CITY OF GIRARD, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

December 31, 2024

CITY OF GIRARD, KANSAS

December 31, 2024

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Girard, 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 Girard, Kansas, as of and for the year ended December 31, 2024 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 Girard as of December 31, 2024, 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 Girard as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing* Standards, issued by the Comptroller General of the United States (*Government Auditing Standards*), 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 Girard 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and the summary of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other

records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 Girard, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated July 23, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 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 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2024 (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 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 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 2023 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, 2023, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2025, on our consideration of the City of Girard, Kansas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Girard, Kansas's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Girard, Kansas's internal control over financial reporting and compliance.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

July 11, 2025
Chanute, Kansas

CITY OF GIRARD, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Cash Balance December 31, 2024
General	$ 197,003.65	$ 1,207,188.40	$ 1,127,787.88	$ 276,404.17	$ 6,329.12	$ 282,733.29
Special Purpose Funds:						
Public Safety	29,409.76	1,023,529.16	879,875.69	173,063.23	6,786.99	179,850.22
Library	86,248.56	211,603.90	238,142.90	59,709.56	-	59,709.56
Transportation	2,185,851.82	549,847.08	198,960.95	2,536,737.95	58,289.18	2,595,027.13
Special Parks and Recreation	4,398.51	1,198.37	-	5,596.88	-	5,596.88
Capital Improvement	1,508,776.45	576,828.00	192,420.54	1,893,183.91	-	1,893,183.91
Equipment Reserve	594,069.60	143,134.00	258,416.08	478,787.52	91,960.00	570,747.52
Industrial Loan and Development	5,488.02	19,045.00	19,992.00	4,541.02	-	4,541.02
Raymond Community Home	69.13	18,117.52	17,979.94	206.71	-	206.71
Grants	350,350.25	11,397,066.33	3,546,975.67	8,200,440.91	271,852.90	8,472,293.81
Bond and Interest Fund:						
Debt Service	4,941.66	506,365.98	504,882.52	6,425.12	-	6,425.12
Business Funds:						
Public Golf	76,570.79	292,996.78	313,656.20	55,911.37	5,241.11	61,152.48
Sewer Utility	113,434.13	505,537.21	484,642.08	134,329.26	892.97	135,222.23
Water Utility	716,035.97	1,165,849.72	1,036,447.63	845,438.06	15,433.67	860,871.73
Electric Utility	1,647,441.80	4,253,417.81	4,190,001.91	1,710,857.70	56,383.50	1,767,241.20
Trust Funds:						
Raymond Memorial Park	6,335.50	16.47	-	6,351.97	-	6,351.97
Total Reporting Entity (Excluding Agency Funds):	$ 7,526,425.60	$ 21,871,741.73	$ 13,010,181.99	$ 16,387,985.34	$ 513,169.44	$ 16,901,154.78

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

CITY OF GIRARD, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Total Cash to be accounted for:	$	16,901,154.78
Composition of Cash:		
Cash on Hand	$	425.00
Checking Accounts:		
Operating Account		3,715,743.88
Money Market Account		3,425,081.93
Petty Cash		500.00
Investments:		
Certificates of Deposit		1,267,135.53
Stifel Bonds Account		8,534,372.29
Total Reporting Entity		16,943,258.63
Agency Funds Per Schedule 3		(42,103.85)
Total Reporting Entity (Excluding Agency Funds)	$	16,901,154.78

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of the City of Girard, 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 accounting principles generally accepted in the United States of America.

Financial Reporting Entity

The City of Girard, Kansas, is a municipal corporation governed by an elected five-member council. This financial statement presents the City of Girard.

Related Municipal Entities: 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:

Girard Public Library. The City of Girard, Kansas, Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City. The City levies taxes for the Library Board and significantly influences the Library's operations. Separate internal financial statement are available from the Library.

Raymond Community Home. The Raymond Community Home board operates the City's community home. Acquisition or disposition of real property or bond issuances must be approved by the City. Separate internal financial statement are available from the Board.

Girard Housing Authority. The Girard Housing Authority operates the City's housing projects. The Girard Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond ordinances must be approved by the City. Separate audited financial statement are available at the Housing Authority.

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 Girard, Kansas, for the year of 2024:

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.

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.).

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

Agency fund – 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 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.

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.

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 1 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 the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for the cash receipts recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as regulatory receipts. In the financial statement and budget comparison schedules presented in this report, reimbursements and refunds are recorded as regulatory receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

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 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.

If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to 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. City budgets require 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)

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 during the year ended December 31, 2024.

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 the 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 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 projects funds, trust funds, and the following special purpose funds:

- Grants Fund

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

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 and budget laws of the State of Kansas.

The City was in apparent violation of K.S.A. 10-130, which required bond payments to be remitted to the state fiscal agency at least 20 days before the redemption of such bonds and the payment of the interest thereon. In apparent violation of K.S.A. 10-130, one of the four bond payments made during the 2024 year were not received by the Office of the State Treasurer twenty (20) days prior the redemption date.

The City was in apparent violation of K.S.A. 12-1608 which requires the treasurer of first and second class cities to publish quarterly statements showing the total amount received into each fund and the total amount expended from each fund and the cash balances of each fund at the close of each quarter. Such quarterly statements shall show the amount of outstanding registered warrants, temporary notes, bonds and all other obligations and liabilities of the City. The City did not publish any financial statements during the year ended December 31, 2024.

3. DEPOSITS AND INVESTMENTS

As of year-end, the City has the following investment.

Investment Type	Cost	Rating
Stifel Bond Account	$ 8,534,372.29	N/A

This investment is reflected at cost in these regulatory basis financial statement of the City of Girard, Kansas.

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 is such institution has been designated as an official depository, and the bank provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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, 2024.

Deposits: At year-end, the City's carrying amount of deposits was $8,408,461.34 and the bank balance was $8,556,696.87. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $330,887.78 was covered by FDIC insurance, $1,017,135.53 was collateralized with securities held by the pledging financial institutions' agents in the City's name and the remaining $7,208,673.56 was covered with overnight repurchase agreements signed with the bank.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. FINANCE LEASES OBLIGATIONS

The City has entered into a finance lease agreement dated September 1, 2023, to purchase tasers for the police department. The City agreed to make a down payment of $3,651.93 in October 2023 and a payment of $12,213.05 in January 2024, then four annual principal payments of $16,284.06 plus interest at a rate of 0.00%.

December 31,	Total
2025	$ 16,284.06
2026	16,284.06
2027	16,284.06
2028	16,284.06
Total Net Minimum Lease Payments	65,136.24
Less: Imputed Interest	(0.00)
Net Present Value	65,136.25
Less: Current Maturities	(16,284.06)
Long-Term Finance Lease Obligations	$ 48,852.18

5. LONG-TERM DEBT

Changes in long-term debt for the City for the year ended December 31, 2024, 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 Tax Levies:									
Series 2015	2.75-3.30%	1/1/2015	$ 735,000.00	12/1/2030	$ 535,000.00	$ -	$ (70,000.00)	$ 465,000.00	$ -
Series 2021	2.125-3.0%	4/26/2021	6,260,000.00	9/1/2046	5,495,000.00	-	(265,000.00)	5,230,000.00	161,875.64
Temporary Notes									
Paid by Utility Receipts:									
Series 2023	2.125%	11/1/2023	13,330,000.00	11/1/2026	909,868.19	365,516.53	(1,275,384.72)	-	63,881.36
Series 2024	3.10%	10/15/2024	9,910,000.00	2/1/2027	-	9,910,000.00	-	9,910,000.00	-
Finance Leases									
Paid by Tax Levies:									
Police Equipment - Tasers	0.00%	9/1/2023	81,001.22	1/22/2028	77,349.29	-	(12,213.05)	65,136.24	-
Total Contractual Indebtedness					$ 7,017,217.48	$ 10,275,516.53	$ (1,622,597.77)	$ 15,670,136.24	$ 225,757.00

5. LONG-TERM DEBT (Continued)

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

Issue	2025	2026	2027	2028	2029	2030-2034	2035-2039	2040-2044	2045-2046	Total
Principal										
General Obligation Bonds										
Series 2015	$ 70,000.00	$ 75,000.00	$ 75,000.00	$ 80,000.00	$ 80,000.00	$ 85,000.00	$ -	$ -	$ -	$ 465,000.00
Series 2021	265,000.00	285,000.00	240,000.00	250,000.00	280,000.00	1,550,000.00	960,000.00	990,000.00	410,000.00	5,230,000.00
Temporary Notes										
Series 2024	-	-	9,910,000.00	-	-	-	-	-	-	9,910,000.00
Finance Leases										-
Police Equipment - Tasers	16,284.06	16,284.06	16,284.06	16,284.06	-	-	-	-	-	65,136.24
Total Principal Payments	351,284.06	376,284.06	10,241,284.06	346,284.06	360,000.00	1,635,000.00	960,000.00	990,000.00	410,000.00	15,670,136.24
Interest										
General Obligation Bonds										
Series 2015	14,176.24	12,251.26	10,095.00	7,845.00	7,845.00	8,170.00	-	-	-	60,382.50
Series 2021	145,918.76	137,968.76	129,418.76	122,218.76	114,718.76	441,593.80	237,893.80	113,012.52	13,837.50	1,456,581.42
Temporary Notes										
Series 2024	-	-	730,284.30	-	-	-	-	-	-	730,284.30
Finance Leases										
Police Equipment - Tasers	-	-	-	-	-	-	-	-	-	-
Total Interest Payments	160,095.00	150,220.02	869,798.06	130,063.76	122,563.76	449,763.80	237,893.80	113,012.52	13,837.50	2,247,248.22
Total Principal and Interest	$ 511,379.06	$ 526,504.08	$11,111,082.12	$ 476,347.82	$ 482,563.76	$ 2,084,763.80	$ 1,197,893.80	$ 1,103,012.52	$ 423,837.50	$ 17,917,384.46

6. 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 Annual Comprehensive 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.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for KPERS and 23.10% for KP&F for the fiscal year ended December 31, 2024. Contributions to the pension plan from City were $107,841.65 for KPERS and $78,184.96 for KP&F for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $909,510.00 and $778,946.00 for KP&F. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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.kpers.org or can be obtained as described above.

7. 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, 2024.

Compensated Absences:
All regular full-time employees are eligible for vacation benefits. Employees are allowed to accumulate and carry forward a maximum of 25 days. Hours accumulated and not taken in excess of these limits at December 31 of each year are lost by the employees. New employees must work a minimum of twelve months to utilize earned vacation benefits. Unused vacation benefits are paid to employees when employment with the City terminates.

All regular full-time employees are also eligible for sick leave benefits. Employees accrue sick leave at a rate of 12 days per year with a maximum of 60 days. Unused sick leave benefits are lost to employees when employment with the City terminates.

The City accrues a liability for compensated absences which meet the following criteria:

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 and, is material.

In accordance with the above criteria, the City has estimated a liability for annual leave which has been earned, but not taken, by City employees. The estimated liability for accrued annual leave at December 31, 2024, was $106,087.75. The City has not estimated a liability for sick leave earned, but not taken, by City employees, as the amounts cannot be reasonably estimated.

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 the 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 the City under this program.

8. 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.

The City has been unable to obtain workers' compensation insurance at a cost it considers to be economically justifiable. For this reason, the City has joined together with other cities in the State to participate in the Kansas Eastern Region Insurance Trust (KERIT). The City participates in the decision making of KERIT through trustee representation. KERIT files its annual audited financial statements with the Kansas Insurance Commissioner. The City pays annual premium to KERIT for its workers' compensation insurance coverage. The agreement to participate provides that KERIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of a stated dollar amount for each insurance event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERIT management.

9. ECONOMIC DEPENDENCY

In 2024, the City purchased 100% of its water for resale from Public Wholesale Water Supply District #11.

In 2024, the City purchased 100% of its electric kilowatts for resale from the Kansas Municipal Energy Agency (KMEA).

10. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
General	Capital Improvement	K.S.A. 12-1,118	$ 19,188.00
General	Equipment Reserve	K.S.A. 12-1,117	34,751.00
Public Safety	Capital Improvement	K.S.A. 12-1,118	10,128.00
Public Safety	Equipment Reserve	K.S.A. 12-1,117	14,628.00
Transportation	Debt Service	K.S.A. 68-590	86,014.00
Sewer Utility	Debt Service	K.S.A. 12-825d	188,819.00
Sewer Utility	Capital Improvement	K.S.A. 12-1,118	60,002.00
Sewer Utility	Equipment Reserve	K.S.A. 12-1,117	18,751.00
Water Utility	Debt Service	K.S.A. 12-825d	175,700.00
Water Utility	Capital Improvement	K.S.A. 12-1,118	112,500.00
Water Utility	Equipment Reserve	K.S.A. 12-1,117	37,502.00
Electric Utility	Capital Improvement	K.S.A. 12-1,118	375,010.00
Electric Utility	Equipment Reserve	K.S.A. 12-1,117	37,502.00
Electric Utility	Public Safety	K.S.A. 12-825d	552,000.00
Electric Utility	Public Golf	K.S.A. 12-825d	102,502.00
Electric Utility	Industrial Loan and Development	K.S.A. 12-825d	19,045.00
Electric Utility	Library	K.S.A. 12-825d	25,403.00
Electric Utility	Raymond Community Home	K.S.A. 12-825d	18,002.00

11. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent to year end, and there were no subsequent events requiring recognition in the financial statement. Additionally there were no nonrecognized subsequent events requiring disclosure in the financial statement.

SUPPLEMENTARY INFORMATION

Schedule 1

CITY OF GIRARD, KANSAS

Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	$ 1,145,904.00	$ 6,160.94	$ 1,152,064.94	$ 1,127,787.88	$ (24,277.06)
Special Purpose Funds:					
Public Safety	1,283,805.00	-	1,283,805.00	879,875.69	(403,929.31)
Library	250,000.00	-	250,000.00	238,142.90	(11,857.10)
Transportation	1,726,014.00	-	1,726,014.00	198,960.95	(1,527,053.05)
Special Parks and Recreation	3,000.00	-	3,000.00	-	(3,000.00)
Capital Improvement	2,121,000.00	-	2,121,000.00	192,420.54	(1,928,579.46)
Equipment Reserve	608,321.00	-	608,321.00	258,416.08	(349,904.92)
Industrial Loan and Development	20,000.00	-	20,000.00	19,992.00	(8.00)
Raymond Community Home	20,000.00	-	20,000.00	17,979.94	(2,020.06)
Bond and Interest Fund:					
Debt Service	511,883.00	-	511,883.00	504,882.52	(7,000.48)
Business Funds:					
Public Golf	311,428.00	3,044.33	314,472.33	313,656.20	(816.13)
Sewer Utility	496,385.00	-	496,385.00	484,642.08	(11,742.92)
Water Utility	1,051,399.00	-	1,051,399.00	1,036,447.63	(14,951.37)
Electric Utility	4,618,410.00	57,408.03	4,675,818.03	4,190,001.91	(485,816.12)

CITY OF GIRARD, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	$ 416,135.86	$ 411,121.64	$ 449,006.00	$ (37,884.36)
Delinquent Tax	10,409.12	10,620.87	-	10,620.87
Motor Vehicle Tax	46,340.22	55,106.38	59,729.00	(4,622.62)
Elderly Fund Distribution	5,000.00	5,000.00	5,000.00	-
16/20M Vehicle Tax	7,415.52	163.15	-	163.15
Commercial Vehicle Tax	4,242.63	5,661.22	3,529.00	2,132.22
Watercraft Tax	-	-	122.00	(122.00)
Recreation Vehicle Tax	912.72	1,076.02	1,018.00	58.02
Sales Tax	411,930.12	406,998.02	359,000.00	47,998.02
Franchise Taxes	96,679.20	70,041.84	80,000.00	(9,958.16)
Special Assessments	-	-	2,000.00	(2,000.00)
Intergovernmental				
Local Alcoholic Liquor Tax	2,589.91	958.40	1,509.00	(550.60)
Licenses and Permits	2,196.00	3,463.00	2,900.00	563.00
Charges for Services				
Swimming pool daily fees	8,404.00	8,413.00	9,600.00	(1,187.00)
Cemetery Charges	9,900.00	6,900.00	7,000.00	(100.00)
Fire Protection Fees	1,080.00	1,102.50	1,000.00	102.50
Copying Fees	150.00	108.50	100.00	8.50
Animal Control	850.00	1,500.00	1,000.00	500.00
Other Fees	25.00	50.00	-	50.00
Fines, Forfeitures and Penalties				
Fines	42,263.47	29,149.79	33,000.00	(3,850.21)
Use of Money and Property				
Interest Income	101,833.60	161,110.38	20,000.00	141,110.38
Civic Center Rent	3,235.00	3,860.00	2,000.00	1,860.00
Sale of Cemetery Lots	11,000.00	13,100.00	6,000.00	7,100.00
Farm Rent	1,819.30	1,600.00	800.00	800.00
Sale of Assets	575.00	-	-	-
Other Receipts				
Miscellaneous	4,064.40	3,922.75	-	3,922.75
Reimbursed Expense	20,688.43	6,160.94	10,000.00	(3,839.06)
Total Receipts	1,209,739.50	1,207,188.40	$ 1,054,313.00	$ 152,875.40

CITY OF GIRARD, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures				
General Administration				
Personal Services	$ 363,878.40	$ 364,886.63	$ 375,259.00	$ (10,372.37)
Contractual Services	180,812.83	204,251.76	162,282.00	41,969.76
Commodities	22,555.33	13,628.12	27,900.00	(14,271.88)
Capital Outlay	-	-	16,000.00	(16,000.00)
Parks & Cemetery				
Personal Services	88,204.93	126,467.12	85,655.00	40,812.12
Contractual Services	58,963.88	60,046.91	35,000.00	25,046.91
Commodities	30,018.25	48,000.89	28,000.00	20,000.89
Public Works				
Personal Services	206,905.79	196,348.90	219,808.00	(23,459.10)
Contractual Services	21,186.05	21,841.76	25,000.00	(3,158.24)
Commodities	60,240.47	38,376.79	60,000.00	(21,623.21)
Cash Forward	-	-	17,500.00	(17,500.00)
Operating Transfers to:				
Capital Improvement Fund	22,186.00	19,188.00	40,000.00	(20,812.00)
Equipment Reserve Fund	60,943.00	34,751.00	53,500.00	(18,749.00)
Total Certified Budget			1,145,904.00	(18,116.12)
Adjustments for Qualifying Budget Credits			6,160.94	(6,160.94)
Total Expenditures	1,115,894.93	1,127,787.88	$ 1,152,064.94	$ (24,277.06)
Receipts Over(Under) Expenditures	93,844.57	79,400.52		
Unencumbered Cash, Beginning	103,159.08	197,003.65		
Unencumbered Cash, Ending	$ 197,003.65	$ 276,404.17		

CITY OF GIRARD, KANSAS
PUBLIC SAFETY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Ad Valorem Tax	$ 211,877.52	$ 219,037.64	$ 239,224.00	$ (20,186.36)
Delinquent Tax	6,293.26	6,502.72	1,800.00	4,702.72
Motor Vehicle Tax	35,045.87	32,138.33	30,415.00	1,723.33
Recreational Vehicle Tax	730.79	626.68	519.00	107.68
16/20M Vehicle Tax	6,771.22	155.06	-	155.06
Commercial Vehicle Tax	3,569.72	3,247.39	1,797.00	1,450.39
Watercraft Tax	-	-	62.00	(62.00)
Sales Tax	-	119,770.66	325,000.00	(205,229.34)
Use of Money and Property				
Interest Income	59.50	30,001.20	-	30,001.20
Other Receipts				
Reimbursed Expense	81,239.96	57,121.16	47,000.00	10,121.16
Miscellaneous	38,162.23	2,928.32	-	2,928.32
Operating Transfers from				
Electric Utility Fund	600,000.00	552,000.00	600,000.00	(48,000.00)
Total Receipts	983,750.07	1,023,529.16	$ 1,245,817.00	$ (222,287.84)
Expenditures				
Fire Department				
Personal Services	203,362.10	200,611.68	$ 174,870.00	$ 25,741.68
Contractual Services	34,635.26	33,924.63	37,000.00	(3,075.37)
Commodities	31,831.99	21,804.91	25,000.00	(3,195.09)
Capital Outlay	24,000.00	804.03	-	804.03
Police Department				
Personal Services	592,543.97	521,894.98	586,723.00	(64,828.02)
Contractual Services	36,287.07	35,337.13	50,000.00	(14,662.87)
Commodities	37,532.34	28,529.28	40,000.00	(11,470.72)
Cash Forward	-	-	325,000.00	(325,000.00)
Debt Service				
Lease Purchase	3,651.93	12,213.05	12,212.00	1.05
Operating Transfers to:				
Capital Improvement Fund	8,667.00	10,128.00	13,500.00	(3,372.00)
Equipment Reserve Fund	24,667.00	14,628.00	19,500.00	(4,872.00)
Total Expenditures	997,178.66	879,875.69	$ 1,283,805.00	$ (403,929.31)
Receipts Over(Under) Expenditures	(13,428.59)	143,653.47		
Unencumbered Cash, Beginning	42,838.35	29,409.76		
Unencumbered Cash, Ending	$ 29,409.76	$ 173,063.23		

CITY OF GIRARD, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	$ 157,757.02	$ 157,637.50	$ 172,164.00	$ (14,526.50)
Delinquent Tax	4,046.08	4,236.68	-	4,236.68
Motor Vehicle Tax	19,455.41	21,618.83	22,645.00	(1,026.17)
Recreation Vehicle Tax	324.04	421.95	386.00	35.95
16/20M Vehicle Tax	3,338.88	74.67	-	74.67
Commercial Vehicle Tax	1,848.48	2,211.27	1,338.00	873.27
Watercraft Tax	-	-	46.00	(46.00)
Operating Transfers from Electric Utility Fund	135,000.00	25,403.00	50,800.00	(25,397.00)
Total Receipts	321,769.91	211,603.90	$ 247,379.00	$ (35,775.10)
Expenditures				
Culture and Recreation				
Contractual Services	732.00	1,098.00	$ -	$ 1,098.00
Appropriations to Library Board	239,269.91	237,044.90	250,000.00	(12,955.10)
Total Expenditures	240,001.91	238,142.90	$ 250,000.00	$ (11,857.10)
Receipts Over(Under) Expenditures	81,768.00	(26,539.00)		
Unencumbered Cash, Beginning	4,480.56	86,248.56		
Unencumbered Cash, Ending	$ 86,248.56	$ 59,709.56		

CITY OF GIRARD, KANSAS
TRANSPORTATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Sales Tax	$ 453,523.16	$ 418,368.32	$ 72,270.00	$ 346,098.32
Motor Fuel Tax	17,130.92	45,041.00	9,070.00	35,971.00
KDOT Connecting Links	95,269.54	67,288.56	81,340.00	(14,051.44)
County Fuel Tax	11,405.17	9,160.40	-	9,160.40
KDOT Engineer Fees	-	9,988.80	-	9,988.80
Total Receipts	577,328.79	549,847.08	$ 162,680.00	$ 387,167.08
Expenditures				
Highway and Streets				
Contractual Services	1,500.00	8,507.50	$ -	$ 8,507.50
Commodities	6,569.65	28,484.27	20,000.00	8,484.27
Capital Outlay	21,948.07	75,955.18	1,620,000.00	(1,544,044.82)
Operating Transfers to				
Debt Service Fund	91,000.00	86,014.00	86,014.00	-
Total Expenditures	121,017.72	198,960.95	$ 1,726,014.00	$ (1,527,053.05)
Receipts Over(Under) Expenditures	456,311.07	350,886.13		
Unencumbered Cash, Beginning	1,729,540.75	2,185,851.82		
Unencumbered Cash, Ending	$ 2,185,851.82	$ 2,536,737.95		

CITY OF GIRARD, KANSAS
SPECIAL PARKS AND RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Local Alcoholic Liquor Tax-State	$ 2,589.90	$ 958.37	$ 1,509.00	$ (550.63)
Local Alcoholic Liquor Tax-County	240.00	240.00	-	240.00
Total Receipts	2,829.90	1,198.37	$ 1,509.00	$ (310.63)
Expenditures				
Culture and Recreation				
Capital Outlay	17,000.00	-	$ 3,000.00	$ (3,000.00)
Total Expenditures	17,000.00	-	$ 3,000.00	$ (3,000.00)
Receipts Over(Under) Expenditures	(14,170.10)	1,198.37		
Unencumbered Cash, Beginning	18,568.61	4,398.51		
Unencumbered Cash, Ending	$ 4,398.51	$ 5,596.88		

CITY OF GIRARD, KANSAS
CAPITAL IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfers from:				
General Fund	$ 22,186.00	$ 19,188.00	$ 10,000.00	$ 9,188.00
Public Safety Fund	8,667.00	10,128.00	28,500.00	(18,372.00)
Water Utility Fund	65,000.00	112,500.00	80,000.00	32,500.00
Sewer Utility Fund	125,000.00	60,002.00	150,000.00	(89,998.00)
Electric Utility Fund	217,500.00	375,010.00	500,000.00	(124,990.00)
Special Parks Fund	-	-	15,000.00	(15,000.00)
Public Golf Fund	40,000.00	-	10,000.00	(10,000.00)
Total Receipts	478,353.00	576,828.00	$ 793,500.00	$ (216,672.00)
Expenditures				
Capital Improvements				
Capital Outlay				
City Hall	56,145.74	73,765.59	$ 175,000.00	$ (101,234.41)
Parks	28,528.00	7,492.95	170,000.00	(162,507.05)
Public Works	-	-	41,000.00	(41,000.00)
Fire	10,233.72	10,314.00	23,000.00	(12,686.00)
Police	3,223.50	4,043.00	-	4,043.00
Golf Course	-	40,250.00	40,000.00	250.00
Sewer Utility	6,212.47	-	86,000.00	(86,000.00)
Water Utility	-	63,995.46	386,000.00	(322,004.54)
Electric Utility	455,184.33	(7,440.46)	1,200,000.00	(1,207,440.46)
Cemetery	16,000.00	-	-	-
Total Expenditures	575,527.76	192,420.54	$ 2,121,000.00	$ (1,928,579.46)
Receipts Over(Under) Expenditures	(97,174.76)	384,407.46		
Unencumbered Cash, Beginning	1,605,951.21	1,508,776.45		
Unencumbered Cash, Ending	$ 1,508,776.45	$ 1,893,183.91		

CITY OF GIRARD, KANSAS
EQUIPMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from:				
General Fund	$ 60,943.00	$ 34,751.00	$ 13,000.00	$ 21,751.00
Public Safety Fund	24,667.00	14,628.00	44,500.00	(29,872.00)
Special Parks and Recreation Fund	-	-	15,500.00	(15,500.00)
Water Utility Fund	54,000.00	37,502.00	50,000.00	(12,498.00)
Sewer Utility Fund	130,000.00	18,751.00	25,000.00	(6,249.00)
Electric Utility Fund	35,000.00	37,502.00	50,000.00	(12,498.00)
Pubic Golf Fund	15,000.00	-	15,000.00	(15,000.00)
Total Receipts	319,610.00	143,134.00	$ 213,000.00	$ (69,866.00)
Expenditures				
General Government				
Capital Outlay				
City Hall	53,810.10	-	$ 59,267.00	$ (59,267.00)
Parks	31.52	30,169.37	32,152.00	(1,982.63)
Public Works	12,126.28	74,029.69	10,029.00	64,000.69
Fire	5,628.03	50,250.62	54,631.00	(4,380.38)
Police	867.20	-	2,000.00	(2,000.00)
Golf Course	-	1,986.16	36,400.00	(34,413.84)
Sewer Utility	8,271.65	101,980.24	110,000.00	(8,019.76)
Water Utility	-	-	173,842.00	(173,842.00)
Electric Utility	-	-	130,000.00	(130,000.00)
Total Expenditures	80,734.78	258,416.08	$ 608,321.00	$ (349,904.92)
Receipts Over(Under) Expenditures	238,875.22	(115,282.08)		
Unencumbered Cash, Beginning	355,194.38	594,069.60		
Unencumbered Cash, Ending	$ 594,069.60	$ 478,787.52		

CITY OF GIRARD, KANSAS
INDUSTRIAL LOAN AND DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfers from Electric Utility Fund	$ 3,000.00	$ 19,045.00	$ 19,000.00	$ 45.00
Total Receipts	3,000.00	19,045.00	$ 19,000.00	$ 45.00
Expenditures				
Appropriation to the Chamber of Commerce	20,000.00	19,992.00	$ 20,000.00	$ (8.00)
Total Expenditures	20,000.00	19,992.00	$ 20,000.00	$ (8.00)
Receipts Over(Under) Expenditures	(17,000.00)	(947.00)		
Unencumbered Cash, Beginning	22,488.02	5,488.02		
Unencumbered Cash, Ending	$ 5,488.02	$ 4,541.02		

CITY OF GIRARD, KANSAS
RAYMOND COMMUNITY HOME FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Other Receipts				
Reimbursed Expense	$ 192.24	$ 115.52	$ -	$ 115.52
Operating Transfers from Electric Utility Fund	1,500.00	18,002.00	20,000.00	(1,998.00)
Total Receipts	1,692.24	18,117.52	$ 20,000.00	$ (1,882.48)
Expenditures				
Culture and Recreation				
Appropriations to RCH - Maint.	1,513.73	1,768.66	$ 16,000.00	$ (14,231.34)
Appropriations to RCH - Cont.	13,632.30	16,211.28	4,000.00	12,211.28
Total Expenditures	15,146.03	17,979.94	$ 20,000.00	$ (2,020.06)
Receipts Over(Under) Expenditures	(13,453.79)	137.58		
Unencumbered Cash, Beginning	13,522.92	69.13		
Unencumbered Cash, Ending	$ 69.13	$ 206.71		

CITY OF GIRARD, KANSAS
GRANTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
ARPA Grant Proceeds	$ 111,500.00	$ 395,126.00
CDBG	96,960.00	503,040.00
Department of Energy	-	145,605.00
Kansas Wildlife & Parks	1,347.50	-
Kansas Emergency - BP Vests	1,128.00	-
Use of Money and Property		
Interest Income	-	62,251.38
Loan Proceeds	909,868.19	10,283,543.63
Other Receipts		
Community Foundation	15,211.00	4,394.00
Reimbursed Expense	5,410.00	3,106.32
Total Receipts	1,141,424.69	11,397,066.33
Expenditures		
Improvements/Capital Outlay		
Parks/ Cemetery	27,612.49	4,394.00
Public Works	-	6,500.00
Police	-	600.00
Fire	-	3,078.90
Golf	-	14,607.00
Library	-	40,435.50
Sewer Utility	145,803.71	3,123,723.92
Electric Utility	-	13,145.40
Water Utility	1,021,368.19	340,490.95
Total Expenditures	1,194,784.39	3,546,975.67
Receipts Over(Under) Expenditures	(53,359.70)	7,850,090.66
Unencumbered Cash, Beginning	403,709.95	350,350.25
Unencumbered Cash, Ending	$ 350,350.25	$ 8,200,440.91

CITY OF GIRARD, KANSAS
DEBT SERVICE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	$ 18,998.98	$ 52,017.51	$ 56,810.00	$ (4,792.49)
Delinquent Tax	828.43	806.20	-	806.20
Motor Vehicle Tax	3,378.73	2,674.24	2,727.00	(52.76)
Recreation Vehicle Tax	55.26	52.19	47.00	5.19
16/20M Vehicle Tax	479.74	10.22	-	10.22
Commercial Vehicle Tax	290.04	272.62	161.00	111.62
Watercraft Tax	-	-	6.00	(6.00)
Operating Transfers from:				
Transportation Fund	91,000.00	86,014.00	86,014.00	-
Sewer Utility Fund	188,919.00	188,819.00	188,819.00	-
Water Utility Fund	177,900.00	175,700.00	175,700.00	-
Total Receipts	481,850.18	506,365.98	$ 510,284.00	$ (3,918.02)
Expenditures				
Debt Service				
Principal	320,000.00	335,000.00	$ 335,000.00	$ -
Interest	179,132.52	169,882.52	169,883.00	(0.48)
Cash Forward	-	-	7,000.00	(7,000.00)
Total Expenditures	499,132.52	504,882.52	$ 511,883.00	$ (7,000.48)
Receipts Over(Under) Expenditures	(17,282.34)	1,483.46		
Unencumbered Cash, Beginning	22,224.00	4,941.66		
Unencumbered Cash, Ending	$ 4,941.66	$ 6,425.12		

CITY OF GIRARD, KANSAS
PUBLIC GOLF FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Receipts				
Fees	$ 95,499.40	$ 61,941.73	$ 75,413.00	$ (13,471.27)
Sales	44,122.69	71,032.17	60,654.00	10,378.17
Use of Money and Property				
Cart Rentals	50,989.50	45,986.40	44,554.00	1,432.40
Clubhouse Rental	225.00	75.00	150.00	(75.00)
Interest Income	-	615.15	-	615.15
Shed Rental	7,090.00	7,000.00	7,490.00	(490.00)
Other Receipts				
Reimbursed Expense	2,127.11	3,044.33	742.00	2,302.33
Miscellaneous	217.46	800.00	-	800.00
Operating Transfers from				
Electric Utility Fund	115,000.00	102,502.00	110,000.00	(7,498.00)
Total Receipts	315,271.16	292,996.78	$ 299,003.00	$ (6,006.22)
Expenditures				
Culture and Recreation				
Personal Services	126,336.30	126,262.71	$ 89,428.00	$ 36,834.71
Contractual Services	96,682.11	116,046.67	115,000.00	1,046.67
Commodities	88,565.72	58,043.38	80,000.00	(21,956.62)
Capital Outlay	-	13,303.44	2,000.00	11,303.44
Operating Transfers to:				
Capital Improvements Fund	40,000.00	-	10,000.00	(10,000.00)
Equipment Reserve Fund	15,000.00	-	15,000.00	(15,000.00)
Total Certified Budget			311,428.00	2,228.20
Adjustments for Qualifying Budget Credits			3,044.33	(3,044.33)
Total Expenditures	366,584.13	313,656.20	$ 314,472.33	$ (816.13)
Receipts Over(Under) Expenditures	(51,312.97)	(20,659.42)		
Unencumbered Cash, Beginning	127,883.76	76,570.79		
Unencumbered Cash, Ending	$ 76,570.79	$ 55,911.37		

CITY OF GIRARD, KANSAS
SEWER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Sewer Charges	$ 509,429.37	$ 501,674.69	$ 534,561.00	$ (32,886.31)
Other Charges	450.00	-	-	-
Use of Money and Property				
Interest Income	-	615.15	-	615.15
Other Receipts				
Reimbursed Expense	1,398.74	2,662.78	-	2,662.78
Miscellaneous	800.00	584.59	-	584.59
Total Receipts	512,078.11	505,537.21	$ 534,561.00	$ (29,023.79)
Expenditures				
Collections				
Personal Services	85,587.40	86,261.69	$ 98,566.00	$ (12,304.31)
Contractual Services	49,485.88	50,481.63	60,000.00	(9,518.37)
Commodities	48,460.37	80,326.76	42,000.00	38,326.76
Capital Outlay	-	-	2,000.00	(2,000.00)
Operating Transfers to:				
Debt Service Fund	188,919.00	188,819.00	188,819.00	-
Capital Improvement Fund	125,000.00	60,002.00	80,000.00	(19,998.00)
Equipment Reserve Fund	130,000.00	18,751.00	25,000.00	(6,249.00)
Total Expenditures	627,452.65	484,642.08	$ 496,385.00	$ (11,742.92)
Receipts Over(Under) Expenditures	(115,374.54)	20,895.13		
Unencumbered Cash, Beginning	228,808.67	113,434.13		
Unencumbered Cash, Ending	$ 113,434.13	$ 134,329.26		

CITY OF GIRARD, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Water Sales	$ 1,026,007.80	$ 1,127,016.38	$ 1,042,120.00	$ 84,896.38
Use of Money and Property				
Interest Income	-	2,255.55	-	2,255.55
Other Receipts				
Reimbursed Expense	4,218.96	31,864.76	-	31,864.76
Miscellaneous	4,792.11	4,713.03	3,800.00	913.03
Total Receipts	1,035,018.87	1,165,849.72	$ 1,045,920.00	$ 119,929.72
Expenditures				
Administration				
Personal Services	157,126.90	152,330.56	$ 170,699.00	$ (18,368.44)
Contractual Services	123,234.38	131,293.57	360,000.00	(228,706.43)
Commodities	334,484.40	412,858.49	100,000.00	312,858.49
Capital Outlay	-	14,263.01	45,000.00	(30,736.99)
Operating Transfers to:				
Debt Service Fund	177,900.00	175,700.00	175,700.00	-
Capital Improvement Fund	65,000.00	112,500.00	150,000.00	(37,500.00)
Equipment Reserve Fund	54,000.00	37,502.00	50,000.00	(12,498.00)
Total Expenditures	911,745.68	1,036,447.63	$ 1,051,399.00	$ (14,951.37)
Receipts Over(Under) Expenditures	123,273.19	129,402.09		
Unencumbered Cash, Beginning	592,762.78	716,035.97		
Unencumbered Cash, Ending	$ 716,035.97	$ 845,438.06		

CITY OF GIRARD, KANSAS
ELECTRIC UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Electric Charges	$ 4,309,924.87	$ 4,181,716.90	$ 4,626,500.00	$ (444,783.10)
Use of Money and Property				
Interest Income	5,411.79	10,891.56	-	10,891.56
Other Receipts				
Miscellaneous	8,490.65	3,401.32	-	3,401.32
Reimbursed Expense	97,104.09	57,408.03	100,000.00	(42,591.97)
Total Receipts	4,420,931.40	4,253,417.81	$ 4,726,500.00	$ (473,082.19)
Expenditures				
Electric Production				
Personal Services	521,325.18	553,216.42	$ 505,989.00	$ 47,227.42
Contractual Services	272,873.83	342,833.18	2,389,371.00	(2,046,537.82)
Commodities	2,285,685.25	2,136,765.64	115,850.00	2,020,915.64
Capital Outlay	95,263.00	27,722.67	257,400.00	(229,677.33)
Appropriations to Land Bank	10,000.00	-	-	-
Operating Transfers to:				
Capital Improvement Fund	217,500.00	375,010.00	500,000.00	(124,990.00)
Equipment Reserve Fund	35,000.00	37,502.00	50,000.00	(12,498.00)
Public Safety Fund	600,000.00	552,000.00	600,000.00	(48,000.00)
Public Golf Fund	115,000.00	102,502.00	110,000.00	(7,498.00)
Industrial Loan and Development Fund	3,000.00	19,045.00	19,000.00	45.00
Library Fund	135,000.00	25,403.00	50,800.00	(25,397.00)
Raymond Community Home Fund	1,500.00	18,002.00	20,000.00	(1,998.00)
Total Certified Budget			4,618,410.00	(428,408.00)
Adjustments for Qualifying Budget Credits			57,408.03	(57,408.03)
Total Expenditures	4,292,147.26	4,190,001.91	$ 4,675,818.03	$ (485,816.03)
Receipts Over(Under) Expenditures	128,784.14	63,415.90		
Unencumbered Cash, Beginning	1,518,657.66	1,647,441.80		
Unencumbered Cash, Ending	$ 1,647,441.80	$ 1,710,857.70		

CITY OF GIRARD, KANSAS
RAYMOND MEMORIAL PARK FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 8.00	$ 16.47
Total Receipts	8.00	16.47
Expenditures		
Capital Projects		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	8.00	16.47
Unencumbered Cash, Beginning	6,327.50	6,335.50
Unencumbered Cash, Ending	$ 6,335.50	$ 6,351.97

Schedule 3

CITY OF GIRARD, KANSAS
AGENCY FUNDS
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2024

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Fire Insurance Proceeds	$ -	$ 200.00	$ -	$ 200.00
Land Bank	42,838.38	1,250.00	2,184.53	41,903.85
	$ 42,838.38	$ 1,450.00	$ 2,184.53	$ 42,103.85

CITY OF GIRARD, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL ASSISTANCE NUMBER	PROVIDED TO SUBRECIPIENTS	CASH RECEIPTS	DISBURSE-MENTS/ EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Passed through the State of Kansas Department of Commerce					
Community Development Block Grant	22-PF-018	14.228	$ -	$ 503,040.00	$ 600,000.00
Total U.S. Department of Housing and Urban Development			-	503,040.00	600,000.00
U.S. DEPARTMENT OF ENERGY					
Passed through the Kansas Corporation Commission					
Energy Efficiency and Conservation Block Grant	KCC-EE45968246	81.128	-	10,890.00	10,890.00
Energy Efficiency and Conservation Block Grant	KCC-EE46405020	81.128	-	134,715.00	-
		Total 81.128	-	145,605.00	10,890.00
Total U.S. Department of Energy			-	145,605.00	10,890.00
U.S. DEPARTMENT OF THE TREASURY					
Passed through Crawford County, Kansas					
Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) - COVID-19	Not Assigned	21.027	-	395,126.00	395,126.00
Total U.S. Department of the Treasury			-	395,126.00	395,126.00
U.S. DEPARTMENT OF AGRICULTURE					
Direct Grant					
Water and Waste Disposal Systems for Rural Communities	N/A	10.760	-	365,516.53	365,516.53
Total U.S. Department of Agriculture			-	365,516.53	365,516.53
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ -	$ 1,263,682.53	$ 1,360,642.53

NOTE A -- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Girard, Kansas and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statement.

NOTE B -- INDIRECT COSTS

The City of Girard, Kansas did not elect to use the de minimis cost rate.

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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Girard, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statement of City of Girard, Kansas, as of and for the year ended December 31, 2024 and the related notes to the financial statement, which collectively comprise the City's basic financial statement, and have issued our report thereon dated July 11, 2025.

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weaknesses.

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

City of Girard, Kansas' Response to Findings
Government Auditing Standards requires the auditor to perform limited procedures on the City of Girard, Kansas' response to the findings identified in our audit and described in the accompanying corrective action plan. City of Girard, Kansas' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
July 11, 2025

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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Girard, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Girard, Kansas' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Girard, Kansas' major federal programs for the year ended December 31, 2024. City of Girard, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Girard, Kansas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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

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

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Purpose of This Report

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
July 11, 2025

CITY OF GIRARD, KANSAS

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statement:

The auditor's report expresses an adverse opinion on the basic financial statement of the City of Girard, Kansas on the Generally Accepted Accounting Principles (GAAP) basis of accounting and an unmodified opinion on the regulatory basis of accounting.

Internal Control over Financial Reporting:

Material weakness(es) identified?	X	Yes		No
Significant deficiencies identified?		Yes	X	None Reported
Noncompliance or other matters required to be reported under *Government Auditing Standards*		Yes	X	No

Federal Awards:

Internal control over major programs:

Material weakness(es) identified?		Yes	X	No
Significant deficiencies identified?		Yes	X	None Reported

The auditor's report on compliance for the major federal award programs for the City of Girard, Kansas expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		Yes	X	No

Identification of major programs:

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Development Block Grant — CFDA No. 14.228

The threshold for distinguishing Types A and B programs was $750,000.00.

Auditee qualified as a low risk auditee?		Yes	X	No

CITY OF GIRARD, KANSAS

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

II. FINANCIAL STATEMENT FINDINGS

Finding: 2024-001 – General Ledger Reconciliations

Criteria: Internal controls should be in place that provide reasonable assurance that the financial system generates records for proper accountability for all funds and assets of the City.

Condition: Reconciliations of asset and liability accounts found transactions that were improperly classified and/or not recorded at all. These general ledger account reconciliations resulted in material amounts of general ledger adjustments posted after year end and through the date of the audit report.

Cause: The City did not have adequate staff properly trained in the area of general ledger preparation, reconciliation, and review.

Effect or Potential Effect: The deficiencies in the design and operation of the internal controls in this area could adversely affect the recording, processing, summarization, and reporting of financial data if activity is not properly recorded in the general ledger when the activity is incurred. The City is making financial decisions based on materially inaccurate information.

Recommendation: Additional training for staff is needed in the area of general ledger preparation, reconciliations, and overall use of the general ledger software.

Views of responsible officials and planned corrective action: Management is in agreement and will implement a Corrective Action Plan, see pages 46 of the current year audit.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

CITY OF GIRARD, KANSAS

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2024

Finding: 2023-001 – General Ledger Reconciliations

Condition: Reconciliations of asset and liability accounts found transactions that were improperly classified and/or not recorded at all. These general ledger account reconciliations resulted in material amounts of general ledger adjustments posted after year end and through the date of the audit report.

Recommendation: Additional training for staff is needed in the area of general ledger preparation, reconciliations, and overall use of the general ledger software.

Current Status: This is a repeat finding, see 2024-001.

Corrective Action Plan

July 11, 2025

Cognizant or Oversight Agency for Audit

City of Girard, Kansas respectfully submits the following corrective action plan for the year ended December 31, 2024.

Name and address of independent public accounting firm: Jarred, Gilmore & Phillips, PA, P.O. Box 779, 1815 S Santa Fe, Chanute, Kansas 66720.

Audit period: Year ended December 31, 2024.

The findings from the July 11, 2025 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

Finding: 2024-001 – General Ledger Reconciliations

Condition: Reconciliations of asset and liability accounts found transactions that were improperly classified and/or not recorded at all. These general ledger account reconciliations resulted in material amounts of general ledger adjustments posted after year end and through the date of the audit report.

Recommendation: Additional training for staff is needed in the area of general ledger preparation, reconciliations, and overall use of the general ledger software.

Views of responsible officials and planned corrective action: We are in agreement with the finding and since year end have obtained additional training from a City nearby with the same accounting software and feel strongly that all financial statement reconciliations will be completed by December 31, 2025.

If the Oversight Agency for Audit has questions regarding this plan, please call Johanna O'Brien, City Administrator. (620) 724-8918.

Sincerely,

City of Girard, Kansas

City of Girard, Kansas