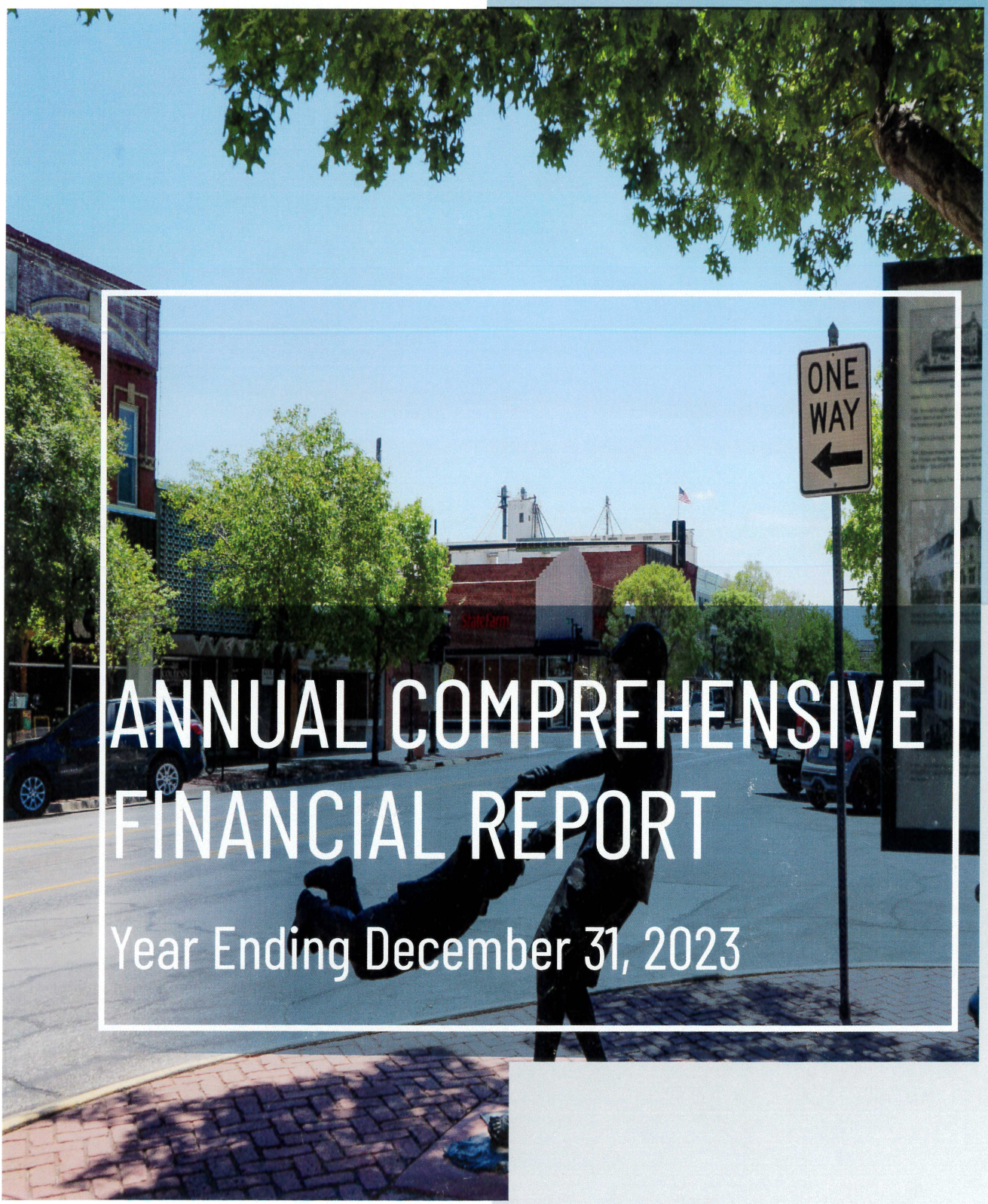
GARDEN CITY
KANSAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ending December 31, 2023

CITY OF GARDEN CITY, KANSAS

Annual Comprehensive Financial Report

For the Year Ended
December 31, 2023

Prepared by:

Jared Kuhlmann
Finance Director

CITY OF GARDEN CITY, KANSAS

Annual Comprehensive Financial Report

For the year ended December 31, 2023

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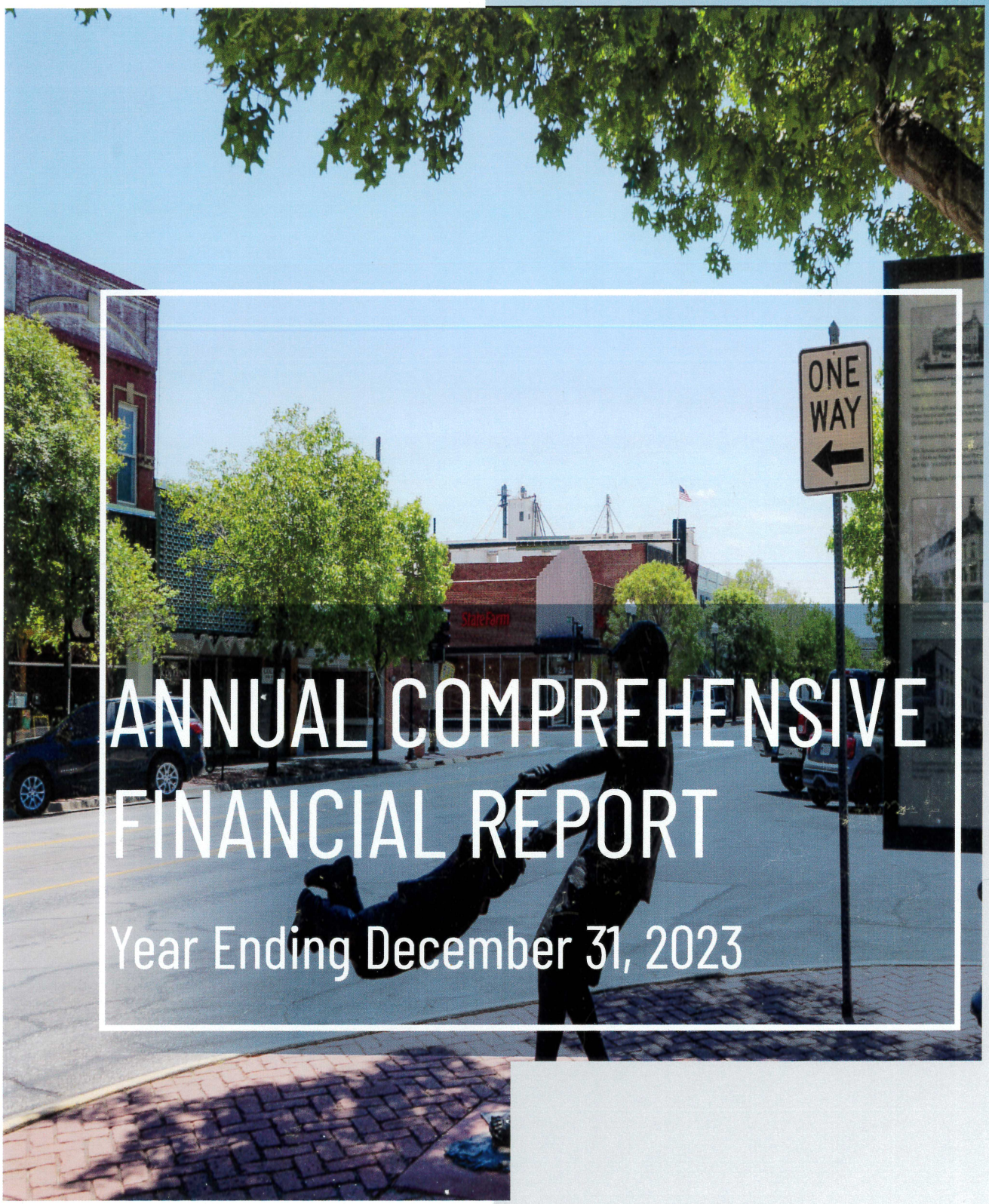
GARDEN CITY
KANSAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ending December 31, 2023

GARDEN CITY
— KANSAS —

CITY COMMISSION
MANNY ORTIZ
Mayor

BRYCE LANDGRAF
ROY CESSNA
TOM NGUYEN
TROY R. UNRUH

MATTHEW C. ALLEN
City Manager

CITY ADMINISTRATIVE CENTER
301 N. 8TH
P.O. BOX 998
GARDEN CITY, KS
67846-0998
620.276.1160
FAX 620.276.1169
www.garden-city.org

June 5, 2024

The Honorable Mayor,
City Commissioners and
Citizens of the City of Garden City
Garden City, Kansas 67846

This is the Annual Comprehensive Financial Report of the City of Garden City, Kansas, (the City) for the calendar year ended December 31, 2023. This report was prepared by the City's Service and Finance Department.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Within that framework and because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Independent Audit

Kansas Statutes Annotated 75-1122 requires an annual audit of the books of account, financial records, and transactions of all administration departments of the City by independent certified public accountants selected by the City Commission. This report is published to fulfill that requirement for the fiscal year ended December 31, 2023.

Lewis, Hooper & Dick, LLC, Certified Public Accountants, has issued an unmodified opinion on the City of Garden City's financial statements for the year ended December 31, 2023. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City, incorporated in 1883, is located in the southwest part of the state. It currently occupies 11.2 square miles and serves a population of 30,049. The City is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City operates under the commission-manager form of government. Policy-making and legislative authority are vested in a governing body (City Commission) consisting of five members, all elected on a non-partisan basis. The City Commission appoints a City Manager, who in turn appoints the heads of the various departments. Members of the City Commission serve four-year or two-year terms, with three members elected every two years. The City Commission appoints the mayor annually from its members for the purposes of chairing the meetings and informally serving as the spokesperson for the City Commission.

Governmental Services

The City provides its citizens with various municipal services commonly associated with municipalities. The public safety area provides police, fire and emergency dispatch services. Construction and maintenance of the City's street and highway network is the responsibility of the public works department. The neighborhood and development services department has the responsibility of maintaining the structural standards of the community through the planning and enforcement of the City's building codes and comprehensive land use plan. The development and maintenance of the City's parks, zoo, and recreation programs and facilities is the responsibility of the parks, zoo and recreation departments. The administration and finance departments are responsible for the general and financial administration of the City, and include the courts, the prosecution of violations of City codes and ordinances, general counsel, human resource administration and information technology. Additionally, the City provides utility functions for water, wastewater, solid waste, drainage and electric utilities. More specialized areas include cemetery, airport, golf course and GIS.

The City is also accountable for one legally separate entity, which is reported separately within the City's financial statements. This component unit is the Garden City Housing Authority. Additional information on this entity can be found in the notes to the financial statements (see Note 1, item B and Note 4, item Q).

Budgetary Controls

The City's budget is prepared on the modified accrual basis which is modified further by an encumbrance system of accounting as required by applicable state statutes. The City Manager annually presents a budget proposal to the City Commission for their review and consideration. The City Manager's proposed budget sets forth the funding level of the City's various operating and public service programs. A series of public meetings are held by the City Commission to review the proposed budget, as well as alternative spending proposals for consideration. After a public hearing to solicit citizens' comments on the proposed budget and amendments made by the City Commission, the City Commission adopts the final budget. The final budget is controlled through an accounting system to ensure effective fiscal management and accountability.

Local Economy

Major industries located within, or in close proximity to, the City's boundaries are predominantly agricultural and ag-industrial based. Over the last decade, transportation logistics has emerged as a strong local industry sector, taking advantage of the presence of two U.S. highways and a BNSF rail line with a transload facility that is part of the BNSF Premier Transload Network. In addition, the City is a regional center for southwest Kansas and neighboring states, resulting in several financial institutions, medical facilities and retail centers. In late 2019 South Dakota-based Empirical Foods announced an expansion of its Finney County operations to include construction of a new ground beef processing facility in southeast Garden City. The construction of this facility is nearly complete and is expected to employ 300 workers once open and fully operational.

Unemployment is relatively stable. During the past ten years, the unemployment rate varied from an initial rate of 3.5% in 2014, to the current rate of 1.5% (January 2024 Federal Reserve Economic Data). The 2020 mark represents the highest unemployment rate over that ten-year period. The unemployment rate during the COVID-19 pandemic in 2020 was 4.0%. The unemployment rate is expected to either remain stable or decrease in the near term as new economic development and job opportunity occur.

The City has worked in partnership with various developers to use available financing methods to encourage growth and development. These various financing methods include property tax abatement programs such as Rural Housing Incentive Districts and commercial Tax Increment Financing districts. These agreements authorize developers to be reimbursed for specific infrastructure costs related to their projects through tax increment revenues. Upon full payment of the reimbursable costs or the expiration of the term of the agreement, the tax increment expires and the City will begin to collect and retain the

applicable property taxes. The use of these financial incentives encourages additional growth and development, particularly of housing, which is a significant need in Garden City.

The City has also utilized and issued Industrial Revenue Bonds (IRBs) to provide financial assistance to private-sector entities to aid in the development of industrial or commercial facilities which are determined to be in the public interest. The issuance of IRBs allows entities to obtain lower interest rate financing and tax abatements. The City has no financial burden towards the issuance of IRBs but this tool has been used to encourage additional development and improvement of industrial and commercial facilities.

Long-term Financial Planning

The City of Garden City has steadily grown over the last two decades. As a result, the need to provide for sound and appropriate growth has not overshadowed the discipline to maintain the existing infrastructure – the backbone of our future. Since 1989 the City has had a long-term capital improvement program, looking at not just the immediate needs, but also at the ensuing five-year period. The Capital Improvement Plan (CIP) is one of the more critical policy statements adopted by the Governing Body. The primary funding sources for capital projects include regular departmental operating budgets, bonding and partnering with the Community College, School District, County, State and Federal agencies.

The City Commission has historically sought ways to increase citizen involvement in local government decision-making. One of the more popular methods is the Citizen-Based CIP Process. Since 2006 the CIP process has helped the City Commission plan and budget for major infrastructure projects in the context of available resources. The CIP Committee is the City Commission's largest advisory group. There is no limit to the number who are allowed to participate and annually the group has around 40 participants. The input of this group was a trusted source of information and public opinion when the City Commission chose the capital projects to place before voters in a successful November 2017 sales tax ballot issue.

Citizen input was taken to a new level at the end of 2018, and all of 2019, as the City began considering the future of publicly funded aquatics facilities. The physical condition of the historic Big Pool suggested it was near the end of its near-100 year run as the community's iconic piece of public infrastructure and a celebrated piece of Kansas tourism history. Nonetheless, the water loss through systems, settling of the pool deck over time, and daily evaporation was beyond what was financially and environmentally acceptable. The City solicited the opinion of over 5,000 Garden City area residents (many of them students) regarding what they would like to see in the way of future aquatics infrastructure. A third-party aquatics design consultant was engaged and solicited further community input until the City Commission approved a new $14 million aquatics facility design which opened in the summer of 2021.

Citizen engagement continued through 2021 and into 2022 with the creation of a new Long-Range Comprehensive Plan and a Parks and Recreation Master Plan. In 2023 the City experimented with the citizen engagement component of the CIP on digital and social media platforms to increase and diversify input and enhance the participation experience.

Relevant Financial Policies

In 2023 City management and staff continued to review current budgeting policies, purchasing practices, debt policies, cost savings, efficiency alternatives, options for privatizing and consolidation of services, revenue enhancement, improved inventory management systems, and cash management practices with the thought in mind of providing a proper use of assets based on need. As the State continues to see State revenues decline, the City is required to manage the combined burden of lost statutory revenues from the State and the assumption of mandated responsibilities from State and Federal agencies. With guidance from the elected City Commission, the City is committed to continuously providing a high level and quality of service while simultaneously taking a conservative approach to the capital planning necessary to meet the City's projected growth.

Major Initiatives for the Year

In November 2017 Finney County levied a retailer's sales tax in the amount of 0.30% which took effect on April 1, 2018, for a period of 15 years. These revenues, as agreed to in an interlocal cooperation agreement between the City and County, were allocated for the following projects: 1) improvements on Jennie Barker Road between Schulman Avenue and Hwy 156, 2) construction, operation maintenance and equipping of a third fire station to be located on Schulman Avenue and Jennie Barker Road, serving the east side of the City and the neighboring areas of the County, 3) construction and operation of an indoor shooting range, and 4) ongoing improvements at the Lee Richardson Zoo, which includes improvements to the primate and flamingo exhibits and the animal health center facilities. This levy is estimated to generate $2.15 million annually. By the end of 2023 the three projects at Lee Richardson Zoo were completed, Jennie Barker Road was completed, construction of the indoor gun range was completed, and design of the third fire station was completed with construction underway.

In 2021 Garden Rapids at the Big Pool was completed; a $14 million aquatic park that replaced Garden City's iconic, but aged, swimming pool first constructed in 1922. Garden Rapids at the Big Pool was the product of a multi-year community engagement design process. Demolition of the old facility began in August of 2020, and the new facility opened on Memorial Day weekend of 2021. During the first two seasons, attendance has far exceeded the numbers present at the old facility despite record low temperatures in 2021 and several days of operation lost due to staffing issues related to COVID-19 and extremely low unemployment.

Buffalo Dunes Golf Course completed additional improvements to its multi-year course renovation project. The project primarily involved in-house labor supporting a contracted golf course architect. The project is already receiving nationwide industry attention as Buffalo Dunes debuted at #8 on *Golf.com's* "2021 Top 30 Municipal Courses" ranking and #20 on their "Top 100 Value Courses in the U.S.: The Best Courses You Can Play for $150 or Less".

2023 saw the completion and opening of a $1+ million stake park in the expanded footprint of Finnup Scout Park, and further improvements to a new community park in the southeast quadrant of Garden City that is poised to be open to the public in 2024.

In November 2021 Garden City voters approved a 0.15% sales tax to support the local obligation toward the new $30+ million Garden City Regional Airport Terminal, parks and recreation improvements, and property tax stabilization. The terminal project design was completed in 2021 and construction began in 2022. The first of two phases was completed and opened in 2023. The second and final phase is nearly complete and will be officially open in the summer of 2024.

The City of Garden City continued investing in road infrastructure in 2023 through the completion of a road reconstruction and storm sewer improvement project along Fulton Avenue. This project was funded in part by a grant award from the State of Kansas Department of Transportation.

The City of Garden City advanced its partnership with the United States Bureau of Water Reclamation in investigating opportunities to reuse the Community's water resources and encourage prolonging the life of the Ogallala Aquifer. In late 2022 the City was awarded over $19 million in Congressionally directed funds following the adoption of the Federal Omnibus Bill. Work in 2023 on this project consisted primarily of identifying project partners and negotiating terms and conditions of infrastructure acquisition and the terms of agreements to replace pumped groundwater with treated effluent water.

The City of Garden City made significant investment in its integrated management systems in 2023. Financial Management, Budget Management, Utility Billing, Payroll, Human Resources, Computer Automated Dispatch, and Court Records Management Systems were all in some stage of either bidding new software and/or training and implementation. Many of these new systems replace decades-old systems that were inefficient and were no longer supported by vendors. The full transition is slated to be complete by the end of 2024.

Economic growth continued in 2023 as retail traffic and sales achieved new record highs. A redevelopment of Garden City Plaza approved in 2022 saw the opening of Kohl's department store in 2023 as well as the announcement of a Burlington Coat Factory department store slated to open in 2024. A new development on the northeast corner of Campus Drive and Kansas Avenue saw the construction and opening of a free-standing national chain restaurant (Walk-Ons) and a free-standing Starbucks. Construction of a new bank on the same site is underway with the potential of additional outlot development. The construction of the Empirical Foods, Inc. advanced beef processing facility continued during 2023 and is the most highly recognizable industrial project. Multiple housing developments are underway, including single-family units as well as multi-story, multi-family apartments and multi-story mixed-use projects (first-floor retail and office with upper-story housing). Such residential design will likely grow in popularity as the City works to achieve the City Commission's goal of building 4,000 housing units between 2022 and 2030.

Awards

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the twenty-seventh year that the City has achieved this prestigious award since the first award was granted for the Annual Comprehensive Financial Report for the year ended December 31, 1994. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Service and Finance Department. In addition, several members of the management team contributed to the preparation of this transmittal letter. We truly appreciate all contributions to the preparation of this report. Credit also must be given to the Mayor and City Commission for their unfailing support of City staff as we take necessary steps to ensure the highest standards of professionalism in the management of the City of Garden City.

Respectfully submitted,

Matthew C. Allen
City Manager

Jared Kuhlmann
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Garden City
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

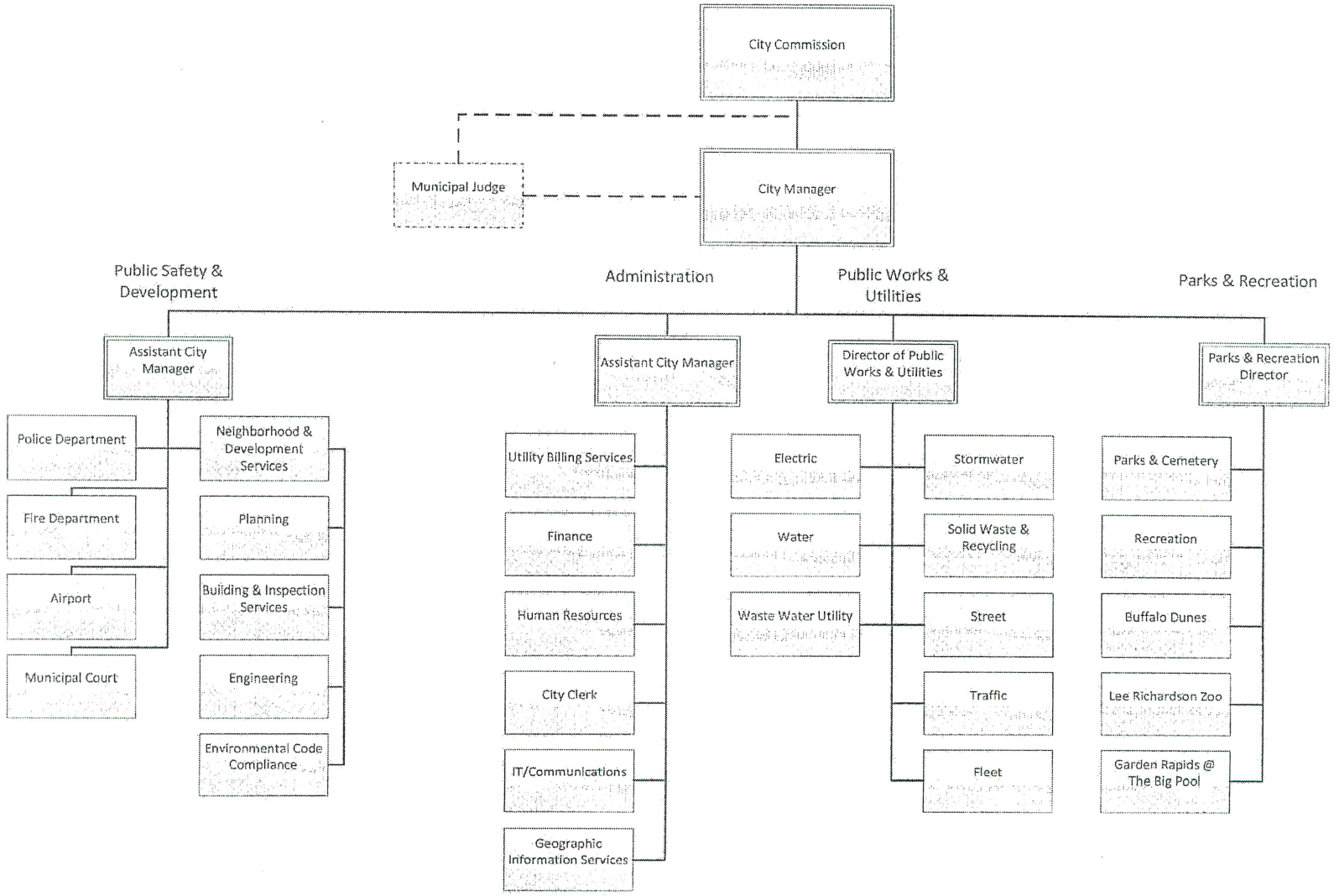
December 31, 2022

Christopher P. Morrill

Executive Director/CEO

IX.

City of Garden City, Kansas Organizational Chart



CITY OF GARDEN CITY, KANSAS

List of Elected and Principal Officials
December 31, 2023

Mayor

Deborah Oyler

City Commissioners

Roy Cessna
Shannon L. Dick
Manny Ortiz
Troy R. Unruh

City Administration

Matthew C. Allen, City Manager
Jared Kuhlmann, Finance Director
Jennifer Cunningham, City Counselor

GARDEN CITY
KANSAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ending December 31, 2023

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor,
City Commissioners and City Manager
Garden City, Kansas 67846

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Garden City, Kansas, (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Garden City Housing Authority, which represents 100%, of the assets, net position and revenues of the component unit of the City of Garden City, Kansas. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Garden City Housing Authority, is based solely on the report of the other auditor.

Basis for 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; and the *Kansas Municipal Audit and Accounting Guide* (*KMAAG*), issued by the State of Kansas. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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, *Government Auditing Standards,* and the *KMAAG* 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 statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 statements.
- 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 statements.
- 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of net pension liability and contributions attributable to the City, and the schedule of changes in the City's total OPEB liabilities and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for

consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the supplementary information as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the supplementary information as listed in the table of contents, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the supplementary information as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our report dated June 5, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lewis, Hooper & Dick, LLC

LEWIS, HOOPER & DICK, LLC

June 5, 2024

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Management's Discussion and Analysis

As management of the City of Garden City, Kansas, (the City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activity of the City for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v through ix of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $184,925,697 (net position). Of this amount, $48,681,866 (unrestricted net position) represents the amount available to meet the City's ongoing obligations to citizens and creditors. The City is committed to providing postemployment benefits to its employees. As a result, the City has recognized substantial liabilities in the financial statements for these benefits. As of December 31, 2023, the City had liabilities of $34,686,715 for postemployment benefits.
- The City's total net position increased by $28,309,749. This increase was attributable to intergovernmental revenues received for the airport terminal project as well as bond proceeds received for the cemetery expansion, southeast pedestrian pathway, and Kansas Avenue projects.
- As of the close of the current fiscal year, the City's governmental activities reported combined ending fund balances of $46,363,612, an increase of $2,074,989 in comparison with the prior year. This increase was attributable to bond proceeds held at year end for projects to be completed in the future.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $13,209,578, or 39.16% of total general fund expenditures.
- The City's total long-term liabilities decreased by $2,608,754, or 1.29% during the current fiscal year. The key factors in this change were the issuance of $4,945,000 of general obligation bonds for internal improvements in the governmental funds offset by payments of $7,690,000 of general obligation bonds; the issuance of $2,715,371 of finance leases offset by total finance lease payments of $4,301,585; the issuance of $784,746 of right-to-use leases offset by total right-to-use lease payments of $786,374; the issuance of $2,010,779 of right-to-use subscriptions offset by total right-to-use subscription payments of $1,100,765; and a net increase of $3,254,634 in the net pension liability and net OPEB obligations.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also contains supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and parks and recreation. The business-type activities of the City include the electric utility, water and sewer utility, airport, recreation area operations, solid waste utility and drainage utility.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate housing authority for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. See Note 1, item B, in the notes to the financial statements for more details regarding the relationship between this entity and the City.

The government-wide financial statements can be found on pages 19 through 21 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund, and sales tax projects fund, which are considered to be major funds. Data from the other twenty-five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 22 through 27 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric utility fund, water and sewer utility fund, airport fund, recreation area fund, solid waste utility fund, and drainage utility fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities: the health insurance fund and the workers compensation fund. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information at the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric utility fund, water and sewer utility fund, airport fund and recreation area fund, all of which are considered to be major funds of the City. Conversely, the other two enterprise funds are combined into a single, aggregated presentation, as are the two internal service funds. Individual fund data for each of these nonmajor enterprise funds and internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary funds financial statements can be found on pages 28 through 33 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains one type of fiduciary funds. The custodial fund reports resources held by the City in a custodial capacity for individuals, private organizations and other governments.

The basic fiduciary funds financial statements can be found on page 34 of this report.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 through 90 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's proportionate share of the net pension liability and contributions for the Kansas Public Employees Retirement System (KPERS), and its progress in funding its obligation to provide other postemployment benefits (OPEB) to its employees. Required supplementary information can be found on pages 91 through 99 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the required supplementary information on KPERS and OPEB. Combining and individual fund statements and schedules can be found on pages 101 through 153 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $184,925,697 at the close of the most recent fiscal year.

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City of Garden City's Net Position
December 31, 2023 and 2022

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 60,961,147	$ 41,169,635	$ 102,130,782	$ 57,620,378	$ 49,023,960	$ 106,644,338
Capital assets	96,801,021	194,106,239	290,907,260	68,102,734	198,045,140	266,147,874
Total assets	$ 157,762,168	$ 235,275,874	$ 393,038,042	$ 125,723,112	$ 247,069,100	$ 372,792,212
Total deferred outflows of resources	$ 11,821,371	$ -	$ 11,821,371	$ 11,964,623	$ 23,935	$ 11,988,558
Long-term liabilities	$ 106,814,017	$ 92,953,410	$ 199,767,427	$ 101,585,852	$ 100,790,329	$ 202,376,181
Other liabilities	1,665,598	2,141,736	3,807,334	1,817,859	8,283,895	10,101,754
Total liabilities	$ 108,479,615	$ 95,095,146	$ 203,574,761	$ 103,403,711	$ 109,074,224	$ 212,477,935
Total deferred inflows of resources	$ 12,857,472	$ 3,501,483	$ 16,358,955	$ 11,227,448	$ 4,459,438	$ 15,686,886
Net position:						
Net investment in capital assets	$ 32,735,300	$ 101,152,829	$ 133,888,129	$ 18,639,269	$ 97,254,811	$ 115,894,080
Restricted for:						
Debt service	2,355,702	-	2,355,702	1,943,196	-	1,943,196
Unrestricted	13,155,450	35,526,416	48,681,866	2,474,110	36,304,562	38,778,672
Total net position	$ 48,246,452	$ 136,679,245	$ 184,925,697	$ 23,056,575	$ 133,559,373	$ 156,615,948

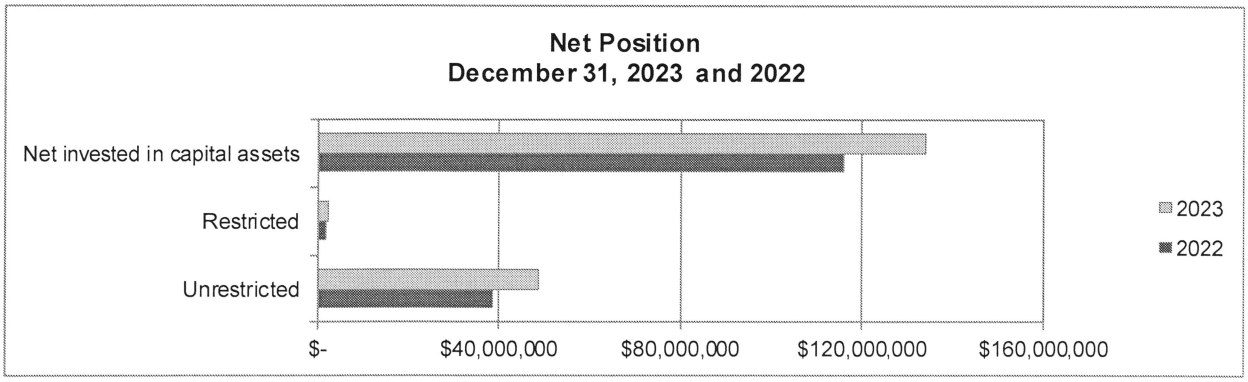
Current and other assets increased in governmental activities by $3,340,769 from the prior year primarily due to cash received from the issuance of GO Bonds totaling $4,945,000 during the year.

Long-term liabilities, which consist of bonds, bond premiums, leases, compensated absences, pension and postemployement benefit obligations, increased by $5,228,165 in governmental activities and decreased $7,836,919 in business-type activities from the previous year. Further explanation of these changes can be found on page 16.

Other liabilities decreased by $6,142,159 in the business-type activities from the previous year due to an additional payable recorded in the electric utility fund in the prior year for the Wheatland Electric Cooperative, Inc., lawsuit settlement totaling $4,736,396 and due to additional payables recorded in the water and sewer utility fund in the prior year for construction in progress projects totaling $1,198,897.

By far the largest portion of the City's net position (72.4%) reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (1.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $48,681,866 may be used to meet the City's ongoing obligations to citizens and creditors.



The City's overall net position increased by $28,309,749 during the current fiscal year. The reasons for this overall increase are discussed in the following section for governmental activities and business-type activities.

City of Garden City's Changes in Net Position

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:						
Program revenues:						
Charges for services	$ 3,725,319	$ 55,697,861	$ 59,423,180	$ 2,295,147	$ 54,868,264	$ 57,163,411
Operating grants and contributions	1,937,568	10,468,625	12,406,193	5,798,677	6,602,775	12,401,452
Capital grants and contributions	4,927,459	-	4,927,459	2,759,345	-	2,759,345
General revenues:						
Property taxes	16,442,381	1,900,184	18,342,565	14,896,637	1,876,422	16,773,059
Sales taxes	16,110,083	-	16,110,083	15,671,948	-	15,671,948
Other taxes	2,245,667	132,245	2,377,912	2,016,029	298,074	2,314,103
Other	2,985,307	5,936,574	8,921,881	1,154,289	3,435,708	4,589,997
Total revenues	48,373,784	74,135,489	122,509,273	44,592,072	67,081,243	111,673,315
Expenses:						
General government	16,961,658	-	16,961,658	15,044,282	-	15,044,282
Public safety	14,885,128	-	14,885,128	14,792,692	-	14,792,692
Public works	2,760,044	45,219,713	47,979,757	2,893,755	59,012,643	61,906,398
Parks and recreation	7,631,731	4,726,067	12,357,798	2,928,919	4,051,040	6,979,959
Interest on long-term debt	2,015,183	-	2,015,183	1,722,883	-	1,722,883
Total expenses	44,253,744	49,945,780	94,199,524	37,382,531	63,063,683	100,446,214
Increase in net position before transfers	4,120,040	24,189,709	28,309,749	7,209,541	4,017,560	11,227,101
Transfers	21,069,837	(21,069,837)	-	1,986,910	(1,986,910)	-
Change in net position	25,189,877	3,119,872	28,309,749	9,196,451	2,030,650	11,227,101
Net position, beginning of year, restated	23,056,575	133,559,373	156,615,948	13,860,124	131,528,723	145,388,847
Net position, end of year	$ 48,246,452	$ 136,679,245	$ 184,925,697	$ 23,056,575	$ 133,559,373	$ 156,615,948

Note: The 2022 amounts for the government-wide governmental-type activities have been restated for prior period adjustments to reflect $2,175,910 as additional capital assets for right-to-use lease assets and infrastructure and an increase of $222,984 for right-to-use lease liabilities, resulting in a decrease in public safety expenses, an increase in public works expenses, and an increase in capital grants and contributions in 2022.

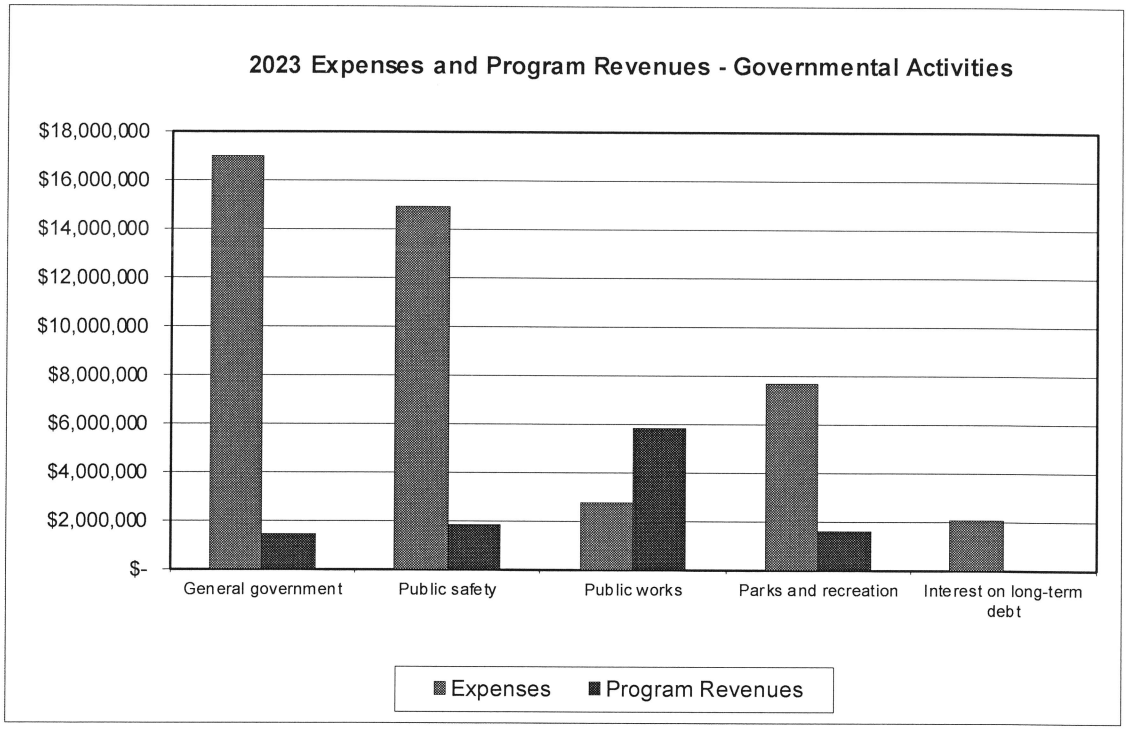
Governmental Activities

During the current fiscal year, net position for governmental activities increased $25,189,877 from the prior fiscal year for an ending balance of $48,246,452. Key elements of this increase are as follows:

- Property taxes of the governmental activities increased $1,545,744, or 10.38% during the year. This increase is primarily due to the increase in assessed valuation compared to 2022.
- Sales tax collections increased $438,135 during the year, a 2.80% increase from 2022 sales tax collections due largely to increased retail activity in the City. The City's total sales tax collections were $16,110,083.
- Other revenues of the governmental activities increased $1,831,018, or 158.63% during the year. This increase is primarily due to increased interest income resulting from higher interest rates and bond premiums recognized on the GO bond issued in the current year.
- Operating grants and contributions of the governmental activities decreased $3,861,109, or 66.59% during the year. This decrease is primarily due to reimbursements received in 2022 for the Farmland Road project as well as the American Rescue Plan Act (ARPA) grant revenue replacement recognized in 2022.
- Capital grants and contributions of the governmental activities increased $2,168,114, or 78.57% during the year. This increase is primarily due to donated street and storm sewer infrastructure.
- General government expenses increased $1,917,376 during the year. This increase is due to county-wide sales tax projects.
- Parks and recreation expenses increased $4,702,812 during the year. This increase is due to moving the Garden City Recreation Commission operations to the General fund during the year.

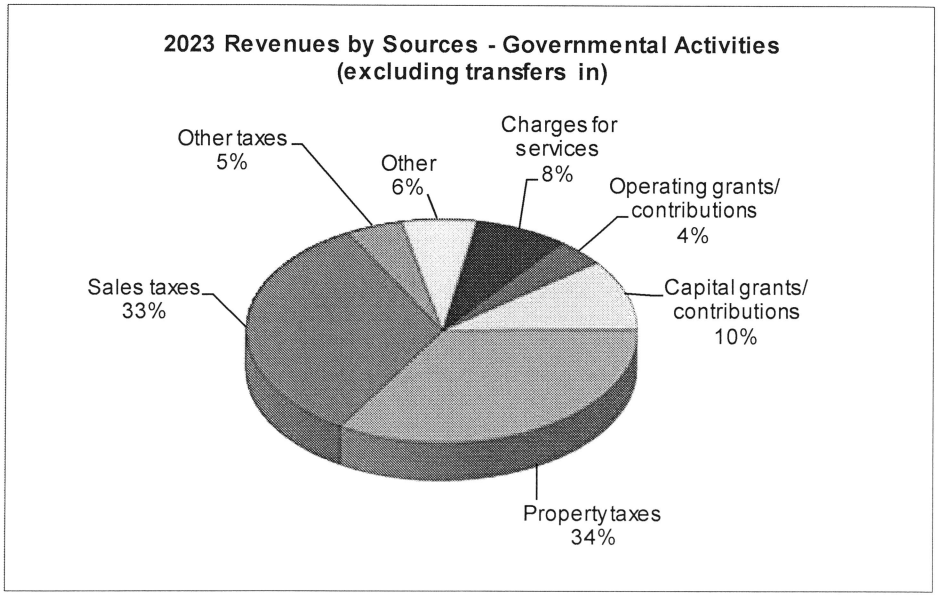
- Transfers netted to a total of $21,069,837 in the governmental activities in 2023 while in 2022 transfers netted to a total of $1,986,910 (an increase of $19,082,927). The majority of this increase is due to capital asset transfers from the recreation area funds to the General fund in 2023 due to the City consolidating the Garden City Recreation Commission operations with the General fund. No such transfers took place in 2022.

The following chart compares expenses with program revenues for the various governmental activities of the City.



For the most part, expenses for general government and public safety changed as projects changed during the current fiscal year and as costs increased with inflation. Expenses in public works and parks and recreation changed parallel to inflation. The increase in parks and recreation expenses is also due to the City moving the Garden City Recreation Commission operations to the General fund in 2023.

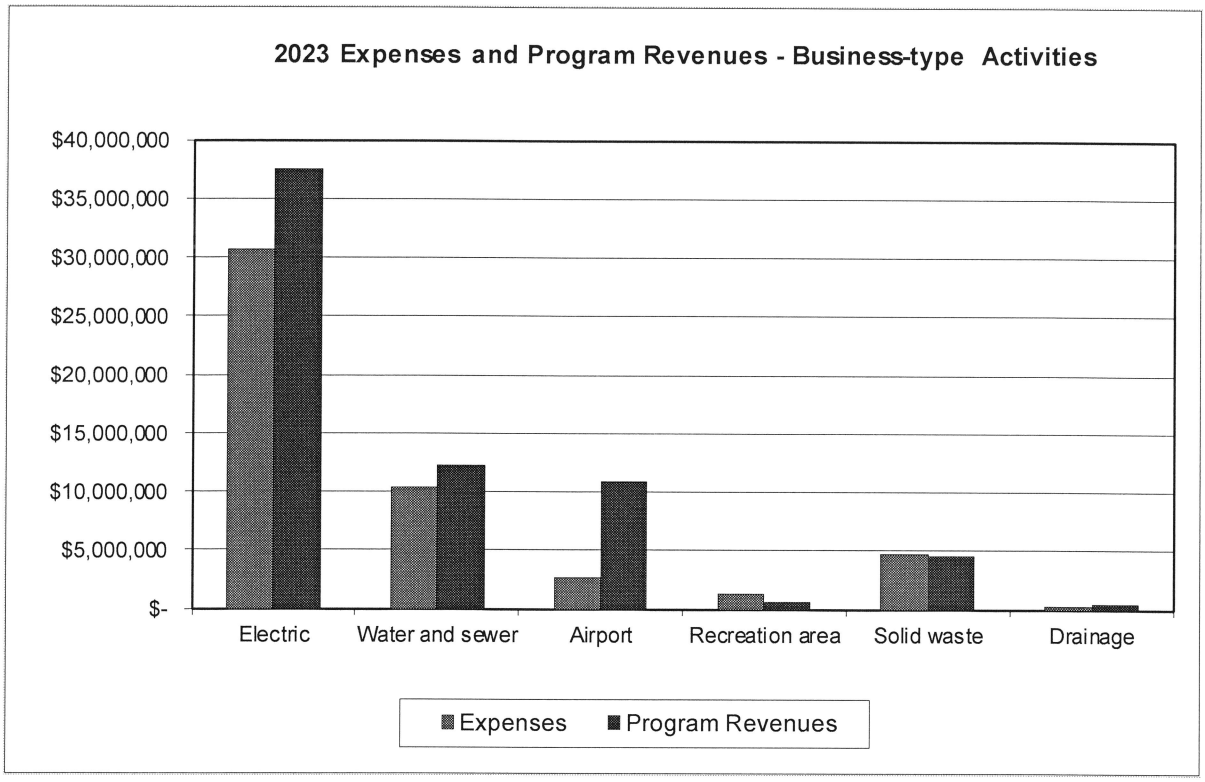
The following graph shows the composition of 2023 revenues by sources for the governmental activities.



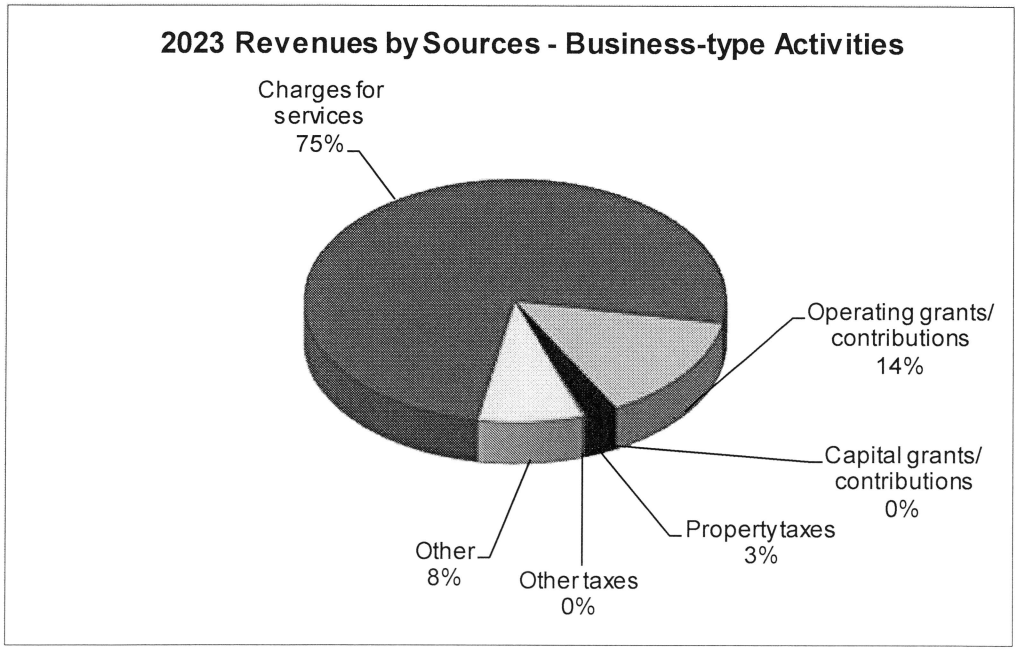
Business-type Activities

For the City's business-type activities, the results for the current fiscal year were positive in that overall net position increased to reach an ending balance of $136,679,245. The total increase for business-type activities was $3,119,872. The key element of this increase was the receipt of federal grant dollars for the airport terminal project and increased collections in the electric utility and water and sewer utility funds.

The following chart compares expenses with program revenues for the various business-type activities of the City.



The following graph shows the composition of 2023 revenues by sources for the business-type activities.



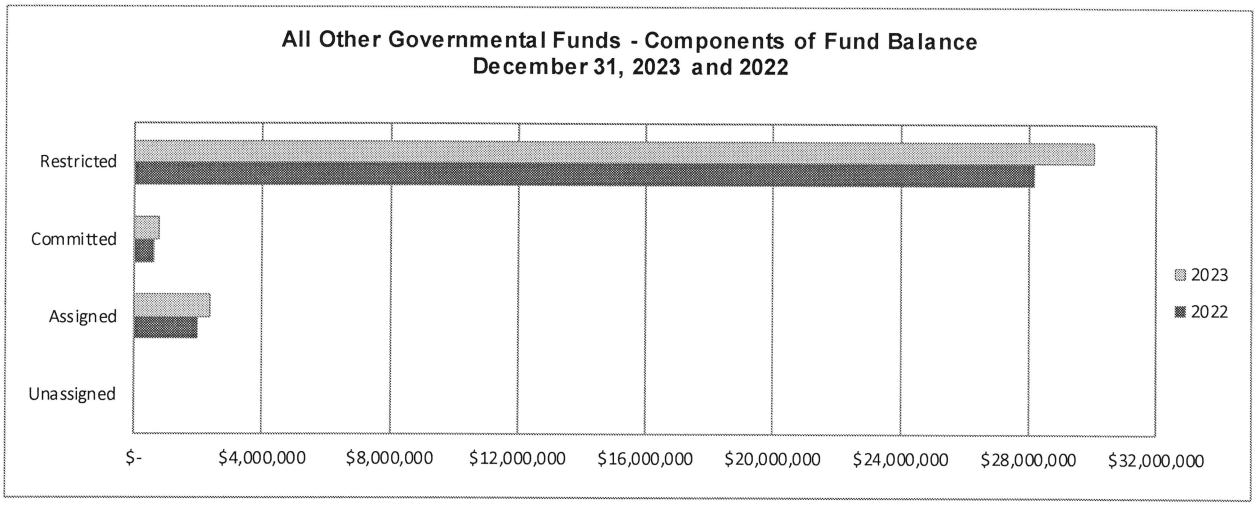
Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Commission.

At December 31, 2023, the City's governmental funds reported combined ending fund balances of $46,363,612, an increase of $2,074,989 in comparison with the prior year. Of this total amount, $13,209,578 constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is a) not in spendable form ($-0-), b) legally required to be maintained intact ($-0-), c) restricted for particular purposes ($30,035,186), d) committed for particular purposes ($749,314), or e) assigned for particular purposes ($2,369,534).



The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $13,209,578, which is 100% of the total fund balance. Total fund balance decreased by $313,528 during the year. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance (total fund balance) to total general fund expenditures. The unassigned fund balance represents approximately 38.98% of total general fund expenditures.

The fund balance of the City's general fund decreased by $313,528 during the current fiscal year. Key factors in this decrease are as follows:

- Taxes increased $1,024,089 due largely to increased property valuation and increased consumer spending.
- Intergovernmental revenue decreased $803,740 due to the completion of some ongoing projects.
- Use of money and property increased $1,161,682 due to higher interest rates on cash and investments.
- Expenditures for general government increased $2,953,503 mostly as a result of increased costs for materials and goods, capital projects, and increases in employee compensation.
- Expenditures for public safety increased $780,998. This increase is due largely to increases in personnel services costs compared to 2022 and the acquisition of equipment.
- Expenditures for public works increased $131,602. This increase is due largely to an increase in street repair projects in 2023.

- Expenditures for parks and recreation increased $2,865,738 due largely to the Garden City Recreation Commission operations being moved to the General fund in 2023.
- Other financing sources include a net increase of $1,840,737 in transfers and an increase of $1,987,540 due to the recognition of right-to-use leases and right-to-use subscriptions resulting from the implementation of GASB 96 during the current year.

The debt service fund, a major governmental fund, had an increase in fund balance during the current year of $412,506 to bring the year end fund balance to $2,355,702. The increase essentially results from an increase in tax revenues during the current year.

The Sales Tax Projects fund, a major governmental fund, had a decrease in fund balance during the current year of $2,426,292 to bring the year end fund balance to $14,817,609. The decrease essentially results from capital projects and debt payments.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position at the end of the year for the electric utility fund amounted to $16,631,744, for the water and sewer utility fund amounted to $10,442,950, for the airport fund amounted to $5,818,184, for the recreation area fund amounted to $186,071, and for the other enterprise funds amounted to $2,447,467. The total increase in net position for all of the City's enterprise funds was $3,119,872. This total includes an increase in net position of the electric utility of $7,675,218, an increase in net position of the water and sewer utility of $1,771,367, an increase in net position of the airport fund of $10,520,340, a decrease in net position of the recreation area fund of $15,205,644 and a decrease in net position of $1,641,409 for the other enterprise funds. The key element of the increase in net position for the electric utility is due to increased revenue collections and increased capital infrastructure; the increase in net position for the water and sewer utility is due to the ability of the water and sewer utility fund to operate at a profit by monitoring rates charged for services and expenses incurred, as well as receiving reimbursements for the capital costs related to the Empirical project; the increase in net position for the airport is due to federal grants received from the Federal Aviation Administration during the year; and the decrease in net position for the recreation area fund is due to the Garden City Recreation Commission operations being moved to the General fund in the current year.

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General Fund Budgetary Highlights

The legally adopted budget for the general fund was not amended by the City Commission during 2023. However, departments within the City are allowed to transfer budget authority between line items and between cost centers within a department. In addition, budget authority may be transferred out of cost centers to reflect insurance savings, budget cuts, etc. As a result of these budget transfers, the original budget and the final budgets may not be the same in some cost centers.

The most significant difference between estimated revenues and actual revenues was as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Taxes	$ 19,790,763	$ 20,941,723	$ 1,150,960
Use of money and property	228,000	1,626,532	1,398,532

Taxes were more than estimated as a result of increased sales tax collections, which were budgeted conservatively. Use of money and property was more than estimated as a result of increased interest rates.

A review of actual expenditures compared to the appropriations in the final budget yields significant variances as follows:

Expenditures Category	Estimated Expenditures	Actual Expenditures	Difference
General administration	$ 3,383,530	$ 438,039	$ 2,945,491
Police	12,164,740	10,874,325	1,290,415

General administration expenditures were $2,945,491 less than budgeted due to room built into the budget for contingencies. Police expenditures were $1,290,415 less than budgeted due to vacancies in several personnel positions.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2023, amounts to $290,907,260 (net of accumulated depreciation and amortization). This investment in capital assets includes land; water rights; construction in progress; buildings and improvements; vehicles and equipment; and infrastructure. The total increase in capital assets for the current fiscal year was approximately 9.30% over the 2022 total (a 42.14% increase for governmental activities and a 1.99% decrease for business-type activities).

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The following chart breaks down the City's capital assets balance into the various categories of assets.

City of Garden City's Capital Assets
(net of depreciation)

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	$ 5,137,880	$ 2,595,514	$ 7,733,394	$ 2,012,081	$ 2,752,297	$ 4,764,378
Water rights	-	757,025	757,025	-	757,025	757,025
Construction in progress	10,499,555	27,176,593	37,676,148	8,739,227	14,989,922	23,729,149
Buildings and improvements	14,304,733	156,925,717	171,230,450	9,910,989	170,610,462	180,521,451
Vehicles and equipment	10,093,912	6,651,390	16,745,302	6,191,859	8,935,434	15,127,293
Infrastructure	56,764,941	-	56,764,941	41,248,578	-	41,248,578
Total capital assets	$ 96,801,021	$ 194,106,239	$ 290,907,260	$ 68,102,734	$ 198,045,140	$ 266,147,874

Major capital asset events during the current fiscal year included the following:

Jennie Barker traffic signal	$ 569,976
Harmon Trust propery acquisition	2,864,601
Land acquisition - 311 S 6th Street	104,415
Brush trucks	416,209
Recreation building roof replacement	202,959
2023 John Deere cab tractor 6195M	224,792
Golf course phase 4 improvements	109,241
2022 Peterbilt rearload collection truck	191,000
2023 Freightliner poly-kart truck	263,186
2024 Freightliner collection trucks	484,084
2023 infrastructure - Electric	1,189,476
2023 infrastructure - Water	501,001
2023 infrastructure - Airport	141,917
2023 street infrastructure	3,670,153
2023 storm sewer infrastructure	1,056,284
Gun range	2,808,734
Skate park	1,056,843
16" transmission water line	3,967,085
Total	$ 19,821,956

Additional information on the City's capital assets can be found in Note 4, item D on page 58 through 60, and Note 4, item K on page 77 through 80 of this report.

Long-term Debt

At the end of the current fiscal year, the City had total bonded debt outstanding of $84,515,000, which was backed by the full faith and credit of the City.

City of Garden City's Long-Term Liabilities

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
General obligation bonds	$ 61,129,486	$ 23,385,514	$ 84,515,000	$ 61,388,551	$ 25,871,449	$ 87,260,000
Limited obligation bonds	1,268,947	-	1,268,947	2,012,849	-	2,012,849
Plus bond premium	2,935,619	136,250	3,071,869	2,959,786	161,915	3,121,701
Revenue loans	-	15,146,848	15,146,848	-	16,952,210	16,952,210
Finance leases	3,365,212	54,114,719	57,479,931	1,661,572	57,404,573	59,066,145
Right-to-use leases	641,169	92,140	733,309	334,755	400,182	734,937
Right-to-use subscription	832,075	77,939	910,014	-	-	-
Compensated absences	1,954,794	-	1,954,794	1,796,258	-	1,796,258
Net pension liability	31,410,194	-	31,410,194	28,394,519	-	28,394,519
Net OPEB obligation - healthcare	2,816,721	-	2,816,721	2,601,245	-	2,601,245
Net OPEB obligation - KPERS death and disability	459,800	-	459,800	436,317	-	436,317
Total	$ 106,814,017	$ 92,953,410	$ 199,767,427	$ 101,585,852	$ 100,790,329	$ 202,376,181

The City's total long-term debt liabilities decreased by $2,608,754, or 1.29% during the current fiscal year. The key factors in this change were issuance of $4,945,000 of general obligation bonds for internal improvements and payment of $7,690,000 in bond principal during 2023; issuance of $2,715,371 of finance leases offset by total finance leases payments of $4,301,585; issuance of $784,746 of right-to-use leases offset by total right-to-use lease payments of $786,374; issuance of $2,010,779 of right-to-use subscriptions offset by total right-to-use subscription payments of $1,110,765. The City also had a net increase of $3,254,634 in the net pension liability and net OPEB obligations.

The City maintains a credit rating of Aa3 from Moody's Investors Service for its general obligation debt.

State statutes limit the amount of general obligation debt the City may issue up to 30% of its total assessed valuation. The current debt limitation for the City is $101,459,807, which exceeds of the City's outstanding general obligation debt.

Additional information about the City's long-term debt can be found in Note 4, item K on pages 77 through 80; and Note 4, item M on pages 81 through 84 of this report.

Economic Factors and Next Year's Budget and Rates

The following economic factors currently affect the City and were considered in developing the 2024 fiscal year budget.

- The unemployment rate for the City of Garden City is currently 2.2%, which is lower than the State's average unemployment rate of 2.8%, and less than the national average rate of 3.9%.
- The occupancy rate of the City's central business district is at 95%, which is an increase of 1% from one year ago.
- Inflationary trends in the region compare favorably to national indices.
- The City's utility rates for all utilities have stabilized as to customer rates with the exception of electric. The electric rate per kWh increased by 4.8% in 2023 and 2.5% in 2024, and additional increases of 2.5% will occur on January 1, 2025 and 2026.

During the current fiscal year, the unassigned fund balance in the general fund decreased $313,528, to $13,209,578. The City has appropriated $6,534,644 of this amount for spending in the 2024 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2024 fiscal year. It also is intended to prevent the need for the transfer of additional resources to the general fund from the utility operations.

Requests for Information

This financial report is designed to provide a general overview of the City of Garden City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 301 North 8th, PO Box 998, Garden City, KS 67846.

Basic Financial Statements

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CITY OF GARDEN CITY, KANSAS
Statement of Net Position
December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Garden City Housing Authority
Assets				
Cash	$ 46,591,579	$ 16,824,881	$ 63,416,460	$ 230,297
Investments	128,099	400,000	528,099	197,656
Restricted assets:				
Cash	-	11,618,196	11,618,196	-
Receivables (net of allowances for uncollectibles)	13,505,407	5,228,936	18,734,343	20,482
Leases receivable	336,062	1,352,078	1,688,140	-
Internal balances	400,000	(400,000)	-	-
Prepaid expenses	-	1,080,638	1,080,638	31,510
Inventory	-	5,064,906	5,064,906	9,595
Restricted assets:				
Cash	-	-	-	30,418
Capital assets (net of accumulated depreciation/amortization):				
Land	5,137,880	2,595,514	7,733,394	426,144
Water rights	-	757,025	757,025	-
Construction in progress	10,499,555	27,176,593	37,676,148	-
Property, plant and equipment	81,163,586	163,577,107	244,740,693	546,721
Total assets	157,762,168	235,275,874	393,038,042	1,492,823
Deferred Outflows of Resources				
Deferred outflows of resources related to pensions	10,047,499	-	10,047,499	59,198
Deferred outflows of resources related to OPEB	1,773,872	-	1,773,872	-
Total deferred outflows of resources	11,821,371	-	11,821,371	59,198
Total assets and deferred outflows of resources	169,583,539	235,275,874	404,859,413	1,552,021
Liabilities				
Accounts payable and accrued liabilities	1,314,610	1,476,297	2,790,907	88,128
Accrued interest	350,988	113,002	463,990	-
Payable from restricted assets:				
Customer deposits and refunds	-	552,437	552,437	30,418
Unearned revenue	-	-	-	5,801
Noncurrent liabilities:				
Current portion of long-term liabilities	8,005,060	6,767,557	14,772,617	2,373
Long-term liabilities due in more than one year	98,808,957	86,185,853	184,994,810	201,969
Total liabilities	108,479,615	95,095,146	203,574,761	328,689
Deferred Inflows of Resources				
Deferred revenue - property taxes	9,134,569	1,396,203	10,530,772	-
Deferred inflows of resources related to leases	340,914	2,105,280	2,446,194	-
Deferred inflows of resources related to pensions	376,620	-	376,620	735
Deferred inflows of resources related to OPEB	3,005,369	-	3,005,369	-
Total deferred inflows of resources	12,857,472	3,501,483	16,358,955	735
Net Position				
Net investment in capital assets	32,735,300	101,152,829	133,888,129	972,865
Restricted for:				
Debt service	2,355,702	-	2,355,702	-
Unrestricted	13,155,450	35,526,416	48,681,866	249,732
Total net position	$ 48,246,452	$ 136,679,245	$ 184,925,697	$ 1,222,597

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF GARDEN CITY, KANSAS
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 16,961,658	$ 845,233	$ 390,951	$ 201,022
Public safety	14,885,128	1,463,988	306,254	-
Public works	2,760,044	7,500	1,096,456	4,726,437
Parks and recreation	7,631,731	1,408,598	143,907	-
Interest on long-term debt	2,015,183	-	-	-
Total governmental activities	44,253,744	3,725,319	1,937,568	4,927,459
Business-type activities:				
Electric	30,719,948	37,511,262	-	-
Water and sewer	10,333,306	12,253,212	-	-
Airport	2,690,272	378,965	10,468,625	-
Recreation area	1,200,040	636,325	-	-
Solid waste	4,726,067	4,500,864	-	-
Drainage	276,147	417,233	-	-
Total business-type activities	49,945,780	55,697,861	10,468,625	-
Total primary government	$ 94,199,524	$ 59,423,180	$ 12,406,193	$ 4,927,459
Component unit:				
Garden City Housing Authority	$ 882,605	$ 413,789	$ 456,401	$ -

General revenues:	
Taxes:	
Property taxes levied for general purposes	
Property taxes levied for debt service	
Sales taxes	
Franchise taxes	
Other taxes	
Investment earnings	
Miscellaneous	
Gain on disposal of capital assets	
Transfers	
Total general revenues and transfers	
Change in net position	
Net position, beginning of year	
Prior period restatement	
Net position, beginning of year, restated	
Net position, end of year	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Garden City Housing Authority
$ (15,524,452)	$ -	$ (15,524,452)	$ -
(13,114,886)	-	(13,114,886)	-
3,070,349	-	3,070,349	-
(6,079,226)	-	(6,079,226)	-
(2,015,183)	-	(2,015,183)	-
(33,663,398)	-	(33,663,398)	-
-	6,791,314	6,791,314	-
-	1,919,906	1,919,906	-
-	8,157,318	8,157,318	-
-	(563,715)	(563,715)	-
-	(225,203)	(225,203)	-
-	141,086	141,086	-
-	16,220,706	16,220,706	-
(33,663,398)	16,220,706	(17,442,692)	-
-	-	-	(12,415)
9,647,055	1,900,184	11,547,239	-
6,795,326	-	6,795,326	-
16,110,083	-	16,110,083	-
1,230,156	-	1,230,156	-
1,015,511	132,245	1,147,756	-
2,354,659	52,283	2,406,942	2,121
630,648	5,873,791	6,504,439	-
-	10,500	10,500	-
21,069,837	(21,069,837)	-	-
58,853,275	(13,100,834)	45,752,441	2,121
25,189,877	3,119,872	28,309,749	(10,294)
21,103,649	133,559,373	154,663,022	1,232,891
1,952,926	-	1,952,926	-
23,056,575	133,559,373	156,615,948	1,232,891
$ 48,246,452	$ 136,679,245	$ 184,925,697	$ 1,222,597

CITY OF GARDEN CITY, KANSAS
Balance Sheet
Governmental Funds
December 31, 2023

	General	Debt Service	Sales Tax Projects	Total Nonmajor Funds	Total Governmental Funds
Assets					
Cash	$ 4,377,918	$ 2,354,065	$ 18,834,792	$ 17,345,461	$ 42,912,236
Receivables (net of allowances for uncollectibles)	10,098,508	2,982,936	-	423,963	13,505,407
Leases receivable	336,062	-	-	-	336,062
Due from other funds	6,000,000	-	-	-	6,000,000
Total assets	$ 20,812,488	$ 5,337,001	$ 18,834,792	$ 17,769,424	$ 62,753,705
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	$ 1,045,393	$ 63,333	$ 17,183	$ 188,701	$ 1,314,610
Due to other funds	-	-	4,000,000	1,600,000	5,600,000
Total liabilities	1,045,393	63,333	4,017,183	1,788,701	6,914,610
Deferred inflows of resources:					
Deferred revenue - property taxes	6,216,603	2,917,966	-	-	9,134,569
Lease related	340,914	-	-	-	340,914
Total deferred inflows of resources	6,557,517	2,917,966	-	-	9,475,483
Fund balances:					
Restricted:					
Recreation and parks	-	-	-	958,204	958,204
Capital improvement projects	-	-	14,817,609	8,975,104	23,792,713
Alcoholism prevention and education programs	-	-	-	390,875	390,875
Law enforcement	-	-	-	557,161	557,161
Economic development activities	-	-	-	490,847	490,847
Grant programs	-	-	-	1,489,684	1,489,684
General obligation debt	-	2,355,702	-	-	2,355,702
Committed:					
Capital improvement projects	-	-	-	749,314	749,314
Assigned:					
Capital improvement projects	-	-	-	2,245,356	2,245,356
Legal claims and settlements	-	-	-	124,178	124,178
Unassigned	13,209,578	-	-	-	13,209,578
Total fund balances	13,209,578	2,355,702	14,817,609	15,980,723	46,363,612
Total liabilities, deferred inflows of resources and fund balances	$ 20,812,488	$ 5,337,001	$ 18,834,792	$ 17,769,424	$ 62,753,705

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF GARDEN CITY, KANSAS
Reconciliation of the Balance Sheet - Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2023

Amounts reported for governmental activities in the statement of net position differ from the fund balances of governmental funds on the preceding balance sheet as shown in the following reconciliation:

Fund balances - total governmental funds	$ 46,363,612
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	96,801,021
Deferred outflows and inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the governmental funds.	9,739,245
Long-term liabilities, including bonds payable, that are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(101,412,665)
Governmental funds report the effect of premiums, discounts, and refunding and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	(2,935,619)
Internal service funds are used by management to charge the costs of certain activities, such as health insurance and workers compensation, to individual funds. The assets and liabilities of the internal service funds have not been included in the balance sheet.	(309,142)
Net position of governmental activities	$ 48,246,452

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF GARDEN CITY, KANSAS
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Debt Service	Sales Tax Projects	Total Nonmajor Funds	Total Governmental Funds
Revenues:					
Taxes	$ 21,125,157	$ 6,795,326	$ 3,431,364	$ 2,216,128	$ 33,567,975
Special assessment taxes	-	27,371	-	-	27,371
Intergovernmental revenue	268,448	-	-	1,669,120	1,937,568
Franchises	991,039	-	-	239,117	1,230,156
Licenses and permits	631,847	-	-	-	631,847
Use of money and property	1,632,876	-	431,023	287,635	2,351,534
Miscellaneous	319,120	74,700	-	236,828	630,648
Donations	-	-	-	173,651	173,651
Cemetery	170,320	-	-	36,367	206,687
Police and municipal court	1,184,099	-	-	-	1,184,099
Fire	1,777	-	-	-	1,777
Engineering	7,500	-	-	-	7,500
Inspection	278,112	-	-	-	278,112
Planning and zoning	6,699	-	-	-	6,699
Recreation	1,151,862	-	-	-	1,151,862
Parks and zoo	256,736	-	-	-	256,736
Total revenues	28,025,592	6,897,397	3,862,387	4,858,846	43,644,222
Expenditures:					
Current:					
General government	6,219,189	-	-	473,813	6,693,002
Public safety	18,294,302	-	-	144,063	18,438,365
Public works	2,008,969	-	-	663,353	2,672,322
Parks and recreation	7,367,099	-	-	849	7,367,948
Capital outlay and capital projects	-	2,223,346	3,755,178	5,971,830	11,950,354
Debt service:					
Principal	-	3,209,065	1,305,000	1,433,902	5,947,967
Interest and fiscal charges	-	1,052,480	713,501	359,829	2,125,810
Bond issuance costs	-	-	-	98,814	98,814
Total expenditures	33,889,559	6,484,891	5,773,679	9,146,453	55,294,582
Excess (deficiency) of revenues over (under) expenditures	(5,863,967)	412,506	(1,911,292)	(4,287,607)	(11,650,360)
Other financing sources (uses):					
Transfers in	3,580,950	-	-	4,105,555	7,686,505
Transfers out	(1,740,213)	-	(515,000)	(563,459)	(2,818,672)
Bonds issued	-	-	-	4,945,000	4,945,000
Premium on bonds issued	-	-	-	202,814	202,814
Issuance of finance leases	1,560,000	-	-	-	1,560,000
Issuance of right-to-use leases	2,149,702	-	-	-	2,149,702
Total other financing sources (uses)	5,550,439	-	(515,000)	8,689,910	13,725,349
Net change in fund balances	(313,528)	412,506	(2,426,292)	4,402,303	2,074,989
Fund balance, beginning of year	13,523,106	1,943,196	17,243,901	11,578,420	44,288,623
Fund balance, end of year	$ 13,209,578	$ 2,355,702	$ 14,817,609	$ 15,980,723	$ 46,363,612

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF GARDEN CITY, KANSAS
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
to the Government-wide Statement of Activities
For the Year Ended December 31, 2023

Amounts reported for governmental activities in the statement of revenues, expenditures and changes in fund balances of governmental funds differ from the amounts reported in the government-wide statement of activities as shown in the following reconciliation:

Net change in fund balances - total governmental funds	$	2,074,989
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period.		6,075,520
Business-type activities report capital assets transferred to governmental activities as transfers. This is the amount of capital assets transferred from business-type activities to governmental activities in the current period.		16,202,004
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase net position.		4,722,918
Governmental funds report pension contributions as expenditures. However, in the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense. This is the amount by which costs of benefits earned net of employee contributions exceeded pension contributions from the measurement date to the current year end.		(2,921,212)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		50,590
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(677,423)
Internal service funds are used by management to charge the costs of certain activities, such as health insurance and workers compensation, to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities.		(337,509)
Changes in net position of governmental activities	$	25,189,877

The accompanying Notes to the Financial Statements are an integral part of this statement.

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CITY OF GARDEN CITY, KANSAS
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Administration:				
Taxes	$ 19,790,763	$ 19,790,763	$ 20,941,723	$ 1,150,960
Intergovernmental revenue	255,000	255,000	268,448	13,448
Franchises	721,000	721,000	1,036,952	315,952
Licenses and permits	486,700	486,700	631,847	145,147
Use of money and property	228,000	228,000	1,626,532	1,398,532
Miscellaneous	14,250	14,250	56,373	42,123
Total administration	21,495,713	21,495,713	24,561,875	3,066,162
Cemetery	168,700	168,700	170,320	1,620
Police and municipal court	1,208,500	1,208,500	1,184,099	(24,401)
Fire	180,000	180,000	1,777	(178,223)
Inspection	302,000	302,000	278,112	(23,888)
Engineering	-	-	7,500	7,500
Planning and zoning	-	-	6,699	6,699
Recreation	857,300	857,300	1,151,862	294,562
Parks and zoo	442,000	442,000	256,736	(185,264)
Total revenues	24,654,213	24,654,213	27,618,980	2,964,767
Expenditures:				
Current:				
General government:				
General administration	3,383,530	3,383,530	438,039	2,945,491
Human resources	384,890	384,890	392,845	(7,955)
Cemetery	636,210	636,210	499,322	136,888
Development services	1,552,480	1,552,480	1,478,310	74,170
Capital improvements	1,166,500	1,166,500	1,333,122	(166,622)
Public safety:				
Police	12,164,740	12,164,740	10,874,325	1,290,415
Fire	4,960,085	4,960,085	5,015,804	(55,719)
Municipal court	969,430	969,430	844,173	125,257
Highways and streets:				
Street	2,203,000	2,203,000	2,008,969	194,031
Recreation:				
Recreation	2,850,663	2,850,663	2,779,549	71,114
Parks and zoo	4,700,545	4,700,545	4,515,399	185,146
Total expenditures	34,972,073	34,972,073	30,179,857	4,792,216
Excess (deficiency) of revenues over (under) expenditures	(10,317,860)	(10,317,860)	(2,560,877)	7,756,983
Other financing sources (uses):				
Transfers in	5,858,900	5,858,900	3,580,950	(2,277,950)
Transfers out	(131,000)	(131,000)	(1,740,213)	(1,609,213)
Net change in fund balance	(4,589,960)	(4,589,960)	(720,140)	3,869,820
Fund balance, beginning of year	7,989,960	7,989,960	10,052,665	2,062,705
Fund balance, end of year	$ 3,400,000	$ 3,400,000	$ 9,332,525	$ 5,932,525

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF GARDEN CITY, KANSAS
Statement of Net Position
Proprietary Funds
December 31, 2023

	Business-type Activities - Enterprise			
	Electric Utility	Water and Sewer Utility	Airport	Recreation Area
Assets				
Current assets:				
Cash	$ 5,821,629	$ 6,967,262	$ 1,647,722	$ 46,233
Investments, at fair value	-	-	-	-
Restricted assets:				
Cash	4,205,287	2,826,658	4,434,939	151,312
Receivables (net of allowances for uncollectibles)	1,985,941	554,914	2,395,548	-
Leases receivable	26,022	14,623	135,997	-
Prepaid expenses	1,080,638	-	-	-
Inventory	4,587,276	477,630	-	-
Total current assets	17,706,793	10,841,087	8,614,206	197,545
Noncurrent assets:				
Leases receivable	26,146	-	1,149,290	-
Capital assets:				
Land	147,435	905,291	77,200	-
Water rights	-	757,025	-	-
Construction in progress	46,185	3,494,862	23,570,790	-
Production, storage and distribution equipment	130,439,204	68,349,607	-	-
Less accumulated depreciation	(36,080,133)	(34,389,959)	-	-
Golf course, buildings and equipment	-	-	-	1,931,573
Less accumulated depreciation	-	-	-	(1,334,113)
Vehicles and equipment	3,917,340	1,804,371	2,841,640	2,069,245
Less accumulated depreciation	(2,729,604)	(1,131,560)	(863,179)	(910,770)
Containers	-	-	-	-
Less accumulated depreciation	-	-	-	-
Airport improvement	-	-	36,218,132	-
Less accumulated depreciation	-	-	(12,627,443)	-
Right-to-use leased equipment	-	-	-	-
Less accumulated amortization	-	-	-	-
Right-to-use subscription assets	-	-	-	-
Less accumulated amortization	-	-	-	-
Total capital assets	95,740,427	39,789,637	49,217,140	1,755,935
Total noncurrent assets	95,766,573	39,789,637	50,366,430	1,755,935
Total assets	113,473,366	50,630,724	58,980,636	1,953,480
Deferred outflow of resources:				
Deferred outflows of resources related to:				
OPEB	-	-	-	-
Total assets and deferred outflows of resources	$ 113,473,366	$ 50,630,724	$ 58,980,636	$ 1,953,480
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$ 432,876	$ 322,708	$ 522,138	$ 11,474
Interfund payable	-	-	-	-
Accrued interest	63,713	49,289	-	-
Current portion of leases payable	2,491,820	-	-	-
Current portion of right-to-use leases payable	-	-	-	-
Current portion of right-to-use subscription payable	-	-	-	-
Current portion of revenue loans payable	1,887,400	-	-	-
Current portion of general obligation bonds payable	850,160	1,175,196	-	-
Current portion of bond premiums	-	21,044	-	-
Current portion of net OPEB obligation	-	-	-	-
Payable from restricted assets:				
Customer deposits	552,437	-	-	-
Total current liabilities	6,278,406	1,568,237	522,138	11,474
Noncurrent liabilities:				
General obligation bonds payable	13,108,608	8,251,550	-	-
Bond premiums, net of amortization	-	115,206	-	-
Revenue loans payable	13,259,448	-	-	-
Leases payable	51,306,443	-	-	-
Right-to-use subscription payable	-	-	-	-
Net OPEB obligation	-	-	-	-
Total noncurrent liabilities	77,674,499	8,366,756	-	-
Total liabilities	83,952,905	9,934,993	522,138	11,474
Deferred Inflows of Resources				
Deferred revenue - property taxes	-	-	1,396,203	-
Deferred inflows of resources related to:				
OPEB	-	-	-	-
Leases	52,169	26,140	2,026,971	-
Total deferred inflows of resources	52,169	26,140	3,423,174	-
Net Position				
Net investment in capital assets	12,836,548	30,226,641	49,217,140	1,755,935
Restricted for health insurance	-	-	-	-
Restricted for workers compensation	-	-	-	-
Unrestricted	16,631,744	10,442,950	5,818,184	186,071
Total net position	29,468,292	40,669,591	55,035,324	1,942,006
Total liabilities, deferred inflows of resources and net position	$ 113,473,366	$ 50,630,724	$ 58,980,636	$ 1,953,480

The accompanying Notes to the Financial Statements are an integral part of this statement.

Funds			Governmental Activities
	Total Nonmajor Funds	Totals	Internal Service Funds
	$ 2,342,035	$ 16,824,881	$ 3,679,343
	400,000	400,000	128,099
	-	11,618,196	-
	292,533	5,228,936	-
	-	176,642	-
	-	1,080,638	-
	-	5,064,906	-
	3,034,568	40,394,199	3,807,442
	-	1,175,436	-
	1,465,588	2,595,514	-
	-	757,025	-
	64,756	27,176,593	-
	2,354,455	201,143,266	-
	(328,099)	(70,798,191)	-
	-	1,931,573	-
	-	(1,334,113)	-
	3,979,065	14,611,661	-
	(2,526,697)	(8,161,810)	-
	5,830,521	5,830,521	-
	(3,438,028)	(3,438,028)	-
	-	36,218,132	-
	-	(12,627,443)	-
	108,897	108,897	-
	(16,753)	(16,753)	-
	136,744	136,744	-
	(27,349)	(27,349)	-
	7,603,100	194,106,239	-
	7,603,100	195,281,675	-
	10,637,668	235,675,874	3,807,442
	-	-	1,552,163
	$ 10,637,668	$ 235,675,874	$ 5,359,605
	$ 187,101	$ 1,476,297	$ -
	400,000	400,000	-
	-	113,002	-
	231,666	2,723,486	-
	92,140	92,140	-
	18,131	18,131	-
	-	1,887,400	-
	-	2,025,356	-
	-	21,044	-
	-	-	19,000
	-	552,437	-
	929,038	9,309,293	19,000
	-	21,360,158	-
	-	115,206	-
	-	13,259,448	-
	84,790	51,391,233	-
	59,808	59,808	-
	-	-	2,797,721
	144,598	86,185,853	2,797,721
	1,073,636	95,495,146	2,816,721
	-	1,396,203	-
	-	-	2,852,026
	-	2,105,280	-
	-	3,501,483	2,852,026
	7,116,565	101,152,829	-
	-	-	(1,507,989)
	-	-	1,198,847
	2,447,467	35,526,416	-
	9,564,032	136,679,245	(309,142)
	$ 10,637,668	$ 235,675,874	$ 5,359,605

CITY OF GARDEN CITY, KANSAS
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise			
	Electric Utility	Water and Sewer Utility	Airport	Recreation Area
Operating revenues:				
Charges for services	$ 37,511,262	$ 12,253,212	$ -	$ -
Reimbursements	-	-	-	-
Rents and utilities	-	-	341,406	
Miscellaneous	3,050,930	1,023	1,509	8,192
Membership and fees	-	-	37,559	534,185
Concessions and sales	-	-	-	102,140
Total operating revenues	40,562,192	12,254,235	380,474	644,517
Operating expenses:				
Personnel services	-	-	980,436	757,463
Contractual services	-	898	254,151	141,253
Commodities	-	-	277,053	182,222
Depreciation and amortization	3,606,854	1,702,503	672,805	119,102
Production expense	15,680,510	5,787,542	-	-
Distribution expense	3,880,145	1,110,859	-	-
Commercial and general expense	2,971,870	845,408	-	-
Sundry expenses	1,715,044	582,144	-	-
Total operating expenses	27,854,423	10,029,354	2,184,445	1,200,040
Operating income (loss)	12,707,769	2,224,881	(1,803,971)	(555,523)
Nonoperating revenues (expenses):				
Property taxes	-	-	2,032,429	-
Intergovernmental revenue	-	-	10,468,625	-
Interest income	375	745	37,453	-
Rents and royalties	26,085	14,258	41,631	1,005
Sale of materials	648,244	2,036,975	-	-
Interest expense	(2,865,525)	(303,952)	-	-
Loss on disposal of assets	(1,157,478)	(94,109)	(505,827)	(14,939,917)
Total nonoperating revenues (expenses)	(3,348,299)	1,653,917	12,074,311	(14,938,912)
Income (loss) before capital contributions and transfers	9,359,470	3,878,798	10,270,340	(15,494,435)
Transfers in	4,750,000	1,000,000	250,000	729,133
Transfers out	(6,434,252)	(3,107,431)	-	(440,342)
Change in net position	7,675,218	1,771,367	10,520,340	(15,205,644)
Total net position, beginning of year	21,793,074	38,898,224	44,514,984	17,147,650
Total net position, end of year	$ 29,468,292	$ 40,669,591	$ 55,035,324	$ 1,942,006

The accompanying Notes to the Financial Statements are an integral part of this statement.

Funds			Governmental Activities
	Total Nonmajor Funds	Totals	Internal Service Funds
	$ 4,918,097	$ 54,682,571	$ -
	-	-	5,500,678
	-	341,406	-
	11,198	3,072,852	4
	-	571,744	-
	-	102,140	-
	4,929,295	58,770,713	5,500,682
	2,260,771	3,998,670	-
	1,708,154	2,104,456	5,827,864
	341,148	800,423	13,452
	668,869	6,770,133	-
	-	21,468,052	-
	-	4,991,004	-
	-	3,817,278	-
	-	2,297,188	-
	4,978,942	46,247,204	5,841,316
	(49,647)	12,523,509	(340,634)
	-	2,032,429	-
	-	10,468,625	-
	13,710	52,283	3,125
	-	82,979	-
	32,741	2,717,960	-
	(23,272)	(3,192,749)	-
	-	(16,697,331)	-
	23,179	(4,535,804)	3,125
	(26,468)	7,987,705	(337,509)
	103,459	6,832,592	-
	(1,718,400)	(11,700,425)	-
	(1,641,409)	3,119,872	(337,509)
	11,205,441	133,559,373	28,367
	$ 9,564,032	$ 136,679,245	$ (309,142)

CITY OF GARDEN CITY, KANSAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type activities - Enterprise			
	Electric Utility	Water and Sewer Utility	Airport	Recreation Area
Cash flows from operating activities:				
Receipts from customers	$ 37,141,460	$ 12,181,918	$ 296,077	$ 636,325
Other receipts	3,050,930	1,023	1,509	8,192
Payments to suppliers	(24,051,777)	(6,641,386)	(21,482)	(342,467)
Payments for personnel services	(5,915,229)	(2,770,326)	(980,436)	(757,463)
Claims paid	-	-	-	-
Net cash provided (used) by operating activities	10,225,384	2,771,229	(704,332)	(455,413)
Cash flows from noncapital financing activities:				
Advances to other funds	-	-	-	-
Property taxes	-	-	2,032,429	-
Subsidy from grants	-	-	9,500,547	-
Transfers in	4,750,000	1,000,000	250,000	715,000
Transfers out	(6,420,119)	(3,107,431)	-	(440,342)
Net cash provided (used) by noncapital financing activities	(1,670,119)	(2,107,431)	11,782,976	274,658
Cash flows from capital and related financing activities:				
Receipts from sale of materials	648,244	2,036,975	-	-
Proceeds from sale of capital assets	-	10,500	-	-
Purchases of capital assets	(2,398,587)	(2,935,948)	(14,388,731)	(119,164)
Proceeds from issuance of long-term debt	-	-	-	-
Payment of long-term debt	(5,347,649)	(1,389,935)	-	-
Pre-payment of long-term debt	(219,565)	-	-	-
Interest paid on long-term debt	(2,871,118)	(336,393)	-	-
Net cash provided (used) by capital and related financing activities	(10,188,675)	(2,614,801)	(14,388,731)	(119,164)
Cash flows from investing activities:				
Interest income	375	745	37,453	-
Proceeds from sale of investments	-	-	-	-
Purchase of investments	-	-	-	-
Rents and royalties	25,898	14,255	41,631	1,005
Net cash provided (used) by investing activities	26,273	15,000	79,084	1,005
Net decrease in cash	(1,607,137)	(1,936,003)	(3,231,003)	(298,914)
Cash, beginning of year	11,634,053	11,729,923	9,313,664	496,459
Cash, end of year	$ 10,026,916	$ 9,793,920	$ 6,082,661	$ 197,545
Statement of net position classification:				
Current assets	$ 5,821,629	$ 6,967,262	$ 1,647,722	$ 46,233
Restricted assets	4,205,287	2,826,658	4,434,939	151,312
Total cash, end of year	$ 10,026,916	$ 9,793,920	$ 6,082,661	$ 197,545
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 12,707,769	$ 2,224,881	$ (1,803,971)	$ (555,523)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Unearned revenue recognized	-	-	(47,303)	-
Deferred outflows related to pensions	-	-	-	-
Deferred outflows related to OPEB	-	-	-	-
Deferred inflows related to pensions	-	-	-	-
Deferred inflows related to OPEB	-	-	-	-
Depreciation and amortization	3,606,854	1,702,503	672,805	119,102
Change in assets and liabilities:				
(Increase) decrease in accounts receivables	(422,690)	(71,294)	(7,436)	-
(Increase) decrease in lease receivables	-	-	5,418	-
(Increase) decrease in inventory	(170,889)	100,448	-	-
Increase (decrease) in accounts payable	(5,548,548)	(1,185,309)	509,722	(18,992)
Increase (decrease) in customer deposits payable	52,888	-	-	-
Increase (decrease) in lease related deferred inflows	-	-	(33,567)	-
Increase in net OPEB obligations	-	-	-	-
Net cash provided (used) by operating activities	$ 10,225,384	$ 2,771,229	$ (704,332)	$ (455,413)
Schedule of non-cash capital and related financing activities:				
Purchase of assets through finance leases	$ -	$ -	$ -	$ -

The accompanying Notes to the Financial Statements are an integral part of this statement.

Funds			Governmental Activities
	Total Nonmajor Funds	Totals	Internal Service Funds
	$ 4,868,624	$ 55,124,404	$ -
	11,198	3,072,852	5,500,682
	(1,988,853)	(33,045,965)	-
	(2,260,771)	(12,684,225)	(13,452)
	-	-	(5,620,439)
	630,198	12,467,066	(133,209)
	(75,000)	(75,000)	-
	-	2,032,429	-
	-	9,500,547	-
	103,459	6,818,459	-
	(1,718,400)	(11,686,292)	-
	(1,689,941)	6,590,143	-
	32,741	2,717,960	-
	-	10,500	-
	(1,394,479)	(21,236,909)	-
	436,641	436,641	-
	(145,758)	(6,883,342)	-
	-	(219,565)	-
	(23,272)	(3,230,783)	-
	(1,094,127)	(28,405,498)	-
	13,710	52,283	3,125
	200,000	200,000	-
	(400,000)	(400,000)	(3,099)
	-	82,789	-
	(186,290)	(64,928)	26
	(2,340,160)	(9,413,217)	(133,183)
	4,682,195	37,856,294	3,812,526
	$ 2,342,035	$ 28,443,077	$ 3,679,343
	$ 2,342,035	$ 16,824,881	$ 3,679,343
	-	11,618,196	-
	$ 2,342,035	$ 28,443,077	$ 3,679,343
	$ (49,647)	$ 12,523,509	$ (340,634)
	-	(47,303)	-
	-	-	-
	-	-	4,821
	-	-	-
	-	-	(9,003)
	668,869	6,770,133	-
	(49,473)	(550,893)	-
	-	5,418	-
	-	(70,441)	-
	60,449	(6,182,678)	(3,869)
	-	52,888	-
	-	(33,567)	-
	-	-	215,476
	$ 630,198	$ 12,467,066	$ (133,209)
	$ 191,000	$ 191,000	$ -

CITY OF GARDEN CITY, KANSAS
Statement of Fiduciary Funds Net Position
Custodial Funds
December 31, 2023

	Custodial Funds
Assets	
Cash	$ 357,017
Total assets	$ 357,017
Net Position	
Net position restricted for individuals and organizations	$ 357,017
Total net position	$ 357,017

Statement of Changes in Fiduciary Funds Net Position
Custodial Funds
For the Year Ended December 31, 2023

	Custodial Funds
Additions:	
Bail bond receipts	$ 160,372
Deductions:	
Bail bond payments	135,549
Net increase in fiduciary net position	24,823
Total net position, beginning of year	332,194
Total net position, end of year	$ 357,017

The accompanying Notes to the Financial Statements are an integral part of these statements.

Notes to the

Financial Statements

1. Summary of Significant Accounting Policies

The City of Garden City, Kansas, (the City) was incorporated under the provisions of the State of Kansas. The City operates under a Commission-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. Other services include utilities and airport operations.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The City is a municipal corporation governed by an elected five-member commission. The accompanying financial statements present the City (the primary government) and its component unit, an entity for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the City.

The Garden City Housing Authority operates the City's housing projects. It has its own Board of Directors, who operates independently from the City. The Board of Directors is responsible for the management and fiscal accountability of the Housing Authority. The Board is appointed by the City Commission, who also has the authority to remove appointed Board members. The Garden City Housing Authority is presented as an enterprise fund type.

The discretely presented component unit has a December 31st year end. Separately issued financial reports of the Garden City Housing Authority can be obtained from the City Clerk's office at the City Administrative Building or from its administrative office.

Garden City Housing Authority
606 Pershing
Garden City, KS 67846

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1. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation - Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the City has one discretely presented component unit. While the Garden City Housing Authority is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's enterprise activities and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund - the general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Debt Service Fund - the debt service fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Sales Tax Projects Fund - this is a capital project fund used to account for the construction of various projects funded by additional sales tax revenue, including Jennie Barker Road, the indoor shooting range, fire station #3, and other general governmental improvements.

The City reports the following nonmajor governmental funds:

Special Revenue Funds - the special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes (not including major capital projects).

1. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation - Fund Financial Statements (continued)

Capital Project Funds - the capital project funds account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

The City reports the following major enterprise funds:

Electric Utility Funds - this fund is used to account for the activities of the City's electric utility department while operating the City owned generating and distribution system. Additional funds maintained within the electric utility department include Security Deposits and Operating Capital Reserve.

Water and Sewer Utility Funds - this fund is used to account for the activities of the City's operations of the City owned waterworks distribution system, sanitary sewer and wastewater treatment operations. Additional funds maintained within the water and sewer utility department include Wastewater Repair and Replacement, Water and Sewage Maintenance Reserve, and 2020 Water and Sewer Projects.

Airport Fund - this fund is used to account for the operations of the Garden City Regional Airport. This department includes the Airport Improvement and Airport Grant Projects funds which are used to account for the federal grants and required City matching shares for the ongoing airport improvement projects.

Recreation Area Funds - this fund is used to account for the fees generated and expenditures incurred in the operation of the City-owned municipal golf course. The recreation area department includes the Golf Course building fund which is used to account for a portion of the fees collected that are dedicated to the repayment of the golf course club house.

Additionally, the City reports the following nonmajor enterprise funds and other fund types:

Nonmajor Enterprise Funds - nonmajor enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Internal Service Funds - internal service funds account for health insurance and workers compensation benefits provided to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Custodial Fund - custodial fund accounts are used to account for monies held by the City as an agent on behalf of others. This account is custodial in nature and uses the economic resources measurement focus. The custodial account used by the City includes the bail bonds account, which is used to account for monies held as bail bonds by the police department.

1. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation - Fund Financial Statements (continued)

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on long-term debt, including lease and subscription liabilities, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases and subscriptions are reported as other financing sources.

1. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting (continued)

Sales taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Property taxes and special assessments are not available as explained in Note 1, item J and result in unavailable revenue. All other revenue items are considered measurable and available only when cash is received by the City.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The custodial funds utilize the economic resources measurement focus and the accrual basis of accounting.

F. Budgetary Information

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

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

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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.

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1. Summary of Significant Accounting Policies (continued)

F. Budgetary Information (continued)

Amendments to the original budget and qualifying budget adjustments for debt payments and transfers to move enterprise funds to special revenue funds, were approved by the governing body, resulting in additional budget authority as follows:

Fund	Increase
Community Trust	$ 227,747
Capital Improvements	719,311
Finnup Trust	179,227
Capital Improvement Plan	2,058,277
Opioid Settlements	50,000
Project Development	824,818
Electric Utility	1,940,308
Airport Improvement	966,442
Recreation Area	514,095
Golf Course Building	102,900
Drainage Utility	50,000
Health Insurance	284,500

The legal level of budgetary control is the fund level. 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 adopted budget of expenditures of individual funds. The governing body allows management to transfer budgeted amounts between line items within an individual fund without prior approval. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures. The Garden City Housing Authority is exempt from the Kansas budget laws.

Excess of Expenditures Over Appropriations

Under Kansas statute (K.S.A.) 79-2935 expenditures are mandated to be controlled so that no indebtedness is created in excess of budgeted limits. At December 31, 2023, the Community Trust fund exceeded its legal budget by $83,831 as a result of excess expenditures for debt service.

Budgetary Basis of Accounting

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when measurable and available. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Encumbrances also represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because commitments will be honored in the subsequent year. All unencumbered appropriations (legal budget expenditure authority) lapse at year end. There were no outstanding encumbrances at December 31, 2023.

A legal operating budget is not required for certain special revenue funds and capital projects funds. 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. Capital projects controlled by spending limits established by the governing body include the Sales Tax Projects, Capital Projects, 2021 GO Bond Projects, and 2020 Water and Sewer Projects funds.

1. Summary of Significant Accounting Policies (continued)

F. Budgetary Information (continued)

Budgetary Compliance - Non-GAAP Financial Statements
By statute, the City prepares its annual budget on a non-GAAP basis of accounting as described above. A reconciliation of these budgetary basis statements to the GAAP statements is as follows:

	General Fund	Debt Service Fund
Revenues (budgetary basis)	$ 27,618,980	$ 6,900,501
Less 2022 accrued revenues	(3,481,637)	(52,181)
Plus 2023 accrued revenues	3,619,158	49,077
Less right-to-use leases receivable payments received	(25,946)	-
Plus right-to-use lease revenue	32,290	-
Deferred revenues	262,747	-
Revenues (GAAP basis)	$ 28,025,592	$ 6,897,397
Expenditures (budgetary basis)	$ 30,179,857	$ 6,487,995
Plus issuance of finance leases	1,560,000	-
Plus issuance of right-to-use leases	275,667	-
Plus issuance of right-to-use subscriptions	1,874,035	-
Less 2022 accrued reimbursements	-	(52,181)
Plus 2023 accrued reimbursements	-	49,077
Expenditures (GAAP basis)	$ 33,889,559	$ 6,484,891

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Cash Equivalents
The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Deposits and Investments
Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the Finance Director. Cash includes amounts in demand deposits. Investments of the pooled accounts consist of certificates of deposit and money market investments backed by U.S. government securities. Interest income earned is allocated among funds in accordance with the adopted budget.

State statutes authorize the City to invest idle funds in U.S. government securities, temporary notes, no-fund warrants, repurchase agreements and the Kansas Municipal Investment Pool. The Kansas Municipal Investment Pool operates in accordance with appropriate State laws and regulations. The reported value of the investment in the Kansas Municipal Investment Pool is the same as the fair value of its pool shares. Other investments of the City and its component units are stated at fair value, which equals cost. The aggregate value of the investments, including certificates of deposit, at December 31, 2023, is $74,690,227.

1. Summary of Significant Accounting Policies (continued)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

Inventories and Prepaid Items
Inventories are valued using the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods. The City deems prepaid expenses as immaterial to the financial statements. No capitalization or amortization has been recorded in the financial statements of the primary government. The Garden City Housing Authority records certain payments to vendors that reflect costs applicable to future accounting periods as prepaid items in their financial statements.

Restricted Assets
Certain resources set aside for the repayment of the City's enterprise funds' revenue bonds are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The "maintenance reserve" account and "repair and replacement" account are used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements.

Capital Assets
Capital assets are tangible and intangible assets (e.g., water rights), which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount.

As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

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1. Summary of Significant Accounting Policies (continued)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

Capital Assets (continued)
Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment, the right to use subscriptions, and infrastructure of the primary government are depreciated/amortized using the straight-line method, with one-half year's depreciation/amortization in the year of acquisition, over the following estimated useful lives:

Buildings	40 years
Street infrastructure	40 years
Storm sewer infrastructure	50 years
Water rights	Contractual life
Improvements	20 years
Equipment and vehicles	3-10 years

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. *Deferred outflows of resources* represent a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports a collective deferred outflow of resources related to pensions, which is described in more detail in Note 4, item E - Defined Benefit Pension Plan, and a collective deferred outflow of resources related to other postemployment benefits, which is described in more detail in Note 4, items F, G, and H - Other Post-Employment Benefit Plan. The deferred amounts related to pensions and other postemployment benefits relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and postemployment benefit related changes. In addition, the City reports deferred charges on debt refunding in the government-wide and proprietary fund statements of net position. The deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. *Deferred inflows of resources* represent an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Under the accrual basis of accounting, the governmental funds and business-type activities funds report unavailable revenues from property taxes and special assessments as deferred and recognized as an inflow of resources in the period that the amounts become available and earned. The City reports amounts related to pensions and other postemployment benefits on the government-wide statement of net position as a deferred inflow of resources. In addition, the City reports deferred charges on refunding on the government-wide and proprietary fund statements of net position. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also reports amount related to leases on the government-wide and proprietary fund statements of net position. Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

1. Summary of Significant Accounting Policies (continued)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance". The City's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or listed only with the consent of the resource providers.

Committed fund balance represents amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Commission is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

1. Summary of Significant Accounting Policies (continued)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

Fund Balance (continued)
Assigned fund balance represents amounts that are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Commission has by resolution authorized the City Manager and City Finance Director to assign fund balance. The City Commission may also assign fund balance, as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance represents the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

As previously mentioned, sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

H. Leases

Lessor
The City is a lessor for noncancellable leases of land, buildings, towers, hangars, and office space. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

1. Summary of Significant Accounting Policies (continued)

H. Leases (continued)

Lessor (continued)
The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Lessee
The City is a lessee for several noncancellable leases of equipment and buildings. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of the lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

I. Subscription-based information technology arrangements
Effective January 1, 2023, the City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)* (GASB 96). The implementation of GASB 96 requires the City to record the addition of right-to-use subscription intangible assets and right-to-use subscription liabilities in the amount of $1,874,035 in the Governmental funds and $136,744 in the Solid Waste enterprise fund for *SBITAs* entered into during the year ended December 31, 2023, and prior. There was no restatement to overall beginning net position due to the adoption of GASB 96.

1. Summary of Significant Accounting Policies (continued)

I. Subscription-based information technology arrangements (continued)
For arrangements where the City is a subscriber, a right-to-use subscription liability and a right-to-use subscription intangible asset are recognized at the commencement of the subscription term. Right-to-use subscription assets represent the City's right to use an underlying asset for the subscription term and right-to-use subscription liabilities represent the City's obligation to make subscription payments arising from the arrangement. Right-to-use subscription assets and right-to-use subscription liabilities are recognized at the subscription commencement date based on the estimated present value of the subscription payments over the subscription term.

The City uses its estimated incremental borrowing rate as the discount rate for the right-to-use subscription liability.

J. Revenues and Expenditures/Expenses

Program Revenues
Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes
In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis, are levied 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 the 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 the taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31, 2023, such taxes are a lien on the property and are recorded as taxes receivable, net of anticipated delinquencies of $213,649, with a corresponding amount recorded as deferred revenue on the balance sheets of the appropriate funds. Delinquent taxes held by the County Treasurer at December 31, 2023, are not significant.

Compensated Absences

Vacation
The City's policy regarding vacation leave pay permits employees to accumulate leave days at a maximum rate of 22 days per year up to 50 days. Vacation leave pay is accrued when incurred in the government-wide and proprietary funds' financial statements. A liability for these amounts is reported in governmental funds only if the liability has matured as a result of employee resignations or retirements. The City has estimated the value of accrued vacation leave pay at December 31, 2023, to be $1,954,794 of which $873,845 is expected to be used in 2024.

1. Summary of Significant Accounting Policies (continued)

J. Revenues and Expenditures/Expenses (continued)

Compensated Absences (continued)

Sick Leave
The City's policy regarding sick leave pay permits employees to accumulate leave days at a maximum rate of 12 days per year up to 72 days. Leave may be used for sick leave, bereavement leave and personal leave. Payment for leave time in lieu of time off is computed at November 30th each year so that no more than 72 days are accumulated for any one individual. The City's policy is to recognize the costs of sick leave when actually paid since employees are not reimbursed for unused sick leave when they leave the City's employ.

Proprietary Funds Operating and Nonoperating Revenues and Expenses
Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. The electric utility fund and water fund also recognize as operating revenue the portion of connect fees intended to recover the cost of connecting new customers to the system. The principal operating revenues of the internal service funds are departmental billings for insurance. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

K. New Pronouncements
The GASB has issued the following statements which will have an impact on the City's future financial reporting, although they are not yet required to be implemented by the City:

- GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62, issued June 2022, will be effective for the City beginning with its year ending December 31, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

- GASB Statement No. 101, *Compensated Absences*, issued June 2022, will be effective for the City beginning with its year ending December 31, 2024. The objective of this Statement is to better meet the information of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

- GASB Statement No. 102, *Certain Risk Disclosures*, issued December 2023 will be effective for the City beginning with its year ending December 31, 2025. The objective of this Statement is to provide users with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

1. Summary of Significant Accounting Policies (continued)

K. New Pronouncements (continued)

- GASB Statement No. 103, *Financial Reporting Model Improvements,* issued April 2024 will be effective for the City beginning with its year ending December 31, 2026. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.

L. Change in Accounting Principle

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs),* became effective for the City for the year ended December 31, 2023. This Statement (1) defines a *SBITA*; (2) establishes that a *SBITA* results in a right-to-use subscription asset – an intangible asset – and a corresponding right-to-use subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a *SBITA*; and (4) requires note disclosures regarding a *SBITA*. The Statement was not required to be applied retroactively and there were not any changes to net position as a result of applying this Statement.

M. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

2. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." The details of this $96,801,021 are as follows:

Land	$ 5,137,880
Construction in progress	10,499,555
Property, plant and equipment	150,629,821
Less accumulated depreciation/amortization	(69,466,235)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	$ 96,801,021

2. Reconciliation of Government-wide and Fund Financial Statements (continued)

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (continued)

Another element of that reconciliation explains that "deferred outflows and inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the governmental funds." The details of this $9,739,245 difference due to the deferred outflows and inflows related to postemployment benefits for the governmental activities are as follows:

Deferred outflows of resources related to pensions	$ 10,047,499
Deferred outflows of resources related to OPEB	221,709
Deferred inflows of resources related to pensions	(376,620)
Deferred inflows of resources related to OPEB	(153,343)
Total deferred outflows and inflows related to postemployment benefits - governmental activities	$ 9,739,245

Another element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds." The details of this $101,412,665 difference are as follows:

Governmental bonds payable	$ 61,129,486
Limited obligation bonds payable	1,268,947
Leases payable	3,365,212
Right-to-use leases payable	641,169
Right-to-use subscription payable	832,075
Accrued interest payable on long-term debt	350,988
Compensated absences	1,954,794
Net pension liability	31,410,194
Net OPEB obligation - KPERS death and disability	459,800
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	$ 101,412,665

Another element of that reconciliation explains that "governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this $2,935,619 difference are as follows:

Bond premium	$ 2,935,619
Total premiums and deferred items	$ 2,935,619

2. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities
The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization expense in the current period." The details of this $6,075,520 difference are as follows:

Expenditures for capital assets	$ 11,441,296
Less current year depreciation/amortization	(5,365,776)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	$ 6,075,520

Another element of that reconciliation states that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase (decrease) net position." The details of this $4,722,918 difference are as follows:

Donation of capital assets	$ 4,726,437
In the Statement of Activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost (net of depreciation) of the capital asset sold.	(3,519)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	$ 4,722,918

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this $50,590 difference are as follows:

Accrued interest expense on long-term debt, net change	$ (17,540)
Change in compensated absences	(158,536)
Amortization of bond premiums and discounts and deferred amounts of refunding	226,981
Amortization of deferred outflows of resources related to OPEB - KPERS death and disability	(315)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	$ 50,590

2. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (continued)

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this $(677,423) difference are as follows:

Debt issued or incurred:	
General obligation bonds	$ (4,945,000)
Bond premium	(202,814)
Finance leases issued	(1,560,000)
Right-to-use leases issued	(275,667)
Right-to-use subscriptions issued	(1,874,035)
Principal repayments:	
General obligation debt	5,204,065
Limited obligation debt	743,902
Finance leases paid	820,731
Right-to-use leases paid	369,435
Right-to-use subscriptions paid	1,041,960
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	$ (677,423)

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3. Stewardship, Compliance and Accountability

A. Noncompliance with Kansas statutes

References made herein to the statutes are not intended as interpretation of law, but are offered for consideration of the Kansas Department of Administration's Chief Financial Officer and interpretation by the County Attorney and the legal representative of the City. Known immaterial violations of finance-related legal and contractual provisions including Kansas statutes, regulations, contracts, debt covenants, or other agreements for the year ended December 31, 2023, are discussed in note 1, item F, on the *Excess of Expenditures Over Appropriations,* which describes budgetary violations that occurred for the year ended December 31, 2023.

4. Detailed Notes on All Activities and Funds

A. Cash and Investments

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City, and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital), liquidity and yield.

The City utilizes a pooled cash and investment concept for all its funds, to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds by management.

A reconciliation of cash and investments as shown on the government-wide statement of net position for the primary government follows:

Cash	$ 63,416,460
Investments, at fair value	528,099
Restricted assets:	
Cash	11,618,196
Total cash and investments	$ 75,562,755
Cash on hand	$ 27,241
Carrying amount of deposits	23,801,567
Treasury obligations	52,090,964
Less custodial funds	(357,017)
Total cash and investments	$ 75,562,755

Additionally, proceeds related to the limited obligation bonds for the Sales Tax Special Obligation Revenue Bonds (STAR bonds) issued to finance improvements within authorized STAR bond districts in the City are held by an escrow agent on behalf of the City. As of December 31, 2023, the proceeds from STAR bonds were invested in money market accounts and treasury obligations that amounted to $12,439,136.

4. Detailed Notes on All Activities and Funds (continued)

A. Cash and Investments (continued)

Cash Deposits with Financial Institutions

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The City's designated "peak periods" are with Commerce Bank from January 6th to March 7th and June 6th to August 5th.

At year end, the City's carrying amount of deposits was $23,801,567 and the bank balance was $25,303,487. Ninety-eight percent of the bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, $12,573,225 was covered by federal depository insurance and $12,730,262 was collateralized with securities held by the pledging financial institutions' agents in the City's name. The City's carrying amount of cash deposits by financial institution at year end are as follows:

	Bank balance covered by			Total bank balance
	FDIC coverage	Pledged securities at market value	Unsecured	
Commerce Bank	$ 500,000	$ 11,038,981	$ -	$ 11,538,981
Dream First Bank	9,285,981	-	-	9,285,981
Equity Bank	2,233,123	-	-	2,233,123
Western State Bank	304,121	1,351,368	-	1,655,489
Kearny County Bank	250,000	339,913	-	589,913
Total	$ 12,573,225	$ 12,730,262	$ -	$ 25,303,487

Investments

Credit and Interest Rate Risks

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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. City 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. The rating of the City's investments at December 31, 2023, is noted in the following section.

4. Detailed Notes on All Activities and Funds (continued)

A. Cash and Investments (continued)

Investments (continued)

Credit and Interest Rate Risks (continued)
The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City had investments in certificates of deposits in the amount of $22,599,263 at December 31, 2023, which are categorized as Level 1 investments. In addition, as of December 31, 2023, the City had the following investments and maturities:

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less than 1 year	1-5 years	Rating
Treasury obligations	$ 52,090,964	$ 52,090,964	$ -	N/A
Total	$ 52,090,964	$ 52,090,964	$ -	

Concentration of Credit Risk
State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocations of investments as of December 31, 2023, is as follows:

Investment Type	Percentage of Investments
Treasury obligations	100.00%

Custodial Credit Risk - Investments
For an investment, this is the risk that, in the event of the failure of the issuer or counterparty to the transaction, 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.

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4. Detailed Notes on All Activities and Funds (continued)

B. Receivables

Amounts other than leases receivable are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the City's individual major and nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	Debt Service	Electric Utility	Water and Sewer Utility	Airport	Nonmajor and Other Funds	Total
Receivables:							
Taxes	$ 9,701,786	$ 3,019,960	$ -	$ -	$ 1,424,546	$ 183,544	$ 14,329,836
Special assessments	-	6,192	-	-	-	-	6,192
Accounts and interest	522,919	15,893	2,402,830	692,169	31,267	383,616	4,048,694
Other	-	-	-	-	968,078	240,419	1,208,497
Gross receivables	10,224,705	3,042,045	2,402,830	692,169	2,423,891	807,579	19,593,219
Less allowance for uncollectibles	126,197	59,109	416,889	137,255	28,343	91,083	858,876
Net receivables	$ 10,098,508	$ 2,982,936	$ 1,985,941	$ 554,914	$ 2,395,548	$ 716,496	$ 18,734,343

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 90 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 1.49% of outstanding property taxes at December 31, 2023.

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 received prior to the issuance of general obligation bonds are recorded as revenue in the appropriate project fund. Further, state statutes require levying additional general ad valorem property taxes in the Debt Service fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable is accounted for within the Debt Service fund and no provision is made for potentially delinquent receivables. Special assessments are levied over a ten or fifteen year period and annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. At December 31, 2023, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the applicable fund with a corresponding amount recorded as deferred revenue.

C. Restricted Assets

The balances of the restricted asset accounts in the enterprise funds are as follows:

Cash:	
Operating capital reserve	$ 3,652,850
Maintenance reserve	2,019,043
Repair and replacement	807,615
Capital projects	4,434,939
Building	151,312
Security deposits	552,437
Total restricted assets	$ 11,618,196

4. Detailed Notes on All Activities and Funds (continued)

D. Capital Assets

Capital asset activity for the primary governmental activity funds for the year ended December 31, 2023, was as follows:

	Balance 01-01-23	Additions	Deductions	Transfers/ Reclassifications	Balance 12-31-23
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 2,012,081	$ 2,969,016	$ -	$ 156,783	$ 5,137,880
Construction in progress	8,739,227	6,024,506	4,264,178	-	10,499,555
Total capital assets not being depreciated	10,751,308	8,993,522	4,264,178	156,783	15,637,435
Capital assets being depreciated/amortized:					
Buildings and improvements	18,728,741	4,068,536	-	5,666,178	28,463,455
Equipment	6,531,125	347,181	190,714	4,523,590	11,211,182
Vehicles	9,986,481	730,048	63,618	46,459	10,699,370
Furniture and fixtures	157,678	101,887	-	-	259,565
Right-to-use leased assets	490,006	275,667	-	570,655	1,336,328
Right-to-use subscription assets	-	1,874,035	-	-	1,874,035
Infrastructure	79,638,033	5,319,211	-	11,828,642	96,785,886
Total capital assets being depreciated/amortized	115,532,064	12,716,565	254,332	22,635,524	150,629,821
Less accumulated depreciation/ amortization for:					
Buildings and improvements	8,817,752	1,397,672	-	3,943,298	14,158,722
Equipment	4,614,275	802,926	171,105	2,004,199	7,250,295
Vehicles	6,110,601	710,299	63,618	46,459	6,803,741
Furniture and fixtures	94,824	19,721	-	-	114,545
Right-to-use leased assets	153,731	364,118	-	160,588	678,437
Right-to-use subscription assets	-	439,550	-	-	439,550
Infrastructure	38,389,455	1,631,490	-	-	40,020,945
Total accumulated depreciation/amortization	58,180,638	5,365,776	234,723	6,154,544	69,466,235
Total capital assets being depreciated/ amortized, net	57,351,426	7,350,789	19,609	16,480,980	81,163,586
Governmental activities capital assets, net	$ 68,102,734	$ 16,344,311	$ 4,283,787	$ 16,637,763	$ 96,801,021

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4. Detailed Notes on All Activities and Funds (continued)

D. Capital Assets (continued)

Capital asset activity for the business-type activity funds for the year ended December 31, 2023, was as follows:

	Balance 01-01-23	Additions	Deductions	Transfers/ Reclassifications	Balance 12-31-23
Business-type activities:					
Capital assets not being depreciated:					
Land	$ 2,752,297	$ -	$ -	$ (156,783)	$ 2,595,514
Water rights	757,025	-	-	-	757,025
Construction in progress	14,989,922	16,153,756	3,967,085	-	27,176,593
Total capital assets not being depreciated	18,499,244	16,153,756	3,967,085	(156,783)	30,529,132
Capital assets being depreciated/amortized:					
Production, storage and distribution equipment	195,395,755	5,747,511	-	-	201,143,266
Golf course, buildings and equipment	19,363,424	119,164	-	(17,551,015)	1,931,573
Vehicles and equipment	18,251,367	1,504,105	629,957	(4,513,854)	14,611,661
Containers and equipment	5,672,897	157,624	-	-	5,830,521
Right-to-use leased assets	570,655	108,897	-	(570,655)	108,897
Right-to-use subscription assets	-	136,744	-	-	136,744
Airport improvements	37,123,483	141,917	1,047,268	-	36,218,132
Total capital assets being depreciated/amortized	276,377,581	7,915,962	1,677,225	(22,635,524)	259,980,794
Less accumulated depreciation/ amortization for:					
Production, storage and distribution equipment	65,711,242	5,086,949	-	-	70,798,191
Golf course, buildings and equipment	5,259,980	28,670	-	(3,954,537)	1,334,113
Vehicles and equipment	9,726,000	977,262	502,033	(2,039,419)	8,161,810
Containers and equipment	3,292,801	145,227	-	-	3,438,028
Right-to-use leased assets	160,588	16,753	-	(160,588)	16,753
Right-to-use subscription assets	-	27,349	-	-	27,349
Airport improvements	12,681,074	487,923	541,554	-	12,627,443
Total accumulated depreciation/amortization	96,831,685	6,770,133	1,043,587	(6,154,544)	96,403,687
Total capital assets being depreciated/ amortized, net	179,545,896	1,145,829	633,638	(16,480,980)	163,577,107
Business-type activities capital assets, net	$ 198,045,140	$ 17,299,585	$ 4,600,723	$ (16,637,763)	$ 194,106,239

4. Detailed Notes on All Activities and Funds (continued)

D. Capital Assets (continued)
Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 508,707
Public safety	1,267,525
Public works	1,811,826
Parks and recreation	1,777,718
Total additions to accumulated depreciation/amortization - governmental activities	$ 5,365,776
Business-type activities:	
Electric	$ 3,606,854
Water and sewer	1,702,503
Airport	672,805
Solid waste	614,015
Recreation area	119,102
Drainage	54,854
Total additions to accumulated depreciation/amortization - business-type activities	$ 6,770,133

E. Defined Benefit Pension Plan - Kansas Public Employees Retirement System
The City participates in a cost-sharing multiple-employer pension plan administered by the Kansas Public Employees Retirement System (KPERS). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of KPERS and additions to/deductions from KPERS's fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information About the Pension Plan

Plan Description
The City participates in a cost-sharing multiple-employer pension plan, as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The pension plan is administered by KPERS, a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - State / School employees
  - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the pension plan. Participation by local political subdivisions is optional but irrevocable once elected.

4. Detailed Notes on All Activities and Funds (continued)

E. Defined Benefit Pension Plan - Kansas Public Employees Retirement System (continued)

General Information About the Pension Plan (continued)

Plan Description (continued)
Those employees participating in the pension plan for the City are included in the Public Employees, and Police and Firemen employee groups.

KPERS issues a stand-alone annual comprehensive financial report, which is available on the KPERS website at www.kpers.org.

Benefits Provided
Benefits are established by statute and may only be changed by the Legislature. Members (except Police and Firemen) with ten or more years of credited service, may retire as early as age 55 (Police and Firemen may at age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of credited service equal 85 "points" (Police and Firemen's normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the State Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new cash balance retirement plan (KPERS 3) was created for new hires starting January 1, 2015. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with thirty years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions
Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined based on the results of each annual actuarial valuation for each of the three statewide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. Each of the retirement systems are funded on an actuarial reserve basis.

4. Detailed Notes on All Activities and Funds (continued)

E. Defined Benefit Pension Plan - Kansas Public Employees Retirement System (continued)

General Information About the Pension Plan (continued)

Contributions (continued)
For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers, which includes the state and the school employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll for the fiscal year ended June 30, 2023.

The actuarially determined employer contribution rates (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rates for City employees are as follows:

	Actuarial Employer Rate	Statutory Employer Capped Rate
Local government employees	8.43 %	8.43 %
Police and Firemen	22.86	22.86

Member contribution rates as a percentage of eligible compensation in fiscal year 2023 are 6.00% for Public Employees, and 7.15% for Police and Firemen.

Employer and Nonemployer Allocations
Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State
- School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in KPERS' schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of June 30, 2023, are based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2023.

The contributions used exclude contributions made for prior services, excess benefits and irregular payments. At June 30, 2023, the City's proportions were 0.680672% and 1.072486% for the Local Employees and the Police and Firemen, respectively, which were an increase of 0.025520% and 0.006790%, respectively, from its proportions measured at June 30, 2022.

4. Detailed Notes on All Activities and Funds (continued)

E. Defined Benefit Pension Plan - Kansas Public Employees Retirement System (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Net Pension Liability

At December 31, 2023, the City reported a liability of $31,410,194 for its proportionate share of the net pension liability.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Price inflation	2.75%
Salary increases	3.50 to 12.00%, including price inflation
Investment rate of return	7.00% compounded annually, net of investment expense, including price inflation

Mortality rates were based on the RP-2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities	23.50%	5.20%
Non-U.S. equities	23.50%	6.40%
Private equity	8.00%	9.50%
Private real estate	11.00%	4.45%
Yield driven	8.00%	4.70%
Real return	11.00%	3.25%
Fixed income	11.00%	1.55%
Short-term investments	4.00%	0.25%
Total	100.00%	

4. Detailed Notes on All Activities and Funds (continued)

E. Defined Benefit Pension Plan - Kansas Public Employees Retirement System (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Net Pension Liability (continued)

Discount Rate
The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate was based on member and employer contributions as outlined below:

- In KPERS, the Local, Kansas Police and Firemen, and Judges group are contributing at the full actuarial contribution rate. However, the State/School groups do not necessarily do so.

- Based on legislation first passed in 1993, the employer contribution rates certified by the KPERS Board may not increase by more than the statutory cap. Subsequent legislation in 2012 set the statutory cap at 0.90% for fiscal year 2014, 1.00% for fiscal year 2015, 1.10% for fiscal year 2016, and 1.20% for fiscal years 2017 and beyond.

- In recent years, the Legislature has made several changes to statutory rates that deviate from the scheduled contribution increases set under the statutorily capped rates. In 2015, Senate Bill 4 reduced the previously certified State/School statutory rate from 11.27% to 8.65% for the last half of fiscal year 2015. That same session, Senate Bill 228 recertified statutory rates to 10.91% for fiscal year 2016 and 10.81% for fiscal year 2017 in anticipation of the issuance of $1.0 billion in pension obligation bonds.

- Legislation in the 2016 session (Senate Bill 161) provided for the delay of up to $100 million in State and School contributions to the Retirement System for fiscal year 2016. Concurrently, 2016 House Sub for Senate Bill 249 provided that the delayed contributions would be paid in full, with interest at 8.00%, by June 30, 2018. However, legislation passed by the 2017 Legislature removed the repayment provision.

- In addition, 2017 Senate Sub for House Bill 2052 delayed $64.0 million in fiscal year 2017 contributions, to be paid over 20 years in level dollar installments. The first year payment of $6.4 million was paid in full at the beginning of fiscal year 2018, and appropriations for fiscal year 2018 were made for the Senate/School group at the statutory contribution rate of 12.01% for that year. Additional legislation in the 2017 Session (Senate Sub for House Bill 2002) provided for a reduction of $194 million from the previously certified contribution rate of 13.21% in the State/School contributions for fiscal year 2019. Like the fiscal year 2017 reduction, it is to be paid back over a 20-year period, beginning in fiscal year 2020. Therefore, both reductions will be accounted for as receivables by the System.

- The 2018 Legislature passed House Sub for Senate Bill 109 that provided additional contributions to the school group of $56 million and $83 million in fiscal year 2019.

- The 2019 Legislature passed Senate Bill 9 that provided additional contributions to the school group of $115 million in fiscal year 2019. House Sub for Senate Bill 25 from the 2019 legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

4. Detailed Notes on All Activities and Funds (continued)

E. Defined Benefit Pension Plan - Kansas Public Employees Retirement System (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Net Pension Liability (continued)

Discount Rate (continued)

- The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School Group's unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for fiscal years 2022 and 2023. Fiscal year 2022 was recertified from 14.09% to 13.33% and fiscal year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021.

- The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.25 Billion from the State General Fund directly to KPERS in fiscal years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-School employers contributions withheld in fiscal year 2017 and fiscal year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In fiscal year 2022, $600 million was transferred to the System. Senate Bill 421 authorized two additional transfers totaling $271 million in fiscal year 2023 (reflected in the projected cash flows of the System).

Based on employer contribution history as described above, it is a reasonable assumption that the State/School group's contribution rate may not be certified at the statutory rate at some point in the future. It has been assumed that contribution rates will be made within the same range as have been seen in the past few years. Using this assumption, actuarial modeling indicates that employer contribution rates for the State/School group are sufficient to avoid a depletion date.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount rate (7.00%)	1% Increase (8.00%)
Local	$ 20,475,783	$ 14,279,851	$ 9,117,995
Police and Firemen	23,100,384	17,130,343	12,145,861
	$ 43,576,167	$ 31,410,194	$ 21,263,856

4. Detailed Notes on All Activities and Funds (continued)

E. Defined Benefit Pension Plan - Kansas Public Employees Retirement System (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Net Pension Liability (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources
At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions as shown in the following tables. Experience gains/losses and the impact of changes in actuarial assumptions or other inputs, if any, are recognized over the average expected remaining service life of the active and inactive plan members at the beginning of the measurement period. Investment gains and losses are recognized over a fixed five-year period. Contributions subsequent to the measurement date of the net pension liability but before the end of the City's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal year rather than in the current fiscal year.

	Deferred Outflows of Resources		
	Local	Police and Firemen	Total
Differences between expected and actual experience	$ 1,187,066	$ 1,585,902	$ 2,772,968
Net differences between projected and actual earnings on Pension Plan investments	834,022	771,700	1,605,722
Changes of assumptions	1,513,465	1,386,985	2,900,450
Changes in proportion	792,828	441,924	1,234,752
Contributions subsequent to the measurement date	699,142	834,465	1,533,607
Total deferred outflows of resources	$ 5,026,523	$ 5,020,976	$ 10,047,499

	Deferred Inflows of Resources		
	Local	Police and Firemen	Total
Differences between expected and actual experience	$ 2,011	$ -	$ 2,011
Changes in proportion	259,211	115,398	374,609
Total deferred inflows of resources	$ 261,222	$ 115,398	$ 376,620

The net deferred outflows of resources and (deferred inflows) of resources as of June 30, 2023, that will be recognized in pension expense in future years are as follows:

Fiscal Year	Local	Police and Firemen	Total
2024	$ 1,368,552	$ 1,306,315	$ 2,674,867
2025	812,594	922,293	1,734,887
2026	1,553,122	1,490,732	3,043,854
2027	323,531	342,630	666,161
2028	8,362	9,142	17,504

Pension Expense
For the year ended December 31, 2023, the City recognized pension expense of $5,936,832 which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

4. Detailed Notes on All Activities and Funds (continued)

F. Other Postemployment Benefit (OPEB) Plan Obligations

The City contributes to two defined benefit OPEB plans, the City's Healthcare OPEB Plan, which is a single-employer plan, and the KPERS Death and Disability OPEB Plan, a cost-sharing, multi-employer defined benefit long-term disability and life insurance benefit plan administered by KPERS. As of and for the year ended December 31, 2023, the two plans had the following balances reported in the government-wide financial statements:

	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Healthcare plan	$ 2,816,721	$ 1,552,163	$ 2,852,026	$ 230,294
KPERS Death and Disability plan	459,800	221,709	153,343	315
Total OPEB plans	$ 3,276,521	$ 1,773,872	$ 3,005,369	$ 230,609

Detailed disclosures for each plan follow.

G. Other Postemployment Benefit (OPEB) Plan - Healthcare

General Information About the Plan

Plan Description

Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met the age and/or service eligibility requirements. The other postemployment benefit (OPEB) for health insurance generally provides the same coverage for retirees and their dependents as for active employees and their dependents. The health insurance benefit plan is a single employer defined benefit plan administered by the City. There are no assets accumulated in a trust meeting the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accordingly, the Plan is considered to be administered on a pay as you go basis.

Benefits Provided

The benefit is available for selection at retirement and is extended to retirees and their dependents until the age of 65. Grandfathered retirees may continue coverage until death. The benefits renew on a calendar year basis. The accounting for the health insurance for retirees is included in the City's health insurance fund, with the subsidy provided from the general and enterprise funds.

Funding Policy

The City provides for medical, dental and prescription drug insurance coverage through its group insurance program to qualifying retirees and their dependents to retiree Medicare eligibility age. Two medical plans (Major medical and a high deductible plan) and one dental plan are available. Eligible retirees receive a direct contribution from the City for the premium cost equal to the sum of the high deductible plan and dental single premium rates, capped at $400 per month. Spouses of retirees do not receive a direct contribution from the City and must contribute group rates to maintain coverage. Coverage is provided through fully insured arrangements that operate as a single employer defined benefit plan.

4. Detailed Notes on All Activities and Funds (continued)

G. Other Postemployment Benefit (OPEB) Plan - Healthcare (continued)

General Information About the Plan (continued)

Covered Employees
The City has the following employees covered by the Plan as of December 31, 2023:

Inactive employees or beneficiaries currently receiving benefits	3
Active employees	347
	350

OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB - Healthcare

Total OPEB Liability - Healthcare
The City's total OPEB liability - healthcare of $2,816,721 was re-measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2024.

Actuarial Assumptions and Other Inputs
The total OPEB liability - healthcare in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.88% (measurement date)
Medical/Rx trend rate	7.00% for 2023, decreasing 0.25% per year to an ultimate rate of 4.50% for 2034 and later years.
Dental benefits	Not valued - the effect of aging is not assumed to be material.
Age-adjusted costs	Industry age-based cost relativities were applied to expected per member costs.
Retirement due to disability	Assumed disability rates are based on those utilized for the KPERS-Local and KP&F pension valuations.
Retirement age	Assumed rates are based on those utilized for the KPERS-Local and KP&F pension valuations.
Turnover incidence (other than retirement)	Assumed turnover rates are based on those utilized for the KPERS-Local and KP&F pension valuations. Turnover rates are not applied when retirement eligibility is achieved.
Spouse age difference	Male employees are assumed to be three years older than their female spouses for future retirees. Actual spousal age was valued for current retirees.
Participation in coverage for future retirees	Sixty percent (60%) of future employees are assumed to elect coverage upon retirement.

4. Detailed Notes on All Activities and Funds (continued)

G. Other Postemployment Benefit (OPEB) Plan - Healthcare (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB - Healthcare (continued)

Actuarial Assumptions and Other Inputs (continued)

Covered spouses	Fifty percent (50%) of future eligible retirees are assumed to have a covered spouse. This considers spousal experience of retirees and actives close to retirement age. Actual spousal elections were valued for current retirees.
Plan distribution	Current plan elections are assumed to persist. Actives currently waiving are assumed to elect the lower deductible option during retirement.
Non-spouse dependents	Deemed to be immaterial to the liability and not valued.
Timing of claim payments	Mid-year
Medicare eligibility age	Age 65
Salary scale (per employee)	3.00% per year
Duration of coverage	To age 65. When a covered retiree dies or attains age 65, 75% of spouses are assumed to continue coverage to their own age 65.

The discount rate was based on the average of the published yields from the S&P Municipal Bond 20 year High Grade and the Fidelity GO AA-20 Years indexes.

Healthy life mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality tables using Scale MP-2021 Full Generational Improvement. Disabled life mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality tables using Scale MP-2021 Full Generational Improvement.

Changes to the Total OPEB Liability - Healthcare

Total OPEB liability - healthcare - beginning of year	$ 2,601,245
Service cost	209,441
Interest cost	117,090
Differences between actual and expected experience	(232,544)
Changes in assumptions and inputs	140,489
Employer contributions (benefit payments)	(19,000)
Net changes	215,476
Total OPEB liability - healthcare - end of year	$ 2,816,721

4. Detailed Notes on All Activities and Funds (continued)

G. Other Postemployment Benefit (OPEB) Plan - Healthcare (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB - Healthcare (continued)

Changes to the Total OPEB Liability - Healthcare (continued)
Changes of assumptions and other inputs reflect a change in the discount rate from the beginning to end of year, less one year of amortization.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current discount rate:

	1% Decrease (2.88%)	Discount Rate (3.88%)	1% Increase (4.88%)
Total OPEB liability - healthcare	$ 3,202,151	$ 2,816,721	$ 2,478,338

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower or 1% point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability - healthcare	$ 2,381,917	$ 2,816,721	$ 3,350,749

Deferred Outflows of Resources and Deferred Inflows of Resources
At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 249,671	$ 2,085,333
Changes in assumptions	1,302,492	766,693
Total	$ 1,552,163	$ 2,852,026

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4. Detailed Notes on All Activities and Funds (continued)

G. Other Postemployment Benefit (OPEB) Plan - Healthcare (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB - Healthcare (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources (continued)
Contributions subsequent to the measurement date of the OPEB liability but before the end of the City's reporting period will be recognized as a reduction of the OPEB liability in the subsequent fiscal year rather than in the current fiscal year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an expense/(income) item in OPEB expense as follows:

	Amount
2024	$ (96,237)
2025	(96,237)
2026	(96,237)
2027	(96,237)
2028	(96,237)
2029 & thereafter	(818,678)
	$ (1,299,863)

OPEB Expense – Healthcare
For the year ended December 31, 2023, the City recognized OPEB expense for healthcare of $230,294.

H. Other Postemployment Benefit Plan - KPERS Death and Disability

General Information About the OPEB Plan

Plan Description
The City participates in a multiple-employer defined benefit OPEB plan (the Plan) which is administered by KPERS. The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accordingly, the Plan is considered to be administered on a pay as you go basis.

Th Plan is included in the KPERS annual comprehensive financial report, which is available on the KPERS website at www.kpers.org.

Contributions
Employer contributions are established and may be amended by state statute. Members are not required to contribute. There were no employer contributions paid for benefits during the fiscal year ending December 31, 2023.

4. Detailed Notes on All Activities and Funds (continued)

H. Other Postemployment Benefit Plan - KPERS Death and Disability (continued)

General Information About the OPEB Plan (continued)

Benefits
Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3%) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60% of the member's monthly compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Covered Employees
The City has the following employees covered by the Plan as of December 31, 2023:

Inactive employees or beneficiaries currently receiving benefits	2
Active employees	249
	251

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - KPERS Death and Disability

Total OPEB Liability - KPERS Death and Disability
At December 31, 2023, the City reported a total OPEB liability - KPERS death and disability of $459,800.

4. Detailed Notes on All Activities and Funds (continued)

H. Other Postemployment Benefit Plan - KPERS Death and Disability (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - KPERS Death and Disability (continued)

Actuarial Assumptions
The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023, (the measurement date), using the following actuarial assumptions:

Price inflation	2.75%
Payroll growth	3.00%
Wage inflation	3.50%, average, including inflation
Discount rate (based on the Bond Buyer General Obligation 20-Bond Municipal Index)	3.65%

Mortality rates used for the death benefits were based on the RP-2014 Healthy Annuitant Mortality Table for Males and Females, adjusted for generational mortality improvement using MP-2021. Mortality rates used for the disability benefits were based on the RP-2014 Disabled Life Table with generational mortality improvement using MP-2021.

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of an actuarial experience study conducted for three years ending December 31, 2018. Changes in assumptions and benefits are described in the notes to the required supplemental information. There were no changes between the actuarial valuation date of December 31, 2022, rolled forward to the measurement date of June 30, 2023, and the City's reporting date of December 31, 2023.

Changes to the Total OPEB Liability - KPERS Death and Disability

Total OPEB liability - KPERS death and disability - beginning of year	$	436,317
Service cost		31,097
Interest cost		15,684
Effect of economic/demographic gains or losses		28,294
Effect of assumptions changes or inputs		(2,431)
Benefit payments		(49,161)
Net changes		23,483
Total OPEB liability - KPERS death and disability - end of year	$	459,800

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4. Detailed Notes on All Activities and Funds (continued)

H. Other Postemployment Benefit Plan - KPERS Death and Disability (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - KPERS Death and Disability (continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents the total OPEB liability of the City as of December 31, 2023, calculated using the discount rate of 3.65%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65%) or 1 percentage point higher (4.65%) than the current rate.

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability - KPERS death and disability	$ 482,050	$ 459,800	$ 438,029

Sensitivity of the Total OPEB Liability to Changes in the Current Trend Rate
The following presents the total OPEB liability of the City as of December 31, 2023, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability - KPERS death and disability	$ 459,800	$ 459,800	$ 459,800

Deferred Outflows of Resources and Deferred Inflows of Resources
At December 31, 2023, the deferred inflows and outflows of resources are as follows:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 204,439	$ 69,877
Changes in assumptions	17,270	83,466
Total	$ 221,709	$ 153,343

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to OPEB - KPERS death and disability will be recognized in OPEB expense as follows:

	Amount
2024	$ 2,695
2025	2,695
2026	3,020
2027	5,137
2028	9,569
2028 & thereafter	45,250
	$ 68,366

4. Detailed Notes on All Activities and Funds (continued)

H. Other Postemployment Benefit Plan - KPERS Death and Disability (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - KPERS Death and Disability (continued)

OPEB Revenue and Expense - KPERS Death and Disability
For the year ended December 31, 2023, the City recognized OPEB expense for KPERS death and disability in an amount of $315.

I. Construction and Other Significant Commitments

Construction Commitments
The City has active construction projects as of December 31, 2023. At year end, the City's commitments with contractors and vendors are as follows:

Project	Project Authorization	Expended to 12-31-23	Committed
Airport terminal	$ 34,749,537	$ 23,570,791	$ 11,173,240
Southeast Park bond project	2,176,425	1,534,864	641,561
Fire station #3	13,709,460	3,773,375	9,936,085
Empirical Foods infrastructure	1,987,400	1,551,309	436,091
Mobile dispatch unit	37,882	37,882	-
Fulton Street drainage project	1,424,415	1,021,636	402,779
8th Street reconstruction	2,251,724	1,842,349	409,375
Safe streets and roads	1,700,000	82,441	1,617,559
Eastside PED improvement	2,592,000	221,692	2,370,308
Kansas Avenue	1,414,000	434,007	979,993
Public Works facility	300,000	24,485	275,515
Offset wells	109,900	69,661	40,239
WWTP aeration improvements	3,945,647	3,425,200	520,447
Extraneous flow holding basin improvements	165,000	-	165,000
Drainage ditch bridge	3,655,000	40,270	3,614,730
Fleming & Spruce signal	69,985	46,185	23,800
Total	$ 70,288,375	$ 37,676,147	$ 32,606,722

At December 31, 2023, other open commitments with contractors and vendors entered into by the City are as follows:

	Authorization
2023 AWD Honda HR-V	$ 27,000
Two Chevrolet Tahoes	108,000
2024 International cab/chassis with attachments	231,189
Aerial/telescoping material handling 4x4 bucket truck	219,794
Pierce enforcer pumper	945,146
Pierce enforcer aerial	1,983,768
Mobile command vehicle	989,005
Total	$ 4,503,902

4. Detailed Notes on All Activities and Funds (continued)

I. Construction and Other Significant Commitments (continued)

Commitments

In 2014 the City entered into an agreement with the Kansas Municipal Energy Agency (KMEA) under a power supply plan renewable annually in which KMEA expects to provide the necessary financial and contractual arrangements for resources to implement the power supply plan, manage the City's electrical power supply resources and coordinate with the Southwest Power Pool on behalf of the City through a portfolio of agreements between KMEA and the City. As part of the original agreement in 2013, the City entered into a finance lease purchase agreement with KMEA for three new combustion turbine generators installed in Garden City by KMEA at a project cost of $41,964,860 as discussed in Note 4, item K and Note 4, item M.

Contracts

In 2022 the City entered into a three-year operating agreement for an employee wellness center. Fees totaling $806,371 were paid under this contract for the year ended December 31, 2023. The future fees under this agreement are as follows:

2024	$	783,000
2025		783,000
Total	$	1,566,000

Conduit Debt Obligations

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2023, there were three series of industrial revenue bonds outstanding. The aggregate principal amount payable of these industrial revenue bonds at December 31, 2023, was $19,874,414.

J. Risk Management and Self-Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. Insurance policies are purchased for various exposures, details of which can be found in the Schedule of Insurance located in the supplementary information. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

K. Leases

Leases Receivable

The City, as a lessor, has entered into lease agreements involving cell phone towers, utility pole attachments, land, airport hangars, warehouses, and office space. The City recognized $32,291 in lease revenue and $9,542 in interest revenue for the leases related to governmental activities and $223,248 in lease revenue and $39,507 in interest revenue for the leases related to business-type activities during the current year. Also, the City has a deferred inflow of resources

4. Detailed Notes on All Activities and Funds (continued)

K. Leases (continued)

Leases Receivable (continued)
associated with these leases that will be recognized as revenue over the lease terms. As of December 31, 2023, the balance of the deferred inflow of resources was $340,914 for governmental activities and $2,105,280 for business-type activities.

The future revenues under these lease agreements as of December 31, 2023, are as follows:

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	$ 17,411	$ 9,076	$ 176,642	$ 40,989
2025	19,879	8,598	108,393	37,545
2026	20,424	8,053	71,685	35,619
2027	20,984	7,493	60,836	33,882
2028	21,559	6,918	60,201	32,263
2029-2033	125,968	25,037	243,269	138,489
2034-2038	92,574	8,894	118,844	109,204
2039-2043	17,263	445	95,487	96,513
2044-2048	-	-	95,637	78,863
2049-2053	-	-	118,985	58,015
2054-2058	-	-	181,363	25,637
2059-2063	-	-	20,736	263
Total	$ 336,062	$ 74,514	$ 1,352,078	$ 687,282

Subsequent to year end, the City Commissioners entered into a lessor lease agreement involving land. The future revenues under this lease agreement are as follows:

Year	Business-type Activities
2024	$ 2,400
2025	2,400
2026	2,400
Total lease payments	7,200
Less amount representing interest	(330)
Total principal payments	$ 6,870

Finance Leases Payable
The City, as a lessee, has entered into various lease agreements to finance the acquisition of fire and police department vehicles and equipment, public safety software, electric utility equipment and improvements, solid waste utility equipment, recreation stadium and gymnastics building improvements, and water rights.

The following is a summary of leased assets acquired through these lease agreements by the City at December 31, 2023:

	Governmental Activities	Business-type Activities
Vehicles and equipment	$ 2,738,945	$ 58,574,181
Buildings and improvements	455,565	1,425,935
Less accumulated depreciation	(1,173,460)	(12,684,270)
Total	$ 2,021,050	$ 47,315,846

4. Detailed Notes on All Activities and Funds (continued)

K. Leases (continued)

Finance Leases Payable (continued)
The future lease payments under these lease agreements as of December 31, 2023, are as follows:

Year	Governmental Activities	Business-type Activities
2024	$ 790,385	$ 4,461,898
2025	643,906	4,315,370
2026	561,603	3,866,532
2027	561,603	3,863,409
2028	561,603	3,862,682
2029-2033	687,631	19,302,892
2034-2038	-	18,297,701
2039-2043	-	12,757,048
2044-2048	-	2,546,057
Total minimum lease payments	3,806,731	73,273,589
Less amount representing interest	(441,519)	(19,158,870)
Present value of future minimum lease payments	$ 3,365,212	$ 54,114,719

Subsequent to year end, the City Commissioners entered into a lease agreement to finance the acquisition of two dump trucks totaling $561,379. The future lease payments under this lease agreement are as follows:

Year	Business-type Activities
2024	$ 129,044
2025	129,044
2026	129,044
2027	129,044
2028	129,044
Total minimum lease payments	645,220
Less amount representing interest	(83,841)
Present value of future minimum lease payments	$ 561,379

4. Detailed Notes on All Activities and Funds (continued)

K. Leases (continued)

Right-to-use Leases Payable

The City, as a lessee, has entered into various lease agreements for the right-to-use underlying leased assets for buildings, vehicles, equipment and a parking lot.

The following is a summary of leased assets available for use through these lease agreements by the City at December 31, 2023:

Vehicles and equipment	$ 828,141	$ 108,897
Buildings	508,187	-
Less accumulated amortization	(678,437)	(16,753)
Total	$ 657,891	$ 92,144

The future lease payments under these lease agreements as of December 31, 2023, are as follows:

Year	Governmental Activities	Business-type Activities
2024	$ 371,291	$ 94,600
2025	132,283	-
2026	96,022	-
2027	67,396	-
2028	13,685	-
Total lease payments	680,677	94,600
Less amount representing interest	(39,508)	(2,460)
Total principal payments	$ 641,169	$ 92,140

Subsequent to year end, the City Commissioners entered into a lease agreement for the right-to-use a 2024 Honda Pilot leased asset totaling $20,872 and the right-to-use a building totaling $229,125. The future lease payments under these lease agreements are as follows:

Year	Governmental Activities
2024	$ 97,688
2025	127,188
2026	37,538
Total lease payments	262,414
Less amount representing interest	(12,417)
Total principal payments	$ 249,997

4. Detailed Notes on All Activities and Funds (continued)

K. Leases (continued)

Right-to-use Subscription Payable
The City, as a lessee, has entered into various subscription-based information technology arrangements.

The following is a summary of subscription assets available for use through these lease agreements by the City at December 31, 2023:

	Governmental Activities	Business-type Activities
Software	$ 1,874,035	$ 136,744
Less accumulated amortization	(439,550)	(27,349)
Total	$ 1,434,485	$ 109,395

The future subscription payments required under the subscription arrangements as of December 31, 2023, are as follows:

Year	Governmental Activities	Business-type Activities
2024	$ 299,031	$ 21,888
2025	161,209	21,888
2026	161,209	21,888
2027	161,209	21,888
2028	114,390	-
Total subscription payments	897,048	87,552
Less amount representing interest	(64,973)	(9,613)
Total principal payments	$ 832,075	$ 77,939

L. Short-Term Debt
The purpose of all short-term borrowings is to provide resources for various capital construction or improvement projects. The form of financing used is temporary notes (i.e., bond anticipation notes). The amounts issued for governmental activities are accounted for in the capital projects fund.

State law requires that temporary notes issued for capital purposes be converted to long-term obligations within four years after the original issue date, if not completely repaid.

There were no short-term capital borrowings from third-parties outstanding at December 31, 2023.

4. Detailed Notes on All Activities and Funds (continued)

M. Long-Term Liabilities

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction or improvement of major capital assets. General obligation bonds have been issued for both governmental and business-type activities. The original principal amount of general obligation bonds issued in prior years was $104,795,000. During the year, general obligation bonds totaling $4,945,000 were issued.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 5 to 15-year serial bonds with nearly equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Purpose	Date of Issue	Maturity Date	Outstanding Interest Rates	Balance 12-31-23
Governmental activities:				
Internal Improvement	05-01-14	11-01-34	3.00 to 3.75%	$ 7,110,000
Internal Improvement	09-15-15	11-01-35	2.50 to 4.00%	6,605,000
Internal Improvement	09-01-16	11-01-26	2.00 to 2.25%	660,000
Internal Improvement	12-15-17	11-01-27	2.00 to 2.40%	970,000
Internal Improvement	11-16-18	11-01-33	3.00 to 4.00%	1,120,000
Internal Improvement	10-24-19	11-01-39	2.00 to 3.00%	895,000
Refunding & Improvement	11-17-20	11-01-40	3.00%	14,373,929
Refunding	11-17-20	11-01-28	0.60 to 1.88%	375,557
Internal Improvement	10-12-21	11-01-36	2.10 to 4.00%	6,980,000
Internal Improvement	10-12-21	11-01-31	1.00 to 2.00%	2,485,000
Internal Improvement	11-22-22	11-01-32	4.00 to 5.00%	14,610,000
Internal Improvement	12-05-23	11-01-33	4.00 to 5.00%	4,945,000
Business-type activities:				
Internal Improvement	12-15-17	11-01-27	2.70 to 3.00%	1,100,000
Internal Improvement	11-16-18	11-01-33	3.00 to 4.00%	6,610,000
Internal Improvement	10-24-19	11-01-39	2.15 to 4.50%	13,645,000
Refunding & Improvement	11-17-20	11-01-40	3.00%	1,496,071
Refunding	11-17-20	11-01-28	0.60 to 1.88%	534,443
Total general obligation bonds payable				$ 84,515,000

The annual debt service requirements to maturity for the general obligation bonds outstanding at December 31, 2023, including interest payments, are as follows:

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	$ 5,399,644	$ 2,127,686	$ 2,025,356	$ 678,012
2025	5,417,461	1,951,595	1,847,540	609,828
2026	5,562,460	1,759,886	1,892,539	562,586
2027	5,517,461	1,553,854	1,947,540	512,926
2028	5,487,460	1,350,341	1,697,539	460,633
2029-2033	24,355,000	3,735,502	8,165,000	1,591,959
2034-2038	7,705,000	769,482	4,770,000	587,408
2039-2043	1,685,000	76,200	1,040,000	31,200
Total	$ 61,129,486	$ 13,324,546	$ 23,385,514	$ 5,034,552

4. Detailed Notes on All Activities and Funds (continued)

M. Long-Term Liabilities (continued)

Bond Covenants
There are a number of limitations and restrictions contained in the various bond indentures. The City believes it is in compliance with all significant limitations and restrictions.

Legal Debt Margin
The City is subject to a general obligation debt limit that is 30% of the assessed valuation of taxable property. For the year ended December 31, 2023, that amount was $101,459,807. As of December 31, 2023, the total outstanding debt applicable to the limit was $55,949,486 which is 55.14% of the total debt limit.

Revenue Loans Payable
The City issues revenue loans where the City pledges income derived from the fees and charges to users of the related assets to pay the debt service. The original principal amount of revenue loans issued in prior years was $20,074,199. No new revenue loans were issued during the year. Revenue loans currently outstanding are as follows:

	Date of Issue	Maturity Date	Outstanding Interest Rates	Balance 12-31-23
Revenue loans payable:				
KMEA loan	03-08-21	12-01-30	6.00%	$ 7,626,866
State utility loan	03-08-21	12-01-30	6.00%	7,519,982
Total revenue loans payable				$ 15,146,848

The annual debt service requirements to maturity for the revenue loans payable outstanding at December 31, 2023, including interest payments, are as follows:

Year	Principal	Interest
2024	$ 1,887,400	$ 612,132
2025	1,965,841	529,774
2026	2,052,032	443,289
2027	2,142,565	352,445
2028	2,241,536	256,786
2029-2033	4,857,474	208,770
Total	$ 15,146,848	$ 2,403,196

Sales Tax Special Obligation Revenue Bonds
Sales tax special obligation revenue bonds (STAR bonds) are authorized to be issued pursuant to K.S.A. 12-17,160, et seq., as amended (the STAR Bond Act). The STAR Bond Act provides a form of tax increment financing that enables the issuance of bonds payable from certain State and local sales and compensating use tax revenues and transient guest tax revenues generated from STAR bond projects constructed within a STAR bond project district. To implement STAR bond financing, a local government must adopt a resolution that specifies a proposed STAR bond project district's boundary and describes the overall district plan, hold a public hearing on the district and plan, and pass a resolution that establishes the STAR bond project district. Additionally, there may be one or more projects within a STAR bond district.

4. Detailed Notes on All Activities and Funds (continued)

M. Long-Term Liabilities (continued)

Sales Tax Special Obligation Revenue Bonds (continued)
In 2019 the City issued $29,540,000 in STAR bonds in connection with the approved Sports of the World STAR Bond Project. In connection with the issuance of the STAR bonds, the City and the State of Kansas entered into tax distribution agreements. The agreements provide that the principal of, accreted value, and interest on the STAR bonds will be paid proportionally by the City and the State of Kansas, based on each entity's respective share of sales taxes generated within the district. The proportional shares are 5.65% local sales tax revenue and 94.35% State sales tax revenue. These proportional shares may change in the future if the sales taxes assessed by the local or state governments are modified.

STAR Bonds with No Annual Appropriation
For these bond issues, the City records its proportional share of the outstanding obligation as limited obligation bonds. At December 31, 2023, STAR bonds outstanding with no annual appropriation consisted of:

Issues	Amount of Issue	Maturity	Interest Rate	Local Pledge	State Pledge	Total Value
2019 Sports of the World STAR Bond Project	$ 29,540,000	06/01/2039	4.38%	$ 1,268,947	$ 10,504,053	$ 11,773,000

Pledged Revenues
The City has pledged specific revenue streams to secure the repayment of certain outstanding debt issues. The corresponding debt issues are for projects as described previously for STAR bonds as well as for general obligation bonds issued to finance infrastructure and capital improvements in tax increment financing (TIF) districts. The following table lists those revenues and the corresponding debt issues, the amount and term of the pledge remaining, the current fiscal year principal and interest on the debt, the amount of pledged revenue recognized during the current fiscal year, and the approximate percentage of the revenue stream that has been committed:

Issues	Type of Revenue Pledged	Amount of Pledge	Term of Commitment	Percent of Revenue Pledged	Principal and Interest for 2023	Pledged Revenues Recognized in 2023
TIF GO bonds	Incremental increase in property tax	$ 16,520,000	Through 11/1/2035	100.00%	$ 1,139,994	$ 3,372,725
STAR Bonds*	Sales tax	29,540,000	Through 6/1/2039	100.00%	7,650,531	824,818

* Note the STAR bond activity above includes the City's and the State's proportional share of bond activity, but only the City's share of pledged revenues recognized.

Segment Information
The City issued general obligation bonds to finance its electric utility, and water and sewer utility, which respectively operate the City's electrical system, and water system and sewage treatment plant. The electric utility, and water and sewer utility are accounted for as separate activities. Financial information for the electric utility fund, and water and sewer utility fund is shown on pages 28 through 33 of this report.

4. Detailed Notes on All Activities and Funds (continued)

M. Long-Term Liabilities (continued)

Changes in Long-Term Liabilities

Changes in the City's long-term liabilities for the year ended December 31, 2023, are as follows:

	Balance 01-01-23	Additions	Retired	Balance 12-31-23	Due Within One Year
Governmental activities:					
General obligation bonds	$ 61,388,551	$ 4,945,000	$ 5,204,065	$ 61,129,486	$ 5,399,644
Limited obligation bonds	2,012,849	-	743,902	1,268,947	120,749
Plus bond premium	2,959,786	202,814	226,981	2,935,619	247,424
Finance leases	1,661,572	2,524,371	820,731	3,365,212	667,871
Right-to-use leases	334,755	675,849	369,435	641,169	353,814
Right-to-use subscriptions	-	1,874,035	1,041,960	832,075	273,552
Compensated absences	1,796,258	1,017,689	859,153	1,954,794	873,845
Net pension liability	28,394,519	9,037,119	6,021,444	31,410,194	-
Net OPEB obligation - healthcare	2,601,245	1,029,717	814,241	2,816,721	19,000
Net OPEB obligation - KPERS death and disability	436,317	75,075	51,592	459,800	49,161
Total governmental activities long-term liabilities	$ 101,585,852	$ 21,381,669	$ 16,153,504	$ 106,814,017	$ 8,005,060
Business-type activities:					
General obligation bonds	$ 25,871,449	$ -	$ 2,485,935	$ 23,385,514	$ 2,025,356
Plus bond premium	161,915	-	25,665	136,250	21,044
Revenue loans	16,952,210	-	1,805,362	15,146,848	1,887,400
Finance leases	57,404,573	191,000	3,480,854	54,114,719	2,723,486
Right-to-use leases	400,182	108,897	416,939	92,140	92,140
Right-to-use subscriptions	-	136,744	58,805	77,939	18,131
Total business-type activities long-term liabilities	$ 100,790,329	$ 436,641	$ 8,273,560	$ 92,953,410	$ 6,767,557

The liability for compensated absences is generally liquidated by the general fund. The liability for net pension liability is generally liquated by the general fund. The liability for net OPEB obligation - healthcare is generally liquidated by the health insurance fund. The liability for net OPEB obligation - KPERS death and disability is generally liquidated by the general fund.

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4. Detailed Notes on All Activities and Funds (continued)

N. Interfund Receivables and Payables

Kansas statutes permit the issuance of temporary notes to finance certain capital improvement projects which will be refinanced with general obligation bonds. Temporary notes are interfund loans for internal improvements and are to be retired with bond proceeds. On December 23, 2021, the City authorized issuance of taxable temporary notes not to exceed $12,550,000. Interfund balances as of December 31, 2023, were as follows:

	Interfund Receivables	Interfund Payables
Major funds:		
General	$ 6,000,000	$ -
Sales Tax Projects	-	4,000,000
Nonmajor funds:		
Governmental funds	-	1,600,000
Proprietary funds	-	400,000
Total	$ 6,000,000	$ 6,000,000

The outstanding balances between funds include balances of working capital loans made to the Sales Tax Projects fund, and nonmajor governmental and proprietary funds, which the general fund expects to collect in the subsequent year.

O. Interfund Transfers

The composition of interfund transfers by fund type for the year ended December 31, 2023, is as follows:

	Transfers in:							
	General	Electric Utility	Water and Sewer Utility	Airport	Recreation Area	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	Total
Transfers out:								
General	$ -	$ -	$ -	$ -	$ 425,000	$ 1,240,213	$ 75,000	$ 1,740,213
Sales Tax Project	515,000	-	-	-	-	-	-	515,000
Electric Utility	2,155,119	750,000	1,000,000	-	14,133	2,515,000	-	6,434,252
Water and Sewer Utility	592,431	2,500,000	-	-	-	15,000	-	3,107,431
Recreation Area	100,000	-	-	-	30,000	310,342	-	440,342
Nonmajor Governmental Funds	-	-	-	250,000	260,000	25,000	28,459	563,459
Nonmajor Proprietary Funds	218,400	1,500,000	-	-	-	-	-	1,718,400
Total	$ 3,580,950	$ 4,750,000	$ 1,000,000	$ 250,000	$ 729,133	$ 4,105,555	$ 103,459	$ 14,519,097

During the year, transfers are used to (1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, and (3) move unrestricted general fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

Further, during the year ended December 31, 2023, the City made transfers totaling $5,906,292 from the enterprise funds to the governmental funds as allowed under state statutes authorizing the transfer from the gross operating revenue of the City's utilities to the different funds used for governmental functions.

4. Detailed Notes on All Activities and Funds (continued)

P. Passenger Facility Charges

On April 30, 2020, the City of Garden City, Kansas, received approval from the Federal Aviation Administration to impose and use a passenger facility charge (PFC) of $4.50 for each eligible passenger utilizing Garden City Regional Airport, effective October 1, 2020. The first funds were received by the City in January 2021.

The charge is collected by all carriers and remitted to the Airport Authority, less a $0.11 per passenger handling fee. The proceeds from the PFC are restricted for certain FAA approved capital improvement projects. As of December 31, 2023, the Airport Authority has submitted and received approval on nine applications. The approved applications represent a total amended authorized amount of $566,286. The charge expiration date for the current program is estimated to be November 1, 2027.

Q. Discretely Presented Component Unit

Garden City Housing Authority

At year end, the carrying amount of deposits for the Garden City Housing Authority, a discretely presented component unit, was $458,171 and the bank balance was $468,871. All of the bank balance was covered by federal depository insurance.

Capital asset activity for the Garden City Housing Authority for the year ended December 31, 2023, is as follows:

	Balance 01-01-23	Additions	Deductions	Balance 12-31-23
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 426,144	$ -	$ -	$ 426,144
Capital assets being depreciated:				
Buildings and improvements	4,513,129	23,250	918	4,535,461
Equipment	374,484	18,983	7,615	385,852
Total capital assets being depreciated	4,887,613	42,233	8,533	4,921,313
Less accumulated depreciation	4,259,362	122,805	7,575	4,374,592
Total capital assets being depreciated, net	628,251	(80,572)	958	546,721
Housing Authority capital assets, net	$ 1,054,395	$ (80,572)	$ 958	$ 972,865

4. Detailed Notes on All Activities and Funds (continued)

Q. Discretely Presented Component Unit (continued)

Garden City Housing Authority (continued)
Changes in the long-term liabilities of the Garden City Housing Authority for the year ended December 31, 2023, are as follows:

	Balance 01-01-23	Additions	Retired	Balance 12-31-23	Due Within One Year
Governmental activities:					
Compensated absences	$ 8,262	$ -	$ 1,144	$ 7,118	$ 2,373
Net pension liability	187,612	23,861	14,249	197,224	-
Total governmental activities long-term liabilities	$ 195,874	$ 23,861	$ 15,393	$ 204,342	$ 2,373

R. Jointly Governed Organizations
The following organization is a jointly governed organization in which the City participates and is not included in the combined financial statements of the City's basic financial statements:

The Kansas Municipal Energy Agency (KMEA), a quasi-municipal corporation, was officially organized under the authority of the laws of Kansas, K.S.A. 12-885 to 12-8,111, inclusive, as amended and supplemented (the Act). The Act allows two or more cities to create a municipal energy agency for the purpose of securing an adequate, economical and reliable supply of electricity and other energy and transmitting the same to the electric distribution systems of such cities. As of December 31, 2023, the KMEA had 88 member municipalities. Two representatives from each member municipality serve on KMEA's Board of Directors. KMEA is considered a jointly governed organization and is a primary government.

S. Joint Venture

Dogwood Energy Facility
In February 2018 KMEA completed an Asset Purchase Agreement with Dogwood Energy, LLC (Dogwood or the Facility) for the purchase of a 10.1% undivided interest in the Facility, a nominal 610 megawatt natural gas-fired combined cycle generating plant located in Pleasant Hill, Missouri. The Facility was originally developed as a joint venture between Aquila, Inc. and Calpine Corporation. In addition to KMEA, the City of Independence, Missouri; Kansas Power Pool (KPP); Missouri Joint Municipal Electric Utility Commission (MJMEUC); and the Unified Government of Wyandotte County, Kansas, (KCBPU) also own 12.3%, 10.3%, 16.4%, and 17.0% shares, respectively, of the Facility. Dogwood Energy, LLC maintains the remaining ownership share (33.9%) in the Facility.

Concurrent with the purchase of the undivided interest in Dogwood, KMEA entered into a legal-form lease for 48.39% of its undivided interest through a 20 year agreement with the City of Garden City. As a result, the City of Garden City has a 4.839% interest in Dogwood. For accounting purposes, KMEA classified the lease as one direct financing lease because the terms of the lease transfers ownership to the City with the last lease payment. The City's undivided interest in the Dogwood Energy Facility has been classified in the financial statement as a capital asset.

4. Detailed Notes on All Activities and Funds (continued)

S. Joint Venture (continued)

Dogwood Energy Facility (continued)
The City of Garden City has entered into a project agreement that provides for the joint ownership and operation of the Facility through KMEA. Under the project agreement, the City is responsible for their respective share of the fixed operation and maintenance costs, the variable operating costs including fuel, and renewals and replacements of the facility. In addition, the City shares in any revenues from sales of unused capacity and energy in the facility. Due to the lease agreement between KMEA and the City, all of the costs and benefits of ownership are passed along to the City according to their participation percentage and lease agreement.

At December 31, 2023, the future minimum lease payments to be paid by the City to KMEA under the lease are included in Note 4, item K and Note 4, item M. Amounts are as follows:

Year	Business-type Activities
2024	$ 1,292,933
2025	1,292,117
2026	1,291,542
2027	1,291,724
2028	1,292,540
2029-2033	6,465,998
2034-2038	5,495,141
Total minimum lease payments	18,421,995
Less amount representing interest	(5,470,585)
Present value of future minimum lease payments	$ 12,951,410

As part of its supply and transmission contracts with KMEA, the City pays an administrative fee to KMEA. The administrative fee is established on an annual basis and is used to pay the costs of KMEA's operations.

T. Contingencies

Grant Audits
The City participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

Litigation
The City is a party to various claims, none of which is expected to have a material financial impact on the financial statement.

4. Detailed Notes on All Activities and Funds (continued)

U. Tax Abatements

The City enters into property tax abatement agreements with local developers under Kansas statutes 12-5241 et seq., which authorizes a city to designate rural housing incentive districts. Under the statues, the City is authorized to reimburse the developer for all or a portion of the costs of implementing the development through the use of property tax increments allocated to the City under the provisions of the statute. For the year ended December 31, 2023, the City's share of abated property taxes totaled $407,191 under the rural housing incentive districts program.

The City enters into property tax abatement agreements with local developers under Kansas statutes 12-1770 and 12-1771(a), which govern the creation of redevelopment districts and tax increment financing. Kansas statutes governing the tax increment financing allows the financing to be used for property acquisition, site preparation, utilities, drainage, street improvements, landscape amenities, public outdoor spaces, streetscape amenities, and parking facilities in a redevelopment district. The City uses tax increment revenues to reimburse redevelopment in the district. For the year ended December 31, 2023, the City's share of abated property taxes totaled $509,193 under the tax increment financing project.

Finney County enters into property tax settlement agreements with various local entities to refund property tax payments paid by the entities. The County then enters into interlocal agreements to allocate these abatements among the local taxing entities. For the year ended December 31, 2023, the City's share of property taxes abated totaled $326,713 under the property tax settlement agreements.

The City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition, construction, improvement and equipping of industrial and commercial facilities deemed to be in the public interest. The industrial revenue bonds (IRB) are purchased by investors (e.g. banks, private investors or the entity participating in the IRB program) and the bonds are secured by the property financed and payable solely from payments received on the underlying mortgage loans. See further information on IRBs, including the amount outstanding at December 31, 2023, at Note 4, item I – Conduit Debt Obligations.

Through the IRB program, entities can obtain lower interest rate financing and tax abatements (sales and/or property and ad valorem taxes). All or any property constructed or purchased with the proceeds of revenue bonds may be exempt from property and ad valorem taxation for up to a period of ten calendar years after the calendar year in which the bonds were issued (K.S.A. 79-201(a)).

V. Related Parties

The City may from time to time enter into contracts for services with companies whose management and ownership includes members of the City Commission. All such contractual arrangements are subject to the City's procurement policy and procedures. Payments in 2023 for such services totaled $239,841. Grants awarded to an organization whose staff includes a member of the City Commission totaled $305,000 in 2023.

4. Detailed Notes on All Activities and Funds (continued)

W. Subsequent Events

Subsequent to year end the City entered into a finance lease and right-to-use leases for capital assets as discussed in Note 4, item K. In addition, the purchase of other capital projects and capital assets totaling $3,358,259 were approved subsequent to year end.

X. Prior Period Adjustments

The net position for net investment in capital assets for the governmental activities of the government-wide financial statements at December 31, 2022, was increased by $1,952,926 to correct an understatement of infrastructure assets and right-to-use leased assets.

Required Supplementary Information

CITY OF GARDEN CITY, KANSAS
Schedule of the Proportionate Share of the Net Pension Liability
Kansas Public Employees Retirement System (KPERS)
Last Nine Fiscal Years *

	2015	2016	2017	2018
Local				
Proportion of the net pension liability (asset)	0.548204%	0.564924%	0.590157%	0.575221%
Proportionate share of the net pension liability (asset)	$ 7,198,160	$ 8,739,541	$ 8,548,162	$ 8,017,373
Covered payroll	$ 9,138,526	$ 9,646,286	$ 10,464,574	$ 10,295,477
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	78.77%	90.60%	81.69%	77.87%
Plan fiduciary net position as a percentage of the total pension liability	64.95%	65.10%	67.12%	68.88%
Police and Firemen				
Proportion of the net pension liability (asset)	1.007869%	1.011438%	1.083722%	1.047902%
Proportionate share of the net pension liability (asset)	$ 7,318,314	$ 9,393,867	$ 10,163,040	$ 10,082,931
Covered payroll	$ 4,589,349	$ 4,795,970	$ 5,405,801	$ 5,330,540
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	159.46%	195.87%	188.00%	189.15%
Plan fiduciary net position as a percentage of the total pension liability	64.95%	65.10%	67.12%	68.88%

* Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

2019	2020	2021	2022	2023
0.578776%	0.600181%	0.613071%	0.655152%	0.680672%
$ 8,087,656	$ 10,405,062	$ 7,570,931	$ 13,024,712	$ 14,279,851
$ 10,701,598	$ 11,334,940	$ 11,800,232	$ 13,111,725	$ 14,679,095
75.57%	91.80%	64.16%	99.34%	97.28%
69.88%	66.30%	76.40%	69.75%	70.70%
1.039167%	0.981389%	1.050459%	1.065696%	1.072486%
$ 10,517,623	$ 12,101,870	$ 10,023,947	$ 15,369,807	$ 17,130,343
$ 5,555,169	$ 5,373,302	$ 5,865,986	$ 6,333,067	$ 7,145,037
189.33%	225.22%	170.88%	242.69%	239.75%
69.88%	66.30%	76.40%	69.75%	70.70%

CITY OF GARDEN CITY, KANSAS
Schedule of City's Contributions
Kansas Public Employees Retirement System (KPERS)
Last Nine Fiscal Years *

	2015	2016	2017	2018
Local				
Statutorily required contribution	$ 838,335	$ 903,654	$ 923,102	$ 867,390
Contributions in relation to the statutorily required contribution	(838,335)	(903,654)	(923,102)	(867,390)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
City's covered payroll	$ 9,294,485	$ 9,937,740	$ 10,612,139	$ 10,470,632
Contributions as a percentage of covered payroll	9.02%	9.09%	8.70%	8.28%
Police and Firemen				
Contractually required contribution	$ 946,973	$ 1,004,568	$ 1,068,244	$ 1,042,472
Contributions in relation to the statutorily required contribution	(946,973)	(1,004,568)	(1,068,244)	(1,042,472)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
City's covered payroll	$ 4,597,568	$ 5,143,088	$ 5,423,414	$ 5,316,902
Contributions as a percentage of covered payroll	20.60%	19.53%	19.70%	19.61%

* Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

2019	2020	2021	2022	2023
$ 924,528	$ 991,686	$ 1,063,050	$ 1,169,947	$ 1,280,012
(924,528)	(991,686)	(1,063,050)	(1,169,947)	(1,280,012)
$ -	$ -	$ -	$ -	$ -
$ 10,949,208	$ 11,824,027	$ 12,659,761	$ 13,615,750	$ 14,572,544
8.44%	8.39%	8.40%	8.59%	8.78%
$ 1,174,565	$ 1,187,770	$ 1,316,041	$ 1,449,070	$ 1,638,176
(1,174,565)	(1,187,770)	(1,316,041)	(1,449,070)	(1,638,176)
$ -	$ -	$ -	$ -	$ -
$ 5,602,991	$ 5,654,675	$ 6,208,917	$ 6,627,794	$ 7,155,860
20.96%	21.01%	21.20%	21.86%	22.89%

CITY OF GARDEN CITY, KANSAS
Schedule of Changes in the City's Total
OPEB Liability and Related Ratios - Healthcare
December 31, 2023
Last Seven Fiscal Years *

	2017*	2018	2019	2020
Total OPEB liability - healthcare - beginning of year	$ 2,304,988	$ 2,664,463	$ 2,327,501	$ 2,776,925
Service cost	191,765	221,285	174,026	227,983
Interest	92,976	92,866	91,523	89,517
Difference between expected and actual experience	-	(852,144)	(447,848)	340,463
Changes of assumptions or other inputs	122,734	240,031	660,723	401,569
Benefit payments	(48,000)	(39,000)	(29,000)	(42,000)
Net changes in total OPEB liability	359,475	(336,962)	449,424	1,017,532
Total OPEB liability - healthcare - end of year	$ 2,664,463	$ 2,327,501	$ 2,776,925	$ 3,794,457
Covered-employee payroll	$ 15,015,171	$ 15,015,171	$ 15,408,796	$ 15,408,796
Total OPEB liability - healthcare as a percentage of covered-employee payroll	17.75%	15.50%	18.02%	24.63%

* The schedule is intended to show information for ten years. Data became available with the inception of GASB 75 during fiscal year 2017, therefore 10 years of data is unavailable. Additional years will be displayed as they become available.

Note 1 - Asset accumulation
There are no assets accumulated in a trust meeting the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay as you go basis.

Note 2 - Changes of benefit terms
There are no changes of benefit terms.

Note 3 - Changes of assumptions
The actuarial assumptions changes are shown below:

- The retirement, turnover and disability assumptions were updated based on the latest available data from the KPERS valuation report.
- The mortality assumption used in 2017 reflects the Society of Actuaries RPH-2014 Adjusted to 2006 Total Dataset Headcount-Weighted Mortality table with Scale MP-2017 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2018 to reflect the Society of Actuaries RPH-2014 Adjusted to 2006 Total Dataset Headcount-Weighted Mortality table with Scale MP-2018 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2019 to reflect the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality tables using Scale MP-2019 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2020 to reflect the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality tables using Scale MP-2020 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2021 to reflect the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality tables using Scale MP-2021 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The discount rate was changed in 2018 from 3.24% to 3.68% for the end of year measurement.
- The discount rate was changed in 2019 from 3.68% to 3.00% for the end of year measurement.
- The discount rate was changed in 2020 from 3.00% to 1.96% for the end of year measurement.
- The discount rate was changed in 2021 from 1.96% to 2.04% for the end of year measurement.
- The discount rate was changed in 2022 from 2.04% to 4.18% for the end of year measurement.
- The discount rate was changed in 2023 from 4.18% to 3.88% for the end of year measurement.

2021	2022	2023
$ 3,794,457	$ 3,360,530	$ 2,601,245
300,465	342,960	209,441
79,849	74,970	117,090
(1,054,978)	(243,994)	(232,544)
282,737	(876,221)	140,489
(42,000)	(57,000)	(19,000)
(433,927)	(759,285)	215,476
$ 3,360,530	$ 2,601,245	$ 2,816,721
$ 16,775,448	$ 16,775,448	$ 18,392,604
20.03%	15.51%	15.31%

CITY OF GARDEN CITY, KANSAS
Schedule of Changes in the City's Total
OPEB Liability and Related Ratios - KPERS Death and Disability
December 31, 2023
Last Seven Fiscal Years *

	2017*	2018	2019	2020
Total OPEB liability - KPERS death and disability - beginning of year	$ 191,731	$ 235,894	$ 236,311	$ 236,084
Service cost	39,558	38,189	38,473	38,328
Interest	6,703	9,754	10,571	9,547
Effect of economic/demographic gains or losses	-	(40,290)	(50,917)	(28,011)
Effect of assumptions changes or inputs	(9,975)	(3,968)	4,914	24,117
Benefit payments	7,877	(3,268)	(3,268)	(3,268)
Net changes	44,163	417	(227)	40,713
Total OPEB liability - KPERS death and disability - end of year	$ 235,894	$ 236,311	$ 236,084	$ 276,797
Covered-employee payroll	$ 9,936,637	$ 10,168,298	$ 9,997,975	$ 10,908,217
Total OPEB liability - KPERS death and disability as a percentage of covered-employee payroll	2.37%	2.32%	2.36%	2.54%

* The schedule is intended to show information for ten years. Data became available with the inception of GASB 75 during fiscal year 2017, therefore 10 years of data is unavailable. Additional years will be displayed as they become available.

Note 1 - Asset accumulation
There are no assets accumulated in a trust meeting the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay as you go basis.

Note 2 - Changes of benefit terms
There are no changes of benefit terms.

Note 3 - Changes of assumptions
The actuarial assumptions changes are shown below:

- The retirement, turnover and disability assumptions were updated based on the latest available data from the KPERS valuation report.
- The mortality assumption used in 2017 reflects the Society of Actuaries RPH-2014 tables with Scale MP-2017 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2018 to reflect the Society of Actuaries Scale MP-2018 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2019 to reflect the Society of Actuaries Scale MP-2019 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2020 to reflect the Society of Actuaries Scale MP-2020 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The mortality assumption was updated in 2021 to reflect the Society of Actuaries Scale MP-2021 Full Generational Improvement. Disabled life mortality was updated in a similar fashion.
- The discount rate was changed in 2018 from 3.58% to 3.87% for the end of year measurement.
- The discount rate was changed in 2019 from 3.87% to 3.50% for the end of year measurement.
- The discount rate was changed in 2020 from 3.50% to 2.21% for the end of year measurement.
- The discount rate was changed in 2021 from 2.21% to 2.16% for the end of year measurement.
- The discount rate was changed in 2022 from 2.16% to 3.54% for the end of year measurement.
- The discount rate was changed in 2023 from 3.54% to 3.65% for the end of year measurement.

2021	2022	2023
$ 276,797	$ 309,101	$ 436,317
46,392	51,590	31,097
7,106	7,160	15,684
(18,665)	223,333	28,294
739	(96,102)	(2,431)
(3,268)	(58,765)	(49,161)
32,304	127,216	23,483
$ 309,101	$ 436,317	$ 459,800
$ 11,984,660	$ 12,435,946	$ 13,609,381
2.58%	3.51%	3.38%

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Combining and Individual Fund

Statements and Schedules

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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes. The special revenue funds used by the City of Garden City, Kansas, are:

Community Trust:

This fund was created from monies remaining in a bond reserve fund when the bond issue was retired. Loans for capital improvements are made through and repaid through this fund. In addition, the fund accounts for the operating transfers to the golf course.

Capital Improvements:

This fund is used to account for monies transferred in from various City funds for capital projects that were authorized but not completed in that year. By transferring the monies to this fund, the projects can be completed with funds which were previously authorized for that purpose.

Special Trafficway:

This fund is used to account for monies levied by the State of Kansas (i.e., motor fuels tax) which produces revenues the City can use to defray in whole or in part the cost of constructing, altering, reconstructing, maintaining and repairing streets and highways.

Special Improvements:

This fund is used to account for monies received on insurance claims which are then paid out in accordance with the claim. The fund also accounts for expenses involved in property nuisance complaints which are then reimbursed by the property owner.

Cemetery Endowment:

This fund was established to provide monies for maintenance and upkeep of the cemetery by providing that six percent of the cemetery space proceeds be accounted for in this fund.

Special Recreation and Parks:

This fund is used to account for monies provided by a state liquor tax on private clubs which are to be expended for the purchase, establishment, maintenance or expansion of park and recreational services, programs and facilities.

Special Alcohol Programs:

This fund is used to account for monies provided by a state liquor tax on private clubs which are to be expended for the purchase, establishment, maintenance or expansion of services or programs for alcoholism prevention and education.

Finnup Trust Fund:

This fund is used to account for monies received from the Finnup Foundation and expended on specified projects for Finnup Park.

Special Liability:

This fund is used to account for monies reserved for the purpose of paying nondeductible claims and related costs arising from legal actions and settlements.

Drug Enforcement:

This fund is used to account for revenues passed through from the State Department of Justice which are matched with a percentage of City monies, all of which are to be expended for drug control type expenditures.

(continued)

Nonmajor Governmental Funds

Special Revenue Funds

(continued)

DEA Forfeiture:
This fund is used to account for monies from DEA drug forfeitures which are to be expended for drug control type expenditures.

Community Development Loan Fund:
This fund is used to account for housing rehabilitation loan repayments and expenditures for qualified housing rehabilitation loans.

Community Development Grant:
This fund is used to account for a federal grant received and expenditures made for the benefit of the Emmaus House.

Economic Development:
This fund is used to account for loan repayments and new loan authorizations of monies available and set aside for economic development activities within the City.

Enhanced Wireless 911:
This fund is used to account for the activities of the City's E911 emergency communications system funded by a special telephone use fee imposed on all wireless user accounts.

Capital Improvement Plan:
This fund is used to account for projects receiving tax support that are included in the City's capital improvement plan. This fund will not account for projects receiving enterprise fund revenues.

General Grants:
This fund is used to account for federal grant monies received to address the impact of the COVID-19 public health and economic crisis.

Opioid Settlements:
This fund is used to account for moneys received for the prevention, treatment and recovery activities related to opioid use.

HIDTA Grant:
This fund is used to account for federal grants received to aid in the reduction of drug trafficking and drug production in the area.

Housing:
This fund is used to account for monies received to aid in the development of housing in the area.

Project Development:
This fund is used to account for all resources received and expenditures made for project development within the City.

Project Safe Neighborhood:
This fund is used to account for federal grants received to purchase equipment to be used in the surveillance and tracking of violent crime and gang activity in neighborhoods.

Recreation Reserve:
This fund is a capital reserve fund to be used specifically for the Garden City Recreation Commission.

Nonmajor Governmental Funds

Capital Projects Funds

The capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The following funds are used to account for the financing and construction of various improvements within the City. Interim financing is provided by temporary notes until the projects are completed and included in subsequent general and limited obligation bond issues.

Capital Projects
2021 GO Bond Projects

CITY OF GARDEN CITY, KANSAS
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Community Trust	Capital Improvements	Special Trafficway
Assets			
Cash	$ 2,273,253	$ 2,099,829	$ 1,588,471
Receivables (net of allowances for uncollectibles):	84,616	83,273	202,233
Total assets	$ 2,357,869	$ 2,183,102	$ 1,790,704
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$ 29,307	$ 10,287	$ 92,305
Due to other funds	1,600,000	-	-
Total liabilities	1,629,307	10,287	92,305
Fund balances:			
Restricted:			
Recreation and parks	-	-	-
Capital improvement projects	-	-	1,698,399
Alcoholism prevention and education programs	-	-	-
Law enforcement	-	-	-
Economic development activities	-	-	-
Grant programs	-	-	-
Committed:			
Capital improvement projects	728,562	-	-
Assigned:			
Capital improvement projects	-	2,172,815	-
Legal claims and settlements	-	-	-
Total fund balances	728,562	2,172,815	1,698,399
Total liabilities and fund balances	$ 2,357,869	$ 2,183,102	$ 1,790,704

(continued)

Special Revenues					
Special Improvements	Cemetery Endowment	Special Recreation and Parks	Special Alcohol Programs	Finnup Trust	Special Liability
$ 59,111	$ 119,355	$ 272,569	$ 390,875	$ 323,091	$ 124,178
14,000	-	-	-	-	-
$ 73,111	$ 119,355	$ 272,569	$ 390,875	$ 323,091	$ 124,178
$ 570	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
570	-	-	-	-	-
-	-	272,569	-	323,091	-
-	119,355	-	-	-	-
-	-	-	390,875	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
72,541	-	-	-	-	-
-	-	-	-	-	124,178
72,541	119,355	272,569	390,875	323,091	124,178
$ 73,111	$ 119,355	$ 272,569	$ 390,875	$ 323,091	$ 124,178

CITY OF GARDEN CITY, KANSAS
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Drug Enforcement	DEA Forfeiture	Community Development Loan Fund
Assets			
Cash	$ 74,216	$ 1,419	$ 20,752
Receivables (net of allowances for uncollectibles):	-	-	-
Total assets	$ 74,216	$ 1,419	$ 20,752
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$ -	$ -	$ -
Due to other funds	-	-	-
Total liabilities	-	-	-
Fund balances:			
Restricted:			
Recreation and parks	-	-	-
Capital improvement projects	-	-	-
Alcoholism prevention and education programs	-	-	-
Law enforcement	74,216	1,419	-
Economic development activities	-	-	-
Grant programs	-	-	-
Committed:			
Capital improvement projects	-	-	20,752
Assigned:			
Capital improvement projects	-	-	-
Legal claims and settlements	-	-	-
Total fund balances	74,216	1,419	20,752
Total liabilities and fund balances	$ 74,216	$ 1,419	$ 20,752

(continued)

Special Revenues					
Community Development Grant	Economic Development	Enhanced Wireless 911	Capital Improvement Plan	General Grants	Opioid Settlements
$ 2,748	$ 491,012	$ 418,745	$ 1,461,120	$ -	$ 78,969
-	-	39,841	-	-	-
$ 2,748	$ 491,012	$ 458,586	$ 1,461,120	$ -	$ 78,969
$ -	$ 165	$ 476	$ 50,405	$ -	$ -
-	-	-	-	-	-
-	165	476	50,405	-	-
-	-	-	-	-	-
2,748	-	-	-	-	-
-	-	-	-	-	-
-	-	458,110	-	-	-
-	490,847	-	-	-	-
-	-	-	1,410,715	-	78,969
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,748	490,847	458,110	1,410,715	-	78,969
$ 2,748	$ 491,012	$ 458,586	$ 1,461,120	$ -	$ 78,969

CITY OF GARDEN CITY, KANSAS
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenues			
	HIDTA Grant	Housing	Project Development	Project Safe Neighborhood
Assets				
Cash	$ 67,280	$ 152,035	$ 373,208	$ 23,416
Receivables (net of allowances for uncollectibles):	-	-	-	-
Total assets	$ 67,280	$ 152,035	$ 373,208	$ 23,416
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	$ -	$ -	$ 499	$ -
Due to other funds	-	-	-	-
Total liabilities	-	-	499	-
Fund balances:				
Restricted:				
Recreation and parks	-	-	-	-
Capital improvement projects	67,280	152,035	372,709	-
Alcoholism prevention and education programs	-	-	-	-
Law enforcement	-	-	-	23,416
Economic development activities	-	-	-	-
Grant programs	-	-	-	-
Committed:				
Capital improvement projects	-	-	-	-
Assigned:				
Capital improvement projects	-	-	-	-
Legal claims and settlements	-	-	-	-
Total fund balances	67,280	152,035	372,709	23,416
Total liabilities and fund balances	$ 67,280	$ 152,035	$ 373,208	$ 23,416

		Capital Projects			
Recreation Reserve	Totals	Capital Projects	2021 GO Bond Projects	Totals	Total Nonmajor Governmental Funds
$ 362,544	$ 10,778,196	$ 5,080,430	$ 1,486,835	$ 6,567,265	$ 17,345,461
-	423,963	-	-	-	423,963
$ 362,544	$ 11,202,159	$ 5,080,430	$ 1,486,835	6,567,265	$ 17,769,424
$ -	$ 184,014	$ 2,830	$ 1,857	$ 4,687	$ 188,701
-	1,600,000	-	-	-	1,600,000
-	1,784,014	2,830	1,857	4,687	1,788,701
362,544	958,204	-	-	-	958,204
-	2,412,526	5,077,600	1,484,978	6,562,578	8,975,104
-	390,875	-	-	-	390,875
-	557,161	-	-	-	557,161
-	490,847	-	-	-	490,847
-	1,489,684	-	-	-	1,489,684
-	749,314	-	-	-	749,314
-	2,245,356	-	-	-	2,245,356
-	124,178	-	-	-	124,178
362,544	9,418,145	5,077,600	1,484,978	6,562,578	15,980,723
$ 362,544	$ 11,202,159	$ 5,080,430	$ 1,486,835	$ 6,567,265	$ 17,769,424

CITY OF GARDEN CITY, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Community Trust	Capital Improvements	Special Trafficway
Revenues:			
Taxes	$ -	$ -	$ -
Intergovernmental revenue	24,582	83,273	1,096,456
Franchise fee	-	-	-
Use of money and property	-	13,965	-
Miscellaneous	-	66,064	17,715
Donations	-	18,651	-
Sale of spaces	-	25,042	-
Total revenues	24,582	206,995	1,114,171
Expenditures:			
Current:			
General government	-	263	-
Public safety	-	-	-
Public works	-	-	663,353
Parks and recreation	-	-	-
Capital outlay	2,196,390	688,067	979,728
Debt service:			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	-
Total expenditures	2,196,390	688,330	1,643,081
Excess (deficiency) of revenues over (under) expenditures	(2,171,808)	(481,335)	(528,910)
Other financing sources (uses):			
Transfers in	2,300,000	765,500	43,713
Transfers out	-	-	(28,459)
Bonds issued	-	-	-
Bond premiums	-	-	-
Total other financing sources (uses)	2,300,000	765,500	15,254
Net change in fund balances	128,192	284,165	(513,656)
Fund balances, beginning of year	600,370	1,888,650	2,212,055
Fund balances, end of year	$ 728,562	$ 2,172,815	$ 1,698,399

(continued)

Special Revenues					
Special Improvements	Cemetery Endowment	Special Recreation and Parks	Special Alcohol Programs	Finnup Trust	Special Liability
$ -	$ -	$ -	$ -	$ -	$ -
-	-	143,907	143,907	-	-
-	-	-	-	-	-
-	-	1,511	-	-	-
24,242	-	-	-	-	77,019
-	-	-	-	155,000	-
-	11,325	-	-	-	-
24,242	11,325	145,418	143,907	155,000	77,019
17,570	-	-	231,472	-	30,350
-	-	-	-	-	-
-	-	-	-	-	-
-	-	849	-	-	-
-	29,447	144,944	-	42,807	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
17,570	29,447	145,793	231,472	42,807	30,350
6,672	(18,122)	(375)	(87,565)	112,193	46,669
-	-	-	-	-	30,000
-	-	(85,000)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(85,000)	-	-	30,000
6,672	(18,122)	(85,375)	(87,565)	112,193	76,669
65,869	137,477	357,944	478,440	210,898	47,509
$ 72,541	$ 119,355	$ 272,569	$ 390,875	$ 323,091	$ 124,178

CITY OF GARDEN CITY, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Drug Enforcement	DEA Forfeiture	Community Development Loan Fund
Revenues:			
Taxes	$ -	$ -	$ -
Intergovernmental revenue	9,824	-	-
Franchise fee	-	-	-
Use of money and property	772	295	-
Miscellaneous	10,244	-	-
Donations	-	-	-
Sale of spaces	-	-	-
Total revenues	20,840	295	-
Expenditures:			
Current:			
General government	-	-	-
Public safety	6,715	-	-
Public works	-	-	-
Parks and recreation	-	-	-
Capital outlay	10,782	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	-
Total expenditures	17,497	-	-
Excess (deficiency) of revenues over (under) expenditures	3,343	295	-
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Bonds issued	-	-	-
Bond premiums	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	3,343	295	-
Fund balances, beginning of year	70,873	1,124	20,752
Fund balances, end of year	$ 74,216	$ 1,419	$ 20,752

(continued)

Special Revenues					
Community Development Grant	Economic Development	Enhanced Wireless 911	Capital Improvement Plan	General Grants	Opioid Settlements
$ -	$ -	$ -	$ -	$ -	$ -
14,648	-	-	-	-	72,579
-	-	239,117	-	-	-
-	70,463	-	-	-	-
-	-	-	16,961	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,648	70,463	239,117	16,961	-	72,579
14,648	4,969	96,943	-	77,598	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	256,284	717,018	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,648	4,969	353,227	717,018	77,598	-
-	65,494	(114,110)	(700,057)	(77,598)	72,579
-	-	-	300,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	300,000	-	-
-	65,494	(114,110)	(400,057)	(77,598)	72,579
2,748	425,353	572,220	1,810,772	77,598	6,390
$ 2,748	$ 490,847	$ 458,110	$ 1,410,715	$ -	$ 78,969

CITY OF GARDEN CITY, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenues			
	HIDTA Grant	Housing	Project Development	Project Safe Neighborhood
Revenues:				
Taxes	$ -	$ -	$ 824,818	$ -
Intergovernmental revenue	67,987	-	-	11,957
Franchise fee	-	-	-	-
Use of money and property	-	-	1,995	-
Miscellaneous	-	24,583	-	-
Donations	-	-	-	-
Sale of spaces	-	-	-	-
Total revenues	67,987	24,583	826,813	11,957
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	137,348	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	4,304	-	1,995	35,253
Debt service:				
Principal	-	-	743,902	-
Interest	-	-	80,916	-
Bond issuance costs	-	-	-	-
Total expenditures	141,652	-	826,813	35,253
Excess (deficiency) of revenues over (under) expenditures	(73,665)	24,583	-	(23,296)
Other financing sources (uses):				
Transfers in	81,000	-	200,000	-
Transfers out	-	-	-	-
Bonds issued	-	-	-	-
Bond premiums	-	-	-	-
Total other financing sources (uses)	81,000	-	200,000	-
Net change in fund balances	7,335	24,583	200,000	(23,296)
Fund balances, beginning of year	59,945	127,452	172,709	46,712
Fund balances, end of year	$ 67,280	$ 152,035	$ 372,709	$ 23,416

		Capital Projects			Total Nonmajor Governmental Funds
Recreation Reserve	Totals	Capital Projects	2021 GO Bond Projects	Totals	
$ -	$ 824,818	$ -	$ 1,391,310	$ 1,391,310	$ 2,216,128
-	1,669,120	-	-	-	1,669,120
-	239,117	-	-	-	239,117
-	89,001	-	198,634	198,634	287,635
-	236,828	-	-	-	236,828
-	173,651	-	-	-	173,651
-	36,367	-	-	-	36,367
-	3,268,902	-	1,589,944	1,589,944	4,858,846
-	473,813	-	-	-	473,813
-	144,063	-	-	-	144,063
-	663,353	-	-	-	663,353
-	849	-	-	-	849
22,798	5,129,817	339,912	502,101	842,013	5,971,830
-	743,902	-	690,000	690,000	1,433,902
-	80,916	-	278,913	278,913	359,829
-	-	98,814	-	98,814	98,814
22,798	7,236,713	438,726	1,471,014	1,909,740	9,146,453
(22,798)	(3,967,811)	(438,726)	118,930	(319,796)	(4,287,607)
385,342	4,105,555	-	-	-	4,105,555
-	(113,459)	-	(450,000)	(450,000)	(563,459)
-	-	4,945,000	-	4,945,000	4,945,000
-	-	202,814	-	202,814	202,814
385,342	3,992,096	5,147,814	(450,000)	4,697,814	8,689,910
362,544	24,285	4,709,088	(331,070)	4,378,018	4,402,303
-	9,393,860	368,512	1,816,048	2,184,560	11,578,420
$ 362,544	$ 9,418,145	$ 5,077,600	$ 1,484,978	$ 6,562,578	$ 15,980,723

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ 6,413,584	$ 6,413,584	$ 6,798,430	$ 384,846
Special assessment taxes	10,000	10,000	27,371	17,371
Miscellaneous	60,000	60,000	74,700	14,700
Total revenues	6,483,584	6,483,584	6,900,501	416,917
Expenditures:				
Distributions to developers	1,995,000	1,995,000	2,226,450	(231,450)
Bond principal	3,210,000	3,210,000	3,209,065	935
Bond interest	1,058,800	1,058,800	1,052,480	6,320
Fiscal and bond rating fees	1,915,202	1,915,202	-	1,915,202
Total expenditures	8,179,002	8,179,002	6,487,995	1,691,007
Net change in fund balances	(1,695,418)	(1,695,418)	412,506	2,107,924
Fund balance, beginning of year	1,695,418	1,695,418	1,943,196	247,778
Fund balance, end of year	$ -	$ -	$ 2,355,702	$ 2,355,702

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Sales Tax Projects
From Inception and For the Year Ended December 31, 2023

	Actual			
	Prior Years	Current Year	Total to Date	Project Authorization
Revenues:				
Taxes	$ 13,653,555	$ 3,431,364	$ 17,084,919	$ 32,250,000
Use of money and property	35,740	431,023	466,763	-
Donations	589,717	-	589,717	-
Total revenues	14,279,012	3,862,387	18,141,399	32,250,000
Expenditures:				
Capital outlay:				
Construction contracts	13,219,423	3,755,178	16,974,601	32,250,000
Debt service:				
Principal	-	1,305,000	1,305,000	-
Interest	5,834	713,501	719,335	-
Bond issuance costs	202,179	-	202,179	-
Total expenditures	13,427,436	5,773,679	19,201,115	32,250,000
Excess (deficiency) of revenues over (under) expenditures	851,576	(1,911,292)	(1,059,716)	-
Other financing sources (uses):				
Bonds issued	15,915,000	-	15,915,000	-
Bond premiums	792,325	-	792,325	-
Transfers in	(315,000)	-	(315,000)	-
Transfers out	-	(515,000)	(515,000)	-
Net change in fund balance	$ 17,243,901	(2,426,292)	$ 14,817,609	$ -
Fund balance, beginning of year		17,243,901		
Fund balance, end of year		$ 14,817,609		

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Community Trust Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ -	$ -	$ 1,066,016	$ 1,066,016
Use of money and property	67,000	2,270,000	-	(2,270,000)
Total revenues	67,000	2,270,000	1,066,016	(1,203,984)
Expenditures:				
Current:				
Capital outlay	2,267,253	2,495,000	2,278,831	216,169
Debt service:				
Principal	-	-	300,000	(300,000)
Total expenditures	2,267,253	2,495,000	2,578,831	(83,831)
Excess (deficiency) of revenues over (under) expenditures	(2,200,253)	(225,000)	(1,512,815)	(1,287,815)
Other financing sources:				
Transfers in	-	-	2,300,000	2,300,000
Net change in fund balance	(2,200,253)	(225,000)	787,185	1,012,185
Fund balance, beginning of year	2,200,253	2,500,370	1,456,761	(1,043,609)
Fund balance, end of year	$ -	$ 2,275,370	$ 2,243,946	$ (31,424)

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Capital Improvements Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	$ -	$ -	$ 13,965	$ 13,965
Reimbursements	-	-	48,052	48,052
Donations	86,000	102,000	18,651	(83,349)
Miscellaneous	-	-	18,012	18,012
Sale of materials	-	-	25,042	25,042
Total revenues	86,000	102,000	123,722	21,722
Expenditures:				
Current:				
Contractual services	50,000	407,000	-	407,000
Commodities	-	34,500	263	34,237
Capital outlay	1,120,189	1,448,000	688,067	759,933
Total expenditures	1,170,189	1,889,500	688,330	1,201,170
Excess (deficiency) of revenues over (under) expenditures	(1,084,189)	(1,787,500)	(564,608)	1,222,892
Other financing sources:				
Transfers in	500,000	524,000	765,500	241,500
Net change in fund balance	(584,189)	(1,263,500)	200,892	1,464,392
Fund balance, beginning of year	584,189	1,888,650	1,888,650	-
Fund balance, end of year	$ -	$ 625,150	$ 2,089,542	$ 1,464,392

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Special Trafficway Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ 976,900	$ 976,900	$ 1,107,149	$ 130,249
Use of money and property	3,000	3,000	-	(3,000)
Miscellaneous	-	-	(974)	(974)
Total revenues	979,900	979,900	1,106,175	126,275
Expenditures:				
Current:				
Contractual services	184,750	184,750	203,575	(18,825)
Commodities	601,700	601,700	459,778	141,922
Capital outlay	1,929,826	1,929,826	979,728	950,098
Total expenditures	2,716,276	2,716,276	1,643,081	1,073,195
Excess (deficiency) of revenues over (under) expenditures	(1,736,376)	(1,736,376)	(536,906)	1,199,470
Other financing uses:				
Transfers in	-	-	43,713	43,713
Transfers out	-	-	(28,459)	(28,459)
Net change in fund balance	(1,736,376)	(1,736,376)	(521,652)	1,214,724
Fund balance, beginning of year	1,736,376	1,736,376	2,017,818	281,442
Fund balance, end of year	$ -	$ -	$ 1,496,166	$ 1,496,166

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Special Improvements Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Donations	$ 16,000	$ 16,000	$ -	$ (16,000)
Miscellaneous	-	-	10,242	10,242
Total revenues	16,000	16,000	10,242	(5,758)
Expenditures:				
Current:				
Contractual services	67,394	67,394	17,570	49,824
Net change in fund balance	(51,394)	(51,394)	(7,328)	44,066
Fund balance, beginning of year	51,394	51,394	65,869	14,475
Fund balance, end of year	$ -	$ -	$ 58,541	$ 58,541

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	$ 625	$ 625	$ -	$ (625)
Sale of spaces	7,500	7,500	11,325	3,825
Total revenues	8,125	8,125	11,325	3,200
Expenditures:				
Current:				
Commodities	2,000	2,000	-	2,000
Capital outlay	89,230	89,230	29,447	59,783
Total expenditures	91,230	91,230	29,447	61,783
Net change in fund balance	(83,105)	(83,105)	(18,122)	64,983
Fund balance, beginning of year	83,105	83,105	137,477	54,372
Fund balance, end of year	$ -	$ -	$ 119,355	$ 119,355

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Special Recreation and Parks Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ 120,000	$ 120,000	$ 143,907	$ 23,907
Use of money and property	1,200	1,200	1,511	311
Total revenues	121,200	121,200	145,418	24,218
Expenditures:				
Current:				
Contractual services	36,200	36,200	849	35,351
Capital outlay	289,879	289,879	144,944	144,935
Total expenditures	326,079	326,079	145,793	180,286
Excess (deficiency) of revenues over (under) expenditures	(204,879)	(204,879)	(375)	204,504
Other financing uses:				
Transfers out	(60,000)	(60,000)	(85,000)	(25,000)
Net change in fund balance	(264,879)	(264,879)	(85,375)	179,504
Fund balance, beginning of year	264,879	264,879	357,944	93,065
Fund balance, end of year	$ -	$ -	$ 272,569	$ 272,569

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Special Alcohol Programs Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ 120,000	$ 120,000	$ 143,907	$ 23,907
Expenditures:				
Current:				
Contractual services	483,796	483,796	231,472	252,324
Net change in fund balance	(363,796)	(363,796)	(87,565)	276,231
Fund balance, beginning of year	363,796	363,796	478,440	114,644
Fund balance, end of year	$ -	$ -	$ 390,875	$ 390,875

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Finnup Trust Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Donations	$ 90,000	$ 155,000	$ 155,000	$ -
Expenditures:				
Capital outlay	186,671	365,898	42,807	323,091
Net change in fund balance	(96,671)	(210,898)	112,193	323,091
Fund balance, beginning of year	96,671	210,898	210,898	-
Fund balance, end of year	$ -	$ -	$ 323,091	$ 323,091

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Special Liability Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	$ -	$ -	$ 77,019	$ 77,019
Expenditures:				
Current:				
Contractual services	65,711	65,711	30,350	35,361
Excess (deficiency) of revenues over (under) expenditures	(65,711)	(65,711)	46,669	112,380
Other financing sources:				
Transfers in	30,000	30,000	30,000	-
Net change in fund balance	(35,711)	(35,711)	76,669	112,380
Fund balance, beginning of year	35,711	35,711	47,509	11,798
Fund balance, end of year	$ -	$ -	$ 124,178	$ 124,178

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Drug Enforcement Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ 2,000	$ 2,000	$ 9,824	$ 7,824
Use of money and property	50	50	772	722
Miscellaneous	-	-	10,244	10,244
Total revenues	2,050	2,050	20,840	18,790
Expenditures:				
Current:				
Contractual services	10,000	10,000	6,715	3,285
Capital outlay	24,532	24,532	10,782	13,750
Total expenditures	34,532	34,532	17,497	17,035
Net change in fund balance	(32,482)	(32,482)	3,343	35,825
Fund balance, beginning of year	32,482	32,482	70,873	38,391
Fund balance, end of year	$ -	$ -	$ 74,216	$ 74,216

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
DEA Forfeiture Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	$ 20	$ 20	$ 295	$ 275
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	1,020	1,020	295	(725)
Expenditures:				
Capital outlay	1,020	1,020	-	1,020
Net change in fund balance	-	-	295	295
Fund balance, beginning of year	-	-	1,124	1,124
Fund balance, end of year	$ -	$ -	$ 1,419	$ 1,419

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Community Development Loan Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	$ 2,000	$ 2,000	$ -	$ (2,000)
Expenditures:				
Current:				
Contractual services	14,752	14,752	-	14,752
Net change in fund balance	(12,752)	(12,752)	-	12,752
Fund balance, beginning of year	12,752	12,752	20,752	8,000
Fund balance, end of year	$ -	$ -	$ 20,752	$ 20,752

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Community Development Grant Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ 100,000	$ 100,000	$ 14,648	$ (85,352)
Expenditures:				
Current:				
Contractual	100,000	100,000	14,648	85,352
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	2,748	2,748
Fund balance, end of year	$ -	$ -	$ 2,748	$ 2,748

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Economic Development Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	$ 94,400	$ 94,400	$ 70,463	$ (23,937)
Expenditures:				
Current:				
Contractual	487,040	487,040	4,969	482,071
Net change in fund balance	(392,640)	(392,640)	65,494	458,134
Fund balance, beginning of year	392,640	392,640	425,353	32,713
Fund balance, end of year	$ -	$ -	$ 490,847	$ 490,847

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Enhanced Wireless 911 Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Franchise fee	$ 240,000	$ 240,000	$ 238,500	$ (1,500)
Expenditures:				
Current:				
Contractual services	179,100	179,100	96,943	82,157
Capital outlay	590,882	590,882	256,284	334,598
Total expenditures	769,982	769,982	353,227	416,755
Net change in fund balance	(529,982)	(529,982)	(114,727)	415,255
Fund balance, beginning of year	529,982	529,982	532,996	3,014
Fund balance, end of year	$ -	$ -	$ 418,269	$ 418,269

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Capital Improvement Plan Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	$ -	$ -	$ 16,961	$ 16,961
Expenditures:				
Capital outlay	-	2,058,277	717,018	1,341,259
Excess (deficiency) of revenues over (under) expenditures	-	(2,058,277)	(700,057)	1,358,220
Other financing sources:				
Transfers in	-	300,000	300,000	-
Net change in fund balance	-	(1,758,277)	(400,057)	1,358,220
Fund balance, beginning of year	-	1,758,277	1,810,772	52,495
Fund balance, end of year	$ -	$ -	$ 1,410,715	$ 1,410,715

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
General Grants Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ -	$ 77,598	$ -	$ (77,598)
Expenditures:				
Current:				
Contractual services	-	77,598	77,598	-
Net change in fund balance	-	-	(77,598)	(77,598)
Fund balance, beginning of year	-	-	77,598	77,598
Fund balance, end of year	$ -	$ -	$ -	$ -

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Opioid Settlements Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ -	$ 50,000	$ 72,579	$ 22,579
Expenditures:				
Current:				
Contractual services	-	50,000	-	50,000
Net change in fund balance	-	-	72,579	72,579
Fund balance, beginning of year	-	-	6,390	6,390
Fund balance, end of year	$ -	$ -	$ 78,969	$ 78,969

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
HIDTA Grant Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ 50,000	$ 50,000	$ 67,987	$ 17,987
Expenditures:				
Current:				
Personnel services	169,068	169,068	137,348	31,720
Capital outlay	-	-	4,304	(4,304)
Total expenditures	169,068	169,068	141,652	27,416
Excess (deficiency) of revenues over (under) expenditures	(119,068)	(119,068)	(73,665)	45,403
Other financing sources:				
Transfers in	81,000	81,000	81,000	-
Net change in fund balance	(38,068)	(38,068)	7,335	45,403
Fund balance, beginning of year	38,068	38,068	59,945	21,877
Fund balance, end of year	$ -	$ -	$ 67,280	$ 67,280

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Housing Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	$ 29,000	$ 29,000	$ 24,583	$ (4,417)
Expenditures:				
Capital outlay	161,038	161,038	-	161,038
Net change in fund balance	(132,038)	(132,038)	24,583	156,621
Fund balance, beginning of year	132,038	132,038	127,452	(4,586)
Fund balance, end of year	$ -	$ -	$ 152,035	$ 152,035

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Project Development Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ -	$ 824,818	$ 824,818	$ -
Use of money and property	2,000	2,000	1,995	(5)
Total revenues	2,000	826,818	826,813	(5)
Expenditures:				
Current:				
Contractual	2,000	2,000	-	2,000
Capital outlay	122,709	122,709	1,995	120,714
Debt service:				
Principal	-	743,902	743,902	-
Interest	-	80,916	80,916	-
Total expenditures	124,709	949,527	826,813	122,714
Excess (deficiency) of revenues over (under) expenditures	(122,709)	(122,709)	-	122,709
Other financing sources:				
Transfers in	-	-	200,000	200,000
Net change in fund balance	(122,709)	(122,709)	200,000	322,709
Fund balance, beginning of year	122,709	122,709	172,709	50,000
Fund balance, end of year	$ -	$ -	$ 372,709	$ 372,709

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Project Safe Neighborhood Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	$ 39,420	$ 39,420	$ 37,206	$ (2,214)
Expenditures:				
Current:				
Personnel services	11,980	11,980	-	11,980
Contractual	6,840	6,840	-	6,840
Capital outlay	51,714	51,714	35,253	16,461
Total expenditures	70,534	70,534	35,253	35,281
Net change in fund balance	(31,114)	(31,114)	1,953	33,067
Fund balance (deficit), beginning of year	31,114	31,114	21,463	(9,651)
Fund balance, end of year	$ -	$ -	$ 23,416	$ 23,416

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Recreation Reserve Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	$ 2,000	$ 2,000	$ -	$ (2,000)
Miscellaneous	25,000	25,000	-	(25,000)
Total revenues	27,000	27,000	-	(27,000)
Expenditures:				
Capital outlay	259,232	259,232	22,798	236,434
Excess (deficiency) of revenues over (under) expenditures	(232,232)	(232,232)	(22,798)	209,434
Other financing sources:				
Transfers in	50,000	50,000	385,342	335,342
Net change in fund balance	(182,232)	(182,232)	362,544	544,776
Fund balance, beginning of year	182,232	182,232	-	(182,232)
Fund balance, end of year	$ -	$ -	$ 362,544	$ 362,544

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Capital Projects
From Inception and For the Year Ended December 31, 2023

	Actual			
	Prior Years	Current Year	Total to Date	Project Authorization
Revenues:				
Use of money and property	$ 113,282	$ -	$ 113,282	$ 87,323
Intergovernmental revenue	306,200	-	306,200	828,614
Reimbursements	230,038	-	230,038	-
Total revenues	649,520	-	649,520	915,937
Expenditures:				
Capital outlay:				
Construction contracts	21,001,937	339,912	21,341,849	28,484,464
Debt service:				
Interest	12,055	-	12,055	12,055
Bond issuance costs	284,792	98,814	383,606	134,403
Total expenditures	21,298,784	438,726	21,737,510	28,630,922
Deficiency of revenues under expenditures	(20,649,264)	(438,726)	(21,087,990)	(27,714,985)
Other financing sources (uses):				
Bonds issued	18,297,607	4,945,000	23,242,607	21,264,973
Refunding bonds issued	1,427,942	-	1,427,942	-
Bond premium	1,497,458	202,814	1,700,272	1,497,458
Payment to refunded bonds escrow agent	(1,412,546)	-	(1,412,546)	(1,412,546)
Transfers in	2,478,886	-	2,478,886	1,825,536
Transfers out	(1,271,571)	-	(1,271,571)	(405,436)
Net change in fund balance	$ 368,512	4,709,088	$ 5,077,600	$ (4,945,000)
Fund balance, beginning of year		368,512		
Fund balance, end of year		$ 5,077,600		

CITY OF GARDEN CITY, KANSAS
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
2021 GO Bond Projects
From Inception and For the Year Ended December 31, 2023

	Actual			
	Prior Years	Current Year	Total to Date	Project Authorization
Revenues:				
Sales tax	$ 799,907	$ 1,391,310	$ 2,191,217	$ -
Use of money and property	867,547	198,634	1,066,181	-
Total revenues	1,667,454	1,589,944	3,257,398	-
Expenditures:				
Capital outlay:				
Construction contracts	1,465,636	502,101	1,967,737	3,102,547
Debt service:				
Principal	385,000	690,000	1,075,000	-
Interest	261,997	278,913	540,910	-
Bond issuance costs	170,609	-	170,609	110,000
Total expenditures	2,283,242	1,471,014	3,754,256	3,212,547
Excess (deficiency) of revenues over (under) expenditures	(615,788)	118,930	(496,858)	(3,212,547)
Other financing sources (uses):				
Transfers out	(8,378,164)	(450,000)	(8,828,164)	(8,378,164)
Bonds issued	10,810,000	-	10,810,000	11,590,711
Net change in fund balance	$ 1,816,048	(331,070)	$ 1,484,978	$ -
Fund balance, beginning of year		1,816,048		
Fund balance, end of year		$ 1,484,978		

Nonmajor Proprietary Funds

Enterprise Funds

The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

The nonmajor enterprise funds used by the City of Garden City, Kansas, are:

Solid Waste Utility:

This fund is used to account for the revenues generated and costs incurred in operating the City owned solid waste disposal and recycling operations.

Drainage Utility:

This fund is used to account for the revenues generated and costs incurred in operating the City's drainage utility.

CITY OF GARDEN CITY, KANSAS
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2023

	Business-type Activities - Enterprise Funds		
	Solid Waste Utility	Drainage Utility	Totals
Assets			
Current assets:			
Cash	$ 1,731,296	$ 610,739	$ 2,342,035
Investments, at fair value	400,000	-	400,000
Receivables (net of allowances for uncollectibles)	266,650	25,883	292,533
Total current assets	2,397,946	636,622	3,034,568
Capital assets:			
Land	1,172,487	293,101	1,465,588
Construction in progress	24,485	40,271	64,756
Production, storage and distribution equipment	-	2,354,455	2,354,455
Less accumulated depreciation	-	(328,099)	(328,099)
Vehicles and equipment	3,979,065	-	3,979,065
Less accumulated depreciation	(2,526,697)	-	(2,526,697)
Containers	5,830,521	-	5,830,521
Less accumulated depreciation	(3,438,028)	-	(3,438,028)
Right-to-use lease equipment	108,897	-	108,897
Less accumulated amortization	(16,753)	-	(16,753)
Right-to-use subscription assets	136,744	-	136,744
Less accumulated amortization	(27,349)	-	(27,349)
Total capital assets	5,243,372	2,359,728	7,603,100
Total assets	$ 7,641,318	$ 2,996,350	$ 10,637,668
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	$ 186,424	$ 677	$ 187,101
Interfund payable	400,000	-	400,000
Current portion of leases payable	231,666	-	231,666
Current portion of right-to-use leases payable	92,140	-	92,140
Current portion of right-to-use subscription payable	18,131	-	18,131
Total current liabilities	928,361	677	929,038
Noncurrent liabilities:			
Leases payable	84,790	-	84,790
Right-to-use subscription payable	59,808	-	59,808
Total noncurrent liabilities	144,598	-	144,598
Total liabilities	1,072,959	677	1,073,636
Net Position			
Net investment in capital assets	4,782,318	2,359,728	7,142,046
Unrestricted	1,786,041	635,945	2,421,986
Total net position	6,568,359	2,995,673	9,564,032
Total liabilities, deferred inflows of resources and net position	$ 7,641,318	$ 2,996,350	$ 10,637,668

CITY OF GARDEN CITY, KANSAS
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds		
	Solid Waste Utility	Drainage Utility	Totals
Operating revenues:			
Charges for services	$ 4,500,864	$ 417,233	$ 4,918,097
Miscellaneous	5,198	6,000	11,198
Total operating revenues	4,506,062	423,233	4,929,295
Operating expenses:			
Personnel services	2,160,810	99,961	2,260,771
Contractual services	1,626,673	81,481	1,708,154
Commodities	301,297	39,851	341,148
Depreciation and amortization	614,015	54,854	668,869
Total operating expenses	4,702,795	276,147	4,978,942
Operating income (loss)	(196,733)	147,086	(49,647)
Nonoperating revenues (expenses):			
Interest income	13,710	-	13,710
Sale of materials	32,741	-	32,741
Interest expense	(23,272)	-	(23,272)
Total nonoperating revenues (expenses)	23,179	-	23,179
Income (loss) before transfers	(173,554)	147,086	(26,468)
Transfers in	75,000	28,459	103,459
Transfers out	(1,718,400)	-	(1,718,400)
Change in net position	(1,816,954)	175,545	(1,641,409)
Total net position, beginning of year	8,385,313	2,820,128	11,205,441
Total net position, end of year	$ 6,568,359	$ 2,995,673	$ 9,564,032

CITY OF GARDEN CITY, KANSAS
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds		
	Solid Waste Utility	Drainage Utility	Totals
Cash flows from operating activities:			
Receipts from customers	$ 4,457,123	$ 411,501	$ 4,868,624
Other receipts	5,198	6,000	11,198
Payments to suppliers	(1,864,250)	(124,603)	(1,988,853)
Payments for personnel services	(2,160,810)	(99,961)	(2,260,771)
Net cash provided by operating activities	437,261	192,937	630,198
Cash flows from noncapital financing activities:			
Advances to other funds	(75,000)	-	(75,000)
Transfers in	75,000	28,459	103,459
Transfers out	(1,718,400)	-	(1,718,400)
Net cash provided (used) by noncapital financing activities	(1,718,400)	28,459	(1,689,941)
Cash flows from capital and related financing activities:			
Receipts from sale of materials	32,741	-	32,741
Purchases of property, plant and equipment	(1,366,020)	(28,459)	(1,394,479)
Proceeds from issuance of long-term debt	436,641	-	436,641
Payment of long-term debt	(145,758)	-	(145,758)
Interest paid on long-term debt	(23,272)	-	(23,272)
Net cash used by capital and related financing activities	(1,065,668)	(28,459)	(1,094,127)
Cash flows from investing activities:			
Interest income	13,710	-	13,710
Proceeds from sale of investments	200,000	-	200,000
Purchase of investments	(400,000)	-	(400,000)
Net cash provided (used) by investing activities	(186,290)	-	(186,290)
Net increase (decrease) in cash	(2,533,097)	192,937	(2,340,160)
Cash, beginning of year	4,264,393	417,802	4,682,195
Cash, end of year	$ 1,731,296	$ 610,739	$ 2,342,035
Statement of net position classification:			
Current assets	$ 1,731,296	$ 610,739	$ 2,342,035
Total cash, end of year	$ 1,731,296	$ 610,739	$ 2,342,035
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	$ (196,733)	$ 147,086	$ (49,647)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	614,015	54,854	668,869
Change in assets and liabilities:			
(Increase) decrease in receivables	(43,741)	(5,732)	(49,473)
Increase (decrease) in accounts payable	63,720	(3,271)	60,449
Net cash provided by operating activities	$ 437,261	$ 192,937	$ 630,198
Schedule of non-cash capital and related financing activities:			
Purchase of assets through finance leases	$ 191,000	$ -	$ 191,000

Proprietary Funds

Internal Service Funds

The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governmental units on a cost-reimbursement basis. The internal service funds used by the City of Garden City, Kansas, are:

Health Insurance:

This fund is used to account for the City's departmental billings made monthly on a set amount per employee and expended on qualified medical costs as provided for in the City's self-insured health insurance program.

Workers Compensation:

This fund is used to account for transfers from the Employee Benefit fund used to pay qualified expenditures as provided for in the City's worker's compensation program.

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CITY OF GARDEN CITY, KANSAS
Combining Statement of Net Position
Internal Service Funds
December 31, 2023

	Health Insurance	Workers Compensation	Totals
Assets			
Current assets:			
Cash	$ 2,608,595	$ 1,070,748	$ 3,679,343
Investments	-	128,099	128,099
Total assets	2,608,595	1,198,847	3,807,442
Deferred outflow of resources:			
Deferred outflows of resources related to OPEB	1,552,163	-	1,552,163
Total assets and deferred outflows of resources	$ 4,160,758	$ 1,198,847	$ 5,359,605
Liabilities			
Current liabilities:			
Net OPEB obligation	$ 19,000	$ -	$ 19,000
Noncurrent liabilities:			
Net OPEB obligation	2,797,721	-	2,797,721
Total liabilities	2,816,721	-	2,816,721
Deferred outflow of resources:			
Deferred inflows of resources related to OPEB	2,852,026	-	2,852,026
Net Position			
Restricted for health insurance	(1,507,989)	-	(1,507,989)
Restricted for workers compensation	-	1,198,847	1,198,847
Total net position (deficit)	(1,507,989)	1,198,847	(309,142)
Total liabilities, deferred outflows and net position	$ 4,160,758	$ 1,198,847	$ 5,359,605

CITY OF GARDEN CITY, KANSAS
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2023

	Health Insurance	Workers Compensation	Total
Operating revenues:			
Department billings	$ 5,028,678	$ 472,000	$ 5,500,678
Miscellaneous	4	-	4
Total operating revenues	5,028,682	472,000	5,500,682
Operating expenses:			
Contractual	5,325,816	502,048	5,827,864
Commodities	-	13,452	13,452
Total operating expenses	5,325,816	515,500	5,841,316
Operating loss	(297,134)	(43,500)	(340,634)
Nonoperating revenues:			
Interest income	-	3,125	3,125
Change in net position	(297,134)	(40,375)	(337,509)
Total net position (deficit), beginning of year	(1,210,855)	1,239,222	28,367
Total net position (deficit), end of year	$ (1,507,989)	$ 1,198,847	$ (309,142)

CITY OF GARDEN CITY, KANSAS
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2023

	Health Insurance	Workers Compensation	Total
Cash flows from operating activities:			
Other receipts	$ 5,028,682	$ 472,000	$ 5,500,682
Claims paid	(5,116,327)	(504,112)	(5,620,439)
Payments to suppliers	-	(13,452)	(13,452)
Net cash used by operating activities	(87,645)	(45,564)	(133,209)
Cash flows from investing activities:			
Interest income	-	3,125	3,125
Purchase of investments	-	(3,099)	(3,099)
Net cash provided by investing activities	-	26	26
Net decrease in cash	(87,645)	(45,538)	(133,183)
Cash, beginning of year	2,696,240	1,116,286	3,812,526
Cash, end of year	$ 2,608,595	$ 1,070,748	$ 3,679,343
Reconciliation of operating loss to net cash used by operating activities:			
Operating loss	$ (297,134)	$ (43,500)	$ (340,634)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Deferred outflows related to OPEB	4,821	-	4,821
Deferred inflows related to OPEB	(9,003)	-	(9,003)
Decrease in accounts payable	(1,805)	(2,064)	(3,869)
Increase in net OPEB obligation	215,476	-	215,476
Net cash used by operating activities	$ (87,645)	$ (45,564)	$ (133,209)

Supplementary Information

The Supplementary Information is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City of Garden City, Kansas.

CITY OF GARDEN CITY, KANSAS
Schedule of Investments
December 31, 2023

Idle Funds	
Certificates of deposit	$ 22,071,164
Treasury obligations	52,090,964
Total Idle Funds investments	74,162,128
Solid Waste Utility	
General - Certificates of deposit	400,000
Workers Compensation Reserve	
Certificates of deposit	128,099
Total investment - all funds	$ 74,690,227

CITY OF GARDEN CITY, KANSAS
Comparison of Cash Balances with Encumbrances and Composition of Cash
For the Year Ended December 31, 2023

Fund	Unencumbered Cash Balance (Deficit) 01-01-23	Receipts and Transfers	Expenditures and Transfers	Unencumbered Cash Balance (Deficit) 12-31-23	Add Payables and Encumbrances	Treasurer's Cash 12-31-23
Operating						
General	$ 3,677,665	$ 31,574,930	$ 31,920,070	$ 3,332,525	$ 1,045,393	$ 4,377,918
Debt Service Fund						
Bond and Interest	1,943,196	6,900,501	6,487,995	2,355,702	14,256	2,369,958
Special Revenue Funds						
Community Trust	1,456,761	3,366,016	2,578,831	2,243,946	29,307	2,273,253
Capital Improvements	1,888,650	889,222	688,330	2,089,542	10,287	2,099,829
Special Trafficway	2,017,818	1,149,888	1,671,540	1,496,166	92,305	1,588,471
Special Improvements	65,869	10,242	17,570	58,541	570	59,111
Cemetery Endowment	137,477	11,325	29,447	119,355	-	119,355
Special Recreation and Parks	357,944	145,418	230,793	272,569	-	272,569
Special Alcohol Programs	478,440	143,907	231,472	390,875	-	390,875
Finnup Trust	210,898	155,000	42,807	323,091	-	323,091
Special Liability	47,509	107,019	30,350	124,178	-	124,178
Drug Enforcement	70,873	20,840	17,497	74,216	-	74,216
DEA Forfeiture	1,124	295	-	1,419	-	1,419
Community Development Loan	20,752	-	-	20,752	-	20,752
Community Development Grant	2,748	14,648	14,648	2,748	-	2,748
Economic Development	425,353	70,463	4,969	490,847	165	491,012
Enhanced Wireless 911	532,996	238,500	353,227	418,269	476	418,745
Capital Improvement Plan	1,810,772	316,961	717,018	1,410,715	50,405	1,461,120
General Grants	77,598	-	77,598	-	-	-
Opioid Settlements	6,390	72,579	-	78,969	-	78,969
HIDTA Grant	59,945	148,987	141,652	67,280	-	67,280
Housing	127,452	24,583	-	152,035	-	152,035
Project Development	172,709	1,026,813	826,813	372,709	499	373,208
Project Safe Neighborhood	21,463	37,206	35,253	23,416	-	23,416
Recreation Reserve	-	385,342	22,798	362,544	-	362,544
Total Special Revenue	9,991,541	8,335,254	7,732,613	10,594,182	184,014	10,778,196
Capital Projects Funds						
Sales Tax Projects	21,243,901	3,862,387	6,288,679	18,817,609	17,183	18,834,792
Capital Projects	368,512	5,147,814	438,726	5,077,600	2,830	5,080,430
2021 GO Bond Projects	1,816,048	1,589,944	1,921,014	1,484,978	1,857	1,486,835
Total Capital Projects	23,428,461	10,600,145	8,648,419	25,380,187	21,870	25,402,057
Enterprise Funds						
Electric Utility:						
General	6,345,141	37,769,077	38,725,496	5,388,722	432,876	5,821,598
Security Deposits	499,549	295,710	245,446	549,813	2,624	552,437
Operating Capital Reserve	(1,188,279)	7,791,129	2,950,000	3,652,850	-	3,652,850
Total Electric Utility	5,656,411	45,855,916	41,920,942	9,591,385	435,500	10,026,885
Water and Sewer Utility:						
General	7,469,753	14,150,756	14,975,925	6,644,584	322,708	6,967,292
Wastewater Repair and Replacement	656,722	150,893	-	807,615	-	807,615
Water and Sewage Maintenance Reserve	2,098,681	920,362	1,000,000	2,019,043	-	2,019,043
2020 Water and Sewer Projects	20,185	-	20,185	-	-	-
Total Water and Sewer Utility	10,245,341	15,222,011	15,996,110	9,471,242	322,708	9,793,950
Airport:						
General	1,275,569	2,347,709	1,978,577	1,644,701	3,021	1,647,722
Airport Improvement	123,559	37,559	-	161,118	-	161,118
Airport Grant Projects	7,925,951	9,750,547	13,921,794	3,754,704	519,117	4,273,821
Total Airport	9,325,079	12,135,815	15,900,371	5,560,523	522,138	6,082,661
Recreation Area:						
General Golf Course	34,159	1,124,756	1,120,924	37,991	8,242	46,233
Golf Course Building	21,555	235,766	109,241	148,080	3,232	151,312
Recreation Operating	199,154	-	199,154	-	-	-
Recreation Reserve	211,125	-	211,125	-	-	-
Total Recreation Area	465,993	1,360,522	1,640,444	186,071	11,474	197,545
Solid Waste Utility:						
General	4,342,520	4,828,582	7,226,230	1,944,872	186,424	2,131,296
Drainage Utility:						
General	413,854	445,960	249,752	610,062	677	610,739

(continued)

CITY OF GARDEN CITY, KANSAS
Comparison of Cash Balances with Encumbrances and Composition of Cash
For the Year Ended December 31, 2023

Fund	Unencumbered Cash Balance (Deficit) 01-01-23	Receipts and Transfers	Expenditures and Transfers	Unencumbered Cash Balance (Deficit) 12-31-23	Add Payables and Encumbrances	Treasurer's Cash 12-31-23
(continued)						
Internal Service Funds						
Health Insurance	$ (1,852,657)	$ 9,437,692	$ 9,339,008	$ (1,753,973)	$ 2,816,721	$ 1,062,748
Health Insurance Reserve	1,945,847	-	400,000	1,545,847	-	1,545,847
Workers Compensation	219,430	472,000	510,723	180,707	-	180,707
Workers Compensation Reserve	1,019,792	3,125	4,777	1,018,140	-	1,018,140
Total Internal Service	1,332,412	9,912,817	10,254,508	990,721	2,816,721	3,807,442
Custodial Funds						
Bail Bonds	-	160,372	160,372	-	357,017	357,017
Total all funds (memorandum only)	$ 70,822,473	$ 147,332,825	$ 148,137,826	$ 70,017,472	$ 5,918,192	$ 75,935,664
Composition of Treasurer's Cash						
Commerce Bank					$ 1,548,070	
Western State Bank					155,489	
Dream First Bank					258,212	
Equity Bank					561,629	
Kearny County Bank					189,913	
Plus deposits in transit					342,892	
Less outstanding checks					(1,853,901)	
Total cash in banks						$ 1,202,304
Petty cash accounts						27,241
Accounts receivable						15,892
Investments						74,690,227
Total cash						$ 75,935,664

CITY OF GARDEN CITY, KANSAS
Passenger Facility Charges (PFC)
For the Year Ended December 31, 2023

The accompanying schedule of passenger facility charges is presented on the cash basis of accounting. The information in the schedule is presented in accordance with the requirements of the Passenger Facility Charge Audit Guide for Public Agencies. Therefore, some amounts presented in the schedule may differ from amounts in or used in the preparation of the primary government financial statements.

Approved Application Project Number	Project Title	Unliquidated PFC Beginning Balance	PFC Collected	PFC Expended	Unliquidated PFC Ending Balance
20-02-C-00-GCK-02-001	Wildlife Fence Phase II and Apron Lighting	$ -	$ 30,864	$ 30,864	$ -
20-02-C-00-GCK-02-002	Snow Removal Equipment Building, Runway Lighting and ADA Passenger Device	-	34,541	34,541	-
20-02-C-00-GCK-02-003	Snow Removal Equipment	-	69,225	69,225	-
20-02-C-00-GCK-02-004	Taxiway F - Design	-	18,264	18,264	-
20-02-C-00-GCK-02-005	Taxiway F - Construction	-	170,544	170,544	-
20-02-C-00-GCK-02-006	Taxilane, ARFF Access and Fuel Farm Access	-	31,307	31,307	-
Total		$ -	$ 354,745	$ 354,745	$ -

CITY OF GARDEN CITY, KANSAS
Schedule of Insurance
December 31, 2023

Type of Insurance - Insurer	Policy Number	Expiration Date	Insured Amount
Buildings and personal property - Travelers Corporation	H-630-2N111914-TIL-22	12/31/2023	$ 131,403,579
Commercial auto - Travelers Corporation	H-630-2N111914-TIL-22	12/31/2023	1,000,000
Commercial general liability - Travelers Corporation	ZLP-81N1026A-22-PB	12/31/2023	2,000,000/4,000,000
Aviation insurance and airport liability - Global Aerospace, Inc.	14000619	2/1/2024	10,000,000/10,000,000
Law enforcement liability - Travelers Corporation	ZLP-81N1026A-22-PB	12/31/2023	2,000,000/2,000,000
Employee dishonesty coverage - Travelers Corporation	H-630-2N111914-TIL-22	12/31/2023	250,000
Public officials liability - Travelers Corporation	ZLP-81N1026A-22-PB	12/31/2023	2,000,000/2,000,000

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GARDEN CITY
KANSAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ending December 31, 2023

Statistical Section

This part of the City of Garden City, Kansas, annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends 162
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 174
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity 180
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 189
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 191
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Source: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Note: The 2022 amounts for the government-wide governmental-type activities have been restated for prior period adjustments to reflect $2,175,910 as additional capital assets for right-to-use lease assets and infrastructure and an increase of $222,984 for right-to-use lease liabilities, resulting in a decrease in public safety expenses, an increase in public works expenses, and an increase in capital grants and contributions in 2022.

Note: The 2021 amounts for the government-wide governmental-type activities have been restated for prior period adjustments to reflect $460,054 as additional construction in process resulting in a decrease in expenses in 2021 for public safety. In addition, the 2022 amounts for the government-wide business-type activities have been restated for prior period adjustments to reflect $1,885,443 as additional construction in process resulting in a decrease in expenses in 2021 totaling $530,903 and in 2020 totaling $1,354,540 for the Drainage Utility fund.

Note: The 2020 amounts for the government-wide governmental-type activities have been restated for prior period adjustments to reflect $2,242,248 as additional construction in process resulting in a decrease in expenses in 2020 for public works of $1,627,787 and for public safety of $614,461. In addition, a restatement for an increase in donations of $2,032,807 with a corresponding decrease to expenses for public works for 2020 also occurred.

Note: The 2019 amounts for the government-wide governmental-type activities have been restated for prior period adjustments to reflect $240,978 as additional construction in process resulting in a decrease in parks and recreation expenses in 2019. In addition, a restatement for an increase in donations of $680,844 with a corresponding decrease to expenses for general government for 2019 also occurred.

Note: The 2018 amounts for the government-wide governmental-type activities have been restated for a prior period adjustment to reflect a $136,101 increase and business-type activities have been restated for a prior period adjustment to reflect a $483,606 decrease due to correction in capital assets and construction in process in 2018.

Note: The 2017 amounts for the government-wide governmental-type activities have been restated for prior period adjustments to reflect $92,872 as additional construction in process resulting in a decrease in parks and recreation expenses in 2017.

Note: The January 1, 2017, amounts for the government-wide governmental-type activities have been restated to reflect a $572,638 adjustment to net position as a result of the change in accounting principle for the implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Note: The 2015 amounts for net position – net investment in capital assets, and unrestricted net position for the governmental activities have been restated to correct the allocation of long-term liabilities to net investment in capital assets.

Note: The 2015 amounts for the government-wide governmental-type activities have been restated for prior period adjustments to reflect $369,978 as additional prepaid expenses in 2015.

Note: The January 1, 2015, amounts for the government-wide governmental-type activities have been restated to reflect a $15,005,615 adjustment to net position as a result of the change in accounting principle for the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

CITY OF GARDEN CITY, KANSAS
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017
Governmental activities:				
Net investment in capital assets	$ 23,618,128	$ 16,245,155	$ 19,227,082	$ 18,907,474
Restricted	1,092,119	1,277,563	740,703	980,122
Unrestricted (deficit)	4,029,371	1,371,286	(4,395,535)	1,381,185
Total governmental activities net position	$ 28,739,618	$ 18,894,004	$ 15,572,250	$ 21,268,781
Business-type activities:				
Net investment in capital assets	$ 60,933,909	$ 61,686,505	$ 69,836,330	$ 73,620,299
Unrestricted	17,698,464	22,109,865	22,016,718	20,986,677
Total business-type activities net position	$ 78,632,373	$ 83,796,370	$ 91,853,048	$ 94,606,976
Primary government:				
Net investment in capital assets	$ 84,552,037	$ 77,931,660	$ 89,063,412	$ 92,527,773
Restricted	1,092,119	1,277,563	740,703	980,122
Unrestricted	21,727,835	23,481,151	17,621,183	22,367,862
Total primary government net position	$ 107,371,991	$ 102,690,374	$ 107,425,298	$ 115,875,757

Fiscal Year					
2018	2019	2020	2021	2022	2023
$ 24,541,365	$ 28,896,852	$ 28,046,866	$ 11,327,513	$ 18,639,269	$ 32,735,300
1,175,606	1,356,247	1,488,888	1,857,735	1,943,196	2,355,702
(42,339)	(2,717,544)	12,117	674,876	2,474,110	13,155,450
$ 25,674,632	$ 27,535,555	$ 29,547,871	$ 13,860,124	$ 23,056,575	$ 48,246,452
$ 71,434,269	$ 79,941,040	$ 82,102,842	$ 91,015,993	$ 97,254,811	$ 101,152,829
27,853,497	23,661,981	26,029,814	40,512,730	36,304,562	35,526,416
$ 99,287,766	$ 103,603,021	$ 108,132,656	$ 131,528,723	$ 133,559,373	$ 136,679,245
$ 95,975,634	$ 108,837,892	$ 110,149,708	$ 102,343,506	$ 115,894,080	$ 133,888,129
1,175,606	1,356,247	1,488,888	1,857,735	1,943,196	2,355,702
27,811,158	20,944,437	26,041,931	41,187,606	38,778,672	48,681,866
$ 124,962,398	$ 131,138,576	$ 137,680,527	$ 145,388,847	$ 156,615,948	$ 184,925,697

CITY OF GARDEN CITY, KANSAS
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal 2014	2015	2016	2017	2018
Expenses					
Governmental activities:					
General government	$ 4,273,422	$ 3,075,916	$ 8,897,649	$ 8,612,058	$ 4,094,827
Public safety	11,830,962	12,369,223	11,733,079	12,004,891	13,732,973
Public works	8,602,160	8,252,443	14,887,751	2,594,538	3,463,961
Parks and recreation	4,311,743	4,162,780	4,166,066	4,645,738	5,137,056
Interest on long-term debt	612,392	942,716	941,665	948,424	856,781
Total governmental activities expenses	29,630,679	28,803,078	40,626,210	28,805,649	27,285,598
Business-type activities:					
Electric	26,424,387	27,478,371	27,500,926	27,801,904	28,846,782
Water and sewer	6,373,675	6,492,447	7,327,037	7,834,312	7,679,883
Airport	1,292,743	1,546,754	1,190,258	1,415,688	1,631,580
Solid waste	2,778,864	2,861,770	3,038,107	3,220,204	3,277,869
Recreation area	1,046,449	1,038,937	969,957	1,088,415	1,000,295
Drainage	220,915	183,197	195,628	122,236	182,730
Total business-type activities expenses	38,137,033	39,601,476	40,221,913	41,482,759	42,619,139
Total primary government expenses	$ 67,767,712	$ 68,404,554	$ 80,848,123	$ 70,288,408	$ 69,904,737
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 461,018	$ 633,155	$ 789,936	$ 555,489	$ 511,184
Public safety	1,686,141	1,627,768	1,673,515	1,894,399	1,865,736
Public works	275,000	-	5,800	-	5,000
Parks and recreation	21,956	23,770	21,305	112,234	127,155
Operating grants and contributions	2,124,480	8,297,681	13,931,781	5,264,232	1,593,564
Capital grants and contributions	960,151	1,676,338	503,072	270,838	466,762
Total governmental activities program revenues	5,528,746	12,258,712	16,925,409	8,097,192	4,569,401
Business-type activities:					
Charges for services:					
Electric	31,570,407	31,387,882	31,181,254	31,583,363	32,527,251
Water and sewer	7,795,751	7,887,218	8,217,288	9,064,833	9,691,208
Airport	355,335	353,164	382,450	325,961	364,985
Solid waste	2,993,213	3,576,582	3,723,501	3,801,475	3,923,103
Recreation	498,392	472,698	551,418	591,337	528,860
Drainage	208,648	209,763	213,403	213,645	246,803
Operating grants and contributions	614,317	380,237	365,574	722,588	530,177
Capital grants and contributions	-	1,013,380	1,742,726	1,091,583	-
Total business-type activities program revenues	44,036,063	45,280,924	46,377,614	47,394,785	47,812,387
Total primary government program revenues	$ 49,564,809	$ 57,539,636	$ 63,303,023	$ 55,491,977	$ 52,381,788
Net (expense)/revenue:					
Governmental activities	$ (24,101,933)	$ (16,544,366)	$ (23,700,801)	$ (20,708,457)	$ (22,716,197)
Business-type activities	5,899,030	5,679,448	6,155,701	5,912,026	5,193,248
Total primary government net expense	$ (18,202,903)	$ (10,864,918)	$ (17,545,100)	$ (14,796,431)	$ (17,522,949)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	$ 6,305,121	$ 6,442,918	$ 7,319,006	$ 8,844,161	$ 10,690,361
Sales taxes	10,853,099	11,134,158	11,405,981	11,594,302	11,664,353
Franchise taxes	780,082	739,022	681,159	724,452	770,747
Other taxes	870,539	877,072	812,685	614,059	995,357
Investment earnings	245,302	207,756	452,404	279,505	376,787
Miscellaneous	513,246	280,641	405,464	324,639	635,044
Gain on disposal of capital assets	-	-	112,398	-	27,146
Transfers	2,412,050	2,022,800	(810,050)	4,596,508	1,962,253
Total governmental activities	21,979,439	21,704,367	20,379,047	26,977,626	27,122,048
Business-type activities:					
Taxes:					
Property taxes	709,284	892,760	834,416	727,329	849,766
Other taxes	-	-	-	-	-
Investment earnings	4,818	1,969	25,473	122,522	202,829
Miscellaneous	257,555	603,378	231,038	577,361	390,540
Gain on disposal of capital assets	-	9,242	-	11,198	6,660
Transfers	(2,412,050)	(2,022,800)	810,050	(4,596,508)	(1,962,253)
Total business-type activities	(1,440,393)	(515,451)	1,900,977	(3,158,098)	(512,458)
Total primary government	$ 20,539,046	$ 21,188,916	$ 22,280,024	$ 23,819,528	$ 26,609,590
Change in Net Position					
Governmental activities	$ (2,122,494)	$ 5,160,001	$ (3,321,754)	$ 6,269,169	$ 4,405,851
Business-type activities	4,458,637	5,163,997	8,056,678	2,753,928	4,680,790
Total primary government	$ 2,336,143	$ 10,323,998	$ 4,734,924	$ 9,023,097	$ 9,086,641

Year				
2019	2020	2021	2022	2023
$ 8,291,229	$ 6,286,780	$ 13,700,093	$ 15,149,962	$ 16,961,658
14,154,359	14,776,423	13,058,389	14,792,692	14,885,128
6,157,948	7,502,249	3,513,161	2,893,755	2,760,044
3,519,437	5,299,336	3,108,341	2,928,919	7,631,731
831,623	1,255,645	1,521,801	1,722,883	2,015,183
32,954,596	35,120,433	34,901,785	37,488,211	44,253,744
29,510,565	29,761,087	41,248,591	42,383,858	30,719,948
8,034,611	8,263,363	8,209,942	9,763,248	10,333,306
1,564,480	1,610,711	1,664,765	1,740,257	2,690,272
3,305,634	3,332,154	3,986,056	4,812,196	1,200,040
1,035,469	956,367	3,506,178	4,051,040	4,726,067
344,858	436,193	286,556	313,084	276,147
43,795,617	44,359,875	58,902,088	63,063,683	49,945,780
$ 76,750,213	$ 79,480,308	$ 93,803,873	$ 100,551,894	$ 94,199,524
$ 533,567	$ 551,315	$ 778,034	$ 748,566	$ 845,233
1,648,749	1,547,568	1,584,705	1,616,582	1,463,988
24,420	15,000	15,000	10,000	7,500
108,633	14,869	32,120	25,679	1,408,598
1,870,748	4,420,833	4,218,154	5,798,677	1,937,568
169,582	872,617	3,084,252	2,759,345	4,927,459
4,355,699	7,422,202	9,712,265	10,958,849	10,590,346
31,856,560	29,844,121	33,295,929	35,602,916	37,511,262
10,399,194	11,293,303	11,473,041	12,510,231	12,253,212
374,336	397,644	402,897	297,796	378,965
3,997,837	4,014,705	1,566,157	1,772,420	636,325
492,321	465,120	4,195,374	4,308,343	4,500,864
277,690	309,004	341,608	376,558	417,233
144,580	1,287,524	2,412,994	6,602,775	10,468,625
680,844	2,032,807	15,914,371	-	-
48,223,362	49,644,228	69,602,371	61,471,039	66,166,486
$ 52,579,061	$ 57,066,430	$ 79,314,636	$ 72,429,888	$ 76,756,832
$ (28,598,897)	$ (27,698,231)	$ (25,189,520)	$ (26,529,362)	$ (33,663,398)
4,427,745	5,284,353	10,700,283	(1,592,644)	16,220,706
$ (24,171,152)	$ (22,413,878)	$ (14,489,237)	$ (28,122,006)	$ (17,442,692)
$ 12,588,674	$ 12,248,479	$ 12,193,984	$ 14,896,637	$ 16,442,381
12,615,016	12,336,819	16,783,981	15,671,948	16,110,083
741,167	688,989	736,405	1,152,271	1,230,156
984,889	1,050,858	1,047,894	863,758	1,015,511
745,432	438,992	390,760	775,223	2,354,659
427,582	395,151	499,980	379,066	630,648
-	2,600	59,500	-	-
1,676,216	515,852	(22,210,731)	1,986,910	21,069,837
29,778,976	27,677,740	9,501,773	35,725,813	58,853,275
1,024,720	1,197,021	2,459,352	1,876,422	1,900,184
-	-	-	298,074	132,245
267,877	107,378	9,451	33,101	52,283
918,665	489,542	3,399,718	3,402,607	5,873,791
33,308	-	-	-	10,500
(1,676,216)	(515,852)	6,827,263	(1,986,910)	(21,069,837)
568,354	1,278,089	12,695,784	3,623,294	(13,100,834)
$ 30,347,330	$ 28,955,829	$ 22,197,557	$ 39,349,107	$ 45,752,441
$ 1,180,079	$ (20,491)	$ (15,687,747)	$ 9,196,451	$ 25,189,877
4,996,099	6,562,442	23,396,067	2,030,650	3,119,872
$ 6,176,178	$ 6,541,951	$ 7,708,320	$ 11,227,101	$ 28,309,749

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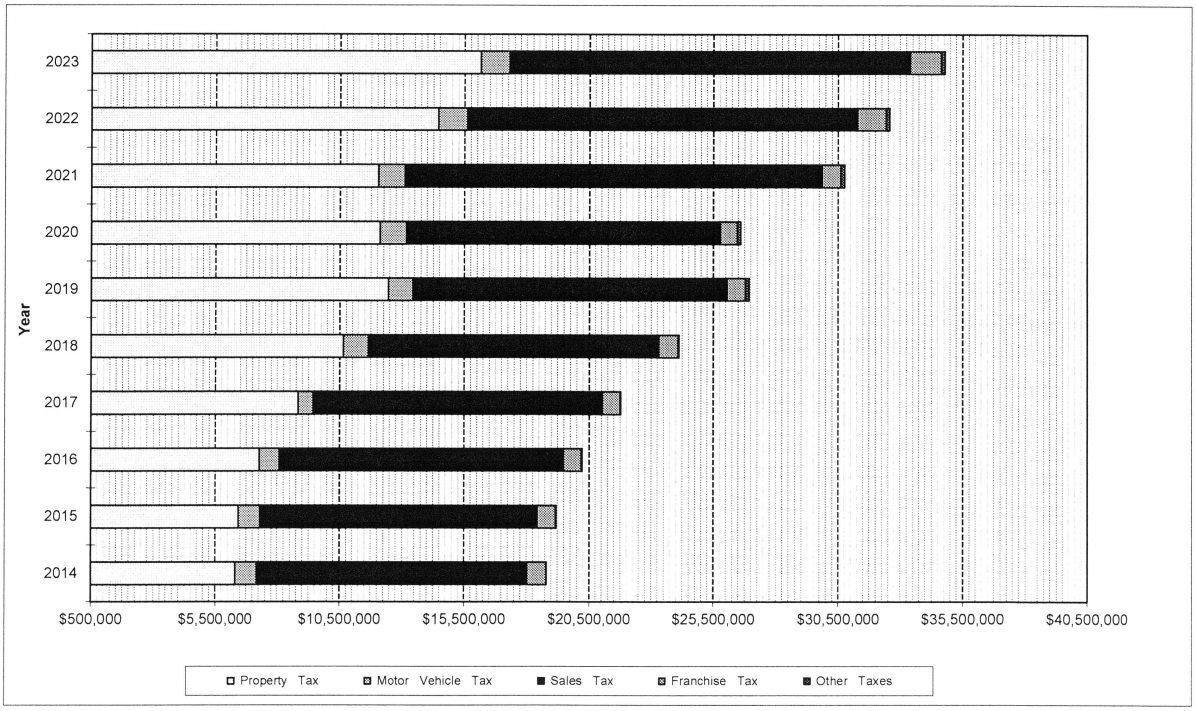
CITY OF GARDEN CITY, KANSAS
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Motor Vehicle Tax	Sales Tax	Franchise Tax	Other Taxes	Total
2014	$ 6,295,353	$ 870,539	$10,853,099	$ 780,082	$ 9,768	$ 18,808,841
2015	6,417,157	877,072	11,134,158	739,022	25,761	19,193,170
2016	7,277,265	812,685	11,405,981	681,159	41,741	20,218,831
2017	8,822,410	614,059	11,594,302	724,452	21,751	21,776,974
2018	10,647,364	995,357	11,664,353	770,747	42,997	24,120,818
2019	12,448,404	984,889	12,615,016	741,167	140,270	26,929,746
2020	12,110,342	1,050,858	12,615,016	688,989	138,137	26,603,342
2021	12,042,621	1,047,894	16,783,981	736,405	151,363	30,762,264
2022	14,442,409	1,161,832	15,671,948	1,152,271	156,154	32,584,614
2023	16,146,247	1,147,756	16,110,083	1,230,156	163,889	34,798,131



CITY OF GARDEN CITY, KANSAS
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017
General fund:				
Unassigned	$ 7,177,159	$ 7,190,142	$ 7,217,978	$ 7,325,832
Total general fund	$ 7,177,159	$ 7,190,142	$ 7,217,978	$ 7,325,832
Debt service fund:				
Restricted	$ 1,092,119	$ 1,277,563	$ 740,703	$ 980,122
Total debt service fund	$ 1,092,119	$ 1,277,563	$ 740,703	$ 980,122
All other governmental funds:				
Restricted	$ 3,371,317	$ 6,570,570	$ 5,356,661	$ 4,235,584
Committed	1,665,754	1,864,596	1,598,633	2,232,739
Assigned	1,101,771	1,254,798	1,473,558	1,135,195
Unassigned	(8,061,484)	(6,733)	(4,059,260)	(200,000)
Total all other governmental funds	$ (1,922,642)	$ 9,683,231	$ 4,369,592	$ 7,403,518

Fiscal Year					
2018	2019	2020	2021	2022	2023
$ 7,996,936	$ 9,685,448	$ 10,964,272	$ 14,681,201	$ 13,523,106	$ 13,209,578
$ 7,996,936	$ 9,685,448	$ 10,964,272	$ 14,681,201	$ 13,523,106	$ 13,209,578
$ 1,175,606	$ 1,356,247	$ 1,488,888	$ 1,857,735	$ 1,943,196	$ 2,355,702
$ 1,175,606	$ 1,356,247	$ 1,488,888	$ 1,857,735	$ 1,943,196	$ 2,355,702
$ 7,548,363	$ 9,276,254	$ 13,548,589	$ 8,110,515	$ 26,199,171	$ 27,679,484
2,106,604	2,244,306	1,753,411	382,996	621,122	749,314
1,572,218	1,575,762	2,395,488	2,649,901	2,002,028	2,369,534
-	-	(157,048)	(915,628)	-	-
$ 11,227,185	$ 13,096,322	$ 17,540,440	$ 10,227,784	$ 28,822,321	$ 30,798,332

CITY OF GARDEN CITY, KANSAS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017
Revenues:				
Taxes	$ 18,028,759	$ 18,454,148	$ 19,537,672	$ 21,052,522
Special assessment taxes	429,999	454,933	209,877	133,751
Intergovernmental revenue	2,149,480	8,322,681	13,956,781	5,286,764
Franchises	780,082	739,022	681,159	724,452
Licenses and permits	332,124	511,698	526,322	403,645
Use of money and property	245,225	207,600	452,010	278,926
Reimbursements/Insurance proceeds	-	-	-	2,468
Miscellaneous	513,246	280,641	405,464	324,639
Donations	161,467	1,196,405	268,195	112,087
Cemetery	123,035	116,185	258,132	147,172
Police and municipal court	1,312,573	1,210,586	1,279,396	1,500,690
Fire	189,229	196,739	167,109	152,384
Engineering	275,000	-	5,800	-
Inspection	184,339	220,443	227,010	241,325
Planning and zoning	5,859	5,272	5,482	4,672
Recreation	-	-	-	-
Parks and zoo	21,956	23,770	21,305	112,234
Total revenues	24,752,373	31,940,123	38,001,714	30,477,731
Expenditures:				
Current:				
General government	3,851,136	3,242,024	4,048,185	3,627,407
Public safety	11,671,156	13,270,593	12,650,103	12,808,957
Public works	2,268,596	2,354,938	1,944,154	2,070,984
Parks and recreation	3,760,839	3,835,535	3,826,739	4,460,686
Capital outlay and capital projects	7,618,433	8,003,288	20,094,716	7,975,239
Debt service:				
Principal	1,691,309	1,790,910	2,419,761	2,560,761
Interest and fiscal charges	460,166	848,426	907,230	910,247
Refunding and bond issuance costs	60,738	84,212	43,046	45,675
Total expenditures	31,382,373	33,429,926	45,933,934	34,459,956
Excess of revenues over (under) expenditures	(6,630,000)	(1,489,803)	(7,932,220)	(3,982,225)
Other financing sources (uses):				
Transfers in	5,517,396	3,830,162	4,015,971	6,026,930
Transfers out	(3,076,168)	(1,807,362)	(4,496,021)	(1,165,422)
Bonds issued	11,934,600	9,940,000	2,000,000	2,285,000
Refunding bonds issued	-	-	-	-
Premium on refunding bonds issued	-	-	-	-
Payment to refunded bonds escrow agent	-	-	-	-
Issuance of finance leases	183,229	1,331,303	477,209	216,916
Issuance of right-to-use leases	-	-	-	-
Sale of capital assets	-	-	112,398	-
Total other financing sources (uses)	14,559,057	13,294,103	2,109,557	7,363,424
Net change in fund balances	$ 7,929,057	$ 11,804,300	$ (5,822,663)	$ 3,381,199
Debt service as a percentage of noncapital expenditures	7.20%	8.84%	8.11%	12.05%

Fiscal Year					
2018	2019	2020	2021	2022	2023
$ 23,350,071	$ 26,188,579	$ 25,636,156	$ 30,025,859	$ 31,432,343	$ 33,567,975
155,974	22,180	21,080	23,788	20,569	27,371
1,618,564	1,870,748	4,420,833	4,374,854	5,798,677	1,937,568
770,747	741,167	688,989	736,405	1,152,271	1,230,156
339,678	371,891	366,749	584,987	510,252	631,847
375,724	729,627	405,909	1,236,616	775,098	2,351,534
-	-	-	-	-	-
724,486	427,582	395,151	579,480	379,066	630,648
285,788	147,402	851,537	282,802	275,931	173,651
166,773	153,904	177,311	185,557	229,984	206,687
1,459,140	1,225,505	1,114,569	1,144,247	1,066,657	1,184,099
159,303	164,978	163,707	162,629	175,897	1,777
5,000	24,420	15,000	15,000	10,000	7,500
247,293	258,266	269,292	277,829	268,348	278,112
4,733	7,772	7,255	7,490	8,330	6,699
-	-	-	-	-	1,151,862
127,155	108,633	14,869	32,120	25,679	256,736
29,790,429	32,442,654	34,548,407	39,669,663	42,129,102	43,644,222
3,522,661	3,068,022	3,341,791	3,915,110	3,639,421	6,693,002
13,169,934	13,586,953	13,498,268	15,389,308	17,633,958	18,438,365
2,244,577	2,249,668	1,410,210	2,538,879	2,602,849	2,672,322
4,668,216	5,128,651	4,688,053	3,487,986	4,502,561	7,367,948
2,612,080	8,379,336	21,063,412	17,277,210	10,340,139	11,950,354
2,659,011	2,402,261	2,849,180	2,650,083	4,405,125	5,947,967
806,969	822,917	946,672	1,308,821	1,564,361	2,125,810
48,986	21,878	247,249	146,079	227,766	98,814
29,732,434	35,659,686	48,044,835	46,713,476	44,916,180	55,294,582
57,995	(3,217,032)	(13,496,428)	(7,043,813)	(2,787,078)	(11,650,360)
4,041,467	3,237,218	6,054,959	3,809,650	6,526,718	7,686,505
(1,872,214)	(1,211,002)	(5,012,563)	(10,802,717)	(4,623,252)	(2,818,672)
2,055,000	4,604,765	16,442,607	10,810,000	15,915,000	4,945,000
-	-	1,427,942	-	-	-
-	-	1,497,458	-	792,325	202,814
-	-	(1,412,546)	-	-	-
408,007	324,341	351,554	-	1,536,028	1,560,000
-	-	-	-	-	2,149,702
-	-	2,600	-	162,162	-
4,632,260	6,955,322	19,352,011	3,816,933	20,308,981	13,725,349
$ 4,690,255	$ 3,738,290	$ 5,855,583	$ (3,226,880)	$ 17,521,903	$ 2,074,989
12.33%	10.10%	11.20%	11.44%	15.94%	18.41%

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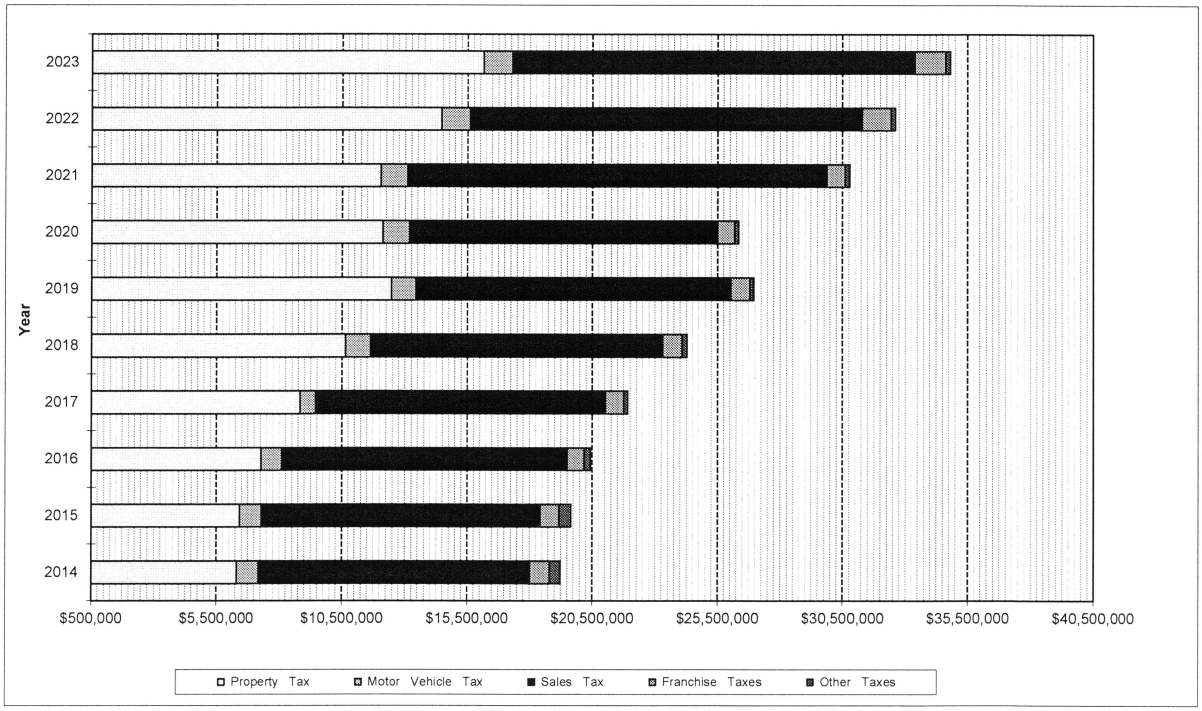
CITY OF GARDEN CITY, KANSAS
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Motor Vehicle Tax	Sales Tax	Franchise Taxes	Other Taxes	Total
2014	$ 6,295,353	$ 870,539	$10,853,099	$ 780,082	$ 439,767	$ 19,238,840
2015	6,417,157	877,072	11,134,158	739,022	480,694	19,648,103
2016	7,277,265	812,685	11,405,981	681,159	251,618	20,428,708
2017	8,822,410	614,059	11,594,302	724,452	155,502	21,910,725
2018	10,647,364	995,357	11,664,353	770,747	198,971	24,276,792
2019	12,448,404	984,889	12,615,016	741,167	162,450	26,951,926
2020	12,110,342	1,050,858	12,336,819	688,989	159,217	26,346,225
2021	12,042,621	1,047,894	16,783,981	736,405	175,151	30,786,052
2022	14,442,409	1,161,832	15,671,948	1,152,271	176,723	32,605,183
2023	16,146,247	1,147,756	16,110,083	1,230,156	191,260	34,825,502

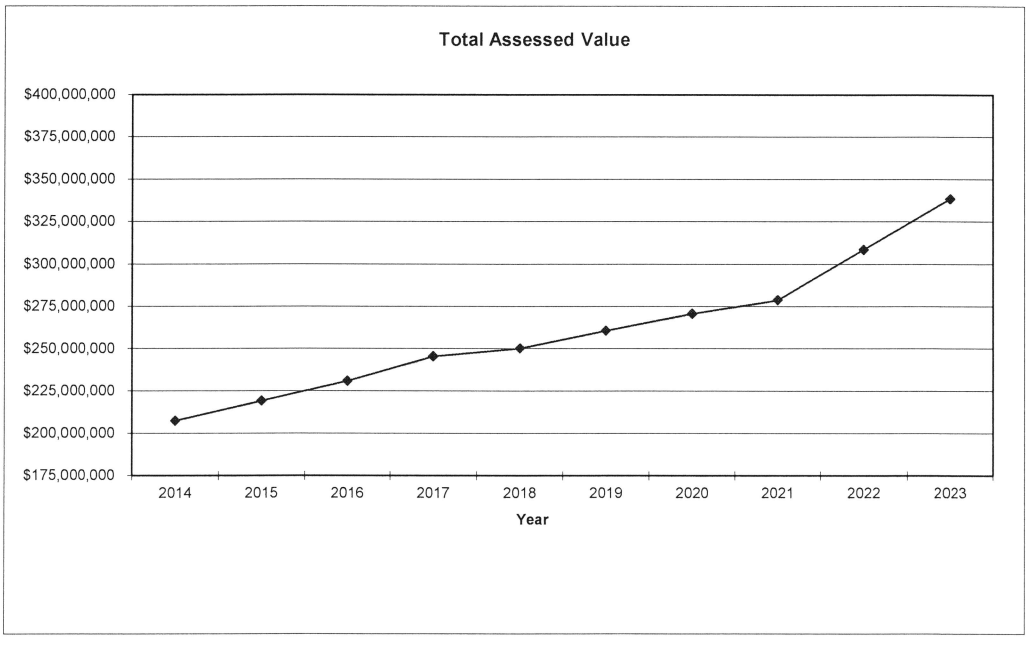


CITY OF GARDEN CITY, KANSAS
Assessed Value and Estimated Actual Value of Taxable Property,
Retail Sales and Retail Sales Tax Rate
Last Ten Fiscal Years

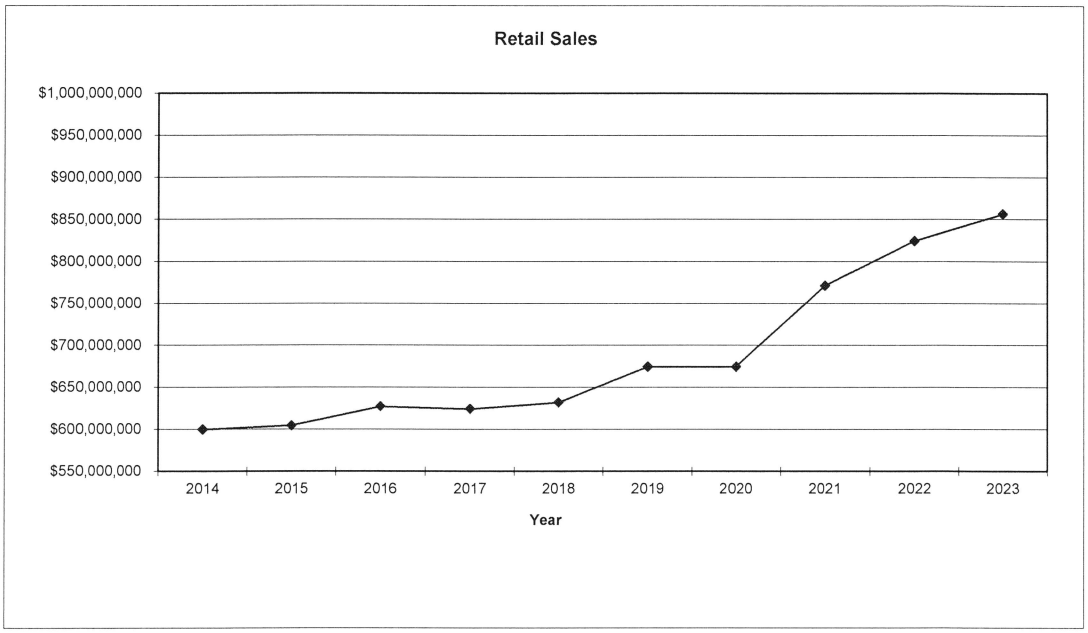
Fiscal Year	Assessed Value				Total Taxable Assessed Value
	Real Estate	Personal Property	State Utility	Motor Vehicle	
2014	$ 172,700,242	$ 4,748,967	$ 2,559,874	$ 27,202,127	$ 207,211,210
2015	184,869,991	3,962,031	2,467,437	27,826,141	219,125,600
2016	196,303,538	3,818,891	2,610,894	28,129,521	230,862,844
2017	210,467,165	3,779,044	2,603,369	28,611,880	245,461,458
2018	214,850,503	3,369,734	2,283,454	29,704,678	250,208,369
2019	222,428,951	3,391,549	2,633,046	32,087,904	260,541,450
2020	231,586,582	3,448,279	2,874,051	32,748,867	270,657,779
2021	238,473,692	3,825,424	2,906,554	33,461,246	278,666,916
2022	266,152,851	3,820,112	3,882,639	34,517,846	308,373,448
2023	298,659,788	4,329,597	3,789,742	31,420,230	338,199,357

Note: Property in the County is reassessed annually. The County assesses property at approximately 70 to 88 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per $1,000 of assessed value.

The City receives 1.15% on the sales from within the City limits plus a proportionate share of the County's sales tax collections.



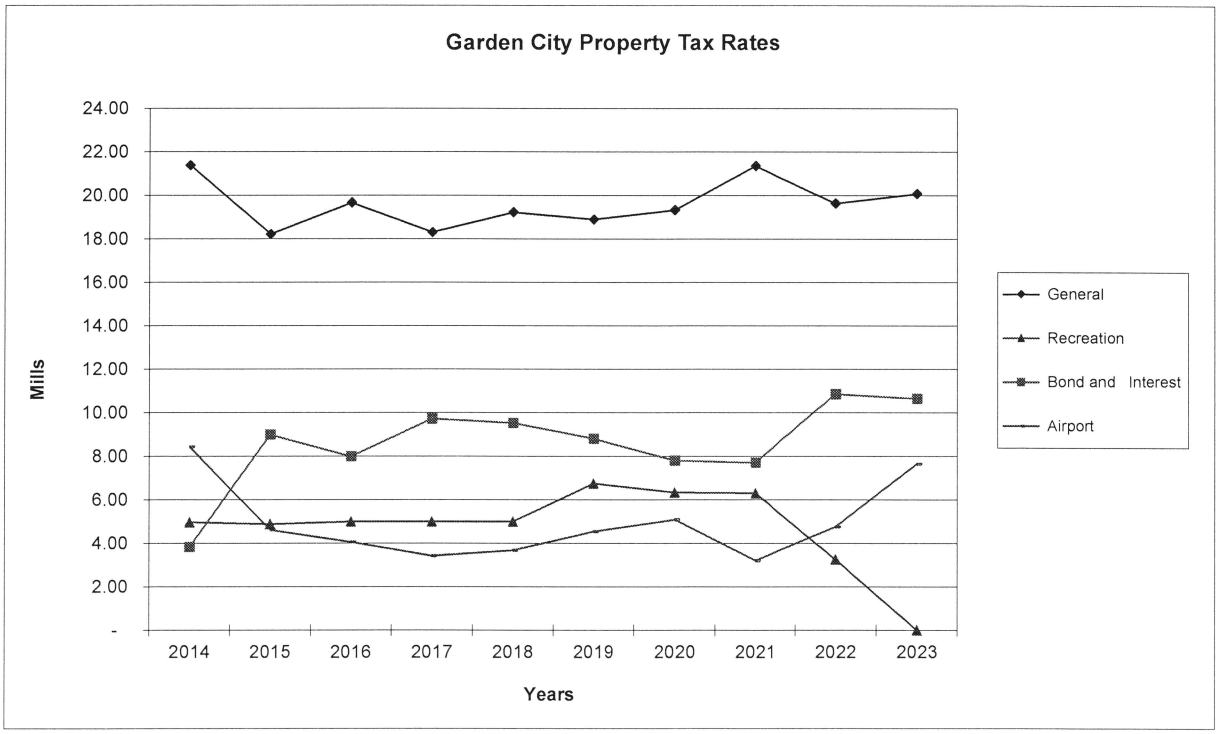
Total Direct Tax Rate	Estimated Actual Taxable Value Real Estate	Assessed Value as a Percentage of Actual Value	Taxable Retail Sales	Retail Sales Tax Rate
36.70 %	$ 1,511,763,200	13.71 %	$ 599,328,617	1.00 %
36.72	1,604,716,750	13.66	604,118,320	1.00
36.46	1,680,493,130	13.74	626,702,407	1.00
37.43	1,781,337,163	13.78	624,005,162	1.00
37.43	1,853,192,000	13.50	631,541,500	1.00
38.98	1,917,637,680	13.59	674,236,569	1.00
38.57	1,994,467,441	13.57	674,109,600	1.00
38.56	2,037,917,570	13.67	770,824,323	1.00
38.51	2,312,525,900	13.33	824,204,985	1.15
38.38	2,566,006,370	13.18	856,083,461	1.15



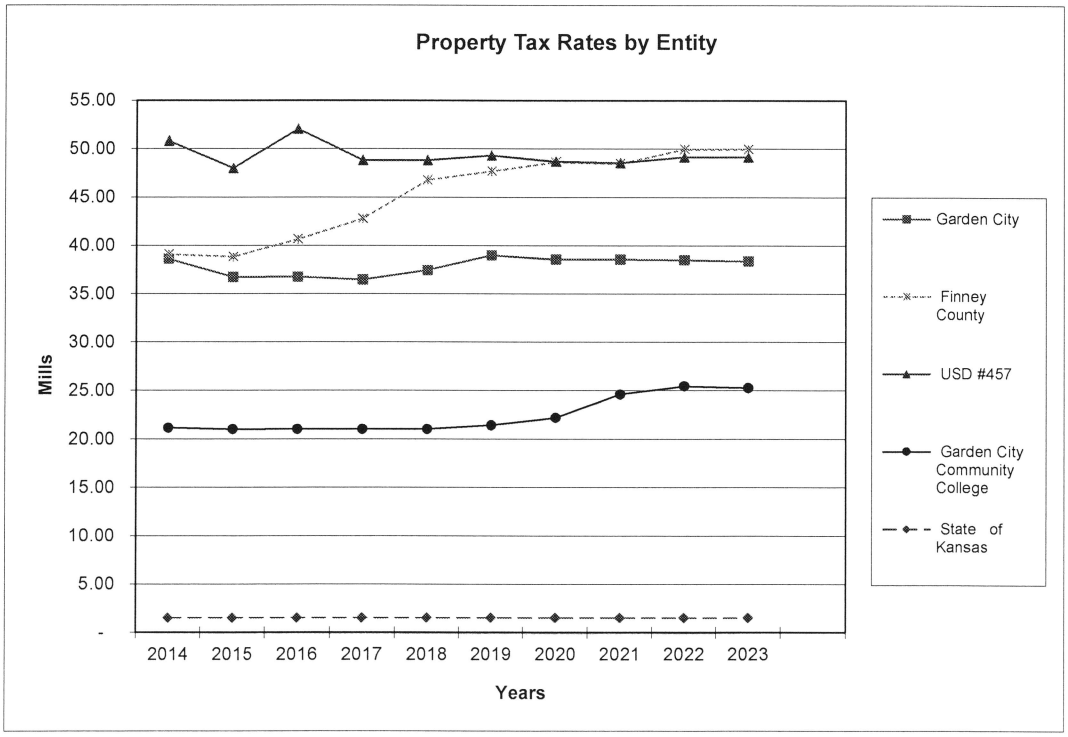
CITY OF GARDEN CITY, KANSAS
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Garden City				
	General	Recreation	Bond and Interest	Airport	Total
2014	21.38	4.96	3.83	8.43	38.60
2015	18.22	4.88	8.99	4.61	36.70
2016	19.67	5.00	7.99	4.06	36.72
2017	18.31	5.00	9.72	3.43	36.46
2018	19.22	5.00	9.53	3.68	37.43
2019	18.89	6.75	8.80	4.54	38.98
2020	19.33	6.34	7.81	5.09	38.57
2021	21.35	6.30	7.71	3.20	38.56
2022	19.64	3.26	10.86	4.76	38.51
2023	20.08	-	10.65	7.65	38.38

Rates are expressed in mills.
Overlapping rates are those of state, local and county governments that apply to property owners within the City of Garden City.



Overlapping Rates				Total Direct & Overlapping Rates
State of Kansas	Finney County	Garden City Community College	USD #457	
1.50	39.07	21.13	50.79	151.09
1.50	38.82	20.99	47.97	145.98
1.50	40.65	21.00	52.03	151.90
1.50	42.77	21.00	48.80	150.53
1.50	46.76	21.00	48.81	155.50
1.50	47.68	21.42	49.30	158.88
1.50	48.61	22.19	48.68	159.55
1.50	48.47	24.60	48.53	161.66
1.50	49.94	25.46	49.13	164.54
1.50	49.95	25.28	49.13	164.23



CITY OF GARDEN CITY, KANSAS
Principal Property Taxpayers
Current Year and Nine Years Ago

	2023			2014		
Name	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Empirical Foods, Inc.	$ 7,017,899	1	2.29 %			
Bonanza BioEnergy, LLC	6,175,080	2	2.01			
GC Schulman, LLC	3,902,083	3	1.27			
Garden City Industrial Park, LLC	3,073,163	4	1.00			
Menard, Inc.	2,782,541	5	0.91	$ 3,219,363	1	1.79 %
Wal-Mart Real Estate Business Trust	2,695,340	6	0.88	2,854,658	2	1.59
Black Hills Corp. (KS Division - formerly Aquila)	2,305,372	7	0.75	1,579,600	6	0.88
Golden Plains Credit Union	2,008,254	8	0.65	1,751,945	4	0.97
NCKAN Partners, Inc.	1,963,081	9	0.64			
Sam's Real Estate Business Trust	1,809,818	10	0.59	1,770,701	3	0.98
HD Development of Maryland (Home Depot)				1,388,108	7	0.77
Garden City Plaza, LLC				1,731,723	5	0.96
Dayton Hudson Corp (Target)				1,230,098	8	0.68
ART Mortgage Borrower Prop Co (Americold)				1,115,150	10	0.62
Kansas Lodging, LLC				1,132,705	9	0.63
Other taxpayers	273,046,496		89.01	162,235,032		90.13
Total	$ 306,779,127		100.00 %	$ 180,009,083		100.00 %

Source: Assessed value data used to estimate applicable percentages provided by the Finney County Clerk.

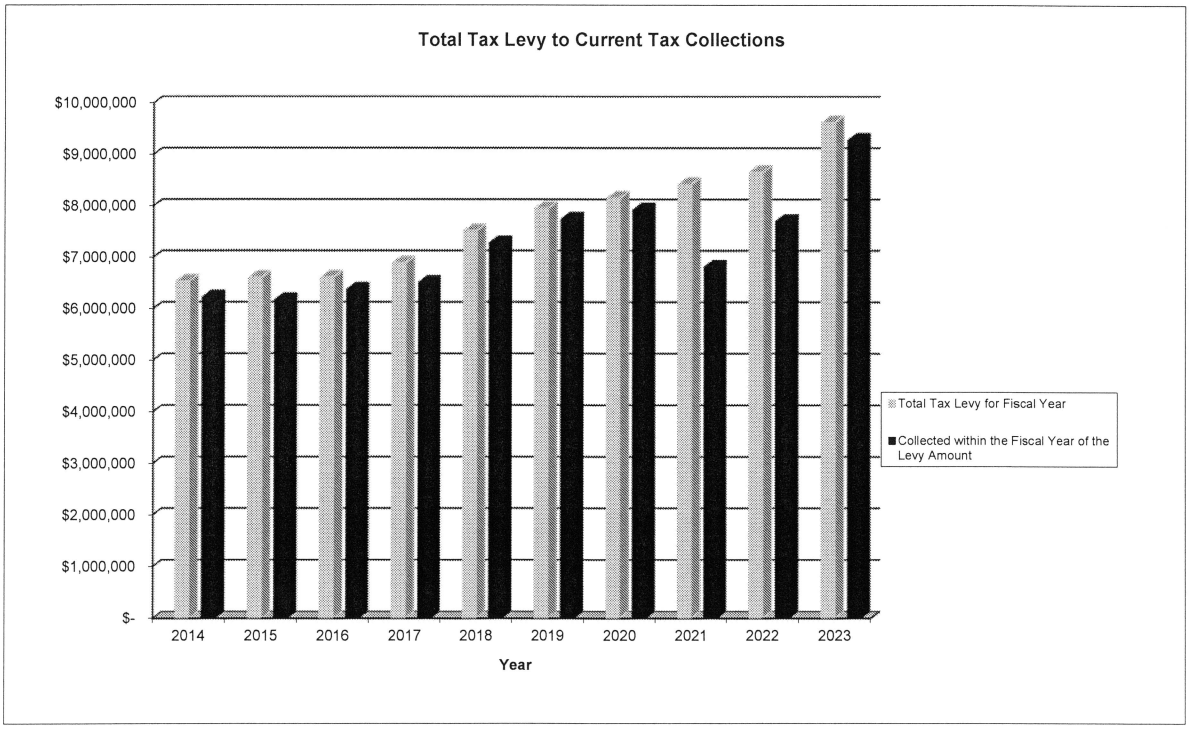
Principal Sales Taxpayers by NAICS Code
Current Year and Nine Years Ago

	2023			2014		
NAICS Code	Taxable Retail Sales	Rank	Percentage of Total Taxable Retail Sales	Taxable Retail Sales	Rank	Percentage of Total Taxable Retail Sales
Retail Trade	$ 586,934,035	1	68.56 %	$ 431,279,011	1	71.96 %
Accommodation and Food Services	96,809,322	2	11.31	64,362,578	2	10.74
Wholesale Trade	44,880,464	3	5.24	17,954,757	4	3.00
Public Administration	24,092,654	4	2.81			
Information	18,799,863	5	2.20	23,551,897	3	3.93
Other Services (except Public Administration)	16,266,524	6	1.90	13,829,902	5	2.31
Manufacturing	14,824,757	7	1.73	8,726,261	8	1.46
Other codes	13,218,281	8	1.55	13,536,242	6	2.24
Construction	12,396,499	9	1.45	8,887,694	7	1.48
Real Estate and Rental and Leasing	9,369,715	10	1.09	7,544,160	9	1.26
Transportation and Warehousing	4,007,913		0.47			
Professional, Scientific and Technical Services	3,586,677		0.42	1,412,317		0.24
Administrative, Support and Waste Management	3,051,798		0.36	1,978,636		0.33
Arts, Entertainment and Recreation	2,861,520		0.33	3,067,149	10	0.51
Finance and Insurance	1,809,040		0.21			
Mining, Quarrying, and Oil & Gas Extraction	1,369,310		0.16	996,819		0.17
Educational Services	1,080,057		0.13	1,142,245		0.19
Health Care and Social Assistance	725,033		0.08	1,058,949		0.18
Total within Garden City	$ 856,083,462		100.00 %	$ 599,328,617		100.00 %

Source: Estimated taxable retail sales by North American Industry Classification System (NAICS) code provided by the Kansas Department of Revenue.

CITY OF GARDEN CITY, KANSAS
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collected for the Fiscal Year of the Levy	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	$ 6,534,431	$ 6,222,003	95.22 %	$ 312,428	$ 6,534,431	100.00 %
2015	6,606,493	6,167,476	93.35	439,017	6,606,493	100.00
2016	6,611,655	6,369,300	96.33	242,355	6,611,655	100.00
2017	6,887,127	6,504,093	94.44	345,663	6,849,756	99.46
2018	7,512,599	7,279,553	96.90	189,414	7,468,967	99.42
2019	7,953,839	7,741,236	97.33	212,603	7,953,839	100.00
2020	8,156,604	7,923,061	97.14	212,758	8,135,819	99.75
2021	8,425,141	6,810,789	80.84	293,191	7,103,980	84.32
2022	8,655,051	7,698,597	88.95	956,454	8,655,051	100.00
2023	9,627,333	9,278,352	96.38	-	9,278,352	96.38



CITY OF GARDEN CITY, KANSAS
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities	
	General Obligation Bonds	Limited Obligation Bonds	Bond Premiums	Leases	General Obligation Bonds	Revenue Loans
2014	$ 21,030,453	$ -	$ -	$ 858,251	$ 16,939,627	$ 218,139
2015	29,179,543	-	-	1,708,029	14,664,537	138,712
2016	28,759,782	-	-	1,672,235	12,327,785	56,499
2017	28,484,021	-	-	1,338,549	12,461,137	-
2018	27,880,010	-	-	1,219,403	18,447,098	-
2019	26,897,749	3,184,765	-	1,038,350	32,002,251	-
2020	40,656,811	3,074,797	1,497,458	747,436	30,838,189	-
2021	49,301,882	2,589,643	2,326,813	735,404	28,348,118	18,792,676
2022	61,388,551	2,012,849	2,959,786	1,773,344	25,871,449	16,952,210
2023	61,129,486	1,268,947	2,935,619	4,838,456	23,385,514	15,146,848

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Demographic and Economic Statistics on page 189 for personal income and population data.

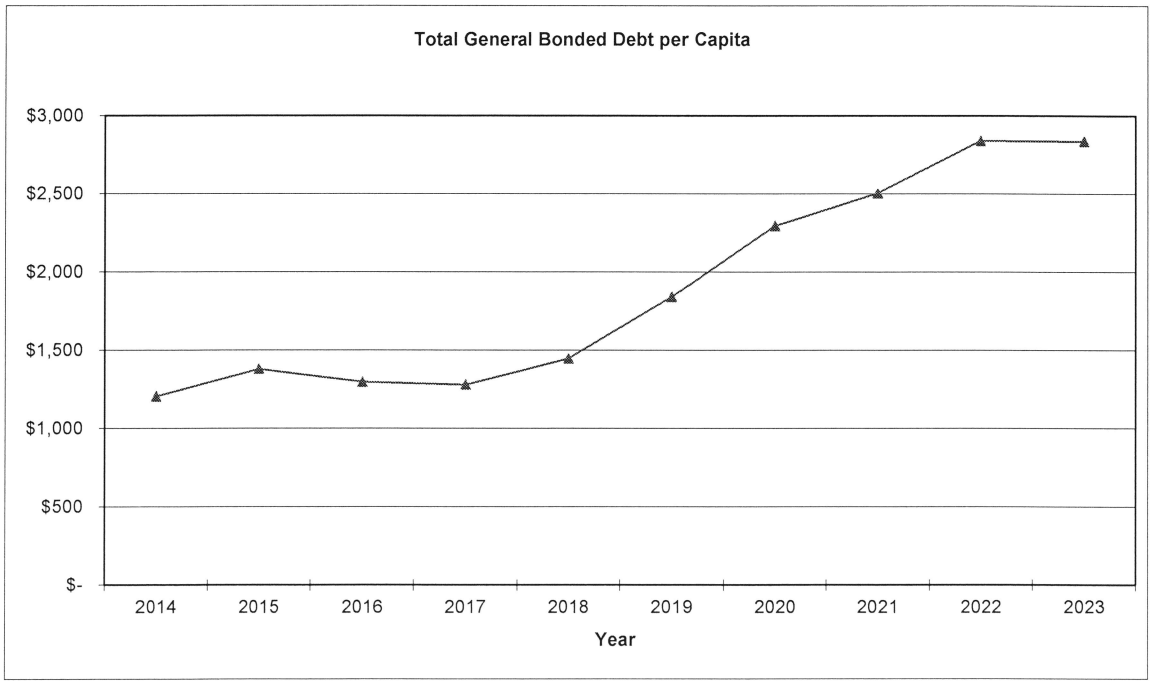
Type Activities		Total Primary Government	Percentage of Personal Income *	Per Capita *
Bond Premiums	Leases			
$ 185,080	$ 42,022,759	$ 81,254,309	6.47 %	$ 2,100
154,080	44,132,494	89,977,395	8.14	2,519
122,567	42,983,984	85,922,852	6.61	2,063
90,158	41,620,468	83,994,333	5.51	1,723
57,108	56,254,993	103,858,612	6.60	2,065
28,542	54,649,972	117,801,629	7.04	2,204
216,513	52,965,713	129,996,917	7.13	2,229
192,735	58,313,245	160,600,516	9.13	2,854
161,915	57,804,755	168,924,859	9.49	2,956
136,250	54,284,798	163,125,918	8.73	2,622

CITY OF GARDEN CITY, KANSAS
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Less Amounts Available in Debt Service Fund (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Total General Bonded Debt Per Capita (4)
2014	$ 38,155,160	$ 1,092,119	$ 37,063,041	0.02 %	$ 1,205
2015	43,998,160	1,277,563	42,720,597	0.03	1,380
2016	41,210,134	740,703	40,469,431	0.02	1,297
2017	41,035,316	980,122	40,055,194	0.02	1,280
2018	46,384,216	1,175,606	45,208,610	0.02	1,446
2019	58,928,542	1,356,247	57,572,295	0.03	1,840
2020	73,208,971	1,488,888	71,720,083	0.04	2,293
2021	80,169,548	1,857,735	78,311,813	0.04	2,504
2022	90,381,701	1,943,196	88,438,505	0.04	2,840
2023	87,586,869	2,355,702	85,231,167	0.03	2,836

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) This is the general bonded debt of both governmental and business- type activities, net of original issuance discounts and premiums.
(2) This is the amount restricted for debt service principal payments.
(3) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on pages 174 through 175 property value data.
(4) Population data can be found in the Schedule of Demographic and Economic Statistics on page 189.



CITY OF GARDEN CITY, KANSAS
Direct and Overlapping Governmental Activities Debt
As of December 31, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Direct:			
City of Garden City	$ 70,172,508	100.00 %	$ 70,172,508
Overlapping:			
Finney County	4,919,486	48.24	2,373,160
Garden City Community College	12,193,839	48.24	5,882,308
USD #457	91,122,441	61.39	55,940,067
Total overlapping debt	108,235,766		64,195,535
Total direct and overlapping debt	$ 178,408,274		$ 134,368,043

Source: Assessed value data used to estimate applicable percentages provided by the Finney County Clerk. Debt outstanding data provided by Finney County, Garden City Community College and USD #457.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Garden City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

CITY OF GARDEN CITY, KANSAS
Legal Debt Margin Information
Last Ten Fiscal Years

	2014	2015	2016	2017
Debt limit	$ 62,163,363	$ 65,737,680	$ 65,737,680	$ 73,638,437
Total net debt applicable to limit	23,460,533	12,838,623	16,957,349	15,171,979
Legal debt margin	$ 38,702,830	$ 52,899,057	$ 48,780,331	$ 58,466,458
Total net debt applicable to the limit as a percentage of debt limit	37.74%	19.53%	25.80%	20.60%

Note: Under State finance law, the City of Garden City's outstanding general obligation debt should not exceed 30% of total assessed property value.

Fiscal Year					
2018	2019	2020	2021	2022	2023
$ 75,062,511	$ 78,162,435	$ 81,197,334	$ 83,600,075	$ 92,512,034	$ 101,459,807
13,216,018	12,943,878	13,902,411	40,379,682	55,823,551	55,949,486
$ 61,846,493	$ 65,218,557	$ 67,294,923	$ 43,220,393	$ 36,688,483	$ 45,510,321
17.61%	16.56%	17.12%	48.30%	60.34%	55.14%

Assessed value	$ 338,199,357
Debt limit (30% of total assessed value)	$ 101,459,807
Debt applicable to limit:	
General obligation bonds - governmental activities	$ 61,129,486
Less general obligation bonds - tax increment financing	(11,180,000)
Temporary notes payable	6,000,000
Total net debt applicable to limit	$ 55,949,486
Legal debt margin	$ 45,510,321

CITY OF GARDEN CITY, KANSAS
Debt Structure
Last Ten Fiscal Years*

Debt Summary	2018	2019	2020	2021	2022
Preliminary Actual Value of Real and Personal Property	$ 1,853,192,000	$ 1,917,637,680	$ 1,994,467,441	$ 2,037,917,570	$ 2,312,525,900
Equalized Assessed Valuation of Tangible Valuation for Computation of Bonded Debt Limitations	250,208,369	260,541,450	270,657,779	278,666,916	308,373,448
Legal limitation of Bonded Debt	75,062,511	78,162,435	81,197,334	83,600,075	92,512,034
Outstanding General Obligation Bonds including Temporary Notes	27,880,010	26,897,749	27,279,611	53,051,882	67,763,551
Outstanding Debt Subject to Debt Limit	13,216,018	12,943,878	13,902,411	40,379,682	55,823,551
Additional Debt Capacity	61,846,493	65,218,557	67,294,923	43,220,393	36,688,483
Estimated Overlapping Debt	63,502,272	60,297,344	60,133,916	61,424,069	68,336,065
Estimated Outstanding Direct & Overlapping Debt	92,601,685	88,233,443	104,612,960	116,377,811	136,470,595
Direct City Debt per Capita	930	893	1,422	1,757	2,188
Direct and Overlapping Debt per	4,510	4,330	4,781	5,112	5,869
Direct City Debt as A Percentage of Assessed Valuation	11.63%	10.72%	16.43%	19.72%	22.09%
Direct and Overlapping Debt as a Percentage of Assessed Valuation	37.01%	33.87%	38.65%	41.76%	44.25%
Direct Debt as a Percentage of Actual Fair Market Value	2.46%	3.22%	3.34%	2.70%	2.95%
Direct and Overlapping Debt as a Percentage of Actual Fair Market Value	5.73%	6.34%	6.01%	5.71%	5.90%

* Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

2023
$ 2,566,006,370
338,199,357
101,459,807
67,129,486
55,949,486
45,510,321
64,195,535
134,368,043
2,335
5,937
20.75%
39.73%
2.73%
5.24%

CITY OF GARDEN CITY, KANSAS
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Electric Utility Loans					
	Electric Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2014	$ 31,574,660	$ 23,161,845	$ 8,412,815	$ 655,336	$ 1,731,119	3.53 %
2015	31,400,731	22,987,448	8,413,283	1,715,189	2,448,969	2.02
2016	31,240,504	22,867,050	8,373,454	2,150,175	2,494,796	1.80
2017	31,802,020	23,138,253	8,663,767	2,030,594	2,370,047	1.97
2018	32,685,417	23,358,487	9,326,930	2,132,628	2,822,527	1.88
2019	31,896,036	23,162,972	8,733,064	2,267,506	3,009,488	1.65
2020	29,844,121	23,336,214	6,507,907	4,086,597	3,447,765	0.86
2021	33,322,966	34,273,426	(950,460)	39,876,530	3,522,404	(0.02)
2022	35,610,709	26,808,716	8,801,993	3,783,711	2,863,567	1.32
2023	40,562,192	24,247,569	16,314,623	5,347,649	2,871,118	1.99

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Electric charges and other includes connect fees and other operating revenues. Operating expenses do not include interest or depreciation.

Fiscal Year	Water and Sewer Utility Loans					
	Water and Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2014	$ 7,820,838	$ 5,041,035	$ 2,779,803	$ 1,433,076	$ 270,242	1.63 %
2015	7,896,659	5,145,197	2,751,462	1,616,651	275,875	1.45
2016	8,228,469	5,864,702	2,363,767	1,706,552	240,884	1.21
2017	9,091,142	6,276,314	2,814,828	1,750,674	227,971	1.42
2018	9,748,318	5,862,318	3,886,000	4,513,836	277,576	0.81
2019	10,399,634	5,879,912	4,519,722	1,855,254	486,512	1.93
2020	11,293,369	6,226,770	5,066,599	3,171,175	462,605	1.39
2021	11,473,110	6,079,918	5,393,192	1,356,769	428,684	3.02
2022	12,510,426	7,637,773	4,872,653	1,462,882	378,388	2.65
2023	12,254,235	8,326,851	3,927,384	1,389,935	336,393	2.27

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Water and sewer charges and other includes tap fees and other operating revenues. Operating expenses do not include interest or depreciation.

CITY OF GARDEN CITY, KANSAS
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income	Median Age (3)	Education Level in Years of Formal Schooling (4)	School Enrollment (4)	Unemployment Rate (5)
2014	30,761	$ 1,256,201	$ 38,699	31	13	7,638	3.50 %
2015	30,948	1,105,307	35,715	31	13	7,573	3.20
2016	31,214	1,300,219	41,655	30	13	7,813	2.90
2017	31,293	1,525,315	48,743	30	13	7,786	2.70
2018	31,275	1,573,070	50,298	30	13	7,671	2.50
2019	31,290	1,672,544	53,453	30	13	7,547	2.00
2020	31,275	1,824,146	58,326	30	13	7,358	4.00
2021	31,275	1,759,969	56,274	31	13	7,551	3.60
2022	31,142	1,779,930	57,155	32	13	7,212	2.00
2023	30,049	1,869,130	62,203	32	13	7,190	1.50

Data sources:
(1) Bureau of the Census/City Planning Department
(2) Bureau of Economic Analysis
(3) State Department of Commerce
(4) School District
(5) Kansas Department of Labor

Note: Population, median age and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

CITY OF GARDEN CITY, KANSAS
Principal Employers
Current Year and Nine Years Ago

	2023			2014		
Employer	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Tyson Fresh Meats, Inc.	3,600	1	16.24 %	2,200	1	15.35 %
Unified School District No. 457	1,209	2	5.45	1,200	2	8.37
St. Catherine Hospital	612	3	2.76	641	3	4.47
Sunflower Electric Power Corp.	408	4	1.84	225	9	1.57
City of Garden City	400	5	1.80	298	7	2.08
Finney County	303	6	1.37	350	5	2.44
Wal-Mart	300	7	1.35	315	6	2.20
Unified School District No. 363	236	8	1.06	211	10	1.47
Garden City Community College	220	9	0.99	400	4	2.79
Dillons	215	10	0.97	250	8	1.74
Other employers	14,671		66.17	8,239		57.52
Total	22,174		100.00 %	14,329		100.00 %

Data sources:
(1) Chamber of Commerce
(2) U.S. Department of Labor
(3) Bureau of Labor Statistics

Note: Based on employment of Finney County labor force; information not available for City only.

CITY OF GARDEN CITY, KANSAS
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	52	56	63	63	58	61	59	59	59	74
Public safety:										
Police:										
Officers	53	56	64	64	65	64	65	65	65	65
Civilians	33	29	30	30	29	29	30	30	32	32
Fire:										
Firefighters and officers	34	34	37	37	38	37	39	39	42	45
Civilians	1	1	1	1	1	1	1	1	1	1
Streets:										
Engineering	4	-	-	-	-	-	-	-	-	-
Maintenance	20	19	16	16	16	16	16	16	16	16
Sanitation	16	17	23	23	25	25	22	22	26	27
Culture and recreation	45	44	55	55	54	56	71	71	78	79
Water	12	10	14	14	14	14	14	14	15	15
Sewer	10	10	15	15	13	12	13	13	13	14
Electric	18	22	25	25	31	32	32	32	32	32
Total	298	298	343	343	344	347	362	362	379	400

Source: City Human Resource Office.

CITY OF GARDEN CITY, KANSAS
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police:										
Physical arrests	2,774	3,121	2,372	3,311	3,637	1,999	638	2,275	1,178	2,857
Parking violations	154	165	185	185	227	227	68	122	213	561
Traffic violations	3,501	4,399	3,807	4,872	5,530	4,104	5,430	2,263	2,909	8,220
Fire:										
Number of calls answered	843	798	869	866	865	962	994	1,515	2,557	2,693
Inspections	742	945	1,117	1,067	1,244	1,251	533	734	1,179	818
Streets:										
Street resurfacing (improved miles)	125	125	130	130	130	131	132	20	3	1
Potholes patch/tons	896	353	520	427	355	429	649	672	301	1,189
Sanitation:										
Refuse collected (tons/day)	74	69	78	78	74	71	72	75	84	90
Recyclables collected (tons/day)	2.61	2.82	3.02	2.37	2.27	2.24	2.17	2.01	2.00	1.95
Culture and recreation:										
Golf memberships issued	224	219	214	214	186	242	272	272	222	212
Zoo admissions	218,507	232,496	238,940	226,701	207,229	142,603	97,511	189,579	162,294	165,575
Water:										
New connections	88	50	47	42	30	42	94	73	84	81
Water mains breaks	30	31	37	26	22	17	21	33	19	26
Average daily consumption (thousands of gallons)	6,194	6,210	6,476	5,839	5,284	6,356	6,300	5,904	6,900	5,474
Sewer:										
Average daily sewage treatment (thousands of gallons)	2,560	2,560	2,520	2,660	2,300	2,300	2,220	2,330	2,670	2,408
Electric:										
New connections	83	96	106	60	30	46	93	93	23	86
Average daily usage (thousands of kilowatts)	771	763	778	781	823	820	791	817	859	825

Sources: Various City departments.
Note: Indicators are not available for the general government function.

CITY OF GARDEN CITY, KANSAS
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	30	31	31	32	32	34	45	48	53	45
Motorcycle patrol units	7	7	2	2	2	4	4	4	4	4
Fire stations	2	2	2	2	2	2	2	2	2	2
Streets:										
Street (miles)	130	136	140	154	154	155	156	150	162	162
Streetlights	3,424	3,436	3,458	3,790	3,790	3,825	3,850	3,903	3,906	3,958
Traffic signals	38	38	38	38	38	38	39	38	38	39
Sanitation:										
Collection trucks	13	14	14	14	15	15	16	13	13	19
Culture and recreation:										
Park acreage	186	186	186	186	186	186	218	218	218	218
Parks	12	14	14	14	14	14	18	18	18	18
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	8	8	8	8	8	8	8	8	8	8
Senior centers	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	163	168	169	171	171	173	173	174	180	180
Fire hydrants	1,040	1,065	1,198	1,095	1,105	1,106	1,111	1,130	1,139	1,175
Maximum daily capacity (thousands of gallons)	25,578	25,578	25,578	16,728	16,344	17,400	17,400	14,720	15,600	17,000
Sewer:										
Sanitary sewer (miles)	120	120	125	125	125	123	127	127	130	129
Storm sewer (miles)	67	69	69	69	69	69	69	69	72	72
Electric:										
Number of distribution stations	12	12	12	12	12	11	11	11	13	13
Miles of service lines	337	339	408	408	408	400	401	409	417	421

Sources: Various City departments.
Note: No capital asset indicators are available for the general government function.

CITY OF GARDEN CITY, KANSAS
Jameson Energy Center
Last Ten Fiscal Years

	2014	2015	2016	2017	Fiscal
System Rates:					
Customer Charge:					
Residential	22.50	22.50	19.50	19.50	
SGS	40.00	40.00	40.00	40.00	
LGS	85.00	85.00	85.00	85.00	
kWh:					
Residential	0.1100	0.1100	0.1100	0.1100	
SGS	0.0690	0.0690	0.0690	0.0690	
LGS	0.0690	0.0690	0.0690	0.0690	
kW:					
LGS	11.86	11.86	11.86	11.86	
Peak Load	66,168	68,699	69,100	68,516	
System Revenues by Sector:					
Residential:					
Energy	$ 8,789,639	$ 8,833,157	$ 8,795,093	$ 8,740,826	
Customer Charge	2,443,690	2,459,259	2,176,098	2,167,793	
Commercial/Industrial:					
Energy	17,212,428	16,866,450	17,087,740	17,370,255	
Customer Charge	814,234	826,266	859,794	862,180	
Miscellaneous:					
Security Lights	54,839	54,262	53,605	53,564	
Total	$ 29,314,830	$ 29,039,394	$ 28,972,330	$ 29,194,618	
MWh Sales by Sector:					
Residential	$ 82,837	$ 83,455	$ 83,591	$ 82,190	
Industrial	183,362	180,820	179,678	186,877	
Total	$ 266,199	$ 264,275	$ 263,269	$ 269,067	

Ten Largest Customers:

Name	2014 Sales	2014 Rank	2015 Sales	2015 Rank	2016 Sales	2016 Rank	2017 Sales	2017 Rank
Bonanza	$ 2,070,689	1	$ 2,059,097	1	$ 2,077,313	1	$ 2,251,662	1
Meadowlark - Dairy Farmers							923,382	3
PetroSantander/Bonanza	1,927,088	2	1,517,862	2	1,261,486	2	1,274,969	2
Centura (St. Catherine Hospital)	234,415	9	221,105	10				
ART Mortgage Borrower Prop Co (Americold)	678,584	3	652,767	3	632,224	3	656,367	4
Garden City Community College								
Garden City Senior High School								
International Paper (Temple Inland Container)	460,689	5	506,382	4	478,234	4	431,314	6
Wal-Mart	402,608	6	415,945	5	394,433	6	381,647	7
Waste Water Treatment Plant	333,382	7	320,428	7	317,714	7	318,302	8
Unified School District No. 457	465,179	4	400,375	6	419,671	5	472,127	5
Sam's Club	262,422	8	260,008	8	247,368	8	248,361	9
Dillons #5			225,967	9	220,827	9	214,537	10
Menards								
Dillons #6	223,349	10			193,841	10		
Total	$ 7,058,405		$ 6,579,936		$ 6,243,111		$ 7,172,668	

Year						
2018	2019	2020	2021	2022	2023
19.50	19.50	19.50	19.50	19.50	22.50
40.00	40.00	40.00	40.00	40.00	45.00
85.00	85.00	85.00	85.00	85.00	90.00
0.1100	0.1100	0.1100	0.1200	0.1200	0.1257
0.0690	0.0690	0.0690	0.0790	0.0790	0.0827
0.0690	0.0690	0.0690	0.0790	0.0790	0.0827
11.86	11.86	11.86	11.86	11.86	11.86
71,797	72,767	67,808	73,461	73,852	75,128
$ 8,987,665	$ 8,925,938	$ 8,536,048	$ 9,462,110	$ 10,019,266	$ 10,057,051
2,164,881	2,168,311	1,979,666	2,172,526	2,175,914	2,825,337
17,970,035	17,637,838	16,150,251	19,024,273	19,604,572	20,406,532
863,693	861,908	738,671	865,486	872,683	944,362
52,557	52,854	48,529	48,529	51,252	48,851
$ 30,038,831	$ 29,646,849	$ 27,453,165	$ 31,572,924	$ 32,723,687	$ 34,282,133
$ 85,150	$ 84,379	$ 84,183	$ 85,279	$ 88,799	$ 83,675
202,613	201,301	190,474	197,893	201,627	202,356
$ 287,763	$ 285,680	$ 274,657	$ 283,172	$ 290,426	$ 286,031

2018		2019		2020		2021		2022		2023	
Sales	Rank	Sales	Rank	Sales	Rank	Sales	Rank	Sales	Rank	Sales	Rank
$ 2,189,377	1	$ 2,019,549	2	$ 2,649,904	1	$ 2,717,713	1	$ 2,920,078	1	$ 2,787,739	1
2,039,507	2	2,090,792	1	2,226,719	2	2,453,638	2	2,602,443	2	2,540,349	2
1,158,585	3	976,258	3	185,924	10	775,771	3	1,228,432	3	1,732,296	3
								869,473	4	850,027	4
680,464	4	256,282	8	359,661	5	363,753	6	633,081	5	587,828	5
								560,549	6	541,639	6
								460,913	8	497,712	7
423,484	6	455,067	5	449,745	3	528,564	4	485,079	7	418,553	8
368,458	7	354,901	6	337,331	6	354,661	7	381,300	9	400,272	9
326,285	8	324,446	7	313,721	7	344,640	8	370,377	10	386,240	10
449,702	5	456,017	4	389,369	4	514,349	5				
245,291	9	238,110	9	222,034	8	235,337	9				
				221,986	9	219,508	10				
216,000	10	208,468	10								
$ 8,097,153		$ 7,379,890		$ 7,356,394		$ 8,507,934		$ 10,511,725		$ 10,742,655	

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GARDEN CITY
KANSAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ending December 31, 2023

Single Audit Section

LEWIS, HOOPER & DICK LLC
certified public accountants

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

The Honorable Mayor,
City Commissioners and City Manager
Garden City, Kansas 67846

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the standards contained in the *Kansas Municipal Audit and Accounting Guide*, issued by the State of Kansas, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Garden City, Kansas (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 5, 2024. Our report includes a reference to another auditor who audited the financial statements of the Garden City Housing Authority, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 to be material weaknesses.

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.

Report on Compliance and Other Matters

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

We noted certain matters that we have reported to management of the City in a separate letter dated June 5, 2024.

City of Garden City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our engagement and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on 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.

Lewis, Hooper & Dick, LLC

LEWIS, HOOPER & DICK, LLC

June 5, 2024

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

The Honorable Mayor,
City Commissioners and City Manager
Garden City, Kansas 67846

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Garden City's (the City's) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

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 contained in the *Kansas Municipal Audit and Accounting Guide* (*KMAAG*), issued by the State of Kansas; 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* (CFR) part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibility under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the 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 the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, the *KMAAG*, *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 the City's compliance with the requirements of each major federal program as a whole.

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. The City's financial statements include the operations of the Garden City Housing Authority, which received $456,401 in federal awards during the year ended December 31, 2023, which are not included in the schedule of expenditures of federal awards. Our compliance audit, described below, did not include the Garden City Housing Authority because the component unit engaged another auditor to perform an audit which was not in accordance with the Uniform Guidance as the Garden City Housing Authority only expended $456,401 in federal expenditures.

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

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

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 out 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.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Lewis, Hooper & Dick, LLC

LEWIS, HOOPER & DICK, LLC

June 5, 2024

CITY OF GARDEN CITY, KANSAS
Schedule of Findings and Questioned Costs
December 31, 2023

I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

- Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

- Internal control over financial reporting as reported in the INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

Are any material weaknesses identified?	Yes
Are any significant deficiencies identified?	None reported
Is any noncompliance material to financial statements noted?	No

B. Federal Awards

- Internal control over major programs as reported in the INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE:

Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported

- Type of auditor's report issued on compliance for major federal programs: Unmodified

- Are there any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? No

- Identification of major federal programs:

Assistance Listing Number	Name of Federal Program and Cluster	Grant Number	Expenditures
20.106	Airport Improvement Program	3-20-0024-046-2022	$ 8,276,563
20.106	Airport Improvement Program	3-20-0024-047-2022	2,192,070

- Dollar threshold used to distinguish between type A and B programs: $750,000

- Auditee qualified as low-risk auditee? No

CITY OF GARDEN CITY, KANSAS
Schedule of Findings and Questioned Costs
December 31, 2023

II. FINANCIAL STATEMENT FINDINGS

Finding 2023-001

Type of Finding: Material weakness in internal control over financial reporting.

Finding: Control procedures over the recording of fixed asset transactions were not functioning as designed.

Criteria: Control procedures over fixed assets should be in place to prevent, or detect and correct potential misstatement of fixed assets. This includes consistent application of the City's policies, and correct calculation of fixed asset additions and deletions. Fixed asset additions and deletions should be reconciled to the general ledger and construction in progress records by the City staff to ensure they are properly stated.

Condition and Context: In the current year, transactions affecting the fixed asset listing were not properly recorded in accordance with City policy. In addition, the City's internal control process requires department heads to fill out an addition, deletion, and transfer form and turn it into the Service and Finance Office. However, this form was not turned in for all assets purchased and disposed of during the year. When reconciling the fixed asset listing to the general ledger we noted several audit adjustments were required to be made including the following:

- The cost basis of the 2022 street and storm sewer infrastructure additions was increased by $1,976,268 to account for changes made by City personnel, which also required a prior period adjustment.
- Street and storm sewer infrastructure additions for 2023 totaling $4,726,437 were not capitalized.
- The 2023 Chevy Silverado purchased was capitalized twice.
- The Gun Range project totaling $2,808,734 was completed in 2023 but was not capitalized.
- The Skate Park project totaling $1,056,843 was completed in 2023 but was not capitalized.
- Infrastructure assets in the Airport, Electric, Golf Course, and Solid Waste enterprise funds were reduced by a total of $185,025 due to supplies and various small equipment under the $5,000 capitalization threshold.
- Water and Sewer fund infrastructure was reduced by $91,814 for expenses that were already included in construction in progress.
- The 16" Transmission Water Line project totaling $3,967,085 was completed in 2023 but was not capitalized.
- The 2023 Freightliner jet/vac truck totaling $416,296 capitalized in 2023 was previously capitalized in 2022.

(continued)

II. FINANCIAL STATEMENT FINDINGS (continued)

Finding 2023-001
(continued)

Cause:	The finding results from a lack of oversight and adherence to the City's policy in recording transactions affecting the determination of fixed asset additions, deletions and construction in progress.
Effect or Potential Effect:	Failure to properly record fixed asset related transactions could result in a material misstatement in the financial statements.
Repeat Finding:	Repeat of finding 2022-001.
Recommendation:	We recommend fixed asset transactions and the resulting fixed asset listing be reviewed by management to ensure proper recording of all transactions in accordance with the City's policy. The fixed asset listing and construction in progress records should be reconciled prior to calculation of depreciation for the year.
View of Responsible Official:	The City's management will review fixed asset transactions to ensure all transactions are properly recorded and reconciled at year end.

Finding 2023-002

Type of Finding:	Material weakness in internal control over financial reporting.
Finding:	Control procedures over the recording of cash and accounts payable were not functioning as designed.
Criteria:	Control procedures over cash and accounts payable should be in place to prevent, or detect and correct potential misstatements of cash and accounts payable. This includes consistent application of the City's policies and timely reconciliations of cash and accounts payable to the general ledger to ensure balances are properly stated.
Condition and Context:	In the current year, cash and accounts payable were not properly and timely reconciled, which resulted in material misstatements. As of February 2024 cash accounts had not been reconciled since the software conversion that occurred in July 2023. The City performed these reconciliations at the time of audit fieldwork. As a result, audit adjustments totaling $2,230,017 to decrease cash for additional transactions found during the bank reconciliation and $2,241,981 to increase cash for interest income, additional transactions found during the bank reconciliation, and for accounts payable checks issued in 2024 that were backdated to 2023, were required to correct cash. In addition, suspense items were noted on the Commerce Bank operating account reconciliation that were for items that had cleared the December 2023 bank statement but had not been posted to the 2023 general ledger.

(continued)

II. FINANCIAL STATEMENT FINDINGS (continued)

Finding 2023-002
(continued)

Accounts payable were also not reconciled for December 31, 2023. As a result, audit adjustments totaling $1,998,229 to reduce accounts payable for additional transactions found during the bank reconciliation and $2,304,424 to increase accounts payable for checks that were issued in 2024 but back dated to 2023, were needed to correct accounts payable.

Cause: This finding results from a lack of oversight and adherence to the City's internal controls and policies regarding reconciliations of cash and accounts payable during the software conversion.

Effect or Potential Effect: Failure to properly record and reconcile cash and accounts payable transactions could result in a material misstatement in the financial statements.

Repeat Finding: Not a repeat finding.

Recommendation: We recommend cash and accounts payable be reconciled on a routine basis so any issues can be resolved in a timely manner. In addition, we recommend invoices submitted subsequent to year end be monitored to ensure they are recorded in the proper period.

View of Responsible Official: The City's management will evaluate the internal control process over cash and accounts payable to ensure they are being reconciled in a timely manner.

III. FEDERAL AWARD FINDINGS

None reported

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GARDEN CITY
— KANSAS —

CITY COMMISSION
MANNY ORTIZ
MAYOR

ROY CESSNA
BRYCE LANDGRAF
TOM NGUYEN
TROY R. UNRUH

Corrective Action Plan and
Comments on Audit Resolution Matters
Relating to the Federal Award Programs
December 31, 2023

June 5, 2024

The City of Garden City, Kansas, respectfully submits the following corrective action plan for the year ended December 31, 2023.

Name and address of independent accounting firm: Lewis, Hooper & Dick, LLC
PO Box 699
Garden City, KS 67846

Audit period: January 1, 2023 through December 31, 2023

The findings from the December 31, 2023, Schedule of Findings and Questioned Costs related to the federal award programs are discussed below. The findings are numbered consistently with the number assigned in the Schedule. Section I of the Schedule, Summary of Auditor's Results, does not include findings and is not addressed.

II. FINANCIAL STATEMENT FINDINGS

Finding 2023-001
Planned Corrective Action:
The City's management will review fixed asset and construction in progress transactions to ensure all transactions are properly recorded and reconciled at year end, with a planned implementation date by the Finance Director of July 31, 2024.

Finding 2023-002
Planning Corrective Action:
The City's management will evaluate the internal control processes over cash and accounts payable to ensure they are being reconciled in a timely manner with a planned implementation date by the Finance Director of July 31, 2024.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

MATTHEW C. ALLEN
CITY MANAGER

CITY ADMINISTRATIVE
CENTER
301 N. 8TH
P.O. BOX 998
GARDEN CITY, KS
67846-0998
620.276.1160
FAX 620.276.1169
www.garden-city.org

(continued)

Corrective Action Plan and
Comments on Audit Resolution Matters
Relating to the Federal Award Programs
December 31, 2023

IV. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2022-001
Repeat finding in 2023-001.

Finding 2022-002
Finding resolved in current year.

Finding 2022-003
Finding resolved in current year.

If there are any questions regarding this plan, please call Matthew C. Allen at 620-276-1160.

Sincerely,

Matthew C. Allen
City Manager

CITY OF GARDEN CITY, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Agency / Program	Federal Assistance Listing Number	Federal Agency or Pass-Through Grant Number	Passed through to Subrecipients	Disbursements/Expenditures	
EXECUTIVE OFFICE OF THE PRESIDENT					
Passed through Kansas Bureau of Investigation:					
High Intensity Drug Trafficking Areas Program:					
Midwest High Intensity Drug Trafficking Area	95.001	G23MW0003A	$ -	$ 30,054	
Midwest High Intensity Drug Trafficking Area	95.001	G22MW0003A	-	22,544	$ 52,598
Total Executive Office of the President					52,598
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Passed through Kansas Department of Commerce:					
Community Development Block Grants/Entitlement Grants	14.218	87-BF-206	-		4,969
Passed through Kansas Housing Resources Corporation:					
Emergency Solutions Grant Program:					
Emergency Solutions Grant	14.231	ESG-FFY2021	-		14,648
Total U.S. Department of Housing and Urban Development					19,617
U.S. DEPARTMENT OF HOMELAND SECURITY					
Direct Programs:					
Assistance to Firefighters Grant	97.044		-		83,273
Total U.S. Department of Homeland Security					83,273
U.S. DEPARTMENT OF JUSTICE					
Direct Programs:					
Project Safe Neighborhoods	16.609	21-PSN-01	-		12,120
Passed through Wichita State University:					
Project Safe Neighborhoods	16.609	WSU#22-01616	-		18,520
Passed through Kansas Crime Victims:					
Equitable Sharing Program	16.922		-		400
Total U.S. Department of Justice					31,040
U.S. DEPARTMENT OF TRANSPORTATION					
Direct Programs:					
Airport Improvement Program:					
Airport Improvement Project	20.106	3-20-0024-046-2022	-	8,276,563	
Airport Improvement Project	20.106	3-20-0024-047-2022	-	2,192,070	10,468,633
Passed through Kansas Department of Transportation:					
State and Community Highway Safety:					
Special Traffic Enforcement Program	20.600	PT-0992-23	-		2,686
Safe Streets and Roads for All	20.939	U-2484-01	-		82,441
Total U.S. Department of Transportation					10,553,760
U.S. DEPARTMENT OF TREASURY					
Passed through Kansas Office of the Governor:					
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027		-		29,702
Total U.S. Department of Treasury					29,702
TOTAL FEDERAL EXPENDITURES - PRIMARY GOVERNMENT					$ 10,769,990

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CITY OF GARDEN CITY, KANSAS
Notes to Schedule of Expenditures of Federal Awards
December 31, 2023

1. General
   The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the primary government of the City of Garden City, Kansas. The City's reporting entity is defined in Note 1, item B to the City's basic financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the schedule.

2. Basis of accounting
   The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements.

3. De Minimis Cost Rate
   The City has not elected to use the 10% de minimis cost rate.

4. Community Development Block Grant
   Receipts included as program revenues are from payments received on a revolving loan fund originally established through Community Development Block Grant monies. The original program was closed out in prior years. Loans receivable at December 31, 2023, totaled $72,137.

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KANSAS