CITY OF GARNETT, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2025

CITY OF GARNETT, KANSAS
December 31, 2025

TABLE OF CONTENTS

	PAGE NUMBER
Independent Auditor's Report	1-3
Statement 1	
Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis	4-5
Notes to the Financial Statement	6-18
SUPPLEMENTARY INFORMATION	
Schedule 1	
Summary of Expenditures – Actual and Budget Regulatory Basis - (Budgeted Funds Only)	19
Schedule 2	
Schedule of Receipts and Expenditures – Actual and Budget Regulatory Basis (with Comparative Actual Amounts for the Prior Year)	
General Fund	20-21
Airport Fund	22
Library Fund	23
Special Highway Fund	24
Special Parks and Recreation Fund	25
Public Safety Fund	26
Capital Outlay Improvement Fund	27
Equipment Reserve Fund	28
Creative Arts Grant Fund	29
Tourism Fund	30
Tax Refund Reserve Fund	31
Tax Refund Litigation Fund	32
Economic Development Fund	33
General Obligation Bond and Interest Fund	34
Industrial Park Development Fund	35
Sanitation Utility Fund	36
Electric Utility Fund	37
Water Utility Fund	38
Gas Utility Fund	39
Wastewater Utility Fund	40
Schedule 3	
Summary of Receipts and Disbursements – Agency Funds – Regulatory Basis	41

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commission
City of Garnett, Kansas

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Garnett, Kansas, as of and for the year ended December 31, 2025, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Garnett, Kansas as of December 31, 2025, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Garnett, Kansas as of December 31, 2025, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City of Garnett, 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, schedules of receipts and expenditures – actual and budget – regulatory basis for each individual fund, and summary of receipts and disbursements – agency funds, regulatory basis (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Garnett, Kansas as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated June 20, 2025, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2025 (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 2024 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 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 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 2024 basic financial statement or to the 2024 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 2024 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, 2024, on the basis of accounting described in Note 1.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 22, 2026
Chanute, Kansas

CITY OF GARNETT, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Cash Balances December 31, 2025
General	$ 602,206.14	$ 2,325,707.29	$ 2,878,251.47	$ 49,661.96	$ 93,340.35	$ 143,002.31
Special Purpose Funds:						
Airport	101,434.78	110,769.58	184,000.17	28,204.19	33,465.17	61,669.36
Library	-	224,000.50	224,000.50	-	10,256.48	10,256.48
Special Highway	239,919.60	433,485.12	347,470.58	325,934.14	-	325,934.14
Special Parks and Recreation	18,697.45	6,703.65	10,000.00	15,401.10	-	15,401.10
Public Safety	151,869.56	1,149,127.73	1,233,907.14	67,090.15	47,337.48	114,427.63
Capital Outlay Improvement	1,803,218.70	972,604.30	1,722,048.72	1,053,774.28	79,542.54	1,133,316.82
Equipment Reserve	758,283.46	557,427.62	671,930.39	643,780.69	26,411.19	670,191.88
Creative Arts Grant	6,630.62	-	-	6,630.62	-	6,630.62
Tourism	84,309.48	29,155.21	37,726.90	75,737.79	3,500.00	79,237.79
Tax Refund Reserve	655,290.24	-	-	655,290.24	-	655,290.24
Tax Refund Litigation	350,000.00	-	-	350,000.00	-	350,000.00
Economic Development	96,137.58	116,550.04	103,115.58	109,572.04	3,767.10	113,339.14
Bond and Interest Funds:						
General Obligation Bond and Interest	49,005.47	379,577.47	367,755.64	60,827.30	-	60,827.30
Capital Projects Funds:						
Industrial Park Development	50,557.99	-	8,057.91	42,500.08	-	42,500.08
Business Funds:						
Sanitation Utility	327,639.72	391,628.63	392,944.42	326,323.93	21,512.13	347,836.06
Electric Utility	2,570,400.38	4,621,497.22	4,052,041.37	3,139,856.23	110,396.41	3,250,252.64
Water Utility	2,083,709.52	1,753,353.46	1,953,758.20	1,883,304.78	64,125.73	1,947,430.51
Gas Utility	230.46	1,808,199.81	1,807,468.48	961.79	179,120.46	180,082.25
Wastewater Utility	459,952.23	807,776.72	694,675.00	573,053.95	12,952.51	586,006.46
Total Reporting Entity (Excluding Agency Funds)	$ 10,409,493.38	$ 15,687,564.35	$ 16,689,152.47	$ 9,407,905.26	$ 685,727.55	$ 10,093,632.81

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

CITY OF GARNETT, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2025

	2025
Total Cash to be accounted for:	$ 10,093,632.81
Composition of Cash:	
Cash on Hand	$ 2,910.00
Checking Accounts:	
Goppert State Service Bank	1,344,788.20
Patriots Bank - Utility Account	1,323,398.86
Patriots Bank - Asset Forfeiture	9,864.12
Patriots Bank - Drug Tax Stamp	25,943.74
Patriots Bank - Municipal Court	12,714.97
Patriots Bank - Diversion	7,398.82
Patriots Bank - Bond Account	16,046.10
Investments:	
Certificates of Deposit	9,100,000.00
Less:	
Housing Authority Cash Balances	(1,441,398.04)
Total Cash	10,401,666.77
Agency Funds Per Schedule 3	(308,033.96)
Total Reporting Entity (Excluding Agency Funds)	$ 10,093,632.81

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Garnett, Kansas, (the City) is incorporated as a City of the second class, under the provisions of K.S.A. 13-101 *et seq*. The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Garnett, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from generally accepted accounting principles.

Financial Reporting Entity
The City of Garnett, Kansas (the City) is a municipal corporation governed by an elected three member commission. This financial statement presents the City of Garnett, Kansas (the primary government) and does not include any related municipal entities.

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

Garnett Public Library - The City of Garnett Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate financial statements are available at the Library.

Garnett Housing Authority
The Housing Authority of the City of Garnett, Kansas operates the City's housing projects with a December 31st year end. The Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond ordinances must be approved by the City. A copy of the financial statements can be obtained from the Housing Authority. Accounting records and cash are recorded on City's accounting software and included in Note 3, but are not included in the City's financial statement itself.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Regulatory Basis Fund Types

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. The following types of funds comprise the financial activities of the City of Garnett, Kansas, for the year 2025:

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

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

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

Capital Project 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 – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension Plan
Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, or the State of Kansas Police and Fire Retirement System, both of which are a multi-employer state-wide pension plan. The City's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

Reimbursed Expenses
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 the KMAAG regulatory basis of accounting.

Property Taxes
In accordance with governing state statutes, property taxes levied during the current year are a regulatory receipt source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for regulatory receipt recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31st, such taxes are a lien on the property.

Special Assessments
Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as cash receipts in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as cash receipts in the bond and interest fund. Further, state statutes require levying additional general ad valorem property taxes in the City's bond and interest fund to finance delinquent special assessments receivable.

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, and business funds. Although directory rather than mandatory, the statutes provide for the following 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 a 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)
If the City is holding a revenue neutral rate hearing, the public hearing shall be no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The City did not amend any funds for the year ended December 31, 2025.

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 prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

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

- Capital Outlay Improvement Fund
- Equipment Reserve Fund
- Creative Arts Grant Fund
- Tax Refund Reserve Fund
- Tax Refund Litigation Fund

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes
Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1 and Schedule 1, the City was in apparent compliance with the Kansas cash basis laws and budget laws.

3. DEPOSITS AND INVESTMENTS

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 branch 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 bank provides 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.

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 Government 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. All deposits were legally secured at December 31, 2025.

Deposits: At year-end, the City's carrying amount of deposits, including certificates of deposit and amounts from the Housing Authority was $11,840,154.81 and the bank balance was $11,801,939.78. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $821,967.75 was covered by federal depository insurance and $10,979,972.03 was collateralized with pledged securities held by the pledging financial institutions' agents in the City's name and letters of credit.

4. FINANCE LEASES

The City has entered into a finance lease agreement in order to finance the purchase of a 2023 Freightliner truck with a New Way Viper 11 yard compactor. Payments are made annually including interest at 2.45%. Final maturity of the lease is November 21, 2029. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 27,126.06
2027	27,126.06
2028	27,126.06
2029	27,126.12
	108,504.30
Less: Imputed Interest	(6,420.73)
Net Present Value of Minimum Lease Payments	102,083.57
Less: Current Maturities	(24,590.28)
Long-Term Finance Lease Obligations	$ 77,493.29

4. FINANCE LEASES (Continued)

The City has entered into a finance lease agreement in order to finance the purchase of a 2025 Caterpillar excavator. Payments are made annually including interest at 5.49%. Final maturity of the lease is June 4, 2030. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 11,308.63
2027	11,308.63
2028	11,308.63
2029	11,308.63
2030	23,840.00
	69,074.52
Less: Imputed Interest	(11,454.41)
Net Present Value of Minimum Lease Payments	57,620.11
Less: Current Maturities	(8,057.09)
Long-Term Finance Lease Obligations	$ 49,563.02

The City has entered into a finance lease agreement in order to finance the purchase of a 2025 Kubota excavator. Payments are made annually including interest at 3.35%. Final maturity of the lease is May 22, 2029. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 17,465.84
2027	17,465.84
2028	17,465.84
2029	44,308.20
	96,705.72
Less: Imputed Interest	(8,938.59)
Net Present Value of Minimum Lease Payments	87,767.13
Less: Current Maturities	(14,475.98)
Long-Term Finance Lease Obligations	$ 73,291.15

The City has entered into a finance lease agreement in order to finance the purchase of a 2025 Kubota skid steer. Payments are made annually including interest at 3.35%. Final maturity of the lease is May 21, 2029. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 14,227.97
2027	14,227.97
2028	14,227.97
2029	32,936.16
	75,620.07
Less: Imputed Interest	(6,885.24)
Net Present Value of Minimum Lease Payments	68,734.83
Less: Current Maturities	(11,886.46)
Long-Term Finance Lease Obligations	$ 56,848.37

4. FINANCE LEASES (Continued)

The City has entered into a finance lease agreement in order to finance the purchase of a New Way Cobra 20 Yard Packer. Payments are made annually including interest at 5.08%. Final maturity of the lease is March 15, 2030. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 53,913.80
2027	53,913.80
2028	53,913.80
2029	53,913.80
2030	53,913.80
	269,569.00
Less: Imputed Interest	(28,930.00)
Net Present Value of Minimum Lease Payments	240,639.00
Less: Current Maturities	(49,835.77)
Long-Term Finance Lease Obligations	$ 190,803.23

The City has entered into a finance lease agreement in order to finance the purchase of a RAVO 5i Street Sweeper. Payments are made annually including interest at 5.21%. Final maturity of the lease is January 15, 2032. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 63,069.62
2027	63,069.62
2028	63,069.62
2029	63,069.62
2030	63,069.62
2031 - 2032	126,139.24
	441,487.34
Less: Imputed Interest	(73,487.34)
Net Present Value of Minimum Lease Payments	368,000.00
Less: Current Maturities	(50,020.53)
Long-Term Finance Lease Obligations	$ 317,979.47

5. RIGHT TO USE CONTRACTS

As of December 31, 2025, the City has entered into various right to use contracts for a postage machine and gym equipment. Rent expense for the year ended December 31, 2025, was $24,077.16. Future minimum rental payments are as follows:

2026	$ 24,077.16
2027	6,587.01
2028	756.96
2029	552.72

6. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2025, were as follows:

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Paid by Utility Receipts:									
Series 2015	2.25-4.00%	December 10, 2015	$ 645,000.00	October 1, 2035	$ 395,000.00	$ -	$ 35,000.00	$ 360,000.00	$ 13,375.00
State Low Interest Loan	2.13%	March 24, 2021	2,900,000.00	January 1, 2031	1,789,967.32	-	282,752.02	1,507,215.30	36,628.62
Senior Housing Revenue Bonds									
Series 2006	4.25-5.00%	March 15, 2006	2,395,000.00	October 1, 2028	430,000.00	-	100,000.00	330,000.00	22,575.00
Finance Leases									
2023 Trash Truck	2.45%	November 22, 2022	172,326.00	November 21, 2029	126,077.82	-	23,994.25	102,083.57	3,131.81
2025 Caterpillar Excavator	5.49%	June 4, 2025	57,620.11	June 4, 2030	-	57,620.11	-	57,620.11	-
2025 Kubota Excavator	3.35%	May 22, 2025	105,232.97	May 22, 2029	-	105,232.97	17,465.84	87,767.13	-
2025 Kubota Skid Steer	3.35%	May 21, 2025	82,962.80	May 21, 2029	-	82,962.80	14,227.97	68,734.83	-
20 Yard Packer	5.08%	November 12, 2025	240,639.00	March 15, 2030	-	240,639.00	-	240,639.00	-
RAVO 5i Street Sweeper	5.21%	May 15, 2025	368,000.00	January 15, 2032	-	368,000.00	-	368,000.00	-
Total Contractual Indebtedness					$ 2,741,045.14	$ 854,454.88	$ 473,440.08	$ 3,122,059.94	$ 75,710.43

6. LONG-TERM DEBT (Continued)

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

Issue	2026	2027	2028	2029	2030	2031-2035	Total
Principal							
General Obligation Bonds							
Paid by Utility Receipts:							
Series 2015	$ 35,000.00	$ 35,000.00	$ 30,000.00	$ 35,000.00	$ 35,000.00	$ 190,000.00	$ 360,000.00
State Low Interest Loan	145,803.35	294,829.53	299,179.46	303,593.56	308,072.78	155,736.62	1,507,215.30
Senior Housing Revenue Bonds							
Series 2006	105,000.00	110,000.00	115,000.00	-	-	-	330,000.00
Finance Leases							
2023 Trash Truck	24,590.28	25,201.11	25,823.55	26,468.63	-	-	102,083.57
2025 Caterpillar Excavator	8,057.09	8,511.76	8,985.56	9,499.14	22,566.56	-	57,620.11
2025 Kubota Excavator	14,475.98	14,969.11	15,473.51	42,848.53	-	-	87,767.13
2025 Kubota Skid Steer	11,886.46	12,291.38	12,705.87	31,851.12	-	-	68,734.83
20 Yard Packer	49,835.77	44,213.37	46,461.17	48,823.26	51,305.43	-	240,639.00
RAVO 5i Street Sweeper	50,020.53	46,501.70	48,924.61	51,473.77	54,155.74	116,923.65	368,000.00
Total Principal Payments	444,669.46	591,517.96	602,553.73	549,558.01	471,100.51	462,660.27	3,122,059.94
Interest							
General Obligation Bonds							
Paid by Utility Receipts:							
Series 2015	12,500.00	11,450.00	10,400.00	9,500.00	8,275.00	22,050.00	74,175.00
State Low Interest Loan	11,078.03	18,933.23	14,583.30	10,169.20	5,689.98	1,144.66	61,598.40
Senior Housing Revenue Bonds							
Series 2006	17,325.00	11,812.50	6,037.50	-	-	-	35,175.00
Finance Leases							
2023 Trash Truck	2,535.78	1,924.95	1,302.51	657.49	-	-	6,420.73
2025 Caterpillar Excavator	3,251.54	2,796.87	2,323.07	1,809.49	1,273.44	-	11,454.41
2025 Kubota Excavator	2,989.86	2,496.73	1,992.33	1,459.67	-	-	8,938.59
2025 Kubota Skid Steer	2,341.51	1,936.59	1,522.10	1,085.04	-	-	6,885.24
20 Yard Packer	4,078.03	9,700.43	7,452.63	5,090.54	2,608.37	-	28,930.00
RAVO 5i Street Sweeper	13,049.09	16,567.92	14,145.01	11,595.85	8,913.88	9,215.59	73,487.34
Total Interest Payments	69,148.84	77,619.22	59,758.45	41,367.28	26,760.67	32,410.25	307,064.71
Total Principal and Interest	$ 513,818.30	$ 669,137.18	$ 662,312.18	$ 590,925.29	$ 497,861.18	$ 495,070.52	$ 3,429,124.65

7. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The City 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.kspers.gov 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, 2017. Effective January 1, 2017, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, 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 9.71% for KPERS and 24.67% for KP&F for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $290,752.19 for KPERS and $145,547.73 for KP&F for the year ended December 31, 2025.

Net Pension Liability

At December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was $2,082,172.00 and $1,256,212.00 for KP&F. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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.kspers.gov or can be obtained as described above.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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, 2025.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Compensated Absences:
It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation – All employees shall accrue vacation leave each pay period according to their position and years of service with the City. Employees can accrue up to 20 days of vacation if under 10 years of service and 30 days if over 10 years of service.

Full time employees:

Year of Service	Days per Year	Maximum Accrual
1-5 years	10	20
5-10 years	12	20
10-15 years	15	30
15 + years	18	30

Sick leave – All full time employees shall accrue paid sick leave at a rate of at least one eight hour day per month of service with a maximum accrual of 90 days.

Accumulated leave payout – All employees separating from City employment that have given and satisfactorily completed an appropriate notice will receive payment for all accumulated accrued and unused vacation and depending upon the employees length of service with the City and maximum accruals and a percentage of their accrued unused sick leave as follows:

- Full time employees with 0-10 full years of continuous service will receive 0 sick leave payout.
- Full time employees with 11-15 full years of continuous service will receive 10 days sick leave payout.
- Full time employees with 16+ full years of continuous service will receive 20 days sick leave payout,

The City estimates a liability for compensated absences when the following conditions are met:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the City has estimated a liability for vacation pay, which has been earned, but not taken by City employees of $145,782.40. The City has not estimated a liability for sick leave earned, but not taken, by City employees, as the amounts cannot be reasonably estimated at this time.

Other Post-Employment Benefits:
As provided by K.S.A. 12-5040, the local government 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.

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

10. OTHER LEASING ARRANGEMENTS

Simultaneously with the execution and delivery of the Series 2006 Bonds, the City of Garnett entered into a 23-year lease agreement with the Housing Authority whereby the City will lease the housing projects to the Housing Authority. Under the terms of the lease, the Housing Authority is required to make monthly rent payments to a bond trustee in amounts sufficient to pay Series 2006 bond principal and interest when due. The Housing Authority and the City of Garnett, Kansas also entered into an agreement whereby the City of Garnett, Kansas, subject to certain limitations, will pay to the bond trustee the monthly rent amounts to the extent not paid by the Housing Authority. An additional agreement provides that the Housing Authority will repay the City of Garnett, Kansas for any amounts it advances to the bond trustee. Additionally, the bonds are secured by the financed property, furnishings and equipment and by the City's annual appropriation pledge. The Series 2006 Bonds are recorded as a long-term finance lease of the Housing Authority.

11. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
General	Capital Outlay Improvement	K.S.A. 12-1,118	$ 57,899.88
General	Equipment Reserve	K.S.A. 12-1,117	228,349.92
Airport	Capital Outlay Improvement	K.S.A. 12-1,118	22,500.00
Airport	Equipment Reserve	K.S.A. 12-1,117	37,500.00
Library	Capital Outlay Improvement	K.S.A. 12-1,118	4,583.37
Public Safety	Capital Outlay Improvement	K.S.A. 12-1,118	12,499.92
Public Safety	Equipment Reserve	K.S.A. 12-1,117	92,500.08
Economic Development	Capital Outlay Improvement	K.S.A. 12-1,118	2,750.00
Sanitation Utility	Capital Outlay Improvement	K.S.A. 12-1,118	2,499.96
Sanitation Utility	Equipment Reserve	K.S.A. 12-1,117	20,000.04
Electric Utility	Capital Outlay Improvement	K.S.A. 12-1,118	174,999.96
Electric Utility	Equipment Reserve	K.S.A. 12-1,117	50,000.04
Electric Utility	General	K.S.A. 12-825d	630,000.00
Electric Utility	Economic Development	K.S.A. 12-825d	56,900.04
Electric Utility	General Obligation Bond and Interest	K.S.A. 12-825d	35,000.04
Water Utility	Capital Outlay Improvement	K.S.A. 12-1,118	294,999.96
Water Utility	Equipment Reserve	K.S.A. 12-1,117	12,500.04
Water Utility	Public Safety	K.S.A. 12-825d	510,000.00

11. INTERFUND TRANSFERS (Continued)

Operating transfers were as follows (continued):

From Fund:	To Fund:	Statutory Authority	Amount
Water Utility	Gas Utility	K.S.A. 12-825d	$ 176,000.00
Gas Utility	General Obligation Bond and Interest	K.S.A. 12-825d	324,999.96
Gas Utility	Public Safety	K.S.A. 12-825d	60,000.00
Gas Utility	Capital Outlay Improvement	K.S.A. 12-1,118	7,500.00
Gas Utility	Equipment Reserve	K.S.A. 12-1,117	20,250.00
Wastewater Utility	Capital Outlay Improvement	K.S.A. 12-1,118	87,540.99
Wastewater Utility	Equipment Reserve	K.S.A. 12-1,117	7,500.00
Wastewater Utility	Public Safety	K.S.A. 12-825d	90,000.00
Wastewater Utility	General Obligation Bond and Interest	K.S.A. 12-825d	13,599.96

12. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statement. The Commission did approve spending up to $4,000,000.00 for required modifications to the existing water treatment facilities subsequent to year end.

SUPPLEMENTARY INFORMATION

Schedule 1

CITY OF GARNETT, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2025

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	$ 2,971,300.00	$ 48,993.17	$ 3,020,293.17	$ 2,878,251.47	$ (142,041.70)
Special Purpose Funds:					
Airport	193,250.00	-	193,250.00	184,000.17	(9,249.83)
Library	286,000.00	-	286,000.00	224,000.50	(61,999.50)
Special Highway	350,000.00	-	350,000.00	347,470.58	(2,529.42)
Special Parks and Recreation	10,000.00	-	10,000.00	10,000.00	-
Public Safety	1,380,200.00	-	1,380,200.00	1,233,907.14	(146,292.86)
Tourism	47,000.00	-	47,000.00	37,726.90	(9,273.10)
Economic Development	113,800.00	-	113,800.00	103,115.58	(10,684.42)
Bond and Interest Funds:					
General Obligation Bond and Interest	374,172.00	-	374,172.00	367,755.64	(6,416.36)
Business Funds:					
Sanitation Utility	434,075.00	-	434,075.00	392,944.42	(41,130.58)
Electric Utility	4,445,625.00	-	4,445,625.00	4,052,041.37	(393,583.63)
Water Utility	1,985,750.00	-	1,985,750.00	1,953,758.20	(31,991.80)
Gas Utility	1,980,850.00	-	1,980,850.00	1,807,468.48	(173,381.52)
Wastewater Utility	694,675.00	-	694,675.00	694,675.00	-

CITY OF GARNETT, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 318,840.54	$ 415,524.30	$ 444,129.00	$ (28,604.70)
Delinquent Tax	11,708.00	10,817.39	2,000.00	8,817.39
Motor Vehicle Tax	52,992.62	40,434.45	29,350.00	11,084.45
Commercial Vehicle Tax	2,645.04	1,799.54	1,862.00	(62.46)
Recreational Vehicle Tax	1,337.66	900.19	597.00	303.19
16/20M Truck Tax	438.18	411.28	195.00	216.28
Watercraft Tax	277.12	204.16	190.00	14.16
Special Assessments	11,462.50	87.50	-	87.50
Excise Tax	61.75	45.69	-	45.69
Neighborhood Revitalization Rebate	(4,276.44)	(9,023.49)	(6,356.00)	(2,667.49)
Sales Tax	389,877.17	392,275.62	432,000.00	(39,724.38)
Franchise Taxes	125,833.17	123,837.74	95,000.00	28,837.74
Local Alcoholic Liquor Tax	7,328.07	6,703.66	2,250.00	4,453.66
Intergovernmental				
Federal Grants	-	21,035.01	-	21,035.01
State Grants	26,571.00	27,958.16	25,153.00	2,805.16
Licenses and Permits				
Business Licenses, Permits & Fees	14,420.45	26,918.23	12,000.00	14,918.23
Non-Business Licenses, Permits & Fees	13,247.50	12,221.59	12,500.00	(278.41)
Camping Permits	24,111.00	27,044.05	22,000.00	5,044.05
Fines, Forfeitures and Penalties				
Municipal Court Fines	112,363.62	110,031.69	125,000.00	(14,968.31)
Charges for Services				
Cemetery	6,867.50	8,515.00	7,500.00	1,015.00
Recreational Center Membership	51,299.00	49,592.00	45,000.00	4,592.00
Recreational Fees	54,397.14	55,464.44	36,750.00	18,714.44
Concession Stand Sales	11,783.65	10,734.57	11,000.00	(265.43)
Use of Money and Property		-		
Interest	378,812.76	337,900.91	182,000.00	155,900.91
Recreation Center Rental	960.00	1,160.00	2,250.00	(1,090.00)
Town Hall Rental	7,595.00	4,515.00	2,000.00	2,515.00
Other Receipts				-
Miscellaneous	13,653.59	17,098.61	5,000.00	12,098.61
Donations	2,737.00	1,500.00	-	1,500.00

CITY OF GARNETT, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts (continued)				
Operating Transfer from				-
Electric Utility Fund	$ 690,000.00	$ 630,000.00	$ 630,000.00	$ -
Total Receipts	2,327,344.59	2,325,707.29	$ 2,119,370.00	$ 206,337.29
Expenditures				
General Administrative Services				
Personal Services	643,237.14	735,410.52	$ 763,750.00	$ (28,339.48)
Contractual Services	298,226.53	291,249.18	321,500.00	(30,250.82)
Commodities	40,143.91	29,490.92	78,200.00	(48,709.08)
Community Development				
Personal Services	207,382.10	216,128.45	227,800.00	(11,671.55)
Contractual Services	48,281.07	78,958.91	7,250.00	71,708.91
Commodities	51,807.46	18,805.99	103,650.00	(84,844.01)
Parks, Recreation, and Cemetery				
Personal Services	380,079.96	455,398.33	530,300.00	(74,901.67)
Contractual Services	177,439.15	277,035.29	99,500.00	177,535.29
Commodities	151,002.11	96,480.77	197,350.00	(100,869.23)
Street and Stormwater				
Personal Services	227,579.17	273,294.25	258,800.00	14,494.25
Contractual Services	33,577.24	68,723.59	13,650.00	55,073.59
Commodities	59,438.36	51,025.47	83,300.00	(32,274.53)
Operating Transfers to:				
Capital Outlay Improvement Fund	20,000.00	57,899.88	57,900.00	(0.12)
Equipment Reserve Fund	61,500.00	228,349.92	228,350.00	(0.08)
Total Certified Budget			2,971,300.00	(93,048.53)
Adjustments for Qualifying Budget Credits			48,993.17	(48,993.17)
Total Expenditures	2,399,694.20	2,878,251.47	$ 3,020,293.17	$ (142,041.70)
Receipts Over(Under) Expenditures	(72,349.61)	(552,544.18)		
Unencumbered Cash, Beginning	674,555.75	602,206.14		
Unencumbered Cash, Ending	$ 602,206.14	$ 49,661.96		

CITY OF GARNETT, KANSAS
AIRPORT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 105,157.54	$ 90,094.23	$ 98,280.00	$ (8,185.77)
Delinquent Tax	2,828.07	2,823.62	1,000.00	1,823.62
Motor Vehicle Tax	17,180.65	13,394.13	9,684.00	3,710.13
Commercial Vehicle Tax	881.65	594.20	615.00	(20.80)
Recreational Vehicle Tax	434.40	298.51	197.00	101.51
16/20M Truck Tax	53.28	109.13	64.00	45.13
Watercraft Tax	93.25	67.82	62.00	5.82
Excise Tax	20.78	15.22	-	15.22
Neighborhood Revitalization Rebates	(1,410.71)	(1,996.77)	(1,406.00)	(590.77)
Use of Money and Property				
Rentals	7,295.34	2,920.00	6,500.00	(3,580.00)
Sale of Assets	15,487.94	(85.71)	12,500.00	(12,585.71)
Other Receipts				
Miscellaneous	2,213.49	2,535.20	400.00	2,135.20
Total Receipts	150,235.68	110,769.58	$ 127,896.00	$ (17,126.42)
Expenditures				
Culture and Recreation				
Personal Services	60,250.00	64,200.00	$ 64,200.00	-
Contractual Services	15,335.36	10,528.22	8,950.00	1,578.22
Commodities	10,442.04	49,271.95	60,100.00	(10,828.05)
Operating Transfers to:				
Capital Outlay Improvement Fund	22,500.00	22,500.00	22,500.00	-
Equipment Reserve Fund	2,500.00	37,500.00	37,500.00	-
Total Expenditures	111,027.40	184,000.17	$ 193,250.00	$ (9,249.83)
Receipts Over(Under) Expenditures	39,208.28	(73,230.59)		
Unencumbered Cash, Beginning	62,226.50	101,434.78		
Unencumbered Cash, Ending	$ 101,434.78	$ 28,204.19		

CITY OF GARNETT, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 189,237.45	$ 198,756.64	$ 211,778.00	$ (13,021.36)
Delinquent Tax	4,946.22	5,011.70	1,000.00	4,011.70
Motor Vehicle Tax	22,574.72	22,677.50	17,424.00	5,253.50
Commercial Vehicle Tax	1,142.03	1,054.35	1,106.00	(51.65)
Recreational Vehicle Tax	570.29	497.09	354.00	143.09
16/20M Truck Tax	130.48	159.88	116.00	43.88
Watercraft Tax	119.55	122.32	112.00	10.32
Excise Tax	26.79	23.58	-	23.58
Neighborhood Revitalization Rebates	(2,538.65)	(4,302.56)	(3,031.00)	(1,271.56)
Other Receipts				
Miscellaneous	60.00	-	-	-
Total Receipts	216,268.88	224,000.50	$ 228,859.00	$ (4,858.50)
Expenditures				
Culture and Recreation				
Personal Services	155,725.82	145,196.01	$ 201,750.00	$ (56,553.99)
Contractual Services	45,150.96	61,600.24	30,750.00	30,850.24
Commodities	20,339.93	12,620.88	48,500.00	(35,879.12)
Operating Transfer to				
Capital Outlay Improvement Fund	-	4,583.37	5,000.00	(416.63)
Total Expenditures	221,216.71	224,000.50	$ 286,000.00	$ (61,999.50)
Receipts Over(Under) Expenditures	(4,947.83)	-		
Unencumbered Cash, Beginning	4,947.83	-		
Unencumbered Cash, Ending	$ -	$ -		

CITY OF GARNETT, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Motor Fuel Tax	$ 86,782.16	$ 86,698.34	$ 86,000.00	$ 698.34
Sales Tax	367,050.44	346,786.78	300,000.00	46,786.78
Intergovernmental				
State Grant	194,181.00	-	-	-
Other Receipts				
Reimbursed Expense	126,526.10	-	-	-
Total Receipts	774,539.70	433,485.12	$ 386,000.00	$ 47,485.12
Expenditures				
General Government				
Capital Outlay	770,707.10	347,470.58	$ 350,000.00	$ (2,529.42)
Total Expenditures	770,707.10	347,470.58	$ 350,000.00	$ (2,529.42)
Receipts Over(Under) Expenditures	3,832.60	86,014.54		
Unencumbered Cash, Beginning	236,087.00	239,919.60		
Unencumbered Cash, Ending	$ 239,919.60	$ 325,934.14		

CITY OF GARNETT, KANSAS
SPECIAL PARKS AND RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Local Alcoholic Liquor Tax	$ 7,328.08	$ 6,703.65	$ 2,000.00	$ 4,703.65
Total Receipts	7,328.08	6,703.65	$ 2,000.00	$ 4,703.65
Expenditures				
Culture and Recreation				
Commodities	16,000.00	10,000.00	$ 10,000.00	$ -
Total Expenditures	16,000.00	10,000.00	$ 10,000.00	$ -
Receipts Over(Under) Expenditures	(8,671.92)	(3,296.35)		
Unencumbered Cash, Beginning	27,369.37	18,697.45		
Unencumbered Cash, Ending	$ 18,697.45	$ 15,401.10		

CITY OF GARNETT, KANSAS
PUBLIC SAFETY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 415,941.92	$ 426,848.58	$ 455,030.00	$ (28,181.42)
Delinquent Tax	10,147.77	10,423.46	30,000.00	(19,576.54)
Motor Vehicle Tax	48,865.00	49,778.26	38,300.00	11,478.26
Commercial Vehicle Tax	2,484.33	2,316.81	2,431.00	(114.19)
Recreational Vehicle Tax	1,234.83	1,090.71	779.00	311.71
16M-20M Truck Tax	237.18	333.69	254.00	79.69
Watercraft Tax	260.69	269.14	247.00	22.14
Excise Tax	58.37	51.65	-	51.65
Neighborhood Revitalization Rebates	(5,580.07)	(9,244.90)	(6,512.00)	(2,732.90)
Intergovernmental				
Federal Grants	2,990.58	4,622.78	-	4,622.78
Use of Money and Property				
Sale of Assets	-	-	4,000.00	(4,000.00)
Other Receipts				
Miscellaneous	1,100.50	2,637.55	-	2,637.55
Operating Transfers from:				
Gas Utility Fund	-	60,000.00	60,000.00	-
Water Utility Fund	510,000.00	510,000.00	510,000.00	-
Wastewater Utility Fund	90,000.00	90,000.00	90,000.00	-
Total Receipts	1,077,741.10	1,149,127.73	$ 1,184,529.00	$ (35,401.27)
Expenditures				
Fire Department				
Personal Services	39,324.63	49,662.98	$ 53,950.00	$ (4,287.02)
Contractual Services	14,060.27	59,140.36	10,200.00	48,940.36
Commodities	27,433.74	4,827.84	52,450.00	(47,622.16)
Police Department				
Personal Services	749,035.94	805,848.46	928,550.00	(122,701.54)
Contractual Services	149,617.82	173,729.25	131,750.00	41,979.25
Commodities	74,514.54	35,698.25	98,300.00	(62,601.75)
Operating Transfers to:				
Capital Outlay Improvement Fund	12,500.00	12,499.92	12,500.00	(0.08)
Equipment Reserve Fund	82,500.00	92,500.08	92,500.00	0.08
Total Expenditures	1,148,986.94	1,233,907.14	$ 1,380,200.00	$ (146,292.86)
Receipts Over(Under) Expenditures	(71,245.84)	(84,779.41)		
Unencumbered Cash, Beginning	223,115.40	151,869.56		
Unencumbered Cash, Ending	$ 151,869.56	$ 67,090.15		

CITY OF GARNETT, KANSAS
CAPITAL OUTLAY IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Federal Grants	$ 688,127.70	$ 39,183.00
State Grants	36,310.36	-
Local Grants	9,500.00	250,000.00
Other Receipts		
Reimbursed Expense	850.00	2,250.00
Donations	24,800.00	13,397.26
Operating Transfers from:		
General Fund	20,000.00	57,899.88
Airport Fund	22,500.00	22,500.00
Library Fund	-	4,583.37
Public Safety Fund	12,500.00	12,499.92
Electric Utility Fund	175,000.00	174,999.96
Gas Utility Fund	-	7,500.00
Economic Development Fund	900.00	2,750.00
Sanitation Utility Fund	2,500.00	2,499.96
Wastewater Utility Fund	92,000.00	87,540.99
Water Utility Fund	45,000.00	294,999.96
Total Receipts	1,129,988.06	972,604.30
Expenditures		
General Government		
Capital Outlay	590,249.97	1,722,048.72
Total Expenditures	590,249.97	1,722,048.72
Receipts Over(Under) Expenditures	539,738.09	(749,444.42)
Unencumbered Cash, Beginning	1,263,480.61	1,803,218.70
Unencumbered Cash, Ending	$ 1,803,218.70	$ 1,053,774.28

CITY OF GARNETT, KANSAS
EQUIPMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Federal Grants	$ 208,195.17	$ -
State Grants	6,337.50	6,337.50
Local Grants	195,000.00	2,625.00
Use of Money and Property		
Sale of Assets	66,150.00	70,115.00
Other Receipts		
Donations	28,770.97	9,750.00
Operating Transfers from:		
General Fund	61,500.00	228,349.92
Airport Fund	2,500.00	37,500.00
Public Safety Fund	82,500.00	92,500.08
Electric Utility Fund	50,000.00	50,000.04
Gas Utility Fund	-	20,250.00
Sanitation Utility Fund	20,000.00	20,000.04
Wastewater Utility Fund	7,500.00	7,500.00
Water Utility Fund	12,500.00	12,500.04
Total Receipts	740,953.64	557,427.62
Expenditures		
General Government		
Capital Outlay	503,312.31	640,236.58
Debt Service		
Finance Leases	-	31,693.81
Total Expenditures	503,312.31	671,930.39
Receipts Over(Under) Expenditures	237,641.33	(114,502.77)
Unencumbered Cash, Beginning	520,642.13	758,283.46
Unencumbered Cash, Ending	$ 758,283.46	$ 643,780.69

CITY OF GARNETT, KANSAS
CREATIVE ARTS GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
State Grants	$ -	$ -
Total Receipts	-	-
Expenditures		
Capital Projects		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	6,630.62	6,630.62
Unencumbered Cash, Ending	$ 6,630.62	$ 6,630.62

CITY OF GARNETT, KANSAS
TOURISM FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Transient Guest Tax	$ 44,996.66	$ 29,155.21	$ 22,500.00	$ 6,655.21
Total Receipts	44,996.66	29,155.21	$ 22,500.00	$ 6,655.21
Expenditures				
General Government				
Contractual Services	32,727.48	37,726.90	$ 47,000.00	$ (9,273.10)
Total Expenditures	32,727.48	37,726.90	$ 47,000.00	$ (9,273.10)
Receipts Over(Under) Expenditures	12,269.18	(8,571.69)		
Unencumbered Cash, Beginning	72,040.30	84,309.48		
Unencumbered Cash, Ending	$ 84,309.48	$ 75,737.79		

CITY OF GARNETT, KANSAS
TAX REFUND RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from General Fund	$ -	$ -
Total Receipts	-	-
Expenditures		
General Government		
Tax Refunds	324,709.76	-
Total Expenditures	324,709.76	-
Receipts Over(Under) Expenditures	(324,709.76)	-
Unencumbered Cash, Beginning	980,000.00	655,290.24
Unencumbered Cash, Ending	$ 655,290.24	$ 655,290.24

CITY OF GARNETT, KANSAS
TAX REFUND LITIGATION FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from General Fund	$ -	$ -
Total Receipts	-	-
Expenditures		
General Government		
Tax Refunds	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	350,000.00	350,000.00
Unencumbered Cash, Ending	$ 350,000.00	$ 350,000.00

CITY OF GARNETT, KANSAS
ECONOMIC DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Anderson County Appropriations	$ 31,208.34	$ 56,900.00	$ 56,900.00	$ -
Other Receipts				
Miscellaneous	651.41	2,750.00	-	2,750.00
Operating Transfer from				
Electric Utility Fund	53,500.00	56,900.04	56,900.00	0.04
Total Receipts	85,359.75	116,550.04	$ 113,800.00	$ 2,750.04
Expenditures				
Collections				
Personal Services	43,419.92	80,058.08	$ 90,075.00	$ (10,016.92)
Contractual Services	7,427.42	14,715.78	8,425.00	6,290.78
Commodities	5,995.11	5,591.72	15,300.00	(9,708.28)
Operating Transfer to				
Capital Outlay Improvement Fund	900.00	2,750.00	-	2,750.00
Total Expenditures	57,742.45	103,115.58	$ 113,800.00	$ (10,684.42)
Receipts Over(Under) Expenditures	27,617.30	13,434.46		
Unencumbered Cash, Beginning	68,520.28	96,137.58		
Unencumbered Cash, Ending	$ 96,137.58	$ 109,572.04		

CITY OF GARNETT, KANSAS
GENERAL OBLIGATION BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 47,552.63	$ (61.09)	$ -	$ (61.09)
Delinquent Tax	735.81	853.59	150.00	703.59
Motor Vehicle Tax	-	4,795.34	4,380.00	415.34
Recreational Vehicle Tax	-	99.50	89.00	10.50
Commercial Vehicle Tax	-	255.51	278.00	(22.49)
16M-20M Truck Tax	-	(0.05)	29.00	(29.05)
Watercraft Tax	(0.61)	31.21	28.00	3.21
Excise Tax	-	3.50	-	3.50
Neighborhood Revitalization Rebates	(638.10)	-	-	-
Anderson County Contribution	-	-	10,500.00	(10,500.00)
Operating Transfers from:				
Electric Utility Fund	34,000.00	35,000.04	35,000.00	0.04
Gas Utility Fund	325,000.00	324,999.96	325,000.00	(0.04)
Wastewater Utility Fund	12,750.00	13,599.96	13,600.00	(0.04)
Total Receipts	419,399.73	379,577.47	$ 389,054.00	$ (9,476.53)
Expenditures				
Debt Service				
Bond Principal	30,000.00	35,000.00	$ 35,000.00	$ -
Bond Interest	14,125.00	13,375.00	14,172.00	(797.00)
Utility Loan Principal	272,020.61	282,752.02	268,000.00	14,752.02
Utility Loan Interest	54,248.65	36,628.62	57,000.00	(20,371.38)
Total Expenditures	370,394.26	367,755.64	$ 374,172.00	$ (6,416.36)
Receipts Over(Under) Expenditures	49,005.47	11,821.83		
Unencumbered Cash, Beginning	-	49,005.47		
Unencumbered Cash, Ending	$ 49,005.47	$ 60,827.30		

CITY OF GARNETT, KANSAS
INDUSTRIAL PARK DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Sale of Assets	$ -	$ -
Total Receipts	-	-
Expenditures		
Capital Improvements		
Capital Outlay	36,006.42	8,057.91
Total Expenditures	36,006.42	8,057.91
Receipts Over(Under) Expenditures	(36,006.42)	(8,057.91)
Unencumbered Cash, Beginning	86,564.41	50,557.99
Unencumbered Cash, Ending	$ 50,557.99	$ 42,500.08

CITY OF GARNETT, KANSAS
SANITATION UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Utility Collections	$ 414,197.06	$ 388,726.31	$ 428,500.00	$ (39,773.69)
Penalty Fees	2,764.94	2,902.32	950.00	1,952.32
Other Receipts				
Miscellaneous	20.00	-	-	-
Total Receipts	416,982.00	391,628.63	$ 429,450.00	$ (37,821.37)
Expenditures				
Collections				
Personal Services	143,762.23	115,589.88	$ 177,050.00	$ (61,460.12)
Contractual Services	133,312.81	206,652.66	133,750.00	72,902.66
Commodities	49,609.59	21,075.82	54,175.00	(33,099.18)
Debt Service				
Finance Lease	27,126.06	27,126.06	46,600.00	(19,473.94)
Operating Transfers to:				
Capital Outlay Improvement Fund	2,500.00	2,499.96	2,500.00	(0.04)
Equipment Reserve Fund	20,000.00	20,000.04	20,000.00	0.04
Total Expenditures	376,310.69	392,944.42	$ 434,075.00	$ (41,130.58)
Receipts Over(Under) Expenditures	40,671.31	(1,315.79)		
Unencumbered Cash, Beginning	286,968.41	327,639.72		
Unencumbered Cash, Ending	$ 327,639.72	$ 326,323.93		

CITY OF GARNETT, KANSAS
ELECTRIC UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Electric Sales	$ 4,438,063.39	$ 4,566,163.64	$ 4,325,000.00	$ 241,163.64
Taps and Connections	6,103.18	7,563.78	2,000.00	5,563.78
Pole Rentals	-	2,841.00	2,500.00	341.00
Security Lights	14,663.52	14,587.51	12,500.00	2,087.51
Penalty Fees	26,394.34	30,341.29	18,000.00	12,341.29
Other Receipts				
Miscellaneous	1,468.26	-	-	-
Total Receipts	4,486,692.69	4,621,497.22	$ 4,360,000.00	$ 261,497.22
Expenditures				
Production				
Personal Services	142,837.40	179,965.55	$ 226,775.00	$ (46,809.45)
Contractual Services	2,219,708.94	2,433,170.40	2,482,500.00	(49,329.60)
Commodities	16,975.48	8,844.97	176,400.00	(167,555.03)
Distribution				
Personal Services	370,813.11	334,258.61	408,450.00	(74,191.39)
Contractual Services	82,907.66	54,383.87	25,700.00	28,683.87
Commodities	126,418.18	94,517.89	178,900.00	(84,382.11)
Operating Transfers to:				
Capital Outlay Improvement Fund	175,000.00	174,999.96	175,000.00	(0.04)
Equipment Reserve Fund	50,000.00	50,000.04	50,000.00	0.04
General Fund	690,000.00	630,000.00	630,000.00	-
General Obligation Bond and Interest Fund	34,000.00	35,000.04	35,000.00	0.04
Economic Development Fund	53,500.00	56,900.04	56,900.00	0.04
Total Expenditures	3,962,160.77	4,052,041.37	$ 4,445,625.00	$ (393,583.63)
Receipts Over(Under) Expenditures	524,531.92	569,455.85		
Unencumbered Cash, Beginning	2,045,868.46	2,570,400.38		
Unencumbered Cash, Ending	$ 2,570,400.38	$ 3,139,856.23		

CITY OF GARNETT, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Water Sales	$ 1,609,146.68	$ 1,741,984.05	$ 1,425,000.00	$ 316,984.05
Penalty Fees	7,129.52	9,491.11	5,000.00	4,491.11
Taps and Connections	412.78	1,878.30	600.00	1,278.30
Other Receipts				
Miscellaneous	1,449.23	-	-	-
Total Receipts	1,618,138.21	1,753,353.46	$ 1,430,600.00	$ 322,753.46
Expenditures				
Water Production				
Personal Services	300,234.95	288,310.63	$ 323,500.00	$ (35,189.37)
Contractual Services	250,340.64	340,936.33	398,400.00	(57,463.67)
Commodities	370,596.14	331,011.24	446,350.00	(115,338.76)
Operating Transfers to:				
Capital Outlay Improvement Fund	45,000.00	294,999.96	295,000.00	(0.04)
Equipment Reserve Fund	12,500.00	12,500.04	12,500.00	0.04
Public Safety Fund	510,000.00	510,000.00	510,000.00	-
Gas Utility Fund	47,500.00	176,000.00	-	176,000.00
Total Expenditures	1,536,171.73	1,953,758.20	$ 1,985,750.00	$ (31,991.80)
Receipts Over(Under) Expenditures	81,966.48	(200,404.74)		
Unencumbered Cash, Beginning	2,001,743.04	2,083,709.52		
Unencumbered Cash, Ending	$ 2,083,709.52	$ 1,883,304.78		

CITY OF GARNETT, KANSAS
GAS UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Gas Sales	$ 1,466,111.76	$ 1,619,475.50	$ 2,190,000.00	$ (570,524.50)
Service Fees	2,078.10	2,469.81	2,500.00	(30.19)
Penalty Fees	7,763.34	10,254.50	10,000.00	254.50
Other Receipts				
Miscellaneous	1,563.59	-	-	-
Operating Transfer from				
Water Utility Fund	47,500.00	176,000.00	-	176,000.00
Total Receipts	1,525,016.79	1,808,199.81	$ 2,202,500.00	$ (394,300.19)
Expenditures				
Distribution				
Personal Services	191,329.17	256,400.63	$ 213,250.00	$ 43,150.63
Contractual Services	976,362.98	1,003,516.59	1,277,800.00	(274,283.41)
Commodities	40,885.80	134,801.30	77,050.00	57,751.30
Operating Transfers to:				
Capital Outlay Improvement Fund	-	7,500.00	7,500.00	-
Equipment Reserve Fund	-	20,250.00	20,250.00	-
General Obligation Bond and Interest Fund	325,000.00	324,999.96	325,000.00	(0.04)
Public Safety Fund	-	60,000.00	60,000.00	-
Total Expenditures	1,533,577.95	1,807,468.48	$ 1,980,850.00	$ (173,381.52)
Receipts Over(Under) Expenditures	(8,561.16)	731.33		
Unencumbered Cash, Beginning	8,791.62	230.46		
Unencumbered Cash, Ending	$ 230.46	$ 961.79		

CITY OF GARNETT, KANSAS
WASTEWATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Sewer Sales	$ 655,666.00	$ 801,299.35	$ 678,000.00	$ 123,299.35
Penalty Fees	4,673.37	6,427.37	3,000.00	3,427.37
Other Receipts				
Miscellaneous	50.00	50.00	-	50.00
Total Receipts	660,389.37	807,776.72	$ 681,000.00	$ 126,776.72
Expenditures				
Collections				
Personal Services	196,971.47	214,270.37	$ 224,300.00	$ (10,029.63)
Contractual Services	155,086.01	254,379.57	79,625.00	174,754.57
Commodities	34,759.11	27,384.11	187,650.00	(160,265.89)
Operating Transfers to:				
Capital Outlay Improvement Fund	92,000.00	87,540.99	92,000.00	(4,459.01)
Equipment Reserve Fund	7,500.00	7,500.00	7,500.00	-
Public Safety Fund	90,000.00	90,000.00	90,000.00	-
General Obligation				
Bond and Interest Fund	12,750.00	13,599.96	13,600.00	(0.04)
Total Expenditures	589,066.59	694,675.00	$ 694,675.00	$ -
Receipts Over(Under) Expenditures	71,322.78	113,101.72		
Unencumbered Cash, Beginning	388,629.45	459,952.23		
Unencumbered Cash, Ending	$ 459,952.23	$ 573,053.95		

Schedule 3

CITY OF GARNETT, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2025

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Utility Deposits	$ 130,486.00	$ 53,185.65	$ 49,100.00	$ 134,571.65
Medical Reserve	41,078.76	545,508.65	485,092.85	101,494.56
Drug Tax Stamp	16,447.65	10,496.09	1,000.00	25,943.74
Asset Forfeiture	9,819.36	49.76	5.00	9,864.12
Diversion	4,597.45	2,816.67	15.30	7,398.82
Municipal Court	17,611.10	135,397.02	124,247.05	28,761.07
			-	
	$ 220,040.32	$ 747,453.84	$ 659,460.20	$ 308,033.96