CITY OF DODGE CITY, KANSAS

FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
and
UNIFORM GUIDANCE REPORTS

YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Commissioners
Dodge City, Kansas

Adverse and Unmodified Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note A of the financial statement, the financial statement is prepared by the City of Dodge City, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Dodge City, Kansas as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated September 24, 2025, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the website of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2025 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 basic financial statement or to the 2024 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note A.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2026 on our consideration of the City of Dodge City, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 of Dodge City, Kansas' internal control over financial reporting and compliance.

Kennedy McKee & Company LLP

September 29, 2026

CITY OF DODGE CITY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended December 31, 2025

Fund	Beginning unencumbered cash balance (deficit)	Prior year cancelled encumbrances	Receipts
General fund:			
General	$ 225,246	$ 79,792	$ 21,839,425
Special purpose funds:			
Special liability	(21,230)	-	534,903
Library	16,671	-	1,068,415
Library employee benefits	3,757	-	232,055
Sales tax	267,222	-	9,091,992
Convention and visitors	1,719,595	-	1,467,415
Special streets and highways	134,817	4,053	1,099,623
Special parks and recreation	264,000	-	136,325
Special alcohol and drug	43,880	-	136,326
Alcohol and drug safety action	8,867	-	-
Development and growth	174,397	-	778,384
Capital improvement	2,018,689	-	1,788,826
Non-budgeted special purpose funds:			
Sales tax organizations	617,070	-	710,000
Sales tax depreciation and replacement	1,755,652	-	250,000
Sales tax event	5,070	-	200,000
Hilmar bioscience district	21,148	-	1,355,845
Rural housing incentive district	(822,227)	-	960,492
Transient guest tax	670,559	-	457,930
Street sales tax	1,514,661	-	4,020,453
Special law enforcement trust	72,589	-	7,106
Economic development revolving	4,213	-	714
Hoover trust	147,845	-	7,270
Roof insurance repairs	99,185	-	-
Medical insurance reserve	3,598,467	-	2,244,633
CDBG - CV grant	-	-	68,836
Capital equipment reserve	(829,517)	-	60,373
Hilmar	-	-	-
GREAT	39,205	-	78,652
Fire CPR training	37,626	-	6,566
Municipal band	10,598	-	18,500
SMPC trust	240,306	-	11,250
Depot	454,438	-	276,737
Civil asset forfeiture	10,627	-	6,612
Public art	7,769	-	36,592
Total special purpose funds	12,285,949	4,053	27,112,825

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
$ 21,433,587	$ 710,876	$ 993,300	$ 1,704,176
513,673	-	-	-
1,084,000	1,086	-	1,086
233,400	2,412	-	2,412
8,881,745	477,469	60,781	538,250
1,132,103	2,054,907	14,490	2,069,397
1,297,340	(58,847)	419,030	360,183
150,000	250,325	-	250,325
172,700	7,506	168,200	175,706
-	8,867	-	8,867
668,518	284,263	7,513	291,776
2,444,490	1,363,025	139,725	1,502,750
687,117	639,953	-	639,953
891,563	1,114,089	318,511	1,432,600
150,000	55,070	-	55,070
-	1,376,993	-	1,376,993
499,788	(361,523)	-	(361,523)
382,836	745,653	-	745,653
6,403,913	(868,799)	589,110	(279,689)
7,244	72,451	-	72,451
-	4,927	-	4,927
-	155,115	-	155,115
99,185	-	-	-
3,062,625	2,780,475	81,123	2,861,598
68,836	-	-	-
1,580,236	(2,349,380)	30,650	(2,318,730)
-	-	-	-
5,418	112,439	-	112,439
-	44,192	548	44,740
20,254	8,844	-	8,844
-	251,556	-	251,556
149,287	581,888	6,475	588,363
-	17,239	-	17,239
2,750	41,611	-	41,611
30,589,021	8,813,806	1,836,156	10,649,962

CITY OF DODGE CITY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended December 31, 2025

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Capital equipment reserve	(829,517)	-	60,373
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1,297,340	(58,847)	419,030	360,183
150,000	250,325	-	250,325
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2,444,490	1,363,025	139,725	1,502,750
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891,563	1,114,089	318,511	1,432,600
150,000	55,070	-	55,070
-	1,376,993	-	1,376,993
499,788	(361,523)	-	(361,523)
382,836	745,653	-	745,653
6,403,913	(868,799)	589,110	(279,689)
7,244	72,451	-	72,451
-	4,927	-	4,927
-	155,115	-	155,115
99,185	-	-	-
3,062,625	2,780,475	81,123	2,861,598
68,836	-	-	-
1,580,236	(2,349,380)	30,650	(2,318,730)
-	-	-	-
5,418	112,439	-	112,439
-	44,192	548	44,740
20,254	8,844	-	8,844
-	251,556	-	251,556
149,287	581,888	6,475	588,363
-	17,239	-	17,239
2,750	41,611	-	41,611
30,589,021	8,813,806	1,836,156	10,649,962

CITY OF DODGE CITY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended December 31, 2025

Fund	Beginning unencumbered cash balance (deficit)	Prior year cancelled encumbrances	Receipts
Special purpose grant funds:			
PD grants	$ (377,130)	$ -	$ 327,000
Runway 220	(78,604)	-	971,339
Police body worn cameras	7,819	-	-
Minibus grant 2020-21	54,771	-	-
Minibus grant 2023-24	(215,257)	-	770,556
KHRC moderate income housing	-	-	475,000
Safe streets for all	(226,326)	-	-
Opioid	163,998	-	48,064
Downtown kiosk	9,918	-	-
USDA rural business development	(95,109)	-	-
Total grant funds	(755,920)	-	2,591,959
Bond and interest funds:			
GO bond and interest	459,062	-	4,486,571
Non-budgeted bond and interest funds:			
Cost of issuance	628,773	-	339,779
Special events center revenue bonds	4,427,429	-	3,006,031
Water park revenue bonds	1,071,168	-	720,769
Water temporary notes	17,409	-	-
Water and wastewater revenue bonds	373,206	-	-
Total bond and interest funds	6,977,047	-	8,553,150
Capital projects funds:			
Municipal services building	(301,269)	20,528	90,031
Construction fire station #2	(150,329)	-	-
First National Bank building	(19,345)	-	-
GO bonds 2025	-	-	9,218,459
GO bonds 2018	111,422	-	-
GO bonds 2013	781,362	-	-
Managed aquifer recharge project	-	-	-
GO bonds 2016	135,595	-	-
GO bonds 2017	459,250	-	-
GO bonds 2020	327,532	-	-
GO bonds 2022	7,809,911	-	-

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
$ -	$ (50,130)	$ -	$ (50,130)
3,198,505	(2,305,770)	9,795	(2,295,975)
-	7,819	-	7,819
54,771	-	-	-
874,051	(318,752)	33,494	(285,258)
430,000	45,000	-	45,000
71,384	(297,710)	-	(297,710)
-	212,062	-	212,062
23,058	(13,140)	20,125	6,985
-	(95,109)	-	(95,109)
4,651,769	(2,815,730)	63,414	(2,752,316)
4,809,985	135,648	-	135,648
206,577	761,975	-	761,975
2,797,525	4,635,935	-	4,635,935
683,700	1,108,237	-	1,108,237
17,409	-	-	-
373,206	-	-	-
8,888,402	6,641,795	-	6,641,795
454,598	(645,308)	12,761	(632,547)
322,430	(472,759)	-	(472,759)
697,714	(717,059)	4,434	(712,625)
788,209	8,430,250	-	8,430,250
-	111,422	-	111,422
-	781,362	-	781,362
1,279,093	(1,279,093)	16,681	(1,262,412)
-	135,595	-	135,595
-	459,250	-	459,250
306,776	20,756	2,589	23,345
3,096,287	4,713,624	6,560	4,720,184

CITY OF DODGE CITY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended December 31, 2025

Fund	Beginning unencumbered cash balance (deficit)	Prior year cancelled encumbrances	Receipts
Capital projects funds (continued):			
Star bond power center	$ (6,780,881)	$ -	$ 530,822
Temporary notes 15th Avenue	79,293	-	1,346,932
Candletree 6 infrastructure	(1,000)	1,000	-
Temporary notes Candletree	1,251,954	-	-
United Village	3,527,944	-	-
KLETC project	(152,898)	-	152,898
Boot Hill museum	(613,295)	-	12,000
Airport terminal renovation	(2,709,093)	-	4,363,339
Wagon Wheel III	(272,347)	-	272,347
Iron Flats	(2,809,923)	-	2,931,310
McCaustland Rd #2	82,150	-	-
Casa Del Rio	(63,206)	-	63,206
GO bonds 2023	1,168,840	-	-
GO bonds 2024	1,777,466	-	-
Wastewater treatment plant construction	(8,041,122)	-	8,317,500
Total capital projects funds	(4,401,989)	21,528	27,298,844
Business funds:			
Water utility	7,524,919	40,500	7,779,890
Wastewater utility	5,117,492	-	9,573,040
Biogas operations	(854,537)	-	2,926,721
Solid waste utility	385,786	-	3,087,989
Drainage utility	163,071	-	329,952
Vehicle maintenance	(760,485)	-	1,439,204
Non-budgeted business funds:			
Facilities maintenance	(1,211,616)	-	2,453,181
Total business funds	10,364,630	40,500	27,589,977
Total reporting entity	$ 24,694,963	$ 145,873	$ 114,986,180

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
$ 3,978,755	$(10,228,814)	$ 767,460	$ (9,461,354)
766,186	660,039	38,302	698,341
-	-	-	-
(31,245)	1,283,199	3,992	1,287,191
2,479,770	1,048,174	61,229	1,109,403
-	-	-	-
-	(601,295)	-	(601,295)
4,492,241	(2,837,995)	1,135,074	(1,702,921)
-	-	-	-
121,387	-	-	-
-	82,150	-	82,150
-	-	-	-
974,343	194,497	-	194,497
649,827	1,127,639	10,907	1,138,546
1,841,409	(1,565,031)	167,135	(1,397,896)
22,217,780	700,603	2,227,124	2,927,727
8,959,276	6,386,033	591,538	6,977,571
10,375,537	4,314,995	402,120	4,717,115
3,004,147	(931,963)	1,058,183	126,220
3,229,321	244,454	89,606	334,060
304,308	188,715	76,363	265,078
1,018,885	(340,166)	39,714	(300,452)
2,609,838	(1,368,273)	217,071	(1,151,202)
29,501,312	8,493,795	2,474,595	10,968,390
$ 117,281,871	$ 22,545,145	$ 7,594,589	$ 30,139,734

CITY OF DODGE CITY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year Ended December 31, 2025

Composition of cash balance:	
Demand deposits	$ 5,805,874
Certificates of deposit	10,442,262
Investments	16,624,557
Petty cash	3,889
Total cash	32,876,582
Agency funds	(2,736,848)
Total - excluding agency funds	$ 30,139,734

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement, schedules, and notes are representations of the City's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

The City of Dodge City is a municipal corporation governed by a City Manager-Commission form of government. This regulatory financial statement presents the City of Dodge City (the Municipality) and does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

Dodge City Public Library. The members of the governing board of the Public Library are appointed by the City Commissioners. The Public Library is fiscally dependent on the City because the budget is approved by the City Commissioners. In addition, the Public Library is prohibited from issuing bonded debt without the approval of the City Commission.

Dodge City – Ford County Development Corporation. Two members of the Corporation's Board of Directors are appointed by the City Commissioners. The Corporation is fiscally dependent on the City because nearly all employees of the Corporation are paid by the City and are accountable to the City Manager and Commissioners.

Dodge City Housing Authority. The members of the governing board of the Housing Authority are appointed by the City Commission. Although the City does not have the authority to approve or modify the Housing Authority's operational and capital budgets and the Housing Authority has the authority to issue bonded debt, the City is fiscally responsible for the Housing Authority since it was created as an agent of the City.

VenuWorks of Dodge City, L.L.C. Was organized under the laws of the State of Iowa on November 1, 2010 to operate United Wireless Arena. The City engaged VenuWorks to manage all activities and operations of the facility.

2. Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting (Continued)

The following types of funds comprise the financial activities of the City for the year ended December 31, 2025:

REGULATORY BASIS FUND TYPES

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

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

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

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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

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

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

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information

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

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.

d. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. The following budgets were amended during the year:

Fund	Original budget	Amended budget
Special Alcohol and Drug Fund	$ 120,000	$ 172,700
Water Utility Fund	4,862,778	9,308,262
Wastewater Utility Fund	7,399,152	8,170,686

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

A legal operating budget is not required for special purpose grant funds, certain bond and interest funds, capital project funds, and the following special purpose and business funds:

Sales Tax Organizations	Medical Insurance Reserve
Sales Tax Depreciation and Replacement	CDBG – CV Grant
	Capital Equipment Reserve
Sales Tax Event	Hilmar
Hilmar Bioscience District	GREAT
Rural Housing Incentive District	Fire CPR Training
Transient Guest Tax	Municipal Band
Street Sales Tax	SMPC Trust
Special Law Enforcement Trust	Depot
Economic Development Revolving	Civil Asset Forfeiture
Hoover Trust	Public Art
Roof Insurance Repairs	Facilities Maintenance

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

5. Special Assessments

Projects financed in part by special assessments are financed through issuance of general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as receipts in the appropriate project. Special assessments received after the issuance of bonds are recorded as receipts in the Bond and Interest Fund.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the Kansas Department of Administration, and legal representatives of the City.

The budget law provided by K.S.A. 79-2935 prohibits the expenditure of funds in excess of that allowed by budget. Expenditures exceeded the adopted budget of the Sales Tax, Special Parks and Recreation, Capital Improvement, GO Bond and Interest, Wastewater Utility, and Vehicle Maintenance funds by $246,246, $50,000, $94,490, $123,309, $2,204,851, and $257,114, respectively.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in excess of available monies in a fund. Funds in the category are as follows:

Special Streets and Highways	$	58,547
Rural Housing Incentive District		361,523
Street Sales Tax		868,799
Capital Equipment Reserve		2,349,380
PD Grants		50,130
Runway 220		2,305,770
Minibus 2023-24		318,752
Safe Streets for All		297,710
Downtown Kiosk		13,140
USDA Rural Business Development		95,109

B. COMPLIANCE WITH KANSAS STATUTES (CONTINUED)

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in excess of available monies in a fund. Funds in the category are as follows (continued):

Municipal Services Building	$	645,308
Construction Fire Station #2		472,759
First National Bank Building		717,059
Managed Aquifer Recharge Project		1,279,093
Star Bonds Power Center		10,228,814
Boot Hill Museum		601,295
Airport Terminal Renovation		2,837,995
Wastewater Treatment Plant Construction		1,565,031
Biogas Operations		931,963
Vehicle Maintenance		340,166
Facilities Maintenance		1,368,273

Although the following special purpose federal grant funds overspent their cash balances, according to K.S.A. 12-1664, the City is not prohibited from financing the federal share of a local program from current funds if available.

PD Grants	$	50,130
Runway 220		2,305,770
Minibus 2023-24		318,752
Safe Streets for All		297,710
Downtown Kiosk		13,140
USDA Rural Business Development		95,109

C. DEPOSITS AND INVESTMENTS

As of December 31, 2025, the City had the following investments and maturities.

Investment Type	Fair Value	Maturity	Rating
Kansas Municipal Investment Pool	$ 8,586,241	< 1 Year	N/A
Escrow Accounts – Dreyfus	5,739,939	< 1 Year	AAAm
Federated Government Obligation Fund	2,298,377	< 1 Year	AAAm
	$16,624,557		

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 to 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. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the municipality 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 allocation of investments as of December 31, 2025 is as follows:

C. DEPOSITS AND INVESTMENTS (CONTINUED)

Investment	Percentage of Investments
Kansas Municipal Investment Pool	52%
Escrow Accounts – Dreyfus	35%
Federated Government Obligation Fund	13%

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2025.

At December 31, 2025, the City's carrying amount of deposits, including certificates of deposit, was $16,248,136 and the bank balance was $18,295,193. Of the bank balance, $1,501,381 was covered by federal depository insurance and $16,793,812 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

At December 31, 2025, the City had invested $8,586,241 in the State's Municipal Investment Pool. The Municipal Investment Pool is under the oversight of the Pooled Money Investment Board. The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

D. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project authorization	Cash disbursements and accounts payable to date
Downtown Streetscape	$ 15,188,601	$ 14,421,181
South Wastewater Treatment Plant Expansion	47,303,415	44,762,293
Force Main	6,121,343	6,121,343
United Village Infrastructure	7,295,671	7,172,778
East Trail Asphalt Street Maintenance	1,368,160	1,386,160
East Comanche Street Reconstruction	3,841,759	3,488,510
15th Avenue Development Infrastructure	1,092,418	727,730
Airport Terminal Expansion	8,335,331	7,918,565
Runway 2-20	8,382,961	2,713,870
Levee Improvements	1,829,027	1,824,027
Levee Improvements	6,787,658	131,018
Total	$107,564,344	$ 90,667,475

E. LONG-TERM DEBT

Changes in long-term liabilities for the municipal financial reporting entity for the year ended December 31, 2025, were as follows:

Issue	Balance beginning of year	Additions	Reductions/ payments	Balance end of year	Interest paid
General obligation bonds:					
Series 2012-B issued August 1, 2012 in the amount of $21,285,000 at interest rates of 2.00% to 4.00% maturing September 1, 2032	$2,910,000	$ -	$ 620,000	$2,290,000	$ 94,600
Series 2016-A issued February 3, 2016 in the amount of $5,705,000 at interest rates of 2.00% to 3.125% maturing September 1, 2035	3,490,000	-	275,000	3,215,000	105,156
Series 2016-B issued December 15, 2016 in the amount of $2,000,000 at interest rates of 2.00% to 4.00% maturing September 1, 2031	1,035,000	-	135,000	900,000	37,525
Series 2017-A issued June 1, 2017 in the amount of $2,860,000 at interest rates of 2.50% to 3.00% maturing September 1, 2026	660,000	-	325,000	335,000	18,175
Series 2017-B issued December 28, 2017 in the amount of $5,815,000 at interest rates of 2.00% to 4.00% maturing September 1, 2029	3,125,000	-	670,000	2,455,000	125,000
Series 2018-A issued December 20, 2018 in the amount of $3,950,000 at interest rates of 3.00% to 5.00% maturing September 1, 2033	2,700,000	-	260,000	2,440,000	93,675
Series 2019-A issued December 5, 2019 in the amount of $16,875,000 at interest rates of 2.125% to 4.00% maturing September 1, 2039	10,975,000	-	1,305,000	9,670,000	371,188
Series 2019-B issued December 5, 2019 in the amount of $7,000,000 at interest rates of 2.183% to 2.896% maturing September 1, 2029	345,000	-	65,000	280,000	9,991
Series 2020-A issued August 13, 2020 in the amount of $4,200,000 at interest rates of 1.00% to 2.00% maturing September 1, 2040	3,440,000	-	195,000	3,245,000	49,173
Series 2021-A issued September 1, 2021 in the amount of $7,725,000 at interest rates of 1.00% to 2.00% maturing September 1, 2040	6,770,000	-	340,000	6,430,000	118,078

E. LONG-TERM DEBT (CONTINUED)

Issue	Balance beginning of year	Additions	Reductions/ payments	Balance end of year	Interest paid
General obligation bonds (continued):					
Series 2022-A issued August 25, 2022 in the amount of $8,990,000 at interest rates of 3.00% to 5.00% maturing September 1, 2042	$8,400,000	$ -	$310,000	$8,090,000	$344,544
Series 2023-A issued August 31, 2023 in the amount of $6,905,000 at interest rates of 4.00% to 5.00% maturing September 1, 2043	6,675,000	-	240,000	6,435,000	303,600
Series 2024-A issued October 3, 2024 in the amount of $2,135,000 at interest rates of 4.00% to 5.00% maturing September 1, 2044	2,135,000	-	60,000	2,075,000	82,866
Series 2025-A issued August 28, 2025 in the amount of $16,395,000 at interest rates of 4.00% to 5.00% maturing September 1, 2045	-	16,395,000	-	16,395,000	-
Total general obligation bonds	52,660,000	16,395,000	4,800,000	64,255,000	1,753,571
Revenue bonds:					
Series 2015 issued March 2, 2015 in the amount of $9,840,000 at interest rates of 2.00% to 4.00% maturing June 1, 2034	6,270,000	-	475,000	5,795,000	208,600
Series 2016 issued March 22, 2016 in the amount of $32,435,000 at interest rates of 1.75% to 5.00% maturing June 1, 2034	24,690,000	-	1,785,000	22,905,000	1,012,425
Total revenue bonds	30,960,000	-	2,260,000	28,700,000	1,221,025
Loans:					
KDHE - Wastewater loan issued September 22, 2009 in the amount of $35,715,446 at the interest rate of 2.83% maturing March 1, 2031	5,699,684	-	747,229	4,952,454	156,698
KDHE - Wastewater loan issued March 4, 2024 in the amount of $46,746,460 at the interest rate of 2.26% maturing March 1, 2055	46,746,460	8,317,500	-	55,063,960	1,098,430
Total loans	52,446,144	8,317,500	747,229	60,016,415	1,255,128
Finance leases:					
CREW Building issued February 12, 2021 in the amount of $715,866 at the interest rate of 2.276% maturing February 12, 2031	517,754	-	69,065	448,689	11,785

E. LONG-TERM DEBT (CONTINUED)

Issue	Balance beginning of year	Additions	Reductions/ payments	Balance end of year	Interest paid
Finance leases (continued):					
2018 Fire Truck issued October 18, 2018 in the amount of $935,000 at the interest rate of 2.99% maturing October 18, 2027	$ 299,474	$ -	$ 97,612	$ 201,862	$ 8,954
Trash Truck issued March 31, 2023 in the amount of $548,500 at the interest rate of 4.10% maturing April 1, 2028	447,645	-	105,173	342,472	18,608
Total finance leases	1,264,873	-	271,850	993,023	39,347
Temporary notes:					
GO Temporary Notes issued August 31, 2023 in the amount of $6,800,000 at the interest rate of 4.125% maturing September 1, 2025	6,800,000	-	6,800,000	-	280,500
GO Temporary Notes issued October 3, 2024 in the amount of $10,415,000 at interest rate of 3.625% maturing September 1, 2027	10,415,000	-	-	10,415,000	343,984
GO Temporary Notes issued August 28, 2025 in the amount of $1,500,000 at interest rate of 3.15% maturing September 1, 2028	-	1,500,000	-	1,500,000	-
Total temporary notes	17,215,000	1,500,000	6,800,000	11,915,000	624,484
Total long-term debt	$154,546,017	$26,212,500	$14,879,079	$165,879,438	$4,893,555

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	Principal due	Interest due	Total due
2026	$ 5,095,000	$ 2,345,907	$ 7,440,907
2027	4,950,000	2,142,451	7,092,451
2028	5,180,000	1,953,224	7,133,224
2029	4,900,000	1,784,460	6,684,460
2030	4,670,000	1,586,675	6,256,675
2031-2035	16,570,000	5,914,842	22,484,842
2036-2040	13,520,000	3,402,474	16,922,474
2041-2045	9,370,000	1,048,563	10,418,563
Total	$ 64,255,000	$ 20,178,596	$ 84,433,596

E. LONG-TERM DEBT (CONTINUED)

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

	Principal due	Interest due	Total due
2026	$ 2,415,000	$ 1,166,900	$ 3,581,900
2027	2,575,000	1,051,100	3,626,100
2028	2,745,000	927,500	3,672,500
2029	2,930,000	800,415	3,730,415
2030	3,115,000	664,090	3,779,090
2030-2035	14,920,000	1,350,026	16,270,026
Total	$ 28,700,000	$ 5,960,031	$ 34,660,031

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

	Principal due	Interest due	Total due
2026	$ 2,174,633	$ 1,472,572	$ 3,647,205
2027	2,228,493	1,418,712	3,647,205
2028	2,283,705	1,363,500	3,647,205
2029	2,340,301	1,306,904	3,647,205
2030	2,398,319	1,248,888	3,647,207
2031-2035	9,116,895	5,506,011	14,622,906
2036-2040	9,211,454	4,508,172	13,719,626
2041-2045	10,306,903	3,412,721	13,719,624
2046-2050	11,532,629	2,186,997	13,719,626
2051	8,423,083	1,059,605	9,482,688
Total	$ 60,016,415	$ 23,484,082	$ 83,500,497

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

	Principal due	Interest due	Total due
2026	280,715	30,485	311,200
2027	287,675	21,317	308,992
2028	192,718	11,913	204,631
2029	75,572	5,279	80,851
2030	77,292	3,559	80,851
2031	79,051	1,799	80,850
Total	$ 993,023	$ 74,352	$ 1,067,375

E. LONG-TERM DEBT (CONTINUED)

Current maturities of temporary notes and interest through maturity are as follows:

	Principal due	Interest due	Total due
2026	$ -	$ 425,188	$ 425,188
2027	10,415,000	424,794	10,839,794
2028	1,500,000	23,625	1,523,625
Total	$ 11,915,000	$ 873,607	$ 12,788,607

F. INTERFUND TRANSACTIONS

Operating transfers were as follows:

From	To	Amount	Regulatory authority
General	Municipal band	$ 18,500	K.S.A. 12-101
General	Minibus grant 2023-24	230,000	Contractual
Sales tax	Special event center revenue bond	2,860,321	Resolution No. 2009-09
Sales tax	Water park revenue bond	682,341	Resolution No. 2015-03
Sales tax	Sales tax organizations	710,000	Resolution No. 2009-09
Sales tax	Sales tax event	200,000	Resolution No. 2009-09
Sales tax	General	150,000	Resolution No. 2009-09
Sales tax	Sales tax depreciation and replacement	250,000	Interfund
Convention and visitors	General	300,000	Interfund
Sales tax organizations	Depot	250,000	Interfund
Special park and recreation	General	150,000	Contractual
Development and growth	General	57,000	Interfund
Street sales tax	General	848,000	Contractual
Minibus grant 2020-21	Minibus grant 2023-24	54,771	Contractual
Water utility	General	2,328,797	K.S.A. 12-825d
Wastewater utility	General	1,969,312	K.S.A. 12-825d
Biogas operations	GO bond and interest	700,000	K.S.A. 12-825d
Biogas operations	General	150,000	K.S.A. 12-825d
Solid waste utility	General	265,472	K.S.A. 12-825d
Drainage	General	111,386	K.S.A. 12-825d
Drainage	GO bond and interest	112,050	K.S.A. 12-825d
Water and wastewater revenue bonds	Wastewater utility	373,206	K.S.A. 12-825d
GO bond and interest	KLETC project	152,898	Interfund
Temporary notes 2009	GO bond and interest	17,409	Interfund
GO bonds 2022	Wagon Wheel III	272,347	Interfund
GO bonds 2022	Temporary notes Iron Flats	2,616,425	Interfund
GO bonds 2020	GO bond and interest	256,986	Interfund
GO bonds 2023	Casa Del Rio	63,206	Interfund
GO bonds 2025	Public art	36,592	Interfund
		$16,187,019	

F. INTERFUND TRANSACTIONS (CONTINUED)

Transfers to the related municipal entity were as follows:

From	To	Amount
Library	Dodge City Public Library	$1,084,000
Library employee benefits	Dodge City Public Library	233,400
		$1,317,400

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate was set at 1% and contributions were $100,304 for the year ended December 31, 2025.

Termination Benefits. The City provides an early retirement program for certain eligible employees. Full-time employees may voluntarily elect to retire early. Qualifying employees must have at least 10 years of continuous service with the City, must meet the KPERS or KP&F Early Retirement Qualifications (years of experience plus age), and must not be more than 64 years of age. The rate of retirement compensation is an annual sum of $7,200. Benefits will cease when the retiree reaches age 65.

The future commitment for the voluntary early retirement plan is as follows:

	Amount
2026	$ 108,553
2027	105,230
2028	87,230
2029	70,892
2030	55,384
2031-2035	158,398
2036-2039	36,553
Total	$ 622,240

Section 125 Plan. The City offers a Section 125 flexible benefit plan to employees electing to participate. It is used for health insurance premiums, other medical costs, and child-care costs. The plan is administered by the health insurance provider.

Health Savings Account. The City offers eligible employees a health savings account administered by a third party. It is optional for employees to participate in the City's high deductible health plan. The City's match for the HSA is $750 for family and $250 for single.

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Compensated Absences. The City's policies regarding paid time off (PTO) permit an employee to accumulate a maximum of 176 to 512 hours of PTO, depending on years of service. Fire department personnel can accumulate a maximum of 633 to 754 hours of PTO, depending on years of service. These amounts are paid to the employee upon retirement or if the employee left in good standing. The compensation shall be paid at the employee's base rate of pay. The City has a PTO bank whereby employees can transfer excess PTO and have exhausted their own PTO accumulation. The PTO bank is administered by a committee of City employees. All employees are given credit for holidays worked, which is then accumulated for additional time off. This holiday time must be taken within the same year in which earned, or the time is lost.

H. DEFINED BENEFIT PENSION PLAN

General Information About the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for KPERS and 23.10% for KP&F for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $951,762 for KPERS, $1,428,446 for KP&F, and $8,727 for KPERS working after retirement for the year ended December 31, 2025.

H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

At December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was $8,282,629 and $10,390,877 for KP&F. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kspers.org or can be obtained as described above.

I. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and medical needs of employees. The City participates in a public entity risk pool to cover worker's compensation claims. The City purchases commercial insurance to cover property, liability, and medical needs of employees. There have been no significant reductions in coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

J. CONTINGENCIES

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the City at December 31, 2025.

K. JOINT VENTURES

On January 1, 1993, the City of Dodge City, Kansas entered into a joint venture with Ford County, Kansas, for the operation of a communications center. By joint resolution, the Dodge City/Ford County Emergency Communications Board was created to operate the Dodge City/Ford County Communications Department. The Board consists of equal membership of City and County personnel. The department provides emergency communications for City and County agencies and is physically located in a separate location. The budgeted operating expenditures are shared equally by the two governments.

K. JOINT VENTURES (CONTINUED)

On July 21, 1997, the City of Dodge City, Kansas entered into a joint venture with Ford County, Kansas for the construction and operation of certain public projects. On June 10, 1997, the voters of Dodge City and Ford County approved a one-half percent city-wide and a one-half percent county-wide retailer's sales tax to finance these projects. The projects included but were not limited to the following: air conditioning at the Civic Center building; an outdoor motor sports complex; field sport facilities, including a baseball/softball complex and additional soccer facilities and renovation of existing facilities; and a special events center.

All City sales tax revenues for these projects are deposited into the Sales Tax Fund. County sales tax revenues which are designated for Ford County and the City of Dodge City are transferred to the City and deposited into the same fund. All expenditures from the Sales Tax Fund are subject to approval of the City Commission. All real estate acquired for the projects is titled to the City.

The interlocal agreement was amended on August 10, 2005. The agreement created a Community Facilities Advisory Board (CFAB) to serve as the project review and advisory committee. There are seven members on the Board: one City Commissioner, one County Commissioner, four at-large members and the Chairperson of the Board of Directors of the Dodge City/Ford County Development Corporation, or their designee.

On November 18, 2010, the City of Dodge City, Kansas entered into a joint venture with Venuworks of Dodge City, L.L.C. The agreement calls for Venuworks to operate and manage the Special Events Center. The City retains title and ownership of the Center. Venuworks receives a flat monthly management fee plus variable management fees for food and beverage sales, contractually obligated incomes, and fulfillment fees. Variable commissions are capped on an annual basis.

On November 5, 2012, the City of Dodge City, Kansas entered into a joint venture with Young Men's Christian Association of Southwest Kansas (YMCA). The agreement calls for the YMCA to operate and manage the Parks and Recreation Department. The City retains title to all Parks and Recreation property. The City reimburses the YMCA for a percentage of payroll and also for large property purchases and repairs.

L. SUBSEQUENT EVENTS

Management has evaluated events subsequent to year end through September 29, 2026 and believes there are no subsequent events that are required to be recognized or disclosed in this financial statement.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

CITY OF DODGE CITY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025

Funds	Certified budget	Adjustment for qualifying budget credits	Total for budget comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General fund:					
General	$ 23,660,758	$ -	$ 23,660,758	$ 21,433,587	$ 2,227,171
Special purpose funds:					
Special liability	1,500,000	-	1,500,000	513,673	986,327
Library	1,118,000	-	1,118,000	1,084,000	34,000
Library employee benefits	233,400	-	233,400	233,400	-
Sales tax	8,635,499	-	8,635,499	8,881,745	(246,246)
Convention and visitors	1,135,575	-	1,135,575	1,132,103	3,472
Special streets and highways	1,356,307	-	1,356,307	1,297,340	58,967
Special parks and recreation	100,000	-	100,000	150,000	(50,000)
Special alcohol and drug	172,700	-	172,700	172,700	-
Development and growth	1,057,000	-	1,057,000	668,518	388,482
Capital improvement fund	2,350,000	-	2,350,000	2,444,490	(94,490)
Bond and interest funds:					
GO bond and interest	4,686,676	-	4,686,676	4,809,985	(123,309)
Business funds:					
Water utility	9,308,262	-	9,308,262	8,959,276	348,986
Wastewater utility	8,170,686	-	8,170,686	10,375,537	(2,204,851)
Biogas operations	6,240,496	-	6,240,496	3,004,147	3,236,349
Solid waste utility	3,339,218	-	3,339,218	3,229,321	109,897
Drainage utility	409,136	-	409,136	304,308	104,828
Vehicle maintenance	761,771	-	761,771	1,018,885	(257,114)
Total	$ 74,235,484	$ -	$ 74,235,484	$ 69,713,015	$ 4,522,469

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 2,739,162	$ 2,003,508	$ 2,044,347	$ (40,839)
Motor vehicle tax	632,670	444,111	365,880	78,231
Recreational vehicle tax	3,685	2,757	2,205	552
16/20M truck tax	-	-	977	(977)
Delinquent tax	104,436	63,161	100,000	(36,839)
Commercial vehicle tax	38,268	20,434	19,231	1,203
Watercraft	-	-	1,239	(1,239)
Local alcoholic liquor tax	142,111	136,326	145,888	(9,562)
Local sales tax	6,328,922	6,516,235	6,500,000	16,235
Payment in lieu of taxes	64,233	-	95,570	(95,570)
Licenses, permits and fees	414,607	175,292	382,060	(206,768)
Franchise fees	1,629,275	1,708,328	2,342,500	(634,172)
Police	395,343	417,800	300,000	117,800
Engineering fees	5,056	4,805	10,000	(5,195)
Airport	151,698	159,693	159,200	493
Cemetery	81,303	85,869	98,000	(12,131)
Golf course	707,870	829,197	672,600	156,597
Licenses, permits and fees - other	67,769	67,451	-	67,451
Fines and forfeitures	1,117,694	1,284,277	755,000	529,277
Animal control	57,405	68,593	60,000	8,593
Rent and leases	220,635	254,347	155,000	99,347
Misc. charges for service	7,938	35,366	5,000	30,366
Interest	118,155	219,782	450,000	(230,218)
State aid	105,853	37,973	330,500	(292,527)
Federal aid	10,445	542,603	-	542,603
Operating grants	6,490	32,979	-	32,979
Contributions & donations	22,575	59,833	75,000	(15,167)
Zoo contributions	27,650	-	-	-
Sale of equipment	-	1,350	1,185,000	(1,183,650)
Sale of labor and materials	7,987	34,062	100,000	(65,938)
Other	50,339	303,326	-	303,326
Operating transfers in	3,046,022	6,329,967	3,458,563	2,871,404
Total receipts	18,305,596	21,839,425	$ 19,813,760	$ 2,025,665

CITY OF DODGE CITY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Expenditures:				
Commission:				
Personal services	$ 62,341	$ 61,758	$ 61,776	$ 18
Contractual services	8,232	10,890	13,100	2,210
Commodities	916	952	900	(52)
Subtotal	71,489	73,600	75,776	2,176
Depot train station:				
Personal services	20,388	21,889	26,744	4,855
Contractual services	2,039	627	2,800	2,173
Commodities	195	81	250	169
Subtotal	22,622	22,597	29,794	7,197
Economic development:				
Personal services	497,083	608,748	517,468	(91,280)
Reimbursed wages	897	(61,239)	(117,468)	(56,229)
Subtotal	497,980	547,509	400,000	(147,509)
Police department:				
Personal services	5,471,835	6,007,273	6,007,658	385
Contractual services	481,136	643,184	553,134	(90,050)
Commodities	228,941	189,410	228,980	39,570
Capital outlay	73,566	80,739	135,250	54,511
Subtotal	6,255,478	6,920,606	6,925,022	4,416
Animal control:				
Personal services	370,455	408,127	415,861	7,734
Contractual services	100,363	109,265	100,265	(9,000)
Commodities	67,766	50,301	53,100	2,799
Capital outlay	6,097	-	16,400	16,400
Subtotal	544,681	567,693	585,626	17,933

CITY OF DODGE CITY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Fire department:				
Personal services	$ 2,667,650	$ 2,644,261	$ 2,779,704	$ 135,443
Contractual services	126,091	145,334	104,500	(40,834)
Commodities	112,491	120,322	87,750	(32,572)
Capital outlay	13,742	130,991	118,000	(12,991)
Subtotal	2,919,974	3,040,908	3,089,954	49,046
Municipal court:				
Personal services	310,847	304,188	313,035	8,847
Contractual services	240,516	259,258	241,800	(17,458)
Commodities	9,899	8,736	7,500	(1,236)
Capital outlay	2,850	1,010	3,800	2,790
Subtotal	564,112	573,192	566,135	(7,057)
Public works:				
Personal services	392,803	335,573	424,396	88,823
Contractual services	449,100	435,421	449,400	13,979
Commodities	38,606	52,934	50,000	(2,934)
Subtotal	880,509	823,928	923,796	99,868
Engineering:				
Personal services	549,832	635,842	610,742	(25,100)
Contractual services	15,893	30,276	20,900	(9,376)
Commodities	9,901	15,511	13,300	(2,211)
Capital outlay	1,898	-	7,000	7,000
Subtotal	577,524	681,629	651,942	(29,687)
Airport:				
Personal services	185,661	166,967	184,380	17,413
Contractual services	152,049	159,857	107,300	(52,557)
Commodities	49,124	68,910	36,950	(31,960)
Capital outlay	622,440	52,724	-	(52,724)
Subtotal	1,009,274	448,458	328,630	(119,828)

CITY OF DODGE CITY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Cemetery:				
Personal services	$ 188,779	$ 182,716	$ 186,327	$ 3,611
Contractual services	41,639	43,500	39,400	(4,100)
Commodities	28,074	29,947	24,550	(5,397)
Capital outlay	5,000	649	-	(649)
Subtotal	263,492	256,812	250,277	(6,535)
Public transportation:				
Contractual services	99,364	51,257	255,000	203,743
Recreation - administrative:				
Contractual services	58,863	11,166	16,500	5,334
Capital outlay	-	-	25,000	25,000
Subtotal	58,863	11,166	41,500	30,334
Park:				
Personal services	1,056,691	1,086,114	1,156,765	70,651
Contractual services	178,647	255,083	122,500	(132,583)
Commodities	200,944	245,409	132,350	(113,059)
Capital outlay	2,823	15,814	4,500	(11,314)
Subtotal	1,439,105	1,602,420	1,416,115	(186,305)
Zoo:				
Personal services	509	-	118,170	118,170
Contractual services	6,136	4,103	18,650	14,547
Commodities	3,083	588	23,875	23,287
Subtotal	9,728	4,691	160,695	156,004

CITY OF DODGE CITY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Golf course:				
Personal services	$ 611,489	$ 645,597	$ 601,059	$ (44,538)
Contractual services	141,001	203,282	96,500	(106,782)
Commodities	318,056	383,284	254,500	(128,784)
Capital outlay	11,499	4,500	-	(4,500)
Subtotal	1,082,045	1,236,663	952,059	(284,604)
Hennessy Hall:				
Personal services	27,493	-	-	-
Contractual services	100,155	110,159	111,800	1,641
Commodities	13,100	2,349	15,000	12,651
Capital outlay	-	-	-	-
Subtotal	140,748	112,508	126,800	14,292
Development services:				
Personal services	694,184	695,125	703,637	8,512
Contractual services	56,652	56,564	223,000	166,436
Commodities	21,040	27,215	37,500	10,285
Capital outlay	1,814	10,078	3,000	(7,078)
Subtotal	773,690	788,982	967,137	178,155
Administration:				
Personal services	1,469,470	1,411,588	1,384,404	(27,184)
Contractual services	257,245	493,407	486,200	(7,207)
Commodities	32,147	44,088	19,000	(25,088)
Capital outlay	8,071	2,562	15,500	12,938
Subtotal	1,766,933	1,951,645	1,905,104	(46,541)

CITY OF DODGE CITY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Information systems:				
Personal services	$ 427,234	$ 443,380	$ 440,529	$ (2,851)
Contractual services	6,420	4,640	8,650	4,010
Commodities	5,033	3,711	7,700	3,989
Capital outlay	1,034	1,329	5,600	4,271
Subtotal	439,721	453,060	462,479	9,419
Non-departmental:				
Contractual services	1,144,971	739,930	138,200	(601,730)
Capital outlay	223,903	275,833	919,357	643,524
Other	-	-	1,900,000	1,900,000
Subtotal	1,368,874	1,015,763	2,957,557	1,941,794
Transfers out:				
Municipal band	18,500	18,500	-	(18,500)
Minibus 2023-24	230,000	230,000	-	(230,000)
Capital equipment	450,769	-	589,360	589,360
Subtotal	699,269	248,500	589,360	340,860
Total expenditures	21,485,475	21,433,587	$ 23,660,758	$ 2,227,171
Receipts over (under) expenditures	(3,179,879)	405,838		
Unencumbered cash, beginning of year	3,405,125	225,246	$ 3,846,998	$ (3,621,752)
Prior year cancelled encumbrances	-	79,792		
Unencumbered cash, end of year	$ 225,246	$ 710,876		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

SPECIAL LIABILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 398,889	$ 462,967	$ 475,693	$ (12,726)
Motor vehicle tax	69,512	60,190	53,301	6,889
Recreational vehicle tax	387	370	321	49
16/20M truck tax	-	-	143	(143)
Delinquent tax	11,298	8,486	-	8,486
Commercial vehicle tax	4,234	2,890	2,802	88
Watercraft	-	-	180	(180)
Charge for services:				
Sales tax	-	-	140,000	(140,000)
Water	-	-	180,000	(180,000)
Wastewater	-	-	150,000	(150,000)
Sanitation	-	-	100,000	(100,000)
Biogas	-	-	150,000	(150,000)
Contributions & donations	-	-	180,000	(180,000)
Total receipts	484,320	534,903	$ 1,432,440	$ (897,537)
Expenditures:				
Contractual services	515,227	513,673	$ 1,500,000	$ 986,327
Receipts over (under) expenditures	(30,907)	21,230		
Unencumbered cash (deficit), beginning of year	9,677	(21,230)	$ 67,560	$ (88,790)
Unencumbered cash (deficit), end of year	$ (21,230)	$ -		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 884,193	$ 916,090	$ 947,200	$ (31,110)
Motor vehicle tax	136,248	127,642	118,195	9,447
Recreational vehicle tax	800	782	712	70
16/20M truck tax	-	-	316	(316)
Delinquent tax	23,564	17,598	31,000	(13,402)
Commercial vehicle tax	8,139	6,303	6,213	90
Watercraft	-	-	400	(400)
Payment in lieu of taxes	8,727	-	13,032	(13,032)
Total receipts	1,061,671	1,068,415	$ 1,117,068	$ (48,653)
Expenditures:				
Appropriation to Library board	1,045,000	1,084,000	$ 1,118,000	$ 34,000
Receipts over (under) expenditures	16,671	(15,585)		
Unencumbered cash, beginning of year	-	16,671	$ 932	$ 15,739
Unencumbered cash, end of year	$ 16,671	$ 1,086		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

LIBRARY EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 187,559	$ 199,464	$ 206,308	$ (6,844)
Motor vehicle tax	29,378	27,166	25,066	2,100
Recreational vehicle tax	165	166	151	15
16/20M truck tax	-	-	67	(67)
Delinquent tax	4,909	3,921	-	3,921
Commercial vehicle tax	1,746	1,338	1,318	20
Watercraft	-	-	85	(85)
Total receipts	223,757	232,055	$ 232,995	$ (940)
Expenditures:				
Appropriation to Library board	220,000	233,400	$ 233,400	$ -
Receipts over (under) expenditures	3,757	(1,345)		
Unencumbered cash, beginning of year	-	3,757	$ 405	$ 3,352
Unencumbered cash, end of year	$ 3,757	$ 2,412		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Local sales tax	$ 8,641,846	$ 8,473,002	$ 8,100,000	$ 373,002
Aquatics park revenue	409,277	396,382	385,000	11,382
Sports commission	53,769	51,982	250,000	(198,018)
Concessions	50,531	59,289	50,000	9,289
Interest	61,554	6,065	60,000	(53,935)
Athletic field:				
Other	102,012	92,487	100,000	(7,513)
Field rental	10,165	12,785	12,000	785
Total receipts	9,329,154	9,091,992	$ 8,957,000	$ 134,992
Expenditures:				
Field sports - maintenance:				
Personal services	275,902	355,406	$ 352,262	$ (3,144)
Contractual services	147,458	217,567	130,000	(87,567)
Commodities	103,391	147,600	95,000	(52,600)
Capital outlay	103,203	5,850	5,000	(850)
Subtotal	629,954	726,423	582,262	(144,161)
Field sports - tournaments:				
Personal services	105,137	57,681	83,116	25,435
Contractual services	165,787	120,987	96,600	(24,387)
Commodities	56,045	55,147	10,000	(45,147)
Sports commission	2,374	-	-	-
Subtotal	329,343	233,815	189,716	(44,099)
Administration:				
Contractual services	-	-	865,300	865,300
Other	-	-	2,500	2,500
Subtotal	-	-	867,800	867,800

CITY OF DODGE CITY, KANSAS

SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Motor sports:				
Personal services	$ 9,057	$ 9,005	$ 10,800	$ 1,795
Contractual services	393,374	466,458	355,000	(111,458)
Commodities	9,220	30,533	25,000	(5,533)
Subtotal	411,651	505,996	390,800	(115,196)
Special events centers:				
Contractual services	1,252,381	1,474,928	1,105,000	(369,928)
Commodities	324	3,406	-	(3,406)
Capital outlay	85,905	93,122	-	(93,122)
Insurance & electrical	-	-	42,500	42,500
Subtotal	1,338,610	1,571,456	1,147,500	(423,956)
Facilities maintenance:				
Contractual services	2,765	270	-	(270)
Commodities	3,877	-	-	-
Capital outlay	11,457	-	-	-
Subtotal	18,099	270	-	(270)
Outdoor regional aquatics facility:				
Personal services	581,921	592,390	460,000	(132,390)
Contractual services	157,833	175,340	125,000	(50,340)
Commodities	210,902	223,393	190,000	(33,393)
Insurance	-	-	20,000	20,000
Subtotal	950,656	991,123	795,000	(196,123)

CITY OF DODGE CITY, KANSAS

SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Operating transfers out	$ 5,927,251	$ 4,852,662	$ 4,662,421	$ (190,241)
Total expenditures	9,605,564	8,881,745	$ 8,635,499	$ (246,246)
Receipts over (under) expenditures	(276,410)	210,247		
Unencumbered cash, beginning of year	543,632	267,222	$ 328,487	$ (61,265)
Unencumbered cash, end of year	$ 267,222	$ 477,469	$ 649,988	$ (172,519)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

CONVENTION & VISITORS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Transient guest tax	$ 1,328,909	$ 1,373,789	$ 890,000	$ 483,789
Trolley charges	42,817	55,683	30,000	25,683
Other	43,354	37,943	27,000	10,943
Total receipts	1,415,080	1,467,415	$ 947,000	$ 520,415
Expenditures:				
Personal services	398,363	446,311	$ 460,575	$ 14,264
Contractual services	341,366	344,767	414,000	69,233
Commodities	27,753	41,025	50,000	8,975
Capital outlay	56,839	-	61,000	61,000
Operating transfers out	150,000	300,000	150,000	(150,000)
Total expenditures	974,321	1,132,103	$ 1,135,575	$ 3,472
Receipts over (under) expenditures	440,759	335,312		
Unencumbered cash, beginning of year	1,278,836	1,719,595	$ 901,996	$ 817,599
Unencumbered cash, end of year	$ 1,719,595	$ 2,054,907	$ 713,421	$ 1,341,486

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

SPECIAL STREETS AND HIGHWAYS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
State of Kansas gas tax	$ 746,675	$ 746,548	$ 733,380	$ 13,168
State aid	346,013	353,075	-	353,075
Total receipts	1,092,688	1,099,623	$ 733,380	$ 366,243
Expenditures:				
Personal services	383,351	320,445	$ 387,657	$ 67,212
Contractual services	69,338	121,390	25,350	(96,040)
Commodities	185,932	329,916	193,300	(136,616)
Capital outlay	258,629	525,589	500,000	(25,589)
Operating transfers out	-	-	250,000	250,000
Total expenditures	897,250	1,297,340	$ 1,356,307	$ 58,967
Receipts over (under) expenditures	195,438	(197,717)		
Unencumbered cash (deficit), beginning of year	(60,621)	134,817	$ (666,658)	$ 801,475
Cancelled encumbrances	-	4,053		
Unencumbered cash (deficit), end of year	$ 134,817	$ (58,847)	$ (1,289,585)	$ 1,230,738

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

SPECIAL PARKS AND RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
State of Kansas liquor tax	$ 142,111	$ 136,325	$ 145,888	$ (9,563)
Expenditures:				
Contractual services	-	-	$ 100,000	$ 100,000
Operating transfers out	45,833	150,000	-	(150,000)
Total expenditures	45,833	150,000	$ 100,000	$ (50,000)
Receipts over (under) expenditures	96,278	(13,675)		
Unencumbered cash, beginning of year	167,722	264,000	$ 254,997	$ 9,003
Unencumbered cash, end of year	$ 264,000	$ 250,325	$ 300,885	$ (50,560)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

SPECIAL ALCOHOL AND DRUG FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
State of Kansas liquor tax	$ 142,111	$ 136,326	$ 145,888	$ (9,562)
Expenditures:				
Contractual services	150,947	172,700	$ 172,700	$ -
Receipts over (under) expenditures	(8,836)	(36,374)		
Unencumbered cash, beginning of year	52,716	43,880	$ 69,990	$ (26,110)
Unencumbered cash, end of year	$ 43,880	$ 7,506	$ 43,178	$ (35,672)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

ALCOHOL AND DRUG SAFETY ACTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts	$ -	$ -	$ -	$ -
Expenditures	-	-	$ -	$ -
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	8,867	8,867	$ -	$ 8,867
Unencumbered cash, end of year	$ 8,867	$ 8,867		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

DEVELOPMENT AND GROWTH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Lottery revenues	$ 709,575	$ 672,697	$ 700,000	$ (27,303)
State grants	-	105,687	-	105,687
Total receipts	709,575	778,384	$ 700,000	$ 78,384
Expenditures:				
Principal	20,000	20,000	$ -	$ (20,000)
Interest	5,470	5,270	-	(5,270)
Contractual services	439,733	362,828	-	(362,828)
Capital outlay	1,043,619	223,420	1,000,000	776,580
Operating transfers out	-	57,000	57,000	-
Total expenditures	1,508,822	668,518	$ 1,057,000	$ 388,482
Receipts over (under) expenditures	(799,247)	109,866		
Unencumbered cash, beginning of year	973,644	174,397	$ 916,644	$ (742,247)
Unencumbered cash, end of year	$ 174,397	$ 284,263	$ 559,644	$ (275,381)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

CAPITAL IMPROVEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	$ 1,162,182	$ 1,613,729	$ 1,660,116	$ (46,387)
Motor vehicle	21,833	134,112	155,516	(21,404)
Recreational vehicle	126	798	937	(139)
16/20M truck	-	-	416	(416)
Delinquent	6,476	11,741	5,500	6,241
Commercial vehicle tax	1,257	7,662	8,174	(512)
Watercraft	-	-	526	(526)
Rent & leases	15,588	20,784	-	20,784
Operating transfers in	478,134	-	500,000	(500,000)
Total receipts	1,685,596	1,788,826	$ 2,331,185	$ (542,359)
Expenditures:				
Administration capital outlay	-	-	$ 2,350,000	$ 2,350,000
Police:				
Contractual services	-	11,869	-	(11,869)
Capital outlay	-	74,815	-	(74,815)
Public works capital outlay	331,620	316,260	-	(316,260)
Cemetery capital outlay	300,667	436,726	-	(436,726)
Recreation capital outlay	39,647	1,604,820	-	(1,604,820)
Total expenditures	671,934	2,444,490	$ 2,350,000	$ (94,490)
Receipts over (under) expenditures	1,013,662	(655,664)		
Unencumbered cash, beginning of year	1,005,027	2,018,689	$ 18,815	$ 1,999,874
Unencumbered cash, end of year	$ 2,018,689	$ 1,363,025		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

ALL NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	Sales tax organizations	Sales tax depreciation and replacement	Sales tax event	Hilmar bioscience district
Receipts:				
In lieu of tax	$ -	$ -	$ -	$ 1,355,845
Local sales tax	-	-	-	-
Transient guest tax	-	-	-	-
Fines and forfeitures	-	-	-	-
Rent	-	-	-	-
Charges for service	-	-	-	-
Interest	-	-	-	-
Federal aid	-	-	-	-
Contributions & donations	-	-	-	-
Sale of labor, materials and land	-	-	-	-
Other	-	-	-	-
Insurance recoveries	-	-	-	-
Operating transfers in	710,000	250,000	200,000	-
Total receipts	710,000	250,000	200,000	1,355,845
Expenditures:				
Personal services	-	-	-	-
Contractual services	437,117	-	150,000	-
Commodities	-	-	-	-
Capital outlay	-	891,563	-	-
Reimburse development costs	-	-	-	-
Lease payments	-	-	-	-
Operating transfers out	250,000	-	-	-
Total expenditures	687,117	891,563	150,000	-
Receipts over (under) expenditures	22,883	(641,563)	50,000	1,355,845
Unencumbered cash (deficit), beginning of year	617,070	1,755,652	5,070	21,148
Unencumbered cash (deficit), end of year	$ 639,953	$ 1,114,089	$ 55,070	$ 1,376,993

Rural housing incentive district	Transient guest tax	Street sales tax	Special law enforcement trust	Economic development revolving	Hoover trust	Roof insurance repairs	Medical insurance reserve
$ 960,492	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	4,020,453	-	-	-	-	-
-	457,930	-	-	-	-	-	-
-	-	-	7,106	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,244,633
-	-	-	-	714	7,270	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
960,492	457,930	4,020,453	7,106	714	7,270	-	2,244,633
-	-	-	-	-	-	-	776,679
-	382,836	2,736	7,244	-	-	99,185	2,285,946
-	-	140	-	-	-	-	-
-	-	5,553,037	-	-	-	-	-
499,788	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	848,000	-	-	-	-	-
499,788	382,836	6,403,913	7,244	-	-	99,185	3,062,625
460,704	75,094	(2,383,460)	(138)	714	7,270	(99,185)	(817,992)
(822,227)	670,559	1,514,661	72,589	4,213	147,845	99,185	3,598,467
$ (361,523)	$ 745,653	$ (868,799)	$ 72,451	$ 4,927	$ 155,115	$ -	$ 2,780,475

CITY OF DODGE CITY, KANSAS

ALL NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS (CONTINUED)

For the Year Ended December 31, 2025

	CDBG - CV grant	Capital equipment reserve	Hilmar	GREAT
Receipts:				
In lieu of tax	$ -	$ -	$ -	$ -
Local sales tax	-	-	-	-
Transient guest tax	-	-	-	-
Fines and forfeitures	-	-	-	-
Rent	-	-	-	-
Charges for service	-	-	-	-
Interest	-	-	-	-
Federal aid	68,836	-	-	-
Contributions & donations	-	6,000	-	78,652
Sale of labor, materials and land	-	-	-	-
Other	-	10,210	-	-
Insurance recoveries	-	44,163	-	-
Operating transfers in	-	-	-	-
Total receipts	68,836	60,373	-	78,652
Expenditures:				
Personal services	-	-	-	-
Contractual services	68,836	-	-	-
Commodities	-	-	-	5,418
Capital outlay	-	1,473,670	-	-
Reimburse development costs	-	-	-	-
Lease payments	-	106,566	-	-
Operating transfers out	-	-	-	-
Total expenditures	68,836	1,580,236	-	5,418
Receipts over (under) expenditures	-	(1,519,863)	-	73,234
Unencumbered cash (deficit), beginning of year	-	(829,517)	-	39,205
Unencumbered cash (deficit), end of year	$ -	$ (2,349,380)	$ -	$ 112,439

See Independent Auditor's Report.

Fire CPR Training	Municipal band	SMPC trust	Depot	Civil asset forfeiture	Public art	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ 2,316,337
-	-	-	-	-	-	4,020,453
-	-	-	-	-	-	457,930
-	-	-	-	6,612	-	13,718
-	-	-	777	-	-	777
6,566	-	-	-	-	-	2,251,199
-	-	-	-	-	-	7,984
-	-	-	-	-	-	68,836
-	-	11,250	1,760	-	-	97,662
-	-	-	24,200	-	-	24,200
-	-	-	-	-	-	10,210
-	-	-	-	-	-	44,163
-	18,500	-	250,000	-	36,592	1,465,092
6,566	18,500	11,250	276,737	6,612	36,592	10,778,561
-	-	-	-	-	-	776,679
-	18,708	-	85,224	-	2,750	3,540,582
-	1,546	-	62,441	-	-	69,545
-	-	-	1,622	-	-	7,919,892
-	-	-	-	-	-	499,788
-	-	-	-	-	-	106,566
-	-	-	-	-	-	1,098,000
-	20,254	-	149,287	-	2,750	14,011,052
6,566	(1,754)	11,250	127,450	6,612	33,842	(3,232,491)
37,626	10,598	240,306	454,438	10,627	7,769	7,655,284
$ 44,192	$ 8,844	$ 251,556	$ 581,888	$ 17,239	$ 41,611	$ 4,422,793

CITY OF DODGE CITY, KANSAS

SPECIAL PURPOSE GRANT FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	PD Grants	Runway 220	Police body worn cameras	Minibus grant 2020-21
Receipts:				
Federal grants and aid	$ 327,000	$ 922,771	$ -	$ -
State grants and aid	-	-	-	-
Contributions & donations	-	48,568	-	-
Operating transfers in	-	-	-	-
Total receipts	327,000	971,339	-	-
Expenditures:				
Personal services	-	-	-	-
Contractual services	-	-	-	-
Commodities	-	-	-	-
Capital outlay	-	3,198,505	-	-
Operating transfers out	-	-	-	54,771
Total expenditures	-	3,198,505	-	54,771
Receipts over (under) expenditures	327,000	(2,227,166)	-	(54,771)
Unencumbered cash (deficit), beginning of year	(377,130)	(78,604)	7,819	54,771
Unencumbered cash (deficit), end of year	$ (50,130)	$ (2,305,770)	$ 7,819	$ -

Minibus grant 2021-22	Minibus grant 2022-23	Minibus grant 2023-24	KHRC moderate income housing	Safe streets for all grant	Opioid
$ -	$ -	$ -	$ -	$ -	$ -
-	-	465,658	475,000	-	48,064
-	-	20,127	-	-	-
-	-	284,771	-	-	
-	-	770,556	475,000	-	48,064
-	-	654,368	-	71,384	-
-	-	103,063	430,000	-	-
-	-	116,507	-	-	-
-	-	113	-	-	-
-	-	-	-	-	-
-	-	874,051	430,000	71,384	-
-	-	(103,495)	45,000	(71,384)	48,064
-	-	(215,257)	-	(226,326)	163,998
$ -	$ -	$ (318,752)	$ 45,000	$ (297,710)	$ 212,062

CITY OF DODGE CITY, KANSAS

SPECIAL PURPOSE GRANT FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	Downtown kiosk	USDA rural business development	Total
Receipts:			
Federal grants and aid	$ -	$ -	$ 1,249,771
State grants and aid	-	-	988,722
Contributions & donations	-	-	68,695
Operating transfers in	-	-	284,771
Total receipts	-	-	2,591,959
Expenditures:			
Personal services	-	-	725,752
Contractual services	-	-	533,063
Commodities	-	-	116,507
Capital outlay	23,058	-	3,221,676
Operating transfers out	-	-	54,771
Total expenditures	23,058	-	4,651,769
Receipts over (under) expenditures	(23,058)	-	(2,059,810)
Unencumbered cash (deficit), beginning of year	9,918	(95,109)	(755,920)
Unencumbered cash (deficit), end of year	$ (13,140)	$ (95,109)	$ (2,815,730)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

GO BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 1,996,993	$ 2,126,297	$ 2,199,078	$ (72,781)
Motor vehicle tax	282,669	283,277	266,946	16,331
Recreational vehicle tax	2,837	1,738	1,609	129
16/20M truck tax	-	-	714	(714)
Delinquent tax	48,233	37,058	50,000	(12,942)
Commercial vehicle tax	17,057	15,117	14,031	1,086
Watercraft	-	-	904	(904)
Special assessments	817,582	936,639	889,404	47,235
Bond proceeds	910,300	-	-	-
Operating transfers in	836,046	1,086,445	1,212,050	(125,605)
Total receipts	4,911,717	4,486,571	$ 4,634,736	$ (148,165)
Expenditures:				
Bond principal	3,098,900	3,279,750	$ 3,219,750	$ (60,000)
Other financing payments	-	-	200,000	200,000
Interest	1,393,534	1,377,337	1,266,926	(110,411)
Operating transfers out	-	152,898	-	(152,898)
Total expenditures	4,492,434	4,809,985	$ 4,686,676	$ (123,309)
Receipts over (under) expenditures	419,283	(323,414)		
Unencumbered cash, beginning of year	39,779	459,062	$ 51,940	$ 407,122
Unencumbered cash, end of year	$ 459,062	$ 135,648		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

NON-BUDGETED BOND AND INTEREST FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	Cost of issuance	Special events center revenue bonds	Water park revenue bonds
Receipts:			
Bond proceeds	$ 339,779	$ -	$ -
Investment income (loss)	-	145,710	38,428
Operating transfers in	-	2,860,321	682,341
Total receipts	339,779	3,006,031	720,769
Expenditures:			
Principal	-	1,785,000	475,000
Interest	-	1,012,525	208,700
Debt issuance costs	206,577	-	-
Operating transfers out	-	-	-
Total expenditures	206,577	2,797,525	683,700
Receipts over (under) expenditures	133,202	208,506	37,069
Unencumbered cash, beginning of year	628,773	4,427,429	1,071,168
Unencumbered cash, end of year	$ 761,975	$ 4,635,935	$ 1,108,237

See Independent Auditor's Report.

Water temp notes	Water & wastewater revenue bonds	Total
$ -	$ -	$ 339,779
-	-	184,138
-	-	3,542,662
-	-	4,066,579
-	-	2,260,000
-	-	1,221,225
-	-	206,577
17,409	373,206	390,615
17,409	373,206	4,078,417
(17,409)	(373,206)	(11,838)
17,409	373,206	6,517,985
$ -	$ -	$ 6,506,147

CITY OF DODGE CITY, KANSAS

CAPITAL PROJECT FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	Municipal services building	Construction fire station #2	First National Bank building	GO bonds 2025
Receipts:				
Debt proceeds	$ -	$ -	$ -	$ 9,218,459
Federal grants	-	-	-	-
State grants and aid	-	-	-	-
Contributions & donations	90,031	-	-	-
Operating transfers in	-	-	-	-
Total receipts	90,031	-	-	9,218,459
Expenditures:				
Interest	-	-	-	-
Public works:				
Contractual services	-	-	-	287,698
Capital outlay	-	-	-	463,919
Capital project:				
Contractual services	269,628	322,230	689,329	-
Commodities	77,687	200	8,385	-
Capital outlay	107,283	-	-	-
Operating transfers out	-			36,592
Total expenditures	454,598	322,430	697,714	788,209
Receipts over (under) expenditures	(364,567)	(322,430)	(697,714)	8,430,250
Unencumbered cash (deficit), beginning of year	(301,269)	(150,329)	(19,345)	-
Cancelled encumbrances	20,528	-	-	-
Unencumbered cash (deficit), end of year	$ (645,308)	$ (472,759)	$ (717,059)	$ 8,430,250

GO bonds 2018	GO bonds 2013	Managed aquifer recharge project	GO bonds 2016	GO bonds 2017	GO bonds 2020
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,279,093	-	-	-
-	-	-	-	-	49,790
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	256,986
-	-	1,279,093	-	-	306,776
-	-	(1,279,093)	-	-	(306,776)
111,422	781,362	-	135,595	459,250	327,532
-	-	-	-	-	-
$ 111,422	$ 781,362	$ (1,279,093)	$ 135,595	$ 459,250	$ 20,756

CITY OF DODGE CITY, KANSAS

CAPITAL PROJECTS FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	GO bonds 2022	Star bond power center	Temporary notes 15th Avenue
Receipts:			
Debt proceeds	$ -	$ -	$ 1,346,932
Federal grants	-	-	-
State grants and aid	-	530,822	-
Contributions & donations	-	-	-
Operating transfers in	-	-	-
Total receipts	-	530,822	1,346,932
Expenditures:			
Interest	-	-	-
Public works:			
Contractual services	-	-	154
Capital outlay	207,515	-	766,032
Capital project:			
Contractual services	-	7,660	-
Commodities	-	-	-
Capital outlay	-	3,971,095	-
Operating transfers out	2,888,772	-	-
Total expenditures	3,096,287	3,978,755	766,186
Receipts over (under) expenditures	(3,096,287)	(3,447,933)	580,746
Unencumbered cash (deficit), beginning of year	7,809,911	(6,780,881)	79,293
Cancelled encumbrances	-	-	-
Unencumbered cash (deficit), end of year	$ 4,713,624	$ (10,228,814)	$ 660,039

Candletree 6 infrastructure	Temporary notes Candletree	United Village	KLETC project	Boot Hill museum
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	12,000
-	-	-	152,898	-
-	-	-	152,898	12,000
-	-	343,984	-	-
-	58,183	-	-	-
-	(89,428)	2,135,786	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(31,245)	2,479,770	-	-
-	31,245	(2,479,770)	152,898	12,000
(1,000)	1,251,954	3,527,944	(152,898)	(613,295)
1,000	-	-	-	-
$ -	$ 1,283,199	$ 1,048,174	$ -	$ (601,295)

CITY OF DODGE CITY, KANSAS

CAPITAL PROJECTS FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	Airport terminal renovation	Wagon Wheel III	Iron Flats	McCaustland Rd #2
Receipts:				
Debt proceeds	$ -	$ -	$ 314,885	$ -
Federal grants	4,145,173	-	-	-
State grants and aid	218,166	-	-	-
Contributions & donations	-	-	-	-
Operating transfers in	-	272,347	2,616,425	-
Total receipts	4,363,339	272,347	2,931,310	-
Expenditures:				
Interest	-	-	140,250	-
Public works:				
Contractual services	4,190,700	-	-	-
Capital outlay	301,541	-	(18,863)	-
Capital project:				
Contractual services	-	-	-	-
Commodities	-	-	-	-
Capital outlay	-	-	-	-
Operating transfers out	-	-	-	-
Total expenditures	4,492,241	-	121,387	-
Receipts over (under) expenditures	(128,902)	272,347	2,809,923	-
Unencumbered cash (deficit), beginning of year	(2,709,093)	(272,347)	(2,809,923)	82,150
Cancelled encumbrances	-	-	-	-
Unencumbered cash (deficit), end of year	$ (2,837,995)	$ -	$ -	$ 82,150

See Independent Auditor's Report.

Casa Del Rio	GO bonds 2023	GO bonds 2024	Wastewater treatment plant	Total
$ -	$ -	$ -	$ 8,317,500	$ 19,197,776
-	-	-	-	4,145,173
-	-	-	-	748,988
-	-	-	-	102,031
63,206	-	-	-	3,104,876
63,206	-	-	8,317,500	27,298,844
-	-	-	-	484,234
-	94,962	56,000	-	5,966,790
-	816,175	593,827	-	5,226,294
-	-	-	1,580,018	2,868,865
-	-	-	-	86,272
-	-	-	261,391	4,339,769
-	63,206	-	-	3,182,350
-	974,343	649,827	1,841,409	22,154,574
63,206	(974,343)	(649,827)	6,476,091	5,081,064
(63,206)	1,168,840	1,777,466	(8,041,122)	(4,401,989)
-	-	-	-	21,528
$ -	$ 194,497	$ 1,127,639	$ (1,565,031)	$ 700,603

CITY OF DODGE CITY, KANSAS

WATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Sale of water	$ 6,780,941	$ 6,911,492	$ 7,300,000	$ (388,508)
Rent & leases	22,930	24,907	30,000	(5,093)
Other	20,232	9,517	10,000	(483)
Interest	354,467	337,314	350,000	(12,686)
Sale of scrap	12,171	-	-	-
Sale of labor and materials	387,609	423,259	280,000	143,259
Insurance recoveries	40,450	73,401	-	73,401
Total receipts	7,618,800	7,779,890	$ 7,970,000	$ (190,110)
Expenditures:				
Bond principal	1,596,100	265,250	$ 265,250	$ -
Interest	97,862	47,300	78,545	31,245
Personal services	645,365	898,318	797,122	(101,196)
Contractual services	1,384,947	1,767,956	974,250	(793,706)
Commodities	535,251	1,053,472	980,000	(73,472)
Capital outlay	1,249,369	2,615,622	5,000,000	2,384,378
Other	(21,022)	(17,439)	15,000	32,439
Utility administration	-	-	190,000	190,000
Operating transfers out	855,016	2,328,797	1,008,095	(1,320,702)
Total expenditures	6,342,888	8,959,276	$ 9,308,262	$ 348,986
Receipts over (under) expenditures	1,275,912	(1,179,386)		
Unencumbered cash, beginning of year	6,249,007	7,524,919	$ 7,322,329	$ 202,590
Cancelled encumbrances	-	40,500		
Unencumbered cash, end of year	$ 7,524,919	$ 6,386,033	$ 5,984,067	$ 401,966

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

WASTEWATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Sewage service charges	$ 7,876,970	$ 8,473,195	$ 7,500,000	$ 973,195
Rent & leases	3,760	8,137	10,000	(1,863)
National Beef bond payment	-	555,890	1,111,779	(555,889)
Interest	214,279	162,612	240,000	(77,388)
Sale of labor and materials	-	-	5,000	(5,000)
Operating transfers in	458,333	373,206	500,000	(126,794)
Total receipts	8,553,342	9,573,040	$ 9,366,779	$ 206,261
Expenditures:				
Bond principal	1,190,000	1,235,000	$ 1,187,400	$ (47,600)
Interest	523,193	1,422,093	371,263	(1,050,830)
Utilities:				
Collection - personal services	310,469	360,441	291,913	(68,528)
Collection - contractual services	152,190	286,126	40,000	(246,126)
Collection - commodities	34,040	31,812	28,000	(3,812)
Collection - capital outlay	16,369	1,269	295,000	293,731
Collection - other	20,008	25,142	25,000	(142)
Treatment - contractual services	3,901,944	4,943,344	4,500,000	(443,344)
Treatment - commodities	82	-	2,500	2,500
Treatment - capital outlay	40,672	100,998	341,000	240,002
Utility administration	-	-	190,000	190,000
Operating transfers out	730,155	1,969,312	898,610	(1,070,702)
Total expenditures	6,919,122	10,375,537	$ 8,170,686	$ (2,204,851)
Receipts over (under) expenditures	1,634,220	(802,497)		
Unencumbered cash, beginning of year	3,483,272	5,117,492	$ 5,508,940	$ (391,448)
Unencumbered cash, end of year	$ 5,117,492	$ 4,314,995	$ 6,705,033	$ (2,390,038)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

BIOGAS OPERATIONS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Sale of methane gas - energy credits	$ 4,445,815	$ 2,926,721	$ 7,762,095	$ (4,835,374)
Expenditures:				
Bond principal	726,523	747,229	$ 903,496	$ 156,267
Interest	161,143	142,266	-	(142,266)
Debt service fees	15,615	14,432	-	(14,432)
Contractual services	1,480,327	725,081	2,737,000	2,011,919
Capital outlay	889,567	525,139	800,000	274,861
Operating transfers out	1,649,999	850,000	1,800,000	950,000
Total expenditures	4,923,174	3,004,147	$ 6,240,496	$ 3,236,349
Receipts over (under) expenditures	(477,359)	(77,426)		
Unencumbered cash (deficit), beginning of year	(377,178)	(854,537)	$ 1,721,433	$ (2,575,970)
Unencumbered cash (deficit), end of year	$ (854,537)	$ (931,963)	$ 3,243,032	$ (4,174,995)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

SOLID WASTE UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Service fees - sanitation	$ 2,676,988	$ 2,847,739	$ 2,500,000	$ 347,739
Yard waste	142,713	150,418	135,000	15,418
Container	918	482	1,000	(518)
Interest	62,768	35,318	40,000	(4,682)
Sale of recyclables	70,280	54,032	45,000	9,032
Other	(363)	-	75,400	(75,400)
Total receipts	2,953,304	3,087,989	$ 2,796,400	$ 291,589
Expenditures:				
Utilities:				
Collection - personal services	1,032,300	1,174,173	$ 1,037,503	$ (136,670)
Collection - contractual services	826,188	1,012,076	660,000	(352,076)
Collection - commodities	189,527	241,979	149,300	(92,679)
Collection - capital outlay	586,669	1,302	575,000	573,698
Collection - other	13,493	15,345	14,000	(1,345)
Collection - lease payment	123,781	123,806	123,800	(6)
Recycling - personal services	239,744	271,206	232,710	(38,496)
Recycling - contractual services	60,942	25,427	61,250	35,823
Recycling - commodities	10,498	17,684	20,950	3,266
Recycling - capital outlay	156,040	-	30,000	30,000
Recycling - building lease purchase	80,851	80,851	80,900	49
Utility administration	-	-	90,333	90,333
Operating transfers out	245,041	265,472	263,472	(2,000)
Total expenditures	3,565,074	3,229,321	$ 3,339,218	$ 109,897
Receipts over (under) expenditures	(611,770)	(141,332)		
Unencumbered cash, beginning of year	997,556	385,786	$ 622,839	$ (237,053)
Unencumbered cash, end of year	$ 385,786	$ 244,454	$ 80,021	$ 164,433

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

DRAINAGE UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Service fees	$ 300,276	$ 312,772	$ 275,000	$ 37,772
Interest	13,237	17,180	-	17,180
Total receipts	313,513	329,952	$ 275,000	$ 54,952
Expenditures:				
Contractual services	17,510	22,409	$ 9,600	$ (12,809)
Commodities	-	-	100	100
Capital outlay	83,553	57,641	175,000	117,359
Other	813	822	1,000	178
Operating transfers out	193,690	223,436	223,436	-
Total expenditures	295,566	304,308	$ 409,136	$ 104,828
Receipts over (under) expenditures	17,947	25,644		
Unencumbered cash, beginning of year	145,124	163,071	$ 115,626	$ 47,445
Unencumbered cash, end of year	$ 163,071	$ 188,715	$ (18,510)	$ 207,225

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

VEHICLE MAINTENANCE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Internal charges	$ 464,003	$ 1,439,204	$ 765,000	$ 674,204
Expenditures:				
Personal services	327,287	357,885	$ 361,771	$ 3,886
Contractual services	88,734	237,908	150,000	(87,908)
Commodities	336,887	367,183	250,000	(117,183)
Capital outlay	20,995	55,909	-	(55,909)
Total expenditures	773,903	1,018,885	$ 761,771	$ (257,114)
Receipts over (under) expenditures	(309,900)	420,319		
Unencumbered cash (deficit), beginning of year	(450,585)	(760,485)	$ (450,568)	$ (309,917)
Unencumbered cash (deficit), end of year	$ (760,485)	$ (340,166)	$ (447,339)	$ 107,173

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

FACILITIES MAINTENANCE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2025

	Facilities maintenance
Receipts:	
Sale of labor and materials	$ 2,453,181
Expenditures:	
Personal services	1,037,966
Contractual services	1,346,437
Commodities	182,042
Capital outlay	43,393
Total expenditures	2,609,838
Receipts over (under) expenditures	(156,657)
Unencumbered cash (deficit), beginning of year	(1,211,616)
Unencumbered cash (deficit), end of year	$ (1,368,273)

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended December 31, 2025

Fund	Beginning cash balance	Receipts	Disbursements	Ending cash balance
Community improvement district fund	$ 415,744	$ 461,227	$ 438,501	$ 438,470
Special obligation debt service 2011	1,135	41,266	42,401	-
Special obligation debt service 2013	812	115,633	114,985	1,460
Special obligation debt service 2014	823	95,491	95,188	1,126
Star bond debt service 2015	1,065,980	2,371,960	2,389,337	1,048,603
Special obligation debt service 2017	694	226,394	225,212	1,876
Special obligation debt service 2018	1,248,754	1,378,965	1,382,406	1,245,313
	$ 2,733,942	$ 4,690,936	$ 4,688,030	$ 2,736,848

See Independent Auditor's Report.

APPENDICES

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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
and City Commissioners
Dodge City, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the City of Dodge City, Kansas, as of and for the year ended December 31, 2025, and the related notes to the financial statement and have issued our report thereon dated September 29, 2026. Our report on the financial statement disclosed that, as described in Note A to the financial statement, the City has prepared this financial statement on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 and 2025-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

City of Dodge City, Kansas' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Dodge City, Kansas' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Dodge City, Kansas' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Kennedy McKee & Company LLP

September 29, 2026

Kennedy
McKee & Company LLP Certified Public Accountants

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

The Honorable Mayor
and City Commissioners
Dodge City, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Dodge City, Kansas' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Dodge City, Kansas' major federal programs for the year ended December 31, 2025. The City of Dodge City, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Dodge City, Kansas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Dodge City, Kansas' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *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 of Dodge City, Kansas' compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Kennedy McKee & Company LLP

September 29, 2026

CITY OF DODGE CITY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2025

Federal grantor/ pass-through grantor/ program title	Assistance listing number	Pass-through/ grantor's number	Expenditures
U.S. Department of Commerce			
Passed through Kansas Department of Commerce:			
Community Development Block Grants	14.218	N/A	$ 68,836
U.S. Department of Transportation			
Federal Aviation Administration			
Reconstruct Runway 2-20 - Design	20.106	3-20-0017-037-2023	2,927,471
Terminal Renovations	20.106	3-20-0017-040-2023	2,896,001
Terminal Renovations	20.106	3-20-0017-040-2023	232,781
Passed through Kansas Department of Transportation:			
Formula Grants for other than Urbanized Areas			
Formula Grants for Rural Areas 2024-2023	20.509	N/A	165,644
Formula Grants for Rural Areas 2025-2026	20.509	N/A	202,176
State and Community Highway Safety	20.600	N/A	4,956
National Priority Safety Program	20.616	N/A	10,621
Total U.S. Department of Transportation			6,439,650
U.S. Department of Justice			
Passed through Kansas Attorney General:			
Crime Victims Compensation Board	16.576	N/A	500
Total federal awards			$ 6,508,986

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

CITY OF DODGE CITY, KANSAS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2025

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the City of Dodge City, Kansas under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirement of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operation of the City of Dodge City, Kansas, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Dodge City, Kansas. The Schedule is presented using a regulatory basis of accounting prescribed by the *Kansas Municipal Audit and Accounting Guide* (as described in Note A to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

B. BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported using the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances.

C. INDIRECT COST RATE

The City of Dodge City, Kansas has not elected to use the 15% de minimis cost rate as allowed under the Uniform Guidance.

D. AWARDS TO SUBRECIPIENTS

There were no awards passed through to subrecipients.

CITY OF DODGE CITY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended December 31, 2025

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an adverse opinion on whether the financial statement of the City of Dodge City, Kansas was prepared in accordance with GAAP.

2. Two significant deficiencies relating to the audit of the financial statement are reported in the 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*. No material weaknesses reported.

3. No instances of noncompliance material to the financial statements of the City of Dodge City, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. No significant deficiencies relating to the audit of the major federal award programs is reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

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

6. Audit findings required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.

7. The program tested as a major program included:

   Airport Improvement Program CFDA 20.106

8. The threshold for distinguishing Type A and Type B programs was $1,000,000.

9. The City of Dodge City did not qualify as a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCY
2025-001 INTERNAL FUND CHARGES

Condition: The City's vehicle maintenance and building maintenance funds have had negative unencumbered cash balances the past three years. Ideally, internal service funds are intended to operate as close as possible to "break even" – neither undercharging nor overcharging the internal customer receiving services. The City converted accounting software in the prior year resulting in delayed internal service charge reports being submitted to the City Finance Department.

Criteria: Internal controls should be in place that provide reasonable assurance that internal service charge reports are submitted to the City Finance Department in a timely manner.

Cause: Internal service charge reports were not accurate nor submitted to the City Finance Department in a timely manner.

Effect: The lack of accurate and timely internal service charge reports results in underreported cash receipts in the maintenance funds and underreported expenses in the funds receiving services.

Recommendation: The City should implement deadlines for reporting internal service charge reports to the City Finance Department. The reporting deadline will result in timely recording of internal service charges to the funds receiving internal services.

Views of Responsible Officials and Planned Corrective Actions: City Personnel agree with the finding and will implement the recommendation.

SIGNIFICANT DEFICIENCY
2025-002 BANK RECONCILIATIONS

Condition: Bank reconciliations were not performed accurately, completely, or in a timely manner during the year. We noted several large deposits received via automated clearinghouse that were not recorded in the City's accounting system.

Criteria: Bank reconciliations must be accurately and timely completed to properly report cash receipts and disbursements.

Cause: Unreconciled differences between the book and bank balances were not investigated and adjusted to report accurate cash balances.

Effect: We noted three deposits received from the State of Kansas totaling $989,583 that were not recorded in the accounting system.

Recommendation: We recommend that bank accounts be reconciled and all differences between book and bank balances be investigated on a timely basis so errors and adjustments can be quickly identified and corrected. We also recommend the reconciliations be reviewed by a supervisor to verify the reconciliation is accurate and complete.

B. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

SIGNIFICANT DEFICIENCY
2025-002 BANK RECONCILIATIONS

Views of Responsible Officials and Planned Corrective Actions: City Personnel agree with the finding and will implement the recommendation.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

NONE NOTED

CITY OF Dodge City

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended December 31, 2025

FINDINGS AND QUESTIONED COSTS – Financial Statement Audit

Significant Deficiency
2024-001 Internal Service Funds

Condition: The City's vehicle maintenance and building maintenance funds have had negative unencumbered cash balances the past two years. Ideally, internal service funds are intended to operate as close as possible to "break even" – neither undercharging nor overcharging the internal customer receiving services. The City converted accounting software in the prior year resulting in delayed internal service charge reports being submitted to the City Finance Department.

Recommendation: The City should implement deadlines for reporting internal service charge reports to the City Finance Department. The reporting deadline will result in timely recording of internal service charges to the funds receiving internal services.

Current Status: The condition is still present. A similar finding was noted in the 2025 audit as finding 2025-001.

Sincerely yours,

Nicole May

Nicole May
Finance Director
100 Chaffin Rd.
Dodge City, KS 67801