City of Gardner, Kansas

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2024

GARDNER
KANSAS



About the cover

Celebrating Growth and Development in Gardner

The City of Gardner is committed to creating a thriving, forward-thinking community—one where a high quality of life is prioritized, infrastructure is strong and resilient and economic development drives opportunity and advancement.

Achieving this vision requires continuous progress—and Gardner is delivering. As one of the fastest-growing cities in the region, we are actively welcoming new businesses and services that enrich our community and fuel economic momentum. One exciting addition is HTeaO, a Texas-based chain with over 100 locations nationwide. Gardner is proud to be home to the first HTeaO location on the Kansas side of the metro, demonstrating Gardner's growing appeal as a destination for businesses.

None of this growth would be possible without strategic investments in our infrastructure. This is why the city has launched a major expansion of our Wastewater Treatment Plant. This vital infrastructure project will enhance our sewer capacity to meet the needs of both current residents and future development, ensuring that our city's backbone remains strong and reliable.

With bold economic development initiatives and critical infrastructure investments, the City of Gardner is turning vision into reality—one step, one project and one success at a time.

GARDNER KANSAS

CITY OF GARDNER, KANSAS

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Prepared by the Finance Department

Fiscal Services Division

Matt Wolff, Finance Director

Nancy Torneden, Fiscal Services Manager

Jackie Schulz, Senior Accountant

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CITY OF GARDNER, KANSAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended December 31, 2024

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ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended

December 31, 2024

INTRODUCTORY SECTION

June 6, 2025

The Honorable Mayor, City Council, Citizens,
Taxpayers, and Other Interested Parties of the
City of Gardner, Kansas:

We are pleased to present the Annual Comprehensive Financial Report of the City of Gardner (City) for the fiscal year ended December 31, 2024. The report was prepared by the City's Finance Department. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

City management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal requirements of Kansas Statutes. Activities of the General Fund, special revenue funds (unless exempted by a specific statute), enterprise funds, and the Debt Service Fund are included in the annual appropriated budget, as required by Kansas Statutes. Spending in funds, which are not subject to said Statutes, are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the City.

As demonstrated by the statements and schedules included in the Financial Section of this report, the City continues to meet its responsibility for sound financial management.

Kansas Statutes Annotated 75-1122 requires an annual audit of the accounts, financial records, and transactions of all administrative departments of the City by independent certified public accountants. The accounting firm of Allen, Gibbs & Houlik, L.C. was selected by the City Council. Allen, Gibbs & Houlik, L.C. issued an unmodified ("clean")

opinion on the City of Gardner's financial statements for the year ended December 31, 2024. The independent auditor's report on the financial statements is included in the Financial Section of this report.

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

Profile of the Government

The City of Gardner was established on March 16, 1858 and came under the jurisdiction of the State of Kansas in 1861. The City was incorporated as a Municipal Corporation of the third class in January 1887 and as a Municipal Corporation of the second class in December 2002. The City is located in Johnson County, Kansas, along Interstate 35, about 25 miles southwest of downtown Kansas City, Missouri. Johnson County is the largest county in Kansas with a population of approximately 632,276.

Located on the edge of the Kansas City metropolitan area, the City of Gardner serves as a suburban residential community for individuals employed throughout the metro, as well as the surrounding rural agricultural region. Recently, Gardner was recognized as the fastest-growing city in the metro among those with populations of at least 20,000. The city encompasses approximately 15.02 square miles, with an estimated population of 28,187.

The City has a Mayor-Council-Administrator form of government. There are five members of the City Council; the Mayor and Council Members are elected on an at-large ballot to serve a four-year term on a staggered basis.

Gardner provides a full range of services including police protection and codes enforcement through its Police Department, fire services provided by Johnson County Fire District No. 1, and ambulance services provided by Johnson County Med-Act. The City provides municipal electric, water, and wastewater services, street maintenance, and engineering. Other services include planning, zoning, municipal court, comprehensive parks and recreational activities and facilities, general administrative services, and a municipal airport.

The Governmental Accounting Standards Board has established criteria to determine the financial reporting entity for a municipal government's financial report. This criterion is used to examine the relationship of the City to other associated, but legally separate, entities to determine if their inclusion in this report would be necessary to fairly present the financial position of the City. This criterion generally has to do with the financial

benefit or burden and levels of influence over the activities of these associated, but legally separate, entities.

Using said criterion, it was determined that the City has a blended component unit. The blended component unit - the Public Building Commission (PBC) - although a legally separate entity, is, in substance, part of the City's operations. In 2024, there was no fund balance or activity to report for the PBC.

Economic Condition and Outlook

2025 projections from the county appraiser indicate significant growth in assessed valuation, at 8.28% for taxable properties. Based on the 2024 projections, the City's overall market value increased from $3.025 billion to $3.214 billion, an additional 6.24%.

In 2024, Gardner saw the issuance of 990 building and improvement project permits valued at $60.08 million in valuation. This included 142 new single-family homes. Final Development Plan and Final Plat approvals for residential projects during 2024 totaled 302 multi-family units and 323 new single-family lots of future development inventory.

The City's financial capacity and ability to leverage its municipally owned utilities, combined with ample undeveloped land around Gardner's two interchanges on Interstate 35, position the City as a central point for commerce and additional growth. The city is also in close proximity to a several thousand-acre railroad and logistics park - an inland port supporting the global supply chain - on its western border and a premiere multi-modal business park. These adjacent businesses create job opportunities that have contributed to a strong demand for housing throughout the city.

2024 Major Initiatives

In 2024, the City invested in its transportation network to improve safety, mobility, and long-term infrastructure resilience. Key projects included the rehabilitation of Center Street from Warren Street to 167th Street, joint repairs along Locust Street, and neighborhood street maintenance delivered through the 2024 Pavement Management Program. In addition, design work advanced for signal interconnection improvements along the US-56 corridor.

The City remained focused on supporting economic development through strategic infrastructure expansion. Construction began on the Kill Creek Water Resource Recovery Facility, the Winwood Park Relief Sewer Improvements, and upgrades to Gas Turbine Unit 2—projects that will increase the City's wastewater treatment and electric generation capacity. Design efforts progressed on the Cedar Niles Lift Station and Forcemain, as well

as Electric Substation 4, both of which will serve future development in the City's southeast growth area.

To further support operational efficiency and accommodate future utility demands, the City began construction of a new Utilities Maintenance Building, designed to better align with current and future service needs.

Future/Planned Initiatives

In 2025, the City plans to make additional investments in its transportation network. Planned projects include the US-56 Signal Interconnection Project, I-35 and US-56 Interchange Improvements, the design of 167th Street from Center Street to Moonlight Road, and the design of 175th Street from I-35 to Clare Road. Additional planned projects include construction of the Gardner Road Bridge, rehabilitation of Cherokee Drive from the west city limits to Center Street, and implementation of the 2025 Street Maintenance Program.

To support new development and recently annexed areas, the City plans to advance several utility infrastructure projects focused on system growth. These include the continued construction of the Kill Creek Water Resource Recovery Facility Phase II Expansion, ongoing work on the Winwood Park Relief Sewer, and upgrades to Gas Turbine Unit 2. Construction is also expected to begin on the Cedar Niles Lift Station and Forcemain, Electric Substation 4, the Substation 1 T2 Controls Upgrade, the Donovan Lift Station, and the Clare Road 3-Phase Underground Powerline Extension.

The City expects to initiate planning and design for key long-term infrastructure improvements, including the Kill Creek Interceptor, a new water intake structure at Hillsdale Lake, a new water transmission line, and the development of a new Wastewater Master Plan to guide future investments.

In parallel with expansion efforts, the City remains committed to maintaining its existing utility infrastructure. In 2025, planned maintenance initiatives include improvements to the Clearwell and rehabilitation of the 183rd Tower—critical projects aimed at ensuring continued reliability and high-quality service delivery.

Financial Planning

The General Fund balance met and exceeded the City's target fund balance for the General Fund of 30% of expenditures. This level of fund balance exceeded the Government Finance Officers Association's "best practice" recommendation "of no less than two months of regular general fund operating revenues or regular general fund operating expenditures" (or 16.67%).

The City is reevaluating its water rate schedule in light of updated cost projections for the Water Utility's five-year Capital Improvement Program. As a result, the originally planned annual increase of 3.7% through 2030 may be adjusted to 4.7% annually through 2031. Wastewater rates will continue to increase by 4.2% annually through 2031, as previously planned, to support ongoing expansion of the Kill Creek Water Resource Recovery Facility and other system improvements. No changes are currently planned for electric rates.

The City remains committed to sound financial oversight and will continue to monitor reserve levels closely. Management is prepared to take action as needed to preserve the City's strong financial standing, as demonstrated by past performance and its current AA-/Stable credit rating from Standard & Poor's.

Awards/Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Excellence in Financial Reporting to the City of Gardner for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. This was the twentieth consecutive year that the City has achieved this prestigious award. In order to receive this award, the City must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

Additionally, the City has received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended December 31, 2023. In order to receive this award, a government must publish a Popular Annual Financial report whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

The City received the GFOA Distinguished Budget Presentation Award for the fiscal year beginning January 1, 2024. This is the tenth consecutive year the City has earned the budget presentation award. The award reflects the commitment of the Governing Body and staff to meet the highest principles of governmental budgeting. In order to receive the budget award, the City had to satisfy nationally recognized guidelines for effective budget presentation.

Each of these awards from GFOA are valid for only one year. We believe our current Annual Comprehensive Financial Report continues to conform to the Certificate of Achievement Programs requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. We intend to submit the Popular Annual Financial Report and Budget Document as well.

The preparation of this Annual Comprehensive Financial Report could not have been accomplished without the cooperation and support of the Governing Body in maintaining the highest standards of professionalism in the management of Gardner's finances. In addition, special thanks are extended to Administration, other City departments, external auditors, and for the efficient, dedicated efforts of the entire staff of the City's Finance Department.

Sincerely,

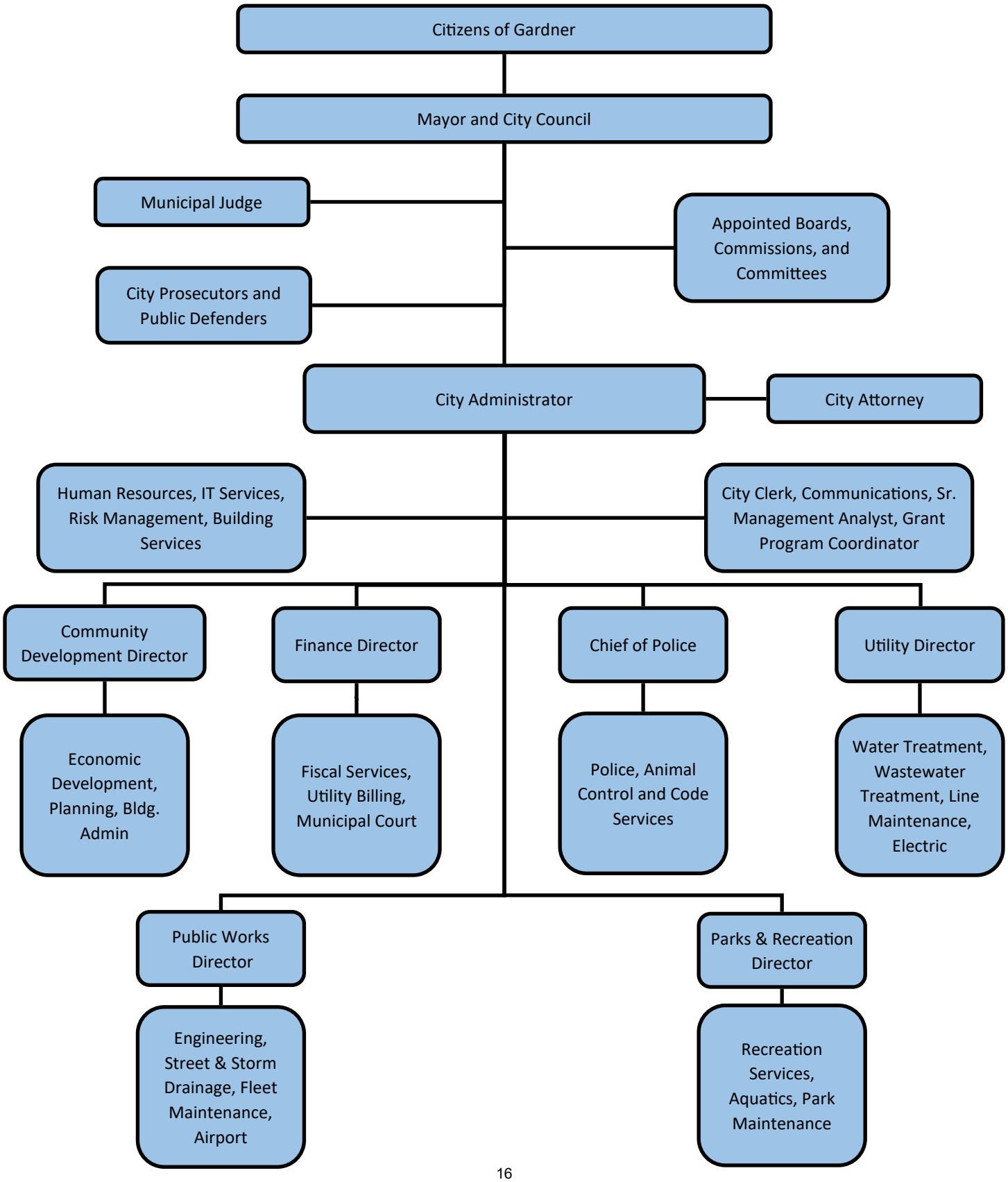




James Pruetting
City Administrator

Matthew Wolff
Finance Director

City of Gardner
Organizational Chart
December 31, 2024



City of Gardner, Kansas

List of Elected and Appointed Officials

December 31, 2024

Elected Officials

		Term Expires
Mayor	Todd Winters	2025
Council President	Mark Baldwin	2025
Council Vice President	Kacy Deaton	2027
Councilmember	Steve Shute	2025
Councilmember	Steve McNeer	2027
Councilmember	Mark Wiehn	2027

Appointed Officials

City Administrator	Jim Pruetting
City Clerk	Renee Rich
Municipal Judge	Robin Lewis
Lead Prosecutor	Nora Cooper
City Prosecutor	Zach Thomas
City Attorney	Ryan Denk
Community Development Director	David Knopick
Finance Director	Matthew Wolff
Public Works Director	Kellen Headlee
Chief of Police	Pam Waldeck
Parks and Recreation Director	Jason Bruce
Utility Director	Gonzalo Garcia

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Gardner
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended

December 31, 2024

FINANCIAL SECTION

AGH
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council Members
City of Gardner, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gardner, Kansas (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gardner, Kansas, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the 2023 financial statements have been restated in connection with the implementation of GASB Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information consists of the introductory, statistical and annual operating data sections as listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial

reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Overland Park, KS
June 6, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Gardner (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, the City's basic financial statements and the related notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2024 by $176,541,151 *(net position).* Of this amount, $17,026,798 *(unrestricted net position)* may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $10,355,223 or 6.2% during the fiscal year. Its governmental activities net position increased by $6.25 million or 8.7%, while the net position of its business-type activities saw an increase of $4.10 million or 4.4%.

- As of the close of 2024, the City's governmental funds reported combined ending fund balances of $28,624,861. Approximately 29% of this total amount, $8,269,330, is fund balance available to meet the City's current and future needs.

- At the close of the current fiscal year, fund balance for the City's primary operating fund, the general fund, was $9,719,990 or 53% of the total general fund revenues of $18,228,285.

- The City's total long-term debt decreased $6,714,441 during the current fiscal year. The City issued $2,490,000 of new debt during the current fiscal year. Of this, $1,055,000 was for bond anticipation notes to temporarily finance certain utility improvements and $1,435,000 was for the definitive financing of previous bond anticipation notes. The new debt issued was offset by the retirement of existing debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's financial report consists of the following parts:

- Management's discussion and analysis;
- The basic financial statements, which include the government-wide and the fund financial statements, along with the notes to the basic financial statements;
- Combining and individual statements and schedules for non-major funds;
- Statistical section, including the Annual Operating Data;

The basic financial statements of the City include the government-wide financial statements and the fund financial statements. The notes to the financial statements follow the basic financial statements and are essential for the reader's understanding of the financial statements. Other supplementary

information, including the statistical section and annual operating data, is also included at the end of this report to provide additional information for the reader.

Government-wide Financial Statements

The government-wide financial statements present the results of the City's operations using the accrual basis of accounting, the basis of accounting used by private-sector businesses. These statements focus on the long-term financial picture of the City as a whole.

The *Statement of Net Position* reports all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources and net position. Net position, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources, are important measures of the City's overall financial health. Over time, the increases and decreases in net position can be monitored to determine whether the City's financial position is improving or deteriorating.

The *Statement of Activities* shows how the net position changed during the most recent fiscal year. The unique feature of this statement is how it shows the revenues and expenses related to specific programs and how much of the programs were supported by the general taxes of the City. Since this statement is prepared on the accrual basis of accounting, all revenues and expenses are included, regardless of when cash is actually received or disbursed.

Both statements show the operations of the City broken down by governmental activities and business-type activities. Governmental activities are the operations of the City generally supported by taxes, such as public works, police, parks and recreation, community development and general administration. Business-type activities are operations of the City that are intended to recover all or a significant portion of their costs through user fees and charges. These consist of the four utilities the City operates: electric, water, wastewater, and stormwater along with the airport.

Fund Financial Statements

The City uses two types of funds to manage its resources: Governmental Funds and Proprietary Funds. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. These funds are separated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions, or limitations.

Governmental Fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and other similar items, which are recorded when due. The focus, therefore, is on the short-term financial picture of the operations reported rather than the City as a whole. Most of the City's basic operations are reported in the governmental fund financial statements. The information reported in these statements can be compared to the governmental activities information in the government-wide statements. The reconciliation at the end of the fund financial statements details the relationship between the two types of financial statements.

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

Proprietary Funds are used by the City to account for activities that operate similar to commercial enterprises found in the private sector. Funds that charge fees for services provided to outside customers including other local governments are called enterprise funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Funds that charge fees for services provided to departments within the reporting government are known as internal service funds. Proprietary funds use the accrual basis of accounting; thus, the only reconciling items needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements relate to the elimination of internal service fund activity and capital asset ownership transfers.

The City has five enterprise funds: electric fund, water fund, wastewater fund, stormwater fund and the airport fund. The City has five internal service funds: risk services fund, information technology services fund, building services fund, fleet services fund, and the utility billing services fund. The electric fund, water fund, and wastewater fund are the only funds being considered major funds for presentation purposes.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the basic financial statements because they contain valuable additional information necessary for gaining a complete understanding of the City's financial statements.

Other Information

In addition to the financial statements and notes described above, required supplementary information concerning the City's net pension liability and schedule of contributions for KPERS and KP&F and the City's total OPEB liability have been included to give the reader further information. Combining statements for non-major funds and internal service funds are presented following the required supplementary information. Finally, the Statistical Section includes statistical data about the City and the annual operating data.

ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. For the City, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by $176,541,151 at the close of the current fiscal year. The City's net position increased by $10,355,223 from the prior year, with governmental activities increasing $6,254,644 and business-type activities increasing $4,100,579.

City of Gardner, Kansas
Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023*	2024	2023*	2024	2023*
Current and other assets	$50,123,098	$48,448,208	$35,995,257	$36,299,616	$86,118,355	$84,747,824
Capital assets	81,827,344	82,681,954	117,924,767	111,850,069	199,752,111	194,532,023
Total assets	131,950,442	131,130,162	153,920,024	148,149,685	285,870,466	279,279,847
Deferred outflows	2,840,441	3,694,217	847,773	938,068	3,688,214	4,632,285
Long-term liabilities	44,145,084	45,938,757	45,199,760	49,023,819	89,344,844	94,962,576
Other liabilities	5,501,246	10,428,579	11,255,301	5,769,186	16,756,547	16,197,765
Total liabilities	49,646,330	56,367,336	56,455,061	54,793,005	106,101,391	111,160,341
Deferred inflows	6,777,137	6,344,271	139,001	221,592	6,916,138	6,565,863
Net position:						
Net investment in Capital Assets	52,721,184	45,679,092	76,536,967	62,708,043	129,258,151	108,387,135
Restricted for:						
Debt service	16,740,355	15,074,737	-	-	16,740,355	15,074,737
Capital projects	4,554,240	4,930,860	-	-	4,554,240	4,930,860
Streets improvements	7,085,057	6,300,539	-	-	7,085,057	6,300,539
Economic development	1,212,547	947,084	-	-	1,212,547	947,084
Other purposes	664,003	492,984	-	-	664,003	492,984
Unrestricted	(4,609,970)	(1,312,524)	21,636,768	31,365,113	17,026,798	30,052,589
Total net position	$78,367,416	$72,112,772	$98,173,735	$94,073,156	$176,541,151	$166,185,928

*Restated due to the implementation of GASB 101

The largest portion of the City's net position (73%) reflects its net investment of $129,258,151 in capital assets (e.g., land, buildings, intangibles, infrastructure, vehicles, machinery and equipment, and construction in progress); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these are not available for future spending.

An additional $30,256,202 of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of the City's net position of $17,026,798 is unrestricted and may be used to meet ongoing obligations to citizens and creditors.

Analysis of Changes in Net Position

Governmental activities increased the City's net position by $6,254,644, while business-type activities increased the City's net position by $4,100,579. The following table reflects the revenues and expenses for the City's activities for the year ended December 31, 2024, and illustrates the comparison between 2024 and the prior year:

City of Gardner, Kansas
Changes in Net Position

	Governmental Activities			Business-type Activities			Total		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Revenues:									
Program Revenues:									
Charges for services	$ 4,349,963	$ 3,813,810	$ 536,153	$ 35,124,535	$ 34,020,870	$ 1,103,665	$ 39,474,498	$ 37,834,680	$ 1,639,818
Operating grants and contributions	4,396,897	5,046,226	(649,329)	-	150	(150)	4,396,897	5,046,376	(649,479)
Capital grants and contributions	5,707,627	2,736,341	2,971,286	1,261,079	1,664,852	(403,773)	6,968,706	4,401,193	2,567,513
General Revenues:									-
Property taxes	6,508,084	5,892,875	615,209	-	-	-	6,508,084	5,892,875	615,209
Sales and use taxes	7,089,733	6,733,890	355,843	-	-	-	7,089,733	6,733,890	355,843
Other taxes	1,370,479	807,986	562,493	-	-	-	1,370,479	807,986	562,493
Unrestricted Investment earnings	1,371,925	1,408,357	(36,432)	1,352,671	1,428,446	(75,775)	2,724,596	2,836,803	(112,207)
Lease interest revenue	-	-	-	38	75	(37)	38	75	(37)
Other	216,814	350,219	(133,405)	-	-	-	216,814	350,219	(133,405)
Total Revenue	31,011,522	26,789,704	4,221,818	37,738,323	37,114,393	623,930	68,749,845	63,904,097	4,845,748
Expenses:									
General government	4,888,880	4,644,561	244,319	-	-	-	4,888,880	4,644,561	244,319
Police	7,724,400	7,769,282	(44,882)	-	-	-	7,724,400	7,769,282	(44,882)
Public works	7,084,932	6,350,060	734,872	-	-	-	7,084,932	6,350,060	734,872
Culture and recreation	3,753,153	3,817,507	(64,354)	-	-	-	3,753,153	3,817,507	(64,354)
Community Development	1,089,208	1,103,220	(14,012)	-	-	-	1,089,208	1,103,220	(14,012)
Interest on long-term debt	1,129,062	1,118,930	10,132	-	-	-	1,129,062	1,118,930	10,132
Electric	-	-	-	18,451,920	18,508,090	(56,170)	18,451,920	18,508,090	(56,170)
Water	-	-	-	8,156,819	7,524,306	632,513	8,156,819	7,524,306	632,513
Wastewater	-	-	-	5,699,960	6,041,531	(341,571)	5,699,960	6,041,531	(341,571)
Stormwater	-	-	-	111,647	104,891	6,756	111,647	104,891	6,756
Airport	-	-	-	304,641	238,810	65,831	304,641	238,810	65,831
Total Expenses	25,669,635	24,803,560	866,075	32,724,987	32,417,628	307,359	58,394,622	57,221,188	1,173,434
Increase (decrease) in net position before transfers	5,341,887	1,986,144	3,355,743	5,013,336	4,696,765	316,571	10,355,223	6,682,909	3,672,314
Transfers	912,757	1,064,500	(151,743)	(912,757)	(1,064,500)	151,743	-	-	-
Change in net position	6,254,644	3,050,644	3,204,000	4,100,579	3,632,265	468,314	10,355,223	6,682,909	3,672,314
Net position, 1/1, as previously reported	72,310,059	69,259,415	3,050,644	94,172,010	90,539,745	3,632,265	166,482,069	159,799,160	6,682,909
Restatement - GASB 101	(197,287)	-	(197,287)	(98,854)	-	(98,854)	(296,141)	-	(296,141)
Net position, 1/1, as restated	72,112,772	69,259,415	2,853,357	94,073,156	90,539,745	3,533,411	166,185,928	159,799,160	6,386,768
Net position, 12/31	$ 78,367,416	$ 72,310,059	$ 6,057,357	$ 98,173,735	$ 94,172,010	$ 4,001,725	$ 176,541,151	$ 166,482,069	$ 10,059,082

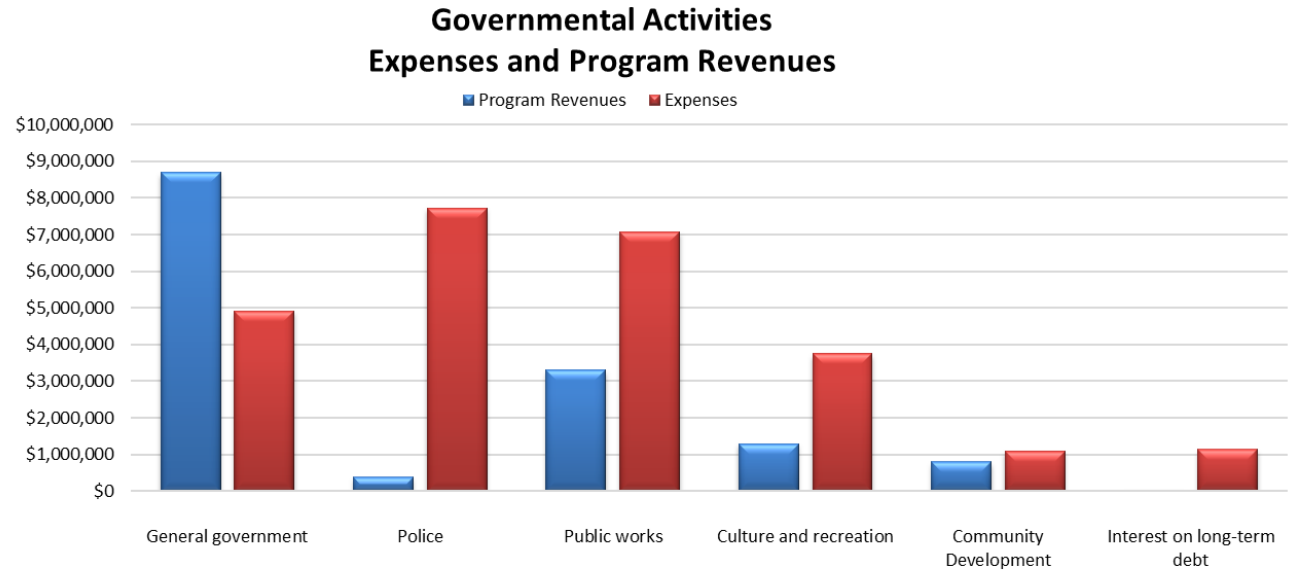
Governmental Activities

The City's net position related to governmental activities increased $6,254,644 during the year, an increase of $3,204,000 from the prior year.

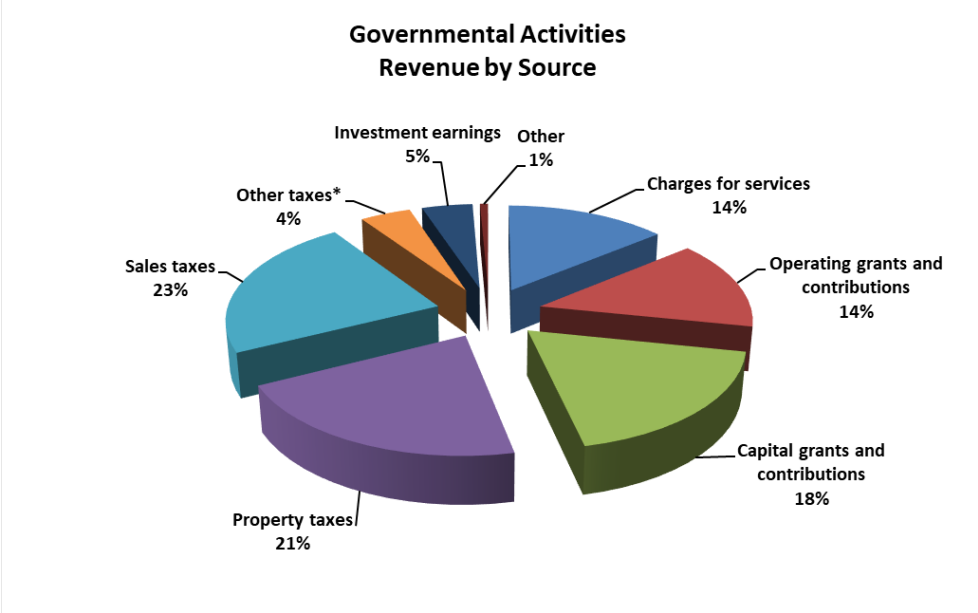
Total governmental revenues increased $4,221,818 from the prior year. The City saw an increase in program revenues of $2,858,110, this is primarily due to the certification of a new special assessment of $2.2 million, an increase in capital grants awarded, and a $536,153 increase in revenues from charges for services largely related to new development fees. The City saw decreased revenues from operating grants primarily due to a large contribution to the City's land bank in 2023 that did not recur in 2024. The City also saw increased revenue from property taxes due to increases in development and assessed values, and an increase in other taxes due to $565,679 in excise tax.

Total governmental expenses increased $866,075 from the prior year. Public works had the largest increase in expenses of $734,872, of which $621,741 was for the Center Street Rehabilitation project. This project had a capital grant associated with it of $309,475. The increased general government expenses were primarily caused by inflation, merit and market increases, and legal expenses. The elimination of the City's Healthcare Other Postemployment Benefits (OPEB) plan resulted in a $494,234 reduction of governmental activities expenses, which partially offset the increased public works and general government expenses.

The graph below illustrates how the City's various governmental activities program revenues vs. program expenses fared in 2024.



The chart below illustrates the City's overall program and general revenues for governmental activities as presented in the statement of activities:

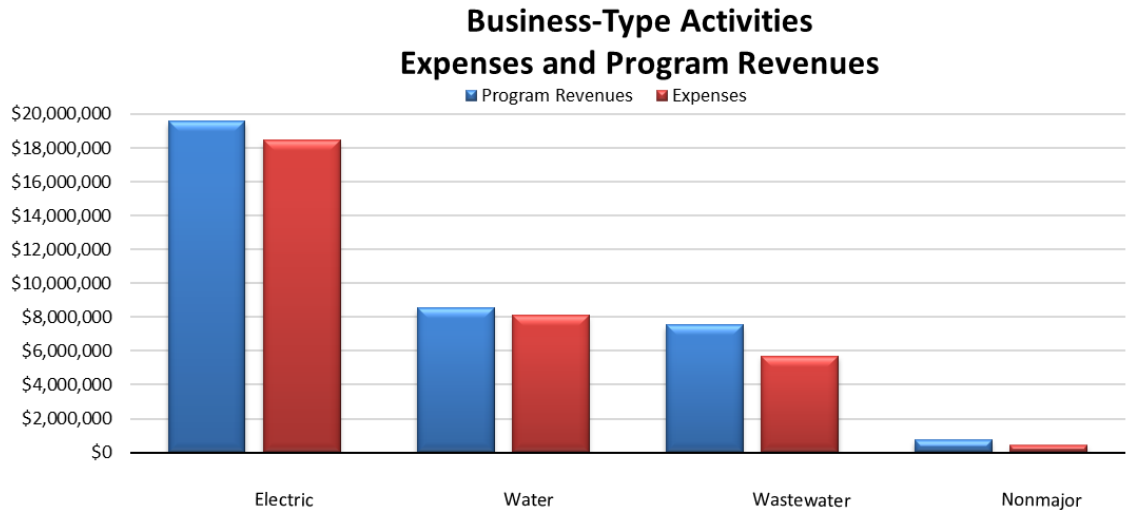


*Includes franchise tax, excise tax and transient guest tax.

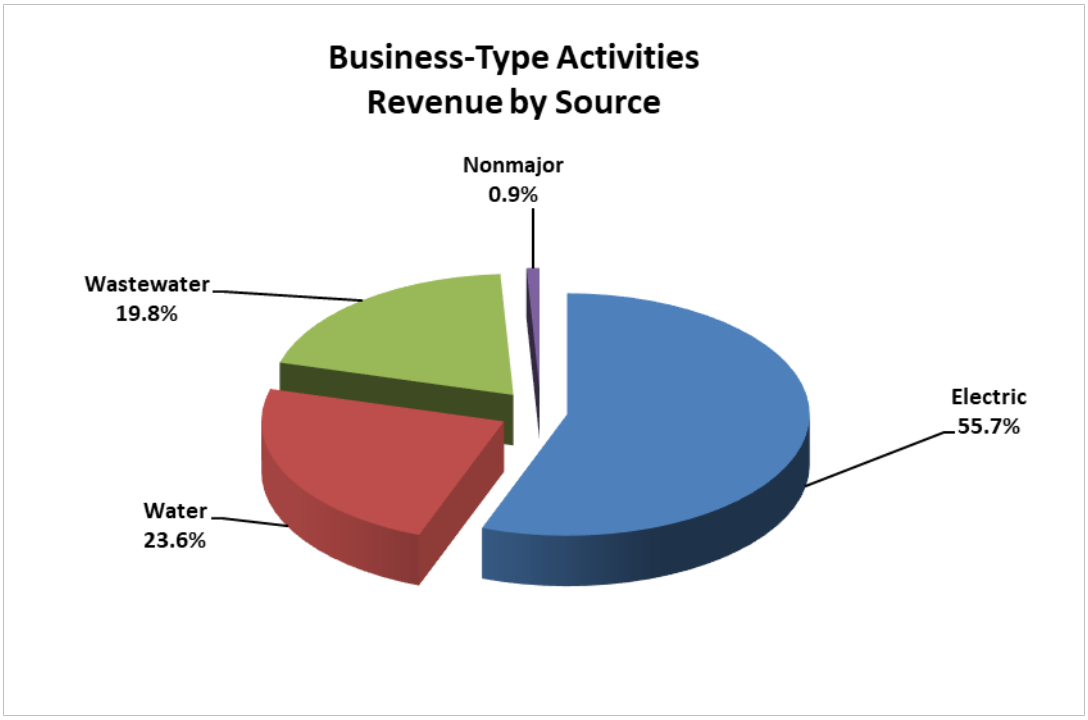
Business-Type Activities

The City's net position related to business-type activities increased $4,100,579. The electric, water and wastewater funds experienced positive changes (0.9%, 2.2% and 8.8%, respectively). These positive changes are primarily due to increased residential rates and developer contributions.

The City's residential water base rates increased 3.7%, wastewater rates increased 4.2% while electric base rates were unchanged in 2024. The program revenues vs. program expenses for business-type activities chart below illustrates the overall increase in net position for the business-type activities.



The chart below illustrates the City's charges for services from business-type activities as presented in the statement of activities, which account for 93.1% of their revenues:



FINANCIAL ANALYSIS OF THE CITY'S FUNDS:

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the general fund, debt service funds, capital projects funds and special revenue funds.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $28,624,861, an increase of $3,627,928 in comparison with the prior year. Approximately 29% of this total amount or $8,269,330 constitutes fund balance that is available to meet the City's current and future needs. The remainder of the fund balance totaling $20,355,531 is restricted for specific spending or nonspendable in form.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance was $9,719,990. As a measure of the general fund's liquidity, it may be useful to compare the available fund balance to total general fund expenditures. Available fund balance of $8,269,330 represents 46% of total general fund expenditures of $18,022,757.

The fund balance in the City's general fund had an increase of $872,181 during the current fiscal year. Total revenues in the general fund increased $492,685, and total expenditures increased $536,632

compared to the previous year. Revenues increased primarily due to higher property tax and sales tax collections. The increased expenses are primarily related to merit/market salary increases.

The debt service fund had an ending fund balance of $3,593,140, all of which is restricted for the payment of debt service. This is an increase of $1,036,619 from the prior year. The change in the current year can be attributed to increased property tax and special assessment collections, as well as investment earnings received during the year.

The capital projects fund had an ending fund balance of $2,997,201. This is an increase of $787,112 from the prior year. The increase is due to the issuance of temporary notes and a decrease in capital outlay expenses from the prior year.

The infrastructure special sales tax fund had an ending fund balance of $2,006,311, all of which is restricted for rehabilitation of streets and pedestrian bridges and trails. This is a slight decrease of $2,078 from the previous year.

The special highway fund had an ending fund balance of $5,477,781, all of which is restricted for the construction and maintenance of streets, curbs, and sidewalks within the City. This is a slight decrease of $1,769.

Proprietary funds

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

At the end of the current fiscal year, total net position for proprietary funds amounted to $98,134,528 which was an increase of $4,084,492 from the prior year. Total unrestricted net position for proprietary funds amounted to $21,597,561, which was a decrease of $9,827,199 from the prior year.

The electric fund had total net position of $37,115,104 at the end of the current fiscal year. This is a slight increase of $328,788 or 0.9% from the previous year. This was due to a small increase in operating revenues and a large decrease in expenses related to meters. That was offset slightly by an increase in transfers out due to a $500,000 transfer to the Airport.

The water fund had total net position of $22,191,766 at the end of the current fiscal year. This is an increase of $485,320 or 2.2% from the previous year. This is mostly due to increases in operating revenues from an increased base rate.

The wastewater fund had total net position of $30,261,269 at the end of the current fiscal year. This is an increase of $2,437,643 or 8.8%, from the previous year. The increase in net position is due to increased residential rates, developer contributions, as well as decreased outsourced services due to a decision to write-off preconstruction costs related to a CIP project that the City did not move forward with in 2023.

The airport fund (a non-major proprietary fund) had total net position of $5,056,588 at the end of the current fiscal year. This is an increase of $668,135 or 15.2% from the previous year due to a

capital grant for the Airport Turf Taxiway and a transfer in from the electric fund to temporarily finance the acquisition of property.

The stormwater fund (a non-major proprietary fund) had total net position of $3,509,801 at the end of the current fiscal year. This is an increase of $164,606 or 4.9% from the previous year due to the receipt of capital contributions from developers.

The City's internal service funds had total net position of $305,956 at the end of the current fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS:

The City's general fund budget was not amended during 2024; therefore, the original budget and the final budget are the same. During the year, total revenues were less than budgetary estimates by $31,908. Total expenditures were $7,615,735 less than budgeted, which resulted in a positive variance of $7,583,827. General fund project reserves of $7,518,792 remain available at the end of 2024, up 27.0% from the prior year. These large reserves will provide funding to undertake major initiatives planned for the future and any unforeseen expenditures. A summary of differences between budgetary estimates for revenues and expenditures is as follows:

- Licenses and permits revenues were $345,225 more than estimated due to increased building and construction permits from new development in the City.
- Investment earnings revenues were more than estimated by $295,430 due to favorable interest rates.
- Fines and fees revenues were $309,487 less than estimated due to decreased court fines and fees.
- Intergovernmental revenues were $277,360 less than estimated due to lower than anticipated County sales and use tax.
- Police expenditures were $851,880 less than estimated due to decreased personnel costs from vacant positions.
- Capital outlay expenditures were unfavorable by $1,337,513 due to unbudgeted capital asset purchases for a new street sweeper and the acquisition of property. The property acquisition was a key element of carrying out the Gardner Destination Downtown Plan.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounted to $199,752,111 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings, improvements, machinery and equipment, intangibles, vehicles, roads, water lines, sewer collectors and electric lines.

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

- The City received donated infrastructure from new development valued at $2,487,855.

- The City replaced several pieces of equipment and vehicles through the Vehicle and Equipment Replacement Program.
- The City's Electric Division purchased specialty vehicles that were previously leased for cost savings, as well as completed upgrades to the gas turbine control system and installed new infrastructure for the Prairie Trace/Grata Development.
- The City completed construction of two trails, South Center Street and Quail Meadows Phase II, as well as construction of South Center Street sidewalks.

City of Gardner's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 6,538,458	$ 6,538,458	$ 4,930,797	$ 4,480,881	$ 11,469,255	$ 11,019,339
Construction in progress	6,535,842	6,933,390	10,105,782	3,772,836	16,641,624	10,706,226
Buildings	14,201,422	14,662,978	38,425,607	39,582,548	52,627,029	54,245,526
Improvements	3,196,771	3,505,811	6,693,928	5,754,876	9,890,699	9,260,687
Infrastructure	48,339,865	48,065,563	54,841,206	56,480,609	103,181,071	104,546,172
Intangibles	-	-	26,955	34,155	26,955	34,155
Machinery and equipment	458,554	582,188	1,064,969	1,030,812	1,523,523	1,613,000
Vehicles	1,210,911	869,204	1,785,594	588,529	2,996,505	1,457,733
Right to use	1,345,521	1,524,362	49,929	124,823	1,395,450	1,649,185
	$ 81,827,344	$ 82,681,954	$ 117,924,767	$ 111,850,069	$ 199,752,111	$ 194,532,023

More detailed information about the City's capital assets is presented in Note 4 to the Basic Financial Statements.

Long-Term Debt

At the end of the current fiscal year, the City had total long-term debt outstanding of $77,325,162, excluding pension, OPEB, compensated absences and issuance premiums. This amount was comprised of $50,330,000 of general obligation debt and $1,055,000 of bond anticipation notes backed by the full faith and credit of the City. Special assessment debt in the amount $10,470,000 is debt for which the City is liable in the event of default by the property owners subject to the assessment. An additional $5,936,605 of the City's debt is from construction loans with the Kansas Department of Health and Environment for improvements to the wastewater system. Of the remaining debt, $8,531,157 is from capital financing, $760,320 is from lease liabilities and $242,080 is from subscription liabilities.

In 2024, the City issued Series 2024A General Obligation Bonds in the amount of $1,435,000 for the definitive financing of Bond Anticipation Notes (Hilltop Ridge), Series 2023A and issued Series 2024B General Obligation Temporary Notes in the amount of $1,055,000 to temporarily finance utility improvements for the Lone Star Prairie Special Benefit District.

City of Gardner's Long-Term Debt

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	$ 21,100,000	$ 23,575,000	$ 29,230,000	$ 31,695,000	$ 50,330,000	$ 55,270,000
Special assessment debt with government commitment	10,470,000	10,305,000	-	-	10,470,000	10,305,000
Bond anticipation notes payable	1,055,000	1,515,000	-	-	1,055,000	1,515,000
Construction loan payable	-	-	5,936,605	6,608,428	5,936,605	6,608,428
Lease liabilities	710,000	905,000	50,320	125,454	760,320	1,030,454
Capital financing	-	9,666	8,531,157	8,945,698	8,531,157	8,955,364
Subscription liabilities	242,080	355,357	-	-	242,080	355,357
	$ 33,577,080	$ 36,665,023	$ 43,748,082	$ 47,374,580	$ 77,325,162	$ 84,039,603

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The City was assigned an “AA-” rating from Standard & Poor’s for its general obligation bonds and a “SP-1+” for its general obligation temporary notes. State statutes limit the amount of net bonded debt (exclusive of revenue, utility, and refunding bonds) a government entity may issue to 30% of its total assessed valuation of property. The current debt limitation for the City is $112,427,287, which is significantly in excess of the City’s outstanding net bonded debt.

More detailed information about the City’s long-term debt is presented in Note 11 and 12 to the basic financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City’s finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Finance Department, 120 East Main, Gardner, Kansas 66030.

CITY OF GARDNER, KANSAS

STATEMENT OF NET POSITION

December 31, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Deposits and investments	$ 19,719,928	$ 24,295,539	$ 44,015,467
U.S. Treasury bill	4,057,528	5,998,278	10,055,806
Receivables, net of allowance for uncollectibles:			
Taxes	7,392,763	-	7,392,763
Accounts receivable	-	3,402,993	3,402,993
Intergovernmental	1,777,633	146,965	1,924,598
Special assessments	13,505,888	-	13,505,888
Other	345,606	79,473	425,079
Lease receivable	-	12,710	12,710
Prepaid items	10,157	-	10,157
Inventories	141,587	1,796,304	1,937,891
Property held for redevelopment	715,900	-	715,900
Restricted deposits and investments	2,456,108	262,995	2,719,103
Capital assets, net of accumulated depreciation, where applicable:			
Land	6,538,458	4,930,797	11,469,255
Construction in progress	6,535,842	10,105,782	16,641,624
Buildings	14,201,422	38,425,607	52,627,029
Improvements	3,196,771	6,693,928	9,890,699
Infrastructure	48,339,865	54,841,206	103,181,071
Intangible	-	26,955	26,955
Machinery and equipment	458,554	1,064,969	1,523,523
Vehicles	1,210,911	1,785,594	2,996,505
Right to use lease and subscription assets, net of accumulated amortization, where applicable:			
Land	355,262	-	355,262
Infrastructure	759,451	-	759,451
Vehicles	-	49,929	49,929
Subscriptions	230,808	-	230,808
Total assets	131,950,442	153,920,024	285,870,466
Deferred outflows of resources:			
Unamortized portion of refunding gain	41,194	-	41,194
Pension deferred outflow	2,794,454	844,577	3,639,031
OPEB deferred outflow	4,793	3,196	7,989
Total deferred outflows of resources	2,840,441	847,773	3,688,214
Liabilities:			
Accounts payable	498,580	3,323,546	3,822,126
Accrued payroll	265,956	98,726	364,682
Deposits	45,290	-	45,290
Accrued interest payable	291,622	271,554	563,176
Unearned revenue	24,251	3,362,132	3,386,383
Liabilities payable from restricted assets	-	262,995	262,995
Noncurrent liabilities:			
Due within one year	4,375,547	3,936,348	8,311,895
Due in more than one year	44,145,084	45,199,760	89,344,844
Total liabilities	49,646,330	56,455,061	106,101,391
Deferred inflows of resources:			
Property tax receivable	6,455,909	-	6,455,909
Pension deferred inflow	230,896	65,813	296,709
OPEB deferred inflow	90,332	60,208	150,540
Leases deferred inflow	-	12,980	12,980
Total deferred inflows of resources	6,777,137	139,001	6,916,138
Net position:			
Net investment in capital assets	52,721,184	76,536,967	129,258,151
Restricted for:			
Debt service	16,740,355	-	16,740,355
Capital projects	4,554,240	-	4,554,240
Street improvements	7,085,057	-	7,085,057
Economic development	1,212,547	-	1,212,547
Other purposes	664,003	-	664,003
Unrestricted	(4,609,970)	21,636,768	17,026,798
Total net position	$ 78,367,416	$ 98,173,735	$ 176,541,151

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS

STATEMENT OF ACTIVITIES

Year Ended December 31, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
Primary government:								
Governmental activities:								
General government	$ 6,735,980	$ (1,847,100)	$ 2,582,709	$ 3,949,162	$ 2,166,790	$ 3,809,781	$ -	$ 3,809,781
Police	7,724,400	-	6,263	366,971	7,500	(7,343,666)	-	(7,343,666)
Public works	7,084,932	-	7,942	242	3,285,158	(3,791,590)	-	(3,791,590)
Culture and recreation	3,753,153	-	958,041	80,522	248,179	(2,466,411)	-	(2,466,411)
Community development	1,089,208	-	795,008	-	-	(294,200)	-	(294,200)
Interest on long-term debt	1,129,062	-	-	-	-	(1,129,062)	-	(1,129,062)
Total governmental activities	27,516,735	(1,847,100)	4,349,963	4,396,897	5,707,627	(11,215,148)	-	(11,215,148)
Business-type activities:								
Electric	17,927,316	524,604	19,564,106	-	-	-	1,112,186	1,112,186
Water	7,470,719	686,100	8,297,636	-	245,033	-	385,850	385,850
Wastewater	5,063,564	636,396	6,960,583	-	585,484	-	1,846,107	1,846,107
Stormwater	111,647	-	-	-	276,253	-	164,606	164,606
Airport	304,641	-	302,210	-	154,309	-	151,878	151,878
Total business-type activities	30,877,887	1,847,100	35,124,535	-	1,261,079	-	3,660,627	3,660,627
Total primary government	$ 58,394,622	$ -	$ 39,474,498	$ 4,396,897	$ 6,968,706	(11,215,148)	3,660,627	(7,554,521)
	General revenues:							
	Property taxes					6,508,084	-	6,508,084
	Sales and use taxes					7,089,733	-	7,089,733
	Franchise taxes					277,450	-	277,450
	Excise taxes					736,682	-	736,682
	Transient guest tax					356,347	-	356,347
	Unrestricted investment earnings					1,371,925	1,352,671	2,724,596
	Lease interest revenue					-	38	38
	Other					216,814	-	216,814
	Transfers					912,757	(912,757)	-
	Total general revenues and transfers					17,469,792	439,952	17,909,744
	Change in net position					6,254,644	4,100,579	10,355,223
	Net position, beginning, as previously reported					72,310,059	94,172,010	166,482,069
	Restatement - GASB 101					(197,287)	(98,854)	(296,141)
	Net position, beginning, as restated					72,112,772	94,073,156	166,185,928
	Net position, end of year					$ 78,367,416	$ 98,173,735	$ 176,541,151

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

	General	Debt Service	Capital Projects	Infrastructure Special Sales Tax	Special Highway	Non-Major Governmental Funds	Total Governmental Funds
Assets							
Deposits and investments	$ 6,465,246	$ 2,609,660	$ 1,589,630	$ 1,507,023	$ 2,859,492	$ 3,907,497	$ 18,938,548
U.S. Treasury bill	1,144,236	797,313	376,305	229,133	658,102	852,439	4,057,528
Receivables (net of allowance for uncollectibles):							
Taxes	4,892,779	1,913,438	-	273,613	-	312,933	7,392,763
Special assessments	-	13,505,888	-	-	-	-	13,505,888
Intergovernmental	1,054,430	119,116	3,179	-	600,908	-	1,777,633
Other	331,833	-	-	-	13,123	-	344,956
Inventories	141,587	-	-	-	-	-	141,587
Property held for redevelopment	715,900	-	-	-	-	-	715,900
Restricted deposits and investments	-	67,051	1,029,863	-	1,359,194	-	2,456,108
Total assets	$ 14,746,011	$ 19,012,466	$ 2,998,977	$ 2,009,769	$ 5,490,819	$ 5,072,869	$ 49,330,911
Liabilities							
Accounts payable	406,734	-	1,776	3,458	13,038	69	425,075
Accrued payroll	249,637	-	-	-	-	-	249,637
Deposits	45,290	-	-	-	-	-	45,290
Unearned revenue	24,251	-	-	-	-	-	24,251
Total liabilities	725,912	-	1,776	3,458	13,038	69	744,253
Deferred Inflows of Resources							
Unavailable revenue - special assessments	-	13,505,888	-	-	-	-	13,505,888
Deferred revenue - property taxes	4,300,109	1,913,438	-	-	-	242,362	6,455,909
Total deferred inflows of resources	4,300,109	15,419,326	-	-	-	242,362	19,961,797
Fund Balances							
Nonspendable	857,487	-	-	-	-	-	857,487
Restricted							
Debt service	-	3,593,140	-	-	-	-	3,593,140
Capital projects	-	-	2,997,201	2,006,311	-	580,591	5,584,103
Street improvements	-	-	-	-	5,477,781	2,966,470	8,444,251
Economic development	448,000	-	-	-	-	764,547	1,212,547
Other	145,173	-	-	-	-	518,830	664,003
Assigned							
General government	600,000	-	-	-	-	-	600,000
Police	142,821	-	-	-	-	-	142,821
Public works	563,656	-	-	-	-	-	563,656
Community development	6,250	-	-	-	-	-	6,250
Unassigned	6,956,603	-	-	-	-	-	6,956,603
Total fund balances	9,719,990	3,593,140	2,997,201	2,006,311	5,477,781	4,830,438	28,624,861
Total liabilities, deferred inflows of resources and fund balances	$ 14,746,011	$ 19,012,466	$ 2,998,977	$ 2,009,769	$ 5,490,819	$ 5,072,869	$ 49,330,911

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2024

Total fund balances in Governmental Funds Balance Sheet		$ 28,624,861
Amounts reported for governmental activities in the statement of net position are different		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		80,414,051
Right to use lease assets used in governmental activites are financial resources and therefore are not reported in the funds.		1,114,713
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		13,505,888
Deferred outflows of resources are not available and payable in the current period and therefore are not reported in the funds:		
Deferred refunding	41,194	
Deferred outflows related to pensions	2,651,270	
Deferred outflows related to OPEB	4,251	
Total		2,696,715
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable	(291,622)	
Bonds:		
General obligation, bond anticipation notes and special assessments bond payable, net of unamortized premium of $1,778,443	(34,403,443)	
Net pension liability	(11,510,673)	
Right to use lease liability	(710,000)	
Total OPEB liability	(69,279)	
Compensated absences	(970,679)	
Total		(47,955,696)
Other deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds:		
Deferred inflows - pensions		(219,740)
Deferred inflows - OPEB		(80,125)
Internal service funds are used by management to charge the costs of risk services, building services, fleet services and information technology services to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position.		266,749
Net position of governmental activities		$ 78,367,416

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	General	Debt Service	Capital Projects	Infrastructure Special Sales Tax	Special Highway	Non-Major Governmental funds	Total Governmental Funds
Revenues							
Taxes:							
Property tax	$ 4,397,074	$ 1,895,768	$ -	$ -	$ -	$ 215,242	$ 6,508,084
Sales and use tax	5,011,174	-	-	1,635,848	-	442,711	7,089,733
Franchise tax	277,450	-	-	-	-	-	277,450
Transient guest tax	-	-	-	-	-	356,347	356,347
Excise Tax	-	-	-	-	-	736,682	736,682
Special assessments	-	1,547,184	-	-	-	-	1,547,184
Intergovernmental	3,609,877	646,160	248,179	65,095	1,679,187	148,360	6,396,858
Licenses and permits	694,225	-	-	-	-	-	694,225
Charges for services	3,066,858	-	-	-	-	-	3,066,858
Fines and fees	455,513	-	-	-	-	133,367	588,880
Investment earnings	542,024	232,816	109,785	92,369	210,459	184,472	1,371,925
Other	174,090	-	23,529	-	-	-	197,619
Total revenues	18,228,285	4,321,928	381,493	1,793,312	1,889,646	2,217,181	28,831,845
Expenditures							
Current:							
General government	3,938,903	-	-	-	-	787,471	4,726,374
Police	6,735,353	-	-	-	-	-	6,735,353
Public works	2,940,807	-	176	944,097	698,240	-	4,583,320
Culture and recreation	2,979,320	-	12,229	-	-	-	2,991,549
Community development	1,072,994	-	-	-	-	-	1,072,994
Capital outlay	345,462	-	762,457	66,805	97,263	765,430	2,037,417
Debt service:							
Principal	9,666	4,910,000	-	545,000	-	-	5,464,666
Interest and fiscal charges	252	1,177,783	-	79,488	-	-	1,257,523
Other	-	30,526	89,034	-	-	-	119,560
Total expenditures	18,022,757	6,118,309	863,896	1,635,390	795,503	1,552,901	28,988,756
Excess of revenues over (under) expenditures	205,528	(1,796,381)	(482,403)	157,922	1,094,143	664,280	(156,911)
Other financing sources (uses)							
General obligation bonds issued	-	1,388,501	46,499	-	-	-	1,435,000
Bond anticipation note issued	-	67,051	987,949	-	-	-	1,055,000
Issuance: premium	-	114,883	19,032	-	-	-	133,915
Proceeds from sale of capital assets	43,418	-	-	-	-	-	43,418
Transfers in	958,735	1,262,565	315,000	-	42,988	428,200	3,007,488
Transfers out	(335,500)	-	(98,965)	(160,000)	(1,138,900)	(156,617)	(1,889,982)
Total other financing sources (uses)	666,653	2,833,000	1,269,515	(160,000)	(1,095,912)	271,583	3,784,839
Net change in fund balances	872,181	1,036,619	787,112	(2,078)	(1,769)	935,863	3,627,928
Fund balances, beginning of year	8,847,809	2,556,521	2,210,089	2,008,389	5,479,550	3,894,575	24,996,933
Fund balances, end of year	$ 9,719,990	$ 3,593,140	$ 2,997,201	$ 2,006,311	$ 5,477,781	$ 4,830,438	$ 28,624,861

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

Net change in fund balances - total governmental funds		$ 3,627,928
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlay	2,037,417	
Depreciation Expense	(3,978,779)	
Lease Amortization Expense	(58,419)	
Net Change		(1,999,781)
Transfer of capital assets to electric, water, wastewater and stormwater		(199,249)
Net gain (loss) on disposal of capital assets		(24,223)
Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in the governmental funds.		
Special assessments		619,606
Donated capital assets		1,498,307
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences	(104,492)	
Accrued interest	24,934	
Premium amortization	256,969	
Deferred refunding amortization	(33,883)	
Pension	(754,934)	
OPEB	494,082	
Total		(117,324)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Debt issued or incurred:		
General obligation and special assessment bonds	(1,435,000)	
Bond anticipation notes	(1,055,000)	
Premiums	(133,915)	
Principal repayments:		
General obligation and special assessment bonds payable	3,745,000	
Lease liability	195,000	
Capital financing	9,666	
Bond anticipation note payable	1,515,000	
Total		2,840,751
Internal service funds are used by management to charge the costs of risk services, building services, fleet services and information technology services to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		8,629
Change in net position of governmental activities		$ 6,254,644

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes:				
Property	$ 4,394,055	$ 4,394,055	$ 4,397,074	$ 3,019
Sales and use taxes	5,068,245	5,068,245	5,011,174	(57,071)
Franchise	355,000	355,000	277,450	(77,550)
Intergovernmental	3,810,000	3,810,000	3,532,640	(277,360)
Licenses and permits	349,000	349,000	694,225	345,225
Charges for services	3,117,600	3,117,600	3,066,858	(50,742)
Fines and fees	765,000	765,000	455,513	(309,487)
Investment earnings	246,000	246,000	541,430	295,430
Other	39,000	39,000	135,628	96,628
Total revenues	18,143,900	18,143,900	18,111,992	(31,908)
Expenditures				
General government	3,984,200	3,984,200	3,923,897	60,303
Police	7,572,900	7,572,900	6,721,020	851,880
Public works	3,235,500	3,235,500	3,006,441	229,059
Culture and recreation	2,933,900	2,933,900	2,919,471	14,429
Community development	1,357,400	1,357,400	1,078,615	278,785
Capital outlay	317,500	317,500	1,655,013	(1,337,513)
Project reserve	7,518,792	7,518,792	-	7,518,792
Total expenditures	26,920,192	26,920,192	19,304,457	7,615,735
Excess of revenues over (under) expenditures	(8,776,292)	(8,776,292)	(1,192,465)	7,583,827
Other financing sources and (uses)				
Transfers in	964,300	964,300	958,735	(5,565)
Transfers out	(335,500)	(335,500)	(335,500)	-
Proceeds from sale of capital assets	-	-	43,418	43,418
Total other financing sources and (uses)	628,800	628,800	666,653	37,853
Net change in fund balances	(8,147,492)	(8,147,492)	(525,812)	7,621,680
Fund balances, beginning of year	8,147,492	8,147,492	8,374,694	227,202
Fund balances, end of year	$ -	$ -	7,848,882	$ 7,848,882
Cumulative effect of GAAP entries for inventory and cost allocations			(96,299)	
Encumbrances for equipment and supplies ordered but not received are not recorded for GAAP purposes until received			1,312,727	
GAAP fund balance			$ 9,065,310	
Fund balances for separately budgeted and non-budgeted funds included with the General Fund on GAAP financials:				
Land Bank			505,427	
Municipalities Fight Addiction Fund			145,173	
Special Olympics			4,080	
			$ 9,719,990	

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024

	Major Funds		
	Electric	**Water**	**Wastewater**
Assets			
Current assets:			
Cash and cash equivalents	$ 11,839,077	$ 2,877,809	$ 8,884,893
U.S. Treasury bill	3,009,419	687,272	2,230,672
Accounts receivable, net	1,884,526	781,655	726,657
Intergovernmental receivable	-	-	-
Lease receivable	5,075	-	-
Other receivable	40,010	9,492	29,971
Prepaid items	-	-	-
Inventories	1,552,989	203,283	12,207
Restricted deposits and investments	216,023	39,572	-
Total current assets	18,547,119	4,599,083	11,884,400
Noncurrent assets:			
Lease receivable	7,635	-	-
Capital assets:			
Land	1,128,794	1,014,618	710,874
Construction in progress	958,030	173,814	7,847,957
Buildings	11,617,738	32,964,565	26,647
Infrastructure	40,320,016	21,780,249	55,582,239
Intangible	401,622	265,104	-
Improvements	10,095,325	3,107,473	1,646,611
Machinery and equipment	1,129,374	416,385	1,351,863
Vehicles	1,674,740	607,913	696,322
Right to use lease vehicles	274,610	-	-
Right to use subscriptions	-	-	-
Less accumulated depreciation and amortization	(36,225,417)	(17,732,557)	(32,100,947)
Total capital assets	31,374,832	42,597,564	35,761,566
Total noncurrent assets	31,382,467	42,597,564	35,761,566
Total assets	49,929,586	47,196,647	47,645,966
Deferred outflows of resources			
Pension deferred outflow	400,067	184,920	171,680
OPEB deferred outflow	1,514	700	649
Total deferred outflows of resources	401,581	185,620	172,329
Liabilities			
Current liabilities:			
Accounts payable	493,665	197,930	2,444,743
Accrued payroll	39,827	26,120	22,026
Customer and developer deposits	216,023	39,572	-
Accrued interest payable	16,200	168,893	86,461
Unearned revenue	-	-	3,362,132
Bonds payable	360,000	1,620,000	530,000
Construction loans payable	-	-	687,959
Capital financing	435,510	-	-
Lease liability	50,320	-	-
Subscription liability	-	-	-
Compensated absences	102,959	46,700	63,508
Total current liabilities	1,714,504	2,099,215	7,196,829
Noncurrent liabilities:			
Bonds payable, net	1,705,259	22,311,997	4,370,186
Construction loan payable	-	-	5,248,646
Capital financing	8,095,647	-	-
Subscription liability	-	-	-
Compensated absences	91,304	41,414	56,319
Net Pension liability	1,512,016	698,884	648,848
Total OPEB liability	24,658	11,398	10,582
Total noncurrent liabilities	11,428,884	23,063,693	10,334,581
Total liabilities	13,143,388	25,162,908	17,531,410
Deferred inflows of resources			
Leases deferred inflow	12,980	-	-
Pension deferred inflow	31,175	14,410	13,378
OPEB deferred inflow	28,520	13,183	12,238
Total deferred inflows of resources	72,675	27,593	25,616
Net position			
Net investment in capital assets	20,711,053	19,836,456	27,964,884
Unrestricted	16,404,051	2,355,310	2,296,385
Total net position	$ 37,115,104	$ 22,191,766	$ 30,261,269

CITY OF GARDNER, KANSAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (Continued)
December 31, 2024

	Nonmajor Funds Totals	Total	Internal Service Funds
Assets			
Current assets:			
Cash and cash equivalents	$ 293,208	$ 23,894,987	$ 1,181,932
U.S. Treasury bill	70,915	5,998,278	-
Accounts receivable, net	10,155	3,402,993	-
Intergovernmental receivable	146,965	146,965	-
Lease receivable	-	5,075	-
Other receivable	-	79,473	650
Prepaid items	-	-	10,157
Inventories	27,825	1,796,304	-
Restricted deposits and investments	7,400	262,995	-
Total current assets	556,468	35,587,070	1,192,739
Noncurrent assets:			
Lease receivable	-	7,635	-
Capital assets:			
Land	2,076,511	4,930,797	-
Construction in progress	1,125,981	10,105,782	-
Buildings	1,745,363	46,354,313	-
Infrastructure	5,283,948	122,966,452	-
Intangible	-	666,726	-
Improvements	880,033	15,729,442	-
Machinery and equipment	17,410	2,915,032	523,978
Vehicles	-	2,978,975	77,057
Right to use lease vehicles	-	274,610	-
Right to use subscriptions	-	-	454,767
Less accumulated depreciation and amortization	(2,938,441)	(88,997,362)	(757,222)
Total capital assets	8,190,805	117,924,767	298,580
Total noncurrent assets	8,190,805	117,932,402	298,580
Total assets	8,747,273	153,519,472	1,491,319
Deferred outflows of resources			
Pension deferred outflow	-	756,667	231,094
OPEB deferred outflow	-	2,863	875
Total deferred outflows of resources	-	759,530	231,969
Liabilities			
Current liabilities:			
Accounts payable	166,858	3,303,196	93,855
Accrued payroll	573	88,546	26,499
Customer and developer deposits	7,400	262,995	-
Accrued interest payable	-	271,554	-
Unearned revenue	-	3,362,132	-
Bonds payable	-	2,510,000	-
Construction loans payable	-	687,959	-
Capital financing	-	435,510	-
Lease liability	-	50,320	-
Subscription liability	-	-	122,492
Compensated absences	3,208	216,375	72,952
Total current liabilities	178,039	11,188,587	315,798
Noncurrent liabilities:			
Bonds payable, net	-	28,387,442	-
Construction loan payable	-	5,248,646	-
Capital financing	-	8,095,647	-
Subscription liability	-	-	119,588
Compensated absences	2,845	191,882	59,823
Net Pension liability	-	2,859,748	873,401
Total OPEB liability	-	46,638	14,242
Total noncurrent liabilities	2,845	44,830,003	1,067,054
Total liabilities	180,884	56,018,590	1,382,852
Deferred inflows of resources			
Leases deferred inflow	-	12,980	-
Pension deferred inflow	-	58,963	18,006
OPEB deferred inflow	-	53,941	16,474
Total deferred inflows of resources	-	125,884	34,480
Net position			
Net investment in capital assets	8,024,574	76,536,967	56,500
Unrestricted	541,815	21,597,561	249,456
Total net position	$ 8,566,389	98,134,528	$ 305,956
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.		39,207	
Net position of business-type activities		$ 98,173,735	

CITY OF GARDNER, KANSAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2024

	Major Funds		
	Electric	Water	Wastewater
Operating revenues			
Charges for sales and services	$ 19,405,474	$ 8,297,636	$ 6,960,563
Other	158,632	-	20
Total operating revenues	19,564,106	8,297,636	6,960,583
Operating expenses			
Administration	1,825,369	1,567,379	1,296,746
Wholesale energy cost	10,155,243	-	-
Generation	1,811,263	-	-
Treatment	-	3,134,108	1,333,862
Distribution and collection	2,237,035	1,287,356	663,393
Contractual services	-	-	-
Other supplies and expenses	-	-	-
Repairs and maintenance	-	-	-
Depreciation and amortization	1,910,615	1,565,230	2,123,069
Lease amortization	74,894	-	-
Other	-	-	-
Total operating expenses	18,014,419	7,554,073	5,417,070
Operating income (loss)	1,549,687	743,563	1,543,513
Nonoperating revenues (expenses)			
Investment earnings	712,696	144,593	479,125
Interest expense	(481,536)	(610,571)	(275,991)
Lease interest income	38	-	-
Lease interest expense	(502)	-	-
Gain (Loss) sale of assets	28,450	7,825	9,205
Other	-	-	(16,104)
Total nonoperating revenues (expenses)	259,146	(458,153)	196,235
Income (loss) before transfers and contributions	1,808,833	285,410	1,739,748
Capital grants and contributions	-	295,500	734,266
Transfers in	-	-	46,229
Transfers out	(1,480,045)	(95,590)	(82,600)
Change in net position	328,788	485,320	2,437,643
Total net position, beginning, as previously reported	36,826,780	21,724,051	27,847,349
Restatement - GASB 101	(40,464)	(17,605)	(23,723)
Total net position, beginning, as restated	36,786,316	21,706,446	27,823,626
Total net position, ending	$ 37,115,104	$ 22,191,766	$ 30,261,269

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS (Continued)
Year Ended December 31, 2024

	Nonmajor Funds Totals	Total	Internal Service Funds
Operating revenues			
Charges for sales and services	$ 302,210	$ 34,965,883	$ 4,584,670
Other	-	158,652	20,806
Total operating revenues	302,210	35,124,535	4,605,476
Operating expenses			
Administration	147,271	4,836,765	1,389,757
Wholesale energy cost	-	10,155,243	-
Generation	-	1,811,263	-
Treatment	-	4,467,970	-
Distribution and collection	-	4,187,784	-
Contractual services	-	-	2,341,752
Other supplies and expenses	-	-	135,728
Repairs and maintenance	64,389	64,389	76,904
Depreciation and amortization	204,628	5,803,542	172,233
Lease amortization	-	74,894	-
Other	-	-	501,455
Total operating expenses	416,288	31,401,850	4,617,829
Operating income (loss)	(114,078)	3,722,685	(12,353)
Nonoperating revenues (expenses)			
Investment earnings	16,257	1,352,671	-
Interest expense	-	(1,368,098)	-
Lease interest income	-	38	-
Lease interest expense	-	(502)	-
Gain (Loss) sale of assets	-	45,480	-
Other	-	(16,104)	-
Total nonoperating revenues (expenses)	16,257	13,485	-
Income (loss) before transfers and contributions	(97,821)	3,736,170	(12,353)
Capital grants and contributions	430,562	1,460,328	42,569
Transfers in	500,000	546,229	-
Transfers out	-	(1,658,235)	(5,500)
Change in net position	832,741	4,084,492	24,716
Total net position, beginning, as previously reported	7,734,623	94,132,803	305,956
Restatement - GASB 101	(975)	(82,767)	(24,716)
Total net position, beginning, as restated	7,733,648	94,050,036	281,240
Total net position, ending	$ 8,566,389	98,134,528	$ 305,956
	Change in net position	4,084,492	
Some amounts reported for business-type activities in the statements of activities are different because the net revenue of certain internal service funds is reported with business-type activities.		16,087	
	Change in net position of business-type activities	$ 4,100,579	

The accompanying notes are an integral part of these financial statements.

CITY OF GARDNER, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2024

	Major Funds	
	Electric	**Water**
Cash flows from operating activities:		
Receipts from customers	$ 19,322,970	$ 8,242,990
Other receipts	-	-
Payments to suppliers	(14,707,296)	(4,771,887)
Payments to employees	(1,872,669)	(1,238,920)
Net cash provided by operating activities	2,743,005	2,232,183
Cash flows from noncapital financing activities:		
Transfers from other funds	-	-
Transfers to other funds	(1,480,045)	(95,590)
Net cash provided by (used in) noncapital financing activities	(1,480,045)	(95,590)
Cash flows from capital and related financing activities:		
Capital grants and contributions	-	-
Acquisition and construction of capital assets	(2,519,772)	(108,442)
Principal paid on general obligation bonds	(345,000)	(1,570,000)
Principal paid on construction loan	-	-
Principal paid on capital financing	(414,541)	-
Principal paid on lease liability	(75,134)	-
Principal paid on subscription liability	-	-
Interest paid on general obligation bonds, construction loan, and capital financing	(514,073)	(729,300)
Proceeds from sale of assets	28,450	7,825
Net cash used in capital and related financing activities	(3,840,070)	(2,399,917)
Cash flows from investing activities:		
Purchase of U.S. Treasury bill	(3,009,419)	(687,272)
Interest received	712,734	144,593
	(2,296,685)	(542,679)
Net increase (decrease) in cash and cash equivalents	(4,873,795)	(806,003)
Cash and cash equivalents, beginning of year	16,928,895	3,723,384
Cash and cash equivalents, end of year	$ 12,055,100	$ 2,917,381

CITY OF GARDNER, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2024

Wastewater	Nonmajor Funds Totals	Total	Internal Service Funds
$ 10,230,332	$ 170,763	$ 37,967,055	$ 4,584,670
-	-	-	20,806
211,693	(67,395)	(19,334,885)	(2,946,180)
(1,204,656)	(17,649)	(4,333,894)	(1,453,543)
9,237,369	85,719	14,298,276	205,753
46,229	500,000	546,229	-
(82,600)	-	(1,658,235)	(5,500)
(36,371)	500,000	(1,112,006)	(5,500)
-	154,309	154,309	-
(7,306,596)	(712,304)	(10,647,114)	-
(515,000)	(35,000)	(2,465,000)	-
(671,823)	-	(671,823)	-
-	-	(414,541)	-
-	-	(75,134)	-
-	-	-	(113,277)
(327,631)	(1,523)	(1,572,527)	-
9,205	-	45,480	-
(8,811,845)	(594,518)	(15,646,350)	(113,277)
(2,230,672)	(70,915)	(5,998,278)	-
479,125	16,257	1,352,709	-
(1,751,547)	(54,658)	(4,645,569)	-
(1,362,394)	(63,457)	(7,105,649)	86,976
10,247,287	364,065	31,263,631	1,094,956
$ 8,884,893	$ 300,608	$ 24,157,982	$ 1,181,932

The accompanying notes are an integral part of the financial statements

CITY OF GARDNER, KANSAS
STATEMENT OF CASH FLOWS
(Continued)
PROPRIETARY FUNDS
Year Ended December 31, 2024

	Electric	Water
Cash consists of:		
Cash	$ 11,839,077	$ 2,877,809
Restricted deposits and investments	216,023	39,572
	12,055,100	2,917,381
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	1,549,687	743,563
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Items not requiring cash:		
Depreciation and amortization expense	1,985,509	1,565,230
OPEB expense	(78,433)	(52,304)
Pension expense	153,928	46,849
Changes in:		
Receivables	(180,310)	(54,473)
Inventories	(372,986)	4,593
Leases deferred inflow	(5,545)	-
Prepaid expenses	3,185	-
Accounts payable	(285,054)	(32,717)
Accrued liabilities	28,305	11,615
Customer deposits	(55,281)	(173)
Net cash provided by operating activities	$ 2,743,005	$ 2,232,183
Noncash investing capital and financing activities:		
Contributed capital assets	$ -	$ 295,500

CITY OF GARDNER, KANSAS
STATEMENT OF CASH FLOWS
(Continued)
PROPRIETARY FUNDS
Year Ended December 31, 2024

Wastewater	Nonmajor Funds Totals	Total	Internal Service Funds
$ 8,884,893	$ 293,208	$ 23,894,987	$ 1,181,932
-	7,400	262,995	-
8,884,893	300,608	24,157,982	1,181,932
1,543,513	(114,078)	3,722,685	(12,353)
2,123,069	204,628	5,878,436	172,233
(47,012)	-	(177,749)	(50,600)
12,660	-	213,437	30,255
(92,383)	(131,547)	(458,713)	(650)
2,198	25,215	(340,980)	-
-	-	(5,545)	-
-	-	3,185	(10,157)
2,312,822	100,736	2,095,787	43,576
3,382,502	665	3,423,087	33,449
-	100	(55,354)	-
$ 9,237,369	$ 85,719	$ 14,298,276	$ 205,753
$ 734,266	$ 276,253	$ 1,306,019	42,569

The accompanying notes are an integral part of the financial statements

1 - Summary of Significant Accounting Policies

The City of Gardner, Kansas (the City) is located in Johnson County, Kansas and was first incorporated in 1887 under the provisions of the constitution and general statutes of the State of Kansas. The City operates under a Mayor-Council-Administrator form of government and provides a full range of services including police; public works; community services; recreation and leisure; planning and codes enforcement; general management; and electric, water, wastewater, and stormwater utilities, as well as a municipal airport.

Reporting Entity

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The blended component unit, although a legally separate entity, is, in substance, part of the City's operations.

Blended Component Unit. The Public Building Corporation (PBC) is a not-for-profit corporation governed by the Mayor, certain City Council members and members of the City's management. The PBC's sole purpose is to acquire assets and construct facilities and infrastructure for the benefit of the City through the issuance of revenue bonds pursuant to Kansas Statute 12-1757. In prior years, the financial statements of the PBC have been included within the City's reporting entity as a capital projects fund (City Hall); however, in 2017 - 2024, there was no fund balance or activity to report. Separately issued financial statements of the PBC are not available.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. A 90-day availability period is used for revenue recognition for all governmental funds revenues except property taxes for which a 60-day availability period is used. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Property taxes, sales taxes, franchise taxes, interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City. While property taxes are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year-end because statutory provisions prohibit their use until the year for which they were raised and budgeted. Instead, they are offset by deferred inflows of resources accounts.

A double-step down allocation methodology is used to allocate the allowable costs of the central service divisions and departments. This methodology recognizes the cross support provided between central service divisions and departments. It requires an initial sequencing of allocating divisions and departments. In the first step of the double-step methodology, allowable costs from

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

central service divisions and departments are allocated in the sequence selected to all City divisions, departments and funds; including to other central service divisions and departments. The second step in the double-step down methodology is made to fully account for the cross support provided between central service divisions and departments. Central service divisions and departments are closed after the second step in the double-step down allocation methodology.

The City reports the following major governmental funds:

The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund accounts for the general operating transactions of the City including police, public works, parks and recreation, community development and administration.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

The capital projects fund accounts for the acquisition and construction of major capital facilities and the construction of infrastructure for special benefit districts other than those financed by enterprise funds.

The infrastructure special sales tax fund accounts for the sales tax revenues that are restricted to expenditures relating to the rehabilitation of streets and pedestrian trails and bridges.

The special highway fund accounts for the State's motor fuel tax and special county sales and use tax revenues that are restricted to expenditures related to the construction and maintenance of streets, curbs and sidewalks.

The City reports the following major proprietary funds:

The electric fund accounts for the planning, development, production, purchase, transmission and distribution of all electricity for the City.

The water fund accounts for the operation and maintenance activities of the City's water treatment and distribution system.

The wastewater fund accounts for the operation and maintenance activities of the City's wastewater collection and treatment system.

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund type:

Internal service funds account for risk services, information technology services, building services, fleet services, and utility billing services provided to other departments on a cost reimbursement basis.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this rule is charges between the City's enterprise funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the electric, water, wastewater, and stormwater funds are charges to customers for sales and services. Operating revenues in the electric fund also include lease revenues. The principal operating revenues for the municipal airport are hangar rental and fuel sales. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Pooled Cash and Investments

Cash and investments of the individual funds are combined to form a pool that is managed by the Finance Director. Each fund's equity in the pool is included in "deposits and investments" in the financial statements. These pooled deposits and investments consist of operating accounts, certificates of deposit, and pooled municipal investment pool. The municipal investment pool is not an SEC registered pool. The Pooled Money Investment Board (PMIB) provides the regulatory oversight for this pool. The reported value of the pool is the same as the fair value of the pool shares. Investment earnings, including interest income, are allocated to the funds required to accumulate interest; other investment earnings are allocated based on management discretion

1 - Summary of Significant Accounting Policies (Continued)

Pooled Cash and Investments (Continued)

and upon their average daily equity balances. If a fund is not required to account for its own earnings by law or regulation, the earnings are allocated to the General Fund.

Investments are measured at fair value. Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction. There is a fair value hierarchy which requires an entity to maximize the use of observable inputs when measuring fair value.

Statement of Cash Flows

For purposes of the statement of cash flows, the City considers deposits and highly liquid investments with an original maturity of three months or less to be cash equivalents. See Note 3, Deposits and Investments for a detailed breakdown of the City's investments.

Allowances for Uncollectibles

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 238 days comprise the trade accounts receivable allowance for uncollectibles. The allowance for trade uncollectibles is as follows at December 31, 2024:

Electric Fund	$ 982,164
Water Fund	379,671
Wastewater Fund	342,433

The property tax receivable allowance is equal to 2.1% of outstanding property taxes at December 31, 2024.

Restricted Assets

The State of Kansas requires the City to maintain customer utility and developer deposits separate from City assets in the enterprise funds. Interest earned on deposits is credited back to customers as required by State statutes. Restricted deposits and investments are also set aside for capital projects and debt service.

1 - Summary of Significant Accounting Policies (Continued)

Property Taxes

The City's property tax is levied each year on the assessed value of all real estate listed as of the prior January 1, the lien date. Assessed values are established by Johnson County.

Property taxes are legally restricted for use in financing operations of the ensuing year. Accordingly, the City defers revenue recognition until the year for which they are to be used. Property taxes are levied on November 1 of each year. Property owners have the option of paying one-half of the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the following year. Property taxes become delinquent on December 20 of each fiscal year if the taxpayer has not remitted at least one-half of the amount due. The Johnson County Treasurer is the tax collection agent for all taxing entities within the County. Property taxes levied in prior years that remain uncollected are recorded as receivables, net of estimated uncollectibles.

Inventories

Inventories consist of expendable supplies and merchandise held for consumption. All inventories are valued at cost.

Prepaid Items

Prepaid items are those paid out in the current year but which benefit future accounting periods. The City uses the consumption method and records these items as an asset.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, sidewalks and similar items), intangibles, vehicles and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as follows:

Major Asset Class	Minimum Cost Threshold	Useful-life Threshold
Land	$25,000	Not Applicable
Buildings and Improvements	$250,000	10 years
Machinery and Equipment	$25,000	3 years
Vehicles	$25,000	3 years
Infrastructure	$250,000	10 years
Intangible Assets	$100,000	3 years

1 - Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value.

Lease assets and subscriptions are amortized in a systematic and rational manner over the shorter of the lease or subscription term or the useful life of the underlying asset. The City's right-to-use asset – land is not being amortized in accordance with the exception to the amortization rule in paragraph 32 of GASB Statement No. 87.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method. Additionally, a full year of depreciation expense is recognized in the year of acquisition and none in the year of disposal. Depreciation is recognized over the following estimated useful lives.

Buildings and improvements	10 - 40 years
Machinery and equipment	3 - 10 years
Vehicles	3 - 10 years
Infrastructure	10 - 50 years

The City will, from time to time, acquire electric utility customers and water utility customers. These transactions will be reported in the electric fund and the water fund, respectively and will also be reported in the business-type activities column in the government-wide financial statements as an intangible capital asset. The city is amortizing these assets based on the revenue generated from the acquired customers.

Lease Arrangements

For arrangements where the City is a lessee, a lease liability and a right to use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the City's right to use underlying assets for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

1 - Summary of Significant Accounting Policies (Continued)

Lease Arrangements (Continued)

For governmental fund statements, an expenditure and other financing source are reported in the period the lease is initially recognized. The expenditure and other financing source are measured as noted in the previous paragraph. Subsequent governmental fund lease payments are accounted for consistent with principles of debt service payments on long-term debt.

For government-wide and proprietary fund statements, for arrangements in which the City is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflows of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods. The City is only a lessor for business-type activities.

The City uses an incremental borrowing rate to calculate the present value of lease payments when the rate implicit in the lease is not known. This incremental borrowing rate is a combination of an applicable market rate and a credit spread based on market data points as of the most recent quarter end corresponding to the lease commencement date. The City includes lease extension and termination options in the lease term, if after considering relevant economic factors, it is reasonably certain the City will exercise the option. The City has elected to not recognize RTU assets and lease liabilities for lease terms for 12 months or less. Additionally the City has applied a lease recognition threshold similar to the threshold applied to capital assets. See the Capital Asset section above.

Subscription-Based Information Technology Arrangements

A subscription liability and a right to use (RTU) intangible asset are recognized at the commencement of the subscription-based information technology arrangement (SBITA). RTU assets represent the City's right to use underlying assets for the SBITA term and subscription liabilities represent the City's obligation to make subscription payments arising from the arrangement. RTU assets and subscription liabilities are recognized at the SBITA commencement date based on the estimated present value of subscription payments over the term.

For governmental fund statements, an expenditure and other financing source are reported in the period the SBITA is initially recognized. The expenditure and other financing source are measured as noted in the previous paragraph. Subsequent governmental fund subscription payments are accounted for consistent with principles of debt service payments on long-term debt.

1 - Summary of Significant Accounting Policies (Continued)

Subscription-Based Information Technology Arrangements (Continued)

The City uses an incremental borrowing rate to calculate the present value of subscription payments when the rate implicit in the SBITA is not known. This incremental borrowing rate is calculated as described above for lease arrangements. The City includes SBITA extension and termination options in the SBITA term, if after considering relevant economic factors, it is reasonably certain the City will exercise the option. The City has elected to not recognize RTU assets and subscription liabilities for SBITA terms for 12 months or less. Additionally, the City applies the RTU intangible asset threshold for recognition as defined in the capital asset section above.

Compensated Absences

The City's policies allow employees to accumulate up to one and one half times their annual vacation accrual at any time and can carry over to subsequent years. This carryover, payable upon separation from service, can range from 156 to 300 hours depending upon the employee's length of service.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. In the governmental fund financial statements, a liability for these amounts is reported only when they have matured, for example, as a result of employee resignations and retirements.

Sick leave for full-time employees accrues at the rate of 3.692 hours per bi-weekly pay period with a maximum accumulation of 1,040 hours. Hours accumulated at the end of the year over the 1,040 hours are paid out the following January at a specified rate. Regular part-time employees accrue sick leave at a proportional rate to full-time employees. Twenty percent of accumulated sick pay under the 1,040 hours is payable upon separation from service and has been included in the compensated absences calculation. This calculation also now includes an estimate of sick leave to be used in the next year based on a four-year historical average of sick leave taken due to the implementation of GASB 101**.**

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

1 - Summary of Significant Accounting Policies (Continued)

Long-Term Obligations (Continued)

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of employee service and the plan's fiduciary net position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expenses, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liability.

For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. These potential classifications are defined as follows:

Nonspendable fund balance – includes amounts that are (a) not spendable in form, or (b) legally or contractually required to remain intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, property held for redevelopment, and long-term notes receivable.

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

1 - Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

Committed fund balance – includes amounts that can only be used for specific purposes determined by a formal action of the City's highest level of decision-making authority, the City Council. Commitments are created by, and can only be changed or removed by, a resolution adopted by the City Council.

Assigned fund balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. For this type of fund balance, the governing body (City Council) has delegated this authority to the City Administrator and Directors as outlined in the City's Purchasing Policy.

Unassigned fund balance – is the residual classification for the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. A positive unassigned fund balance is only possible in the general fund.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide statement of net position and proprietary funds statement of net position. A deferred charge on the refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the deferred outflow for pension related items. See Note 6 for more information on this deferred outflow. Lastly, the government reports a deferred outflow for OPEB related items. See Note 8 for more information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has five types of items, unavailable revenue, deferred revenue, deferred inflow for leases, deferred inflow for pension related items, and deferred inflow for OPEB related items that qualify for reporting in this category. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet.

1 - Summary of Significant Accounting Policies (Continued)

Deferred outflows/inflows of resources (Continued)

The governmental funds report unavailable revenues from special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred revenues are reported in both the government-wide statement of net position and the governmental funds balance sheet for property tax receivable. Property taxes are not recognized as revenue until the period for which they are levied. Deferred inflow for leases are deferred and recognized as revenue in a systematic and rational manner over the term of the lease. See Note 11 for more details. The last two items, deferred inflows for pension related items and deferred inflows for OPEB related items, are reported in the statements of net position. See Notes 6 and 8 for more information on these deferred inflows.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Deferred inflows of resources are reported as follows:

General fund property taxes receivable	$	4,300,109
Debt service fund property taxes receivable		1,913,438
Debt service fund special assessments receivable		13,505,888
Non-major governmental fund property taxes receivable		242,362
	$	19,961,797

Net position

The government-wide statement of net position reports $30,256,202 of restricted net position, of which $2,966,470 is restricted by enabling legislation.

Restatement of Beginning Net Position

On January 1, 2024 the City adopted GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This resulted in an increase to the City's sick leave liability and a restatement of beginning net position as noted below:

1 - Summary of Significant Accounting Policies (Continued)

Restatement of Beginning Net Position (Continued)

	Reporting Units Affected by Restatements of Beginning Balances						
	Funds					Government-Wide	
	Electric	Water	Wastewater	Nonmajor Enterprise	Internal Services	Governmental Activities	Business-type Activities
December 31, 2023, as previously reported	$ 36,826,780	$ 21,724,051	$ 27,847,349	$ 7,734,623	$ 305,956	$ 72,310,059	$ 94,172,010
Change in accounting principle (GASB 101)	(40,464)	(17,605)	(23,723)	(975)	(24,716)	(197,287)	(98,854)
December 31, 2023, as restated	$ 36,786,316	$ 21,706,446	$ 27,823,626	$ 7,733,648	$ 281,240	$ 72,112,772	$ 94,073,156

Concentrations of Credit Risk

Loans are extended, on a fully secured basis, to local businesses under an economic development loan program. Credit is extended to citizens for special assessments levied by the City for capital improvements. These special assessments are secured by liens on the related properties. Unsecured credit is extended to customers for electric, water and sewer fees and charges for services. Intergovernmental receivables include unsecured amounts due from federal, state and county agencies for various grant programs.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pending Governmental Accounting Standards Board Statements

GASB Statement No. 102, *Certain Risk Disclosures*, will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The provisions of this statement are effective for financial statements for the City's fiscal year ending December 31, 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves five key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability:

1 - Summary of Significant Accounting Policies (Continued)

Pending Governmental Accounting Standards Board Statements (Continued)

1) Management Discussion and Analysis (MD&A) This statement requires that information presented in MD&A be limited to related topics discussed in five sections: 1) Overview of Financial Statements, 2) Financial Summary, 3) Detailed Analyses, 4) Significant Capital Asset and Long-Term Financing Activity and 5) Currently Known Facts, Decisions, or Conditions. MD&A should also explain why balances and results of operations changed and avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections. MD&A should continue to distinguish between the primary government and its discretely presented component units.

2) Unusual or Infrequent Items are described as transactions and other events that are either unusual in nature or infrequent in occurrence. These items are required to be displayed separately as the last presented flow of resources prior to the net change in resource flows in government-wide, governmental fund, and proprietary fund statements of resource flows.

3) Presentation of Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net position should continue to distinguish between operating and nonoperating revenues and expenses and provides additional guidance on determining nonoperating revenues and expenses. Additional subtotals are required to be presented to show a subtotal for “operating income (loss) and noncapital subsidies” prior to reporting other nonoperating revenues and expenses. Subsidies are defined within the statement.

4) Major Component Unit Information is required to be presented separately in the reporting entity’s statement of net position and statement of activities if it does not reduce the readability of the statements. If readability is impacted, combining statements of major component units should be presented after the fund financial statements.

5) Budgetary Comparison Information is required to be presented as required supplementary information (RSI) and variances between original and final budget amounts and variances between final and actual amounts are required to be presented. Explanation of significant difference must be presented in notes to the RSI.

The provisions of this statement are effective for financial statements for the City’s fiscal year ending December 31, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, improves financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. This statement requires certain capital assets to be disclosed separately in the capital assets note disclosures including lease assets, intangible right-to-use assets recognized in accordance with Public-Private

1 - Summary of Significant Accounting Policies (Continued)

Pending Governmental Accounting Standards Board Statements (Continued)

and Public-Public Partnerships and Availability Payment Arrangements and subscription assets. In addition, intangible assets other than those three types must be disclosed separately by major class. This statement also requires additional disclosures on capital assets held for sale. The provisions of this statement are effective for financial statements for the City's fiscal year ending December 31, 2026.

2 - Stewardship, Compliance and Accountability

Budgetary Information

Applicable Kansas statutes require that budgets be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), enterprise funds and the debt service fund. A legal operating budget is not required for the Capital Project Fund, the Vehicle and Equipment Replacement Fund, the American Rescue Plan Act Grant Fund, the Special Olympics Fund, and the Law Enforcement Trust Fund. Legal operating budgets are, however, required for the Infrastructure Special Sales Tax, Park Improvement, Special Highway, and Street Improvement capital project funds. All budgets are prepared utilizing the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures.

In March 2021, the Kansas Legislature passed Senate Bill (SB) 13 to establish limitations on ad valorem property tax levies by taxing subdivisions without an additional notice and hearing prior to budget adoption. This change in policy applied to the 2022 budget cycle. The bill repeals the tax lid law and computed tax limits imposed by KSA 79-2925b and KSA 79-2925c. Alternatively the bill introduces the use of a "revenue neutral rate" (RNR), defined as the amount of ad valorem tax revenue levied in the prior year over the current year assessed valuation estimates, expressed as a mill. County clerks are responsible for computing and providing the rate to taxing subdivisions with the budget information estimates. Timeline if maintaining or exceeding the RNR:

a) **June 15th** Assessed property valuation estimates distributed from County Clerks (will include Revenue Neutral Rate)
b) **July 20th** Last day to notify County Clerk of intent to levy at or above RNR
c) **August 10th** County Clerk notifies taxpayers via mail/email of all taxing subdivisions exceeding RNR
d) **August 10th – September 10th** Publication of hearing 10 days prior to hearing for both the RNR hearing and the budget hearing. The RNR hearing must be done prior to or in conjunction with the budget hearing.
e) **August 20th – September 20th** Hold RNR hearing and budget hearing
f) **August 20th – October 1st** Governing body passes resolution to exceed RNR and formally adopts budget. Governing body certifies budget to County Clerk.

2 - Stewardship, Compliance and Accountability (Continued)

Budgetary Information (Continued)

Timeline if not exceeding the RNR:

a) **June 15th** Assessed property valuation estimates distributed from County Clerks (will include Revenue Neutral Rate)
b) **August 4th** Deadline to publish notice of budget hearing in newspaper
c) **August 15th** Deadline to hold budget hearing
d) **August 15th – 25th** Governing body formally adopts budget
e) **August 25th** Governing body certifies budget to County Clerk

Kansas statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures in an individual fund. The City Administrator is authorized to approve over-expenditures at the departmental level or transfers of budgeted appropriations between departments. However, management may not amend a fund's total budgeted expenditures without Council approval. The legal level of budgetary control is the fund level. 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 City. All unencumbered appropriations lapse at the end of the year. Encumbered appropriations are not appropriated in the ensuing year's budget but are carried forward until liquidated or cancelled.

Kansas statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The City must first publish a notice of public hearing to amend the budget. Ten days after publication, a public hearing is held and the governing body may amend the budget at that time.

During the fiscal year, the City Council adopted a budget amendment for the Airport Fund. The Airport Fund budget was amended to cover increased costs for a priority land acquisition securing part of the runway protection zone. The FAA will fund about 90% of the cost, but due to timing issues, an interfund loan from the Electric Fund will temporarily finance the project, to be repaid once the grant proceeds are received. The budgeted expenditures increased from $998,276 to $1,160,092. The City included this information regarding an amendment to the Airport budget for transparency purposes only, as the City does not include budget to actual schedules for proprietary funds.

3 - Deposits and Investments

Deposits

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. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the City. The carrying amount of deposits for the City was not exposed to custodial credit risk.

Fair Value Measurements
The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the investment.

Level 1 inputs are quoted prices in active markets for identical assets;

Level 2 inputs are significant other observable inputs, either directly or indirectly observable, and fair value can be determined through the use of models or other valuation methodologies;

Level 3 inputs are significant unobservable inputs in situations where there is little or no market activity for the asset or liability and the entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

At December 31, 2024, the City had the following investments:

Schedule of Investments at December 31, 2024

	Interest Rates	Maturities	Par Value	Fair Value	Fair Value Hierarchy
City Investments:					
U.S. Treasury Bill	4.411%	<1 year	$ 10,212,000	$ 10,055,806	Level 1
KMIP - Overnight	3.020%-4.020%	On Demand	$ 2,456,108	$ 2,456,108	N/A
			$ 12,668,108	$ 12,511,914	

Investments

Interest Rate Risk
Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, but requires

3 - Deposits and Investments (Continued)

Investments (Continued)

that to the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. The City is not exposed to significant interest rate risk.

Credit risk
Kansas statutes authorize the City, with certain restrictions, to deposit or invest in temporary notes, no-fund warrants, open accounts, time deposits, certificates of deposit, repurchase agreements, U.S. Treasury Bills and Notes, the State of Kansas Municipal Investment Pool, or to make direct investments. The City has an investment policy which does not impose limitations beyond those of the State of Kansas.

Custodial Credit Risk – Investments
For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. As of December 31, 2024, the City was not exposed to custodial credit risk.

The following is a breakdown of the City's cash by fund type:

Reconciliation of Cash			
	Deposits Including Investments	Restricted Cash and Investments	Total
Government-type activities	$ 23,777,456	$ 2,456,108	$ 26,233,564
Business-type activities	30,293,817	262,995	30,556,812
Total	$ 54,071,273	$ 2,719,103	$ 56,790,376

At year-end, a reconciliation of deposits and investments is as follows:

Reconciliation of Deposits and Investments	
	Primary Government
Cash on hand	$ 7,150
Carrying amount of deposits	44,271,312
Carrying amount of investments	12,511,914
Total deposits and investments	$ 56,790,376
Deposits including investments	$ 54,071,273
Restricted cash and investments	2,719,103
Total deposits and investments	$ 56,790,376

4 - Capital Assets

Capital asset activity for the primary government for the year ended December 31, 2024 was as follows:

	December 31, 2023	Increases	Decreases	Transfers	December 31, 2024
Governmental activities:					
Capital assets, not being depreciated					
Land	$ 6,538,458	$ -	$ -	$ -	$ 6,538,458
Construction in progress	6,933,390	1,179,220	(1,576,768)	-	6,535,842
Right to use lease asset, not being amortized					
Land	355,262	-	-	-	355,262
Total capital assets, not being depreciated/amortized	13,827,110	1,179,220	(1,576,768)	-	13,429,562
Capital assets, being depreciated					
Buildings	18,640,846	-	-	-	18,640,846
Improvements other than buildings	6,943,068	-	-	-	6,943,068
Infrastructure	85,475,892	2,957,853	-	-	88,433,745
Machinery and Equipment	2,793,610	145,041	(47,743)	(60,379)	2,830,529
Vehicles	2,501,999	872,947	(170,889)	(138,870)	3,065,187
Right to use lease and subscription assets, being amortized					
Infrastructure	934,709	-	-	-	934,709
Subscriptions	454,767	-	-	-	454,767
Total	117,744,891	3,975,841	(218,632)	(199,249)	121,302,851
Less accumulated depreciation/amortization for:					
Buildings	(3,977,868)	(461,556)	-	-	(4,439,424)
Improvements other than buildings	(3,437,257)	(309,040)	-	-	(3,746,297)
Infrastructure	(37,410,329)	(2,683,551)	-	-	(40,093,880)
Machinery and Equipment	(2,211,422)	(208,296)	47,743	-	(2,371,975)
Vehicles	(1,632,795)	(368,147)	146,666	-	(1,854,276)
Right to use lease infrastructure	(116,839)	(58,419)	-	-	(175,258)
Subscriptions	(103,537)	(120,422)	-	-	(223,959)
Total	(48,890,047)	(4,209,431)	194,409	-	(52,905,069)
Total capital assets, being depreciated/amortized, net	68,854,844	(233,590)	(24,223)	(199,249)	68,397,782
Governmental activities capital assets, net	$ 82,681,954	$ 945,630	$ (1,600,991)	$ (199,249)	$ 81,827,344

4 - Capital Assets (Continued)

	December 31, 2023	Increases	Decreases	Transfers	December 31, 2024
Business-type activities:					
Capital assets, not being depreciated					
Land	$ 4,480,881	$ 449,916	$ -	$ -	$ 4,930,797
Construction in progress	3,772,836	9,149,187	(2,816,241)	-	10,105,782
Total capital assets, not being depreciated	8,253,717	9,599,103	(2,816,241)	-	15,036,579
Capital assets, being depreciated/amortized					
Buildings	46,354,313	-	-	-	46,354,313
Intangibles	666,726	-	-	-	666,726
Improvements other than buildings	14,184,074	1,545,368	-	-	15,729,442
Infrastructure	121,040,174	1,926,278	-	-	122,966,452
Machinery and equipment	2,762,066	176,541	(73,445)	60,379	2,925,541
Vehicles	1,617,589	1,322,836	(100,320)	138,870	2,978,975
Right to use lease assets being amortized					
Vehicles	274,610	-	-	-	274,610
Total	186,899,552	4,971,023	(173,765)	199,249	191,896,059
Less accumulated depreciation/amortization for:					
Buildings	(6,771,765)	(1,156,941)	-	-	(7,928,706)
Intangibles	(632,571)	(7,200)	-	-	(639,771)
Improvements other than buildings	(8,429,198)	(606,316)	-	-	(9,035,514)
Infrastructure	(64,559,565)	(3,565,681)	-	-	(68,125,246)
Machinery and equipment	(1,731,254)	(202,763)	73,445	-	(1,860,572)
Vehicles	(1,029,060)	(264,641)	100,320	-	(1,193,381)
Right to use lease vehicles	(149,787)	(74,894)	-	-	(224,681)
Total	(83,303,200)	(5,878,436)	173,765	-	(89,007,871)
Total capital assets, being depreciated/amortized, net	103,596,352	(907,413)	-	199,249	102,888,188
Business-type activities capital assets, net	$ 111,850,069	$ 8,691,690	$ (2,816,241)	$ 199,249	$ 117,924,767

4 - Capital Assets (Continued)

Capital Asset Transfers During the Year				
	Governmental activities		Business-type activities	
	Book Value	Accumulated Depreciation	Book Value	Accumulated Depreciation
Transfers In:				
Machinery and Equipment	$ -	$ -	$ 60,379	$ -
Vehicles	-	-	138,870	-
Transfers Out:				
Machinery and Equipment	(60,379)	-	-	-
Vehicles	(138,870)	-	-	-
Net Change:				
Machinery and Equipment, net	(60,379)	-	60,379	-
Vehicles	(138,870)	-	138,870	-
Capital assets, being depreciated	$ (199,249)	$ -	$ 199,249	$ -
Capital assets transfers, net		$ (199,249)		$ 199,249

Depreciation and amortization expense on capital assets was charged to functions/programs of the government as follows:

Governmental activities	
Depreciation Expense	
General Government	$ 127,891
Police	607,190
Public Works	2,516,893
Culture and Recreation	716,834
Community Development	9,971
Internal Service Funds	51,811
Total depreciation expense	4,030,590
Lease and Subscription Amortization Expense	
Culture and Recreation	58,419
Internal Service Funds	120,422
Total lease and subscription amortization expense	178,841
Total depreciation and amortization expense for governmental activities	$ 4,209,431

4 - Capital Assets (Continued)

Business-type activities		
Depreciation Expense		
Electric	$	1,910,615
Water		1,565,230
Wastewater		2,123,069
Stormwater		111,647
Airport		92,981
Total depreciation expense		5,803,542
Lease Amortization Expense		
Electric		74,894
Total lease amortization expense		74,894
Total depreciation and lease amortization expense for business-type activities	$	5,878,436

5 - Capital Financed Assets

In March 2018, the City entered into an asset purchase agreement with KMEA to assume the costs of a 32.26% participation in KMEA's 10.1% undivided interest in the Dogwood Energy Facility. Payments began in April 2019 and will continue on a semi-annual basis until maturity in 2038.

The following table details capital financed assets by major classification at December 31, 2024.

Capital Financed Assets	
	Business-Type Activities
Buildings	10,750,645
Less accumulated depreciation	(1,814,172)
Total	$ 8,936,473

6 - Defined Benefit Pension Plans

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 http://www.kpers.org or by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603-3803) or by calling 1-888-275-5737.

Benefits Provided

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

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

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

The 2012 Legislature made changes affecting new hires, current member employees and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 years with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

6 - Defined Benefit Pension Plans (Continued)

Benefits Provided (Continued)

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

Contributions

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 the Police and Firemen (KP&F) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1.0% contribution rate for the Death and Disability Program) and the statutory contribution rate were 9.26% for KPERS and 23.10% for KP&F for the fiscal year ended December 31, 2024.

House Substitute for SB21 included changes to the working after retirement rules for members who retire on or after January 1, 2018. The key provisions of the bill were to lengthen the waiting period for KPERS members to return to work from 60 days to 180 days for members who retire before attaining age 62, removing the earnings limitation for all retirees and establish a single employer contribution schedule for all retirees. For employees working after retirement, KPERS employers will pay the same statutorily required rate as the other KPERS plans (for the City that rate is 9.26% for 2024) on earnings up to $25,000 and 30% on earnings over $25,000.

The 2024 Legislature enacted House Bill 2711, which provided for changes to working after retirement, increased the retiree death benefit, and increased KPERS' alternative investments cap. All changes were effective July 1, 2024.

The bill increased the 30 percent threshold on working after retirement employer contributions from $25,000 to $40,000 and raised KP&F retirees' earnings limits from $25,000 to $40,000. It increased the retiree death benefit from $4,000 to $6,000; this benefit was last changed in 1993. And the bill increased the cap on KPERS' alternative investments (such as private equity, infrastructure and real estate) from 15% to no more than 25% of total Trust Fund assets.

6 - Defined Benefit Pension Plans (Continued)

Contributions (Continued)

Contributions to the pension plan from the City were $833,907 for KPERS and $774,359 for KP&F for the year ended December 31, 2024.

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

Although KPERS administers one cost sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each group of the plan. The City participates in the local (KPERS) group and the Police and Firemen (KP&F) group.

At December 31, 2024, the City reported a liability of $7,981,160 for KPERS and $7,262,662 for KP&F for its proportionate share of the KPERS' collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2024, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The City's proportion of the collective net pension liability was based on the ratio of the City's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions to KPERS and KP&F for the fiscal year ended June 30, 2024. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2024, the City's proportion and change from its proportion measured as of June 30, 2023 were as follows:

	Governmental Activities	Business-Type Activities	Total net pension liability as of December 31, 2024	Proportion as of June 30, 2024	Change in proportion from June 30, 2023
KPERS (local)	$ 4,789,160	$ 3,192,000	$ 7,981,160	0.375721%	0.013413%
KP&F	7,262,662	-	7,262,662	0.455622%	-0.010808%
Total	$ 12,051,822	$ 3,192,000	$ 15,243,822		

For the year ended December 31, 2024, the City recognized pension expense of $1,293,031 for KPERS and $1,317,655 for KP&F. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

6 - Defined Benefit Pension Plans (Continued)

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

	Governmental Activities		Business-Type Activities		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,210,418	$ -	$ 388,286	$ -	$ 1,598,704	$ -
Net difference between projected and actual earnings on pension plan investments	63,955	-	19,555	-	83,510	-
Changes in proportionate share	192,113	230,896	74,967	65,813	267,080	296,709
Changes in assumptions	676,300	-	192,941	-	869,241	-
City contributions subsequent to measurement date	651,668	-	168,828	-	820,496	-
Total	$ 2,794,454	$ 230,896	$ 844,577	$ 65,813	$ 3,639,031	$ 296,709

The $820,496 (KPERS and KP&F) reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases (decreases) to pension expense as follows:

	Deferred Outflows (Inflows) of Resources		
	Governmental Activities	Business-Type Activities	Total
Year ended December 31:			
2025	$ 591,668	$ 163,993	$ 755,661
2026	1,086,099	336,484	1,422,583
2027	212,646	75,540	288,186
2028	21,477	33,919	55,396
2029	-	-	-
	$ 1,911,890	$ 609,936	$ 2,521,826

	Deferred Outflows (Inflows) of Resources		
	KPERS	KPF	Total
Year ended December 31:			
2025	$ 410,039	$ 345,622	$ 755,661
2026	841,332	581,251	1,422,583
2027	188,878	99,308	288,186
2028	84,810	(29,414)	55,396
2029	-	-	-
	$ 1,525,059	$ 996,767	$ 2,521,826

6 - Defined Benefit Pension Plans (Continued)

Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry age normal
Price Inflation	2.75 percent
Salary increase	3.50 to 15.50 percent, including price inflation
Investment rate of return	7.00 percent compounded annually, net of investment expense, including price inflation

Mortality rates were based on the PUB 2010 Mortality Tables, with age setbacks and age set forwards based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The 2023 valuation incorporated the following changes after an experience study for calendar years 2019-2022, reviewing economic assumptions.

- Changed mortality assumptions to the Pub-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for active members.
- Lowered disability rates for active members.
- The merit salary increase assumption was increased.
- The administrative expense component of the actuarial required contribution rate was increased.
- The investment return assumption remained at 7.00%.
- The general wage growth assumption remained at 3.50%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 29, 2024, as provided by KPERS' investment consultant, are summarized in the following table:

6 - Defined Benefit Pension Plans (Continued)

Actuarial assumptions (Continued)

Asset class	Long-term target allocation	Long-term expected real rate of return
Non-U.S. Equities	43.00 %	8.20 %
Core Fixed Income	13.00	2.20
Yield Driven	12.00	5.30
Infrastructure	3.00	6.80
Real Estate	15.00	5.70
Alternatives	11.00	12.00
Short-term investment	3.00	0.30
Total	100.00 %	

Discount rate

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

In KPERS, the State/School and Local groups do not necessarily contribute the full actuarial contribution rate. Based on legislation first passed in 1993, the employer contribution rates certified by the Board may not increase by more than the statutory cap. Subsequent legislation in 2012 set the statutory cap at 0.90 percent for Fiscal Year 2014, 1.0 percent for Fiscal Year 2015, 1.1 percent for Fiscal Year 2016 and 1.2 percent for Fiscal Years 2017 and beyond.

Sensitivity of the City's proportionate share of the collective net pension liability to changes in the discount rate

The following presents the City's proportionate share of the collective net pension liability calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's KPERS proportionate share of the net pension liability	$ 11,554,561	$ 7,981,160	$ 4,994,803
City's KP&F proportionate share of the net pension liability	9,936,484	7,262,662	5,026,601
	$ 21,491,045	$ 15,243,822	$ 10,021,404

6 - Defined Benefit Pension Plans (Continued)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Kansas Public Employees Retirement System financial report, which can be found here: https://www.kpers.org/about/reports.html

7 - Deferred Compensation Plan

The City offers employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all full-time and regular part-time employees, permits them to defer a portion of their salary until future years. The City of Gardner is the plan sponsor and has delegated fiduciary duties to MissionSquare, formerly known as International City/County Management Association (ICMA) Retirement Corporation, as our engaged provider. Accordingly, the plan assets and related liabilities to plan participants are not included in the basic financial statements. For 2024, the City's contributions were $64,316.

8 - Other Postemployment Benefits

A. OPEB Healthcare Plan

During the current year, the City's healthcare plan changed resulting in the elimination of the OPEB Healthcare Plan.

Description. The City offered postemployment health and dental insurance to retired employees through HSA Bank-COBRA. HSA Bank-COBRA functioned as an agent multiple-employer plan. Administrative costs of the plan were paid by the City. It was determined the Fund did not qualify as an "OPEB Plan" and thus could not be treated as holding assets in order to offset OPEB liabilities. Though retiree benefits were not directly paid by the City, they were implicitly paid over time through employer subsidization of active premiums that would be lower if retirees were not part of the experience group. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. Retirees of the City (and their dependents) were able to elect to continue coverage in the medical and dental plans offered by the City by paying required premium rates. Upon retiree death or attainment of age 65, spouses could have continued COBRA coverage for up to three years. The required premium rates were based on combined active and retiree experience so retirees may not be charged the full age-based projected cost. The Plan did not issue separate financial statements.

8 - Other Postemployment Benefits (Continued)

A. OPEB Healthcare Plan (Continued)

Changes in Total OPEB Liability	
Balance at 12/31/2023	$ 704,663
Service cost	-
Interest cost	-
Changes of benefit terms	(741,499)
Changes in assumptions	24,995
Differences between expected and actual experience	11,841
Benefit payments	-
Net change	(704,663)
Balance at 12/31/2024	$ -

B. KPERS Death and Disability OPEB Plan

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

Benefits

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

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before

8 - Other Postemployment Benefits (Continued)

B. KPERS Death and Disability OPEB Plan (Continued)

Benefits (Continued)

age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins at or after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first.

Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically-based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime, whichever is less.

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

Covered Employees

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

Active members	114
Disabled members	-
	114

OPEB Liability

The City of Gardner's total OPEB liability of $130,159 related to KPERS reported as of December 31, 2024, was measured as of June 30, 2024 (the measurement date), and was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024, using the following actuarial assumptions:

8 - Other Postemployment Benefits (Continued)

B. KPERS Death and Disability OPEB Plan (Continued)

OPEB Liability (Continued)

Valuation Date	December 31, 2023
Measurement Date	June 30, 2024
Inflation	2.75%
Payroll Growth	3.00%
Discount rate	3.93%
Salary increases including inflation	3.5% to 10.3%, including price inflation
Healthcare cost trend rates	Not applicable for the coverage in this plan
Retirees' share of benefit-related costs	Not applicable for the coverage in this plan

The discount rate was based on the Bond Buyer General Obligation 20-Year Municipal Bond Index. Mortality rates were based on the RP-2014 Mortality Table, as appropriate, with adjustment for mortality improvements based on Scale MP-2021.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study conducted during 2019-2022. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2023 pension valuation.

Changes in Total OPEB Liability

Changes in Total OPEB Liability	
Balance at December 31, 2023	$ 119,884
Service cost	21,165
Interest cost	5,149
Effect of economic/demographic gains or losses	(16,999)
Effect of assumption changes or inputs	960
Benefit payments	-
Net change	10,275
Balance at December 31, 2024	$ 130,159

Changes of assumptions. Changes of assumptions and other inputs reflect the changes in the discount rate each period. The discount rate increased from 3.65% to 3.93%.

8 - Other Postemployment Benefits (Continued)

B. KPERS Death and Disability OPEB Plan (Continued)

Changes in Total OPEB Liability (Continued)

Sensitivity Analysis. The following presents the City of Gardner's total OPEB liability calculated using the discount rate of 3.93%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.93%) or 1-percentage point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	$135,141	$130,159	$ 124,758

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS. Therefore, there is no sensitivity to a change in healthcare trend rates.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the City of Gardner recognized OPEB expense of $3,068. At December 31, 2024, the City of Gardner reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities		Business-Type Activities		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 69,257	$ -	$ 46,161	$ -	$ 115,418
Changes in assumptions	4,793	21,075	3,196	14,047	7,989	35,122
	$ 4,793	$ 90,332	$ 3,196	$ 60,208	$ 7,989	$ 150,540

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

8 - Other Postemployment Benefits (Continued)

B. KPERS Death and Disability OPEB Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

	Deferred Outflows (Inflows) of Resources		
Year ended December 31:	Governmental Activities	Business-Type Activities	Total
2025	$ (13,949)	$ (9,297)	$ (23,246)
2026	(13,866)	(9,242)	(23,108)
2027	(13,120)	(8,744)	(21,864)
2028	(11,565)	(7,708)	(19,273)
2029	(10,744)	(7,161)	(17,905)
2030 & Thereafter	(22,295)	(14,860)	(37,155)
	$ (85,539)	$ (57,012)	$ (142,551)

9 - Risk Services

The City is exposed to various risks of loss related to torts; that is, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to employee health benefits and workers' compensation. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in claims from prior years.

The City obtains workers' compensation insurance through its membership in the Kansas Eastern Region Insurance Trust (KERIT), whose members consist of local cities and counties. KERIT is a risk-sharing pool organized under the insurance laws of the State of Kansas which self-insures workers' compensation and other related expenses up to certain limits and reinsures additional excess amounts up to certain limits. The City pays annual premiums to KERIT based upon historical experience and legal requirements mandated by the State of Kansas. The trust agreement allows for member assessments in the event claims and expenses exceed KERIT's self-insured retention limit. The City does not anticipate any additional assessments in excess of premiums paid as a result of its participation in this trust.

10 - Capital Projects

The City is currently improving its water, wastewater and electrical systems, working on street and stormwater projects and performing various new developments. These projects are being funded primarily by the issuance of bonds, both general obligation and special assessment.

Following is a summary of project-to-date costs to December 31, 2024 on the capital projects compared to the amount authorized:

Primary Government
Project Authorizations and Expenditures Since Inception

Project Category	Authorization	Expenditures Since Inception
Primary Government		
Governmental Improvements	$ 45,907,320	$ 8,112,611
Electric Improvements	25,794,446	3,772,821
Water Improvements	3,700,000	173,814
Wastewater Improvements	45,475,900	7,847,957
Airport Improvements	1,925,412	1,125,981
Total	$ 122,803,078	$ 21,033,184

11 - Lease and Subscription-Based Information Technology Arrangement Liabilities

A. Leases

1. Governmental Activities - Lessee

The City has entered into lease agreements for land and infrastructure. The lease contracts expire at various dates through 2028. The right to use assets are intangible assets and are recorded in capital assets as land and infrastructure as shown in Note 4. Details of the lease arrangements are as follows:

Governmental Activities

Description/Purpose	Date of lease agreement	Amount of original agreement	Lease term	Interest rates	Amount outstanding December 31, 2024
Golf Course Improvements	6/1/2018	$ 1,218,000	120 months	4.69%	$ 564,000
Justice Center Land	12/29/2016	678,000	120 months	2.40%	146,000
		$ 1,896,000			$ 710,000

11 - Lease and Subscription-Based Information Technology Arrangement Liabilities (Continued)

A. Leases (Continued)

1. Governmental Activities – Lessee (Continued)

The following represents the future minimum lease payments for governmental activities required under the lease arrangements as of December 31:

Governmental Activities			
	Principal	Interest	Total
2025	$ 203,000	$ 28,703	$ 231,703
2026	212,000	20,434	232,434
2027	144,000	12,171	156,171
2028	151,000	5,323	156,323
Total	$ 710,000	$ 66,631	$ 776,631

2. Business-Type Activities - Lessee

The City has entered into lease agreements for vehicles for the Electric Fund. The lease contracts expire in 2025. The right to use assets are intangible assets and are recorded in capital assets as vehicles as shown in Note 4. Details of the lease arrangements are as follows:

Business-Type Activities					
Description/Purpose	Date of lease agreement	Amount of original agreement	Lease term	Interest rates	Amount outstanding December 31, 2024
2021 Freightliner	8/17/2020	$ 230,345	60 months	0.5517%	$ 25,092
2021 Freightliner Digger Derrick	8/31/2020	235,422	60 months	0.5517%	25,228
		$ 465,767			$ 50,320

The following represents the future minimum lease payments for business-type activities required under the lease arrangements as of December 31:

Business-Type Activities			
	Principal	Interest	Total
2025	$ 50,320	$ 104	$ 50,424

11 - Lease and Subscription-Based Information Technology Arrangement Liabilities (Continued)

A. Leases (Continued)

2. Business-Type Activities – Lessor

The City has entered into two arrangements to lease pole attachments to others. The lease contracts expire at various dates through 2027. During 2024, the City recognized $5,545 in lease revenue which represents the total amount of inflows of resources recognized in the reporting period from leases.

The following represents the future minimum lease revenue due for business-type activities under the lease arrangements as of December 31:

Business-Type Activities			
	Principal	Interest	Total
2025	$ 5,075	$ 26	$ 5,101
2026	5,087	14	5,101
2027	2,548	2	2,550
Total	$ 12,710	$ 42	$ 12,752

B. Governmental Activities – Subscription-Based Information Technology Arrangement

The City has entered into a subscription-based information technology arrangement (SBITA) for software. The term of the arrangement ends in 2026. The right to use asset is an intangible asset and is recorded in capital assets as a subscription as shown in Note 4. Details of the arrangement are as follows:

Governmental Activities					
Description/Purpose	Date of agreement	Amount of original agreement	SBITA term	Interest rates	Amount outstanding December 31, 2024
Software	12/20/2021	$ 454,767	60 months	2.68%	$ 242,080
		$ 454,767			$ 242,080

11 - Lease and Subscription-Based Information Technology Arrangement Liabilities (Continued)

B. Governmental Activities – Subscription-Based Information Technology Arrangement (Continued)

The following represents the future minimum subscription payments due for governmental activities as of December 31:

Governmental Activities			
	Principal	Interest	Total
2025	$ 122,492	$ 4,999	$ 127,491
2026	119,588	1,606	121,194
Total	$ 242,080	$ 6,605	$ 248,685

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12 - Debt

A. Governmental Activities Long-Term Debt

1. Changes in Governmental Activities Debt

The following table summarizes the changes in governmental activities long-term debt of the City for the year ended December 31, 2024.

Summary of Governmental Activities Debt for the year ended December 31, 2024

	January 1*	Additions	Reductions	Outstanding December 31	Due Within One Year
Governmental activities:					
Bonds:					
General obligation	$ 23,575,000	$ -	$ 2,475,000	$ 21,100,000	$ 2,577,500
Plus: issuance premium	1,901,497	133,915	256,969	1,778,443	-
Special assessment debt with government commitment	10,305,000	1,435,000	1,270,000	10,470,000	882,500
Bond anticipation notes payable	1,515,000	1,055,000	1,515,000	1,055,000	-
Lease liabilities	905,000	-	195,000	710,000	203,000
Capital financing	9,666	-	9,666	-	-
Subscription liability	355,357	-	113,277	242,080	122,492
Net Pension liability	12,065,579	2,329,606	2,343,363	12,051,822	-
Compensated absences	913,047	638,281	516,145	1,035,183	590,055
Total OPEB liability	558,479	5,306	485,682	78,103	-
Total	$ 52,103,625	$ 5,597,108	$ 9,180,102	$ 48,520,631	$ 4,375,547

*Restated due to the implementation of GASB 101

For the governmental activities, total other postemployment benefit liability and the net pension liability are generally liquidated by the general and internal service funds.

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12 - Debt (Continued)

A. Governmental Activities Long-Term Debt (Continued)

2. Governmental Activities General Obligation Bonds

General obligation bonds payable at December 31, 2024 are comprised of the following issues:

Outstanding Governmental Activities
General Obligation Bonds as of December 31, 2024

	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
2014A	$ 1,975,000	$ 755,000	2.000%-3.125%	15
2014B	4,140,000	1,360,000	2.000%-3.000%	15
2016A	1,380,000	305,000	3.000%	10
2017A	1,350,000	445,000	2.250%-3.000%	10
2018A	14,985,000	10,470,000	3.000%-5.000%	19
2019E	2,465,000	1,305,000	2.000%-3.000%	10
2020B	4,825,000	3,055,000	2.000%-3.000%	10
2022A	4,040,000	3,405,000	5.000%	10
Total	$ 35,160,000	$ 21,100,000		

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and projects.

The City issued General Obligation Bonds for Special Assessments only in 2024. See Governmental Activities Special Assessment Bonds section below.

The future annual requirements for general obligation bonds outstanding as of December 31, 2024 are as follows:

Debt Service Requirements Governmental Activities
for General Obligation Bonds

	Principal	Interest	Total
2025	$ 2,577,500	$ 737,972	$ 3,315,472
2026	2,677,500	640,747	3,318,247
2027	2,605,000	537,900	3,142,900
2028	2,315,000	442,700	2,757,700
2029	2,395,000	365,900	2,760,900
2030-2034	5,875,000	979,388	6,854,388
2035-2039	2,655,000	180,169	2,835,169
Total	$ 21,100,000	$ 3,884,776	$ 24,984,776

12 - Debt (Continued)

A. Governmental Activities Long-Term Debt (Continued)

3. Bond Anticipation Notes Payable

The City issues bond anticipation notes to provide temporary financing for capital improvement projects.

In August 2024, the City issued Series 2024B General Obligation Temporary Notes in the amount of $1,055,000 to temporarily finance utility improvements for the Lone Star Prairie Special Benefit District.

Bond anticipation notes payable as of December 31, 2024 were as follows:

Outstanding Governmental Activities
Bond Anticipation Notes Payable as of December 31, 2024

	Original Issue Amount	Current Notes Outstanding	Interest Rates	Original Term in Years
2024B Lone Star Prairie Special BD	$ 1,055,000	$ 1,055,000	4.00%	2

Annual debt service requirements to maturity for bond anticipation notes payable are as follows:

Debt Service Requirements Governmental Activities for Bond Anticipation Notes Payable

	Principal	Interest	Total
2025	$ -	$ 45,951	$ 45,951
2026	1,055,000	42,200	1,097,200
Total	$ 1,055,000	$ 88,151	$ 1,143,151

4. Governmental Activities Special Assessment Bonds

The City's special assessment debt was issued to provide funds for the construction of infrastructure in new commercial and residential developments. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received.

12 - Debt (Continued)

A. Governmental Activities Long-Term Debt (Continued)

4. Governmental Activities Special Assessment Bonds (Continued)

In August 2024, the City issued Series 2024A General Obligation Bonds in the amount of $1,435,000 for the definitive financing of Bond Anticipation Notes (Hilltop Ridge), Series 2023A.

Special assessment bonds at December 31, 2024 are comprised of the following issues:

Outstanding Governmental Activities
Special Assessment Bonds as of December 31, 2024

	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
2014A	$ 1,975,000	$ 755,000	2.000%-3.125%	15
2016A	1,490,000	635,000	3.000%	12
2021A	1,550,000	1,130,000	1.00%-3.00%	10
2021A	2,385,000	1,825,000	1.00%-3.00%	11
2021B	2,185,000	1,915,000	2.00-2.25%	20
2022A	2,950,000	2,775,000	3.00-5.00%	20
2024A	1,435,000	1,435,000	3.50-5.00%	20
	$ 13,970,000	$ 10,470,000		

Annual debt service requirements to maturity for special assessment bonds are as follows:

Debt Service Requirements Governmental Activities
for Special Assessment Bonds

	Principal	Interest	Total
2025	$ 882,500	$ 323,521	$ 1,206,021
2026	927,500	290,132	1,217,632
2027	945,000	260,859	1,205,859
2028	980,000	230,311	1,210,311
2029	850,000	198,409	1,048,409
2030-2034	2,670,000	736,322	3,406,322
2035-2039	1,875,000	425,262	2,300,262
2040-2044	1,340,000	111,739	1,451,739
Total	$ 10,470,000	$ 2,576,555	$ 13,046,555

12 - Debt (Continued)

B. Business-Type Activities Debt

1. Changes in Business-Type Activities Debt

The following table summarizes the changes in business-type activities long-term debt of the City for the year ended December 31, 2024.

Summary of Business-Type Activities Debt for the year ended December 31, 2024

	January 1 *	Additions	Reductions	Outstanding December 31	Due Within One Year
Business-type activities:					
General obligation bonds	$ 31,695,000	$ -	$ 2,465,000	$ 29,230,000	$ 2,510,000
Issuance premiums	1,829,359	-	161,917	1,667,442	-
Construction loans payable	6,608,428	-	671,823	5,936,605	687,959
Compensated absences	442,075	268,965	234,512	476,528	252,559
Capital financing	8,945,698	-	414,541	8,531,157	435,510
Lease liabilities	125,454	-	75,134	50,320	50,320
Net Pension Liability	2,985,355	484,918	278,273	3,192,000	-
Total OPEB Liability	266,068	4,969	218,981	52,056	-
Total	$ 52,897,437	$ 758,852	$ 4,520,181	$ 49,136,108	$ 3,936,348

*Restated due to the implementation of GASB 101

2. Business-Type Activities General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and projects.

No new General Obligation Bonds were issued in 2024.

12 - Debt (Continued)

B. Business-Type Activities Debt (Continued)

2. Business-Type Activities General Obligation Bonds (Continued)

General obligation bonds payable at December 31, 2024 are comprised of the following issues:

Outstanding Business-Type Activities General Obligation Bonds as of December 31, 2024

	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
2014A	$ 945,000	$ 360,000	2.00%-3.125%	15
2015A	3,945,000	450,000	3.0%	11
2016B	855,000	190,000	2.00%-3.25%	10
2019B	1,970,000	920,000	1.85%-2.50%	9
2020A	23,905,000	20,420,000	2.0%-3.5%	20
2020A	3,545,000	2,295,000	3.0%-3.5%	10
2021A	775,000	565,000	1.0%-3.0%	10
2022A	4,435,000	4,030,000	3.0%-5.0%	15
Total	$ 40,375,000	$ 29,230,000		

The future annual requirements for general obligation bonds outstanding as of December 31, 2024 are as follows:

Debt Service Requirements for Business-Type Activities General Obligation Bonds

	Principal	Interest	Total
2025	$ 2,510,000	$ 901,684	$ 3,411,684
2026	2,125,000	817,322	2,942,322
2027	2,095,000	744,291	2,839,291
2028	2,160,000	670,191	2,830,191
2029	2,000,000	593,741	2,593,741
2030-2034	8,525,000	2,108,388	10,633,388
2035-2039	8,260,000	959,869	9,219,869
2040	1,555,000	46,650	1,601,650
Total	$ 29,230,000	$ 6,842,136	$ 36,072,136

12 - Debt (Continued)

B. Business-Type Activities Debt (Continued)

3. Construction Loans Payable

Construction loans payable at December 31, 2024 are comprised of the following:

Outstanding Business-Type Activities Loans as of December 31, 2024

	Original Issue Amount	Current Bonds Outstanding	Interest Rate	Original Term in Years
Kansas Water Pollution Control Loan # C20 1721 01	$ 3,483,009	$ 532,269	2.40%	20
Kansas Water Pollution Control Loan # C20 1956 01	10,167,808	5,404,336	2.05%	20
Total	$ 13,650,817	$ 5,936,605		

The future annual debt service requirements for the amortizable loans payable are as follows:

Debt Service Requirements for Business-Type Activities Loans

	Principal	Interest	Total
2025	$ 687,959	$ 119,907	$ 807,866
2026	704,487	105,113	809,600
2027	721,410	89,959	811,369
2028	551,772	75,555	627,327
2029	564,536	64,179	628,715
2030-2034	2,706,441	140,819	2,847,260
Total	$ 5,936,605	$ 595,532	$ 6,532,137

4. Capital Financing

In 2018, the City of Gardner entered into an Asset Purchase Agreement, with a term of 20 years, with KMEA (Kansas Municipal Energy Agency) to assume the costs of a 32.26% participation in KMEA's 10.1% undivided interest in the Dogwood Energy Facility. The future minimum payment obligations and the net present value of these payments as of December 31, 2024 were as follows:

12 - Debt (Continued)

B. Business-Type Activities Debt (Continued)

4. Capital Financing (Continued)

Future Minimum Payments	
Year Ending December 31:	Business-Type Activities
2025	$ 851,180
2026	849,849
2027	849,043
2028	848,680
2029	848,680
2030-2034	4,234,287
2035-2038	3,371,613
Total minimum payments	11,853,332
Less amounts representing interest	(3,322,175)
Present value of minimum payments	$ 8,531,157

13 - Special Assessments

Kansas statutes require special benefit district projects financed in part by special assessments to be financed through the issuance of general obligation bonds that are secured by the full faith and credit of the City. Further, state statutes permit levying additional general ad valorem taxes in the City's Debt Service Fund to finance delinquent special assessments receivable. Accordingly, the special assessments receivable is accounted for within the City's debt service fund. Special assessments are levied over the repayment period of the bonds and the annual installments are due and payable with annual ad valorem taxes. At December 31, 2024, the special assessment taxes levied are a lien on the property and are recorded as a special assessment receivable in the debt service fund with a corresponding amount recorded as deferred inflows of resources. Special assessments receivable at December 31, 2024 was $13,505,888.

14 - Interfund Transactions

Interfund transfers for the year ended December 31, 2024 consisted of the following:

Interfund Transfers:		
	Transfers In	Transfers Out
Major funds:		
General Fund	$ 958,735	$ 335,500
Debt Service Fund	1,262,565	-
Capital Projects Fund	315,000	98,965
Special Highway Fund	42,988	1,138,900
Infrastructure Special Sales Tax	-	160,000
Electric Fund	-	1,480,045
Water Fund	-	95,590
Wastewater Fund	46,229	82,600
Non-Major Proprietary Fund	500,000	-
Non-Major Governmental Funds	428,200	156,617
Internal Service Funds	-	5,500
Total Transfers In	$ 3,553,717	$ 3,553,717

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

15 - Commitments and Contingencies

Litigation

The City is involved in various lawsuits incurred through normal operations. It is the opinion of the City's management that the outcome of this litigation will not result in a material loss to the City in excess of applicable insurance coverage.

Industrial Revenue Bonds

The City has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. The lease agreements provide for rentals sufficient to service the related bonds. The debt service on these issues is paid solely from payments from the private businesses involved. Neither the City nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities

15 - Commitments and Contingencies (Continued)

Industrial Revenue Bonds (Continued)

in the accompanying basic financial statements. As of December 31, 2024, there were four industrial revenue bonds outstanding for a total of $92,316,475.

Project	Issue Date	Amount Authorized	Amount Outstanding	Interest Rate	Interest Payment Dates	Maturity Date
Midwest Commerce/Excelligence (Proj 2)	4/6/2018	$ 38,000,000	$ 32,159,762	2.00%	Feb. 1	2/1/2029
Hampton Inn	12/31/2018	14,000,000	13,056,713	2.00%	Dec. 1	12/1/2028
New Trails Multifamily Phase 1	11/28/2022	48,000,000	47,000,000	3.00%	Dec. 1	2/1/2033
Main Street Market Place	5/4/2023	4,000,000	100,000	3.00%	May 1	12/31/2027
		$ 104,000,000	$ 92,316,475			

Encumbrances

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At December 31, 2024, the City's recorded encumbrances in governmental funds were as follows:

General	$ 1,312,727
Capital Projects	223,702
Special Highway	76,210
Non-major funds	120,360
	$ 1,732,999

16 - Tax Abatements

The City enters into property tax abatement agreements with local businesses pursuant to the provisions of Section 13 of Article 11 of the Kansas Constitution and K.S.A. 12-1740 et seq and 79-201a. Under this section of the Kansas Constitution, the governing body of any city may by resolution or ordinance, as the case requires, exempt from all ad valorem taxation all or any portion of the appraised valuation of buildings, land and tangible personal property, for economic development purposes. Such exemption shall be in effect not more than 10 years.

16 - Tax Abatements (Continued)

Resolution No. 1737 was passed by the City on November 19, 2007 and took effect January 1, 2008. The resolution established a policy relating to property tax abatements for new and existing businesses. The resolution recognized that it was essential to stimulate the economic growth and development of existing and new industry and businesses for the benefit of Gardner. Resolution No. 2052 took effect April 2020 and is the current guiding resolution for all abatements.

For the fiscal year ended December 31, 2024, the City abated property taxes totaling $2,123,391 (for all taxing jurisdictions) under this program. The City received PILOT (Payments in Lieu of Taxes) payments on these properties totaling $528,830 in 2024. The active tax abatement projects are described below:

- A 100-percent property tax abatement to a commercial warehouse, manufacturing facility and call center for ten years beginning in 2019. The abatement was granted by the Kansas Board of Tax Appeals pursuant to K.S.A. 79-201a *Second* (Industrial Revenue Bond-Funded Property). In connection with the issuance of the industrial revenue bonds, the City and the Tenant also entered into a Payment in Lieu of Tax Agreement that provided for a payment in lieu of taxes (PILOT) starting in year 6 equal to 20% of the value of the abated tax amount and increasing each succeeding year by 20% through 2028 when the abatement ends. The PILOT payments will be distributed as and/or as a part of the general ad valorem tax collections for all taxing subdivisions in which the Facility is located.

- A 100-percent property tax abatement to a five-story, 84-room hotel, and 200-seat conference center for ten years beginning in 2019. The abatement was granted by the Kansas Board of Tax Appeals pursuant to K.S.A. 79-201a *Second* (Industrial Revenue Bond-Funded Property). In connection with the issuance of the industrial revenue bonds, the City and the Tenant also entered into a Payment in Lieu of Tax Agreement that provided for a fixed annual PILOT. The PILOT payments will approximate 20% of the abated taxes in 2019 and 2020, 30% in 2021 and 2022, and then 40% for the remaining 6 years of the abatement. The PILOT payments will be distributed as and/or as a part of the general ad valorem tax collections for all taxing subdivisions in which the Facility is located.

- A 100-percent property tax abatement to an approximately 288-unit multifamily housing project for ten years beginning in 2023. The abatement was granted by the Kansas Board of Tax Appeals pursuant to K.S.A. 79-201a *Second* (Industrial Revenue Bond-Funded Property). In connection with the issuance of the industrial revenue bonds, the City and the Tenant also entered into a Payment in Lieu of Tax Agreement. The Agreement provided for PILOT payments that will approximate 25% of the abated taxes for the 10-year term. The PILOT payments will be distributed as and/or as a part of the general ad valorem tax collections for all taxing subdivisions in which the Facility is located.

17 - Subsequent Events

The City anticipates issuing approximately $27,680,000 General Obligation Bonds, Series 2025A to provide financing for a portion of the costs of certain sewer and public building improvements. Additionally, the City anticipates issuing approximately $725,000 General Obligation Temporary Notes, Series 2025B to provide temporary financing for a portion of the costs of certain street, sewer and waterline improvements for the Tuscan Farm Phase 1b Special Benefit District.

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REQUIRED SUPPLEMENTARY INFORMATION

KPERS and KPF Defined Benefit Pension Plan
Schedule of City's Proportionate Share of the Net Pension Liability

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset):										
KPERS (local group)	0.375721%	0.362307%	0.377227%	0.373918%	0.384769%	0.387588%	0.371954%	0.355167%	0.345680%	0.296578%
KP&F (police & firemen)	0.455622%	0.466430%	0.470165%	0.467063%	0.438285%	0.430911%	0.420059%	0.413915%	0.387631%	0.334365%
City's proportionate share of the net pension liability (asset)	$15,243,822	$15,050,934	$14,280,298	$ 8,943,757	$12,075,200	$9,777,371	$9,226,055	$9,026,076	$8,947,934	$6,322,077
City's covered payroll ^	$11,933,463	$11,023,546	$10,361,689	$ 9,727,641	$ 9,406,648	$9,209,371	$8,714,608	$8,582,884	$7,675,340	$6,430,700
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	127.74%	136.53%	137.82%	91.94%	128.37%	106.17%	105.87%	105.16%	116.58%	98.31%
Plan fiduciary net position as a percentage of the total pension liability	72.75%	70.70%	69.75%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%

^ Covered payroll is measured as of the measurement date ending June 30.

KPERS and KPF Defined Benefit Pension Plan
Schedule of City's Contributions

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 1,608,266	$ 1,447,493	$ 1,313,403	$1,250,305	$1,212,750	$1,170,761	$1,037,515	$ 940,924	$ 981,506	$ 871,712
Contributions in relation to the contractually required contribution	(1,608,266)	(1,447,493)	(1,313,403)	(1,250,305)	(1,212,750)	(1,170,761)	(1,037,515)	(940,924)	(981,506)	(871,712)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered payroll ^	$ 12,357,682	$ 11,558,955	$ 10,335,824	$9,884,554	$9,854,085	$9,413,571	$8,962,317	$8,474,557	$8,424,022	$7,000,963
Contributions as a percentage of covered payroll	13.014304%	12.522697%	12.707290%	12.649078%	12.307080%	12.436952%	11.576418%	11.102923%	11.651275%	12.451316%

^Information presented above is as of the City's fiscal year end 12/31

Changes in benefit terms for KPERS. In the state fiscal year 2014, the KP&F group had a change in benefit terms. The Legislature increased this group's employee contributions to 7.15 percent and eliminated the reduction of employee contributions to 2.0 percent after 32 years of service. In addition, the maximum retirement benefit increased to 90 percent of final average salary (reached at 36 years of service). Before this change the maximum retirement benefit was limited to 80 percent of final average salary (reached at 32 years of service).

Effective January 1, 2014, KPERS 1 member's employee contribution rate increased to 5.0 percent and then on January 1, 2015, increased to 6.0 percent, with an increase in benefit multiplier to 1.85 percent for future years of service. For KPERS 2 members retired after July 1, 2012, the cost of living adjustment (COLA) is eliminated, but members will receive a 1.85 percent multiplier for all years of service.

On January 1, 2015, the KPERS 3 cash balance plan became effective. Members enrolled in this plan are ones first employed in a KPERS covered position on or after January 1, 2015, or KPERS 1 or KPERS 2 members who left employment before vesting and returned to employment on or after January 1, 2015. The retirement benefit is an annuity based on the account balance at retirement.

For the state fiscal year 2017, the KP&F group had a change in benefit terms. The Legislature changed the duty-related death benefit for KP&F members to the greater of 50% of final average salary and member's accrued retirement benefit under the 100% joint and survivor option, payable to the member's spouse. Including any benefits that may be due to child beneficiaries, the total monthly benefits may not exceed 90% of the member's final average salary. Prior to this bill, the duty-related spousal death benefit for KP&F members was 50% of the final average salary, and the maximum available to the family was 75% of the member's final average salary.

For the state fiscal year 2017, the Legislature changed the working after retirement rules for members who retire on or after January 1, 2018. The key changes to the working after retirement rules were to lengthen the waiting period for KPERS members to return to work from 60 days to 180 days for members who retire before attaining age 62, remove the earnings limitation for all retirees and establish a single-employer contribution schedule for all retirees.

Changes from the November 2016 experience study that impacted individual groups are listed below:

KPERS:

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERS groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERS 3 members was lowered from 6.50% to 6.25%.

KP&F:

- The post-retirement health mortality assumption was changed to the RP-2014 Mortality Table with 1-year age set forward and the MP-2016, is used to anticipate future mortality improvements.
- The mortality assumption for disabled members was changed to the RP-2014 Disabled Lives Table (generational using MP-2016) with a 1-year age set forward.
- The active member mortality assumption was modified to the RP-2014 Employee Mortality Table with a 1-year age set forward with a 90% scaling factor.
- The retirement rates for Tier 1 were lowered and the ultimate assumed retirement age was changed from 63 to 65 for Tier 2.
- The termination of employment rates for Tier 2 were increased to better match the observed experience.

As a result of the experience study completed in January 2020, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2019 and include:

- The investment return assumption was lowered from 7.75% to 7.50%.
- The general wage growth assumption was lowered from 3.50% to 3.25%.
- The payroll growth assumption was lowered from 3.00% to 2.75%.

Changes from the January 2020 experience study that impacted individual groups are listed below:

KPERS:

- Retirement rates were adjusted to partially reflect observed experience.
- Termination rates were increased for most KPERS groups.
- Disability rates were reduced.
- Factors for the State group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

KP&F:

- Retirement rates were adjusted to partially reflect observed experience.
- Factors for the KP&F group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

Changes from the January 2024 experience study that impacted individual groups are listed below:

KPERS

- The mortality assumption was changed to the Pub-2010 family of mortality tables, with the different groups using different tables and age adjustments, projected generationally using MP-2021.
- Retirement rates for the C60 group were adjusted to partially reflect observed experience.
- Disability rates were reduced.
- The probability of KPERS 1 members leaving their contributions with the System were modified to better reflect observed experience.
- Factors for the State and Local groups that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense component of the actuarial required contribution rate was increased from 0.18 percent to 0.23 percent.
- The merit salary increase assumption was increased for the School and Local groups.

KP&F

- The mortality assumption was changed to the Pub-2010 Above Median Safety Mortality Tables with a two-year age set forward, projected generationally using MP-2021.
- Retirement rates were adjusted to partially reflect observed experience.
- Disability rates were reduced.
- Termination rates were increased.
- The administrative expense component of the actuarial required contribution rate was increased from 0.18 percent to 0.23 percent.
- The merit salary increase assumption was increased.

Assumption changes effective December 31, 2020 were as follows:

- The investment return assumption was lowered from 7.50% to 7.25%.
- The general wage growth assumption was increased from 3.25% to 3.50%.

Assumption changes effective December 31, 2021 were as follows:

- The investment return assumption was lowered from 7.25% to 7.00%.

Schedule of Changes in the
City's Total OPEB Liability and Related Ratios
Last Seven Fiscal Years [a]

Postemployment Healthcare Plan [b]

Schedule of Changes in Total OPEB Liability and Related Ratios							
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Service cost	$ -	$ 49,209	$ 51,470	$ 37,764	$ 26,118	$ 31,515	$ 30,994
Interest cost	-	12,587	12,357	14,279	12,507	12,167	12,501
Changes of benefit terms	(741,499)	-	-	188,282	-	(62,674)	-
Changes in assumptions	24,995	50,304	(2,327)	(108,924)	107,183	(15,296)	5,693
Differences between expected and actual experience	11,841	35,249	(41,580)	(10,823)	(5,741)	5,375	-
Benefit payments	-	(21,000)	(16,000)	-	-	(5,000)	(6,000)
Net change in Total OPEB liability	$ (704,663)	$ 126,349	$ 3,920	$ 120,578	$ 140,067	$ (33,913)	$ 43,188
Total OPEB liability - beginning of year	704,663	578,314	574,394	453,816	313,749	347,662	304,474
Total OPEB liability - end of year	$ -	$ 704,663	$ 578,314	$ 574,394	$ 453,816	$ 313,749	$ 347,662
Covered-employee payroll [c]	-	10,360,551	8,748,684	8,748,684	8,499,327	7,231,735	7,231,735
Total OPEB liability as a % of covered-employee payroll	0.00%	6.80%	6.61%	6.57%	5.34%	4.34%	4.81%

See Note 8 for more information.

[a]GASB 75 requires presentation of ten years. As of December 31, 2024, only seven years of information are available.
[b]No assets are accumulated in a trust to pay related benefits for this plan.
[c]Covered-employee payroll is measured as of the measurement date ending June 30.

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period:
- The discount rate decreased from 3.76% on December 31, 2016 to 3.23% on December 31, 2017.
- The discount rate remained 3.23% through December 31, 2018.
- The discount rate increased from 3.23% on December 31, 2018 to 3.68% on December 31, 2019.
- The discount rate decreased from 3.68% on December 31, 2019 to 3.00% on December 31, 2020.
- The discount rate decreased from 3.00% on December 31, 2020 to 2.00% on December 31, 2021.
- The discount rate increased from 2.00% on December 31, 2021 to 2.04% on December 31, 2022.
- The discount rate increased from 2.04% on December 31, 2022 to 4.18% on December 31, 2023.

Schedule of Changes in the City's Total KPERS OPEB Liability and Related Ratios Last Seven Fiscal Years [a]

Death and Disability OPEB Plan [b]

Schedule of Changes in Total KPERS OPEB Liability and Related Ratios	2024	2023	2022	2021	2020	2019	2018	2017
Service Cost	$ 21,165	$ 20,435	$ 33,528	$ 32,198	$ 27,673	$ 26,028	$ 25,739	$ 26,816
Interest cost	5,149	4,962	4,498	4,541	6,265	6,253	5,718	3,828
Changes of benefit terms	-	-	-	-	-	-	-	-
Effect of economic/demographic gains or (losses)	(16,999)	(24,714)	(45,280)	(35,586)	(24,283)	(18,777)	(28,208)	-
Effect of assumption changes or inputs	960	(535)	(47,734)	300	12,292	2,265	(1,699)	(4,152)
Benefit payments	-	-	-	-	-	-	-	-
Net change in total OPEB liability	$ 10,275	$ 148	$ (54,988)	$ 1,453	$ 21,947	$ 15,769	$ 1,550	$ 26,492
Total OPEB liability, beginning	$ 119,884	$ 119,736	$ 174,724	$ 173,271	$ 151,324	$ 135,555	$ 134,005	$ 107,513
Total OPEB liability, ending	$ 130,159	$ 119,884	$ 119,736	$ 174,724	$ 173,271	$ 151,324	$ 135,555	$ 134,005
Covered-employee payroll	$ 8,061,442	$ 7,164,256	$ 6,920,028	$ 6,910,902	$ 6,658,129	$ 6,390,365	$ 6,057,898	$ 5,821,363
Total OPEB liability as a % of covered-employee payroll	1.61%	1.67%	1.73%	2.53%	2.60%	2.37%	2.24%	2.30%

[a] GASB 75 requires presentation of ten years. As of December 31, 2024, only eight years are available.
[b] No assets are accumulated in a trust to pay related benefits for this plan.

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period:

- The discount rate increased from 2.85% on June 30, 2016 to 3.58% on June 30, 2017.
- The discount rate increased from 3.58% on June 30, 2017 to 3.87% on June 30, 2018.
- The discount rate decreased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.
- The discount rate decreased from 3.50% on June 30, 2019 to 2.21% on June 30, 2020.
- The discount rate decreased from 2.21% on June 30, 2020 to 2.16% on June 30, 2021.
- The discount rate increased from 2.16% on June 30, 2021 to 3.54% on June 30, 2022.
- The discount rate increased from 3.54% on June 30, 2022 to 3.65% on June 30, 2023.
- The discount rate increased from 3.65% on June 30, 2023 to 3.93% on June 30, 2024.

OTHER SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Economic Development Reserve Fund – This fund is used to account for transient guest tax revenues that are restricted for the purpose of convention and tourism promotion.

Law Enforcement Trust Fund – This fund is used to account for monies forfeited to the City of Gardner Police Department relating to controlled substance investigations. Expenditures from this fund shall be made only for authorized law enforcement purposes of the Gardner Police Department.

Main Street Marketplace TIF Fund – This fund is used to account for the captured incremental real property taxes from the properties within the Main Street Marketplace Redevelopment District. The captured increments are to be used to reimburse the developer for TIF eligible expenses.

Main Street Marketplace CID Fund – This fund is used to account for the captured CID sales tax from the properties within the Main Street Marketplace Community Improvement District. The captured CID sales tax is to be used to reimburse the developer for CID eligible expenses.

Plaza South CID – This fund is used to account for the receipt of a CID sales tax of 1% collected within the Plaza South Community Improvement District. The captured CID sales tax is to be used to reimburse administrative fees and the developer for CID eligible expenses.

American Rescue Plan Act (ARPA) Fund – This fund is used to account for the receipt of coronavirus grant funds that may be used for responding to a public health emergency, employee premium pay, providing government services to the extent of reduction in revenue, and to make necessary investments in water, sewer, or broadband infrastructure.

Special Alcohol/Drug Program Fund – This fund is used to account for special alcohol liquor tax revenues that are restricted for the purpose of funding programs for the education, treatment, and intervention of alcohol and drug abuse.

Special Parks and Recreation Fund – This fund is used to account for special alcohol liquor tax revenues that are restricted to expenditures for the purchase, establishment, maintenance, or expansion of park and recreational services, programs, and facilities.

Capital Projects Fund

Park Improvement Fund – This fund is used to account for the receipt of park impact fees which are restricted for park and playground purposes.

Street Improvement Fund – This fund is used to account for receipt of the City's excise fee on platted land. The expenditures in this fund are specifically restricted for the purpose of improvement of existing streets and the construction of new streets necessitated by the City's new development growth.

Vehicle and Equipment Replacement Fund – This fund is used to account for resources assigned to the City's vehicle and equipment replacement program for all departments except for the Police Department and the Electric Utility.

CITY OF GARDNER, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2024

	Special Revenue Funds						
	Economic Development Reserve	Law Enforcement Trust	Main Street Marketplace TIF	Main Street Marketplace CID	Plaza South CID	American Rescue Plan Act	Special Alcohol/ Drug Program
Assets							
Deposits and investments	$ 473,973	$ 17,508	$ 26,047	$ 17,137	$ 23,487	$ -	$ 189,846
U.S. Treasury bill	126,205	112	5,909	16,549	4,669	-	43,395
Receivables:							
Taxes	70,571	-	242,362	-	-	-	-
Total assets	$ 670,749	$ 17,620	$ 274,318	$ 33,686	$ 28,156	$ -	$ 233,241
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Deferred Inflows of Resources							
Deferred revenue - property taxes	-	-	242,362	-	-	-	-
Total deferred inflows of resources	-	-	242,362	-	-	-	-
Fund Balances (Deficits)							
Restricted							
Capital projects	-	-	-	-	-	-	-
Street improvements	-	-	-	-	-	-	-
Economic development	670,749	-	31,956	33,686	28,156	-	-
Other	-	17,620	-	-	-	-	233,241
Total fund balances	670,749	17,620	31,956	33,686	28,156	-	233,241
Total liabilities and fund balances	$ 670,749	$ 17,620	$ 274,318	$ 33,686	$ 28,156	$ -	$ 233,241

(Continued)

CITY OF GARDNER, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2024

	Special Revenue Funds		Capital Projects				Total Nonmajor Governmental Funds
	Special Parks and Recreation	Total Special Revenue	Park Improvement	Street Improvement	Vehicle Equipment Replacement	Total Capital Projects	
Assets							
Deposits and investments	$ 221,866	$ 969,864	$ 338,699	$ 2,454,574	$ 144,360	$ 2,937,633	$ 3,907,497
Certificate of deposit	46,103	242,942	78,089	511,896	19,512	609,497	852,439
Receivables:							
Taxes	-	312,933	-	-	-	-	312,933
Total assets	$ 267,969	$ 1,525,739	$ 416,788	$ 2,966,470	$ 163,872	$ 3,547,130	$ 5,072,869
Liabilities							
Accounts payable	-	-	-	-	69	69	69
Total liabilities	-	-	-	-	69	69	69
Deferred Inflows of Resources							
Deferred revenue - property taxes	-	242,362	-	-	-	-	242,362
Total deferred inflows of resources	-	242,362	-	-	-	-	242,362
Fund Balances (Deficits)							
Restricted							
Capital projects	-	-	416,788	-	163,803	580,591	580,591
Street improvements	-	-	-	2,966,470	-	2,966,470	2,966,470
Economic development	-	764,547	-	-	-	-	764,547
Other	267,969	518,830	-	-	-	-	518,830
Total fund balances	267,969	1,283,377	416,788	2,966,470	163,803	3,547,061	4,830,438
Total liabilities and fund balances	$ 267,969	$ 1,525,739	$ 416,788	$ 2,966,470	$ 163,872	$ 3,547,130	$ 5,072,869

CITY OF GARDNER, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	Special Revenue Funds						
	Economic Development Reserve	Law Enforcement Trust	Main Street Marketplace TIF	Main Street Marketplace CID	Plaza South CID	American Rescue Plan Act	Special Alcohol/ Drug Program
Revenues							
Property tax	$ -	$ -	$ 215,242	$ -	$ -	$ -	$ -
Sales and use taxes	-	-	-	427,612	15,099	-	-
Transient guest tax	356,347	-	-	-	-	-	-
Excise Tax	-	-	-	-	-	-	-
Intergovernmental	-	3,966	-	-	-	-	72,197
Fines and Fees	-	-	-	-	-	-	-
Investment earnings	20,527	1,532	-	-	-	-	8,541
Total revenues	376,874	5,498	215,242	427,612	15,099	-	80,738
Expenditures							
Current:							
General government	140,406	-	159,188	413,462	285	-	50,000
Capital outlay	-	23,741	-	-	-	-	-
Total expenditures	140,406	23,741	159,188	413,462	285	-	50,000
Excess of revenues over (under) expenditures	236,468	(18,243)	56,054	14,150	14,814	-	30,738
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(42,988)	(12,591)	(444)	(594)	-
Total other financing sources (uses)	-	-	(42,988)	(12,591)	(444)	(594)	-
Net change in fund balances	236,468	(18,243)	13,066	1,559	14,370	(594)	30,738
Fund balances, beginning of year	434,281	35,863	18,890	32,127	13,786	594	202,503
Fund balances, end of year	$ 670,749	$ 17,620	$ 31,956	$ 33,686	$ 28,156	$ -	$ 233,241

(Continued)

CITY OF GARDNER, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	Special Revenue Funds		Capital Projects				Total Nonmajor Governmental Funds
	Special Parks and Recreation	Total Special Revenue	Park Improvement	Street Improvement	Vehicle Equipment Replacement	Total Capital Projects	
Revenues							
Property tax	$ -	$ 215,242	$ -	$ -	$ -	$ -	$ 215,242
Sales and use taxes	-	442,711	-	-	-	-	442,711
Transient guest tax	-	356,347	-	-	-	-	356,347
Excise tax	-	-	-	736,682	-	736,682	736,682
Intergovernmental	72,197	148,360	-	-	-	-	148,360
Fines and fees	-	-	133,367	-	-	133,367	133,367
Investment earnings	9,090	39,690	16,692	101,067	27,023	144,782	184,472
Total revenues	81,287	1,202,350	150,059	837,749	27,023	1,014,831	2,217,181
Expenditures							
Current:							
General government	-	763,341	-	-	24,130	24,130	787,471
Capital outlay	-	23,741	-	-	741,689	741,689	765,430
Total expenditures	-	787,082	-	-	765,819	765,819	1,552,901
Excess of revenues over (under) expenditures	81,287	415,268	150,059	837,749	(738,796)	249,012	664,280
Other financing sources (uses)							
Transfers in	-	-	-	-	428,200	428,200	428,200
Transfers out	-	(56,617)	(100,000)	-	-	(100,000)	(156,617)
Total other financing sources (uses)	-	(56,617)	(100,000)	-	428,200	328,200	271,583
Net change in fund balances	81,287	358,651	50,059	837,749	(310,596)	577,212	935,863
Fund balances, beginning of year	186,682	924,726	366,729	2,128,721	474,399	2,969,849	3,894,575
Fund balances, end of year	$ 267,969	$ 1,283,377	$ 416,788	$ 2,966,470	$ 163,803	$ 3,547,061	$ 4,830,438

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

ECONOMIC DEVELOPMENT RESERVE FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Transient guest tax	$ 278,000	$ 278,000	$ 356,347	$ 78,347
Investment earnings	6,000	6,000	20,527	14,527
Total revenues	284,000	284,000	376,874	92,874
Expenditures				
Project reserve	384,676	384,676	-	384,676
Contractual services	250,000	250,000	140,406	109,594
Total expenditures	634,676	634,676	140,406	494,270
Revenues over (under) expenditures	(350,676)	(350,676)	236,468	587,144
Net change in fund balance	(350,676)	(350,676)	236,468	587,144
Fund balances, beginning of year	350,676	350,676	409,281	58,605
Fund balances, end of year	$ -	$ -	$ 645,749	$ 645,749
Explanation of difference between budgetary and GAAP fund balances:				
Encumbrances for equipment and supplies ordered but not received are not recorded for GAAP purposes until received			25,000	
GAAP fund balance, end of year			$ 670,749	

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

MAIN STREET MARKETPLACE TIF FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Property tax	$ 492,500	$ 492,500	$ 215,242	$ (277,258)
Total revenues	492,500	492,500	215,242	(277,258)
Expenditures				
Project reserve	2,811	2,811	-	2,811
General government	450,000	450,000	159,188	290,812
Total expenditures	452,811	452,811	159,188	293,623
Revenues over (under) expenditures	39,689	39,689	56,054	16,365
Other financing sources (uses)				
Transfers out	(42,500)	(42,500)	(42,988)	(488)
Total other financing sources (uses)	(42,500)	(42,500)	(42,988)	(488)
Net change in fund balance	(2,811)	(2,811)	13,066	15,877
Fund balances, beginning of year	2,811	2,811	18,890	16,079
Fund balances, end of year	$ -	$ -	$ 31,956	$ 31,956

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

MAIN STREET MARKETPLACE CID FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Sales and use taxes	$ 509,100	$ 509,100	$ 427,612	$ (81,488)
Total revenues	509,100	509,100	427,612	(81,488)
Expenditures				
Project reserve	5,430	5,430	-	5,430
General Government	494,100	494,100	413,462	80,638
Total expenditures	499,530	499,530	413,462	86,068
Revenues over (under) expenditures	9,570	9,570	14,150	4,580
Other financing sources (uses)				
Transfers out	(15,000)	(15,000)	(12,591)	2,409
Total other financing sources (uses)	(15,000)	(15,000)	(12,591)	2,409
Net change in fund balance	(5,430)	(5,430)	1,559	6,989
Fund balances, beginning of year	5,430	5,430	32,127	26,697
Fund balances, end of year	$ -	$ -	$ 33,686	$ 33,686

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

PLAZA SOUTH CID FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Sales and use taxes	$ 122,400	$ 122,400	$ 15,099	$ (107,301)
Total revenues	122,400	122,400	15,099	(107,301)
Expenditures				
Project reserve	2,000	2,000	-	2,000
General Government	118,800	118,800	285	118,515
Total expenditures	120,800	120,800	285	120,515
Revenues over (under) expenditures	1,600	1,600	14,814	13,214
Other financing sources (uses)				
Transfers out	(3,600)	(3,600)	(444)	3,156
Total other financing sources (uses)	(3,600)	(3,600)	(444)	3,156
Net change in fund balance	(2,000)	(2,000)	14,370	16,370
Fund balances, beginning of year	2,000	2,000	13,786	11,786
Fund balances, end of year	$ -	$ -	$ 28,156	$ 28,156

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

MUNICIPALITIES FIGHT ADDICTION FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Operating Contributions	$ -	$ -	$ 77,237	$ 77,237
Total revenues	-	-	77,237	77,237
Expenditures				
Operating Supplies	57,297	57,297	-	57,297
Total expenditures	57,297	57,297	-	57,297
Revenues over (under) expenditures	(57,297)	(57,297)	77,237	134,534
Net change in fund balance	(57,297)	(57,297)	77,237	134,534
Fund balances, beginning of year	57,297	57,297	67,936	10,639
Fund balances, end of year	$ -	$ -	$ 145,173	$ 145,173

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

SPECIAL ALCOHOL/DRUG PROGRAM FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Special alcohol tax	$ 58,900	$ 58,900	$ 72,197	$ 13,297
Investment earnings	3,000	3,000	8,541	5,541
Total revenues	61,900	61,900	80,738	18,838
Expenditures				
Project reserve	223,162	223,162	-	223,162
Contractual services	30,000	30,000	50,000	(20,000)
Total expenditures	253,162	253,162	50,000	203,162
Revenues over (under) expenditures	(191,262)	(191,262)	30,738	222,000
Net change in fund balance	(191,262)	(191,262)	30,738	222,000
Fund balances, beginning of year	191,262	191,262	202,503	11,241
Fund balances, end of year	$ -	$ -	$ 233,241	$ 233,241

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

SPECIAL PARKS AND RECREATION FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Special alcohol tax	$ 58,900	$ 58,900	$ 72,197	$ 13,297
Investment earnings	2,000	2,000	9,090	7,090
Total revenues	60,900	60,900	81,287	20,387
Expenditures				
Project reserve	179,389	179,389	-	179,389
Capital Outlay	70,000	70,000	-	70,000
Total expenditures	249,389	249,389	-	249,389
Revenues over (under) expenditures	(188,489)	(188,489)	81,287	269,776
Net change in fund balance	(188,489)	(188,489)	81,287	269,776
Fund balances, beginning of year	188,489	188,489	186,682	(1,807)
Fund balances, end of year	$ -	$ -	$ 267,969	$ 267,969

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

PARK IMPROVEMENT RESERVE FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Park impact fees	$ 242,000	$ 242,000	$ 133,367	$ (108,633)
Investment earnings	5,000	5,000	16,692	11,692
Total revenues	247,000	247,000	150,059	(96,941)
Expenditures				
General Government	-	-	95,360	(95,360)
Project reserve	297,412	297,412	-	297,412
Total expenditures	297,412	297,412	95,360	202,052
Revenues over (under) expenditures	(50,412)	(50,412)	54,699	105,111
Other financing sources (uses)				
Transfers out	(500,000)	(500,000)	(100,000)	400,000
Total other financing sources (uses)	(500,000)	(500,000)	(100,000)	400,000
Net change in fund balance	(550,412)	(550,412)	(45,301)	505,111
Fund balances, beginning of year	550,412	550,412	366,729	(183,683)
Fund balances, end of year	$ -	$ -	$ 321,428	$ 321,428
Explanation of difference between budgetary and GAAP fund balances:				
Encumbrances for equipment and supplies ordered but not received are not recorded for GAAP purposes until received			95,360	
GAAP fund balance, end of year			$ 416,788	

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

STREET IMPROVEMENT FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Excise tax	$ 100,000	$ 100,000	$ 736,682	$ 636,682
Investment earnings	2,000	2,000	101,067	99,067
Total revenues	102,000	102,000	837,749	735,749
Expenditures				
Project reserve	2,167,450	2,167,450	-	2,167,450
Total expenditures	2,167,450	2,167,450	-	2,167,450
Revenues over (under) expenditures	(2,065,450)	(2,065,450)	837,749	2,903,199
Net change in fund balance	(2,065,450)	(2,065,450)	837,749	2,903,199
Fund balances, beginning of year	2,065,450	2,065,450	2,128,721	63,271
Fund balances, end of year	$ -	$ -	$ 2,966,470	$ 2,966,470

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

INFRASTRUCTURE SPECIAL SALES TAX FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	$ 1,796,000	$ 1,796,000	$ 1,635,848	$ (160,152)
Intergovernmental	-	-	65,095	65,095
Investment earnings	34,000	34,000	92,369	58,369
Total revenues	1,830,000	1,830,000	1,793,312	(36,688)
Expenditures				
Principal & Interest	624,500	624,500	624,488	12
Public Works	-	-	927,505	(927,505)
Capital Outlay	970,000	970,000	-	970,000
Project Reserve	2,231,999	2,231,999	-	2,231,999
Total expenditures	3,826,499	3,826,499	1,551,993	2,274,506
Revenues over (under) expenditures	(1,996,499)	(1,996,499)	241,319	2,237,818
Other financing sources (uses)				
Transfers out	-	-	(160,000)	(160,000)
Total other financing sources (uses)	-	-	(160,000)	(160,000)
Net change in fund balance	(1,996,499)	(1,996,499)	81,319	2,077,818
Fund balances, beginning of year	1,996,499	1,996,499	1,924,992	(71,507)
Fund balances, end of year	$ -	$ -	$ 2,006,311	$ 2,006,311

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

SPECIAL HIGHWAY FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	$ 31,045,100	$ 31,045,100	$ 1,679,187	$ (29,365,913)
Investment earnings	60,000	60,000	210,459	150,459
Total revenues	31,105,100	31,105,100	1,889,646	(29,215,454)
Expenditures				
Project reserve	4,798,795	4,798,795	-	4,798,795
Public works	-	-	713,240	(713,240)
Capital outlay	35,198,000	35,198,000	86,720	35,111,280
Total expenditures	39,996,795	39,996,795	799,960	39,196,835
Revenues over (under) expenditures	(8,891,695)	(8,891,695)	1,089,686	9,981,381
Other financing sources (uses)				
General obligation bonds issued	4,750,000	4,750,000	-	(4,750,000)
Transfers In	42,500	42,500	42,988	488
Transfers out	(1,138,900)	(1,138,900)	(1,138,900)	-
Total other financing sources (uses)	3,653,600	3,653,600	(1,095,912)	(4,749,512)
Net change in fund balance	(5,238,095)	(5,238,095)	(6,226)	5,231,869
Fund balances, beginning of year	5,238,095	5,238,095	5,407,797	169,702
Fund balances, end of year	$ -	$ -	5,401,571	$ 5,401,571
Explanation of difference between budgetary and GAAP fund balances:				
Encumbrances for equipment and supplies ordered but not received are not recorded for GAAP purposes until received			76,210	
GAAP fund balance, end of year			$ 5,477,781	

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

DEBT SERVICE FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	$ 1,943,959	$ 1,943,959	$ 1,895,768	$ (48,191)
Special assessments	1,241,300	1,241,300	1,547,184	305,884
Intergovernmental	680,000	680,000	646,160	(33,840)
Investment earnings	57,000	57,000	232,816	175,816
Total revenues	3,922,259	3,922,259	4,321,928	399,669
Expenditures				
Principal & Interest	6,075,600	6,075,600	6,087,783	(12,183)
Other	-	-	30,526	(30,526)
Project Reserve	3,005,602	3,005,602	-	3,005,602
Total expenditures	9,081,202	9,081,202	6,118,309	2,962,893
Revenues over (under) expenditures	(5,158,943)	(5,158,943)	(1,796,381)	3,362,562
Other financing sources				
General obligation bonds issued	1,592,000	1,592,000	1,388,501	(203,499)
Bond anticipation note issued	-	-	67,051	67,051
Issuance: Premium	-	-	114,883	114,883
Transfers in	1,163,600	1,163,600	1,262,565	98,965
Total other financing sources	2,755,600	2,755,600	2,833,000	77,400
Net change in fund balance	(2,403,343)	(2,403,343)	1,036,619	3,439,962
Fund balances, beginning of year	2,403,343	2,403,343	2,556,521	153,178
Fund balances, end of year	$ -	$ -	$ 3,593,140	$ 3,593,140

CITY OF GARDNER, KANSAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

LAND BANK FUND

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Contributions	$ -	$ -	$ -	$ -
Investment earnings	-	-	226	226
Total revenues	-	-	226	226
Expenditures				
Project reserve	97	97	-	97
Contractual services	2,500	2,500	-	2,500
Total expenditures	2,597	2,597	-	2,597
Revenues over (under) expenditures	(2,597)	(2,597)	226	2,823
Net change in fund balance	(2,597)	(2,597)	226	2,823
Fund balances, beginning of year	2,597	2,597	505,201	502,604
Fund balances, end of year	$ -	$ -	$ 505,427	$ 505,427

Nonmajor Proprietary Funds

Enterprise Funds

Stormwater - The Stormwater Fund accounts for all revenues and expenses of the Stormwater Utility. The principal operating revenues of the stormwater fund are charges to customers for sales and services and grants. Expenses are for the maintenance, construction and renovation of Stormwater projects.

Airport – The Airport Fund accounts for all revenues and expenses of the Airport Operations, as directed by the City of Gardner. Revenues are derived from the hangar and building space rental, the sale of fuel and land rental to bale hay on airport property. Expenses are for the construction, renovation and operation of the airport.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis.

Risk Services Fund – This fund is used to account for the accumulation and allocation of costs associated with the City's risk-financing activities.

Information Technology Services Fund – This fund is used to account for the accumulation and allocation of costs associated with electronic data processing.

Building Services Fund – This fund is used to account for the accumulation and allocation of costs associated with maintenance and miscellaneous repairs on city-owned property.

Fleet Services Fund - This fund is used to account for the accumulation and allocation of costs associated with fleet services which includes the repair and maintenance of all City vehicles, except Police Department vehicles and specialized Electric Department vehicles.

Utility Billing Services Fund – This fund is used to account for the accumulation and allocation of costs associated with calculating and billing amounts owed for services provided by the City's utilities and municipal airport.

CITY OF GARDNER, KANSAS
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
December 31, 2024

	Stormwater	Airport	Total
Assets			
Current assets:			
Cash and cash equivalents	$ -	$ 293,208	$ 293,208
U.S. Treasury bill	-	70,915	70,915
Accounts receivable, net	-	10,155	10,155
Intergovernmental receivable	-	146,965	146,965
Inventories	-	27,825	27,825
Restricted deposits and investments	-	7,400	7,400
Total current assets	-	556,468	556,468
Noncurrent assets:			
Capital assets:			
Land	-	2,076,511	2,076,511
Construction in progress	-	1,125,981	1,125,981
Buildings	-	1,745,363	1,745,363
Infrastructure	3,482,288	1,801,660	5,283,948
Improvements	737,691	142,342	880,033
Machinery and equipment	-	17,410	17,410
Less accumulated depreciation and amortization	(710,178)	(2,228,263)	(2,938,441)
Total capital assets	3,509,801	4,681,004	8,190,805
Total noncurrent assets	3,509,801	4,681,004	8,190,805
Total assets	3,509,801	5,237,472	8,747,273
Liabilities			
Current liabilities:			
Accounts payable	-	166,858	166,858
Accrued payroll	-	573	573
Customer and developer deposits	-	7,400	7,400
Compensated absences	-	3,208	3,208
Total current liabilities	-	178,039	178,039
Noncurrent liabilities:			
Compensated absences	-	2,845	2,845
Total noncurrent liabilities	-	2,845	2,845
Total liabilities	-	180,884	180,884
Net position			
Net investment in capital assets	3,509,801	4,514,773	8,024,574
Unrestricted	-	541,815	541,815
Total net position	$ 3,509,801	$ 5,056,588	$ 8,566,389

CITY OF GARDNER, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
Year Ended December 31, 2024

	Stormwater	Airport	Total
Operating revenues			
Charges for sales and services	$ -	$ 302,210	$ 302,210
Total operating revenues	-	302,210	302,210
Operating expenses			
Administration	-	147,271	147,271
Repairs and maintenance	-	64,389	64,389
Depreciation and amortization	111,647	92,981	204,628
Total operating expenses	111,647	304,641	416,288
Operating income (loss)	(111,647)	(2,431)	(114,078)
Nonoperating revenues (expenses)			
Investment earnings	-	16,257	16,257
Total nonoperating revenues (expenses)	-	16,257	16,257
Income (loss) before transfers and contributions	(111,647)	13,826	(97,821)
Capital grants and contributions	276,253	154,309	430,562
Transfers in	-	500,000	500,000
Change in net position	164,606	668,135	832,741
Net position, beginning, as previously reported	3,345,195	4,389,428	7,734,623
Restatement - GASB 101	-	(975)	(975)
Net position, beginning, as restated	3,345,195	4,388,453	7,733,648
Net position, ending	$ 3,509,801	$ 5,056,588	$ 8,566,389

CITY OF GARDNER, KANSAS
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
Year Ended December 31, 2024

	Stormwater	Airport	Total
Cash flows from operating activities:			
Receipts from customers	$ -	$ 170,763	$ 170,763
Payments to suppliers	-	(67,395)	(67,395)
Payments to employees	-	(17,649)	(17,649)
Net cash provided by operating activities	-	85,719	85,719
Cash flows from noncapital financing activities:			
Transfers from other funds	-	500,000	500,000
Net cash provided by (used in) noncapital financing activities	-	500,000	500,000
Cash flows from capital and related financing activities:			
Capital grants and contributions	-	154,309	154,309
Acquisition and construction of capital assets	-	(712,304)	(712,304)
Principal paid on general obligation bonds	-	(35,000)	(35,000)
Interest paid on general obligation bonds, construction loan, and capital lease	-	(1,523)	(1,523)
Net cash used in capital and related financing activities	-	(594,518)	(594,518)
Cash flows from investing activities:			
Purchase of U.S. Treasury bill	-	(70,915)	(70,915)
Interest received	-	16,257	16,257
Net cash provided from investing activities	-	(54,658)	(54,658)
Net increase (decrease) in cash and cash equivalents	-	(63,457)	(63,457)
Cash and cash equivalents, beginning of year	-	364,065	364,065
Cash and cash equivalents, end of year	$ -	$ 300,608	$ 300,608
Cash consists of:			
Cash	$ -	$ 293,208	$ 293,208
Restricted deposits and investments	-	7,400	7,400
	-	300,608	300,608
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	(111,647)	(2,431)	(114,078)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Items not requiring cash:			
Depreciation and amortization expense	111,647	92,981	204,628
Changes in:			
Receivables	-	(131,547)	(131,547)
Inventories	-	25,215	25,215
Accounts payable	-	100,736	100,736
Accrued liabilities	-	665	665
Customer deposits	-	100	100
Net cash provided by operating activities	$ -	$ 85,719	$ 85,719
Noncash investing capital and financing activities:			
Contributed capital assets	$ 276,253	$ -	$ 276,253

CITY OF GARDNER, KANSAS

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

December 31, 2024

	Governmental Activities				Business-type Activities	
	Risk Services	Information Technology Services	Building Services	Fleet Services	Utility Billing Services	Total
Assets						
Current assets:						
Deposits and investments	$ 57,679	$ 574,732	$ 132,554	$ 16,415	$ 400,552	$ 1,181,932
Prepaid items	-	10,157	-	-	-	10,157
Receivables:						
Other	650	-	-	-	-	650
Total current assets	58,329	584,889	132,554	16,415	400,552	1,192,739
Noncurrent assets:						
Capital assets:						
Machinery and equipment	-	498,675	14,794	-	10,509	523,978
Vehicles	-	-	34,488	42,569	-	77,057
Right to use subscriptions	-	454,767	-	-	-	454,767
Less accumulated depreciation/amortization	-	(700,071)	(42,385)	(4,257)	(10,509)	(757,222)
Total capital assets	-	253,371	6,897	38,312	-	298,580
Total assets	58,329	838,260	139,451	54,727	400,552	1,491,319
Deferred outflows of resources						
Pension deferred outflow	15,289	88,232	26,159	13,504	87,910	231,094
OPEB deferred outflow	58	334	99	51	333	875
Total deferred outflows of resources	15,347	88,566	26,258	13,555	88,243	231,969
Liabilities						
Current liabilities:						
Accounts payable	2,394	62,825	3,918	4,368	20,350	93,855
Accrued payroll	1,724	10,034	3,060	1,501	10,180	26,499
Compensated absences	2,214	23,690	6,001	4,863	36,184	72,952
Subscription liability	-	122,492	-	-	-	122,492
Total current liabilities	6,332	219,041	12,979	10,732	66,714	315,798
Noncurrent liabilities:						
Compensated absences	1,670	17,871	4,527	3,668	32,087	59,823
Total OPEB liability	942	5,438	1,612	832	5,418	14,242
Subscription liability	-	119,588	-	-	-	119,588
Net Pension liability	57,783	333,466	98,866	51,034	332,252	873,401
Total noncurrent liabilities	60,395	476,363	105,005	55,534	369,757	1,067,054
Total liabilities	66,727	695,404	117,984	66,266	436,471	1,382,852
Deferred inflows of resources						
Pension deferred inflow	1,191	6,875	2,038	1,052	6,850	18,006
OPEB deferred inflow	1,090	6,289	1,865	963	6,267	16,474
Total deferred inflows of resources	2,281	13,164	3,903	2,015	13,117	34,480
Net position						
Net investment in capital assets	-	11,291	6,897	38,312	-	56,500
Unrestricted	4,668	206,967	36,925	(38,311)	39,207	249,456
Total net position	$ 4,668	$ 218,258	$ 43,822	$ 1	$ 39,207	$ 305,956

CITY OF GARDNER, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

INTERNAL SERVICE FUNDS

Year Ended December 31, 2024

	Governmental Activities				Business-type Activities	
	Risk Services	Information Technology Services	Building Services	Fleet Services	Utility Billing Services	Total
Operating revenues						
Charges for services	$ 1,154,560	$ 1,366,923	$ 651,329	$ 270,226	$ 1,141,632	$ 4,584,670
Other	20,806	-	-	-	-	20,806
Total operating revenues	1,175,366	1,366,923	651,329	270,226	1,141,632	4,605,476
Operating expenses						
Administration	89,114	564,307	173,170	88,750	474,416	1,389,757
Contractual services	1,017,682	516,622	343,921	10,380	453,147	2,341,752
Other supplies and expenses	29,606	41,688	25,460	27,452	11,522	135,728
Repairs and maintenance	-	3,111	35,423	38,370	-	76,904
Depreciation and amortization	-	164,527	3,449	4,257	-	172,233
Other	38,230	72,162	63,503	141,100	186,460	501,455
Total operating expenses	1,174,632	1,362,417	644,926	310,309	1,125,545	4,617,829
Operating income	734	4,506	6,403	(40,083)	16,087	(12,353)
Income (loss) before transfers and contributions	734	4,506	6,403	(40,083)	16,087	(12,353)
Capital grants and contributions	-	-	-	42,569	-	42,569
Transfers out	-	-	(5,500)	-	-	(5,500)
Change in net position	734	4,506	903	2,486	16,087	24,716
Net position, beginning, as previously reported	4,668	218,258	43,823	-	39,207	305,956
Restatement - GASB 101	(734)	(4,506)	(904)	(2,485)	(16,087)	(24,716)
Net position, beginning, as restated	3,934	213,752	42,919	(2,485)	23,120	281,240
Net position, ending	$ 4,668	$ 218,258	$ 43,822	$ 1	$ 39,207	$ 305,956

CITY OF GARDNER, KANSAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

Year Ended December 31, 2024

	Governmental Activities				Business-type Activities	
	Risk Management	Information Technology Services	Building Services	Fleet Services	Utility Billing Services	Total
Cash flows from operating activities:						
Receipts from customers	$ 1,154,560	$ 1,366,923	$ 651,329	$ 270,226	$ 1,141,632	$ 4,584,670
Other receipts	20,806	-	-	-	-	20,806
Payments to suppliers	(1,087,521)	(621,455)	(467,103)	(130,153)	(639,948)	(2,946,180)
Payments to employees	(85,560)	(528,462)	(173,269)	(171,072)	(495,180)	(1,453,543)
Net cash provided by operating activities	2,285	217,006	10,957	(30,999)	6,504	205,753
Cash flows from noncapital financing activities:						
Transfers to other funds	-	-	(5,500)	-	-	(5,500)
Net cash provided by (used in) noncapital financing activities	-	-	(5,500)	-	-	(5,500)
Cash flows from capital and related financing activities:						
Principal paid on subscription liability	-	(113,277)	-	-	-	(113,277)
Net cash provided by capital and related financing activities	-	(113,277)	-	-	-	(113,277)
Net increase (decrease) in cash and cash equivalents	2,285	103,729	5,457	(30,999)	6,504	86,976
Cash and cash equivalents, beginning of year	55,394	471,003	127,097	47,414	394,048	1,094,956
Cash and cash equivalents, end of year	$ 57,679	$ 574,732	$ 132,554	$ 16,415	$ 400,552	$ 1,181,932
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	$ 734	$ 4,506	$ 6,403	$ (40,083)	$ 16,087	$ (12,353)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Items not requiring cash:						
Depreciation and amortization expense	-	164,527	3,449	4,257	-	172,233
Total OPEB expense	(37)	(7,254)	(4,765)	(26)	(38,518)	(50,600)
Pension expense	2,076	16,792	713	1,962	8,712	30,255
Changes in:						
Receivables	(650)	-	-	-	-	(650)
Prepaid expenses	-	(10,157)	-	-	-	(10,157)
Accounts payable	(716)	30,427	1,204	1,480	11,181	43,576
Accrued liabilites	878	18,165	3,953	1,411	9,042	33,449
Net cash provided by operating activities	$ 2,285	$ 217,006	$ 10,957	$ (30,999)	$ 6,504	$ 205,753
Noncash investing capital and financing activities:						
Contributed capital assets	-	-	-	42,569	-	42,569



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended

December 31, 2024

STATISTICAL SECTION

Statistical Section

This part of the City of Gardner's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends **137 - 140**

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

Revenue Capacity **141 - 149**

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its most significant local revenue source, which is the electric, water and wastewater revenues, as well as its property taxes.

Debt Capacity **150 - 153**

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

Demographic and Economic Information **154 - 156**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.

Operating Information **157 - 159**

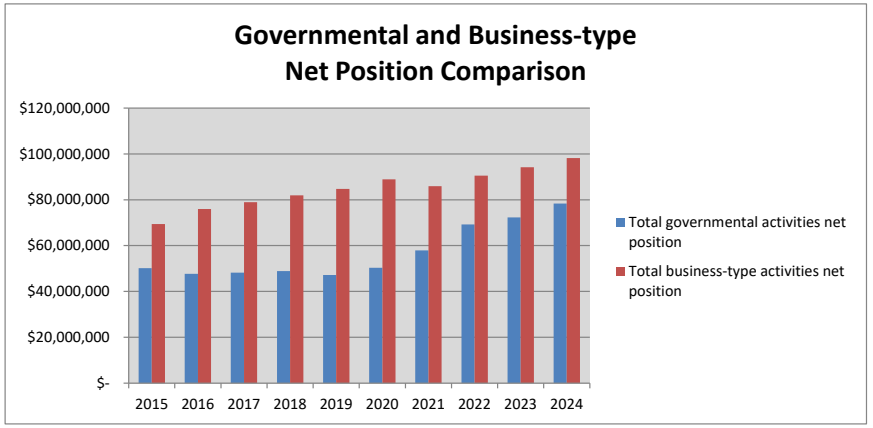
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

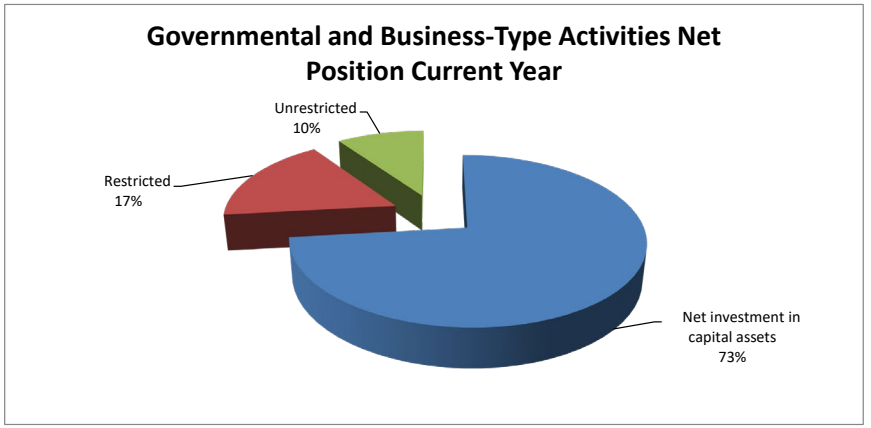
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Gardner, Kansas
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	$ 30,941,934	$ 29,574,314	$ 31,189,584	$ 34,541,491	$ 32,182,882	$ 36,297,226	$ 40,365,621	$ 41,395,607	$ 45,679,092	$ 52,721,184
Restricted	18,457,790	17,920,702	17,866,534	16,120,122	17,533,282	16,392,206	18,150,536	27,575,953	27,746,204	30,256,202
Unrestricted	806,326	161,452	(837,444)	(1,788,810)	(2,541,211)	(2,326,241)	(611,267)	287,855	(1,115,237)	(4,609,970)
Total governmental activities net position	$ 50,206,050	$ 47,656,468	$ 48,218,674	$ 48,872,803	$ 47,174,953	$ 50,363,191	$ 57,904,890	$ 69,259,415	$ 72,310,059	$ 78,367,416
Business-type activities										
Net investment in capital assets	$ 57,021,062	$ 61,598,308	$ 62,611,603	$ 63,039,388	$ 66,658,777	$ 67,028,494	$ 67,367,298	$ 61,586,615	$ 62,708,043	$ 76,536,967
Unrestricted	12,364,866	14,341,092	16,313,315	18,916,385	18,087,690	21,845,455	18,582,709	28,953,130	31,463,967	21,636,768
Total business-type activities net position	$ 69,385,928	$ 75,939,400	$ 78,924,918	$ 81,955,773	$ 84,746,467	$ 88,873,949	$ 85,950,007	$ 90,539,745	$ 94,172,010	$ 98,173,735
Primary government										
Net investment in capital assets	$ 87,962,996	$ 91,172,622	$ 93,801,187	$ 97,580,879	$ 98,841,659	$ 103,325,720	$ 107,732,919	$ 102,982,222	$ 108,387,135	$ 129,258,151
Restricted	18,457,790	17,920,702	17,866,534	16,120,122	17,533,282	16,392,206	18,150,536	27,575,953	27,746,204	30,256,202
Unrestricted	13,171,192	14,502,544	15,475,871	17,127,575	15,546,479	19,519,214	17,971,442	29,240,985	30,348,730	17,026,798
Total primary government net position	$ 119,591,978	$ 123,595,868	$ 127,143,592	$ 130,828,576	$ 131,921,420	$ 139,237,140	$ 143,854,897	$ 159,799,160	$ 166,482,069	$ 176,541,151

Source: *City of Gardner Finance Department*

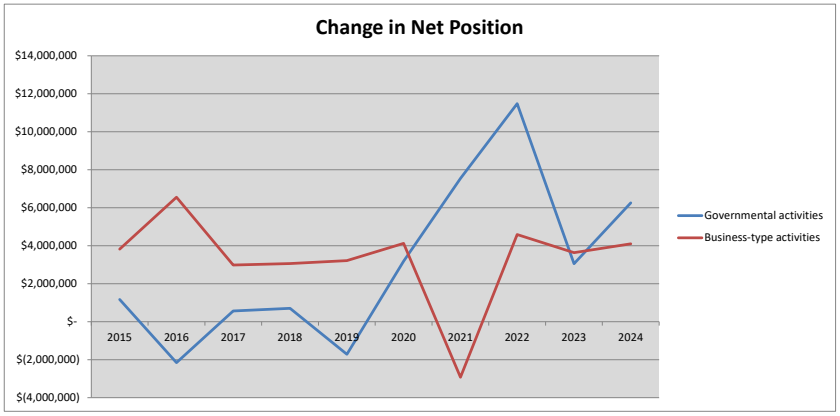




City of Gardner, Kansas
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	$ 3,896,677	$ 4,598,982	$ 3,068,153	$ 3,332,171	$ 3,091,437	$ 3,504,843	$ 3,760,357	$ 4,016,862	$ 4,644,561	$ 4,888,880
Police	4,383,506	5,315,430	4,395,424	5,040,277	5,600,299	5,992,914	6,128,179	6,843,357	7,769,282	7,724,400
Public Works	3,940,033	3,744,547	4,247,297	4,653,338	5,353,865	4,745,816	4,780,947	6,424,667	6,350,060	7,084,932
Culture and recreation	2,433,317	2,604,472	3,219,356	3,363,570	3,531,547	2,591,111	3,082,003	3,347,444	3,817,507	3,753,153
Community Development	-	-	893,753	947,501	1,061,554	967,771	861,708	899,992	1,103,220	1,089,208
Interest on long-term debt	808,488	609,604	696,847	1,453,025	1,404,127	1,319,387	1,208,794	1,179,226	1,118,930	1,129,062
Total governmental activities expenses	15,462,021	16,873,035	16,520,830	18,789,882	20,042,829	19,121,842	19,821,988	22,711,548	24,803,560	25,669,635
Business-type activities:										
Electric	11,919,565	12,006,709	12,699,174	16,829,253	14,817,684	14,644,403	28,977,189	21,914,251	18,508,090	18,451,920
Water	3,692,470	4,032,587	4,228,110	3,901,601	4,772,701	5,685,051	8,267,952	6,339,583	7,524,306	8,156,819
Wastewater	4,675,174	4,591,624	4,503,508	4,706,539	5,086,690	5,469,660	5,601,851	6,153,081	6,041,531	5,699,960
Stormwater	28,298	28,298	28,298	28,443	33,155	49,186	66,470	95,403	104,891	111,647
Airport	-	204,879	251,234	268,698	292,205	246,693	269,781	319,877	238,810	304,641
Total business-type activities expenses	20,315,507	20,864,097	21,710,324	25,734,534	25,002,435	26,094,993	43,183,243	34,822,195	32,417,628	32,724,987
Total primary government expenses	$ 35,777,528	$ 37,737,132	$ 38,231,154	$ 44,524,416	$ 45,045,264	$ 45,216,835	$ 63,005,231	$ 57,533,743	$ 57,221,188	$ 58,394,622
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 1,907,297	$ 2,171,668	$ 2,085,061	$ 961,333	$ 417,849	$ 2,597,085	$ 2,818,108	$ 2,956,854	$ 2,495,806	$ 2,582,709
Police	7,439	8,228	6,525	8,616	8,427	8,687	7,745	9,576	7,656	6,263
Public Works	-	-	-	-	-	5,165	7,853	7,585	8,126	7,942
Culture and recreation	910,041	963,169	1,002,553	1,074,914	923,514	413,567	807,255	1,141,611	885,181	958,041
Community Development	-	-	323,431	435,976	378,933	393,650	542,225	887,343	417,041	795,008
Operating grants and contributions	3,328,990	3,397,426	3,672,663	3,734,419	3,835,400	3,530,893	3,590,921	4,012,507	5,046,226	4,396,897
Capital grants and contributions	805,138	206,879	493,301	2,253,302	1,673,007	3,642,976	8,379,221	11,230,770	2,736,341	5,707,627
Total governmental activities program revenues	6,958,905	6,747,370	7,583,534	8,468,560	7,237,130	10,592,023	16,153,328	20,246,246	11,596,377	14,454,487
Business-type activities:										
Charges for services:										
Electric	14,539,925	14,440,663	14,414,445	17,534,000	16,545,548	16,749,055	25,221,237	23,213,696	19,301,065	19,564,106
Water	5,145,232	5,440,947	5,612,380	6,248,707	5,927,668	6,225,920	6,379,148	7,225,638	7,729,061	8,297,636
Wastewater	5,023,691	5,073,706	5,168,047	5,452,335	5,428,736	5,434,314	5,480,160	6,156,537	6,730,588	6,960,583
Stormwater	-	-	-	144	-	-	-	-	-	-
Airport	-	648,050	252,380	258,295	249,908	229,035	250,068	263,251	260,156	302,210
Operating grants and contributions	-	-	-	-	-	98	1,098	-	150	-
Capital grants and contributions	246,112	358,459	57,574	32,121	700,141	2,403,147	1,405,534	2,333,423	1,664,852	1,261,079
Total business-type program revenues	24,954,960	25,961,825	25,504,826	29,525,602	28,852,001	31,041,569	38,737,245	39,192,545	35,685,872	36,385,614
Total primary government program revenues	$ 31,913,865	$ 32,709,195	$ 33,088,360	$ 37,994,162	$ 36,089,131	$ 41,633,592	$ 54,890,573	$ 59,438,791	$ 47,282,249	$ 50,840,101
Net (Expense)/Revenue										
Governmental activities	$ (8,503,116)	$ (10,125,665)	$ (8,937,296)	$ (10,321,322)	$ (12,805,699)	$ (8,529,819)	$ (3,668,660)	$ (2,465,302)	$ (13,207,183)	$ (11,215,148)
Business-type activities	4,639,453	5,097,728	3,794,502	3,791,068	3,849,566	4,946,576	(4,445,998)	4,370,350	3,268,244	3,660,627
Total primary government net expense	$ (3,863,663)	$ (5,027,937)	$ (5,142,794)	$ (6,530,254)	$ (8,956,133)	$ (3,583,243)	$ (8,114,658)	$ 1,905,048	$ (9,938,939)	$ (7,554,521)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 4,893,957	$ 5,246,198	$ 4,037,863	$ 4,206,575	$ 4,476,355	$ 4,810,228	$ 5,394,940	$ 5,373,238	$ 5,892,875	$ 6,508,084
Sales taxes	3,535,132	3,827,653	4,041,798	4,171,850	4,333,660	5,079,085	5,931,142	6,702,300	6,733,890	7,089,733
Franchise taxes	312,625	269,736	360,268	282,893	257,002	245,477	264,835	325,352	327,114	277,450
Excise taxes	-	-	-	686,718	451,991	28,227	359,835	559,109	171,003	736,682
Transient guest taxes	62,892	74,272	71,383	66,361	153,661	217,553	244,697	299,861	309,869	356,347
Other	30,737	70,505	28,852	328,963	78,002	235,353	496,004	449,241	350,219	216,814
Unrestricted investment earnings	9,867	9,533	65,538	311,797	335,633	137,134	17,313	240,530	1,408,357	1,371,925
Gain on disposal of asset	-	(82,063)	-	-	-	-	-	-	-	-
Transfers	829,600	(1,445,460)	893,800	969,500	1,008,200	965,000	(1,498,407)	(4,944)	1,064,500	912,757
Total governmental activities	9,674,810	7,970,374	9,499,502	11,024,657	11,094,504	11,718,057	11,210,359	13,944,687	16,257,827	17,469,792
Business-type activities:										
Unrestricted investment earnings	10,442	10,284	84,816	240,469	376,630	145,906	23,649	214,318	1,428,446	1,352,671
Lease interest revenue	-	-	-	-	-	-	-	126	75	38
Transfers	(829,600)	1,445,460	(893,800)	(969,500)	(1,008,200)	(965,000)	1,498,407	4,944	(1,064,500)	(912,757)
Total business-type activities	(819,158)	1,455,744	(808,984)	(729,031)	(631,570)	(819,094)	1,522,056	219,388	364,021	439,952
Total primary government	$ 8,855,652	$ 9,426,118	$ 8,690,518	$ 10,295,626	$ 10,462,934	$ 10,898,963	$ 12,732,415	$ 14,164,075	$ 16,621,848	$ 17,909,744
Change in Net Position										
Governmental activities	$ 1,171,694	$ (2,155,291)	$ 562,206	$ 703,335	$ (1,711,195)	$ 3,188,238	$ 7,541,699	$ 11,479,385	$ 3,050,644	$ 6,254,644
Business-type activities	3,820,295	6,553,472	2,985,518	3,062,037	3,217,996	4,127,482	(2,923,942)	4,589,738	3,632,265	4,100,579
Total primary government	$ 4,991,989	$ 4,398,181	$ 3,547,724	$ 3,765,372	$ 1,506,801	$ 7,315,720	$ 4,617,757	$ 16,069,123	$ 6,682,909	$ 10,355,223

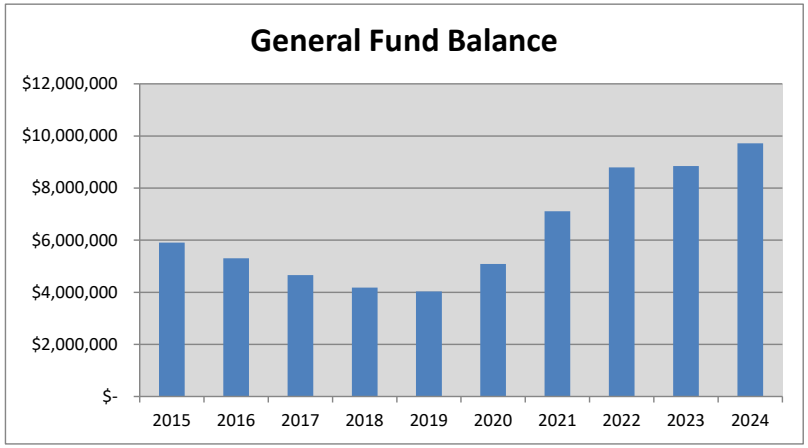
Source: *City of Gardner Finance Department*

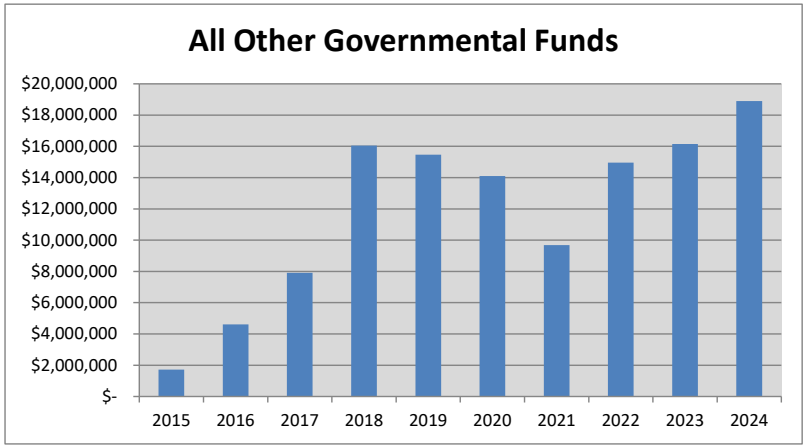


City of Gardner, Kansas
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	$ -	$ -	$ -	$ 29,694	$ 23,758	$ 28,584	$ 75,719	$ 122,108	$ 127,483	$ 857,487
Restricted	-	-	-	-	-	-	-	-	515,936	593,173
Assigned	115,541	22,221	184,992	166,052	306,996	45,957	155,886	163,278	213,252	1,312,727
Unassigned	5,792,880	5,280,652	4,471,284	3,980,094	3,701,788	5,012,435	6,879,876	8,509,475	7,991,138	6,956,603
Total General Fund	$ 5,908,421	$ 5,302,873	$ 4,656,276	$ 4,175,840	$ 4,032,542	$ 5,086,976	$ 7,111,481	$ 8,794,861	$ 8,847,809	$ 9,719,990
All Other Governmental Funds										
Restricted	$ 1,715,705	$ 4,611,811	$ 7,911,908	$ 16,046,623	$ 15,464,558	$ 14,096,969	$ 9,685,387	$ 14,960,706	$ 16,149,124	$ 18,904,871
Total all other governmental funds	$ 1,715,705	$ 4,611,811	$ 7,911,908	$ 16,046,623	$ 15,464,558	$ 14,096,969	$ 9,685,387	$ 14,960,706	$ 16,149,124	$ 18,904,871

Source: *City of Gardner Finance Department*





City of Gardner, Kansas
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	$ 8,804,606	$ 9,417,859	$ 8,511,312	$ 9,414,397	$ 9,672,669	$ 10,380,570	$ 12,195,449	$ 13,259,860	$ 13,434,751	$ 14,968,296
Licenses and permits	189,784	293,055	337,987	452,521	306,785	337,714	307,314	664,523	403,623	694,225
Fines and fees	524,540	591,913	632,258	634,207	651,540	704,130	795,294	1,195,077	669,793	588,880
Charges for services	2,103,849	2,253,903	2,444,420	2,593,495	2,882,631	2,371,488	3,080,578	3,143,369	2,740,394	3,066,858
Special assessments	1,129,613	1,869,075	1,235,823	1,220,611	1,119,494	1,216,401	1,124,026	1,280,106	1,276,083	1,547,184
Intergovernmental	3,769,237	3,604,305	4,165,964	4,780,797	4,008,417	5,963,090	6,507,828	5,965,238	5,953,227	6,396,858
Investment earnings	9,867	9,533	65,538	311,797	335,633	137,134	17,313	240,530	1,408,357	1,371,925
Other revenues	22,154	68,397	25,221	311,488	54,283	204,041	476,285	414,546	831,901	197,619
Total revenues	16,553,650	18,108,040	17,418,523	19,719,313	19,031,452	21,314,568	24,504,087	26,163,249	26,718,129	28,831,845
Expenditures										
General government	3,825,458	4,408,175	2,980,122	3,202,406	2,919,687	3,191,213	3,478,577	3,786,701	4,429,294	4,726,374
Police	4,466,208	5,087,946	3,994,544	4,315,082	4,774,678	4,977,084	5,434,698	5,754,066	6,447,144	6,735,353
Public works	1,918,905	1,944,363	2,725,561	2,892,920	3,503,786	2,869,204	2,731,221	4,033,710	3,837,543	4,583,320
Culture and recreation	2,124,243	2,272,346	2,600,834	2,646,171	2,771,474	1,809,340	2,386,493	2,584,267	3,006,512	2,991,549
Community Development	-	-	883,428	925,371	1,030,985	946,782	865,692	863,715	1,062,246	1,072,994
Capital outlay	1,239,165	2,445,875	3,058,193	10,614,356	9,404,314	9,224,447	7,902,394	2,516,812	2,751,270	2,037,417
Debt service:										
Interest	908,330	690,690	684,294	900,201	1,309,268	1,294,205	1,198,963	1,101,929	1,369,780	1,257,523
Principal	4,062,511	2,971,806	2,227,937	4,231,683	5,025,987	8,516,593	10,511,966	8,577,984	5,174,079	5,464,666
Other	58,379	155,738	192,427	434,986	184,671	154,146	138,470	159,715	33,304	119,560
Total expenditures	18,603,199	19,976,939	19,347,340	30,163,176	30,924,850	32,983,014	34,648,474	29,378,899	28,111,172	28,988,756
Excess of revenues over (under) expenditures	(2,049,549)	(1,868,899)	(1,928,817)	(10,443,863)	(11,893,398)	(11,668,446)	(10,144,387)	(3,215,650)	(1,393,043)	(156,911)
Other Financing Sources (Uses)										
Bonds issued	-	3,548,000	3,505,000	14,985,000	2,465,000	4,825,000	6,120,000	6,990,000	-	1,435,000
Proceeds from capital lease	-	-	-	1,218,000	180,000	-	-	-	-	-
Premium on G.O. Bonds	-	124,700	179,886	908,167	112,771	343,479	312,362	698,761	5,333	133,915
Bond Anticipation notes issued	-	-	-	-	7,365,000	5,205,000	-	1,385,000	1,515,000	1,055,000
Sale of capital assets	8,583	2,108	3,631	17,475	23,719	16,812	17,542	43,688	45,976	43,418
Transfers in	1,416,567	1,714,113	1,159,400	1,178,702	1,221,412	1,168,680	2,959,498	4,011,706	3,757,989	3,007,488
Transfers out	(586,967)	(835,173)	(265,600)	(209,202)	(213,212)	(203,680)	(1,652,092)	(2,954,806)	(2,689,889)	(1,889,982)
Total other financing sources (uses)	838,183	4,553,748	4,582,317	18,098,142	11,154,690	11,355,291	7,757,310	10,174,349	2,634,409	3,784,839
Net change in fund balances	$ (1,211,366)	$ 2,684,849	$ 2,653,500	$ 7,654,279	$ (738,708)	$ (313,155)	$ (2,387,077)	$ 6,958,699	$ 1,241,366	$ 3,627,928
Debt service as a percentage of noncapital expenditures	28.8%	20.9%	17.9%	26.3%	29.4%	41.3%	43.8%	36.0%	25.8%	24.9%

Source: *City of Gardner Finance Department*

City of Gardner, Kansas
Utilities Produced, Consumed, and Treated
Last Ten Fiscal Years

Fiscal Year	Electricity Generated & Purchased	Electricity Sold To Customers	[a] Electricity Consumed & Unbilled	[a] Average Percent Unbilled	Gallons of Water Produced & Purchased	Gallons of Water Sold	[a] Gallons of Water Unbilled	[a] Average Percent Unbilled	Gallons of Wastewater Treated	Total Direct Rate					
										Electric		Water		Wastewater	
										Base [b] Rate	Usage [c] Rate	Base [b] Rate	Usage [c] Rate	Base [b] Rate	Usage [c] Rate
2015	143,731	135,754	7,977	5.55%	673	577	28	4.16%	466	$ 6.72	$ 0.1082	$ 13.45	$ 5.99	$ 13.73	$ 8.78
2016	150,351	136,060	14,291	9.51%	794	633	74	9.32%	668	$ 6.72	$ 0.1082	$ 13.45	$ 5.99	$ 13.73	$ 8.78
2017	144,632	136,157	8,723	6.03%	841	699	142	16.88%	591	$ 6.72	$ 0.1082	$ 13.45	$ 5.99	$ 13.73	$ 8.78
2018	155,841	148,934	6,907	4.43%	999	761	138	13.81%	593	$ 6.72	$ 0.1082	$ 13.45	$ 5.99	$ 13.73	$ 8.78
2019	154,281	147,686	6,595	4.27%	969	684	285	29.41%	833	$ 6.72	$ 0.1082	$ 13.45	$ 5.99	$ 13.73	$ 8.78
2020	149,688	142,404	7,284	4.87%	952	708	244	25.63%	760	$ 6.72	$ 0.1038	$ 13.95	$ 6.21	$ 13.73	$ 8.78
2021	154,373	149,224	5,149	3.34%	977	754	223	22.82%	763	$ 6.72	$ 0.1038	$ 14.47	$ 6.44	$ 13.73	$ 8.78
2022	161,712	152,339	9,373	5.80%	1022	764	258	25.24%	827	$ 6.72	$ 0.1038	$ 15.01	$ 6.68	$ 13.73	$ 8.78
2023	162,134	156,443	5,691	3.51%	1086	798	288	26.52%	953	$ 2.72	$ 0.1017	$ 15.57	$ 6.93	$ 14.31	$ 9.15
2024	169,292	161,982	7,310	4.32%	1125	845	280	24.89%	823	$ 2.72	$ 0.1017	$ 16.15	$ 7.19	$ 14.91	$ 9.53

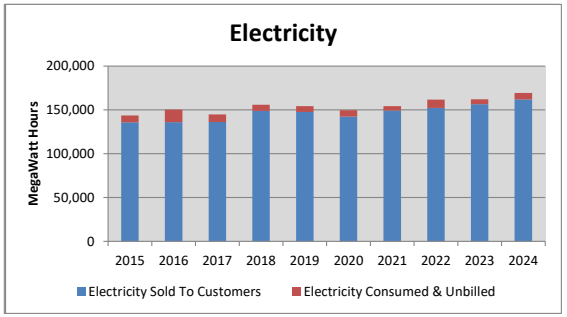
Notes: *Electricity is presented in MegaWatt Hours and gallons are presented in millions.*

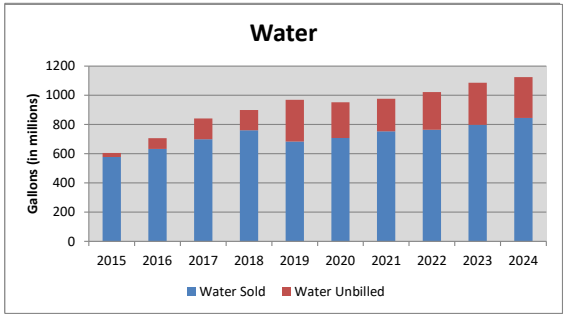
[a] *Unbilled amounts include electric and water used by the City of Gardner for government operations.*

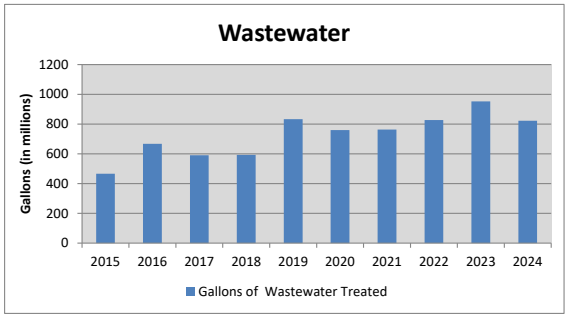
[b] *Rates shown are for residential customers. For more detail on utility rates see the Electric, Water, and Sewer Rate schedule in this section.*

[c] *Per 1,000 gallons.*

Source: *City of Gardner Public Works Department & Utility Department*



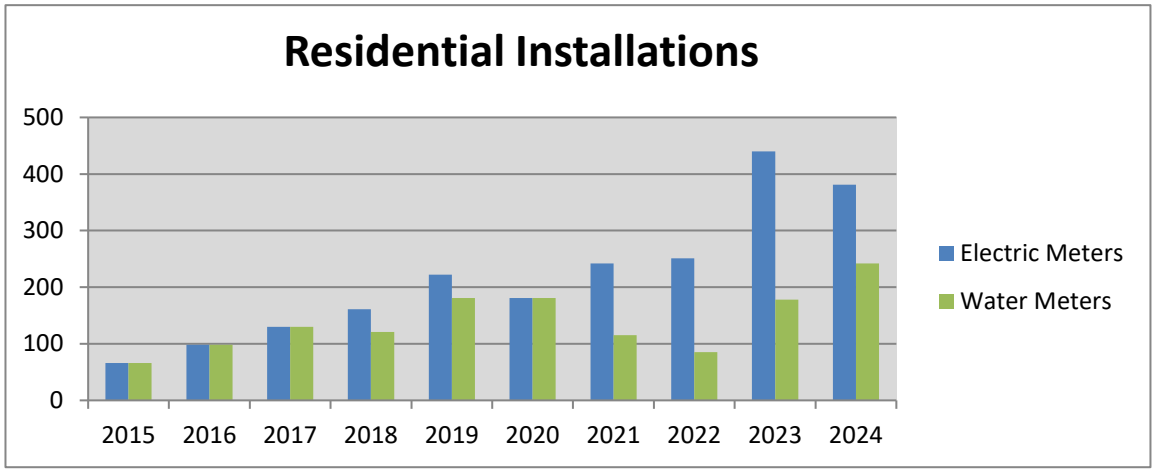


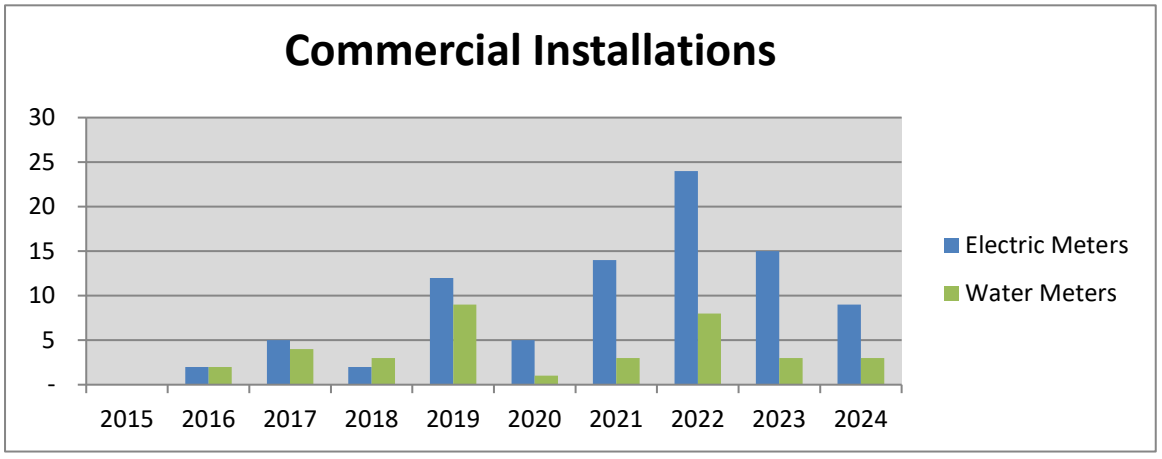


City of Gardner, Kansas
Annual Electric and Water Meter Installations
Last Ten Fiscal Years

Fiscal Year	Electric Meter Installations		Water Meter Installations		Total Installations
	Residential	Commercial	Residential	Commercial	
2015	66	-	66	-	132
2016	98	2	98	2	200
2017	130	5	130	4	269
2018	161	2	121	3	287
2019	222	12	181	9	424
2020	181	5	181	1	368
2021	242	14	115	3	374
2022	251	24	85	8	368
2023	440	15	178	3	636
2024	381	9	242	3	635

Source: *City of Gardner Utility Department*

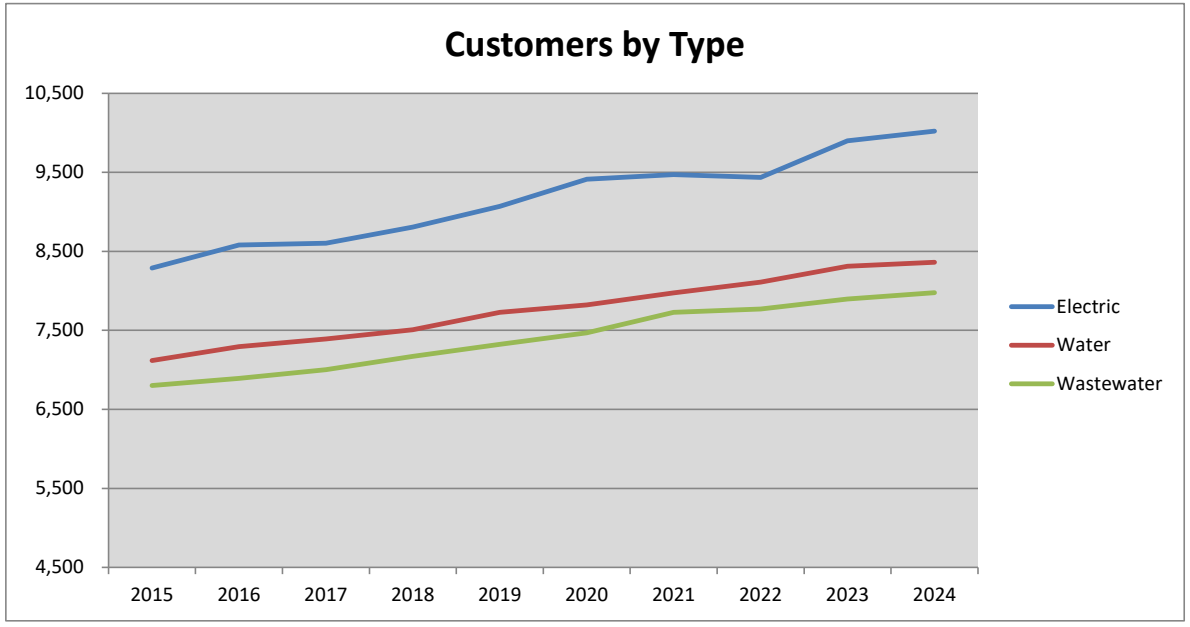




City of Gardner, Kansas
Number of Electric, Water, and Wastewater Customers by Type
Last Ten Fiscal Years

Fiscal	Electric			Water			Wastewater			Total		
Year	Residential	Commercial	Industrial	Residential	Commercial	Industrial	Residential	Commercial	Industrial	Electric	Water	Wastewater
2015	7,806	479	4	6,821	290	7	6,577	219	6	8,289	7,118	6,802
2016	8,089	488	4	6,977	309	7	6,664	221	6	8,581	7,293	6,891
2017	8,081	517	4	7,069	316	7	6,766	229	6	8,602	7,392	7,001
2018	8,288	515	5	7,189	313	7	6,937	228	7	8,808	7,509	7,172
2019	8,541	522	7	7,402	319	7	7,081	235	7	9,070	7,728	7,323
2020	8,869	536	9	7,490	326	7	7,224	239	7	9,414	7,823	7,470
2021	8,917	545	9	7,509	455	9	7,475	245	9	9,471	7,973	7,729
2022	8,866	562	8	7,679	423	9	7,521	241	9	9,436	8,111	7,771
2023	9,321	570	8	7,996	310	4	7,644	249	3	9,899	8,310	7,896
2024	9,459	555	8	8,045	312	5	7,723	251	3	10,022	8,362	7,977

Source: *City of Gardner Utility Department*



City of Gardner, Kansas
Electric, Water, and Wastewater Rates
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020[b]	2021	2022	2023	2024
Water Rates[a]										
(All Meter Sizes)										
Base Rate	$ 13.45	$ 13.45	$ 13.45	$ 13.45	$ 13.45	$ 13.95	$ 14.47	$ 15.01	$ 15.57	$ 16.15
Usage Rate (per 1,000 gallons) First 40,000 gallons	-	-	-	-	-	-	-	-	-	-
Usage Rate per 1,000 gallons) Over 40,000 gallons	-	-	-	-	-	-	-	-	-	-
Usage Rate (per 1,000 gallons) First 6,000 gallons	5.99	5.99	5.99	5.99	5.99	6.21	6.44	6.68	6.93	7.19
Usage Rate per 1,000 gallons) 6,001-10,000 gallons	6.60	6.60	6.60	6.60	6.60	6.84	7.09	7.35	7.62	7.90
Usage Rate (per 1,000 gallons) 10,001-14,000 gallons	6.89	6.89	6.89	6.89	6.89	7.14	7.40	7.67	7.95	8.24
Usage Rate (per 1,000 gallons) 14,001-18,000 gallons	7.20	7.20	7.20	7.20	7.20	7.47	7.75	8.04	8.34	8.65
Usage Rate (per 1,000 gallons)18,001 or more gallons	7.53	7.53	7.53	7.53	7.53	7.81	8.10	8.40	8.71	9.03
Wastewater Rates										
Base Rate	$ 13.73	$ 13.73	$ 13.73	$ 13.73	$ 13.73	$ 13.73	$ 13.73	$ 13.73	$ 14.31	$ 14.91
Usage Rate (per 1,000 gallons)	8.78	8.78	8.78	8.78	8.78	8.78	8.78	8.78	9.15	9.53
Electric Rates										
Residential										
Base Rate	$ 6.72	$ 6.72	$ 6.72	$ 6.72	$ 6.72	$ 6.72	$ 6.72	$ 6.72	$ 6.72	$ 6.72
Usage Rate (per kWh)	0.10819	0.10819	0.10819	0.10819	0.10819	0.10380	0.10380	0.10380	0.10170	0.10170
Commercial [c]										
Base Rate	$ 7.35	$ 7.35	$ 7.35	$ 7.35	$ 7.35	$ -	$ -	$ -	$ -	$ -
Usage Rate (per kWh)	0.11152	0.11152	0.11152	0.11152	0.11152	-	-	-	-	-
Commercial Small With Demand										
Base Rate for Demand	$ 16.70	$ 16.70	$ 16.70	$ 16.70	$ 16.70	$ 10.00	$ 10.00	$ 10.00	$ 10.00	$ 10.00
Usage Rate (per KW)	14.06	14.06	14.06	14.06	14.06	5.00	5.00	5.00	5.00	5.00
Usage Rate (per kWh)	0.05708	0.05708	0.05708	0.05708	0.05708	0.07860	0.07860	0.07860	0.07860	0.07860
Usage Rate (per kWh) Over 5,000 kWh [c]	0.05053	0.05053	0.05053	0.05053	0.05053	-	-	-	-	-
Commercial Medium With Demand										
Base Rate for Demand	-	-	-	-	-	$ 20.00	$ 20.00	$ 20.00	$ 20.00	$ 20.00
Usage Rate (per KW)	-	-	-	-	-	9.75	9.75	9.75	9.75	9.75
Usage Rate (per kWh)	-	-	-	-	-	0.07860	0.07860	0.07860	0.07860	0.07860
Commercial Large With Demand										
Base Rate for Demand	$ 22.26	$ 2.26	$ 2.26	$ 2.26	$ 2.26	$ 35.00	$ 35.00	$ 35.00	$ 35.00	$ 35.00
Usage Rate (per KW)	14.06	14.06	14.06	14.06	14.06	14.50	14.50	14.50	14.50	14.50
Usage Rate (per kWh)	0.05080	0.05080	0.05080	0.05080	0.05080	0.05400	0.05400	0.05400	0.05400	0.05400
Usage Rate (per kWh) Over 5,000 kWh [c]	0.05053	0.05053	0.05053	0.05053	0.05053	-	-	-	-	-
All Electric Rates [c]										
Residential										
Base Rate	$ 6.20	$ 6.20	$ 6.20	$ 6.20	$ 6.20	$ -	$ -	$ -	$ -	$ -
Summer Usage Rate (per kWh)	0.11088	0.11088	0.11088	0.11088	0.11088	-	-	-	-	-
Winter Usage Rate (per kWh) First 800 kWh	0.11088	0.11088	0.11088	0.11088	0.11088	-	-	-	-	-
Winter Usage Rate (per kWh) Over 800 kWh	0.04853	0.04853	0.04853	0.04853	0.04853	-	-	-	-	-
Commercial										
Base Rate	$ 7.35	$ 7.35	$ 7.35	$ 7.35	$ 7.35	$ -	$ -	$ -	$ -	$ -
Usage Rate (per KW)	5.30	5.30	5.30	5.30	5.30	-	-	-	-	-
Summer Usage Rate (per kWh)	0.04198	0.04198	0.04198	0.04198	0.04198	-	-	-	-	-
Winter Usage Rate (per kWh)	0.03894	0.03894	0.03894	0.03894	0.03894	-	-	-	-	-

Source: *City of Gardner Utility Department*

Note: *(a) The City of Gardner implemented a new step rate structure for water in 2014*
(b) The City of Gardner implemented new rate structures for water and electric in 2020
(c) Some rates and rate classes were eliminated as part of the implementation of new rate structures in 2020

City of Gardner, Kansas
Ten Largest Electric, Water, and Wastewater Customers
Current Year and Nine Years Ago

Fiscal Year 2024

	Electric Revenue			Water Revenue			Wastewater Revenue	
Customer	**Amount**	**%**	**Customer**	**Amount**	**%**	**Customer**	**Amount**	**%**
U.S.D. 231 High School	$ 307,770.60	1.93%	New Century	$ 779,471.00	10.47%	Go Car Wash	$ 43,371.56	0.75%
Walmart	299,433.30	1.88%	Go Car Wash	41,372.13	0.56%	COG - Aquatic Center	36,502.07	0.63%
Coleman Company, Inc.	213,642.60	1.34%	COG - Aquatic Center	30,457.35	0.41%	Smithco Construction Co	36,149.37	0.62%
Price Chopper	206,108.00	1.30%	U.S.D. 231 Grand Street	27,484.91	0.37%	Nottingham Village 1	27,397.92	0.47%
Excelligence	171,105.60	1.08%	Nottingham Village 1	26,321.65	0.35%	U.S.D. 231 Grand Street	27,239.34	0.47%
COG - Wastewater Plant	164,140.03	1.03%	U.S.D. 231 High School	25,780.57	0.35%	U.S.D. 231 High School	26,384.36	0.45%
U.S.D. 231 Pioneer Ridge MS	129,992.79	0.82%	Hampton Inn	23,339.34	0.31%	Hampton Inn	23,806.35	0.41%
Omni Systems, Inc.	121,289.70	0.76%	Trailswest Car Wash	22,498.58	0.30%	Trailswest Car Wash	23,456.43	0.40%
U.S.D. 231 Grand Street	114,365.61	0.72%	KS Resource Exp & Dev	21,435.34	0.29%	Moonlight Plaza	18,672.81	0.32%
Tradenet Publishing	96,487.98	0.61%	Recover Care	18,454.57	0.25%	Recover Care LLC	18,648.78	0.32%
Subtotal (10 largest)	$ 1,824,336.21	11.47%	Subtotal (10 largest)	$ 1,016,615.44	13.65%	Subtotal (10 largest)	$ 281,628.99	4.85%
Balance from other customers	$ 14,084,275.79	88.53%	Balance from other customers	$ 6,431,429.68	86.35%	Balance from other customers	$ 5,530,809.03	95.15%
Grand Totals	$ 15,908,612.00	100.00%	Grand Totals	$ 7,448,045.12	100.00%	Grand Totals	$ 5,812,438.02	100.00%

Fiscal Year 2015

	Electric Revenue			Water Revenue			Wastewater Revenue	
Customer	**Amount**	**%**	**Customer**	**Amount**	**%**	**Customer**	**Amount**	**%**
Wal-Mart	$ 365,307.06	2.59%	New Century	$ 297,743.71	6.08%	USD 231 - WMS Main	$ 24,862.29	0.58%
Price Chopper	273,677.91	1.94%	USD 231 - WMS Main	48,991.53	1.00%	R & B Auto Wash	20,173.43	0.47%
USD 231 - High School Main	264,162.33	1.87%	USD 231 - Trailridge Middle	26,139.76	0.53%	Wal Mart	17,317.61	0.40%
Coleman	223,813.28	1.58%	USD 231 - High School	19,233.77	0.39%	Bristol - 205 N Moonlight	14,622.89	0.34%
ITW Labels	147,710.41	1.05%	R & B Auto Wash	18,449.29	0.38%	USD 231 - High School	13,300.97	0.31%
USD 231- Grand Star Elementary	139,819.15	0.99%	Wal Mart	17,526.21	0.36%	Super 8	12,317.83	0.29%
USD 231 - Poineer Ridge	132,125.80	0.94%	USD 231 - High School Irrigation	16,469.25	0.34%	Pinncale Healthcare Facilities	12,150.33	0.28%
Century Link -107 S Elm	82,756.30	0.59%	USD 231 - High School Irrigation (2)	14,977.66	0.31%	Winbury Group	9,873.03	0.23%
Tradenet	78,844.08	0.56%	Bristol - 305 N Moonlight	13,793.81	0.28%	USD 231 - Moonlight	8,683.71	0.20%
USD 231 - Sunflower Elementary	78,727.20	0.56%	Jacobs Properties	13,170.07	0.27%	Jacobs Properties	8,342.87	0.19%
Subtotal (10 largest)	$ 1,786,943.52	12.65%	Subtotal (10 largest)	$ 486,495.06	9.93%	Subtotal (10 largest)	$ 141,644.96	3.31%
Balance from other customers	$ 12,343,426.66	87.35%	Balance from other customers	$ 4,414,514.35	90.07%	Balance from other customers	$ 4,141,195.65	96.69%
Grand Totals	$ 14,130,370.18	100.00%	Grand Totals	$ 4,901,009.41	100.00%	Grand Totals	$ 4,282,840.61	100.00%

Notes: *Dollar values reflected include base rate charges, as well as multiple meters on various accounts.*

Source: *City of Gardner Utility Department*

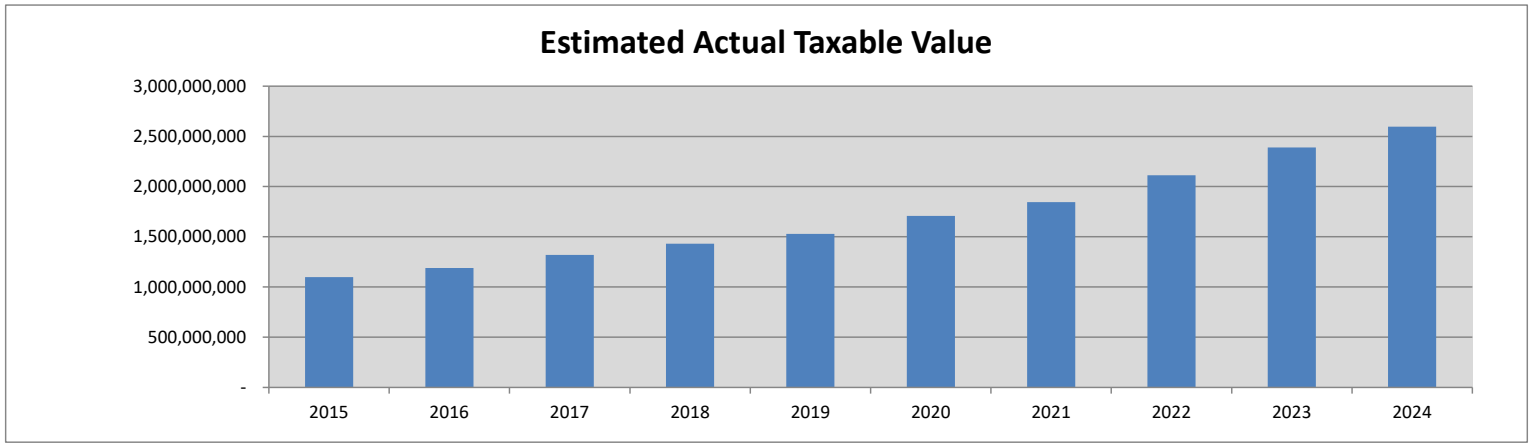
City of Gardner, Kansas
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Vacant Lots/Not-for-Profit Property	Agricultural and Other Property	Personal Property	State Assessed Utility	Not Otherwise Subclassified	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2015	113,212,121	25,623,792	1,319,507	135,798	1,803,988	3,836,836	-	145,932,042	29.455	1,098,396,946	13.29%
2016	121,390,107	28,593,736	2,212,724	140,268	1,614,159	4,113,956	-	158,064,950	20.544 [(a)]	1,188,848,018	13.30%
2017	134,815,031	30,564,675	2,827,897	226,029	1,551,718	4,117,515	-	174,102,865	20.540	1,318,882,556	13.20%
2018	147,751,168	31,962,125	2,188,661	162,813	1,551,694	4,756,452	239,102	188,612,015	20.720	1,431,422,817	13.18%
2019	158,457,041	33,314,049	2,073,812	223,801	1,491,583	4,923,303	-	200,483,589	20.710	1,529,171,279	13.11%
2020	170,300,580	50,169,157	2,956,301	296,698	1,874,266	4,957,080	-	230,554,082	20.665	1,707,176,072	13.50%
2021	184,623,605	50,527,253	4,279,461	285,009	1,893,113	4,947,052	-	246,555,493	19.854	1,844,143,869	13.37%
2022	210,995,374	56,254,055	6,162,614	287,430	1,486,496	5,146,883	-	280,332,852	18.699	2,112,071,819	13.27%
2023	240,814,612	61,861,264	5,719,323	428,235	1,661,344	5,283,968	-	315,768,746	18.319	2,390,573,635	13.21%
2024	261,907,473	68,118,203	5,305,012	457,385	2,074,423	6,253,675	-	344,116,171	18.172	2,595,662,149	13.26%

Note: *Property in Johnson County is reassessed every year. The county assesses property at approximately 25 percent of actual value for commercial, 30 percent for agricultural, 12 percent for not-for-profit, and 11.5 percent for residential. Estimated actual taxable value is calculated by dividing taxable assessed value by those percentages. Tax rates are per $1,000 of assessed value.*

[(a)] The significant change in the mill levy is due to a $1.4 miillion reduction in property tax revenue for the termination of the fire services contract, which is equivalent to a reduction of approximately 9 mills.

Sources: *City of Gardner Finance Department and Johnson County Treasury, Taxation and Vehicles*



City of Gardner, Kansas
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	Direct Rates			Overlapping Rates							
Fiscal Year	Gardner General Operating	Bond and Interest	Total Direct Rate - Gardner City	State of Kansas	Johnson County	Johnson County Library	Johnson County Parks and Recreation	Johnson County Community College	Fire District #1	U.S.D. 231 (School District)	Total Direct & Overlapping Rates
2015	19.415	10.040	29.455	1.500	19.582	3.912	3.101	9.469	-	69.185	136.204
2016	13.504	7.040	20.544	1.500	19.590	3.915	3.102	9.473	12.443	67.787	138.354
2017	11.977	8.563	20.540	1.500	19.318	3.921	3.112	9.503	12.440	66.981	137.315
2018	14.116	6.604	20.720	1.500	19.024	3.901	3.088	9.266	12.383	65.969	135.851
2019	14.109	6.601	20.710	1.500	19.036	3.904	3.090	9.121	12.454	65.775	135.590
2020	14.622	6.043	20.665	1.500	18.799	3.905	3.093	9.191	15.715 [a]	64.682	137.550
2021	14.048	5.806	19.854	1.500	18.564	3.908	3.096	9.110	15.278 [b]	62.995	134.305
2022	12.941	5.758	18.699	1.500	17.772	3.815	3.021	8.617	14.795 [b]	61.901	130.120
2023	12.678	5.641	18.319	1.500	17.526	3.812	3.022	8.131	14.637 [b]	61.722	128.669
2024	12.576	5.596	18.172	1.500	17.286	3.816	3.023	8.124	15.423 [b]	59.741	127.085

Note: *One mill is $1 of property tax for each $1,000 of assessed valuation.*

[a] *Fire District #1 added 1.953 mills in 2020 for the first year of debt service on the "B" bonds.*

[b] *The stated mill rate does not include 1.816 mills in 2021, 1.838 mills in 2022 and 1.645 mills in 2023 for Fire District Bond "A" that apply only to recently annexed properties.*

Source: *Johnson County Treasury, Taxation and Vehicles*

City of Gardner, Kansas
Principal Tax Payers
Current Year and Nine Years Ago

		2024			2015		
Taxpayer	**Type of Business**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
NNN AGP OPP II Owner IV, LLC/Midwest Commerce Center	Warehousing	$ 15,746,151	1	4.58%	$ -		0.00%
Tallgrass Apartments LLC	Real Estate	6,448,971	2	1.87%	-		0.00%
Moonlight Apartments L.L.C.	Real Estate	4,102,970	3	1.19%	2,135,320	1	1.52%
Walmart	Retail	4,055,250	4	1.18%	2,123,750	2	1.51%
Conestoga Titleholder	Real Estate	3,052,474	5	0.89%	-		0.00%
Horizon Trails, LLC	Real Estate	2,685,480	6	0.78%	1,301,915	4	0.93%
KDR AP LLC	Real Estate	2,502,055	7	0.73%	-		0.00%
Nexpoint SFR SPE 3 LLC	Real Estate	2,243,316	8	0.65%	-		0.00%
Hudson SFR Property Holdings II, LLC/Plum Creek Manor	Real Estate	2,206,472	9	0.64%	-		0.00%
RH Partners OwnerCo LLC	Real Estate	2,056,165	10	0.60%			0.00%
Martens Rentals, L.L.C.	Real Estate				1,332,952	3	0.95%
C.L.S. Investment Company	Real Estate				1,221,253	5	0.87%
DJC Properties, L.L.C.	Real Estate				1,125,459	6	0.80%
Bristol Partner XVI, LLC	Real Estate				943,000	7	0.67%
Axiom-Aspen, LLC	Real Estate				937,020	8	0.67%
Energy Center Industrial, LLC	Real Estate				931,501	9	0.66%
Fountain Gate Village, LLC	Real Estate				862,737	10	0.61%
Totals		$ 45,099,304		13.11%	$ 12,914,907		9.21%

Source: *Johnson County Treasury, Taxation and Vehicles*

Note: *This schedule excludes agreements that the City has with certain entities to make payments in lieu of taxes on property that is currently statutorily exempt from ad valorem property taxes and therefore has no assessed valuation*

City of Gardner, Kansas

PROPERTY TAX LEVIES AND COLLECTIONS
GENERAL AND DEBT SERVICE FUNDS
For years ended December 31, 2015 through December 31, 2024

Year Ended December 31[1]	Adjusted Tax Levy	Current Year Collections Amount	Current Year Collections Percentage of Levy	Collections in Subsequent Years	Total Tax Collections Amount	Total Tax Collections Percentage of Levy
2015	4,063,209	3,997,901	98.39%	64,958	4,062,859	99.99%
2016	4,406,651	4,370,729	99.18%	33,527	4,404,256	99.95%
2017	3,329,263	3,319,439	99.70%	8,606	3,328,045	99.96%
2018	3,634,252	3,656,109	100.60%	(23,295)	3,632,814	99.96%
2019	3,980,644	3,970,824	99.75%	8,266	3,979,090	99.96%
2020	4,243,639	4,223,131	99.52%	17,807	4,240,938	99.94%
2021	4,682,502	4,680,118	99.95%	(653)	4,679,465	99.94%
2022	4,830,147	4,795,368	99.28%	17,375	4,812,743	99.64%
2023	5,156,313	5,102,239	98.95%	31,754	5,133,993	99.57%
2024	5,613,179	5,546,087	98.80%	29,990	5,576,077	99.34%

PROPERTY TAX LEVIES AND COLLECTIONS
TAX INCREMENT FINANCING DISTRICTS
For years ended December 31, 2015 through December 31, 2024

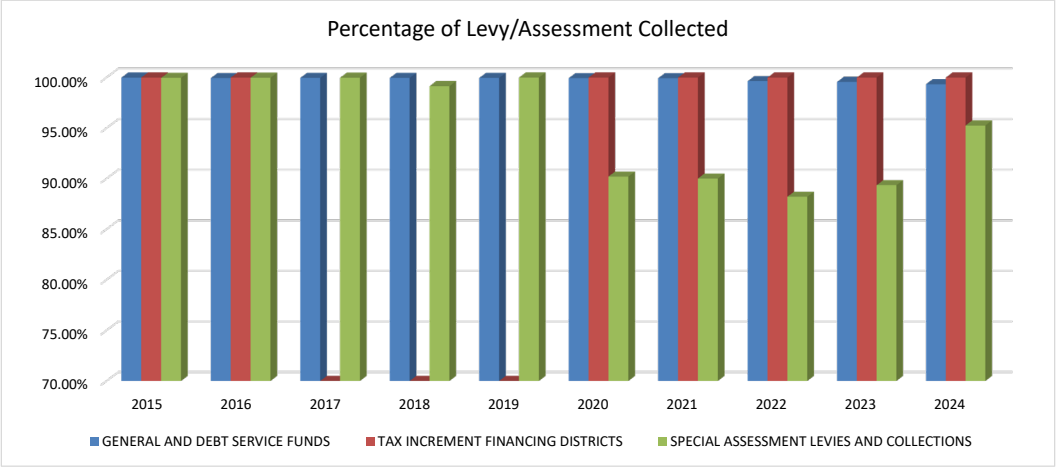
Year Ended December 31[1]	Adjusted Tax Levy	Current Year Collections Amount	Current Year Collections Percentage of Levy	Collections in Subsequent Years	Total Tax Collections Amount	Total Tax Collections Percentage of Levy
2015	238,635	238,635	100.00%	-	238,635	100.00%
2016	136,471	136,471	100.00%	-	136,471	100.00%
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020	622	622	100.00%	-	622	100.00%
2021	13,457	13,457	100.00%	-	13,457	100.00%
2022	170,063	170,063	100.00%	-	170,063	100.00%
2023	213,241	213,241	100.00%	-	213,241	100.00%
2024	215,242	215,242	100.00%	-	215,242	100.00%

SPECIAL ASSESSMENT LEVIES AND COLLECTIONS
For years ended December 31, 2015 through December 31, 2024

Year Ended December 31[1]	Assessments Certified to County	Current Year Collections Amount	Current Year Collections Percentage of Assessment	Collections in Subsequent Years	Total Assessment Collections Amount	Total Assessment Collections Percentage of Assessment
2015	1,309,313	1,028,131	78.52%	280,749	1,308,880	99.97%
2016	1,305,642	1,288,438	98.68%	16,956	1,305,394	99.98%
2017	1,263,310	1,225,138	96.98%	37,933	1,263,071	99.98%
2018	1,272,825	1,186,403	93.21%	75,590	1,261,993	99.15%
2019	1,178,720	1,093,669	92.78%	85,051	1,178,720	100.00%
2020	1,172,880	1,041,270	88.78%	16,808	1,058,078	90.21%
2021	1,188,355	1,055,291	88.80%	14,423	1,069,714	90.02%
2022	1,380,633	1,214,412	87.96%	3,484	1,217,896	88.21%
2023	1,581,954	1,276,346	80.68%	137,186	1,413,532	89.35%
2024	1,479,290	1,394,985	94.30%	14,138	1,409,123	95.26%

(1) The year shown is the year in which the collections were received. The levy or assessment is certified to the County the previous year.

Source: *Johnson County Treasury, Taxation and Vehicles*

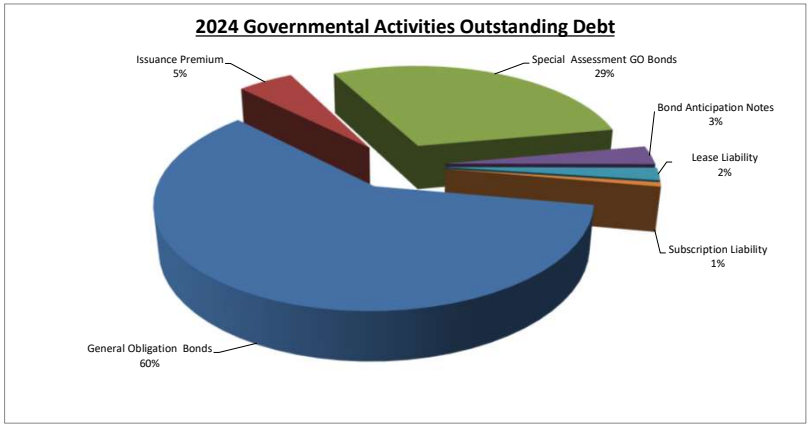


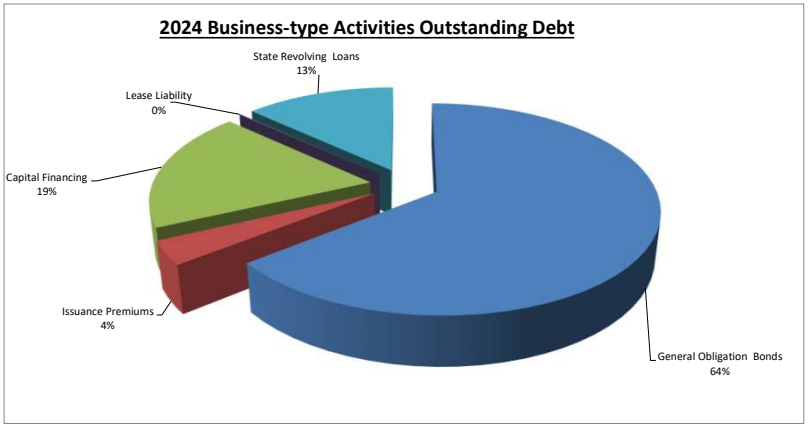
City of Gardner, Kansas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities										Business-type Activities								
Fiscal Year	General Obligation Bonds	Issuance Premiums	Special Assessment GO Bonds	Certificates of Participation	Bond Anticipation Notes	Capital Financing	Lease Liability	Subscription Liability	State Revolving Loans	Lease Revenue Bonds	General Obligation Bonds	Issuance Premiums	Bond Anticipation Notes	Capital Financing	Lease Liability	State Revolving Loans	Total Primary Government	Percentage of Personal Income [a]	Per Capita [a]
2015	9,310,684	332,742	12,215,000	475,000	-	226,113	-	-	244,290	2,330,000	18,049,316	1,108,699	-	-	-	11,590,158	55,882,002	9.68%	2,678
2016	9,216,264	345,252	12,805,000	-	-	792,116	-	-	67,609	2,015,000	15,398,736	859,776	-	-	-	10,890,162	52,389,915	8.12%	2,482
2017	9,786,170	492,721	14,012,500	-	-	611,000	-	-	-	1,670,000	12,231,330	699,751	-	-	-	10,321,146	49,824,618	6.30%	2,309
2018	23,398,487	1,314,814	11,592,500	-	-	1,765,000	-	-	-	1,295,000	9,039,013	545,189	-	10,750,645	-	9,738,473	69,439,121	8.31%	3,175
2019	24,400,000	1,310,866	8,570,000	-	7,365,000	1,800,000	-	-	-	900,000	8,845,000	428,989	-	10,418,367	-	9,141,842	73,180,064	9.36%	3,317
2020	25,965,000	1,515,045	7,680,000	-	8,845,000	1,588,407	-	-	-	470,000	34,115,000	1,993,552	-	10,074,798	-	8,530,826	100,777,628	11.66%	4,444
2021	23,942,500	1,660,260	9,637,500	-	5,205,000	1,371,441	-	-	-	-	31,720,000	1,794,375	-	9,716,712	-	7,905,171	92,952,959	10.42%	3,992
2022	25,930,000	2,146,680	11,505,000	-	1,385,000	18,987	1,129,758	-	-	-	34,045,000	1,991,274	-	9,340,883	200,174	7,264,494	94,957,250	10.66%	3,709
2023	23,575,000	1,901,497	10,305,000	-	1,515,000	9,666	905,000	355,357	-	-	31,695,000	1,829,359	-	8,945,698	125,454	6,608,428	87,770,459	8.85%	3,174
2024	21,100,000	1,778,443	10,470,000	-	1,055,000	-	710,000	242,080	-	-	29,230,000	1,667,442	-	8,531,157	50,320	5,936,605	80,771,047	7.35%	2,866

Notes: *[a] See the Demographic and Economic Statistics schedule in this section for personal income and population data.*

Source: *City of Gardner Finance Department*





City of Gardner, Kansas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

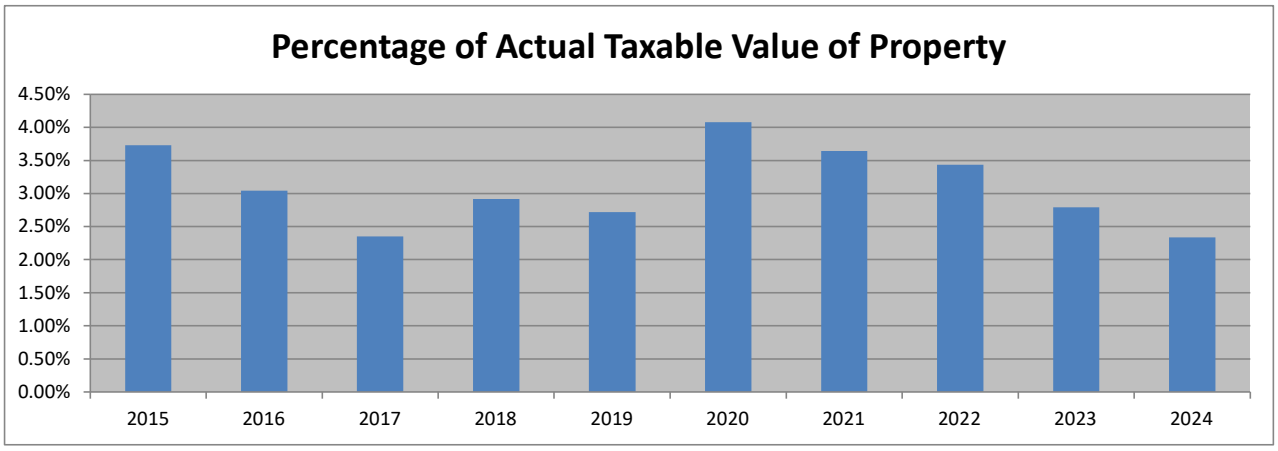
Fiscal Year	General Obligation Bonds	Issuance Premiums	Special Assessment GO Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value[(a)] of Property	Per Capita [(b)]
2015	27,360,000	1,441,441	12,215,000	55,734	40,960,707	3.73%	1,963
2016	24,615,000	1,205,028	12,805,000	2,427,189	36,197,839	3.04%	1,715
2017	22,017,500	1,192,472	14,012,500	5,117,019	32,105,453	2.35%	1,488
2018	32,437,500	1,860,003	11,592,500	4,154,425	41,735,578	2.92%	1,908
2019	33,245,000	1,739,855	8,570,000	1,940,213	41,614,642	2.72%	1,886
2020	60,080,000	3,508,597	7,680,000	1,713,707	69,554,890	4.07%	3,067
2021	55,662,500	3,454,635	9,637,500	1,612,653	67,141,982	3.64%	2,883
2022	59,975,000	4,137,954	11,505,000	1,930,139	73,687,815	3.43%	2,878
2023	55,270,000	3,730,856	10,305,000	2,556,521	66,749,335	2.79%	2,414
2024	50,330,000	3,445,885	10,470,000	3,593,140	60,652,745	2.34%	2,152

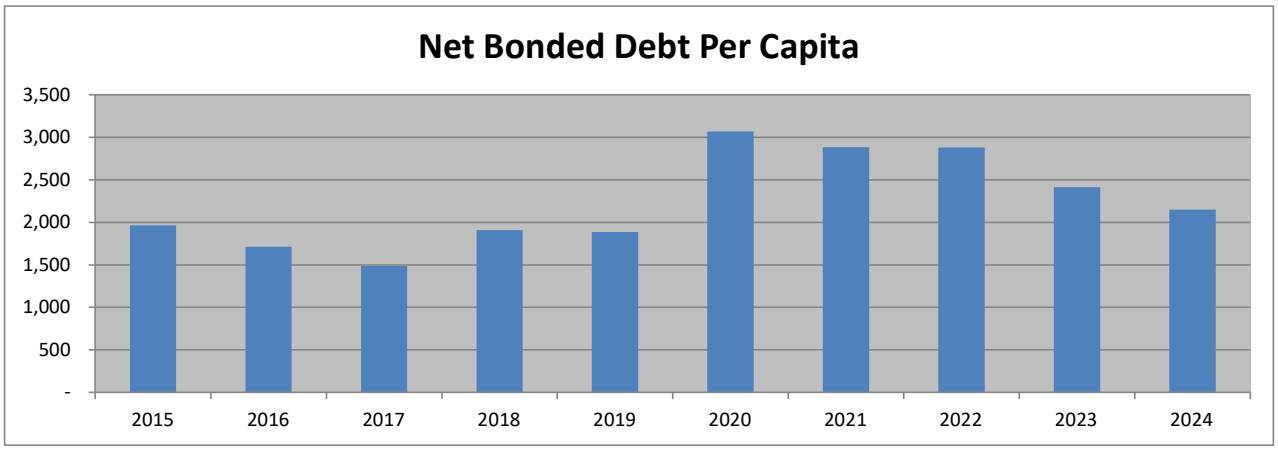
Notes: *Details regarding the City's outstanding debt can be found in the notes to the financial statements.*

[(a)] Property value data can be found in the Assessed Value and Estimated Actual Value of Taxable Property schedule in this section.

[(b)] Population data can be found in the Demographic and Economic Statistics schedule in this section.

Sources: *City of Gardner Finance Department and Johnson County Treasury, Taxation and Vehicles*





City of Gardner, Kansas
Direct and Overlapping Governmental Activities Debt
As of December 31, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [(a)]	Estimated Share of Direct and Overlapping Debt
GO Debt repaid with property taxes			
Unified School District No. 231	$ 84,740,000	61.15%	$ 51,819,168
Johnson County	11,118,659	2.15%	239,174
Johnson County Community College	39,395,000	2.15%	847,429
Johnson County Park and Recreation	49,990,000	2.15%	1,075,339
Johnson County Fire District #1	8,295,000	63.67%	5,281,738
Other			
Johnson County: Public Building Commission	253,980,000	2.15%	5,463,386
Subtotal, overlapping debt			64,726,235
City Direct Debt			38,566,520
Total direct and overlapping debt			$ 103,292,755

Notes: *Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.*
[(a)] For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Sources: *Johnson County Treasury, Taxation and Vehicles and the City of Gardner Finance Department*

City of Gardner, Kansas
Legal Debt Margin Information
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	$ 50,654,924	$ 54,443,006	$ 59,663,274	$ 64,350,457	$ 68,190,386	$ 77,576,243	$ 82,542,551	$ 93,225,575	$ 103,499,604	$ 112,427,287
Total net debt applicable to limit	14,197,925	15,602,174	13,783,024	26,568,798	33,054,021	33,830,413	30,302,055	32,468,701	29,870,429	27,080,432
Legal debt margin	$ 36,456,999	$ 38,840,832	$ 45,880,250	$ 37,781,659	$ 35,136,365	$ 43,745,830	$ 52,240,496	$ 60,756,874	$ 73,629,175	$ 85,346,855
Total net debt applicable to the limit as a percentage of debt limit	28.03%	28.66%	23.10%	41.29%	48.47%	43.61%	36.71%	34.83%	28.86%	24.09%

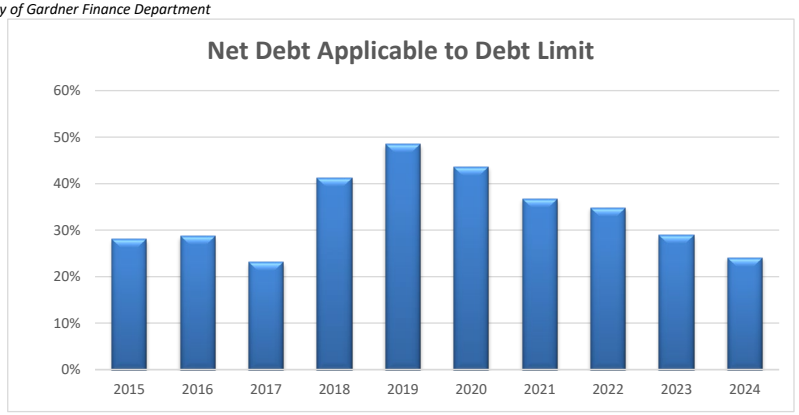
Legal Debt Margin Calculation for Fiscal Year 2024

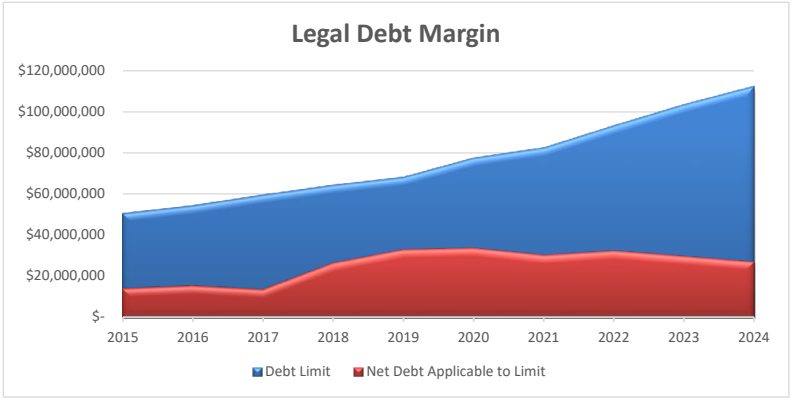
Assessed value [a]	$ 374,757,623
Debt limit (30% of assessed value) [b]	112,427,287
Debt applicable to limit:	
G.O. Bonds and Temporary Notes Outstanding	61,855,000
Less: Amount set aside for utilities, refunding, and revenue-supported bonds	(34,774,568)
Total net debt applicable to limit	27,080,432
Legal debt margin	$ 85,346,855

Notes: [a] *Assessed value includes property tax collected for motor vehicles.*

[b] *The City is subject to Kansas statutes which limit the amount of net bonded debt (exclusive of revenue, utility, and refunding bonds) the City may have outstanding to 30% of the current assessed valuation of property.*

Source: *City of Gardner Finance Department*





City of Gardner, Kansas
Demographics and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population [a]	Personal Income	Per Capita Personal Income [d]	Median Age [d]	School Enrollment [c]	Unemployment Rate [b]
2015	20,868	577,104,540	27,655	31.9	5,858	2.9%
2016	21,110	639,907,430	30,313	31.9	6,041	3.1%
2017	21,583	790,952,201	36,647	32.3	6,116	2.9%
2018	21,871	835,865,878	38,218	32.3	6,121	3.0%
2019	22,065	781,498,170	35,418	31.9	6,174	2.5%
2020	22,677	864,333,855	38,115	32.0	5,837	3.3%
2021	23,287	891,822,239	38,297	32.0	5,977	2.0%
2022	25,602	890,719,182	34,791	33.1	6,082	2.9%
2023	27,652	991,656,024	35,862	33.1	6,188	2.2%
2024	28,187	1,098,362,829	38,967	33.1	5,759	2.9%

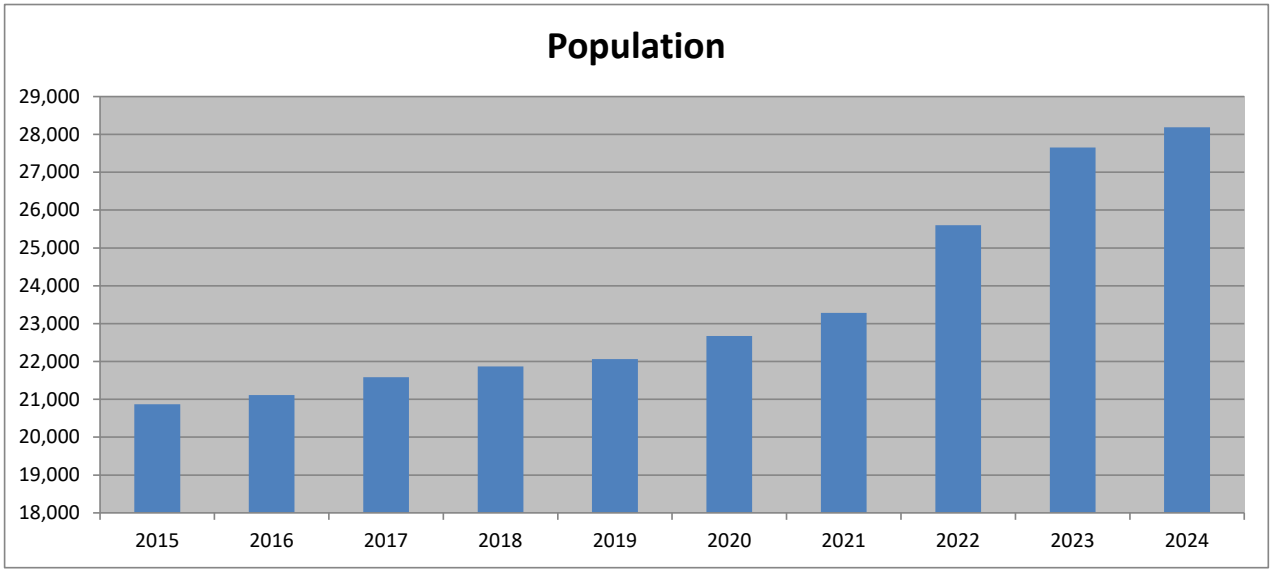
Sources: *City of Gardner Finance Department and*

[a] US Census Bureau estimate 2011-2018; worldpopulationreview.com 2019; Gardner Trade Area Profile 2020; 2020 US Census Results 2021, Trade Area Profile 2023 & 2024

[b] Unemployment Rate is for Johnson County, Kansas. The City rate is not available. Provided by Kansas Department of Labor as of 4/8/2025.

[c] Unified School District No. 231

[d] Gardner Trade Area Profile. Provided by County Economic Research Institute Inc.



City of Gardner, Kansas
Principal Employers
Current Year and Nine Years Ago

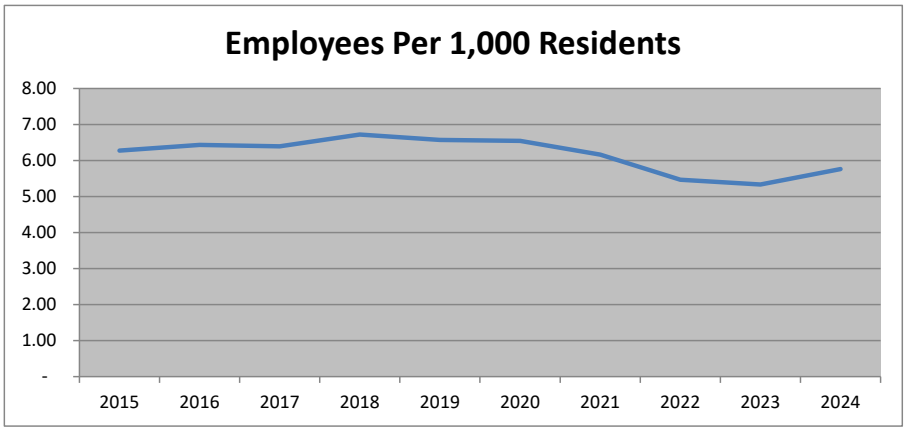
	2024			2015		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Unified School District No. 231	926	1	21.75%	800	1	19.15%
Walmart	225	2	5.29%	250	2	5.98%
Cosentino's Price Chopper	191	3	4.49%	130	7	3.11%
Meadowbrook Rehabilitation Hospital	189	4	4.44%	174	3	4.17%
Excelligence Learning Corp	175	5	4.11%			
City of Gardner	165	6	3.88%	135	6	3.23%
First Student	140	7	3.29%			
Olathe Health Gardner/Edgerton	45	8	1.06%			
Olathe Ford RV Sales, Inc.	42	9	0.99%			
OMNI Systems/D.O.T. Label, Inc. (ITW)	41	10	0.96%	87	10	2.08%
TradeNet Publishing				130	7	3.11%
Medical Lodge of Gardner				102	9	2.44%
Coleman				167	5	4.00%
Epic Landscape Productions				172	4	4.12%
Total	2,139		50.25%	2,147		51.39%

Source: *City of Gardner Finance Department and D & B Hoovers Co.*

City of Gardner, Kansas
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
Administration/City Clerk	5	5	5	5	5	5	5	7	6	7
Human Resources/Risk	4	4	4	4	4	4	4	4	4	5
Information Systems	3	3	3	3	3	3	3	3	4	5
Finance										
Finance Admin/Fiscal Services	7	7	7	7	7	7	7	7	7	7
Court	2	2	2	2	2	2.5	2.5	3	1	2
Utilities	9	9	9	9	9	8	6	6	6	6
Planning	5	5	5	5	5	5	4	6	5	8
Codes	3	2	2	3	3	3	3	2	2	2
Building Services	1	1	1	1	1	1	1	1	2	2
Airport	-	-	-	-	-	0.5	0.5	0.5	0.5	0.5
Police										
Administration	5	6	7	7	7	7	8	6	10	9
Operations	28	28	27	30	30	33	31	29	27	31
Animal Control	1	1	1	1	1	1	1	0	1	1
Public Works										
Administration	2	2	2	2	2	1	2	2	2	2
Fleet	1	1	1	1	1	1	1	1	1	1
Engineering	5	5	5	5	5	5	6	6	7	7
Streets & Line Maintenance	12	15	15	18	18	17	17	16	17	20
Electric	14	16	18	18	17	20.5	18.5	16.5	18	20
Water	6	6	6	6	6	5	7	7	7	8
Wastewater	6	6	6	6	6	6	5	5	7	6
Culture and Recreation										
Parks Admin/Recreation Services	6	7	6	6	7	7	5	6	6	6
Park Maintenance	6	6	6	8	6	6	6	6	7	7
Total	131	137	138	147	145	148.5	143.5	140.0	147.5	162.5

Source: *City of Gardner Human Resources Department*



City of Gardner, Kansas
Operating Indicators by Function
Last Ten Fiscal Years

Function	2015	2016	2017 [a]	2018	2019	2020 [b]	2021	2022	2023	2024
General government [1]										
Building permits issued	594	744	852	889	1,155	2,067	1,172	1,163	875	990
Building inspections conducted	2,723	3,046	4,118	5,553	6,093	6,586	5,647	6,786	6,220	6,737
Police Department [2]										
Violations	3,426	4,252	4,389	4,008	5,054	4,417	6,124	4,969	3,692	3,158
Fire responses	186	188	227	234	242	240	277	430	322	372
Medical responses	1,048	1,001	1,064	1,112	1,056	1,238	1,352	1,549	1,572	1,740
Public Works [3]										
Street resurfacing (shown in linear feet)	-	29,276	100,320	100,320	72,225	15,356	7,715	3,545	-	-
Curb replacement (shown in linear feet)	648	16,310	10,441	28,140	13,868	15,816	7,035	408	18,805	18,161
Electric [4]										
Average daily consumption (in kWh)	371,929	386,687	373,025	372,086	404,619	408,982	422,940	443,047	444,203	463,814
Electric meters installed	66	112	80	161	234	157	256	275	455	390
Water [4]										
Average daily consumption (in thousands)	1,746	1,696	1,765	1,857	1,874	2,380	2,469	2,800	2,975	3,082
Water meters installed	66	178	107	253	190	181	118	93	181	245
Wastewater [4]										
Average daily sewage treatment (in thousands)	1,277	1,295	1,619	1,627	2,282	2,078	2,092	2,266	2,612	2,249
Culture and Recreation [5]										
Athletic Program Participants	5,085	4,758	4,691	3,820	3,556	1,743	3,008	2,966	3,283	3,074
Aquatic Admissions	65,301	71,627	64,403	71,111	58,971	-	43,011	57,974	55,711	54,508
Airport [6]										
Hangars	-	-	94	94	94	94	94	94	94	94
Aviation Fuel 100LL purchased (gallons)	-	-	18,500	14,000	19,626	7,980	13,489	12,705	7,973	11,892

Sources: *City of Gardner Finance Department and*

[1] City of Gardner Community Development Department

[2] City of Gardner Police Department

[3] City of Gardner Street Department

[4] City of Gardner Utility Department

[5] City of Gardner Parks and Recreation Department

[6] City of Gardner Public Works

Note: *[a] In 2017, the City of Gardner acquired the Airport as a Department of the City.*

[b] In 2020, the City of Gardner did not open the Aquatic Center and athletic program participation was down due to the COVID-19 pandemic.

City of Gardner, Kansas
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2015	2016	2017[b]	2018	2019	2020	2021	2022	2023	2024
Police [1]										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol/AC Units	16	19	20	20	20	20	20	22	22	23
Public Works [2]										
Streets (lane miles) [a]	191.00	192.00	192.60	194.35	203.00	212.00	219.20	235.00	224.00	230.00
Streetlights	1,750	1,750	1,750	1,759	1,423	1,402	1,434	1,534	1,593	1,601
Electric [3]										
Generators	2	2	2	2	2	2	2	2	2	2
Substations	3	3	3	3	3	3	3	3	3	3
Overhead lines (miles)	58.4	45.0	44.5	44.4	47.0	47.0	48.5	48.9	49	49
Underground lines (miles)	56.8	97.0	97.8	99.7	91.0	93.1	96.0	101.9	105.0	107.0
Water [3]										
Water mains (miles)	134.00	135.00	136.00	137.20	138.00	139.00	141.00	142.20	143.00	144.00
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Wastewater [3]										
Sanitary sewers (miles) [c]	109.00	109.00	130.50	132.00	111.00	116.00	120.00	124.00	126.00	127.00
Storm sewers (miles) [d]	45.00	45.00	45.00	46.00	65.00	69.00	71.00	75.00	76.00	77.00
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Culture and Recreation [4]										
Acreage	341.95	341.95	341.95	341.95	341.95	341.95	344.35	344.35	344.35	344.35
Parks	13	13	13	13	13	13	13	13	13	13
Baseball/softball/soccer fields	14	14	14	14	14	14	14	14	14	14
Community Centers	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
Airport [5]										
Asphalt Runway (feet)	-	-	2,960	2,960	2,960	2,960	2,960	2,960	2,960	2,960
Turf Runways (feet)	-	-	5,394	5,394	5,394	5,394	5,394	5,394	5,394	5,154

Sources: *City of Gardner Finance Department and*

[1] City of Gardner Police Department

[2] City of Gardner Street Department

[3] City of Gardner Utility Department

[4] City of Gardner Parks and Recreation Department

[5] City of Gardner Public Works

Note: *(a) In 2015, street miles reported was changed to street lane miles*

(b) In 2017, the City of Gardner acquired the Airport as a Department of the City.

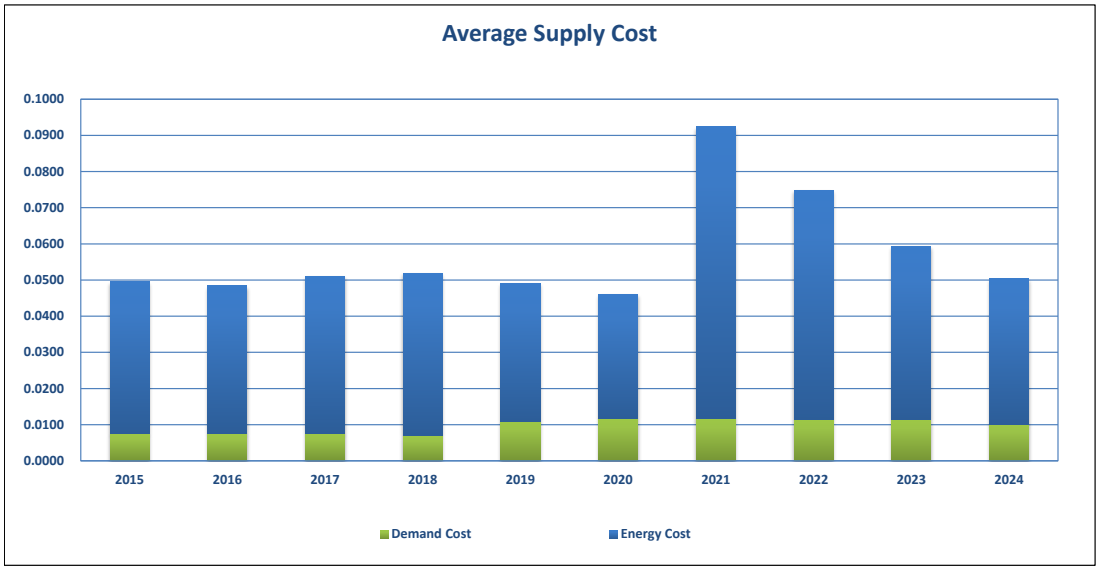
(c) In 2019, the City began reporting only active sanitary sewer lines

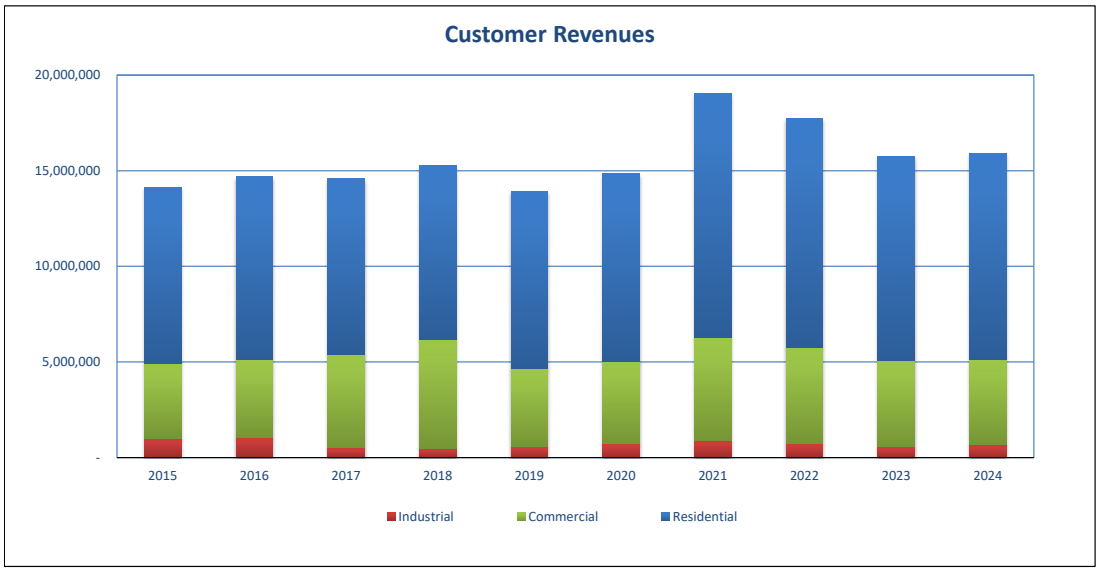
(d) In 2019, the City began including open concrete channels/ditches in the storm sewer miles

City of Gardner, Kansas
Electric Average Power Supply Cost Analysis per KWh and Customer Revenues
Last Ten Fiscal Years

	Average Supply Cost				Customer Revenues [a]		
Fiscal Year	Demand Cost	Energy Cost	Total Cost	Peak Load MW	**Residential**	**Commercial**	**Industrial**
2015	0.0076	0.0420	0.0496	37.4	9,199,000	3,921,000	1,010,000
2016	0.0076	0.0408	0.0484	39.0	9,560,000	4,078,000	1,050,000
2017	0.0076	0.0434	0.0510	38.1	9,187,000	4,899,000	503,000
2018	0.0070	0.0449	0.0519	39.4	9,100,000	5,699,000	476,000
2019	0.0110	0.0380	0.0490	40.4	9,280,623	4,040,983	601,046
2020	0.0117	0.0343	0.0460	37.8	9,823,888	4,286,562	720,281
2021	0.0116	0.0808	0.0924	42.2	12,795,269	5,376,787	891,466
2022	0.0114	0.0634	0.0748	42.1	11,974,458	5,037,222	745,001
2023	0.0114	0.0479	0.0593	46.8	10,686,670	4,508,827	563,425
2024	0.0101	0.0403	0.0504	45.1	10,784,919	4,453,186	670,507

Source: *City of Gardner Utility Department*
Note: *(a) Customers Revenues may differ from the Operating Revenues as shown in the City's Financial statements due to certain Operating Revenues not being classified as Customer Revenues.*







ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended

December 31, 2024

ANNUAL OPERATING DATA SECTION

ANNUAL FINANCIAL AND OPERATING DATA FILING

FOR

GARDNER, KANSAS

CITY PROPERTY VALUES

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas is conducted by Kansas counties. The Johnson County Appraiser's office determines annually the assessed valuation that is used as a basis for the mill levy on property located in the City. The County Appraiser's determination is based on criteria established by Kansas statutes.

The market valuation of every property must be updated every year, with physical inspection required once every six years. Valuations as of January 1 are made available in September of each year for taxes payable during the next calendar year. The State Constitution provides that, for ad valorem taxation purposes, real and personal property are divided into classes and assessed at percentages of market value.

2024 Market Value of Taxable Property: $2,898,070,568*

* *Market value is calculated by dividing the City's 2024 appraised value of $2,637,244,217 by the 2023 final median sales ratio of 91.0% for Johnson County as determined by the State Department of Revenue. (The 2023 sales ratio is the most current ratio available.)*

2024 Taxable Assessed Value: $344,116,171

2024 Equalized Assessed Tangible Valuation: $374,757,623

		Percent of Total
Real Estate	$335,788,073	97.6%
Personal Property	2,074,423	0.6
State Assessed Utilities	6,253,675	1.8
Taxable Assessed Value	$344,116,171	100.0%
Motor and Recreational Vehicles	30,641,452	
Equalized Assessed Tangible Valuation	$374,757,623	

Trend of Values

Year	Market Value [(a)]	Sales Ratio [(b)]	Appraised Value	Taxable Assessed Value	Motor and Recreational Vehicles	Equalized Assessed Tangible Valuation
2024	2,898,070,568	91.0%	$ 2,637,244,217	$ 344,116,171	$ 30,641,452	$ 374,757,623
2023	2,666,511,421	91.0%	2,426,525,393	315,768,746	29,229,934	344,998,680
2022	2,629,802,249	81.6%	2,145,918,635	280,332,852	30,419,064	310,751,916
2021	2,495,357,827	75.3%	1,879,004,444	246,555,493	28,586,342	275,141,835
2020	2,275,183,084	76.6%	1,742,790,242	230,554,082	28,033,395	258,587,477

(a) Market values are calculated by dividing the City's appraised value by the annual sales ratios for Johnson County as provided by the Kansas Sales Ratio Study, Kansas Department of Revenue.

(b) The 2023 median sales ratio is the most current ratio available.

Sources: City of Gardner, Johnson County Treasury, Taxation and Vehicles, and the Kansas Department of Revenue

Trend of Assessed Valuations

Year	Real Estate	Personal Property	State Assessed Utilities	Motor Vehicles	Recreational Vehicles	Total Equilized Assessed Tangible Valuation	Percent +/- in Total Equalized Assessed Tangible Valuation
2024	$ 335,788,073	$ 2,074,423	$ 6,253,675	$ 30,339,962	$ 301,490	$ 374,757,623	+ 8.63%
2023	$ 308,823,434	$ 1,661,344	$ 5,283,968	$ 28,938,414	$ 291,520	$ 344,998,680	+ 11.02%
2022	273,699,473	1,486,496	5,146,883	30,114,920	304,144	310,751,916	+ 12.94%
2021	239,715,328	1,893,113	4,947,052	28,296,551	289,791	275,141,835	+ 6.40%
2020	223,722,736	1,874,266	4,957,080	27,775,713	257,682	258,587,477	+ 13.76%

Source: Johnson County Abstract of Taxes

Ten of the Largest Taxpayers

Taxpayer	Type of Property	2024 Taxable Assessed Value
NNN AGP OPP II Owner IV, LLC/Midwest Commerce Center	Warehousing	$15,746,151
Tallgrass Apartments, LLC	Real Estate	6,448,971
Moonlight Apartments, LLC	Real Estate	4,102,970
Walmart	Retail	4,055,250
Conestoga Titleholder	Real Estate	3,052,474
Horizon Trails, LLC	Real Estate	2,685,480
KDR AP LLC	Real Estate	2,502,055
Nexpoint SFR SPE 3, LLC	Real Estate	2,243,316
Hudson SFR Property Holdings II, LLC/Plum Creek Manor	Real Estate	2,206,472
RH Partners OwnerCo LLC	Real Estate	2,056,165
	Total	$45,099,304

Source: Johnson County Treasury, Taxation and Vehicles

CITY INDEBTEDNESS

2024 Total Equalized Assessed Tangible Valuation	$374,757,623
Debt Limit Ratio	30%
Debt Limit	$ 112,427,287
Debt Applicable to Limit:	
G.O. Bonds and Temporary Notes Outstanding as of December 31, 2024	*$61,855,000*
Less: Bonds or Notes for Utility Improvements, Refunding, and Revenue Debt	*(34,774,568)*
Total Net Debt Applicable to Limit	27,080,432
Debt Authority Remaining December 31, 2024	$85,346,855

NOTE: G.O. bonds and temporary notes issued to finance utility improvements, revenue bonds, and refunding bonds are not subject to the debt limit.

Direct Debt*

General Obligation Debt		
Total G.O. debt being paid from taxes and other City revenues	**$**	**60,350,000**
Total G.O. debt being paid from water & wastewater revenues		**450,000**
Total General Obligation Debt**	**$**	**60,800,000**
Temporary General Obligation Debt		
General Obligation Temporary Notes	**$**	**1,055,000**
Non-General Obligation Debt***		
Total Non-G.O. debt being paid from water & wastewater revenues	**$**	**5,936,605**
Leases***		
Total lease liabilities	**$**	**760,320**
Subscriptions***		
Total subscription liabilities	**$**	**242,080**
Capital Financing***		
Capital financed obligations[a]	**$**	**8,531,157**

* *Outstanding debt is as of December 31, 2024.*

** *Total General Obligation Debt does not include General Obligation Temporary Note debt*

*** *Non-general obligation debt has not been included in the Debt Ratios section below.*

[a] *Capital financed obligations represent the financing for the City's interest in the Dogwood Energy Facility and are being paid from electric revenues.*

General Obligation Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Amount Outstanding as of 12-31-24	% Subject to the Debt Limit
04/10/14	4,895,000	Improvements	10/1/2029	1,870,000	80.70%
12/23/14	4,140,000	Refunding & Improvements	10/1/2029	1,360,000	100.00%
07/15/15	3,945,000	Refunding	10/1/2025	450,000	0.00%
12/29/16	2,870,000	Refunding & Improvements	10/1/2028	940,000	48.10%
12/26/16	855,000	Improvements	10/1/2026	190,000	0.00%
12/20/17	3,505,000	Refunding & Improvements	10/1/2027	445,000	38.52%
06/28/18	14,985,000	Improvements	10/1/2037	10,470,000	100.00%
06/12/19	1,970,000	Improvements	10/1/2028	920,000	0.00%
12/12/19	2,465,000	Improvements	10/1/2029	1,305,000	100.00%
05/28/20	27,450,000	Improvements	10/1/2040	22,715,000	0.00%
12/10/20	4,825,000	Refunding & Improvements	10/1/2030	3,055,000	68.50%
08/26/21	4,710,000	Refunding & Improvements	10/1/2032	3,520,000	17.63%
08/26/21	2,185,000	Improvements	10/1/2041	1,915,000	100.00%
08/10/22	11,425,000	Improvements	10/1/2042	10,210,000	61.18%
08/29/24	1,545,000	Improvements	10/1/2044	1,435,000	65.37%
			Total	**$ 60,800,000**	

Temporary Notes

Date of Issue	Original Amount	Purpose	Final Maturity	Amount Outstanding as of 12-31-24	% Subject to the Debt Limit
08/29/24	$ 1,055,000	Improvements	10/1/2026	**$ 1,055,000**	0.00%

Leases

Date of Issue	Original Amount	Purpose	Final Maturity	Amount Outstanding as of 12-31-24
2016	$ 678,000	Land Purchase	10/1/2026	$ 146,000
2018	1,218,000	Improvements	10/1/2028	564,000
2020	230,345	Equipment	8/17/2025	25,092
2020	235,422	Equipment	8/31/2025	25,228
			Total	**760,320**

Subscriptions

Date of Issue	Original Amount	Purpose	Final Maturity	Amount Outstanding as of 12-31-24
2021	$ 454,767	Software	12/20/2025	**$ 242,080**

Capital Financing

Date of Issue	Original Amount	Purpose	Final Maturity	Amount Outstanding as of 12-31-24
2018	$ 10,750,645	Improvements	12/31/2038	**$ 8,531,157**

State Revolving Loans

During 2006, the City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow $3,483,009 to finance improvements to the wastewater system. The loan will be repaid over twenty years at an interest rate of 2.40%. The total outstanding balance at 12/31/24 is $532,269.

During 2012, the City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow $10,167,808 to finance improvements to the wastewater system. The loan will be repaid over twenty years at an interest rate of 2.05%. The total outstanding balance at 12/31/24 is $5,404,336.

Total Obligations Outstanding Excluding the State Revolving Loans

	Direct Debt
General Obligation Debt	$60,800,000
Leases	760,320
Subscriptions	242,080
Capital Financing	8,531,157
Total Obligations Outstanding	**$70,333,557**

Annual Debt Service Payments Excluding All Temporary Notes

	GENERAL OBLIGATION DEBT		CAPITAL FINANCING	
YEAR	PRINCIPAL	PRINCIPAL & INTEREST	PRINCIPAL	PRINCIPAL & INTEREST
2025	5,970,000	7,933,178	435,510	851,180
2026	5,730,000	7,478,201	456,479	849,849
2027	5,645,000	7,188,050	479,061	849,043
2028	5,455,000	6,798,202	503,256	848,680
2029	5,245,000	6,403,050	529,064	848,680
2030	4,425,000	5,418,207	554,872	847,390
2031	3,590,000	4,448,057	583,906	847,954
2032	3,440,000	4,193,406	612,940	847,067
2033	2,770,000	3,416,782	643,587	846,301
2034	2,845,000	3,417,656	675,847	845,575
2035	2,915,000	3,405,269	709,720	844,809
2036	3,005,000	3,410,213	743,593	842,349
2037	3,100,000	3,408,718	782,305	842,913
2038	1,855,000	2,064,163	821,017	841,542
2039	1,915,000	2,066,937	-	-
2040	1,965,000	2,058,551	-	-
2041	420,000	453,700	-	-
2042	305,000	324,513	-	-
2043	100,000	107,688	-	-
2044	105,000	108,938	-	-
TOTAL	$ 60,800,000	$ 74,103,477	$ 8,531,157	$ 11,853,332

Annual Debt Service Payments Excluding All Temporary Notes (Continued)

	LEASES		SUBSCRIPTIONS		STATE REVOLVING LOANS	
YEAR	PRINCIPAL	PRINCIPAL & INTEREST	PRINCIPAL	PRINCIPAL & INTEREST	PRINCIPAL	PRINCIPAL & INTEREST
2025	253,320	282,127	122,492	127,491	687,959	807,866
2026	212,000	232,434	119,588	121,194	704,487	809,600
2027	144,000	156,171	-	-	721,410	811,369
2028	151,000	156,323	-	-	551,772	627,327
2029	-	-	-	-	564,536	628,715
2030	-	-	-	-	577,594	630,133
2031	-	-	-	-	590,956	631,586
2032	-	-	-	-	604,626	633,071
2033	-	-	-	-	618,612	634,592
2034	-	-	-	-	314,653	317,877
2035	-	-	-	-	-	-
TOTAL	$ 760,320	$ 827,055	$ 242,080	$ 248,685	$ 5,936,605	$ 6,532,136

Indirect Debt

Taxing Unit[(a)]	G.O. Debt As of 12/31/24 [(b)]	Debt Applicable to Value in City	
		Percent	Amount
Johnson County	$284,433,659	2.15%	$6,118,478
Johnson County Fire District #1	8,295,000	63.67%	5,281,738
U.S.D. No. 231 (Gardner)	84,740,000	61.15%	51,819,168
Total			$63,219,384

(a) Only those taxing units which have general obligation debt outstanding are shown here.

(b) Excludes general obligation debt supported by revenues and revenue debt. Includes airport debt and $253,980,000 of lease purchase revenue bonds issued by the Public Building Commission of Johnson County (PBC) which are payable solely from lease payments received by the PBC from the County and the Library Board, respectively.

Debt Ratios*

	G.O. Direct Debt	G.O. Indirect & Direct Debt
To 2024 Appraised Valuation ($2,637,244,217)	1.0%	3.4%
To 2024 Equalized Assessed Tangible Valuation ($374,757,623)	7.2%	24.1%
Per Capita (28,187 – 2025 Trade Area Profile Estimate)	$961	$3,204

**Excludes bonds and notes supported by revenues, refunding bonds, state loans, and the aforementioned financing of the Dogwood Energy Facility being paid from electric revenues. Includes other temporary notes and bonds.*

CITY TAX RATES, LEVIES AND COLLECTIONS

Property taxes are certified by the City to the County Clerk by August 25 of each year for the following fiscal year, unless the City has notified the County Clerk of their intent to levy above the revenue neutral rate (RNR). If the City intends to exceed the RNR, the deadline to certify property taxes is October 1. Taxes are levied by the County Clerk and payable to the County Treasurer. Property taxes may be paid in two installments, the first due December 20 in the year the taxes are levied and the second due May 10 of the following year. Taxes become delinquent after May 10 and interest accrues at a rate set by state statute until paid or until the property is sold for taxes. Special assessments are levied and collected in the same manner as property taxes.

Tax Rates of the City (Expressed in Mills)

Levy Year	Budget Year	General	Bond Indebtedness	Total
2024	2025	12.576	5.596	18.172
2023	2024	12.678	5.641	18.319
2022	2023	12.941	5.758	18.699
2021	2022	14.048	5.806	19.854
2020	2021	14.622	6.043	20.665

Source: Johnson County Abstract of Taxes.

Tax Mill Levies*

Levy Year	Budget Year	State	County	City	County Library	Community College	County Park & Rec.	Fire District #1	USD No. 231	Total
2024	2025	1.500	17.286	18.172	3.816	8.124	3.023	15.423	59.741	127.085
2023	2024	1.500	17.526	18.319	3.812	8.131	3.022	14.637	61.722	128.669
2022	2023	1.500	17.772	18.699	3.815	8.617	3.021	14.795	61.901	130.120
2021	2022	1.500	18.564	19.854	3.908	9.110	3.096	15.278	62.995	134.305
2020	2021	1.500	18.799	20.665	3.905	9.191	3.093	15.715	64.682	137.550
2019	2020	1.500	19.036	20.710	3.904	9.121	3.090	12.454	65.775	135.590

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Tax Levies and Collections

The City may levy taxes in accordance with the requirements of its adopted budget and within the restrictions of Kansas statute. The County Clerk determines property tax levies based on the assessed valuation provided by the County Appraiser and spreads the levies on the tax rolls.

City of Gardner, Kansas

PROPERTY TAX LEVIES AND COLLECTIONS
GENERAL AND DEBT SERVICE FUNDS
For years ended December 31, 2015 through December 31, 2024

		Current Year Collections			Total Tax Collections	
Year Ended December 31[1]	Adjusted Tax Levy	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2015	4,063,209	3,997,901	98.39%	64,958	4,062,859	99.99%
2016	4,406,651	4,370,729	99.18%	33,527	4,404,256	99.95%
2017	3,329,263	3,319,439	99.70%	8,606	3,328,045	99.96%
2018	3,634,252	3,656,109	100.60%	(23,295)	3,632,814	99.96%
2019	3,980,644	3,970,824	99.75%	8,266	3,979,090	99.96%
2020	4,243,639	4,223,131	99.52%	17,807	4,240,938	99.94%
2021	4,682,502	4,680,118	99.95%	(653)	4,679,465	99.94%
2022	4,830,147	4,795,368	99.28%	17,375	4,812,743	99.64%
2023	5,156,313	5,102,239	98.95%	31,754	5,133,993	99.57%
2024	5,613,179	5,546,087	98.80%	29,990	5,576,077	99.34%

PROPERTY TAX LEVIES AND COLLECTIONS
TAX INCREMENT FINANCING DISTRICTS
For years ended December 31, 2015 through December 31, 2024

		Current Year Collections			Total Tax Collections	
Year Ended December 31[1]	Adjusted Tax Levy	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2015	238,635	238,635	100.00%	-	238,635	100.00%
2016	136,471	136,471	100.00%	-	136,471	100.00%
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020	622	622	100.00%	-	622	100.00%
2021	13,457	13,457	100.00%	-	13,457	100.00%
2022	170,063	170,063	100.00%	-	170,063	100.00%
2023	213,241	213,241	100.00%	-	213,241	100.00%
2024	215,242	215,242	100.00%	-	215,242	100.00%

(1) The year shown is the year in which the collections were received. The levy or assessment is certified to the County the previous year.

Source: *Johnson County Treasury, Taxation and Vehicles*

Special Assessment Collections

Special assessments are spread on benefited real estate with the property tax levy in August of each year. Interest on special assessments is computed relative to the rate of the obligations which financed the public improvements. The following table presents special assessments levied and collected.

SPECIAL ASSESSMENT LEVIES AND COLLECTIONS
For years ended December 31, 2015 through December 31, 2024

		Current Year Collections			Total Assessment Collections	
Year Ended December 31[(1)]	Assessments Certified to County	Amount	Percentage of Assessment	Collections in Subsequent Years	Amount	Percentage of Assessment
2015	1,309,313	1,028,131	78.52%	280,749	1,308,880	99.97%
2016	1,305,642	1,288,438	98.68%	16,956	1,305,394	99.98%
2017	1,263,310	1,225,138	96.98%	37,933	1,263,071	99.98%
2018	1,272,825	1,186,403	93.21%	75,590	1,261,993	99.15%
2019	1,178,720	1,093,669	92.78%	85,051	1,178,720	100.00%
2020	1,172,880	1,041,270	88.78%	16,808	1,058,078	90.21%
2021	1,188,355	1,055,291	88.80%	14,423	1,069,714	90.02%
2022	1,380,633	1,214,412	87.96%	3,484	1,217,896	88.21%
2023	1,581,954	1,276,346	80.68%	137,186	1,413,532	89.35%
2024	1,479,290	1,394,985	94.30%	14,138	1,409,123	95.26%

(1) The year shown is the year in which the collections were received. The levy or assessment is certified to the County the previous

Source: *Johnson County Treasury, Taxation and Vehicles*

Sales Tax Collections

The current total sales tax rate of the City is 9.475%, of which the City's portion is 1.50%, the County's portion is 1.475%, and the State's portion is 6.5% (food and food ingredients reduced to 2.0% in 2024).

The following table sets forth the City's portion of sales tax collections within the City in the years indicated:

Year	Amount Received
2024	4,907,545
2023	4,807,697
2022	4,884,620
2021	4,389,698
2020	4,065,662
2019	3,689,312
2018	3,594,603

Note: The figures above do not include collections from community improvement district sales taxes. At the request of developers and all of the property owners within each proposed community improvement district, the City has established three community improvement districts (CIDs). The CIDs typically impose a 1.0% CID sales tax within each district, which amount is in excess of the City's 9.475% sales tax rate. The CID sales tax collections are typically made available to developers to reimburse certain eligible costs of development and are not generally available to support governmental functions of the City.