

CITY OF GREAT BEND, KANSAS

Financial Statements

For the Year Ended December 31, 2022

This page intentionally left blank.

CITY OF GREAT BEND, KANSAS
 Financial Statements
 For the Year Ended December 31, 2022
 Table of Contents

	<u>Page Number</u>
INTRODUCTORY SECTION	
Table of Contents	i - ii
FINANCIAL SECTION	
Independent Auditor's Report	1 - 3
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to the Financial Statements	5 - 14
REGULATORY REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	15
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget and Actual Only	
General Fund	16 - 17
Special Alcohol Program Fund	18
Special Liability Expense Fund	19
Special Parks and Recreation Fund	20
Special Street Fund	21
Aquatic Facility Fund	22
Cemetery Perpetual Fund	23
Cemetery Perpetual Care North Cemetery Fund	24
Convention and Tourism Fund	25
Events Center Fund	26
Library Fund	27
Capital Equipment Reserve Funds	28
Capital Improvement Reserve Funds	29 - 30
Economic Development Fund	31
Health Insurance Benefit Fund	32
KDOT Grant Fund	33
Law Enforcement Grant Fund	34
Special Law Enforcement Trust Fund	35
Opioid Settlement Fund	36
Sales Tax Improvement Fund	37
Sales Tax Infrastructure Fund	38
Sales Tax Police Building Fund	39
Sales Tax Quality of Life Fund	40
American Rescue Plan Act Fund	41
Bond and Interest Fund	42
Airport Grant Fund	43
Water Improvements Fund	44
Airport T-Hanger Rental Fund	45
Sewer Disposal Fund	46
Water Utility Fund	47
Self Insured Fund	48
Sewage Treatment Plant Fund	49
Sewer Line Replacement Fund	50
Economic Development Revolving Loan Fund	51
John Trester Cemetery Trust Fund	52

CITY OF GREAT BEND, KANSAS
Financial Statements
For the Year Ended December 31, 2022
Table of Contents
(Continued)

	<u>Page Number</u>
SCHEDULE 3	
Summary of Receipts and Disbursements - Agency Funds	53
GOVERNMENTAL AUDIT SECTION	
Schedule of Expenditures of Federal Awards	54
Notes to the Schedule of Expenditures of Federal Awards	55
Schedule of Findings and Questioned Costs	56 - 57
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"	58 - 59
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; And Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	60 - 61

AUDITING
ACCOUNTING
CONSULTING

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Great Bend, Kansas

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Great Bend, Kansas, (the City), as of and for the year ended December 31, 2022 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 matter discussed in the "Basis of 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 City as of December 31, 2022, or the 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 City as of December 31, 2022, 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 standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statement" section of our report. We are required to be independent of the City, 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 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 City 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 City'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.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Other Matter

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Great Bend, Kansas as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated July 25, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 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/oar/municipalservices>. The 2021 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2022 (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 2021 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 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 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, 2021, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 10, 2023

CITY OF GREAT BEND, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2022

<u>Funds</u>	Beginning Unencumbered Cash Balance	Prior Period Adjustment	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ 5,720,138	\$ -	\$ 17,223,429	\$ 16,432,642	\$ 6,510,925	\$ 238,354	\$ 6,749,279
Special Purpose Funds:							
Special Alcohol Program	173,455	-	74,319	122,945	124,829	-	124,829
Special Liability Expense	30,444	-	317,526	323,602	24,368	3,563	27,931
Special Parks and Recreation	75,950	-	53,708	58,009	71,649	-	71,649
Special Street	431,614	-	517,498	490,595	458,517	6,446	464,963
Aquatic Facility	42,394	-	207,700	204,729	45,365	-	45,365
Cemetery Perpetual	131,891	-	225	-	132,116	-	132,116
Cemetery Perpetual							
Care North Cemetery	49,450	-	5,475	16,698	38,227	4,465	42,692
Convention and Tourism	555,435	-	368,042	249,574	673,903	2,981	676,884
Events Center	258,143	-	152,246	230,183	180,206	279	180,485
Library	224	-	667,266	665,000	2,490	-	2,490
Capital Equipment Reserve	3,382,446	-	483,430	663,075	3,202,801	225,861	3,428,662
Capital Improvements Reserve	9,886,210	-	2,177,784	9,643,671	2,420,323	7,838,410	10,258,733
Economic Development	1,462,419	-	489,227	456,783	1,494,863	-	1,494,863
Health Insurance Benefit	240,984	-	-	-	240,984	-	240,984
KDOT Grant	712,023	-	187,201	569,054	330,170	573,578	903,748
Law Enforcement Grant	3,356	-	7,410	-	10,766	-	10,766
Special Law Enforcement Trust	28,226	-	34,550	33,059	29,717	809	30,526
Opioid Settlement	-	-	3,662	-	3,662	-	3,662
Sales Tax Improvement	1,538,718	-	1,513,718	1,431,120	1,621,316	300,755	1,922,071
Sales Tax Infrastructure	3,703,456	-	1,002,225	97,553	4,608,128	16,034	4,624,162
Sales Tax Police Building	-	-	90,962	-	90,962	-	90,962
Sales Tax Quality of Life	-	-	391,733	15,751	375,982	2,028	378,010
American Rescue Plan Act	605,585	-	1,142,585	112,300	1,635,870	102,300	1,738,170
Bond and Interest Funds:							
Bond and Interest	1,202,570	-	373,338	268,584	1,307,324	-	1,307,324
Capital Project Funds:							
Airport Grant	396,011	-	309,756	326,270	379,497	211,116	590,613
Water Improvements	10,655	-	469,347	2,461,632	[1,981,630]	1,992,285	10,655
Business Funds:							
Airport T-Hanger Rental	159,883	-	138,756	193,917	104,722	-	104,722
Sewer Disposal	1,641,370	-	2,682,996	2,523,378	1,800,988	25,268	1,826,256
Water Utility	1,764,449	-	2,474,467	2,220,598	2,018,318	62,854	2,081,172
Self Insured	1,955,451	-	1,420,942	1,763,175	1,613,218	-	1,613,218
Sewage Treatment Plant	611,697	-	485,350	155,228	941,819	-	941,819
Sewer Line Replacement	728,849	-	100,000	-	828,849	-	828,849
Trust Funds:							
Economic Development							
Revolving Loan	64,792	-	75,664	2,254	138,202	1,308	139,510
John Trester Cemetery Trust	375,811	-	788	-	376,599	-	376,599
Total Reporting Entity [Excluding Agency Funds]	<u>\$ 37,944,099</u>	<u>\$ -</u>	<u>\$ 35,643,325</u>	<u>\$ 41,731,379</u>	<u>\$ 31,856,045</u>	<u>\$ 11,608,694</u>	<u>\$ 43,464,739</u>

Composition of Cash		
Checking		\$ 29,816,005
Certificates of Deposit		13,835,639
Petty Cash		1,380
Total Cash		43,653,024
Agency Funds per Schedule 3		[188,285]

Total Reporting Entity [Excluding Agency Funds] \$ 43,464,739

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 1 - Summary of Significant Accounting Policies

The City of Great Bend, 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 City is a municipal corporation governed by an elected mayor and elected eight-member council. This financial statement presents the City of Great Bend, Kansas.

Related Municipal Entities. A related municipal entity (RME) is determined by the following criteria: whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. RMEs are not required to be included in the City's audited financial statements by the *Kansas Municipal Audit and Accounting Guide* (KMAAG). Based upon the application of this criterion, the following is a brief review of related municipal entities:

Great Bend Public Library - The Great Bend Public Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. The Board's members are appointed by the City Council. The City substantially funds the library's operations by levying tax dollars for the library. Audited financial statements can be obtained by contacting the library's office.

Great Bend Housing Authority - The City's Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. The Board's members are appointed by the Mayor and City Council. Audited financial statements can be obtained by contacting the housing authority's office.

Great Bend Commission on Aging - The Great Bend Commission on Aging operates the City's public transportation. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. The Board's members are appointed by the Mayor and City Council. Unaudited financial statements can be obtained by contacting the City office.

Basis of Accounting

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

The City 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 City to use the regulatory basis of accounting.

Reimbursements

The City 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.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Basis of Presentation - Fund Accounting

The accounts of the City 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.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2022:

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

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory basis receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

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 reporting entity (i.e. pension funds, investment trust funds, private purpose trust the municipal reporting entity, scholarship funds, etc.).

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

Budgetary Information

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

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

If the City 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 City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. The budget was not amended during the year ended December 31, 2022.

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.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the City 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 projects funds, trust funds agency funds, and the following funds:

Capital Equipment Reserve Funds	Law Enforcement Grant Fund
Capital Improvement Reserve Funds	Special Law Enforcement Trust Fund
Economic Development Fund	Sales Tax Improvement Fund
Health Insurance Benefit Fund	Sales Tax Infrastructure Fund
KDOT Grant Fund	Sales Tax Police Building Fund
American Rescue Plan Act Fund	Sales Tax Quality of Life Fund
Opioid Settlement 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 2 - Deposits and Investments

Deposits. K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City 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 City has no other policies that would further limit interest rate risk.

Investments. K.S.A. 12-1675 limits the City'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 City has no investment policy that would further limit its investment choices.

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City'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 City has no designated "peak periods."

As of December 31, 2022, the City's carrying amount of deposits was \$43,653,024 and the bank balance was \$44,612,250. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$13,363,853 was covered by federal depository insurance and the balance of \$31,248,397 was collateralized with securities held by the pledging financial institutions' agents in the City'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 City 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.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 3 - Defined Contribution Pension Plan

Plan Description. The City sponsors a defined contribution pension plan administered by ICMA Retirement Corporation, hereafter referred to as the Defined Contribution Plan. The Defined Contribution Plan covers all full-time employees.

Contributions. Participants are required to contribute 4.5% of annual earnings for the Defined Contribution Plan year and the City matches 8.50% for fire and police employees and 7.5% for all other employees. Earnings are defined as participant's base salary or wages. The following is a vesting schedule for the Defined Contribution Plan:

Years of Completed Service	Vesting Percent
0	0%
2	25%
3	50%
4	75%
5	100%

For the year ended December 31, 2022, City contributions to the Defined Contribution Plan were \$535,068.

NOTE 4 – Profit-Sharing Plan

Plan Description. On October 1, 2022, the City began sponsors a profit-sharing plan administered by the ICMA Retirement Corporation, hereafter referred to as the Profit-Sharing Plan. The Profit-Sharing Plan covers uniformed public safety employees.

Contributions. The City will determine the amount of employer contributions to be made to the Profit-Sharing Plan for each plan year. The amount of employer contributions to be allocated to the account of each participant will be based on the ratio for the plan year that such participant's earnings bears to the earnings of all participants eligible for contributions. The following is a vesting schedule for the Profit-Sharing Plan:

Years of Completed Service	Vesting Percent
4	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

For the year ended December 31, 2022, City contributions to the Profit-Sharing Plan were \$234,870.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 5 - Deferred Compensation Plan

The City offers its employees a deferred compensation plan ("Plan") created in accordance with Internal Revenue Code Section 457(b). The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the Plan are transferred to a third-party custodial trust. The City is not required to make any contributions.

NOTE 6 - Other Long-Term Obligations from Operations

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City 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 City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2022.

NOTE 7 - Medical Self-Insurance Plan

Plan Description. During the year ended December 31, 2022, employees of the City of Great Bend, Kansas were covered by the City's medical self-insurance plan (the "plan"). The City's plan is a paid contract with all unused reserved fund classified as unencumbered at the fiscal year end. The premium contributed is approximately \$1,055 to \$1,343 per month per employee with a family and \$341 to \$434 per month for single coverage depending on the coverage chosen. The City contributes \$1,051 for an employee with a family and \$339 for a single employee, with the employee paying the difference through authorized payroll withholdings. Claims were paid by a third-party administrator acting on behalf of the City. The administration contract between the City and the third-party administrator is renewable annually and administration fees are included in the contractual provisions.

Excess Claim Coverage. The City was protected against unanticipated catastrophic individual loss or aggregate loss by stop loss coverage carried through Blue Cross Blue Shield. Stop loss coverage was in effect for individual claims exceeding \$75,000 and for aggregate loss, which is based on a factor determined monthly by Blue Cross Blue Shield. The aggregate stop loss coverage for the year ended 2022 was \$1,128,830.

The below table summarizes activity for the years ended December 31, 2021 and 2022.

	<u>2021</u>	<u>2022</u>
Unpaid claims, January 1	\$ 220,813	\$ 159,511
Incurred claims (including IBNRs)	2,153,694	1,329,170
Claim payments	<u>[2,214,996]</u>	<u>[1,409,424]</u>
Unpaid claims, December 31	<u>\$ 159,511</u>	<u>\$ 79,257</u>

Total assets available to pay claims for the years ended December 31, 2021 and 2022 were \$1,955,451 and \$1,613,218, which are accounted for in the City's Self Insured Fund.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 8 - Compensated Absences

Per the City's vacation policy, employees accrue vacation time as follows:

<u>Non-24 Hour Shift Full-Time Employees</u>		<u>24 Hour Shift Full-Time Employees</u>	
<u>Years of Completed Service</u>	<u>Hours Earned Per Month</u>	<u>Years of Completed Service</u>	<u>Hours Earned Per Month</u>
0 - 4	8	0 - 4	12
5 - 9	10	5 - 9	15
10 - 14	11.34	10 - 14	17
15 - 19	13.34	15 - 19	20
20 and Over	14	20 and Over	21

Part-time employees of the City who work at least 20 or more hours per week or 1,040 hours per year shall earn vacation at the rate of 4 hours each month of employment.

Vacation may not be taken until the employee completes three months of service. The maximum accrual for vacation shall be no more than 240 hours for non-24 hour shift employees and 360 hours for 24 hour shift employees.

Sick Leave. The City's policy for sick leave permits a non-24 hour shift full-time employee to earn sick leave at the rate of 8 hours per calendar month up to a maximum of 480 hours. 24 hour shift full-time employees shall earn sick leave at a rate of 12 hours per calendar month up to a maximum of 720 hours. For those employees who have attained and maintained a maximum accumulation of sick leave and are terminated in good standing, the City will pay them 25% of their accumulated sick leave at their current rate of pay.

Personal Leave. When an employee of the City reaches and maintains maximum accumulation of sick leave hours, the accrual shall be converted to personal leave. Conversion shall occur at the rate of 2 hours personal leave for each 8 hours of sick leave for non-24-hour shift employees with a maximum accrual of 48 hours and for 24 hour shift employees it shall accrue at the rate of 3 hours of personal leave for each 12 hours of sick leave up to a maximum of 72 hours. The City will pay employees upon approval of the department head and terminating in good standing, 100% of their accumulated personal leave at their current rate of pay.

Injury Leave. Full-time non-24-hour shift employees shall earn injury leave at the rate of 8 hours per calendar month with a maximum accumulation of 480 hours. Full-time 24-hour shift employees shall earn 12 hours per calendar month with a maximum accumulation of 720 hours.

It is the City's policy to recognize the costs of compensated absences when actually paid.

NOTE 9 - Flexible Benefit Plan (I.R.C. Section 125)

The City Council has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All full-time City employees are eligible to participate in the Plan. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. Currently, all benefits offered through the Plan involve insurance coverage, unreimbursed medical care and dependent care assistance.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 10 - Promissory Note

On February 16, 2015, the City paid for upgrades to the heating and air conditioning of the Great Bend Public Library in the amount of \$762,013. The Great Bend Public Library chose to pay this back to the City in quarterly payments of \$25,000 at 2% interest. The City is reducing the Library's appropriations by \$25,000 per quarter in lieu of actual payments. The balance remaining as of December 31, 2022 was \$28,658.

Throughout 2021 the City paid for improvements to the Drag Strip located in the Expo Area at the Great Bend Municipal Airport on behalf of the Sunflower Rod and Custom Association in the amount of \$156,195. Sunflower Rod and Custom Association has agreed to repay the City in annual payments of \$16,000 at 0% interest. The balance remaining as of December 31, 2022 was \$124,195.

NOTE 11 - Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the City as of December 31, 2022.

NOTE 12 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The City pays an annual premium to Kansas Municipal Insurance Trust for its workers' compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Insurance Trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Municipal Insurance Trust management.

The City carries commercial insurance for all other risks of loss, including property and equipment, general liability, cyber liability, automobile, law enforcement liability, professional liability, airport property liability, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 13 - Interfund Transfers

Interfund transfers for the year ended December 31, 2022 were as follows:

From	To	Amount	Regulatory Authority
General	Sales Tax Quality of Life	\$ 391,733	Council Resolution
General	Sales Tax Police Building	90,962	Council Resolution
General	Capital Improvement Reserve	906,074	K.S.A. 12-1,118
General	Capital Equipment Reserve	426,430	K.S.A. 12-1,117
General	Airport Grant	59,000	Grant Agreement
General	Bond and Interest	170,193	Bond Indenture
General	Economic Development	445,433	Council Resolution
General	Sales Tax Infrastructure	1,002,225	Council Resolution
General	Sales Tax Improvement	1,113,514	Council Resolution
Library	Capital Improvement Reserve	115,000	K.S.A. 12-1,118
Sewage Disposal	Water Utility	122,000	K.S.A. 12-825d
Sewage Disposal	Sewage Treatment Plant	292,500	K.S.A. 12-825d
Sewage Disposal	Sewer Line Replacement	100,000	K.S.A. 12-825d
Sewage Disposal	General	127,000	K.S.A. 12-825d
Water Utility	General	107,000	K.S.A. 12-825d
Water Utility	Capital Improvement Reserve	150,000	K.S.A. 12-825d
Water Utility	Capital Equipment Reserve	40,000	K.S.A. 12-825d
Airport T-Hangar Rental	Airport Grant	150,000	K.S.A. 12-825d
Economic Development	General	95,000	Council Resolution
Capital Equipment Reserve	Capital Improvement Reserve	58,456	K.S.A. 12-1,117
Capital Equipment Reserve	General	36,660	K.S.A. 12-1,117
Capital Improvement Reserve	Aquatic Facility	90,000	Council Resolution
		<u>\$ 6,089,181</u>	

NOTE 14 - Long-Term Debt

The following table summarizes changes in the City's long-term debt for the year ended December 31, 2022:

Type of Issue	Beginning Principal Outstanding	Additions to Principal	Reductions of Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds	\$ 12,705,000	\$ -	\$ 600,000	\$ 12,105,000	\$ 317,332
Revolving Loans	-	469,347	-	469,347	-
Total	<u>\$ 12,705,000</u>	<u>\$ 469,347</u>	<u>\$ 600,000</u>	<u>\$ 12,574,347</u>	<u>\$ 317,332</u>

General Obligation Bonds. The following table details the City's outstanding general obligation debt:

General Obligation Bonds	Interest Rates	Amount Outstanding	Original Amount	Date of Issue	Final Maturity
Series 2016-A - Water System Refunding Bonds	2.00% - 3.00%	\$ 6,090,000	\$ 8,040,000	10/20/2016	9/1/2037
Series 2019	3.00%	630,000	865,000	8/1/2019	8/1/2029
Series 2021-A	2.00% - 4.00%	5,385,000	5,425,000	12/30/2021	12/1/2042
		<u>\$ 12,105,000</u>			

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 14 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 780,000	\$ 315,467	\$ 1,095,467
2024	685,000	295,295	980,295
2025	705,000	276,894	981,894
2026	725,000	257,892	982,892
2027	755,000	236,236	991,236
2028 - 2032	3,550,000	854,916	4,404,916
2033 - 2037	3,440,000	416,350	3,856,350
2038 - 2042	1,465,000	82,399	1,547,399
	<u>\$ 12,105,000</u>	<u>\$ 2,735,449</u>	<u>\$ 14,840,449</u>

Revolving Loans. On October 25, 2021, the City entered into a \$2.2 million loan agreement with the Kansas Department of Health and Environment (KDHE) to finance the cost of automated water meters to be installed throughout the City. The loan carries a 1.27% interest rate and is scheduled to mature on August 1, 2043. The amortization schedule for the loan has not been finalized as of December 31, 2022. As of December 31, 2022, the outstanding principal balance was \$469,347.

Legal Debt Margin. The City is subject to the municipal finance law of the State of Kansas which limits the net bonded debt the City may have outstanding up to 30 percent of the assessed value of all tangible personal property within the City, as certified to the County Clerk on the proceeding August 25. As of December 31, 2022, the statutory limit for the City was \$30,674,229 providing a debt margin of \$24,659,229. The City's Series 2016-A Water System Refunding Bonds are exempt from this limit.

NOTE 15 - Conduit Debt

From time to time, the City of Great Bend, Kansas has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector entities serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Accordingly, the bonds are not reported as liabilities in the accompanying schedule. As of December 31, 2022, there were two industrial revenue bonds outstanding with combined total principal payable of \$2,553,648.

CITY OF GREAT BEND, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2022

NOTE 16 - Capital Projects

Capital projects often extend over two or more fiscal years. The following is a schedule which compares the project authorization to total project expenditures from project inception to December 31, 2022:

<u>Project Name</u>	<u>Project Authorization</u>	<u>Expenditures</u>		<u>Estimated Completion</u>
		<u>Through</u>	<u>December 31, 2022</u>	
Motorola Radios and Pagers	\$ 570,703	\$	563,298	Completed
SRCA Dragstrip	1,653,362		1,736,343	Completed
Grit Chamber & Classifier and Ultraviolet System	355,844		364,707	Completed
US-56 Cost Share	1,559,248		1,403,323	Completed
2021 Chip and Seal	248,850		283,050	Completed
Update Airport Layout Plan	323,070		115,155	Completed
Automated Meter Reading System	2,461,632		469,347	08/2023
2023 CCLIP	573,578		12,876	08/2023
CDBG - 19th and Broadway	1,079,641		970,448	Completed
City Wide Storm Sewer Assessmesnt & Mapping	112,300		10,000	07/2023
2022 Crack Seal	92,000		121,458	Completed
Curb & Gutter	251,600		242,490	Completed
Drag Strip Grinding	94,000		84,000	Completed
Event Center Bathroom	115,120		127,276	Completed
Hanger Paint Project	15,750		15,750	Completed
Ordinance Recodification	15,850		16,470	08/2023
Phone Upgrade	59,983		59,983	Completed
UV Channel	147,344		147,344	Completed

NOTE 17 - Litigation

The City 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 City.

NOTE 18 - Related Party Transaction

The City paid \$3,474 for mechanical services to a company owned by a member of the City Council during the year ended December 31, 2022.

This page intentionally left blank.

SCHEDULE 1

CITY OF GREAT BEND, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over [Under]</u>
General Funds:					
General	\$ 18,638,500	\$ -	\$ 18,638,500	\$ 16,432,642	\$ [2,205,858]
Special Purpose Funds:					
Special Alcohol Program	135,000	-	135,000	122,945	[12,055]
Special Liability Expense	332,000	-	332,000	323,602	[8,398]
Special Parks and Recreation	82,000	-	82,000	58,009	[23,991]
Special Street	761,000	-	761,000	490,595	[270,405]
Aquatic Facility	209,000	-	209,000	204,729	[4,271]
Cemetery Perpetual	101,000	-	101,000	-	[101,000]
Cemetery Perpetual Care North Cemetery	38,000	-	38,000	16,698	[21,302]
Convention and Tourism	299,000	-	299,000	249,574	[49,426]
Events Center	345,000	-	345,000	230,183	[114,817]
Library	700,000	-	700,000	665,000	[35,000]
Bond and Interest Funds:					
Bond and Interest	559,000	-	559,000	268,584	[290,416]
Business Funds:					
Airport T-Hanger Rental	316,500	-	316,500	193,917	[122,583]
Sewer Disposal	2,599,000	-	2,599,000	2,523,378	[75,622]
Water Utility	2,346,000	-	2,346,000	2,220,598	[125,402]

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 4,605,151	\$ 4,576,004	\$ 4,747,864	\$ [171,860]
Delinquent	95,852	135,023	60,000	75,023
Motor Vehicle	639,182	932,910	794,297	138,613
Local Alcohol Liquor	55,516	53,708	41,505	12,203
County Sales	2,569,536	2,761,252	2,200,000	561,252
City Sales	3,151,312	4,515,879	2,770,000	1,745,879
Federal Aid	410,984	202,015	-	202,015
State Aid	40,054	1,529	-	1,529
Ambulance Service	740,243	814,915	712,000	102,915
Airport Income	57,415	58,580	58,000	580
Franchise Fees	1,206,252	1,385,656	1,100,000	285,656
Rural Fire Protection	137,242	179,824	138,000	41,824
Licenses, Fees and Permits	76,266	119,680	70,000	49,680
Charges for Services	115,448	99,605	54,000	45,605
Donations	205,482	233,329	77,500	155,829
Police Fines and Charges	368,067	297,808	377,000	[79,192]
Reimbursed Expenses	248,424	375,835	190,000	185,835
Sales of Assets	59,018	33,926	15,000	18,926
Raptor Center Sales	48,016	39,237	25,000	14,237
Building Rental	50	9,325	-	9,325
Expo Partnership	-	10,000	10,000	-
Interest Income	109,356	91,490	150,000	[58,510]
CID #3	5,065	2,316	1,500	816
CID #2	-	2,871	1,500	1,371
Transfers In	325,100	365,660	365,600	60
Neighborhood Revitalization Rebate	[83,293]	[74,948]	[100,000]	25,052
Total Receipts	<u>15,185,738</u>	<u>17,223,429</u>	<u>\$ 13,858,766</u>	<u>\$ 3,364,663</u>

See independent auditor's report on the financial statements.

SCHEDULE 2 - 1 (Continued)

CITY OF GREAT BEND, KANSAS
 General Fund - Continued
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Expenditures				
Administrative Finance	\$ 760,103	\$ 792,160	\$ 828,000	\$ [35,840]
Public Safety				
Police Department	2,873,908	3,295,095	3,252,000	43,095
Fire Department	2,868,899	3,045,165	3,237,000	[191,835]
Flood Control	124,612	110,763	264,000	[153,237]
Municipal Court	255,613	251,362	267,000	[15,638]
Engineering	132,684	148,706	194,000	[45,294]
Street Department	523,567	598,028	742,000	[143,972]
Zoo	598,143	623,143	655,000	[31,857]
Park Department	1,011,065	1,136,870	1,155,000	[18,130]
Cemetery	287,155	253,406	315,000	[61,594]
Airport	282,981	278,913	295,000	[16,087]
Other Agencies	332,818	327,236	361,500	[34,264]
Contingencies	406,405	407,224	349,000	58,224
Capital Outlay	211,317	173,970	4,184,500	[4,010,530]
Employee Benefits	134,350	156,672	183,000	[26,328]
Commission on Aging	300,693	228,365	236,500	[8,135]
Transfers Out	<u>3,457,434</u>	<u>4,605,564</u>	<u>2,120,000</u>	<u>2,485,564</u>
Total Expenditures	<u>14,561,747</u>	<u>16,432,642</u>	<u>\$ 18,638,500</u>	<u>\$ [2,205,858]</u>
Receipts Over [Under] Expenditures	623,991	790,787		
Unencumbered Cash, Beginning	<u>5,096,147</u>	<u>5,720,138</u>		
Unencumbered Cash, Ending	<u>\$ 5,720,138</u>	<u>\$ 6,510,925</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
Special Alcohol Program Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 55,517	\$ 53,707	\$ 42,000	\$ 11,707
Donations	<u>1,000</u>	<u>20,612</u>	<u>-</u>	<u>20,612</u>
Total Receipts	<u>56,517</u>	<u>74,319</u>	<u>\$ 42,000</u>	<u>\$ 32,319</u>
Expenditures				
Contractual Services	<u>14,041</u>	<u>122,945</u>	<u>\$ 135,000</u>	<u>\$ [12,055]</u>
Total Expenditures	<u>14,041</u>	<u>122,945</u>	<u>\$ 135,000</u>	<u>\$ [12,055]</u>
Receipts Over [Under] Expenditures	42,476	[48,626]		
Unencumbered Cash, Beginning	<u>130,979</u>	<u>173,455</u>		
Unencumbered Cash, Ending	<u>\$ 173,455</u>	<u>\$ 124,829</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 3

CITY OF GREAT BEND, KANSAS
 Special Liability Expense Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 260,629	\$ 263,013	\$ 264,961	\$ [1,948]
Delinquent	5,062	7,413	4,000	3,413
Motor Vehicle	31,424	51,393	44,933	6,460
Neighborhood Revitalization Rebate	<u>[4,543]</u>	<u>[4,293]</u>	<u>[6,000]</u>	<u>1,707</u>
Total Receipts	<u>292,572</u>	<u>317,526</u>	<u>\$ 307,894</u>	<u>\$ 9,632</u>
Expenditures				
Personnel Services	69,329	22,712	\$ 82,000	\$ [59,288]
Contractual Services	<u>239,954</u>	<u>300,890</u>	<u>250,000</u>	<u>50,890</u>
Total Expenditures	<u>309,283</u>	<u>323,602</u>	<u>\$ 332,000</u>	<u>\$ [8,398]</u>
Receipts Over [Under] Expenditures	[16,711]	[6,076]		
Unencumbered Cash, Beginning	<u>47,155</u>	<u>30,444</u>		
Unencumbered Cash, Ending	<u>\$ 30,444</u>	<u>\$ 24,368</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Special Parks and Recreation Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 55,516	\$ 53,708	\$ 42,000	\$ 11,708
Total Receipts	<u>55,516</u>	<u>53,708</u>	<u>\$ 42,000</u>	<u>\$ 11,708</u>
Expenditures				
Contractual Services	12,606	12,360	\$ 30,000	\$ [17,640]
Commodities	<u>20,036</u>	<u>45,649</u>	<u>52,000</u>	<u>[6,351]</u>
Total Expenditures	<u>32,642</u>	<u>58,009</u>	<u>\$ 82,000</u>	<u>\$ [23,991]</u>
Receipts Over [Under] Expenditures	22,874	[4,301]		
Unencumbered Cash, Beginning	<u>53,076</u>	<u>75,950</u>		
Unencumbered Cash, Ending	<u>\$ 75,950</u>	<u>\$ 71,649</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Special Street Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Gasoline Tax	\$ 433,573	\$ 398,558	\$ 385,060	\$ 13,498
State Highway Maintenance	<u>118,858</u>	<u>118,940</u>	<u>90,000</u>	<u>28,940</u>
Total Receipts	<u>552,431</u>	<u>517,498</u>	<u>\$ 475,060</u>	<u>\$ 42,438</u>
Expenditures				
Personal Services	457,797	423,060	\$ 516,000	\$ [92,940]
Capital Outlay	<u>162,623</u>	<u>67,535</u>	<u>245,000</u>	<u>[177,465]</u>
Total Expenditures	<u>620,420</u>	<u>490,595</u>	<u>\$ 761,000</u>	<u>\$ [270,405]</u>
Receipts Over [Under] Expenditures	[67,989]	26,903		
Unencumbered Cash, Beginning	<u>499,603</u>	<u>431,614</u>		
Unencumbered Cash, Ending	<u>\$ 431,614</u>	<u>\$ 458,517</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Aquatic Facility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Admissions	\$ 64,421	\$ 80,155	\$ 70,000	\$ 10,155
Concessions	34,274	37,537	30,000	7,537
Reimbursed Expenses	332	8	95,000	[94,992]
Transfers In	<u>85,000</u>	<u>90,000</u>	<u>-</u>	<u>90,000</u>
Total Receipts	<u>184,027</u>	<u>207,700</u>	<u>\$ 195,000</u>	<u>\$ 12,700</u>
Expenditures				
Personal Services	104,944	129,672	\$ 133,100	\$ [3,428]
Contractual Services and Commodities	<u>66,913</u>	<u>75,057</u>	<u>75,900</u>	<u>[843]</u>
Total Expenditures	<u>171,857</u>	<u>204,729</u>	<u>\$ 209,000</u>	<u>\$ [4,271]</u>
Receipts Over [Under] Expenditures	12,170	2,971		
Unencumbered Cash, Beginning	<u>30,224</u>	<u>42,394</u>		
Unencumbered Cash, Ending	<u>\$ 42,394</u>	<u>\$ 45,365</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 7

CITY OF GREAT BEND, KANSAS
 Cemetery Perpetual Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sale of Cemetery Lots	\$ 113	\$ 225	\$ 100	\$ 125
Total Receipts	<u>113</u>	<u>225</u>	<u>\$ 100</u>	<u>\$ 125</u>
Expenditures				
Capital Outlay	<u>14,992</u>	-	\$ 101,000	\$ [101,000]
Total Expenditures	<u>14,992</u>	-	<u>\$ 101,000</u>	<u>\$ [101,000]</u>
Receipts Over [Under] Expenditures	[14,879]	225		
Unencumbered Cash, Beginning	<u>146,770</u>	<u>131,891</u>		
Unencumbered Cash, Ending	<u>\$ 131,891</u>	<u>\$ 132,116</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Cemetery Perpetual Care North Cemetery Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sale of Cemetery Lots	\$ 4,650	\$ 5,475	\$ 2,000	\$ 3,475
Total Receipts	<u>4,650</u>	<u>5,475</u>	<u>\$ 2,000</u>	<u>\$ 3,475</u>
Expenditures				
Capital Outlay	-	16,698	\$ 38,000	\$ [21,302]
Total Expenditures	<u>-</u>	<u>16,698</u>	<u>\$ 38,000</u>	<u>\$ [21,302]</u>
Receipts Over [Under] Expenditures	4,650	[11,223]		
Unencumbered Cash, Beginning	<u>44,800</u>	<u>49,450</u>		
Unencumbered Cash, Ending	<u>\$ 49,450</u>	<u>\$ 38,227</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Convention and Tourism Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 254,716	\$ 362,208	\$ 255,000	\$ 107,208
Reimbursed Expenses	1,102	1,430	-	1,430
Miscellaneous	-	4,380	-	4,380
Interest Income	49	24	-	24
Total Receipts	<u>255,867</u>	<u>368,042</u>	<u>\$ 255,000</u>	<u>\$ 113,042</u>
Expenditures				
Personal Services	121,414	138,366	\$ 196,500	\$ [58,134]
Other Services and Charges	118,624	111,208	102,500	8,708
Total Expenditures	<u>240,038</u>	<u>249,574</u>	<u>\$ 299,000</u>	<u>\$ [49,426]</u>
Receipts Over [Under] Expenditures	15,829	118,468		
Unencumbered Cash, Beginning	<u>539,606</u>	<u>555,435</u>		
Unencumbered Cash, Ending	<u>\$ 555,435</u>	<u>\$ 673,903</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
Events Center Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 50,943	\$ 72,442	\$ 50,000	\$ 22,442
Rent Income	53,440	79,804	50,000	29,804
Transfers In	<u>37,000</u>	<u>-</u>	<u>25,000</u>	<u>[25,000]</u>
Total Receipts	<u>141,383</u>	<u>152,246</u>	<u>\$ 125,000</u>	<u>\$ 27,246</u>
Expenditures				
Personal	1,604	-	\$ 24,000	\$ [24,000]
Contractual	65,806	81,285	82,000	[715]
Capital Outlay	<u>13,273</u>	<u>148,898</u>	<u>239,000</u>	<u>[90,102]</u>
Total Expenditures	<u>80,683</u>	<u>230,183</u>	<u>\$ 345,000</u>	<u>\$ [114,817]</u>
Receipts Over [Under] Expenditures	60,700	[77,937]		
Unencumbered Cash, Beginning	<u>197,443</u>	<u>258,143</u>		
Unencumbered Cash, Ending	<u>\$ 258,143</u>	<u>\$ 180,206</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Library Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 545,164	\$ 549,936	\$ 553,975	\$ [4,039]
Delinquent	11,369	16,040	15,000	1,040
Motor Vehicle	75,031	110,267	94,025	16,242
Neighborhood Revitalization Rebate	<u>[9,840]</u>	<u>[8,977]</u>	<u>[13,500]</u>	<u>4,523</u>
Total Receipts	<u>621,724</u>	<u>667,266</u>	<u>\$ 649,500</u>	<u>\$ 17,766</u>
Expenditures				
Appropriation to Library	540,000	550,000	\$ 550,000	\$ -
Miscellaneous	-	-	50,000	[50,000]
Transfers Out	<u>85,000</u>	<u>115,000</u>	<u>100,000</u>	<u>15,000</u>
Total Expenditures	<u>625,000</u>	<u>665,000</u>	<u>\$ 700,000</u>	<u>\$ [35,000]</u>
Receipts Over [Under] Expenditures	[3,276]	2,266		
Unencumbered Cash, Beginning	<u>3,500</u>	<u>224</u>		
Unencumbered Cash, Ending	<u>\$ 224</u>	<u>\$ 2,490</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Capital Equipment Reserve Funds
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>Equipment</u>	<u>Police</u>	<u>Fire</u>	For the Year Ended December 31,	
				<u>2022</u>	<u>2021</u>
Receipts					
Miscellaneous	\$ 17,000	\$ -	\$ -	\$ 17,000	\$ -
Transfers In	<u>466,430</u>	<u>-</u>	<u>-</u>	<u>466,430</u>	<u>218,724</u>
Total Receipts	<u>483,430</u>	<u>-</u>	<u>-</u>	<u>483,430</u>	<u>218,724</u>
Expenditures					
Contractual Services	621	-	-	621	34,784
Capital Outlay	567,338	-	-	567,338	241,139
Transfers Out	<u>95,116</u>	<u>-</u>	<u>-</u>	<u>95,116</u>	<u>100</u>
Total Expenditures	<u>663,075</u>	<u>-</u>	<u>-</u>	<u>663,075</u>	<u>276,023</u>
Receipts Over [Under] Expenditures	[179,645]	-	-	[179,645]	[57,299]
Unencumbered Cash, Beginning	<u>3,158,677</u>	<u>216,439</u>	<u>7,330</u>	<u>3,382,446</u>	<u>3,439,745</u>
Unencumbered Cash, Ending	<u>\$ 2,979,032</u>	<u>\$ 216,439</u>	<u>\$ 7,330</u>	<u>\$ 3,202,801</u>	<u>\$ 3,382,446</u>

* These funds are not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Capital Improvement Reserve Funds
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>Streetscape</u>	<u>Police Building</u>	<u>Library HVAC</u>	<u>Baseball Complex</u>	<u>Construction Projects</u>
Receipts					
State Grant	\$ -	\$ -	\$ -	\$ -	\$ 5,185
Federal Grant	-	-	-	-	98,898
Reimbursed Expense	3,750	-	-	-	-
Interest Income	-	40,094	-	-	-
GO Bond Proceeds	-	-	-	-	-
GO Bond Premium	-	-	-	-	-
Transfers In	-	1,000,327	115,000	50,000	804,779
Total Receipts	<u>3,750</u>	<u>1,040,421</u>	<u>115,000</u>	<u>50,000</u>	<u>908,862</u>
Expenditures					
Contractual Services	-	-	-	-	-
Capital Outlay	648	7,980,857	-	314	724,137
Costs of Issuance	-	-	-	-	-
Transfers Out	-	-	800,327	-	90,000
Total Expenditures	<u>648</u>	<u>7,980,857</u>	<u>800,327</u>	<u>314</u>	<u>814,137</u>
Receipts Over [Under] Expenditures	<u>3,102</u>	<u>[6,940,436]</u>	<u>[685,327]</u>	<u>49,686</u>	<u>94,725</u>
Unencumbered Cash, Beginning	19,025	6,029,501	685,327	46,349	1,635,716
Prior Year Cancelled Encumbrances	-	-	-	-	-
Unencumbered Cash, Ending	<u>\$ 22,127</u>	<u>\$ [910,935]</u>	<u>\$ -</u>	<u>\$ 96,035</u>	<u>\$ 1,730,441</u>

* These funds are not required to be budgeted.

Zoo Development	RHID Projects	Cemetery	River Access	Water Park	Housing Projects	For the Year Ended December 31,	
						2022	2021
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,185	\$ 227,068
-	-	-	-	-	-	98,898	11,671
-	-	-	-	-	-	3,750	282,608
-	-	-	-	-	-	40,094	30
-	-	-	-	-	-	-	5,425,000
-	-	-	-	-	-	-	357,815
<u>34,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>2,029,857</u>	<u>964,141</u>
<u>34,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>2,177,784</u>	<u>7,268,333</u>
-	-	-	-	-	1,200	1,200	1,800
26,454	2,550	151	2,721	14,312	-	8,752,144	2,127,603
-	-	-	-	-	-	-	143,134
-	-	-	-	-	-	890,327	85,000
<u>26,454</u>	<u>2,550</u>	<u>151</u>	<u>2,721</u>	<u>14,312</u>	<u>1,200</u>	<u>9,643,671</u>	<u>2,357,537</u>
<u>8,297</u>	<u>[2,550]</u>	<u>[151]</u>	<u>[2,721]</u>	<u>10,688</u>	<u>[1,200]</u>	<u>[7,465,887]</u>	<u>4,910,796</u>
194,721	86,581	364,981	59,929	515,761	248,319	9,886,210	4,690,367
-	-	-	-	-	-	-	285,047
<u>\$ 203,018</u>	<u>\$ 84,031</u>	<u>\$ 364,830</u>	<u>\$ 57,208</u>	<u>\$ 526,449</u>	<u>\$ 247,119</u>	<u>\$ 2,420,323</u>	<u>\$ 9,886,210</u>

See independent auditor's report on the financial statements.

This page intentionally left blank.

CITY OF GREAT BEND, KANSAS
Economic Development Fund
Schedule of Receipts and Expenditures - Actual *
Regulatory Basis
For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Donations	\$ 26,625	\$ 24,294
Reimbursed Expenses	232,275	-
Loan Repayment	16,000	19,500
Transfers In	<u>420,196</u>	<u>445,433</u>
Total Receipts	<u>695,096</u>	<u>489,227</u>
Expenditures		
Downtown Theater Incentive	8,000	-
Marketing Great Bend	11,451	100
June Jaunt	24,613	29,444
Explore Great Bend	5,904	6,611
Christmas Promotion	16,520	15,241
Air Fest	25,850	-
Public Firework Display	10,000	10,481
Zoo Boo	1,570	1,409
Party in the Park	30,538	44,997
Economic Development Office Remodel	10,941	-
Barton County Historical Society	10,000	-
GB Economic Development, Inc.	150,000	250,000
Planning and Analysis	7,500	-
Sports Complex	190,740	-
SRCA	345,809	3,500
Housing Study	5,000	-
Transfers Out	<u>95,000</u>	<u>95,000</u>
Total Expenditures	<u>949,436</u>	<u>456,783</u>
Receipts Over [Under] Expenditures	[254,340]	32,444
Unencumbered Cash, Beginning	<u>1,716,759</u>	<u>1,462,419</u>
Unencumbered Cash, Ending	<u>\$ 1,462,419</u>	<u>\$ 1,494,863</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Health Insurance Benefit Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Miscellaneous	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Miscellaneous	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	<u>240,984</u>	<u>240,984</u>
Unencumbered Cash, Ending	<u>\$ 240,984</u>	<u>\$ 240,984</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 KDOT Grant Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
State Grant	\$ 826,719	\$ 187,201
Total Receipts	<u>826,719</u>	<u>187,201</u>
Expenditures		
Capital Outlay	<u>680,466</u>	<u>569,054</u>
Total Expenditures	<u>680,466</u>	<u>569,054</u>
Receipts Over [Under] Expenditures	146,253	[381,853]
Unencumbered Cash, Beginning	<u>565,770</u>	<u>712,023</u>
Unencumbered Cash, Ending	<u>\$ 712,023</u>	<u>\$ 330,170</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Law Enforcement Grant Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Federal Grants	\$ -	\$ 7,410
Total Receipts	<u>-</u>	<u>7,410</u>
Expenditures		
Capital Outlay	<u>25,379</u>	<u>-</u>
Total Expenditures	<u>25,379</u>	<u>-</u>
Receipts Over [Under] Expenditures	[25,379]	7,410
Unencumbered Cash, Beginning	<u>28,735</u>	<u>3,356</u>
Unencumbered Cash, Ending	<u>\$ 3,356</u>	<u>\$ 10,766</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Special Law Enforcement Trust Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Miscellaneous	\$ 19,630	\$ 34,550
Transfers In	<u>13,600</u>	<u>-</u>
Total Receipts	<u>33,230</u>	<u>34,550</u>
Expenditures		
Contractual Services and Commodities	<u>5,004</u>	<u>33,059</u>
Total Expenditures	<u>5,004</u>	<u>33,059</u>
Receipts Over [Under] Expenditures	28,226	1,491
Unencumbered Cash, Beginning	<u>-</u>	<u>28,226</u>
Unencumbered Cash, Ending	<u>\$ 28,226</u>	<u>\$ 29,717</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Opioid Settlement Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Intergovernmental	\$ -	\$ 3,662
Total Receipts	-	3,662
Expenditures		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over [Under] Expenditures	-	3,662
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 3,662

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Sales Tax Improvement Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Reimbursed Expenses	\$ -	\$ 204
State Grant	568,243	-
Federal Grant	-	400,000
Transfers In	<u>1,050,332</u>	<u>1,113,514</u>
Total Receipts	<u>1,618,575</u>	<u>1,513,718</u>
Expenditures		
Contractual Services	76,599	[480]
Capital Outlay	<u>1,162,432</u>	<u>1,431,600</u>
Total Expenditures	<u>1,239,031</u>	<u>1,431,120</u>
Receipts Over [Under] Expenditures	379,544	82,598
Unencumbered Cash, Beginning	<u>1,159,174</u>	<u>1,538,718</u>
Unencumbered Cash, Ending	<u>\$ 1,538,718</u>	<u>\$ 1,621,316</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Sales Tax Infrastructure Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
State Aid	\$ 666,862	\$ -
Reimbursed Expenses	115,000	-
Transfers In	<u>945,441</u>	<u>1,002,225</u>
Total Receipts	<u>1,727,303</u>	<u>1,002,225</u>
 Expenditures		
Capital Outlay	<u>725,723</u>	<u>97,553</u>
Total Expenditures	<u>725,723</u>	<u>97,553</u>
 Receipts Over [Under] Expenditures	 1,001,580	 904,672
 Unencumbered Cash, Beginning	 <u>2,701,876</u>	 <u>3,703,456</u>
 Unencumbered Cash, Ending	 <u>\$ 3,703,456</u>	 <u>\$ 4,608,128</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Sales Tax Police Building Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Transfers In	\$ -	\$ 90,962
Total Receipts	<u>-</u>	<u>90,962</u>
Expenditures		
Capital Outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	-	90,962
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 90,962</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Sales Tax Quality of Life Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Transfers In	\$ -	\$ 391,733
Total Receipts	<u>-</u>	<u>391,733</u>
Expenditures		
Capital Outlay	<u>-</u>	<u>15,751</u>
Total Expenditures	<u>-</u>	<u>15,751</u>
Receipts Over [Under] Expenditures	-	375,982
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 375,982</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 American Rescue Plan Act Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Federal Aid	\$ 1,142,585	\$ 1,142,585
Total Receipts	<u>1,142,585</u>	<u>1,142,585</u>
Expenditures		
General Government Services:		
Contractual Services	500,000	112,300
Revenue Loss:		
Transfers Out	<u>37,000</u>	<u>-</u>
Total Expenditures	<u>537,000</u>	<u>112,300</u>
Receipts Over [Under] Expenditures	605,585	1,030,285
Unencumbered Cash, Beginning	<u>-</u>	<u>605,585</u>
Unencumbered Cash, Ending	<u>\$ 605,585</u>	<u>\$ 1,635,870</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Delinquent	\$ 1,356	\$ 725	\$ 4,000	\$ [3,275]
Motor Vehicle	2,470	502	12	490
Special Assessments	214,030	201,918	250,000	[48,082]
Neighborhood Revitalization Rebate	[61]	-	[4,000]	4,000
Transfers in	-	170,193	-	170,193
Total Receipts	<u>217,795</u>	<u>373,338</u>	<u>\$ 250,012</u>	<u>\$ 123,326</u>
Expenditures				
Debt Service				
Principal	80,000	120,000	\$ 80,000	\$ 40,000
Interest	20,461	148,584	18,389	130,195
Special Assessment Taxes	16,717	-	460,611	[460,611]
Total Expenditures	<u>117,178</u>	<u>268,584</u>	<u>\$ 559,000</u>	<u>\$ [290,416]</u>
Receipts Over [Under] Expenditures	100,617	104,754		
Unencumbered Cash, Beginning	<u>1,101,953</u>	<u>1,202,570</u>		
Unencumbered Cash, Ending	<u>\$ 1,202,570</u>	<u>\$ 1,307,324</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Airport Grant Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Federal Grant	\$ 14,342	\$ 100,756
State Grant	130,014	-
Transfers In	<u>170,000</u>	<u>209,000</u>
Total Receipts	<u>314,356</u>	<u>309,756</u>
Expenditures		
Capital Outlay	<u>152,880</u>	<u>326,270</u>
Total Expenditures	<u>152,880</u>	<u>326,270</u>
Receipts Over [Under] Expenditures	161,476	[16,514]
Unencumbered Cash, Beginning	<u>234,535</u>	<u>396,011</u>
Unencumbered Cash, Ending	<u>\$ 396,011</u>	<u>\$ 379,497</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Water Improvements Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Loan Proceeds	\$ -	\$ 469,347
Total Receipts	-	469,347
Expenditures		
Capital Outlay	-	2,461,632
Total Expenditures	-	2,461,632
Receipts Over [Under] Expenditures	-	[1,992,285]
Unencumbered Cash, Beginning	10,655	10,655
Unencumbered Cash, Ending	\$ 10,655	\$ [1,981,630]

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Airport T-Hanger Rental Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Rental Income	\$ 195,488	\$ 138,756	\$ 197,000	\$ [58,244]
Total Receipts	<u>195,488</u>	<u>138,756</u>	<u>\$ 197,000</u>	<u>\$ [58,244]</u>
Expenditures				
Insurance	11,381	9,501	\$ 12,000	\$ [2,499]
Building and Equipment Repairs	15,933	22,937	26,000	[3,063]
Contractual Services	-	11,479	3,500	7,979
Transfers Out	<u>170,000</u>	<u>150,000</u>	<u>275,000</u>	<u>[125,000]</u>
Total Expenditures	<u>197,314</u>	<u>193,917</u>	<u>\$ 316,500</u>	<u>\$ [122,583]</u>
Receipts Over [Under] Expenditures	[1,826]	[55,161]		
Unencumbered Cash, Beginning	<u>161,709</u>	<u>159,883</u>		
Unencumbered Cash, Ending	<u>\$ 159,883</u>	<u>\$ 104,722</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Sewer Disposal Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sewer Use Charges	\$ 2,657,404	\$ 2,662,324	\$ 2,550,000	\$ 112,324
Reimbursed Expenses	-	332	-	332
Miscellaneous	<u>15,385</u>	<u>20,340</u>	<u>5,000</u>	<u>15,340</u>
Total Receipts	<u>2,672,789</u>	<u>2,682,996</u>	<u>\$ 2,555,000</u>	<u>\$ 127,996</u>
Expenditures				
Personal Services	1,157,157	1,181,034	\$ 1,370,500	\$ [189,466]
Contractual Services and Commodities	678,548	700,212	757,000	[56,788]
Capital Outlay	8,459	632	5,000	[4,368]
Transfers Out	<u>572,000</u>	<u>641,500</u>	<u>466,500</u>	<u>175,000</u>
Total Expenditures	<u>2,416,164</u>	<u>2,523,378</u>	<u>\$ 2,599,000</u>	<u>\$ [75,622]</u>
Receipts Over [Under] Expenditures	256,625	159,618		
Unencumbered Cash, Beginning	<u>1,384,745</u>	<u>1,641,370</u>		
Unencumbered Cash, Ending	<u>\$ 1,641,370</u>	<u>\$ 1,800,988</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Water Use Charges	\$ 2,175,349	\$ 2,336,038	\$ 2,150,000	\$ 186,038
Reimbursed Expenses	17,833	9,744	-	9,744
Rental Income	9,185	6,270	6,500	[230]
Miscellaneous	2,725	415	-	415
Transfers In	<u>122,000</u>	<u>122,000</u>	<u>122,000</u>	<u>-</u>
Total Receipts	<u>2,327,092</u>	<u>2,474,467</u>	<u>\$ 2,278,500</u>	<u>\$ 195,967</u>
Expenditures				
Debt Service				
Principal	470,000	480,000	\$ 573,000	\$ [93,000]
Interest	178,150	168,750	195,750	[27,000]
Personal Services	678,345	635,051	762,500	[127,449]
Contractual Services and Commodities	558,944	551,665	580,250	[28,585]
Capital Outlay	459	88,132	40,000	48,132
Transfers Out	<u>175,000</u>	<u>297,000</u>	<u>194,500</u>	<u>102,500</u>
Total Expenditures	<u>2,060,898</u>	<u>2,220,598</u>	<u>\$ 2,346,000</u>	<u>\$ [125,402]</u>
Receipts Over [Under] Expenditures	266,194	253,869		
Unencumbered Cash, Beginning	<u>1,498,255</u>	<u>1,764,449</u>		
Unencumbered Cash, Ending	<u>\$ 1,764,449</u>	<u>\$ 2,018,318</u>		

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Self Insured Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Contributions	\$ 1,360,380	\$ 1,133,198
Claims Paid by Stop Loss	1,218,352	280,594
Claim Credits	44,083	6,239
Interest Income	<u>1,322</u>	<u>911</u>
Total Receipts	<u>2,624,137</u>	<u>1,420,942</u>
Expenditures		
Stop Loss Premiums and Administration	553,145	333,972
Claim Payments	2,214,996	1,409,424
Contractual Services and Commodities	<u>20,616</u>	<u>19,779</u>
Total Expenditures	<u>2,788,757</u>	<u>1,763,175</u>
Receipts Over [Under] Expenditures	[164,620]	[342,233]
Unencumbered Cash, Beginning	<u>2,120,071</u>	<u>1,955,451</u>
Unencumbered Cash, Ending	<u>\$ 1,955,451</u>	<u>\$ 1,613,218</u>

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
 Sewage Treatment Plant Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
State Grants	\$ -	\$ 22,688
Federal Grants	-	170,162
Transfers In	<u>195,000</u>	<u>292,500</u>
Total Receipts	<u>195,000</u>	<u>485,350</u>
 Expenditures		
Commodities	<u>-</u>	<u>155,228</u>
Total Expenditures	<u>-</u>	<u>155,228</u>
 Receipts Over [Under] Expenditures	195,000	330,122
 Unencumbered Cash, Beginning	<u>416,697</u>	<u>611,697</u>
 Unencumbered Cash, Ending	<u>\$ 611,697</u>	<u>\$ 941,819</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Sewer Line Replacement Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Federal Aid	\$ 43,621	\$ -
State Aid	5,816	-
Transfer In	<u>130,000</u>	<u>100,000</u>
Total Receipts	<u>179,437</u>	<u>100,000</u>
Expenditures		
Capital Outlay	<u>46,782</u>	<u>-</u>
Total Expenditures	<u>46,782</u>	<u>-</u>
Receipts Over [Under] Expenditures	132,655	100,000
Unencumbered Cash, Beginning	<u>596,194</u>	<u>728,849</u>
Unencumbered Cash, Ending	<u>\$ 728,849</u>	<u>\$ 828,849</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Economic Development Revolving Loan Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Collections	\$ 40,152	\$ 75,664
Total Receipts	<u>40,152</u>	<u>75,664</u>
 Expenditures		
Contractual Services	<u>1,196</u>	<u>2,254</u>
Total Expenditures	<u>1,196</u>	<u>2,254</u>
 Receipts Over [Under] Expenditures	 38,956	 73,410
 Unencumbered Cash, Beginning	 <u>25,836</u>	 <u>64,792</u>
 Unencumbered Cash, Ending	 <u>\$ 64,792</u>	 <u>\$ 138,202</u>

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Jason Trester Cemetery Trust Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Years Ended December 31, 2022 and 2021

	<u>2021</u>	<u>2022</u>
Receipts		
Interest Income	\$ 4,773	\$ 788
Total Receipts	4,773	788
Expenditures		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over [Under] Expenditures	4,773	788
Unencumbered Cash, Beginning	371,038	375,811
Unencumbered Cash, Ending	\$ 375,811	\$ 376,599

* This fund is not required to be budgeted.

CITY OF GREAT BEND, KANSAS
 Agency Funds
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended December 31, 2022

<u>Funds</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Municipal Court	\$ 51,877	\$ 435,696	\$ 434,822	\$ 52,751
Firemen's Charity	32,285	12,671	14,090	30,866
Flexible Spending Account	15,155	46,692	42,783	19,064
Pay It Forward	1,260	-	627	633
CID #1	-	99,072	59,262	39,810
CID #2	-	57,417	39,255	18,162
CID #3	49,921	46,327	69,249	26,999
Subrecipient Grants	-	151,864	151,864	-
Total	<u>\$ 150,498</u>	<u>\$ 849,739</u>	<u>\$ 811,952</u>	<u>\$ 188,285</u>

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>		
Passed Through Kansas Housing Resource Corporation:		
Emergency Solutions Grant Program	14.231	\$ <u>151,864</u>
Passed Through Kansas Department of Commerce:		
Community Development Block Grants	14.228	<u>511,098</u>
Total U.S. Department of Housing and Urban Development		<u>662,962</u>
<u>U.S. Department of Homeland Security</u>		
Passed Through Kansas Adjutant General's Department:		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	<u>42,036</u>
Total U.S. Department of Homeland Security		<u>42,036</u>
<u>U.S. Department of the Treasury</u>		
Passed Through Kansas Governor's Office		
Coronavirus State and Local Fiscal Recovery Funds Cluster:		
Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>10,000</u>
Total Coronavirus State and Local Fiscal Recovery Funds Cluster		<u>10,000</u>
Total U.S. Department of the Treasury		<u>10,000</u>
<u>U.S. Department of Transportation</u>		
Airport Improvement Program	20.106	<u>197,155</u>
Total U.S. Department of Transportation		<u>197,155</u>
Total Expenditures of Federal Awards		<u>\$ 912,153</u>

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

1. Organization

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

2. Basis of Presentation

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

3. Local Government Contributions

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

4. Additional Audits

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

5. Outstanding Loans

The City did not have any outstanding loans under any federal grants as of December 31, 2022.

6. Pass Through Numbers

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

CITY OF GREAT BEND, KANSAS
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

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

CITY OF GREAT BEND, KANSAS
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2022

Section II - Financial Statement Findings

Prior Year Findings

None Noted.

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None Noted.

Current Year Findings

None Noted.

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

Mayor and City Council
City of Great Bend, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the financial statements of the City of Great Bend, Kansas (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 10, 2023.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 10, 2023

AUDITING ACCOUNTING CONSULTING

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

Mayor and City Council
City of Great Bend, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the City of Great Bend, Kansas (the City), 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 the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirement 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 grants agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement 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 Example Entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, 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 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the City as of and for the year ended December 31, 2022, and have issued our report thereon dated May 10, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 10, 2023