date” when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of the Bond Resolution.

“Redemption Price” when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of the Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Rental Payments” means the aggregate of the Basic Rent and Additional Rent payments provided for pursuant to the Lease.

“SARA” means the Superfund Amendments and Reauthorization Act of 1986, as now in effect and as hereafter amended.

“SEC Rule” means Rule 15c2-12 promulgated by Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

“Series 2024 Bonds” means the Reno County, Kansas Public Building Commission Revenue Bonds, Series 2024, dated December 3, 2024 in the aggregate principal amount of \$1,985,000*.

“Standard & Poor's” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the PBC.

“State” means the state of Kansas.

“State Treasurer” means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and the Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“Tax Compliance Agreement” means the Tax Compliance Agreement among the PBC and the County, dated as of the date of issuance of the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

“Tenant” means the County, its successors and assigns.

“Term” means, collectively, the Basic Term and any Additional Term of the Lease.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Bond Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the PBC.

THE BASE LEASE

Lease of Land

The County owns the Land, and agrees to lease the Land to the PBC pursuant to the Base Lease. The PBC agrees to, simultaneously with the delivery of the Base Lease, enter into the Lease with the County (as more fully described below) and to surrender and deliver the Project to the County upon the termination of the Base Lease.

Assignments and Subleases

The PBC may assign its rights under this Base Lease without the consent of the County (i) in connection with any assignment of its rights under the Lease, (ii) if the Lease is terminated for any reason or (iii) if an “Event of Default” as defined in the Lease has occurred. If an Event of Default under the Lease occurs, the PBC shall have the right to possession of the Land for the remainder of the term of the Base Lease and shall have the right to sublease the Project or sell its interest in the Project and the Base Lease upon whatever terms and conditions it deems prudent and in the interest of the Owners of the Bonds.

The County may assign its rights and obligations under the Base Lease and may sublet the Project on the conditions set forth in the Lease and the Act.

Taxes and Assessments

The County covenants and agrees to pay any and all assessments of any kind or character and all taxes levied or assessed upon the Project.

Title and Consideration

Title to the Land shall remain in the County at all times. The leasing of the Project to the County under the Lease shall be deemed the County's entire consideration for the Base Lease.

Amendments, Changes and Modifications

The Base Lease may not be effectively amended, changed, modified, altered or supplemented except with the written consent of both the PBC and the County. Any waiver of any provision of the Base Lease or any right or remedy hereunder must be affirmatively and expressly made in writing and shall not be implied from inaction, course of dealing or otherwise.

THE LEASE

Lease of Project; Issuance of the Bonds; Payment of Rent

The PBC agrees to lease the Project to the County pursuant to the Lease. The Tenant, pursuant to the Lease, agrees to make semi-annual payments of Basic Rent on the Basic Rent Payment Dates. Any payment of the Basic Rent amount directly to the Paying Agent shall constitute payment of Basic Rent by the County. In the event of an acceleration of Bond maturities under the Bond Resolution, the principal component of all Basic Rent, plus accrued interest thereon to the date of acceleration, shall be due and payable from the County as of the date of acceleration. The County has agreed also, and from time to time as required, to pay Additional Rent.

Deposit and Application of Proceeds from the Sale of the Bonds

The proceeds of the Series 2024 Bonds shall be paid over to the PBC and applied pursuant to provisions of the Lease and the Bond Resolution.

Construction of Improvements.

The PBC and Tenant mutually agree that as of the date of the Lease there exist no differences in each of their interpretations of the various agreements, including the Lease, relating to the PBC's duty to enter into the Base Lease and acquire a leasehold interest in the Land and construct the Improvements for the County and the County's duty to review and approve the Project Documents referred to in the Lease and to pay Rental Payments to the PBC required by the Lease. The Tenant agrees to cooperate fully with the PBC or any of those parties contracting with the PBC for the construction of the Improvements.

Improvement Contracts.

The Tenant has, or shall immediately cause to be prepared, as required, plans and specifications for the Improvements which shall be approved by the County. The Tenant has awarded, or shall award, a contract for the construction of the Improvements, as required. Tenant hereby conveys, transfers and assigns to PBC all of Tenant's interest in such contracts and other Project Documents and PBC hereby designates Tenant as PBC's agent for the purpose of executing and performing the contracts and other Project Documents.

Payment of Project Costs.

(a) The PBC hereby agrees to pay for the costs of acquisition of an interest in the Land, if any, and construction of the Improvements thereon, but solely and only to the extent that there are funds in the Project Fund, and hereby authorizes and directs the payment of the same, but solely from the Project Fund.

(b) The PBC agrees to cause the Improvements to be diligently and continuously prosecuted and to be completed with reasonable dispatch substantially in accordance with the Project Documents.

(c) In the event the moneys on deposit in the Project Fund, together with other Tenant funds, if any, for the Project Costs relating to the Improvements, are at any time insufficient to pay for the completion of the Improvements, the County agrees to pay the amount of such deficiency, from other lawfully available funds, forthwith for deposit in the Project Fund.

(d) The PBC shall disburse moneys on deposit in the Project Fund from time to time to pay, or as reimbursement for payment made for, Project Costs relating to the Improvements, after receipt of documentation prepared and processed in accordance with procedures established by the Bond Resolution for which payment is being requested.

(e) In making such payments and determinations pursuant to this section, the PBC may rely upon such documentation and shall not be required to make any independent investigation in connection therewith. The PBC shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and shall make available statements of activity regarding the Project Fund to the PBC and the County at the end of each Fiscal Year and within 90 days after the Completion Date of the Improvements.

(f) The PBC shall require the County to deliver to the PBC within 90 days after the Completion Date of the Improvements a Certificate of Completion signed by the Authorized PBC Representative and the Authorized Tenant Representative stating that:

(i) the Improvements has been fully completed substantially in accordance with the Project Documents, as then amended, as of such Completion Date; and

(ii) an investigation has been made of such sources of information as are deemed necessary, including pertinent records of the County, and it is the opinion of the signatories thereto that the Project Costs relating to the Improvements have been fully paid.

(g) If after receipt of the Certificate of Completion described in (f) above, there shall remain any moneys in the Project Fund, such moneys shall be deposited in accordance with the provisions of the Bond Resolution.

Project Documents.

The PBC and Tenant shall make available to each other the following documents relating to the Project (the "Project Documents"):

(a) **Plans and Specifications.** All available preliminary, amended, and final plans and specifications for the Improvements.

(b) **Construction Contracts.** All architect's and general contractor's contracts for the Improvements and all prime subcontractor's contracts and purchase orders deemed necessary by the PBC or the County for any machinery and equipment included in the Improvements.

(c) **Surety Bonds.** Labor, material and performance bonds as required by the PBC or Tenant and public works bonds as required by K.S.A. 60-1111.

(d) **Other Documents.** Any other contracts payable from the Project Fund or payable as Additional Rent.

The PBC covenants and agrees to obtain and thereafter make available to the County all remaining construction or other contracts, purchase orders, approvals, licenses and permits required or necessary for the Project.

Changes or Amendments to Project Documents.

The Tenant may make, authorize or permit such changes or amendments in the documents relating to the Project as they may reasonably determine to be necessary or desirable; provided, however, that no such change or amendment shall be made to the documents relating to the Project that would cause a material change in the cost, scope, nature, or function of the Project, unless the County shall file with the PBC a certificate of the Authorized PBC Representative and the Authorized Tenant Representative, to the effect that the Project will, after such change or amendment, continue to comply with the Act, and such change or amendment will not result in the Project being used for any purpose prohibited by the Lease or otherwise result in the County failing to comply with any provisions of the Lease, or materially adversely affect the Basic Rent available for payment of principal of, premium, if any, and interest on the Bonds, or violate or conflict with the terms of any applicable approvals of the County.

Enforcement of Contracts and Surety Bonds.

In the event of a material default of any contractor or subcontractor under any contract made in connection with the Project, or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the PBC or the County at the request of the PBC will promptly proceed, either separately or in conjunction with others, to pursue diligently the remedies of the PBC against the contractor or subcontractor in default and against any surety on a bond securing the performance of such contract. Any

amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery and after reimbursement to the County of any amounts theretofore paid by the County and not previously reimbursed to the County for correcting or remedying of the default which gave rise to the proceedings against the contractor, subcontractor or surety, shall be paid into Project Fund if received before the Completion Date, and otherwise shall be deposited in the Principal and Interest Account and applied as provided in the Bond Resolution.

Project Use.

Tenant warrants that the Project will be necessary for use by Tenant for its governmental purposes. PBC and the County each covenant and agree to proceed diligently to construct the Project. Upon completion of the Project in a form acceptable to the PBC and the County, the Authorized PBC Representative and the Authorized Tenant Representative shall deliver a Certificate of Completion to the PBC, and the date of such delivery shall be the Completion Date.

Surplus in the Project Fund.

Any amount remaining in the Project Fund after the Certificate of Completion has been delivered to the PBC, shall be transferred into the Debt Service Account and used and applied for the purposes and at the times authorized by the Bond Resolution.

Right of Entry by PBC.

The duly authorized agents of the PBC, including the Authorized PBC Representative and the Authorized Tenant Representatives shall have the right at any reasonable time to have access to the Project or any parts thereof for the purpose of inspecting and supervising the construction thereof.

Machinery and Equipment Purchased by Tenant.

If no part of the purchase price of an item of machinery, equipment or personal property has been paid from funds or proceeds of the Bonds, then such item of machinery, equipment or personal property shall not be deemed a part of the Project.

Project Property of PBC.

All improvements and work constituting a part of the Project, all work and materials on the Project as such work progresses, and the Project as fully completed, anything under the Lease which becomes, is deemed to be, or constitutes a part of the Project, and the Project as repaired, rebuilt, rearranged, restored or replaced by Tenant under the provisions of the Lease, except as otherwise specifically provided in the Bond Resolution, shall immediately become the absolute property of PBC.

Assignment of the Lease by the County

Tenant may assign its interest in the Lease in accordance with or in furtherance of the purposes set forth in the Act and insofar as permitted by law, with the prior written consent of PBC, provided such assignment does not affect the tax-exempt status of the Series 2024 Bonds, that such assignee shall not encumber or dispose of the Project, and such assignment and assignee are permissible under the Act. In the event of any such assignment, Tenant shall remain fully liable for the performance of its duties and obligations hereunder, except to the extent hereinafter provided, and no such assignment and no dealings or transactions between PBC and any such assignee shall relieve the County of any of the duties and obligations hereunder, except as may be otherwise provided in the following section.

Release of Tenant

If, in connection with an assignment by Tenant of their interests in the Lease, (a) the PBC and the Owners of a majority of the aggregate principal amount of the Outstanding Bonds shall file with the PBC and the Original Purchaser their prior written consent to such assignment, and (b) the proposed assignee shall expressly assume and agree to perform all of the obligations of Tenant under the Lease; then and in such event Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment

Sublease by the County

The Tenant may sublease all or portions of the Project to Governmental Units. Tenant may sublease the Project to non-Governmental Units with the prior written consent of PBC, provided such sublease does not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds and that such sublessee shall not encumber or dispose of the Project and such sublessee is an agency or instrumentality of the State. In the event of any such subleasing, Tenant shall remain fully liable for the performance of their duties and obligations hereunder, and no such subleasing and no dealings or transactions

between PBC and any such subtenant shall relieve Tenant of any of the duties and obligations hereunder. Any such sublease shall be subject and subordinate in all respects to the provisions of the Lease.

Environmental Matters

Tenant acknowledges that it is responsible for maintaining the Project in compliance with all Environmental Laws. In the event that Tenant does not expeditiously proceed with any compliance required by any local, state or federal authority under the applicable Environmental Law, the PBC, immediately after notice to Tenant, may elect (but may not be required) to undertake such compliance. Any moneys expended by Issuer in efforts to comply with any applicable Environmental Law (including the cost of hiring consultants, undertaking sampling and testing, performing any cleanup necessary or useful in the compliance process and attorneys' fees) shall be due and payable as Additional Rent hereunder with interest thereon at the average rate of interest per annum on the Series 2024 Bonds, from the date such cost is incurred.

To the extent permitted by law, the County covenants to indemnify Issuer and the Owners and defend and hold them harmless from and against all loss, cost, damage and expense (including, without limitation, attorneys' fees and costs associated incurred in the investigation, defense and settlement of claims) that they may incur, directly or indirectly, as a result of or in connection with the assertion against them or any of them of any claim relating to the presence, escape or removal of any hazardous substance or other material regulated by any applicable Environmental Law, or compliance with any applicable Environmental Law, whether before, during or after the term of the Lease, including claims relating to personal injury or damage to property.

Maintenance and Repair

The Tenant covenants and agrees that it will, during the Term of the Lease, keep and maintain the Project and all parts thereof in good condition and repair, including but not limited to the furnishing of all parts, mechanisms and devices required to keep the machinery, equipment and personal property constituting a part of the Project in good mechanical and working order, and that during said period of time it will keep the Project and all parts thereof free from filth, nuisance or conditions unreasonably increasing the danger of fire.

Remedies on Default

Whenever any Event of Default shall have happened and be continuing, the PBC may take any one or more of the following remedial actions:

(a) By written notice to the County upon acceleration of maturity of the Bonds as provided in the Bond Resolution, the PBC may declare the aggregate amount of all unpaid Rental Payments then or thereafter required to be paid under the Lease to be immediately due and payable as liquidated damages from the County, whereupon the same shall become immediately due and payable by the County; or

(b) Give the County written notice of its intention to terminate the Lease on a date specified therein, which date shall not be earlier than ten (10) days after such notice is given and, if all Events of Default have not then been cured on the date so specified, the County's rights to possession of the Project shall cease, and the Lease shall thereupon be terminated, and the PBC may reenter and take possession of the Project; or

(c) Without terminating the term of the Lease, re-enter the Project or take possession thereof, where practical to do so, pursuant to legal proceedings or pursuant to any notice provided for by law, and having elected to re-enter or take possession of the Project without terminating the term of the Lease, Issuer, if it deems it practical and economical, shall use reasonable diligence to relet the Project, or parts thereof, subject to the Base Lease and for such term or terms and at such rental and upon such other terms and conditions as issuer may deem advisable, with the right to make alterations and repairs to the Project, and no such re-entry or taking of possession of the Project by Issuer shall be construed as an election on Issuer's part to terminate the Lease and no such re-entry or taking of possession by Issuer shall relieve Tenant of its obligation to pay Rental Payments, at the time or times provided herein, or of any of its other obligations under the Lease, all of which shall survive such re-entry or taking of possession, and Tenant shall continue to pay the Rental Payments provided for in the Lease until the end of the Term, whether or not the Project shall have been relet, less the net proceeds, if any, of any reletting of the Project after deducting all of Issuer's expenses incurred in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, legal expenses, expenses of employees, alteration costs and expenses of preparation of the Project for reletting.

Net proceeds of any reletting shall be deposited in the Debt Service Account. Having elected to reenter or take possession of the Project pursuant to subsection (c) hereunder, Issuer may (subject, however, to any restrictions against termination of the Lease in the Bond Resolution or in the Base Lease), by notice to Tenant given at any time thereafter while

Tenant is in default in the payment of any Rental Payments or in the performance of any other obligation under the Lease, elect to terminate the Lease in accordance with subsection (b) hereunder and thereafter proceed to sell the County's interest in the Project, subject to the Base Lease. If, in accordance with any of the foregoing provisions of this article, Issuer shall have the right to elect to re-enter and take possession of the Project, Issuer may enter and Tenant shall deliver to the PBC the Project or cause such delivery of the Project to be made to the PBC and thereafter the PBC may remove the property and effects of both or either without being guilty or in any manner of trespass and without prejudice to any remedies for arrears of any Rental Payments or preceding breach of covenant

Issuer shall pursue and exercise any available remedy at law or in equity by suit, action, mandamus or other proceeding, or exercise such one or more of the rights and powers conferred by this article as the PBC may require, being advised by counsel, shall deem most expedient in the interests of the Owners of the Bonds, including sale of the Project after termination as provided in subsection (a) of the Lease.

All rights of action under the Lease or under any of the Bonds may be enforced by the PBC without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the PBC shall be brought in its name as Issuer without necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of all the Owners of the Outstanding Bonds.

Survival of Obligations

The Tenant covenants and agrees that until the Bonds and the interest thereon and redemption premium, if any, are paid in full or provision made for the payment thereof, Tenant's obligations under the Lease shall survive the cancellation and termination of the Lease for any cause and that Tenant shall continue to make rental and other payments and perform all other obligations provided for in the Lease, all at the time or times provided in the Lease.

No Remedy Exclusive

No remedy herein conferred upon or reserved to the PBC is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver thereof.

Performance of the County's Obligations by the PBC

If the County fails to keep or perform any of its obligations as provided under the Lease, the PBC may (but shall not be obligated to do so) upon the continuance of such failure on the County's part for ninety (90) days after notice of such failure is given the County by the PBC, make any such payment or perform any such obligation, and all sums so paid by the PBC and all necessary or incidental costs and expenses incurred by the PBC in performing such obligations shall be paid to the PBC on demand, and if not paid within ten (10) days of demand, the PBC shall have the same rights and remedies provided in the Lease in the case of an Event of Default in the payment of Basic Rent.

Taxes and Assessments

Tenant shall, during the life of the Lease bear, pay and discharge, before the delinquency thereof, any and all Impositions. In the event any Impositions may be lawfully paid in installments, Tenant shall be required to pay only such installments thereof as become due and payable during the life of the Lease as and when the same become due and payable. PBC covenants that without Tenant's written consent it will not, unless required by law, take any action which may reasonably be construed as tending to cause or induce the levying or assessment of any Imposition which Tenant would be required to pay under this article and that should any such levy or assessment be threatened or occur, PBC shall, at Tenant's request, fully cooperate with Tenant in all reasonable ways to prevent any such levy or assessment.

Options to Purchase the Project

Subject to the provisions of the Lease, the County shall have the option to purchase the Project at any time during the term of the Lease or any Additional Term thereof. The Tenant must exercise its option by giving the PBC written notice of the County's election to exercise its option and specifying the date, time and place of closing, which shall neither be earlier than thirty (30) days nor later than one hundred eighty (180) days after the notice is given.

If notice of election to purchase is given, the PBC covenants and agrees to sell and convey the Project to the County free and clear of all liens and encumbrances except (a) those to which the title was subject on the date of the Base Lease, or to which title

became subject with the County's written consent, or which resulted from failure of the County to perform any of its covenants or obligations under the Lease, (b) taxes and assessments, if any, and (c) the rights of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the Project, for the full amount which is required to provide the PBC with funds or securities sufficient to pay at maturity or to redeem and pay in full (x) the principal of all of the Outstanding Bonds, (y) all interest due thereon to date of maturity or redemption, whichever first occurs, and (z) all costs, expenses and premiums incident to the redemption and payment of said Bonds in full, plus \$100.00.

Closing of Purchase

On the closing date the PBC will deliver to the County its deed or other instrument or instruments of conveyance conveying the Project to the County free and clear of all liens and encumbrances except as set forth in the preceding section above. However, the PBC is not required to deliver its instrument of conveyance to the County until after all duties and obligations of the County under the Lease to the date of such delivery have been fully performed and satisfied. Upon the delivery to the County of the PBC's instrument or instruments of conveyance and payment of the purchase price by the County, the Lease shall, *ipso facto*, terminate.

Insurance

The Tenant shall be required to maintain in full force and effect general accident and public liability insurance, fire and extended coverage casualty insurance, and such other insurance policies as are reasonably related to the Project as provided in the Lease.

Amendments, Changes and Modifications of the Lease

The Lease may be amended, changed or modified in the following manner:

(a) With respect to any amendment, change or modification which reduces the required rental payments, or any amendment which reduces the percentage of Owners whose consent is required for any such amendment, change or modification, by an agreement in writing executed by the PBC and the County and consented to in writing by the Owners of one hundred percent (100%) of the aggregate principal amount of the Bonds then Outstanding; and

(b) With respect to any amendment, change or modification which will materially adversely affect the security or rights of the Owners, by an agreement in writing executed by the PBC and the County and consented to in writing by the Owners of sixty-six and two-thirds percent (66-2/3%) of the aggregate principal amount of the Bonds then Outstanding;

(c) With respect to all other amendments, changes, or modifications, by an agreement in writing executed by the PBC and the County.

Damage and Destruction.

(a) If, during the Basic Term, or any Additional Term, the Project is damaged or destroyed, in whole or in part, by fire or other casualty, the County shall promptly notify the PBC in writing as to the nature and extent of such damage or loss and whether it is practicable and desirable to rebuild, repair, restore or replace the Project.

(b) If the County shall determine that such rebuilding, repairing, restoring or replacing is practicable and desirable, the County shall forthwith proceed with and complete with reasonable dispatch such rebuilding, repairing, restoring or replacing. In such case, the Net Proceeds, if any, of any applicable casualty insurance received with respect to any such damage or loss to the Project shall be paid to the PBC and deposited in the Project Fund and shall be used and applied for the purpose of paying the cost of such rebuilding, repairing, restoring or replacing. Any amount remaining in the Project Fund, with respect to such damage or loss, after such rebuilding, repairing, restoring or replacing shall be deposited into the Debt Service Account.

(c) If the County shall determine that rebuilding, repairing, restoring or replacing the Project is not practicable and desirable, and upon obtaining the written consent of the PBC, the Net Proceeds, if any, of any applicable casualty insurance received with respect to any such damage or loss to the Project shall be paid to the PBC and deposited in the Debt Service Account in accordance with the Bond Resolution. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection (c).

(d) The Tenant shall not, by reason of its inability to use all or any part of the Project during any period in which the Project is damaged or destroyed, or is being repaired, rebuilt, restored or replaced nor by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, fail to comply with the provisions of the Lease.

Condemnation.

(a) If, during the Basic Term, or any Additional Term, title to, or the temporary use of, all or any part of the Project shall be condemned by an authority exercising the power of eminent domain, the County shall, within 90 days after the date of entry of a final order in any eminent domain proceedings granting condemnation, notify the PBC in writing as to the nature and extent of such condemnation and whether it is practicable and desirable to acquire or construct substitute improvements.

(b) If the County shall determine that such substitution is practicable and desirable, the County shall forthwith proceed with and complete with reasonable dispatch the acquisition or construction of such substitute improvements. In such case, any Net Proceeds received from any award or awards with respect to the Project or any part thereof made in such condemnation or eminent domain proceedings shall be paid to the PBC and shall be deposited in the Project Fund and shall be used and applied for the purpose of paying the cost of such substitution. Any amount remaining in the Project Fund, with respect to such condemnation or eminent domain proceedings, after such acquisition or construction shall be deposited into the Debt Service Account.

(c) If the County shall determine that it is not practicable and desirable to acquire or construct substitute improvements, and upon obtaining the written consent of the PBC, any Net Proceeds of condemnation awards received by the County shall be paid to the PBC and deposited in the Debt Service Account in accordance with the Bond Resolution. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection (c).

(d) The Tenant shall not, by reason of their inability to use all or any part of the Project during any such period of acquisition or construction of substitute land and improvements nor by reason of the payment of the costs of such acquisition or construction of substitute land and improvements fail to comply with the provisions of the Lease.

(e) The PBC shall cooperate fully with the County in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any part thereof. In no event will the PBC voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the County.

THE BOND RESOLUTION

Creation of Funds and Accounts

There are created and ordered to be established within the Treasury of the PBC the following funds and accounts:

- (a) Project Fund;
- (b) Debt Service Account; and
- (c) Costs of Issuance Account.

The Funds and Accounts established in the Bond Resolution shall be administered in accordance with the provisions of the Bond Resolution so long as the Series 2024 Bonds are Outstanding.

Application of Bond Proceeds

The proceeds from the sale of the Series 2024 Bonds will be received by the PBC simultaneously with the original delivery of the Series 2024 Bonds, and the PBC will deposit the accrued interest and premium, if any, in the Debt Service Account. An amount necessary to pay the Cost of Issuance will be deposited in the Cost of Issuance Account, and the balance of the proceeds of the Series 2024 Bonds will be deposited in the Project Fund.

Application of Moneys in the Project Fund.

Moneys in the Project Fund shall be used by the PBC solely for the purpose of paying the Project Costs, including reimbursement of Project Costs previously paid, for which the Bonds have been authorized, as hereinbefore provided, in accordance with the plans and specifications therefor prepared by the PBC's or County's architects and engineers, including any alterations in or amendments to said plans and specifications deemed advisable by the PBC's or County's architects and engineers and approved by the PBC. .

Withdrawals from the Project Fund shall be made only when authorized by the governing body of the County. Each authorization for Project Costs shall be supported by a certificate executed by the PBC's President and the County's Chairperson that

such payment is being made for a purpose within the scope of the Bond Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, and that such payment is not in excess of the reasonable value thereof.

Upon completion of the purpose for which the Bonds have been issued, any surplus remaining in the Project Fund shall be transferred to and deposited in the Debt Service Account.

The Tenant and Issuer covenant and agree to obtain and thereafter make available all approvals, licenses and permits required or necessary for the Project.

Debt Service Account

Moneys paid into the Debt Service Account will include all Rental Payments, excess amounts in the Project Fund upon completion of the Project and interest and other income from investment of the Debt Service Account.

Moneys in the Debt Service Account will be expended solely for the payment of principal of, premium, if any, and interest on the Series 2024 Bonds, except that any balance remaining after the Series 2024 Bonds have been paid in full, or provision made for payment in accordance with the Bond Resolution, will be paid to County. Payment of fees and expenses of the Paying Agent and Bond Registrar shall be subordinate to payments of principal and interest to the Owners of the Series 2024 Bonds.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid to the County.

Application of Moneys in the Costs of Issuance Account.

Moneys in the Costs of Issuance Account shall be used by the PBC to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than 30 days prior to the first Interest Payment Date, shall be transferred to the Project Fund until completion of the Improvements and thereafter to the Debt Service Account.

Investment of Moneys in Funds

Moneys held in the Funds and Accounts established in the Bond Resolution shall be separately invested and reinvested in Permitted Investments which mature or are subject to redemption by the owner prior to the date such funds will be needed; provided, however, that such moneys shall not be invested in such manner as will violate the provisions of the Bond Resolution. Any such Permitted Investments shall be deemed at all times a part of the fund or account in which such moneys are originally held, and the interest accruing thereon and any profit realized from such Permitted Investments shall be credited to and accumulated in such fund, and any loss resulting from such Permitted Investments shall be charged to such fund. In determining the balance in any fund or account, investments in such fund or account shall be valued at their fair market value. No investments shall be made which would violate the provisions of Section 148 of the Code. The PBC shall comply with the Federal Tax Certificate and shall pay any rebate amounts due therefor.

Additional Bonds

Additional Bonds may be issued under and equally and ratably secured by the Bond Resolution on a parity with the Series 2024 Bonds and any other Additional Bonds Outstanding at any time and from time to time, upon compliance with the conditions hereinafter provided, for any of the following purposes:

(a) To provide funds to pay the cost of completing the Project, the total of such costs to be evidenced by a certificate signed by the Authorized PBC Representative and Authorized Tenant Representative.

(b) To provide funds to pay all or any part of the costs of repairing, replacing or restoring the Project in the event of damage, destruction or condemnation thereto or thereof.

(c) To provide funds to pay all or any part of the costs of acquisition, purchase or construction of such Project Additions, including improvements, extensions, alterations, expansions or modifications of the Project or any part thereof as the County may deem necessary or desirable and as will not impair the nature of the Project as a permissible facility within the meaning and purposes of the Act.

(d) To provide funds for refunding all or any part of the Bonds then Outstanding of any series, including the payment of any premium thereon and interest to accrue to the designated Redemption Date and any expenses in connection with such refunding.

Before any Additional Bonds shall be issued, the Original Purchaser shall be given written notice thereof, except that no such notice will be required with respect to Additional Bonds issued for refunding purposes, and the PBC shall adopt a supplemental resolution (1) authorizing the issuance of such Additional Bonds, fixing the amount and terms thereof and describing the purpose or purposes for which such Additional Bonds are being issued or describing the Bonds to be refunded; and (2) requiring the PBC to enter into a supplemental lease with the County to provide for rental payments at least sufficient to pay the principal of, premium, if any, and interest on the Bonds then Outstanding (including the Additional Bonds to be issued) as the same become due, and for such other matters as are appropriate because of the issuance of the Additional Bonds proposed to be issued which, in the judgment of the PBC, is not to the prejudice of the PBC or the Owners of Bonds previously issued.

Except as provided in the Bond Resolution, the PBC will not otherwise issue any Additional Bonds on a parity with the Series 2024 Bonds, but the PBC may issue other obligations specifically subordinate and junior to the Bonds with the express written consent of the County.

Notice of Default

If an Event of Default shall have occurred and be continuing, the PBC shall promptly notify the Owners of such default.

Remedies

The provisions of the Bond Resolution, including the covenants and agreements therein contained, shall constitute a contract between the PBC and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 25% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by notice in writing delivered to the PBC and the County, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable;

(b) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the PBC and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(c) by suit, action or other proceedings in equity or at law to require the PBC, its officers, agents and employees to account as if they were the trustees of an express trust; and

(d) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Limitation on Rights of Owners

The covenants and agreements of the PBC contained in the Bond Resolution and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds of any series shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the Pledged Property and Funds and Accounts pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in the Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Bonds.

Right of Owners to Direct Proceedings

The Owners owning 25% in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the PBC, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Bond Resolution, or for the appointment of a receiver or any other proceedings under the Bond Resolution; provided that such direction shall not be otherwise than in accordance with the provisions of law and the Bond Resolution.

Remedies Cumulative

No remedy conferred by the Bond Resolution upon or reserved to the PBC or to the Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power, or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein. No waiver of any Event of Default under the Bond Resolution shall extend to or shall affect any subsequent Event of Default thereunder or shall impair any rights or remedies consequent thereon.

Waivers of Events of Default

Any Event of Default under the Bond Resolution and its consequences may be waived and shall be waived upon the written request of the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding. In case of any such waiver or rescission, or in case any proceedings taken on account of any such default shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the PBC, the County and the Owners shall be restored to their former positions, rights and obligations under the Bond Resolution.

Supplemental Resolutions Not Requiring Consent of Owners

The PBC may from time to time, without the consent of or notice to any of the Owners, enter into such supplemental resolutions as shall be consistent with the terms and provisions of the Bond Resolution, for any one or more of the following purposes:

- (a) To cure any ambiguity, formal defect or omission in the Bond Resolution or to make any other change not prejudicial to the Owners;
- (b) To grant to or confer any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners;
- (c) To more precisely identify the Project or to substitute or add additional property thereto;
- (d) To subject to the Bond Resolution additional revenues, properties or collateral;
- (e) To issue Additional Bonds as described herein under the caption "THE BOND RESOLUTION--Additional Bonds;" and
- (f) To conform the provisions of the Bond Resolution to the provisions of the Code as the same now exists or may be hereafter amended.

Supplemental Resolutions Requiring Consent of Owners

The Owners owning not less than 66-2/3% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, to consent to and approve the execution by the PBC of such other supplemental resolutions as shall be deemed necessary and desirable by the PBC for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Bond Resolution or in any supplemental resolution; provided, however, that nothing in the Bond Resolution shall permit (a) an extension of the maturity of the principal of or the interest on any Bond, (b) a reduction in the principal amount of any Bond or the rate of interest thereon, (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of Bonds the Owners owning which are required for consent to any such supplemental resolution.

The PBC shall cause notice of the proposed supplemental resolution to be mailed to each Owner by the Bond Registrar.

Any provision of the Bond Resolution or the Bonds may be amended with the written consent of the Owners owning 100% in aggregate principal amount then Outstanding.

No supplemental resolution which affects any rights of the County shall become effective unless and until the County shall have consented in writing to the execution and delivery of such supplemental resolution.

Defeasance

When any or all of the Bonds or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Bond Resolution and the pledge of the Pledged Property and all other rights granted in the Bond Resolution shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their Stated Maturity, (1) the PBC has elected to redeem such Bonds, and (2) either notice of such redemption has been given, or the PBC has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with the Bond Resolution.

Payments Due on Non-Business Days

Payments may be made on the next succeeding Business Day that the Bond Registrar and Paying Agent is open for business if such payment is due on a Saturday, Sunday, legal holiday or day on which the Paying Agent is authorized by law to close, and no interest shall accrue for the period after the stated due date.

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APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of December 3, 2024 (the “Continuing Disclosure Undertaking”), is executed and delivered by Reno County, Kansas (the “County”).

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the County in connection with the issuance of Reno County, Kansas Public Building Commission Revenue Bonds, Series 2024 (the “Bonds”), pursuant to a Resolution (the “Bond Resolution”) adopted by the Reno County, Kansas Public Building Commission (the “PBC”).

2. The County is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “Rule”). The County is the only “obligated person” with responsibility for continuing disclosure hereunder.

The County covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the County pursuant to, and as described in, **Section 2** of this Continuing Disclosure Undertaking, which may include the County’s Annual Comprehensive Financial Report, if any, so long as the Annual Comprehensive Financial Report contains the financial information and operating data described in **Section 2(a)(1)** and **(2)**.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the County to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the County a written acceptance of such designation.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“**Financial Obligation**” means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Fiscal Year**” means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the County as the Fiscal Year of the County for financial reporting purposes.

“Lease” means the Lease Purchase Agreement, dated as of December 3, 2024, between the PBC and the County.

“Material Events” means any of the events listed in *Section 3* of this Continuing Disclosure Undertaking.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“Participating Underwriter” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

(a) The County shall, not later than the last day of the eighth month after the end of the County’s Fiscal Year, commencing with the year ending December 31, 2024, file with the MSRB, through EMMA, the following financial information and operating data (the “Annual Report”):

(1) The audited financial statements of the County for the prior Fiscal Year, in substantially the format contained in the Official Statement relating to the Bonds. A more detailed explanation of the accounting basis and method of preparation of the financial statements is contained in the Official Statement relating to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in *Exhibit A*, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the County.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the County is an “obligated person” (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The County shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under *Section 3*, and the Annual Report deadline provided above shall automatically become the last day of the eighth month after the end of the County’s new Fiscal Year.

(b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events. Not later than 10 Business Days after the occurrence of any of the following events, the County shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (“Material Events”):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;

- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

If the County has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the County shall send a notice to the MSRB of the failure of the County to file on a timely basis the Annual Report, which notice shall be given by the County in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation. The County's obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the County's obligations under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the County, and the County shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the County shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the County pursuant to this Continuing Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Undertaking, the County may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the County with its written opinion that the undertaking of the County contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the County shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible,

in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the County chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the County shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the County fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Bond Resolution, Lease or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the County to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Continuing Disclosure Undertaking shall inure solely to the benefit of the County, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Undertaking, the Bond Resolution, Lease or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Kansas.

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IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

RENO COUNTY, KANSAS

(SEAL)

Chairperson

Clerk

EXHIBIT A

**FINANCIAL INFORMATION AND OPERATING DATA
TO BE INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in tables in the following sections contained in *Appendix A* of the final Official Statement relating to the Bonds:

FINANCIAL INFORMATION

- Assessed Valuation
- Property Tax Levies and Collections
 - Tax Rates
 - Aggregate Tax Levies
 - Tax Collection Record
 - Major Taxpayers

DEBT STRUCTURE

- Current Indebtedness of the Issuer*
 - General Obligation Bonds
 - Reno County, Kansas Public Building Commission Revenue Bonds
- Lease Obligations*
- Underlying Indebtedness *

* This Operating Data is also available in the County's financial information portion of its Annual Report.