

**CITY OF GREAT BEND, KANSAS**  
**Financial Statements**  
**For the Year Ended December 31, 2020**

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CITY OF GREAT BEND, KANSAS  
Financial Statements  
For the Year Ended December 31, 2020  
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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council  
City of Great Bend, Kansas

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, 2020 and the related notes to the financial statement.

*Management's Responsibility for the Financial Statements*

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

*Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City, as of December 31, 2020, or the respective changes in financial position and changes in cash flows, where applicable, for the year then ended.

### *Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

### *Other Matters*

#### *Prior Period Restatement*

As discussed in Note 19 to the financial statement, the financial statements for the year ended December 31, 2019, have been restated to correct a misstatement in fund balances. Our opinion is not modified with respect to this matter.

#### *Report on Supplementary Information*

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2021, 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*

The City's basic financial statement for the year ended December 31, 2019 (not presented herein), were audited by other auditors whose report dated June 15, 2020, expressed an unmodified opinion on the basic financial statement. The 2019 basic financial statement and the other auditor's report are available in electronic form from the website of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The report of the other auditors dated June 15, 2020, stated that the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2019, were subjected to auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2019, on the basis of accounting described in Note 1.

**Gordon CPA LLC**

Certified Public Accountant  
Lawrence, Kansas

June 1, 2021

## CITY OF GREAT BEND, KANSAS

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

Funds	Beginning	Prior			Ending	Add:	Ending
	Unencumbered	Period	Receipts	Expenditures	Unencumbered	Encumbrances and Accounts Payable	Cash Balance
	Cash Balance	Adjustment			Cash Balance		
General Funds:							
General Fund	\$ 4,553,358	\$ -	\$ 15,955,137	\$ 15,412,348	\$ 5,096,147	137,333	\$ 5,233,480
Special Purpose Funds:							
Special Alcohol Program Funds	105,002	-	40,191	14,214	130,979	-	130,979
Special Liability Expense Fund	69,665	-	281,825	304,335	47,155	967	48,122
Special Parks and Recreation Fund	63,818	-	39,541	50,283	53,076	340	53,416
Special Street Fund	551,130	-	511,255	562,782	499,603	5,108	504,711
Aquatic Facility Fund	18,267	-	129,711	117,754	30,224	-	30,224
Cemetery Perpetual Fund	159,620	-	150	13,000	146,770	-	146,770
Cemetery Perpetual Care North Cemetery Fund	42,700	-	2,100	-	44,800	-	44,800
Convention and Tourism Fund	538,546	-	234,327	233,267	539,606	2,325	541,931
Convention Center Fund	131,109	-	138,872	72,538	197,443	-	197,443
Library Fund	-	-	656,053	652,553	3,500	-	3,500
Capital Equipment Reserve Funds	3,181,337	-	1,289,920	1,031,512	3,439,745	206,515	3,646,260
Capital Improvements Reserve Funds	5,522,273	-	1,429,158	2,261,064	4,690,367	838,732	5,529,099
Economic Development Fund	1,825,388	-	605,715	714,344	1,716,759	85,556	1,802,315
Health Insurance Benefit Fund	240,984	-	-	-	240,984	-	240,984
KDOT Grant Fund	264,948	-	300,822	-	565,770	-	565,770
Law Enforcement Grant Fund	28,735	-	-	-	28,735	-	28,735
Sales Tax Improvement Fund	974,288	-	1,030,917	846,031	1,159,174	98,500	1,257,674
Sales Tax Infrastructure Fund	2,527,418	-	1,080,918	906,460	2,701,876	613,180	3,315,056
Bond and Interest Funds:							
Bond and Interest Fund	927,763	-	288,315	114,125	1,101,953	-	1,101,953
Capital Project Funds:							
Airport Grant Fund	[790,762]	-	2,225,961	1,200,664	234,535	7,516	242,051
Water Improvements Fund	10,655	-	-	-	10,655	-	10,655
8th Street Temporary Note Fund	-	-	-	-	-	-	-
Business Funds:							
Airport T-Hanger Rental Fund	89,528	-	201,772	129,591	161,709	1,749	163,458
Sewer Disposal Fund	1,346,856	-	2,106,015	2,068,126	1,384,745	13,574	1,398,319
Water Utility Fund	1,311,096	-	2,018,402	1,831,243	1,498,255	22,932	1,521,187
Self Insured Fund	2,040,147	[105,980]	1,290,836	1,104,932	2,120,071	-	2,120,071
Sewage Treatment Plant Fund	689,813	-	40,000	313,116	416,697	238,980	655,677
Sewer Line Replacement Fund	546,194	-	50,000	-	596,194	-	596,194
Trust Funds:							
Economic Development Revolving Loan Fund	179,284	-	3,889	157,337	25,836	75	25,911
John Trester Cemetery Trust Fund	373,318	-	7,558	9,838	371,038	-	371,038
Total Primary Government	27,522,478	[105,980]	31,959,360	30,121,457	29,254,401	2,273,382	31,527,783
Related Municipal Entities:							
Great Bend Public Library	179,223	-	701,230	698,038	182,415	2,136	184,551
Total Reporting Entity [Excluding Agency Funds]	\$ 27,701,701	\$ [105,980]	\$ 32,660,590	\$ 30,819,495	\$ 29,436,816	\$ 2,275,518	\$ 31,712,334
Composition of Cash					Checking		\$ 18,321,275
					Certificates of Deposit		13,334,987
					Petty Cash		1,285
					Total Related Municipal Entities		184,551
					Total Cash		31,842,098
					Agency Funds per Schedule 3		[129,764]
Total Reporting Entity [Excluding Agency Funds]							\$ 31,712,334

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

CITY OF GREAT BEND, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

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 (the municipality) and its related municipal entity, Great Bend Public Library, shown below. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents. This financial statement does not include the related municipal entities, Great Bend Housing Authority and Great Bend Commission on Aging, shown below.

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.

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 municipality 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, 2020

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, 2020:

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

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

The statutes allow for the City Council to increase the originally adopted budget for previously unbudgeted increases in regulatory basis 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. There were no such budget amendments during the year ended December 31, 2020.

CITY OF GREAT BEND, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, regulatory basis receipts are recognized when cash is received and expenditures include disbursements, 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. All unencumbered appropriations (legal budget expenditure authority) lapse 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	KDOT Grant Fund
Capital Improvement Reserve Funds	Law Enforcement Grant Fund
Economic Development Fund	Sales Tax Improvement Fund
Health Insurance Benefit Fund	Sales Tax Infrastructure 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 city commission.

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."

At December 31, 2020, the City's carrying amount of deposits was \$31,657,547 and the bank balance was \$33,211,750. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$7,481,127 was covered by federal depository insurance and the balance of \$25,730,623 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2020, the carrying amount of the Great Bend Public Library's deposits was \$183,334 and the bank balance was \$213,303. The bank balance was held by three banks, resulting in a concentration of credit risk. The entire bank balance was covered by federal depository insurance.

*Custodial credit risk - investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the 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, 2020

**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 Plan. The Plan covers all full-time employees. Participants are required to contribute 4.5% of annual earnings for the Plan year and the City matches 7.75% for fire and police employees and 6.5% for all other employees. Earnings are defined as participant's base salary or wages. The following is a vesting schedule for the Plan:

Years of Completed Service	Vesting Percent
0	0%
2	40%
3	60%
4	80%
5	100%

For the year ended December 31, 2020, the amount of pension expense was \$432,231.

**NOTE 4 - Defined Benefit Pension Plan**

*Plan Description.* The Great Bend Public Library participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the Library were \$23,358 for the year ended December 31, 2020.

*Net Pension Liability.* At December 31, 2020, the Library's proportionate share of the collective net pension liability reported by KPERS was \$245,156. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The Library's proportion of the net pension liability was based on the ratio of the Library's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

CITY OF GREAT BEND, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

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, 2020.

NOTE 7 - Medical Self-Insurance Plan

*Plan Description.* During the year ended December 31, 2020, 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 2020 was \$637,351.

The below table summarizes activity for the years ended December 31, 2019 and 2020.

	<u>2019</u>	<u>2020</u>
Unpaid claims, January 1	\$ 24,643	\$ 152,398
Incurred claims (including IBNRs)	1,172,435	704,662
Claim payments	<u>[1,044,680]</u>	<u>[636,247]</u>
Unpaid claims, December 31	<u>\$ 152,398</u>	<u>\$ 220,813</u>

Total assets available to pay claims for the years ended December 31, 2019 and 2020 were \$2,040,147 and \$2,120,071.

CITY OF GREAT BEND, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

NOTE 8 - Compensated Absences

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

Non-24 Hour Shift Full-Time Employees		24 Hour Shift Full-Time Employees	
Years of Completed Service	Hours Earned Per Month	Years of Completed Service	Hours Earned Per Month
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.

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

Director	Administration and Professional Staff
22 days annually	15 days - 1 year of service
	22 days - After the 1 <sup>st</sup> year of service
Supervisory Personnel	Support Staff
10 days - 1 year of service	5 days - 1 year of service
15 days - 1 to 10 years of service	10 days - 1 to 10 years of service
20 days - 10 years or more of service	15 days - 10 years or more of service

Part-time regular employees accrue a proportionate allowance based on the full-time allowance for their position. Part-time hourly employees accrue no vacation. Only upon the approval by the Director may vacation be carried over to the next year.

**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.

The Library's policy regarding sick leave is that full-time employees shall earn sick leave at the rate of one day per month, up to a maximum of 100 days, which is forfeited upon termination of the employee. Part time regular employees are allowed to accrue proportionate sick leave based on number of hours worked in relation to a full-time position. Included in the accumulated sick leave balance is an amount of the Library system's sick leave pool. The purpose of the sick leave pool is to allow staff members to contribute unused sick leave to a pool and allow participating members, who would otherwise have their pay reduced, draw from the pool to avoid having their pay reduced. The number of sick leave days that can be drawn from the pool by one individual in any one year is limited to 20 percent of the days in the pool or one month, whichever is greater. The number of sick leave days that can be drawn by all individuals is limited to the total days in the pool.

CITY OF GREAT BEND, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

NOTE 8 - Compensated Absences (Continued)

*Bank Time.* The Library's bank-time is an opportunity for non-exempt employees to work more than 40 hours in a regular workweek and be compensated for the extra time as time off at a later date. They are granted bank-time at the rate of time-and-one-half for every hour worked over 40 hours. Part-time employees may participate in bank-time, but they may not earn bank-time at a rate of time and a half until they have worked more than 40 hours in a regular workweek. Employees who resign are encouraged to use all accumulated bank-time before the last day of work.

*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.

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.

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 payments of \$25,000 per quarter, but instead, the City is reducing the Library's appropriations by \$25,000 per quarter in lieu of actual payments. The balance remaining at December 31, 2020 was \$223,111.

NOTE 11 - 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 counties 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 161 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, 2020

NOTE 11 - Risk Management (Continued)

Great Bend Public Library carries commercial insurance for risks of loss, including commercial property, inland marine and workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12 - 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 at December 31, 2020.

NOTE 13 - Interfund Transfers

Interfund transfers for the year ended December 31, 2020 were as follows:

From	To	Amount	Regulatory Authority
General Fund	Convention Center Fund	\$ 40,000	Resolution 052013-I
General Fund	Capital Equipment Reserve Funds	1,210,920	K.S.A 12-1, 117
General Fund	Capital Improvement Reserve Funds	1,162,918	K.S.A 12-1, 118
General Fund	Economic Development Fund	387,648	Resolution 090704-A
General Fund	Sales Tax Street Improvement Fund	968,975	Resolution 012908-A
General Fund	Sales Tax Infrastructure Fund	872,208	Resolution 012908-A
Library Fund	Capital Improvement Reserve Funds	100,000	K.S.A 12-1, 118
Capital Equipment Reserve Funds	Capital Improvement Reserve Funds	21,249	K.S.A 12-1, 118
Capital Improvement Reserve Funds	Aquatic Facility Fund	75,000	Resolution 060115-B
Economic Development Fund	General Fund	90,000	Resolution 082012-F
Economic Development Fund	Convention Center Fund	25,000	Resolution 082012-F
Airport T-Hangar Rental Fund	Airport Grant Fund	100,000	K.S.A 12-1, 117
Sewage Disposal Fund	General Fund	105,000	K.S.A. 12-825d
Sewage Disposal Fund	Capital Equipment Reserve Funds	8,000	K.S.A 12-1, 117
Sewage Disposal Fund	Water Utility Fund	122,000	K.S.A. 12-825d
Sewage Disposal Fund	Sewage Treatment Plant Fund	40,000	K.S.A. 12-825d
Sewage Disposal Fund	Sewer Line Replacement Fund	50,000	K.S.A 12-1, 118
Water Utility Fund	General Fund	93,000	K.S.A. 12-825d
Water Utility Fund	Capital Equipment Reserve Funds	71,000	K.S.A 12-1, 118
		<u>\$ 5,542,919</u>	

NOTE 14 - Long-Term Debt

Following is a summary of changes in long-term debt for the year ended December 31, 2020:

Type of Issue	Beginning Principal Outstanding	Additions to Principal	Reductions of Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds	<u>\$ 8,365,000</u>	<u>\$ -</u>	<u>\$ 535,000</u>	<u>\$ 7,830,000</u>	<u>\$ 209,754</u>

CITY OF GREAT BEND, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

NOTE 14 - Long-Term Debt (Continued)

*General Obligation Bonds.* Following is a detailed listing of the City's outstanding general obligation debt:

<u>General Obligation Bonds</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Series 2016A - Water System Refunding Bonds	2.00% - 3.00%	\$ 7,040,000	\$ 8,040,000	10/20/2016	9/1/2037
Series 2019	3.00%	790,000	865,000	8/1/2019	8/1/2029
		<u>\$ 7,830,000</u>			

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 550,000	\$ 198,611	\$ 748,611
2022	560,000	187,139	747,139
2023	575,000	175,467	750,467
2024	475,000	163,495	638,495
2025	485,000	153,494	638,494
2026 - 2030	2,520,000	587,994	3,107,994
2031 - 2035	1,845,000	292,350	2,137,350
2036 - 2037	<u>820,000</u>	<u>37,050</u>	<u>857,050</u>
	<u>\$ 7,830,000</u>	<u>\$ 1,795,600</u>	<u>\$ 9,625,600</u>

On October 20, 2016, the City issued Series 2016 General Obligation Refunding bonds in the amount of \$8,040,000. Of the amount, \$685,000 was issued for the purpose of providing funds for refunding a portion of the Series 2007A General Obligation bonds, \$1,355,000 was issued for the purpose of refunding the KDHE Loan Project C20 1768-01 and \$6,000,000 was issued for the purpose of providing funds for the Water Improvements Project.

On August 1, 2019, the City issued Series 2019 General Obligation bonds of \$865,000 for the purpose of financing the costs of the street, sanitary sewer and waterline improvements for 8th Street.

*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. At December 31, 2020, the statutory limit for the City was \$31,637,748 providing a debt margin of \$30,847,748.

NOTE 15 - Conduit Debt

From time to time, 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, 2020, there were two industrial revenue bonds outstanding. The principal amounts payable at December 31, 2020 totaled \$172,615.



CITY OF GREAT BEND, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

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, 2020:

<u>Project Name</u>	<u>Project Authorization</u>	<u>Expenditures</u>	<u>Estimated Completion</u>
		<u>Through December 31, 2020</u>	
Events Center Remodel	\$ 541,668	\$ 463,552	04/2021
Motorola Radios and Pagers	570,703	545,189	04/2021
SRCA Dragstrip	1,612,140	398,960	05/2021
Grit Chamber & Classifier and Ultraviolet System	345,844	-	06/2021
SCADA System	148,272	74,136	09/2021
Lift Station Rehab	226,782	-	12/2021

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 \$26,940 for mechanical services to a company owned by a member of the City Council during the year ended December 31, 2020.

NOTE 19 - Prior Period Restatement

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

	<u>Self Insured Fund</u>
Unencumbered Cash, Beginning	\$ 2,040,147
Prior Period Adjustment	<u>[105,980]</u>
Unencumbered Cash, Beginning, Restated	<u>\$ 1,934,167</u>

## SCHEDULE 1

## CITY OF GREAT BEND, KANSAS

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

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over [Under]</u>
General Funds:					
General Fund	\$ 18,416,300	\$ -	\$ 18,416,300	\$ 15,412,348	\$ [3,003,952]
Special Purpose Funds:					
Special Alcohol Program Funds	95,000	-	95,000	14,214	[80,786]
Special Liability Expense Fund	319,000	-	319,000	304,335	[14,665]
Special Parks and Recreation Fund	92,000	-	92,000	50,283	[41,717]
Special Street Fund	762,500	-	762,500	562,782	[199,718]
Aquatic Facility Fund	190,000	-	190,000	117,754	[72,246]
Cemetery Perpetual Fund	101,000	-	101,000	13,000	[88,000]
Cemetery Perpetual Care North Cemetery Fund	26,000	-	26,000	-	[26,000]
Convention and Tourism Fund	379,000	-	379,000	233,267	[145,733]
Convention Center Fund	283,000	-	283,000	72,538	[210,462]
Library Fund	690,000	-	690,000	652,553	[37,447]
Bond and Interest Funds:					
Bond and Interest Fund	1,003,113	-	1,003,113	114,125	[888,988]
Business Funds:					
Airport T-Hanger Rental Fund	246,500	-	246,500	129,591	[116,909]
Sewer Disposal Fund	2,286,000	-	2,286,000	2,068,126	[217,874]
Water Utility Fund	2,157,500	-	2,157,500	1,831,243	[326,257]

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, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	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	\$ 4,263,990	\$ 4,683,544	\$ 4,665,152	\$ 18,392
Delinquent	204,235	203,041	60,000	143,041
Motor Vehicle	719,849	746,917	730,977	15,940
Local Alcohol Liquor	48,076	39,542	49,376	[9,834]
County Sales	2,322,697	2,364,240	2,200,000	164,240
City Sales	2,827,700	2,907,216	2,770,000	137,216
Federal Aid	125,347	1,029,079	72,603	956,476
State Aid	11,286	90,000	-	90,000
Ambulance Service	684,906	716,337	640,000	76,337
Airport Income	66,728	59,713	72,000	[12,287]
Franchise Fees	1,233,728	1,135,686	1,250,000	[114,314]
Rural Fire Protection	158,780	64,353	128,000	[63,647]
Licenses, Fees and Permits	65,555	85,979	70,000	15,979
Charges for Services	83,686	61,227	66,000	[4,773]
Donations	338,025	361,590	72,000	289,590
Police Fines and Charges	401,021	334,244	377,000	[42,756]
Reimbursed Expenses	217,315	372,192	215,000	157,192
Sales of Assets	34,134	16,250	15,000	1,250
Raptor Center Sales	30,386	20,400	25,000	[4,600]
Building Rental	5,337	-	1,000	[1,000]
Expo Partnership	10,000	10,000	10,000	-
Interest Income	255,104	296,731	130,000	166,731
Administrative Fees	19,000	125,677	19,000	106,677
CID #3	2,220	1,543	2,000	[457]
CID #2	2,046	1,839	2,000	[161]
Transfers In	340,124	288,000	435,000	[147,000]
Neighborhood Revitalization Rebate	[90,890]	[60,203]	[108,700]	48,497
Total Receipts	<u>14,380,385</u>	<u>15,955,137</u>	<u>\$ 13,968,408</u>	<u>\$ 1,986,729</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, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Expenditures				
Administrative Finance	\$ 749,018	\$ 762,341	\$ 836,500	\$ [74,159]
Public Safety				
Police Department	2,784,934	2,707,850	2,961,500	[253,650]
Fire Department	2,786,495	2,843,047	3,049,000	[205,953]
Flood Control	118,455	120,382	201,000	[80,618]
Municipal Court	220,186	226,648	239,000	[12,352]
Engineering	154,541	133,475	194,500	[61,025]
Street Department	579,230	573,173	716,000	[142,827]
Zoo	611,026	494,650	649,000	[154,350]
Park Department	1,018,341	947,987	1,096,000	[148,013]
Cemetery	301,616	287,841	329,000	[41,159]
Airport	277,473	262,139	287,000	[24,861]
Economic Development	-	-	147,000	[147,000]
Other Agencies	320,533	326,840	371,500	[44,660]
Contingencies	308,484	345,405	337,300	8,105
Capital Outlay	186,382	260,771	4,487,000	[4,226,229]
Employee Benefits	107,806	164,431	159,000	5,431
Commission on Aging	234,270	312,698	236,000	76,698
Transfers Out	<u>3,433,127</u>	<u>4,642,670</u>	<u>2,120,000</u>	<u>2,522,670</u>
Total Expenditures	<u>14,191,917</u>	<u>15,412,348</u>	<u>\$ 18,416,300</u>	<u>\$ [3,003,952]</u>
Receipts Over [Under] Expenditures	<u>188,468</u>	<u>542,789</u>		
Unencumbered Cash, Beginning	4,361,043	4,553,358		
Prior Year Cancelled Encumbrances	<u>3,847</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 4,553,358</u>	<u>\$ 5,096,147</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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 48,076	\$ 39,541	\$ 49,376	\$ [9,835]
Donations	<u>1,795</u>	<u>650</u>	<u>124</u>	<u>526</u>
Total Receipts	<u>49,871</u>	<u>40,191</u>	<u>\$ 49,500</u>	<u>\$ [9,309]</u>
Expenditures				
Contractual Services	<u>10,801</u>	<u>14,214</u>	<u>\$ 95,000</u>	<u>\$ [80,786]</u>
Total Expenditures	<u>10,801</u>	<u>14,214</u>	<u>\$ 95,000</u>	<u>\$ [80,786]</u>
Receipts Over [Under] Expenditures	39,070	25,977		
Unencumbered Cash, Beginning	<u>65,932</u>	<u>105,002</u>		
Unencumbered Cash, Ending	<u>\$ 105,002</u>	<u>\$ 130,979</u>		

See independent auditor's report on the financial statements.

## 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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	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	\$ 254,323	\$ 228,354	\$ 227,755	\$ 599
Delinquent	11,825	11,985	4,000	7,985
Motor Vehicle	37,007	44,426	43,629	797
Neighborhood Revitalization Rebate	<u>[5,424]</u>	<u>[2,940]</u>	<u>[6,000]</u>	<u>3,060</u>
Total Receipts	<u>297,731</u>	<u>281,825</u>	<u>\$ 269,384</u>	<u>\$ 12,441</u>
Expenditures				
Personnel Services	61,593	68,388	\$ 79,000	\$ [10,612]
Contractual Services	<u>225,743</u>	<u>235,947</u>	<u>240,000</u>	<u>[4,053]</u>
Total Expenditures	<u>287,336</u>	<u>304,335</u>	<u>\$ 319,000</u>	<u>\$ [14,665]</u>
Receipts Over [Under] Expenditures	10,395	[22,510]		
Unencumbered Cash, Beginning	<u>59,270</u>	<u>69,665</u>		
Unencumbered Cash, Ending	<u>\$ 69,665</u>	<u>\$ 47,155</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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 48,077	\$ 39,541	\$ 49,376	\$ [9,835]
Miscellaneous	-	-	124	[124]
Total Receipts	<u>48,077</u>	<u>39,541</u>	<u>\$ 49,500</u>	<u>\$ [9,959]</u>
Expenditures				
Contractual Services	13,586	26,100	\$ 46,000	\$ [19,900]
Commodities	<u>28,731</u>	<u>24,183</u>	<u>46,000</u>	<u>[21,817]</u>
Total Expenditures	<u>42,317</u>	<u>50,283</u>	<u>\$ 92,000</u>	<u>\$ [41,717]</u>
Receipts Over [Under] Expenditures	5,760	[10,742]		
Unencumbered Cash, Beginning	<u>58,058</u>	<u>63,818</u>		
Unencumbered Cash, Ending	<u>\$ 63,818</u>	<u>\$ 53,076</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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenues				
Gasoline Tax	\$ 417,834	\$ 392,233	\$ 418,480	\$ [26,247]
State Highway Maintenance	95,217	119,022	71,000	48,022
Miscellaneous	-	-	520	[520]
Total Receipts	<u>513,051</u>	<u>511,255</u>	<u>\$ 490,000</u>	<u>\$ 21,255</u>
Expenditures				
Personal Services	415,471	454,817	\$ 480,500	\$ [25,683]
Capital Outlay	-	107,965	282,000	[174,035]
Total Expenditures	<u>415,471</u>	<u>562,782</u>	<u>\$ 762,500</u>	<u>\$ [199,718]</u>
Receipts Over [Under] Expenditures	97,580	[51,527]		
Unencumbered Cash, Beginning	<u>453,550</u>	<u>551,130</u>		
Unencumbered Cash, Ending	<u>\$ 551,130</u>	<u>\$ 499,603</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, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Admissions	\$ 68,927	\$ 37,471	\$ 70,000	\$ [32,529]
Concessions	30,389	17,240	30,000	[12,760]
Transfers In	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total Receipts	<u>174,316</u>	<u>129,711</u>	<u>\$ 175,000</u>	<u>\$ [45,289]</u>
Expenditures				
Personal Services	106,644	67,396	\$ 119,000	\$ [51,604]
Contractual Services and Commodities	<u>65,441</u>	<u>50,358</u>	<u>71,000</u>	<u>[20,642]</u>
Total Expenditures	<u>172,085</u>	<u>117,754</u>	<u>\$ 190,000</u>	<u>\$ [72,246]</u>
Receipts Over [Under] Expenditures	2,231	11,957		
Unencumbered Cash, Beginning	<u>16,036</u>	<u>18,267</u>		
Unencumbered Cash, Ending	<u>\$ 18,267</u>	<u>\$ 30,224</u>		

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Cemetery Perpetual Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sale of Cemetery Lots	\$ 75	\$ 150	\$ 500	\$ [350]
Total Receipts	<u>75</u>	<u>150</u>	<u>\$ 500</u>	<u>\$ [350]</u>
Expenditures				
Capital Outlay	-	13,000	\$ 101,000	\$ [88,000]
Total Expenditures	<u>-</u>	<u>13,000</u>	<u>\$ 101,000</u>	<u>\$ [88,000]</u>
Receipts Over [Under] Expenditures	75	[12,850]		
Unencumbered Cash, Beginning	<u>159,545</u>	<u>159,620</u>		
Unencumbered Cash, Ending	<u>\$ 159,620</u>	<u>\$ 146,770</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, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sale of Cemetery Lots	\$ 2,550	\$ 2,100	\$ 3,000	\$ [900]
Total Receipts	<u>2,550</u>	<u>2,100</u>	<u>\$ 3,000</u>	<u>\$ [900]</u>
Expenditures				
Capital Outlay	-	-	\$ 26,000	\$ [26,000]
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 26,000</u>	<u>\$ [26,000]</u>
Receipts Over [Under] Expenditures	2,550	2,100		
Unencumbered Cash, Beginning	<u>40,150</u>	<u>42,700</u>		
Unencumbered Cash, Ending	<u>\$ 42,700</u>	<u>\$ 44,800</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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 289,884	\$ 234,268	\$ 280,000	\$ [45,732]
Reimbursed Expenses	10,000	-	-	-
Interest	97	59	-	59
Total Receipts	<u>299,981</u>	<u>234,327</u>	<u>\$ 280,000</u>	<u>\$ [45,673]</u>
Expenditures				
Personal Services	148,265	133,510	\$ 168,000	\$ [34,490]
Other Services and Charges	108,136	99,757	131,000	[31,243]
Capital Outlay	-	-	80,000	[80,000]
Total Expenditures	<u>256,401</u>	<u>233,267</u>	<u>\$ 379,000</u>	<u>\$ [145,733]</u>
Receipts Over [Under] Expenditures	43,580	1,060		
Unencumbered Cash, Beginning	<u>494,966</u>	<u>538,546</u>		
Unencumbered Cash, Ending	<u>\$ 538,546</u>	<u>\$ 539,606</u>		

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Convention Center Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 57,977	\$ 46,854	\$ 52,000	\$ [5,146]
Rent Income	48,374	25,942	45,000	[19,058]
Reimbursed Expense	-	1,076	-	1,076
Transfer In	-	65,000	-	65,000
Total Receipts	<u>106,351</u>	<u>138,872</u>	<u>\$ 97,000</u>	<u>\$ 41,872</u>
Expenditures				
Personal	-	8,545	\$ 60,800	\$ [52,255]
Contractual	62,715	55,374	97,000	[41,626]
Capital Outlay	24,589	8,619	125,200	[116,581]
Transfers Out	300,000	-	-	-
Total Expenditures	<u>387,304</u>	<u>72,538</u>	<u>\$ 283,000</u>	<u>\$ [210,462]</u>
Receipts Over [Under] Expenditures	[280,953]	66,334		
Unencumbered Cash, Beginning	<u>412,062</u>	<u>131,109</u>		
Unencumbered Cash, Ending	<u>\$ 131,109</u>	<u>\$ 197,443</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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 494,860	\$ 549,993	\$ 547,787	\$ 2,206
Delinquent	30,145	26,058	10,000	16,058
Motor Vehicle	103,214	87,072	84,753	2,319
Miscellaneous Revenue	-	-	50,000	[50,000]
Neighborhood Revitalization Rebate	[10,538]	[7,070]	[16,000]	8,930
Total Receipts	<u>617,681</u>	<u>656,053</u>	<u>\$ 676,540</u>	<u>\$ [20,487]</u>
Expenditures				
Appropriation to Library	590,000	540,000	\$ 540,000	\$ -
Miscellaneous Expenses	31,530	12,553	50,000	[37,447]
Transfers Out	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Expenditures	<u>721,530</u>	<u>652,553</u>	<u>\$ 690,000</u>	<u>\$ [37,447]</u>
Receipts Over [Under] Expenditures	[103,849]	3,500		
Unencumbered Cash, Beginning	<u>103,849</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 3,500</u>		

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Capital Equipment Reserve Funds  
 Schedule of Receipts and Expenditures  
 Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

				For the Year Ended December 31,	
	<u>Equipment</u>	<u>Police</u>	<u>Fire</u>	<u>2020</u>	<u>2019</u>
Receipts					
Transfers In	\$ 1,289,920	\$ -	\$ -	\$ 1,289,920	\$ 349,162
Total Receipts	<u>1,289,920</u>	<u>-</u>	<u>-</u>	<u>1,289,920</u>	<u>349,162</u>
Expenditures					
Contractual Services	10,125	-	-	10,125	61,032
Capital Outlay	504,993	275,145	220,000	1,000,138	140,389
Transfer Out	<u>21,249</u>	<u>-</u>	<u>-</u>	<u>21,249</u>	<u>29,124</u>
Total Expenditures	<u>536,367</u>	<u>275,145</u>	<u>220,000</u>	<u>1,031,512</u>	<u>230,545</u>
Receipts Over [Under] Expenditures	753,553	[275,145]	[220,000]	258,408	118,617
Unencumbered Cash, Beginning	<u>2,438,007</u>	<u>516,000</u>	<u>227,330</u>	<u>3,181,337</u>	<u>3,062,720</u>
Unencumbered Cash, Ending	<u>\$ 3,191,560</u>	<u>\$ 240,855</u>	<u>\$ 7,330</u>	<u>\$ 3,439,745</u>	<u>\$ 3,181,337</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Capital Improvement Reserve Funds  
Schedule of Receipts and Expenditures  
Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>Streetscape</u>	<u>Police Building</u>	<u>Library HVAC</u>	<u>Baseball Complex</u>	<u>Construction Projects</u>
Receipts					
State Grant	\$ -	\$ -	\$ -	\$ -	\$ 90,510
Lot Sales	-	-	-	-	-
Reimbursed Expense	6,481	-	-	-	48,000
Transfers In	-	100,000	100,000	50,000	971,377
Total Receipts	<u>6,481</u>	<u>100,000</u>	<u>100,000</u>	<u>50,000</u>	<u>1,109,887</u>
Expenditures					
Contractual Services	-	-	-	-	-
Capital Outlay	6,725	-	-	28,578	2,019,329
Transfer Out	-	-	-	-	75,000
Total Expenditures	<u>6,725</u>	<u>-</u>	<u>-</u>	<u>28,578</u>	<u>2,094,329</u>
Receipts Over [Under] Expenditures	[244]	100,000	100,000	21,422	[984,442]
Unencumbered Cash, Beginning	35,218	958,213	500,327	599,490	1,904,547
Prior Year Cancelled Encumbrances	-	-	-	-	-
Unencumbered Cash, Ending	<u>\$ 34,974</u>	<u>\$ 1,058,213</u>	<u>\$ 600,327</u>	<u>\$ 620,912</u>	<u>\$ 920,105</u>

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<u>Zoo Development</u>	<u>RHID Projects</u>	<u>Cemetery</u>	<u>River Access</u>	<u>Water Park</u>	<u>Housing Projects</u>	For the Year Ended December 31,	
						<u>2020</u>	<u>2019</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,510	\$ -
-	-	-	-	-	-	-	42,234
-	-	-	-	-	-	54,481	-
<u>47,790</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,284,167</u>	<u>1,316,093</u>
<u>47,790</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,429,158</u>	<u>1,358,327</u>
-	-	-	-	-	3,050	3,050	27,619
5,891	4,250	160	-	118,081	-	2,183,014	1,274,448
-	-	-	-	-	-	75,000	125,000
<u>5,891</u>	<u>4,250</u>	<u>160</u>	<u>-</u>	<u>118,081</u>	<u>3,050</u>	<u>2,261,064</u>	<u>1,427,067</u>
41,899	10,750	[160]	-	[118,081]	[3,050]	[831,906]	[68,740]
177,373	54,656	368,934	59,929	635,417	228,169	5,522,273	5,582,513
-	-	-	-	-	-	-	8,500
<u>\$ 219,272</u>	<u>\$ 65,406</u>	<u>\$ 368,774</u>	<u>\$ 59,929</u>	<u>\$ 517,336</u>	<u>\$ 225,119</u>	<u>\$ 4,690,367</u>	<u>\$ 5,522,273</u>

See independent auditor's report on the financial statements.

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## CITY OF GREAT BEND, KANSAS

Economic Development Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Donations	\$ 37,557	\$ 22,718
Reimbursed Expenses	-	261
Loan Repayment	43,250	195,088
Transfers In	<u>377,046</u>	<u>387,648</u>
Total Receipts	<u>457,853</u>	<u>605,715</u>
Expenditures		
Downtown Theater Incentive	8,000	8,000
Chamber of Commerce	153,000	-
Marketing Great Bend	9,715	9,939
June Jaunt	16,553	108
Explore Great Bend	9,373	6,674
Jobfest	1,000	-
Christmas Promotion	14,581	9,559
Air Fest	-	-
Public Firework Display	12,663	10,450
Zoo Boo	452	1,481
Party in the Park	21,795	13,446
Office Service and Supplies	2,200	-
RHID Project	-	-
Blizzard Energy Lease	505	-
Economic Development Office Remodel	4,657	340,687
Barton County Historical Society	-	10,000
GB Economic Development, Inc	-	147,000
Planning and Analysis	-	42,000
Transfers Out	<u>80,000</u>	<u>115,000</u>
Total Expenditures	<u>334,494</u>	<u>714,344</u>
Receipts Over [Under] Expenditures	123,359	[108,629]
Unencumbered Cash, Beginning	<u>1,702,029</u>	<u>1,825,388</u>
Unencumbered Cash, Ending	<u>\$ 1,825,388</u>	<u>\$ 1,716,759</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Health Insurance Benefit Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Miscellaneous Receipts	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Miscellaneous Expenses	\$ -	\$ -
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>

## CITY OF GREAT BEND, KANSAS

KDOT Grant Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
State Aid	\$ 463,868	\$ 300,822
Total Receipts	<u>463,868</u>	<u>300,822</u>
Expenditures		
Capital Outlay	<u>502,318</u>	<u>-</u>
Total Expenditures	<u>502,318</u>	<u>-</u>
Receipts Over [Under] Expenditures	<u>[38,450]</u>	<u>300,822</u>
Unencumbered Cash, Beginning	302,913	264,948
Prior Year Cancelled Encumbrances	<u>485</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 264,948</u>	<u>\$ 565,770</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Law Enforcement Grant Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Miscellaneous Receipts	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Miscellaneous Expenses	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	<u>28,735</u>	<u>28,735</u>
Unencumbered Cash, Ending	<u>\$ 28,735</u>	<u>\$ 28,735</u>

## CITY OF GREAT BEND, KANSAS

Sales Tax Improvement Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Reimbursed Expenses	\$ -	\$ 61,942
Transfers In	<u>942,473</u>	<u>968,975</u>
Total Receipts	<u>942,473</u>	<u>1,030,917</u>
Expenditures		
Contractual Services	26,520	11,200
Capital Outlay	<u>752,861</u>	<u>834,831</u>
Total Expenditures	<u>779,381</u>	<u>846,031</u>
Receipts Over [Under] Expenditures	163,092	184,886
Unencumbered Cash, Beginning	<u>811,196</u>	<u>974,288</u>
Unencumbered Cash, Ending	<u><u>\$ 974,288</u></u>	<u><u>\$ 1,159,174</u></u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Sales Tax Infrastructure Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
State Aid	\$ -	\$ 208,710
Transfers In	<u>848,353</u>	<u>872,208</u>
Total Receipts	<u>848,353</u>	<u>1,080,918</u>
Expenditures		
Capital Outlay	<u>207,514</u>	<u>906,460</u>
Total Expenditures	<u>207,514</u>	<u>906,460</u>
Receipts Over [Under] Expenditures	640,839	174,458
Unencumbered Cash, Beginning	<u>1,886,579</u>	<u>2,527,418</u>
Unencumbered Cash, Ending	<u>\$ 2,527,418</u>	<u>\$ 2,701,876</u>

See independent auditor's report on the financial statements.



## 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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance- Over [Under]
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 160,287	\$ 13,113	\$ 13,027	\$ 86
Delinquent	12,007	8,424	5,000	3,424
Motor Vehicle	30,976	28,143	27,457	686
Special Assessments	169,179	238,804	255,000	[16,196]
Transfers In	7,592	-	-	-
Neighborhood Revitalization Rebate	[3,414]	[169]	[6,887]	6,718
Total Receipts	<u>376,627</u>	<u>288,315</u>	<u>\$ 293,597</u>	<u>\$ [5,282]</u>
Expenditures				
Debt Service				
Principal	-	75,000	\$ 75,000	\$ -
Interest	-	22,405	28,113	[5,708]
Special Assessment Taxes	16,906	16,720	200,000	[183,280]
Cash Basis Reserve	-	-	700,000	700,000
Total Expenditures	<u>16,906</u>	<u>114,125</u>	<u>\$ 1,003,113</u>	<u>\$ 511,012</u>
Receipts Over [Under] Expenditures	359,721	174,190		
Unencumbered Cash, Beginning	<u>568,042</u>	<u>927,763</u>		
Unencumbered Cash, Ending	<u>\$ 927,763</u>	<u>\$ 1,101,953</u>		

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Airport Grant Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Federal Aid	\$ 4,063,867	\$ 2,056,918
State Aid	410,705	69,043
Transfers In	<u>173,000</u>	<u>100,000</u>
Total Receipts	<u>4,647,572</u>	<u>2,225,961</u>
Expenditures		
Capital Outlay	<u>6,024,162</u>	<u>1,200,664</u>
Total Expenditures	<u>6,024,162</u>	<u>1,200,664</u>
Receipts Over [Under] Expenditures	[1,376,590]	1,025,297
Unencumbered Cash, Beginning	<u>585,828</u>	<u>[790,762]</u>
Unencumbered Cash, Ending	<u>\$ [790,762]</u>	<u>\$ 234,535</u>

See independent auditor's report on the financial statements.

CITY OF GREAT BEND, KANSAS  
 Water Improvements Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Interest	\$ 32,739	\$ -
Total Receipts	<u>32,739</u>	<u>-</u>
Expenditures		
Contractual	4,988	-
Capital Outlay	603,329	-
Total Expenditures	<u>608,317</u>	<u>-</u>
Receipts Over [Under] Expenditures	<u>[575,578]</u>	<u>-</u>
Unencumbered Cash, Beginning	521,858	10,655
Prior Year Cancelled Encumbrances	<u>64,375</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 10,655</u>	<u>\$ 10,655</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

8th Street Temporary Note Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Bond Proceeds	\$ 865,000	\$ -
Interest Income	3,570	-
Reimbursed Expenses	<u>1,218</u>	<u>-</u>
Total Receipts	<u>869,788</u>	<u>-</u>
Expenditures		
Debt Service		
Principal	1,190,000	-
Interest	20,478	-
Contractual	19,479	-
Capital Outlay	1,342	-
Cost of Issuance	1,411	-
Transfers Out	<u>7,592</u>	<u>-</u>
Total Expenditures	<u>1,240,302</u>	<u>-</u>
Receipts Over [Under] Expenditures	[370,514]	-
Unencumbered Cash, Beginning	334,070	-
Prior Year Cancelled Encumbrances	<u>36,444</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report on the financial statements.

## 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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Rental Income	\$ 200,498	\$ 201,772	\$ 199,000	\$ 2,772
Total Receipts	<u>200,498</u>	<u>201,772</u>	<u>\$ 199,000</u>	<u>\$ 2,772</u>
Expenditures				
Insurance	7,201	7,641	\$ 12,000	\$ [4,359]
Building and Equipment Repairs	14,745	11,950	26,000	[14,050]
Contractual Services	-	10,000	3,500	6,500
Transfers Out	<u>173,000</u>	<u>100,000</u>	<u>205,000</u>	<u>[105,000]</u>
Total Expenditures	<u>194,946</u>	<u>129,591</u>	<u>\$ 246,500</u>	<u>\$ [116,909]</u>
Receipts Over [Under] Expenditures	5,552	72,181		
Unencumbered Cash, Beginning	<u>83,976</u>	<u>89,528</u>		
Unencumbered Cash, Ending	<u>\$ 89,528</u>	<u>\$ 161,709</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, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Sewer Use Charges	\$ 1,990,465	\$ 2,096,264	\$ 2,100,000	\$ [3,736]
Reimbursed Expenses	135	4,852	-	4,852
Miscellaneous	<u>6,313</u>	<u>4,899</u>	<u>5,000</u>	<u>[101]</u>
Total Receipts	<u>1,996,913</u>	<u>2,106,015</u>	<u>\$ 2,105,000</u>	<u>\$ 1,015</u>
Expenditures				
Personal Services	1,065,151	1,085,692	\$ 1,192,000	\$ [106,308]
Contractual Services and Commodities	703,255	543,930	683,000	[139,070]
Capital Outlay	37,180	113,504	184,000	[70,496]
Transfers Out	<u>222,000</u>	<u>325,000</u>	<u>227,000</u>	<u>98,000</u>
Total Expenditures	<u>2,027,586</u>	<u>2,068,126</u>	<u>\$ 2,286,000</u>	<u>\$ [217,874]</u>
Receipts Over [Under] Expenditures	<u>[30,673]</u>	<u>37,889</u>		
Unencumbered Cash, Beginning	1,377,029	1,346,856		
Prior Year Cancelled Encumbrances	<u>500</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 1,346,856</u>	<u>\$ 1,384,745</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, 2020  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Water Use Charges	\$ 1,752,152	\$ 1,888,762	\$ 1,872,000	\$ 16,762
Reimbursed Expenses	60,316	1,570	-	1,570
Rental Income	6,690	6,070	7,000	[930]
Miscellaneous	271	-	-	-
Transfers In	<u>122,000</u>	<u>122,000</u>	<u>122,000</u>	<u>-</u>
Total Receipts	<u>1,941,429</u>	<u>2,018,402</u>	<u>\$ 2,001,000</u>	<u>\$ 17,402</u>
Expenditures				
Debt Service				
Principal	630,000	460,000	\$ 460,000	\$ -
Interest	199,950	187,350	187,350	-
Personal Services	586,999	626,181	713,000	[86,819]
Contractual Services and Commodities	477,860	381,838	581,150	[199,312]
Capital Outlay	3,048	11,874	123,000	[111,126]
Transfers Out	<u>81,000</u>	<u>164,000</u>	<u>93,000</u>	<u>71,000</u>
Total Expenditures	<u>1,978,857</u>	<u>1,831,243</u>	<u>\$ 2,157,500</u>	<u>\$ [326,257]</u>
Receipts Over [Under] Expenditures	[37,428]	187,159		
Unencumbered Cash, Beginning	<u>1,348,524</u>	<u>1,311,096</u>		
Unencumbered Cash, Ending	<u>\$ 1,311,096</u>	<u>\$ 1,498,255</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, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Contributions	\$ 1,393,507	\$ 1,287,706
Interest	<u>2,421</u>	<u>3,130</u>
Total Receipts	<u>1,395,928</u>	<u>1,290,836</u>
Expenditures		
Premiums	436,489	347,654
Claims	797,255	757,278
Commodities	<u>428</u>	<u>-</u>
Total Expenditures	<u>1,234,172</u>	<u>1,104,932</u>
Receipts Over [Under] Expenditures	<u>161,756</u>	<u>185,904</u>
Unencumbered Cash, Beginning	1,878,391	2,040,147
Prior Period Adjustment	<u>-</u>	<u>[105,980]</u>
Unencumbered Cash, Beginning, Restated	<u>1,878,391</u>	<u>1,934,167</u>
Unencumbered Cash, Ending	<u>\$ 2,040,147</u>	<u>\$ 2,120,071</u>

See independent auditor's report on the financial statements.



## CITY OF GREAT BEND, KANSAS

Sewage Treatment Plant Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Transfer In	\$ -	\$ 40,000
Total Receipts	<u>-</u>	<u>40,000</u>
Expenditures		
Commodities	<u>41,072</u>	<u>313,116</u>
Total Expenditures	<u>41,072</u>	<u>313,116</u>
Receipts Over [Under] Expenditures	[41,072]	[273,116]
Unencumbered Cash, Beginning	<u>730,885</u>	<u>689,813</u>
Unencumbered Cash, Ending	<u>\$ 689,813</u>	<u>\$ 416,697</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Sewer Line Replacement Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Transfer In	\$ -	\$ 50,000
Total Receipts	<u>-</u>	<u>50,000</u>
Expenditures		
Capital Outlay	<u>58,283</u>	<u>-</u>
Total Expenditures	<u>58,283</u>	<u>-</u>
Receipts Over [Under] Expenditures	[58,283]	50,000
Unencumbered Cash, Beginning	<u>604,477</u>	<u>546,194</u>
Unencumbered Cash, Ending	<u>\$ 546,194</u>	<u>\$ 596,194</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Economic Development Revolving Loan Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Collections	\$ 2,743	\$ 3,889
Total Receipts	<u>2,743</u>	<u>3,889</u>
Expenditures		
Contractual Services	<u>82</u>	<u>157,337</u>
Total Expenditures	<u>82</u>	<u>157,337</u>
Receipts Over [Under] Expenditures	2,661	[153,448]
Unencumbered Cash, Beginning	<u>176,623</u>	<u>179,284</u>
Unencumbered Cash, Ending	<u>\$ 179,284</u>	<u>\$ 25,836</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

Jason Trester Cemetery Trust Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Interest Income	\$ 5,528	\$ 7,558
Total Receipts	<u>5,528</u>	<u>7,558</u>
Expenditures		
Capital Outlay	<u>5,538</u>	<u>9,838</u>
Total Expenditures	<u>5,538</u>	<u>9,838</u>
Receipts Over [Under] Expenditures	[10]	[2,280]
Unencumbered Cash, Beginning	<u>373,328</u>	<u>373,318</u>
Unencumbered Cash, Ending	<u>\$ 373,318</u>	<u>\$ 371,038</u>

See independent auditor's report on the financial statements.

## CITY OF GREAT BEND, KANSAS

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

<u>Funds</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Municipal Court Fund	\$ 42,239	\$ 102,249	\$ 92,559	\$ 51,929
Firemen's Charity Fund	32,719	6,202	5,040	33,881
Flexible Spending Account	-	15,000	1,943	13,057
Pay It Forward	1,446	500	374	1,572
CID #1	32,674	103,171	135,845	-
CID #2	-	36,786	36,786	-
CID #3	15,850	30,868	17,393	29,325
Subrecipient Grants Fund	<u>-</u>	<u>64,169</u>	<u>64,169</u>	<u>-</u>
Total	<u>\$ 124,928</u>	<u>\$ 358,945</u>	<u>\$ 354,109</u>	<u>\$ 129,764</u>

See independent auditor's report on the financial statements.

SCHEDULE 4

CITY OF GREAT BEND, KANSAS

Great Bend Public Library  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
City Appropriations	\$ 590,000	\$ 540,000
Grants	43,921	50,734
Miscellaneous	14,951	41,052
Interest Income	3,274	1,811
Donations	2,739	1,574
Rent	66,059	66,059
Total Receipts	<u>720,944</u>	<u>701,230</u>
Expenditures		
Personal Services	350,127	352,484
Contractual Services	256,630	271,394
Commodities	67,854	64,850
Capital Outlay	14,088	9,310
Total Expenditures	<u>688,699</u>	<u>698,038</u>
Receipts Over [Under] Expenditures	32,245	3,192
Unencumbered Cash, Beginning	<u>146,978</u>	<u>179,223</u>
Unencumbered Cash, Ending	<u>\$ 179,223</u>	<u>\$ 182,415</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, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
Passed Through Kansas Housing Resource Corporation:		
Emergency Solutions Grant Program	14.231	\$ 64,169
Total U.S. Department of Housing and Urban Development		<u>64,169</u>
<u>U.S. Department of Homeland Security</u>		
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	54,051
Total U.S. Department of Homeland Security		<u>54,051</u>
<u>U.S. Department of Health and Human Services</u>		
Provider Relief Fund	93.498	17,923
Total U.S. of Health and Human Services		<u>17,923</u>
<u>U.S. Department of the Treasury</u>		
Passed Through Barton County, Kansas:		
Coronavirus Relief Fund	21.019	862,986
Total U.S. Department of the Treasury		<u>862,986</u>
<u>U.S. Department of Transportation</u>		
Airport Improvement Program	20.106	1,011,996
Passed Through Kansas Department of Transportation:		
Formula Grants for Rural Areas and Tribal Transit Program	20.509	87,974
Total U.S. Department of Transportation		<u>1,099,970</u>
Total Expenditures of Federal Awards		<u>\$ 2,099,099</u>

The accompanying notes are an integral part of this schedule.

CITY OF GREAT BEND, KANSAS  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2020

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 at December 31, 2020.

5. Outstanding Loans

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

6. Pass Through Numbers

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



CITY OF GREAT BEND, KANSAS  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2020

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Identification of major programs:

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

CITY OF GREAT BEND, KANSAS  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended December 31, 2020

Section II - Financial Statement Findings

Prior Year Findings

<u>Program</u>	<u>Finding</u>	<u>Conditions</u>	<u>Criteria</u>	<u>Questioned Costs</u>	<u>Recommendation</u>	<u>Status</u>
Not Applicable	2019-1	The City had unrecorded accounts payable as December 31, 2019.	Recommended Practices	Not determined	Internal controls should be in place to ensure that all accounts payable are accounted for and recorded within the City's records as of year-end. Procedures should be established and implemented to properly record accounts payable at year-end without concern as to if reimbursements will be received in the next year.	Resolved

Current Year Findings

<u>Program</u>	<u>Finding</u>	<u>Conditions</u>	<u>Criteria</u>	<u>Questioned Costs</u>	<u>Recommendation</u>	<u>Management Response</u>
Not Applicable	2020-1	During the audit, we analyzed Water and Sewer fund revenues and noted that meters were not accurately read over a period of many months. This led to the underbilling of customers and the understatement of revenues in the Water Fund by approximately \$452,000 and the Sewer Fund by approximately \$244,000.	Recommended Practices	Not determined	The City should redesign its meter read process to ensure the timely and accurate reading of all meters, which would lead to the accurate recording of all utility revenues.	See Corrective Action Plan

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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 1, 2021.

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 charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs (2020-1) that we consider to be a material weakness.

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*.

#### Response to Findings

The City of Great Bend, Kansas' response to findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

#### Purpose of this Report

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

*Gordon CPA LLC*

Certified Public Accountant  
Lawrence, Kansas

June 1, 2021

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

Mayor and City Council  
City of Great Bend, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Great Bend, Kansas (the City), with the types of compliance requirements described 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, 2020. The City's major federal financial programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United State of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Kansas Municipal Audit and Accounting Guide. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the City's compliance. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

*Gordon CPA LLC*

Certified Public Accountant  
Lawrence, Kansas

June 1, 2021