

CITY OF HUGOTON, KANSAS
Hugoton, Kansas

FINANCIAL STATEMENTS
For the year ended December 31, 2020

CITY OF HUGOTON, KANSAS

FINANCIAL STATEMENTS

For the year ended December 31, 2020

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CITY OF HUGOTON, KANSAS

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Hugoton, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Hugoton, Kansas, 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; 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 *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.

To the City Council
City of Hugoton, Kansas

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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 of Hugoton, 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 of Hugoton, Kansas as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Hugoton, Kansas 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

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, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*.

To the City Council
City of Hugoton, Kansas

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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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Hugoton, Kansas as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated June 17, 2020, which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipal-services>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2020 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2019 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 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 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. In our opinion, the 2019 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2019, on the basis of accounting described in Note 1.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

July 6, 2021

CITY OF HUGOTON, KANSAS

Statement 1

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH – REGULATORY BASIS

For the year ended December 31, 2020

<u>Funds</u>	<u>Beginning</u> <u>Unencumbered</u> <u>Cash</u> <u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending</u> <u>Unencumbered</u> <u>Cash</u> <u>Balance</u>	<u>Add</u> <u>Encumbrances</u> <u>& Accounts</u> <u>Payable</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
General Funds:						
General	\$ 520,816	\$ 2,684,814	\$ 2,378,082	\$ 827,548	\$ 10,679	\$ 838,227
Special Purpose Funds:						
Special City Streets and Highways	37,104	98,415	100,000	35,519	-	35,519
Special Parks and Recreation	13,242	5,993	2,067	17,168	-	17,168
Gas Royalty	508,220	6,155	-	514,375	-	514,375
Convention and Tourism Promotion	42,860	21,722	12,612	51,970	-	51,970
Animal Care Benevolence	10,047	1,029	5,562	5,514	-	5,514
Golf Course Expansion	42,266	68,658	-	110,924	-	110,924
Shop With a Cop	4,714	4,920	8,611	1,023	5,208	6,231
Streetscape Improvement	4,200	27	-	4,227	-	4,227
Community Improvement District	2,702	28,533	28,432	2,803	-	2,803
Economic Development	42,317	20,300	30,000	32,617	-	32,617
Special Street Machinery	325,975	62,815	-	388,790	-	388,790
Diversion Fund	-	725	-	725	-	725
Debt Service Fund – Bond and Interest Fund	178,253	468,187	460,243	186,197	-	186,197
Capital Projects Fund – Water Line Project	-	935,574	934,982	592	-	592
Business Funds – Enterprise Funds:						
Electric System:						
Operating Fund	3,144,171	4,795,396	4,657,467	3,282,100	25,179	3,307,279
Meter Deposit Fund	-	38,397	38,397	-	39,931	39,931
Equipment Replacement Fund	324,681	2,084	-	326,765	-	326,765
Electric Distribution Upgrade Fund	1,038,523	40,513	38,062	1,040,974	-	1,040,974
Water System:						
Operating Fund	618,483	912,663	964,999	566,147	1,498	567,645
Meter Deposit Fund	-	1,496	1,496	-	2,464	2,464
Equipment Replacement Fund I	150,874	941	-	151,815	-	151,815
Equipment Replacement Fund II	137,737	860	-	138,597	-	138,597
Water Improvement Reserve Fund	735,970	422,957	451,300	707,627	83,344	790,971
Sanitation System:						
Operating Fund	142,395	307,305	271,632	178,068	-	178,068
Equipment Replacement Fund	313,635	62,018	-	375,653	-	375,653
Sewer System:						
Operating Fund	1,007,916	345,611	341,238	1,012,289	109	1,012,398
Equipment Reserve Fund I	1,321,269	8,209	-	1,329,478	-	1,329,478
Total Reporting Entity (Excluding Agency Funds)	<u>\$10,668,370</u>	<u>\$11,346,317</u>	<u>\$10,725,182</u>	<u>\$11,289,505</u>	<u>\$168,412</u>	<u>\$11,457,917</u>

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

CITY OF HUGOTON, KANSAS

Statement 1
(Continued)

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH – REGULATORY BASIS

For the year ended December 31, 2020

Ending Cash Balance		<u>\$11,457,917</u>
Composition of Cash:		
Cash on hand with City Clerk	\$	300
Deposits in Local Depositories:		
Checking Accounts:		
Citizens State Bank – Operating account		156,950
Citizens State Bank – Petty cash		1,000
Certificates of Deposit – Citizens State Bank		<u>11,300,000</u>
Total Cash		\$11,458,250
Agency Funds per Schedule 3		<u>333</u>
Total Reporting Entity (Excluding Agency Funds)		<u>\$11,457,917</u>

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

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

Note 1: Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Hugoton is a municipal corporation governed by an elected six member council. This regulatory financial statement presents the City of Hugoton (the municipality). A related municipal entity is defined as an entity legally separate from the City, which has a significant dependence on, or relationship with, the City. Based on the criteria used to evaluate potential related municipal entities, it was determined that there were no related municipal entities to present with the municipality's financial statement.

Related Municipal Entities not Presented

The City Council is responsible for appointing the members of the Planning Commission. The Planning Commission has no budgetary or disbursing authority. Its function is solely to advise the City Council and, therefore, is a part of the municipality.

Jointly Governed Organizations

The City, in conjunction with each township in the county, has created the Hugoton Cemetery District. The Hugoton Cemetery District's board consists of one representative from each of the participating entities.

Fund Descriptions

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

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year of 2020:

Governmental Funds:

General Fund – The Chief Operating Fund – used to account for all resources except those required to be accounted for in another fund.

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

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

Capital Project Funds – 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 Funds:

Enterprise Funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where periodic determination of revenue earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds:

Agency Funds – used to report assets held by the municipal reporting entity in a purely custodial capacity.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Accounting

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

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

The municipality 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.

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General capital assets that account for the land, buildings and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Other Accounting Policies

Cash and Time Deposits

These liquid assets are shown in aggregate. K.S.A. 12-1671 and 12-1672 allow these assets to be shown in aggregate. Deposits are carried at cost.

In accordance with K.S.A. 9-1402 and K.S.A. 12-1675, the City of Hugoton, Kansas, deposited and/or invested all funds with the Citizens State Bank or the Equity Bank of Hugoton, Kansas.

State statutes and local bond ordinances authorize the City to invest in obligations of the U. S. Treasury and certificates of deposit at local financial institutions.

Special Assessments

Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the bond and interest fund.

Temporary Notes

Upon authorization for the issuance of general obligation bonds for certain improvements, Kansas law permits the temporary financing of such improvements by the issuance of temporary notes. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance of such temporary notes. Temporary notes outstanding are retired from the proceeds of the sale of general obligation bonds.

Vouchers Payable

Vouchers payable are classified on the basis of a claim for payment resulting from legal title to property.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds.

In addition, encumbrances do constitute expenditures of a fund.

Unencumbered Cash Balance

The unencumbered cash balance is the unobligated resources of cash and time deposits of a fund.

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 on or before August 5th of the proposed budget and notice of public hearing on the budget.
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 governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Special Street Machinery Fund	Water Equipment Replacement Fund I
Electric Meter Deposit Fund	Water Equipment Replacement Fund II
Electric Equipment Replacement Fund	Sanitation Equipment Replacement Fund
Water Meter Deposit Fund	Sewer System Reserve Fund I
	Sewer Improvements Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by using internal spending limits established by the governing body.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payments.

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by Stevens County.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

Taxes levied to finance the budget are made available to the City of Hugoton, Kansas after the first of the year and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed annually.

Note 2: Stewardship, Compliance and Accountability

Compliance with Kansas Statutes

Contrary to the provisions of KSA 10-1117 and KSA 79-2934, the City Clerk did not maintain a formal encumbrance record or an unencumbered budget balance record.

Contrary to the provision of KSA 79-2935, the current year expenditures of the Shop With a Cop Fund exceeded the adopted budget.

Fund Balances – Designated for Subsequent Year's Budget

Actual cash carryover was not sufficient for the following funds:

	<u>2020</u> <u>Unencumbered</u> <u>Cash Balance</u>	<u>2021 Budgeted</u> <u>Unencumbered</u> <u>Cash Carryover</u>
Community Improvement District	\$ 2,803	\$ 2,832
Economic Development	32,617	42,817
Animal Care Benevolence	5,514	5,672
Shop With a Cop	1,023	4,724
Golf Course Expansion	110,924	111,086
Bond and Interest	186,197	267,069
Water Improvement Reserve	707,627	745,970
Gas Royalty	514,375	515,720

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 3: Deposits and Investments

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

K.S.A. 12-1675 limits the City of Hugoton'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 of Hugoton 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 of Hugoton 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 of Hugoton's deposits may not be returned to it. State statutes require the City of Hugoton'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%. All deposits were legally secured at December 31, 2020.

At December 31, 2020, the City of Hugoton's carrying amount of deposits was \$11,458,250 and the bank balance was \$11,903,447. Of the bank balance, \$250,000 was covered by federal depository insurance, \$4,500,000 was collateralized with an irrevocable letter of credit, and \$7,153,447 was collateralized with securities held by the pledging financial institution's agents in the City of Hugoton's name.

Custodial Credit Risk – Investments – For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City of Hugoton 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 HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 4: Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
Water Line Project	\$1,350,000	\$1,196,347

Note 5: Interfund Transfers

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Sanitation System Fund	Sanitation Equipment Replacement Fund	KSA 12-1,117	\$ 60,000
Water Fund	Water Improvement Reserve Fund	KSA 12-825d	148,947
General Fund	Special Street Machinery Fund	KSA 12-1,117	60,718
Water Improvement Reserve Fund	Bond and Interest	KSA 12-825d	106,269
General Fund	Economic Development		20,000
Water Fund	Bond and Interest Fund	KSA 12-825d	13,980
Sewer Fund	Bond and Interest Fund	KSA 12-825d	184,576
General Fund	Golf Course Expansion Fund		68,320

Note 6: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

The City of Hugoton, Kansas 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 or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 6: Defined Benefit Pension Plan (Continued)

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 City of Hugoton were \$168,291 for the year ended December 31, 2020.

Net Pension Liability

At December 31, 2020, the City of Hugoton's proportionate share of the collective net pension liability reported by KPERS was \$1,600,440. 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 City of Hugoton's proportion of the net pension liability was based on the ratio of the City of Hugoton'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 or can be obtained as described above.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 7: Other Long-Term Obligations from Operations

Compensated Absences

Vacations

Vacations for full-time City employees shall be allowed as follows:

- a. All employees shall be allowed two weeks paid vacation, or ten working days, after completing one complete year's service with the City.
- b. Three weeks, or 15 days, paid vacation shall be allowed to each employee completing 10 full years of service with the City.
- c. Four weeks, or 20 days, paid vacation shall be allowed after completing 20 years of service with the City.
- d. All City employees entitled to vacations as provided in (a), (b), or (c) of this section shall be required to take their vacations within the calendar year. No employee shall be paid additionally for working during his/her vacation time. The superintendent of municipal utilities shall approve the vacation times of all City employees under his/her supervision and control. Vacation times for all other City employees shall be subject to the approval of the governing body.
- e. No vacation time shall be allowed to any employee whose employment is terminated for any reason between the first and second anniversary dates of employment. (Ord. 486, 1-504)

Sick Leave

- a. Each full-time employee shall be allowed three-fourths day sick leave for every month of continuous employment. Such sick leave shall be accumulative from year to year to a maximum of 90 days. Such accumulation shall not apply to probationary employees, as defined in section 1-503 until the six-months probationary period has expired, at which time such employee shall be credited with four and one-half days sick leave.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 7: Other Long-Term Obligations from Operations (Continued)

Compensated Absences (Continued)

Sick Leave (Continued)

- b. No sick leave exceeding two days shall be allowed unless, upon request, the employee furnishes to his/her immediate supervisor within 24 hours after he/she returns to work a written statement from a physician; certifying that his/her illness prevented the employee from working and that the employee is physically able to return to work.
- c. Any employee receiving sick leave time preceding and/or following any holiday or weekend may be required at the request of his/her supervisor, to furnish a written statement from a physician certifying that his/her sickness prevented the employee from working.
- d. An employee shall be required to take a complete physical examination and to furnish written report thereof to his/her immediate supervisor following any serious accident or serious illness.
- e. An employee who has exhausted all earned sick leave may, subject to authorization from his/her immediate supervisor, use any unused vacation time during an illness. (Ord. 486, 1-507)
- f. Upon the retirement or death of an employee, he/she or his/her estate shall be entitled to compensation for any unused sick leave time, computed on the basis of 100 percent from the anniversary date of his/her employment and not on the basis of the calendar year. (Ord. 486, 1-507). The potential liability at December 31, 2020 was \$306,825.

Uncompensated Absences

Absence from Work

All City employees who are employed on a daily or hourly basis shall not be paid for time lost or for being absent from work. (Ord. 486, 1-503)

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 7: Other Long-Term Obligations from Operations (Continued)

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City of Hugoton, Kansas allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City of Hugoton, Kansas 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 of Hugoton, Kansas makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Death and Disability Other Post Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust 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 8: COVID-19

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City of Hugoton’s financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City of Hugoton is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2020.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 8: COVID-19 (Continued)

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). SPARK'S first round distribution was to local governments in the amount of \$400 million. The City of Hugoton received CRF in the amount of \$26,000 during 2020. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found at <https://covid.ks.gov>.

Note 9: Subsequent Events

The City of Hugoton's management has evaluated events and transactions through July 6, 2021, the date which the financial statement was available to be issued.

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 10: Long-Term Debt

Changes in long-term liabilities for the City for the year ended December 31, 2020 were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Bonds:									
Series 11	.95-2.95%	08/01/11	\$1,265,000	10/01/21	\$ 295,000	\$ -	\$145,000	\$ 150,000	\$ 8,412
Series 14	2.00-2.65%	09/22/14	690,000	10/01/24	365,000	-	70,000	295,000	8,275
Series 15	2.00-3.00%	04/01/15	1,975,000	10/01/25	1,300,000	-	195,000	1,105,000	33,555
Series 20	1.55-2.35%	04/21/20	935,000	09/01/30	-	935,000	-	935,000	-
Capital Leases Payable:									
Police Station	3.49%	08/27/18	135,000	07/30/28	123,187	-	11,853	111,334	4,371
Shed	4.25%	06/29/11	53,000	06/29/21	<u>9,438</u>	<u>-</u>	<u>6,225</u>	<u>3,213</u>	<u>336</u>
Total Contractual Indebtedness					<u>\$2,092,625</u>	<u>\$935,000</u>	<u>\$428,078</u>	<u>\$2,599,547</u>	<u>\$ 54,949</u>

CITY OF HUGOTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 10: Long-Term Debt (Continued)

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

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026-2030</u>	<u>Total</u>
Principal:							
General obligation bonds	\$510,000	\$375,000	\$385,000	\$395,000	\$335,000	\$485,000	\$2,485,000
Capital leases payable	<u>15,497</u>	<u>12,719</u>	<u>13,169</u>	<u>13,628</u>	<u>14,117</u>	<u>45,419</u>	<u>114,549</u>
Total principal	<u>\$525,497</u>	<u>\$387,719</u>	<u>\$398,169</u>	<u>\$408,628</u>	<u>\$349,117</u>	<u>\$530,419</u>	<u>\$2,599,549</u>
Interest:							
General obligation bonds	\$ 63,789	\$ 45,950	\$ 37,655	\$ 28,438	\$ 18,455	\$ 31,268	\$ 225,555
Capital leases payable	<u>4,009</u>	<u>3,505</u>	<u>3,055</u>	<u>2,596</u>	<u>2,107</u>	<u>3,253</u>	<u>18,525</u>
Total interest	<u>\$ 67,798</u>	<u>\$ 49,455</u>	<u>\$ 40,710</u>	<u>\$ 31,034</u>	<u>\$ 20,562</u>	<u>\$ 34,521</u>	<u>\$ 244,080</u>
Total Principal and Interest	<u>\$593,295</u>	<u>\$437,174</u>	<u>\$438,879</u>	<u>\$439,662</u>	<u>\$369,679</u>	<u>\$564,940</u>	<u>\$2,843,629</u>

CITY OF HUGOTON, KANSAS

REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF HUGOTON, KANSAS

Schedule 1

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

For the year ended December 31, 2020

<u>Funds</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General Funds:			
General	\$2,983,985	\$2,378,082	\$ (605,903)
Special Purpose Funds:			
Special City Streets and Highways	150,453	100,000	(50,453)
Special Parks and Recreation	11,040	2,067	(8,973)
Gas Royalty	504,336	-	(504,336)
Convention and Tourism Promotion	58,410	12,612	(45,798)
Animal Care Benevolence	11,259	5,562	(5,697)
Golf Course Expansion	121,312	-	(121,312)
Shop With a Cop	3,500	8,611	5,111
Streetscape Improvement	2,372	-	(2,372)
Community Improvement District	38,863	28,432	(10,431)
Economic Development	69,370	30,000	(39,370)
Debt Service Fund:			
Bond and Interest Fund	466,488	460,243	(6,245)
Business Funds:			
Enterprise Funds:			
Electric System:			
Operating Fund	6,999,233	4,657,467	(2,341,766)
Electric Distribution Upgrade Fund	208,773	38,062	(170,711)
Water System:			
Operating Fund	1,507,981	964,999	(542,982)
Water Improvement Fund	980,920	451,300	(529,620)
Sanitation System:			
Operating Fund	436,535	271,632	(164,903)
Sewer System:			
Operating Fund	1,386,363	341,238	(1,045,125)

CITY OF HUGOTON, KANSAS

Schedule 2

SCHEDULES OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2020

CITY OF HUGOTON, KANSAS

Schedule 2-1

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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Taxes and Shared Receipts:				
Ad valorem property tax	\$ 978,005	\$ 962,290	\$ 15,715	\$ 922,788
Delinquent tax	38,198	15,000	23,198	26,581
Motor vehicle tax	180,902	191,816	(10,914)	186,291
16/20 vehicle tax	7,659	7,306	353	6,952
Commercial vehicle tax	12,607	16,747	(4,140)	12,701
Recreational vehicle tax	2,365	1,752	613	1,793
Local sales tax	928,409	850,000	78,409	884,502
Franchise tax	48,773	65,000	(16,227)	62,259
Total taxes	<u>\$2,196,918</u>	<u>\$2,109,911</u>	<u>\$ 87,007</u>	<u>\$2,103,867</u>
Intergovernmental Revenue:				
Local alcoholic liquor	\$ 5,915	\$ 4,500	\$ 1,415	\$ 5,255
Compensating use tax	<u>223,707</u>	<u>250,000</u>	<u>(26,293)</u>	<u>207,901</u>
Total intergovernmental	<u>\$ 229,622</u>	<u>\$ 254,500</u>	<u>\$ (24,878)</u>	<u>\$ 213,156</u>
Licenses, Permits, and Fees:				
Licenses	\$ 1,650	\$ 5,200	\$ (3,550)	\$ 1,775
Occupational licenses	4,310	1,000	3,310	5,371
Permits	1,115	2,000	(885)	2,314
Accident reports	260	300	(40)	-
Dog licenses & pound fees	<u>1,421</u>	<u>1,100</u>	<u>321</u>	<u>1,039</u>
Total licenses, permits, and fees	<u>\$ 8,756</u>	<u>\$ 9,600</u>	<u>\$ (844)</u>	<u>\$ 10,499</u>
Use of Money and Property:				
Interest on time deposits	\$ 5,449	\$ 10,000	\$ (4,551)	\$ 14,828
Rentals and leases	9,571	25,000	(15,429)	56,679
Sale of property	<u>458</u>	<u>500</u>	<u>(42)</u>	<u>1,057</u>
Total use of money and property	<u>\$ 15,478</u>	<u>\$ 35,500</u>	<u>\$ (20,022)</u>	<u>\$ 72,564</u>
Other:				
Charges for services	\$ 1,000	\$ 3,500	\$ (2,500)	\$ 3,384
Fines, forfeitures, and penalties	56,122	50,000	6,122	52,139
Golf course income	94,530	125,000	(30,470)	86,437
Miscellaneous	<u>82,388</u>	<u>40,000</u>	<u>42,388</u>	<u>48,946</u>
Total other	<u>\$ 234,040</u>	<u>\$ 218,500</u>	<u>\$ 15,540</u>	<u>\$ 190,906</u>
Total Receipts	<u>\$2,684,814</u>	<u>\$2,628,011</u>	<u>\$ 56,803</u>	<u>\$2,590,992</u>

CITY OF HUGOTON, KANSAS

Schedule 2-1
(Continued)GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASISFor the year ended December 31, 2020
(with comparative actual totals for the prior year ended December 31, 2019)

	Current Year		Variance Over (Under)	Prior Year Actual
	Actual	Budget		
<u>Expenditures</u>				
General Government – Administration:				
Personal services	\$ 182,607	\$ 212,750	\$ (30,143)	\$ 181,702
Contractual services	64,323	192,590	(128,267)	267,142
Commodities	11,749	15,000	(3,251)	11,206
Capital outlay	-	15,000	(15,000)	-
Totals	<u>\$ 258,679</u>	<u>\$ 435,340</u>	<u>\$ (176,661)</u>	<u>\$ 460,050</u>
Municipal Court:				
Personal services	\$ 19,233	\$ 21,829	\$ (2,596)	\$ 20,342
Contractual services	37,645	43,050	(5,405)	34,937
Commodities	81	500	(419)	2,008
Totals	<u>\$ 56,959</u>	<u>\$ 65,379</u>	<u>\$ (8,420)</u>	<u>\$ 57,287</u>
Public Safety – Police:				
Personal services	\$ 709,434	\$ 748,787	\$ (39,353)	\$ 663,529
Contractual services	49,822	128,440	(78,618)	52,417
Commodities	113,270	46,000	67,270	128,909
Capital outlay	-	40,000	(40,000)	-
Lease purchase	16,224	16,224	-	16,223
Totals	<u>\$ 888,750</u>	<u>\$ 979,451</u>	<u>\$ (90,701)</u>	<u>\$ 861,078</u>
Public Works – Streets and Alleys:				
Personal services	\$ 351,997	\$ 410,310	\$ (58,313)	\$ 332,504
Contractual services	78,742	164,000	(85,258)	77,773
Commodities	86,926	206,090	(119,164)	105,660
Capital outlay	-	35,000	(35,000)	13,127
Operating transfers	60,718	51,420	9,298	49,597
Totals	<u>\$ 578,383</u>	<u>\$ 866,820</u>	<u>\$ (288,437)</u>	<u>\$ 578,661</u>

CITY OF HUGOTON, KANSAS

Schedule 2-1
(Continued)GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASISFor the year ended December 31, 2020
(with comparative actual totals for the prior year ended December 31, 2019)

	Current Year		Variance Over (Under)	Prior Year Actual
	Actual	Budget		
<u>Expenditures (Continued)</u>				
Culture & Recreation – Parks:				
Personal services	\$ 86,653	\$ 99,079	\$ (12,426)	\$ 78,249
Contractual services	5,262	14,750	(9,488)	4,786
Commodities	32,814	30,000	2,814	29,930
Capital outlay	<u>6,760</u>	<u>15,000</u>	<u>(8,240)</u>	<u>-</u>
Totals	<u>\$ 131,489</u>	<u>\$ 158,829</u>	<u>\$ (27,340)</u>	<u>\$ 112,965</u>
Economic Development:				
Operating transfers	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>-</u>	<u>\$ 20,000</u>
Golf Course:				
Personal services	\$ 255,545	\$ 255,259	\$ 286	\$ 227,570
Contractual services	52,006	63,258	(11,252)	49,818
Commodities	67,951	49,000	18,951	59,448
Capital outlay	-	7,000	(7,000)	-
Debt service	-	6,561	(6,561)	6,561
Operating transfers	<u>68,320</u>	<u>68,320</u>	<u>-</u>	<u>18,317</u>
Totals	<u>\$ 443,822</u>	<u>\$ 449,398</u>	<u>\$ (5,576)</u>	<u>\$ 361,714</u>
Neighborhood Revitalization Rebate	<u>-</u>	<u>\$ 8,768</u>	<u>\$ (8,768)</u>	<u>-</u>
Total Expenditures	<u>\$2,378,082</u>	<u>\$2,983,985</u>	<u>\$ (605,903)</u>	<u>\$2,451,755</u>
Receipts Over (Under) Expenditures	\$ 306,732			\$ 139,237
Unencumbered Cash, Beginning	<u>520,816</u>			<u>381,579</u>
Unencumbered Cash, Ending	<u>\$ 827,548</u>			<u>\$ 520,816</u>

CITY OF HUGOTON, KANSAS

Schedule 2-2

SPECIAL CITY STREETS AND HIGHWAYS 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Intergovernmental:				
Gasoline tax	\$ 98,097	\$104,480	\$ (6,383)	\$104,413
Use of Money and Property:				
Interest on time deposits	<u>318</u>	<u>1,500</u>	<u>(1,182)</u>	<u>1,783</u>
Total Receipts	\$ <u>98,415</u>	\$ <u>105,980</u>	\$ <u>(7,565)</u>	\$ <u>106,196</u>
<u>Expenditures</u>				
Public Works:				
Contractual services	\$100,000	\$150,453	\$ (50,453)	\$151,819
Commodities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,896</u>
Total Expenditures	\$ <u>100,000</u>	\$ <u>150,453</u>	\$ <u>(50,453)</u>	\$ <u>157,715</u>
Receipts Over (Under) Expenditures	\$ (1,585)			\$ (51,519)
Unencumbered Cash, Beginning	<u>37,104</u>			<u>88,623</u>
Unencumbered Cash, Ending	\$ <u>35,519</u>			\$ <u>37,104</u>

CITY OF HUGOTON, KANSAS

Schedule 2-3

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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Intergovernmental:				
Liquor tax	\$ 5,915	\$ 5,258	\$ 657	\$ 5,255
Use of Money and Property:				
Interest on time deposits	<u>78</u>	<u>125</u>	<u>(47)</u>	<u>219</u>
Total Receipts	\$ <u>5,993</u>	\$ <u>5,383</u>	\$ <u>610</u>	\$ <u>5,474</u>
<u>Expenditures</u>				
Culture and Recreation:				
Personal services	\$ 2,067	\$ 5,000	\$ (2,933)	\$ 2,544
Contractual services	-	1,000	(1,000)	-
Commodities	-	500	(500)	-
Capital outlay	<u>-</u>	<u>4,540</u>	<u>(4,540)</u>	<u>-</u>
Total Expenditures	\$ <u>2,067</u>	\$ <u>11,040</u>	\$ <u>(8,973)</u>	\$ <u>2,544</u>
Receipts Over (Under) Expenditures	\$ 3,926			\$ 2,930
Unencumbered Cash, Beginning	<u>13,242</u>			<u>10,312</u>
Unencumbered Cash, Ending	\$ <u>17,168</u>			\$ <u>13,242</u>

CITY OF HUGOTON, KANSAS

Schedule 2-4

GAS ROYALTY 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)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Royalty income and gas sales	\$ 2,975	\$ 5,000	\$ (2,025)	\$ 10,795
Interest on time deposits	<u>3,180</u>	<u>6,000</u>	<u>(2,820)</u>	<u>10,749</u>
Total Receipts	<u>\$ 6,155</u>	<u>\$ 11,000</u>	<u>\$ (4,845)</u>	<u>\$ 21,544</u>
<u>Expenditures</u>				
Public Works:				
Contractual services	-	\$ 25,000	\$ (25,000)	\$ 1,161
Commodities	-	5,000	(5,000)	-
Capital outlay	<u>-</u>	<u>474,336</u>	<u>(474,336)</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>\$504,336</u>	<u>\$ (504,336)</u>	<u>\$ 1,161</u>
Receipts Over (Under) Expenditures	\$ 6,155			\$ 20,383
Unencumbered Cash, Beginning	<u>508,220</u>			<u>487,837</u>
Unencumbered Cash, Ending	<u>\$514,375</u>			<u>\$508,220</u>

CITY OF HUGOTON, KANSAS

Schedule 2-5

CONVENTION AND TOURISM PROMOTION 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Interest on time deposits	\$ 283	\$ 700	\$ (417)	\$ 825
Transient guest tax	<u>21,439</u>	<u>20,000</u>	<u>1,439</u>	<u>21,478</u>
Total Receipts	<u>\$ 21,722</u>	<u>\$ 20,700</u>	<u>\$ 1,022</u>	<u>\$ 22,303</u>
<u>Expenditures</u>				
Contractual services	\$ 12,612	\$ 58,410	\$ (45,798)	\$ 19,260
Commodities	<u>-</u>	<u>-</u>	<u>-</u>	<u>301</u>
Total Expenditures	<u>\$ 12,612</u>	<u>\$ 58,410</u>	<u>\$ (45,798)</u>	<u>\$ 19,561</u>
Receipts Over (Under) Expenditures	\$ 9,110			\$ 2,742
Unencumbered Cash, Beginning	<u>42,860</u>			<u>40,118</u>
Unencumbered Cash, Ending	<u>\$ 51,970</u>			<u>\$ 42,860</u>

CITY OF HUGOTON, KANSAS

Schedule 2-6

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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Taxes and Shared Receipts:				
Ad valorem property tax	\$ 5	\$ -	\$ 5	\$ 25,420
Delinquent tax	710	-	710	412
Motor vehicle tax	5,196	5,307	(111)	4,260
16/20 vehicle tax	-	202	(202)	-
Commercial vehicle tax	349	463	(114)	340
Recreational vehicle tax	65	48	17	45
KDI payment	156,423	159,565	(3,142)	154,805
Use of Money and Property:				
Interest on time deposits	614	1,000	(386)	1,523
Other Receipts:				
Special assessments	-	45,000	(45,000)	61,975
Operating transfers	<u>304,825</u>	<u>234,914</u>	<u>69,911</u>	<u>360,898</u>
Total Receipts	<u>\$468,187</u>	<u>\$446,499</u>	<u>\$ 21,688</u>	<u>\$609,678</u>
<u>Expenditures</u>				
Principal	\$410,000	\$420,000	\$ (10,000)	\$400,000
Interest	50,243	46,245	3,998	59,083
Neighborhood Revitalization Rebate	<u>-</u>	<u>243</u>	<u>(243)</u>	<u>-</u>
Total Expenditures	<u>\$460,243</u>	<u>\$466,488</u>	<u>\$ (6,245)</u>	<u>\$459,083</u>
Receipts Over (Under) Expenditures	\$ 7,944			\$150,595
Unencumbered Cash, Beginning	<u>178,253</u>			<u>27,658</u>
Unencumbered Cash, Ending	<u>\$186,197</u>			<u>\$178,253</u>

CITY OF HUGOTON, KANSAS

Schedule 2-7

ELECTRIC SYSTEM 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)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Receipts</u>				
Sales to customers	\$4,425,718	\$4,250,000	\$ 175,718	\$4,277,955
Penalties	35,803	35,000	803	33,329
Charge offs, check fees, reconnect fees	9,932	9,200	732	11,895
Other Receipts:				
Merchandise	46,721	500	46,221	17,048
Inspections/Permits	150	250	(100)	230
Reimbursed expenses	232,788	-	232,788	374,827
Miscellaneous	24,936	120,000	(95,064)	4,092
Use of Money and Property:				
Interest on time deposits	<u>19,348</u>	<u>40,000</u>	<u>(20,652)</u>	<u>63,794</u>
Total Receipts	<u>\$4,795,396</u>	<u>\$4,454,950</u>	<u>\$ 340,446</u>	<u>\$4,783,170</u>
<u>Expenditures</u>				
Production Expense:				
Personal services	\$ 302,877	\$ 360,357	\$ (57,480)	\$ 342,482
Contractual services	2,664,724	4,250,000	(1,585,276)	2,959,679
Commodities	24,584	108,000	(83,416)	24,565
Capital outlay	-	100,000	(100,000)	-
Distribution Expense:				
Personal services	226,674	278,384	(51,710)	266,621
Contractual services	525,578	96,300	429,278	3,923
Commodities	351,117	362,000	(10,883)	301,569
Capital outlay	-	808,369	(808,369)	-
Metering Expense:				
Commodities	-	-	-	196

CITY OF HUGOTON, KANSAS

Schedule 2-7
(Continued)

ELECTRIC SYSTEM 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)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Expenditures</u> (Continued)				
General and Administrative:				
Personal services	205,702	265,014	(59,312)	189,539
Contractual services	302,572	348,809	(46,237)	327,953
Commodities	14,659	12,000	2,659	7,931
Capital outlay	<u>38,980</u>	<u>10,000</u>	<u>28,980</u>	<u>-</u>
Total Expenditures	<u>\$4,657,467</u>	<u>\$6,999,233</u>	<u>\$ (2,341,766)</u>	<u>\$4,424,458</u>
Receipts Over (Under) Expenditures	\$ 137,929			\$ 358,712
Unencumbered Cash, Beginning	<u>3,144,171</u>			<u>2,785,459</u>
Unencumbered Cash, Ending	<u>\$3,282,100</u>			<u>\$3,144,171</u>

CITY OF HUGOTON, KANSAS

Schedule 2-8

WATER SYSTEM 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Water sales to customers	\$852,032	\$ 750,000	\$ 102,032	\$ 722,831
Penalties	7,465	6,000	1,465	6,738
Other Receipts:				
Water dock	2,541	-	2,541	1,439
Tank water	34,440	19,500	14,940	22,896
Miscellaneous	4,013	2,500	1,513	22,248
Sale of merchandise	676	3,000	(2,324)	4,075
Inspections	313	300	13	249
Use of Money and Property:				
Interest on time deposits	3,495	12,000	(8,505)	13,547
Water services	<u>7,688</u>	<u>2,500</u>	<u>5,188</u>	<u>3,902</u>
Total Receipts	<u>\$912,663</u>	<u>\$ 795,800</u>	<u>\$ 116,863</u>	<u>\$ 797,925</u>
<u>Expenditures</u>				
Production Expense:				
Personal services	\$ -	\$ 500	\$ (500)	\$ -
Contractual services	135,211	109,500	25,711	122,168
Commodities	28,128	50,000	(21,872)	47,138
Capital outlay	-	50,000	(50,000)	-
Distribution Expense:				
Personal services	192,257	194,726	(2,469)	178,984
Contractual services	12,199	27,650	(15,451)	108,351
Commodities	186,470	200,000	(13,530)	79,077
Capital outlay	-	466,749	(466,749)	-
Administrative and General Expense:				
Personal services	159,213	158,838	375	147,731
Contractual services	23,808	70,850	(47,042)	71,948
Commodities	51,695	5,250	46,445	29,242
Capital outlay	-	10,000	(10,000)	-

CITY OF HUGOTON, KANSAS

Schedule 2-8
(Continued)

WATER SYSTEM 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)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Expenditures</u> (Continued)				
Water Protection Fee	13,091	-	13,091	10,078
Operating transfers	<u>162,927</u>	<u>163,918</u>	<u>(991)</u>	<u>125,191</u>
Total Expenditures	<u>\$964,999</u>	<u>\$1,507,981</u>	<u>\$ (542,982)</u>	<u>\$ 919,908</u>
Receipts Over (Under) Expenditures	\$ (52,336)			\$ (121,983)
Unencumbered Cash, Beginning	<u>618,483</u>			<u>740,466</u>
Unencumbered Cash, Ending	<u>\$566,147</u>			<u>\$ 618,483</u>

CITY OF HUGOTON, KANSAS

Schedule 2-9

SANITATION SYSTEM 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)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Receipts</u>				
Sales to customers	\$304,245	\$300,000	\$ 4,245	\$299,297
Charge offs	616	500	116	645
Use of Money and Property:				
Interest on time deposits	702	2,500	(1,798)	2,139
Other Receipts:				
Miscellaneous	<u>1,742</u>	<u>50</u>	<u>1,692</u>	<u>1,811</u>
Total Receipts	<u>\$307,305</u>	<u>\$303,050</u>	<u>\$ 4,255</u>	<u>\$303,892</u>
<u>Expenditures</u>				
Collection and Disposal Expense:				
Personal services	\$ 97,834	\$107,478	\$ (9,644)	\$ 99,104
Contractual services	52,159	67,925	(15,766)	49,245
Commodities	16,569	70,500	(53,931)	45,880
Administrative and General Expense:				
Personal services	42,432	51,533	(9,101)	45,199
Contractual services	2,638	3,000	(362)	223
Operating transfers	<u>60,000</u>	<u>136,099</u>	<u>(76,099)</u>	<u>60,000</u>
Total Expenditures	<u>\$271,632</u>	<u>\$436,535</u>	<u>\$ (164,903)</u>	<u>\$299,651</u>
Receipts Over (Under) Expenditures	\$ 35,673			\$ 4,241
Unencumbered Cash, Beginning	<u>142,395</u>			<u>138,154</u>
Unencumbered Cash, Ending	<u>\$178,068</u>			<u>\$142,395</u>

CITY OF HUGOTON, KANSAS

Schedule 2-10

SEWER SYSTEM 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Sales to customers	\$ 335,297	\$ 330,000	\$ 5,297	\$ 330,606
Charge offs	733	500	233	697
Other Receipts:				
Miscellaneous	3,587	-	3,587	28,959
Use of Money and Property:				
Interest on time deposits	<u>5,994</u>	<u>12,500</u>	<u>(6,506)</u>	<u>21,336</u>
Total Receipts	\$ <u>345,611</u>	\$ <u>343,000</u>	\$ <u>2,611</u>	\$ <u>381,598</u>
<u>Expenditures</u>				
Collection and Disposal Expense:				
Personal services	\$ 56,490	\$ 70,194	\$ (13,704)	\$ 56,980
Contractual services	21,627	34,700	(13,073)	39,355
Commodities	13,422	15,500	(2,078)	16,994
Administrative and General Expense:				
Personal services	62,223	78,983	(16,760)	70,562
Contractual services	2,900	18,500	(15,600)	1,274
Debt service	184,576	-	184,576	246,380
Operating transfers	<u>-</u>	<u>1,168,486</u>	<u>(1,168,486)</u>	<u>-</u>
Total Expenditures	\$ <u>341,238</u>	\$ <u>1,386,363</u>	\$ <u>(1,045,125)</u>	\$ <u>431,545</u>
Receipts Over (Under) Expenditures	\$ 4,373			\$ (49,947)
Unencumbered Cash, Beginning	<u>1,007,916</u>			<u>1,057,863</u>
Unencumbered Cash, Ending	<u>\$1,012,289</u>			<u>\$1,007,916</u>

CITY OF HUGOTON, KANSAS

Schedule 2-11

ANIMAL CARE BENEVOLENCE 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Interest on time deposits	\$ 54	\$ 150	\$ (96)	\$ 189
Miscellaneous	<u>975</u>	<u>2,500</u>	<u>(1,525)</u>	<u>4,560</u>
Total Receipts	\$ <u>1,029</u>	\$ <u>2,650</u>	\$ <u>(1,621)</u>	\$ <u>4,749</u>
<u>Expenditures</u>				
Contractual services	\$ 339	\$ 10,759	\$ (10,420)	\$ 2,089
Commodities	<u>5,223</u>	<u>500</u>	<u>4,723</u>	<u>3,508</u>
Total Expenditures	\$ <u>5,562</u>	\$ <u>11,259</u>	\$ <u>(5,697)</u>	\$ <u>5,597</u>
Receipts Over (Under) Expenditures	\$ (4,533)			\$ (848)
Unencumbered Cash, Beginning	<u>10,047</u>			<u>10,895</u>
Unencumbered Cash, Ending	\$ <u>5,514</u>			\$ <u>10,047</u>

CITY OF HUGOTON, KANSAS

Schedule 2-12

ELECTRIC DISTRIBUTION UPGRADE 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Royalty income and gas sales	\$ 34,190	\$ 40,000	\$ (5,810)	\$ 48,745
Interest on time deposits	<u>6,323</u>	<u>12,000</u>	<u>(5,677)</u>	<u>22,070</u>
Total Receipts	\$ <u>40,513</u>	\$ <u>52,000</u>	\$ <u>(11,487)</u>	\$ <u>70,815</u>
<u>Expenditures</u>				
Contractual services	\$ 20,112	\$ 50,000	\$ (29,888)	\$ 25,780
Commodities	17,950	150,000	(132,050)	-
Capital outlay	<u>-</u>	<u>8,773</u>	<u>(8,773)</u>	<u>-</u>
Total Expenditures	\$ <u>38,062</u>	\$ <u>208,773</u>	\$ <u>(170,711)</u>	\$ <u>25,780</u>
Receipts Over (Under) Expenditures	\$ 2,451			\$ 45,035
Unencumbered Cash, Beginning	<u>1,038,523</u>			<u>993,488</u>
Unencumbered Cash, Ending	<u>\$1,040,974</u>			<u>\$1,038,523</u>

CITY OF HUGOTON, KANSAS

Schedule 2-13

GOLF COURSE EXPANSION 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Interest on time deposits	\$ 338	\$ 1,000	\$ (662)	\$ 1,021
Operating transfers	68,320	78,317	(9,997)	18,317
Miscellaneous receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,650</u>
Total Receipts	\$ 68,658	\$ <u>79,317</u>	\$ <u>(10,659)</u>	\$ 25,988
<u>Expenditures</u>				
Capital outlay	<u>-</u>	<u>\$121,312</u>	<u>\$ (121,312)</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 68,658			\$ 25,988
Unencumbered Cash, Beginning	<u>42,266</u>			<u>16,278</u>
Unencumbered Cash, Ending	<u>\$110,924</u>			<u>\$ 42,266</u>

CITY OF HUGOTON, KANSAS

Schedule 2-14

SHOP WITH A COP 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Interest on time deposits	\$ 19	\$ 10	\$ 9	\$ 23
Miscellaneous	<u>4,901</u>	<u>3,500</u>	<u>1,401</u>	<u>4,040</u>
Total Receipts	<u>\$ 4,920</u>	<u>\$ 3,510</u>	<u>\$ 1,410</u>	<u>\$ 4,063</u>
<u>Expenditures</u>				
Contractual services	\$ 8,611	\$ 500	\$ 8,111	\$ 393
Commodities	<u>-</u>	<u>3,000</u>	<u>(3,000)</u>	<u>-</u>
Total Expenditures	<u>\$ 8,611</u>	<u>\$ 3,500</u>	<u>\$ 5,111</u>	<u>\$ 393</u>
Receipts Over (Under) Expenditures	<u>\$ (3,691)</u>			<u>\$ 3,670</u>
Unencumbered Cash, Beginning	<u>4,714</u>			<u>1,044</u>
Unencumbered Cash, Ending	<u>\$ 1,023</u>			<u>\$ 4,714</u>

CITY OF HUGOTON, KANSAS

Schedule 2-15

STREETSCAPE IMPROVEMENT 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Interest on time deposits	\$ <u>27</u>	\$ <u>50</u>	\$ <u>(23)</u>	\$ <u>88</u>
<u>Expenditures</u>				
Contractual services	-	\$ 500	\$ (500)	\$ 1,146
Commodities	<u>-</u>	<u>1,872</u>	<u>(1,872)</u>	<u>203</u>
Total Expenditures	<u>-</u>	\$ <u>2,372</u>	\$ <u>(2,372)</u>	\$ <u>1,349</u>
Receipts Over (Under) Expenditures	\$ 27			\$ (1,261)
Unencumbered Cash, Beginning	<u>4,200</u>			<u>5,461</u>
Unencumbered Cash, Ending	\$ <u>4,227</u>			\$ <u>4,200</u>

CITY OF HUGOTON, KANSAS

Schedule 2-16

WATER IMPROVEMENT RESERVE 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)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Receipts</u>				
Collections from utility bills	\$269,266	\$255,000	\$ 14,266	\$264,101
Use of Money and Property:				
Interest on time deposits	4,744	10,000	(5,256)	15,471
Operating transfers	<u>148,947</u>	<u>140,000</u>	<u>8,947</u>	<u>111,825</u>
Total Receipts	<u>\$422,957</u>	<u>\$405,000</u>	<u>\$ 17,957</u>	<u>\$391,397</u>
<u>Expenditures</u>				
Contractual services	\$345,031	\$ 250	\$ 344,781	\$ 49,752
Capital outlay	-	874,226	(874,226)	175,613
Operating transfers	<u>106,269</u>	<u>106,444</u>	<u>(175)</u>	<u>101,152</u>
Total Expenditures	<u>\$451,300</u>	<u>\$980,920</u>	<u>\$ (529,620)</u>	<u>\$326,517</u>
Receipts Over (Under) Expenditures	\$ (28,343)			\$ 64,880
Unencumbered Cash, Beginning	<u>735,970</u>			<u>671,090</u>
Unencumbered Cash, Ending	<u>\$707,627</u>			<u>\$735,970</u>

CITY OF HUGOTON, KANSAS

Schedule 2-17

COMMUNITY IMPROVEMENT DISTRICT 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Taxes and Shared Receipts:				
CID tax	\$ 28,469	\$ 30,000	\$ (1,531)	\$ 27,886
Use of Money and Property:				
Interest on time deposits	<u>64</u>	<u>124</u>	<u>(60)</u>	<u>294</u>
Total Receipts	\$ 28,533	\$ <u>30,124</u>	\$ <u>(1,591)</u>	\$ 28,180
<u>Expenditures</u>				
Contractual services	<u>28,432</u>	\$ <u>38,863</u>	\$ <u>(10,431)</u>	<u>29,067</u>
Receipts Over (Under) Expenditures	\$ 101			\$ (887)
Unencumbered Cash, Beginning	<u>2,702</u>			<u>3,589</u>
Unencumbered Cash, Ending	\$ <u>2,803</u>			\$ <u>2,702</u>

CITY OF HUGOTON, KANSAS

Schedule 2-18

ECONOMIC DEVELOPMENT 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Use of Money and Property:				
Interest on time deposits	\$ 300	\$ 550	\$ (250)	\$ 1,044
Operating transfers	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Receipts	<u>\$ 20,300</u>	<u>\$ 20,550</u>	<u>\$ (250)</u>	<u>\$ 21,044</u>
<u>Expenditures</u>				
Personal services	\$ -	\$ 10,000	\$ (10,000)	\$ -
Contractual services	30,000	58,870	(28,870)	16,947
Commodities	<u>-</u>	<u>500</u>	<u>(500)</u>	<u>-</u>
Total Expenditures	<u>\$ 30,000</u>	<u>\$ 69,370</u>	<u>\$ (39,370)</u>	<u>\$ 16,947</u>
Receipts Over (Under) Expenditures	<u>\$ (9,700)</u>			<u>\$ 4,097</u>
Unencumbered Cash, Beginning	<u>42,317</u>			<u>38,220</u>
Unencumbered Cash, Ending	<u>\$ 32,617</u>			<u>\$ 42,317</u>

CITY OF HUGOTON, KANSAS

Schedule 2-19

DIVERSION 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)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Receipts</u>				
Miscellaneous	\$ 725	<u>-</u>	<u>-</u>	-
<u>Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 725			-
Unencumbered Cash, Beginning	<u>-</u>			<u>-</u>
Unencumbered Cash, Ending	\$ <u>725</u>			<u>-</u>

CITY OF HUGOTON, KANSAS

Schedule 2
(Continued)

SCHEDULES OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the year ended December 31, 2020

CITY OF HUGOTON, KANSAS

Schedule 2-20

SPECIAL STREET MACHINERY FUND
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Use of Money and Property:		
Interest on time deposits	\$ 2,097	\$ 6,187
Operating transfers	<u>60,718</u>	<u>49,597</u>
Total Receipts	\$ 62,815	\$ 55,784
<u>Expenditures</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 62,815	\$ 55,784
Unencumbered Cash, Beginning	<u>325,975</u>	<u>270,191</u>
Unencumbered Cash, Ending	<u>\$388,790</u>	<u>\$325,975</u>

CITY OF HUGOTON, KANSAS

Schedule 2-21

ELECTRIC METER DEPOSIT FUND
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Customer deposits received	\$ 38,397	\$ 21,403
<u>Expenditures</u>		
Customer deposits returned, forfeited or forfeitable	<u>38,397</u>	<u>21,403</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>-</u>	<u>-</u>

CITY OF HUGOTON, KANSAS

Schedule 2-22

ELECTRIC EQUIPMENT REPLACEMENT FUND
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Use of Money and Property:		
Interest on time deposits	\$ 2,084	\$ 6,980
<u>Expenditures</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 2,084	\$ 6,980
Unencumbered Cash, Beginning	<u>324,681</u>	<u>317,701</u>
Unencumbered Cash, Ending	<u>\$326,765</u>	<u>\$324,681</u>

CITY OF HUGOTON, KANSAS

Schedule 2-23

WATER METER DEPOSIT FUND
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Customer deposits received	\$ 1,496	\$ 2,535
<u>Expenditures</u>		
Customer deposits returned, forfeited or forfeitable	<u>1,496</u>	<u>2,535</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>-</u>	<u>-</u>

CITY OF HUGOTON, KANSAS

Schedule 2-24

WATER EQUIPMENT REPLACEMENT FUND I
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Use of Money and Property:		
Interest on time deposits	\$ 941	\$ 3,218
<u>Expenditures</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 941	\$ 3,218
Unencumbered Cash, Beginning	<u>150,874</u>	<u>147,656</u>
Unencumbered Cash, Ending	<u>\$151,815</u>	<u>\$150,874</u>

CITY OF HUGOTON, KANSAS

Schedule 2-25

WATER EQUIPMENT REPLACEMENT FUND II
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Use of Money and Property:		
Interest on time deposits	\$ 860	\$ 2,938
<u>Expenditures</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 860	\$ 2,938
Unencumbered Cash, Beginning	<u>137,737</u>	<u>134,799</u>
Unencumbered Cash, Ending	<u>\$138,597</u>	<u>\$137,737</u>

CITY OF HUGOTON, KANSAS

Schedule 2-26

SANITATION EQUIPMENT REPLACEMENT FUND
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Use of Money and Property:		
Interest on time deposits	\$ 2,018	\$ 5,856
Operating transfers	<u>60,000</u>	<u>60,000</u>
Total Receipts	\$ 62,018	\$ 65,856
<u>Expenditures</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 62,018	\$ 65,856
Unencumbered Cash, Beginning	<u>313,635</u>	<u>247,779</u>
Unencumbered Cash, Ending	<u>\$375,653</u>	<u>\$313,635</u>

CITY OF HUGOTON, KANSAS

Schedule 2-27

SEWER SYSTEM RESERVE FUND I
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Use of Money and Property:		
Interest on time deposits	\$ 8,209	\$ 27,889
Miscellaneous	<u>-</u>	<u>8,363</u>
Total Receipts	\$ 8,209	\$ 36,252
<u>Expenditures</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 8,209	\$ 36,252
Unencumbered Cash, Beginning	<u>1,321,269</u>	<u>1,285,017</u>
Unencumbered Cash, Ending	<u>\$1,329,478</u>	<u>\$1,321,269</u>

CITY OF HUGOTON, KANSAS

Schedule 2-28

WATER LINE PROJECT FUND
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>2020</u>	<u>2019</u>
<u>Receipts</u>		
Use of Money and Property:		
Interest on time deposits	\$ 574	-
Financing proceeds	<u>935,000</u>	<u>-</u>
Total Receipts	\$935,574	-
<u>Expenditures</u>		
Contractual services	<u>934,982</u>	<u>-</u>
Receipts Over (Under) Expenditures	\$ 592	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 592</u>	<u>-</u>

CITY OF HUGOTON, KANSAS

Schedule 3

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the year ended December 31, 2020

<u>Funds</u>	<u>Beginning</u> <u>Cash</u> <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
Sales Tax Fund	\$ <u>(827)</u>	\$ <u>7,123</u>	\$ <u>5,963</u>	\$ <u>333</u>

