

**CITY OF GRANBY, MISSOURI**

**BASIC FINANCIAL STATEMENTS  
(MODIFIED CASH BASIS)  
WITH SUPPLEMENTARY DATA  
AND  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council  
City of Granby, Missouri

### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the City of Granby, Missouri, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Granby, Missouri's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, and each major fund, of the City of Granby, Missouri, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 of Granby, Missouri 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—Basis of Accounting*

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are 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 the modified cash basis of accounting described in Note A, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 of Granby, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 of Granby, Missouri'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 of Granby, Missouri'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 budgetary comparison information 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. The city has elected not to present the management's discussion and analysis letter. Our opinion is not modified by this election. We do not express an opinion or provide any assurance on the budgetary comparison 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 of Granby, Missouri's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2026, on our consideration of the City of Granby, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Granby, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Granby, Missouri's internal control over financial reporting and compliance.



Decker & Pace, LLC  
Springfield, Missouri  
January 5, 2026



# CITY OF GRANBY, MISSOURI

## STATEMENT OF NET POSITION

(MODIFIED CASH BASIS)

JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 475,068	\$ 941,934	\$ 1,417,002
Investments	237,122	545,698	782,820
Restricted cash and cash equivalents-			
Cash	-	389,142	389,142
Investments	-	134,123	134,123
Internal balances	36,702	(36,702)	-
Capital assets:			
Land	308,347	121,027	429,374
Construction in progress	-	5,222,753	5,222,753
Other capital assets, net of accumulated depreciation	2,444,019	2,793,728	5,237,747
<b>Total Assets</b>	<b>3,501,258</b>	<b>10,111,703</b>	<b>13,612,961</b>
<b>LIABILITIES</b>			
Current maturities of long-term debt	-	140,710	140,710
Noncurrent liabilities:			
Certificates of participation	-	270,000	270,000
Rural Development loan advancement	-	2,504,027	2,504,027
Customer deposits	-	158,582	158,582
<b>Total Liabilities</b>	<b>-</b>	<b>3,073,319</b>	<b>3,073,319</b>
<b>NET POSITION</b>			
Net investment in capital assets	2,752,366	5,222,771	7,975,137
Restricted-			
Debt reserves	-	53,000	53,000
Unrestricted	748,892	1,762,613	2,511,505
<b>Total Net Position</b>	<b>\$ 3,501,258</b>	<b>\$ 7,038,384</b>	<b>\$ 10,539,642</b>

See accompanying notes to the basic financial statements.

**CITY OF GRANBY, MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**(MODIFIED CASH BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 149,897	\$ 25,280	\$ 219	\$ 106,760	\$ (17,638)	\$ -	\$ (17,638)
Public safety- Police	308,365	14,353	2,665	-	(291,347)	-	(291,347)
Courts	21,029	-	-	-	(21,029)	-	(21,029)
Fire	123,015	33,550	-	-	(89,465)	-	(89,465)
Streets	219,451	-	-	-	(219,451)	-	(219,451)
Parks and recreation	118,262	33,670	563	-	(84,029)	-	(84,029)
Cemetery	19,715	13,500	-	-	(6,215)	-	(6,215)
Total governmental activities	959,734	120,353	3,447	106,760	(729,174)	-	(729,174)
Business-type activities:							
Water	311,157	503,601	-	432,918	-	625,362	625,362
Sewer	601,223	470,054	-	2,739,584	-	2,608,415	2,608,415
Gas	538,246	643,264	-	-	-	105,018	105,018
Total business-type activities	1,450,626	1,616,919	-	3,172,502	-	3,338,795	3,338,795
Total government	\$ 2,410,360	\$ 1,737,272	\$ 3,447	\$ 3,279,262	(729,174)	3,338,795	2,609,621
General Revenues							
Taxes:							
Property taxes for general purposes					56,765	-	56,765
Property taxes for cemetery					10,383	-	10,383
Franchise taxes					84,748	-	84,748
Sales taxes and public safety taxes					463,636	-	463,636
Missouri motor fuel taxes					105,982	-	105,982
Interest on investments					26,680	143,934	170,614
Miscellaneous					1,743	-	1,743
Transfers					127,142	(127,142)	-
Gain on sale of assets					38,175	-	38,175
Total general revenues and transfers					915,254	16,792	932,046
Change in net position					186,080	3,355,587	3,541,667
Net position beginning					3,315,178	3,682,797	6,997,975
Net position ending					\$ 3,501,258	\$ 7,038,384	\$ 10,539,642

See accompanying notes to the basic financial statements.

# CITY OF GRANBY, MISSOURI

## BALANCE SHEET (MODIFIED CASH BASIS) GOVERNMENTAL FUNDS JUNE 30, 2025

	General Fund	Street Fund	Nonmajor Fund Cemetery Fund	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 220,287	\$ 246,165	\$ 8,616	\$ 475,068
Investments	129,823	107,299	-	237,122
Due from other funds	158,467	6,466	-	164,933
 TOTAL ASSETS	 <u>\$ 508,577</u>	 <u>\$ 359,930</u>	 <u>\$ 8,616</u>	 <u>\$ 877,123</u>
 <u>LIABILITIES</u>				
Due to other funds	65,599	61,666	966	128,231
 TOTAL LIABILITIES	 <u>65,599</u>	 <u>61,666</u>	 <u>966</u>	 <u>128,231</u>
 <u>FUND BALANCES</u>				
 FUND BALANCES				
Fund Balances -				
Restricted-				
Streets	-	298,264	-	298,264
Cemetery		-	7,650	7,650
Unassigned	442,978	-	-	442,978
 TOTAL FUND BALANCES	 <u>442,978</u>	 <u>298,264</u>	 <u>7,650</u>	 <u>748,892</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 508,577</u>	 <u>\$ 359,930</u>	 <u>\$ 8,616</u>	 <u>\$ 877,123</u>

See accompanying notes to the basic financial statements.

**CITY OF GRANBY, MISSOURI**  
**RECONCILIATION OF THE GOVERNMENT FUNDS**  
**BALANCE SHEET (MODIFIED CASH BASIS)**  
**TO THE GOVERNMENT-WIDE**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

Total Fund Balances-Governmental Funds	\$ 748,892
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Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.

Non-depreciable assets	308,347
Depreciable assets	<u>2,444,019</u>

2,752,366

Net position of governmental activities	<u><u>\$ 3,501,258</u></u>
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See accompanying notes to the basic financial statements.

**CITY OF GRANBY, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**(MODIFIED CASH BASIS)**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Street Fund	Nonmajor Fund Cemetery Fund	Governmental Funds
<b>REVENUES</b>				
Taxes:				
Property taxes	\$ 56,765	\$ -	\$ 10,383	\$ 67,148
Franchise taxes	84,748	-	-	84,748
Sales tax	242,204	163,621	-	405,825
Public safety tax	57,811	-	-	57,811
Intergovernmental:				
Missouri motor fuel taxes	-	105,982	-	105,982
Licenses & permits	5,688	-	-	5,688
Fines & forfeitures	14,353	-	-	14,353
Fire district contract	33,550	-	-	33,550
Interest	15,494	11,186	-	26,680
Old mining town days	19,592	-	-	19,592
Summer ball	27,005	-	-	27,005
Community/Annex	6,665	-	-	6,665
Burial	-	-	13,500	13,500
Donations	3,447	-	-	3,447
Grants	106,760	-	-	106,760
Miscellaneous	1,743	-	-	1,743
Total Revenues	<u>675,825</u>	<u>280,789</u>	<u>23,883</u>	<u>980,497</u>
<b>EXPENDITURES</b>				
Current:				
General government	86,740	-	-	86,740
Public safety- Police	282,101	-	-	282,101
Courts	21,029	-	-	21,029
Fire	108,014	-	-	108,014
Streets	-	185,768	-	185,768
Parks and recreation	100,983	-	-	100,983
Cemetery	-	-	17,144	17,144
Capital outlay	179,029	205,116	-	384,145
Debt service				
Principal	18,475	-	-	18,475
Interest	527	-	-	527
Total Expenditures	<u>796,898</u>	<u>390,884</u>	<u>17,144</u>	<u>1,204,926</u>
<b>OTHER SOURCES (USES)</b>				
Transfers in	378,323	31,383	3,106	412,812
Transfer (out)	(384,375)	(4,750)	-	(389,125)
Fee in lieu of	103,458	-	-	103,458
Sale of assets	38,175	-	-	38,175
Total other sources	<u>135,581</u>	<u>26,633</u>	<u>3,106</u>	<u>165,320</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>14,508</u>	<u>(83,462)</u>	<u>9,845</u>	<u>(59,109)</u>
<b>FUND BALANCES - BEGINNING</b>	<u>406,708</u>	<u>381,726</u>	<u>(2,195)</u>	<u>786,239</u>
Closed Prior year Tift Fund into General	<u>21,762</u>	<u>-</u>	<u>-</u>	<u>21,762</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 442,978</u>	<u>\$ 298,264</u>	<u>\$ 7,650</u>	<u>\$ 748,892</u>

See accompanying notes to the basic financial statements.

**CITY OF GRANBY, MISSOURI**  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
(MODIFIED CASH BASIS)  
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances--total governmental funds	\$ (59,109)
Amounts reported for <i>governmental activities</i> 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.	
Expenditures for capital assets	384,145
Current year's depreciation expense	(157,431)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Principal payment	<u>18,475</u>
Change in net position of governmental activities	<u>\$ 186,080</u>

See accompanying notes to the basic financial statements.

**CITY OF GRANBY, MISSOURI**  
**STATEMENT OF NET POSITION**  
**(MODIFIED CASH BASIS)**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2025**

	Water Fund	Sewer Fund	Gas Fund	Total Enterprise Funds
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$ 210,533	\$ 545,553	\$ 185,848	\$ 941,934
Investments	163,076	85,422	297,200	545,698
Due from other funds	7,347	26,261	-	33,608
Total Current Assets	<u>380,956</u>	<u>657,236</u>	<u>483,048</u>	<u>1,521,240</u>
<b>Noncurrent Assets:</b>				
<b>Restricted cash and cash equivalents:</b>				
Debt reserves	-	39,847	-	39,847
Depreciation and replacement	-	73,866	275,429	349,295
Investments - debt reserves	-	134,123	-	134,123
<b>Capital assets:</b>				
Land	31,250	78,727	11,050	121,027
Construction in progress	553,797	4,668,956	-	5,222,753
Other capital assets, net of accumulated depreciation	192,776	2,085,466	515,486	2,793,728
Total Noncurrent Assets	<u>777,823</u>	<u>7,080,985</u>	<u>801,965</u>	<u>8,660,773</u>
<b>TOTAL ASSETS</b>	<u>1,158,779</u>	<u>7,738,221</u>	<u>1,285,013</u>	<u>10,182,013</u>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Due to other funds	14,770	19,716	35,824	70,310
Current portion of long-term debt	-	140,710	-	140,710
Total Current Liabilities	<u>14,770</u>	<u>160,426</u>	<u>35,824</u>	<u>211,020</u>
<b>Noncurrent Liabilities:</b>				
Certificate of participation	-	270,000	-	270,000
Rural development loan	-	2,504,027	-	2,504,027
Customer deposits	91,158	-	67,424	158,582
<b>TOTAL LIABILITIES</b>	<u>105,928</u>	<u>2,934,453</u>	<u>103,248</u>	<u>3,143,629</u>
<b>NET POSITION</b>				
Net investment in capital assets	777,823	3,918,412	526,536	5,222,771
Restricted-				
Debt reserves	-	53,000	-	53,000
Unrestricted (Deficit)	275,028	832,356	655,229	1,762,613
<b>TOTAL NET POSITION</b>	<u>\$ 1,052,851</u>	<u>\$ 4,803,768</u>	<u>\$ 1,181,765</u>	<u>\$ 7,038,384</u>

See accompanying notes to the basic financial statements.

**CITY OF GRANBY, MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**(MODIFIED CASH BASIS)**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Water Fund	Sewer Fund	Gas Fund	Total Enterprise Funds
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 503,601	\$ 470,054	\$ 643,264	\$ 1,616,919
<b>OPERATING EXPENSES:</b>				
Depreciation	13,393	123,419	40,245	177,057
Dues and subscriptions	9,464	5,811	6,119	21,394
Gas purchase		-	287,647	287,647
Health insurance	23,034	16,878	22,512	62,424
Insurance	28,314	18,665	22,702	69,681
Miscellaneous	1,391	4,922	2,400	8,713
Office supplies and postage	1,762	1,824	2,640	6,226
Payroll taxes	9,688	9,414	8,317	27,419
Professional fees	27,740	8,122	10,885	46,747
Repairs & maintenance	36,365	25,992	25,668	88,025
Wages	108,957	113,226	91,890	314,073
Retirement benefits	6,558	6,597	5,606	18,761
Supplies	8,910	9,136	3,944	21,990
Telephone	1,438	3,293	1,185	5,916
Testing	840	2,384	515	3,739
Travel and training	1,334	21	1,169	2,524
Uniforms	910	310	1,062	2,282
Utilities	26,686	49,855	1,527	78,068
Vehicle expense	4,373	4,034	2,213	10,620
Total Operating Expenses	311,157	403,903	538,246	1,253,306
<b>OPERATING INCOME</b>	192,444	66,151	105,018	363,613
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Interest income	15,045	101,660	27,229	143,934
Interest expense	-	(197,320)	-	(197,320)
Total Non-operating Revenues (Expenses)	15,045	(95,660)	27,229	(53,386)
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	207,489	(29,509)	132,247	310,227
Grants & Capital Contributions	432,918	2,739,584	-	3,172,502
Transfer in	7,015	2,756	-	9,771
Transfer (out)	(4,750)	(18,671)	(10,035)	(33,456)
Transfer Fee-in-lieu of	(45,815)	(24,452)	(33,190)	(103,457)
<b>CHANGE IN NET POSITION</b>	596,857	2,669,708	89,022	3,355,587
<b>TOTAL NET POSITION - BEGINNING</b>	455,994	2,134,060	1,092,743	3,682,797
<b>TOTAL NET POSITION - ENDING</b>	\$ 1,052,851	\$ 4,803,768	\$ 1,181,765	\$ 7,038,384

See accompanying notes to the basic financial statements.





# CITY OF GRANBY, MISSOURI

## STATEMENT OF CASH FLOWS (MODIFIED CASH BASIS) PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2025

	Water Fund	Sewer Fund	Gas Fund	Total Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 503,601	\$ 470,054	\$ 643,264	\$ 1,616,919
Payments to suppliers	(147,356)	(148,290)	(367,372)	(663,018)
Payments to employees	(148,237)	(146,115)	(128,325)	(422,677)
Net Cash Provided by Operating Activities	208,008	175,649	147,567	531,224
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers	(43,550)	(26,447)	(43,225)	(113,222)
Net Cash (Used for) Noncapital Activities	(43,550)	(26,447)	(43,225)	(113,222)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital expenditures	(553,797)	(3,013,490)	(24,590)	(3,591,877)
Grants & capital contributions	432,918	2,739,584	-	3,172,502
Loan proceeds	-	3,504,389	-	3,504,389
Principal paid	-	(2,779,652)	-	(2,779,652)
Interest paid	-	(197,320)	-	(197,320)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(120,879)	253,511	(24,590)	108,042
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest earned	15,045	101,660	27,229	143,934
Net Cash Provided by Investing Activities	15,045	101,660	27,229	143,934
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	58,624	504,373	106,981	669,978
<b>CASH AT BEGINNING OF YEAR</b>	314,985	374,438	651,496	1,340,919
<b>CASH AT END OF YEAR</b>	<u>\$ 373,609</u>	<u>\$ 878,811</u>	<u>\$ 758,477</u>	<u>\$ 2,010,897</u>
<b>SUMMARY OF CASH AND CASH EQUIVALENTS</b>				
Cash and cash equivalents	\$ 373,609	\$ 630,975	\$ 483,048	\$ 1,487,632
Restricted cash and cash equivalents	-	247,836	275,429	523,265
Total Cash and Cash Equivalents	<u>\$ 373,609</u>	<u>\$ 878,811</u>	<u>\$ 758,477</u>	<u>\$ 2,010,897</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating Income	\$ 192,444	\$ 66,151	\$ 105,018	\$ 363,613
Adjustments to reconcile net operating income to net cash provided by operating activities:				
Depreciation expense	13,393	123,419	40,245	177,057
Increase in Customer deposits	2,171	-	2,304	4,475
(Increase) in due from other funds	-	(13,921)	-	(13,921)
Net Cash Provided by Operating Activities	<u>\$ 208,008</u>	<u>\$ 175,649</u>	<u>\$ 147,567</u>	<u>\$ 531,224</u>

See accompanying notes to the basic financial statements.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As discussed further under *Measurement Focus and Basis of Accounting*, these financial statements are presented in accordance with a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting.

**FINANCIAL REPORTING ENTITY**

**PRIMARY GOVERNMENT**

The City of Granby's primary government is a general-purpose local government formed as a council-mayor form of municipal government under the laws of the State of Missouri. The governing body is an elected four-member City Council, with the Mayor serving as the president of the Council. The City operates the general government activities of the community, including police protection, street and road maintenance, parks, sewer, and various administrative functions.

**BLENDED COMPONENT UNITS**

The financial statements of the City present the financial activities of the City and any component units. The criteria used in determining the scope of the reporting entity are based on accounting principles generally accepted in the United States of America. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board or because the component unit will provide a financial benefit or impose a financial burden on the City. The City does not have any component units.

**BASIS OF PRESENTATION**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole within the limitations of the modified cash basis of accounting. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed, in whole or part, by fees charged to external parties for goods or services.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**FUND FINANCIAL STATEMENTS**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position or fund balance, revenues, and expenditures or expenses. The City's funds are organized into two major categories: governmental and proprietary. The City presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures or expenses of that individual governmental fund or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type.
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures or expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described subsequently:

**Governmental Funds**

**General Fund** – The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund.

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are either restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City has the following special revenue funds, all of which are reported as major funds:

**Street Fund** – This fund is used to account for all financial resources (Missouri Motor Fuel taxes and a 1 cent sales tax) that by law or Council designation is used for street repairs, maintenance, and capital improvements. The Street Fund is considered a major fund type.

**Cemetery Fund** - This fund is used to account for the portion of the general surtaxes designated for operation and maintenance of the City's cemetery. The Cemetery Fund is classified as a nonmajor fund.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary Fund**

Waterworks System Fund - The Waterworks System Fund was established to account for operations of the water system of the City of Granby.

Sewer Revenue Fund - The Sewer Revenue Fund was established to account for operations of the sewer system of the City of Granby.

Gas System Fund - The Gas System Fund was established to account for operations of the gas system of the City of Granby.

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

**MEASUREMENT FOCUS**

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as subsequently defined in item (b).

In the fund financial statements, the current financial resources measurement focus or the economic resources measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. All governmental funds utilize a current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an economic resources measurement focus within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), net financial position, and cash flows. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent or financial or nonfinancial) associated with their activities are generally reported within the limitations of the modified cash basis of accounting.





**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**BASIS OF ACCOUNTING**

The financial statements are presented in accordance with a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the City utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented in accordance with the accrual basis of accounting.

**FINANCIAL POSITION**

**CASH AND CASH EQUIVALENTS**

The City pools money from several funds to facilitate disbursement and investment and to maximize investment income. For the purpose of financial reporting, cash and cash equivalents includes all demand and savings accounts and certificate of deposits or short-term investments with an original maturity of three months or less.

**INVESTMENTS**

Investments would be certificates of deposits acquired with cash whose original maturity term exceeds three months. The City had \$ 782,820 investments as of June 30, 2025, all of which are carried at cost which approximates fair value.

**STATEMENT OF CASH FLOWS**

For the purpose of the statement of cash flows, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**DUE FROM OTHER FUNDS**

Receivables and payables to other funds arising from cash transactions or events are recorded in the financial statements as a modification to the cash basis of accounting.

**Restricted Assets**

The City elects to use restricted assets before unrestricted assets when the situation arises where either can be used. Certain assets are classified as restricted assets because their use is limited by applicable debt or other agreements.

Restricted assets consisted of the following for the year ended June 30, 2025:

	<u>Cash Balances</u>	<u>Required Debt Reserves</u>
<b>Business-Type Activities:</b>		
Debt reserves	\$ 151,307	\$ 53,000
Principal and interest	22,663	-
Depreciation and replacement	<u>349,295</u>	<u>-</u>
 Total Business-Type Activities Restricted Assets	 <u>\$ 523,265</u>	 <u>\$ 53,000</u>

**CAPITAL ASSETS**

The City's modified cash basis of accounting reports capital assets resulting from cash transactions or events and reports depreciation, when appropriate. The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

**Government-Wide Statements**

In the government-wide financial statements, capital assets arising from cash transactions or events are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable. The City has elected not to go back 20 years, and record estimated cost of streets less depreciation but started in 2004 recording capital outlay of street projects and then depreciating the assets from twenty to forty years.

Depreciation of all exhaustible capital assets arising from cash transactions or events is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$ 1,000 is used to report capital assets. The range of estimated useful lives by the type of asset is as follows:



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**CAPITAL ASSETS - continued**

Site improvements	10-50 years
Buildings and utility plants	50 years
Furniture and equipment	5-10 years
Infrastructure	20-40 years

**Fund Financial Statements**

In the fund financial statements, capital assets arising from cash transactions or events acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

**Inventories**

The costs of inventory items are recorded as expenditures/expense when purchased rather than when consumed.

**Long-Term Debt**

All long-term bonds, notes, and other debt arising from cash transactions or events to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements.

Long-term debt arising from cash transactions or events of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources, and payments of principal and interest is reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**NET POSITION/FUND BALANCE CLASSIFICATIONS**

**Government-Wide Statements**

Net Position is classified and displayed in three components:

1. *Net investment in capital assets.* Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
2. *Restricted.* Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. *Unrestricted.* Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the City's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

**Fund Financial Statements**

**Governmental Funds**

The difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. These constraints are defined as follows:

**Nonspendable** - Amounts that cannot be spent because they are in a nonspendable form or are required to be maintained intact.

**Restricted** - Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

**Committed** - Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the City's highest level of decision-making authority.

**Assigned** - Amounts constrained by the City's intent to be used for specific purposes but that are neither restricted nor committed.





**CITY OF GRANBY, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**NET POSITION/FUND BALANCE CLASSIFICATIONS - continued**

**Unassigned** – Amounts are residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories and include all deficit amounts in all other governmental funds.

It is the City's policy to first use restricted fund balances prior to the use of unrestricted fund balances when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is also City policy to use committed fund balances before assigned fund balances and assigned fund balances before unassigned amounts when an expenditure is incurred for purposes for which amounts in those classifications are available to be used.

The City adopted a policy of setting back monies for unforeseen liabilities or operations or any formal stabilization arrangements in place.

The City had set back for year ended June 30, 2025, the following:

General Fund	\$ 51,667
Street Fund	38,955
Water Fund	61,755
Sewer Fund	43,940
Gas Fund	<u>75,191</u>
	<u>\$ 271,508</u>

These amounts are included under the line item: Cash and Cash Equivalents

**Proprietary Funds**

The difference among assets, deferred outflows of resources, liabilities, and deferred inflows of resources of proprietary funds is reported as net position and classified in the same manner as the government-wide financial statements, as previously described.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**REVENUES, EXPENDITURES AND EXPENSES**

**PROGRAM REVENUES**

In the Statement of Activities, modified cash basis revenues that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. The City has the following program revenues in each activity:

General government	Licenses & permits
Police & Court	Fines and forfeits, operating and capital grants.
Parks	Participation fees
Refuse	Hauling fees.

All other governmental revenues are reported as general revenues. All taxes are classified as general revenue even if restricted for a specific purpose.

**OPERATING REVENUE AND EXPENSES**

Operating revenues and expenses for proprietary funds result from providing services and producing and delivering goods or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

**Revenue Recognition - Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent January 1, of the following year. Levy for 2024 was \$ .3998 with a valuation base of \$ 14,467,907 broken down as follows: \$ .3164 General and \$ .0834 Cemetery.

**Revenue Sales Taxes**

The City has five authorizations of sales tax revenue. A one cent general sales tax (\$ 163,621), a 1/4 cent Fire sales tax (\$ 36,884), a 1/8 cent Park sales tax (\$ 19,237), a 1/4 cent Police sales tax (\$ 31,991), and a one cent Transportation sales tax (\$154,092).

**Intergovernmental Revenues/Capital Grants Earned**

Revenues from federal and state operating grants are recognized when expenditures are made. Similarly, capital grants are considered earned when the expenditure is made.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**INTERNAL AND INTERFUND BALANCES AND ACTIVITIES**

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

**FUND FINANCIAL STATEMENTS**

Interfund activity resulting from cash transactions or events, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

- a. *Interfund loans.* Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- b. *Interfund transfer.* Flow of assets from one fund to another when repayment is not expected and reported as transfers in and out.
- c. *Cost reimbursements.* Amounts provided by the General Fund and reimbursed by the Street and Proprietary Funds.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

Interfund activity and balances resulting from cash transaction or events, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- a. *Internal balances.* Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the “Governmental” and “Business-Type Activities” columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
- b. *Internal activities.* Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities, except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers-Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

**USE OF ESTIMATES**

The preparation of financial statements in accordance with the modified cash basis of accounting used by the City requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

**Restriction of Net Position**

The City records restrictions to indicate that a portion of the net position is legally segregated for a specific future use.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting**

The City is required by Missouri State Law RSMo 105.485 to prepare a budget each year based on estimates of revenues and expected expenditures which include at a minimum a budget message, budget summary, schedule with prior year comparison of estimated revenue and expenditures, schedule of bonded debt obligations and budget approval letter. The accompanying statement of revenues, expenditures, and changes in fund balance—budget and actual includes the budgeted expenditures for the year, along with management’s estimate of revenues for the year for both the original budget and the final budget which is reflective of any amendments throughout the fiscal year. The legal level of budgetary control is at the total fund level.

**Budgetary basis of accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (modified cash basis) for all governmental funds.

**Excess of expenditures over appropriations**

For the year ending June 30, 2025, expenditures were within appropriations for all the funds.

**Compliance with Bond Reserve Ordinances**

The City had complied with reserve requirements.

**Legal Debt Margin**

The City’s assessed value supports a general obligation bond limit of \$ 1,446,791. The City did not have any general obligation bonds outstanding as of June 30, 2025.

**DETAILED NOTES ON ALL FUNDS**

**NOTE B – DEPOSITS AND INVESTMENTS**

Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City’s deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City’s bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City’s cash not insured by the Federal Deposit Insurance Corporation.





**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE B – DEPOSITS AND INVESTMENTS (Continued)**

**Investment Policies**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does have a written investment policy covering credit risk.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's policy is to limit the length of investments to meet cash flow requirements for ongoing operations, thereby avoiding the need to sell securities before maturity.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City policy is to invest in only those instruments approved by the State of Missouri which have minimal risk.

**Custodial Credit Risk** is the risk that in the event of a broker/agent failure, securities that are uninsured and not registered in the name of the City and are held by either the counterparty to the transaction or the counterparty's trust department or agent but not in the government's name will not be returned to the City. The City does have a written investment policy on custodial credit risk, in which all investments are either insured or registered in the City's name and held by the City's agent.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE C – CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity resulting from modified cash basis transactions or events for the fiscal year ending June 30, 2025, was as follows:

**Governmental Activities:**

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 308,347	\$ -	\$ -	\$ 308,347
Capital assets being depreciated:				
Buildings	\$ 1,653,169	\$ 47,619	\$ -	\$ 1,700,788
Infrastructure	5,040,202	205,116	-	5,245,318
Vehicles	275,336	104,873	-	380,209
Equipment	1,447,440	26,537	-	1,473,977
Total capital assets being depreciated	8,416,147	384,145	-	8,800,292
Less: Accumulated depreciation for:				
Buildings	708,390	30,317	-	738,707
Infrastructure	4,295,589	31,200	-	4,326,789
Vehicles	126,511	35,793	-	162,304
Equipment	1,068,352	60,121	-	1,128,473
Total accumulated depreciation	6,198,842	157,431	-	6,356,273
Total capital assets being depreciated, net	\$ 2,217,305			\$ 2,444,019
Governmental activities capital assets, net	\$ 2,525,652			\$ 2,752,366

Depreciation expense was charged to functions as follows in the Statement of Activities:

**Governmental activities:**

General government	\$ 62,632
Police and court	26,264
Streets	33,683
Parks and recreation	17,279
Fire	15,001
Cemetery	2,572
	<u>\$ 157,431</u>



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE C – CAPITAL ASSETS AND DEPRECIATION (Continued)**

**Business-type Activities:**

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 92,467	\$ 28,560	\$ -	\$ 121,027
Construction in progress	1,764,314	3,458,439	-	5,222,753
Capital assets being depreciated:				
Buildings	\$ 322,422	\$ -	\$ -	\$ 322,422
Equipment	666,934	104,878	-	771,812
Vehicles	125,324	-	-	125,324
Infrastructure	7,059,369	-	-	7,059,369
Total capital assets being depreciated	8,174,049	104,878	-	8,278,927
Less accumulated depreciation for:				
Buildings	92,106	7,768	-	99,874
Equipment	545,291	27,138	-	572,429
Vehicles	98,032	4,456	-	102,488
Infrastructure	4,572,713	137,695	-	4,710,408
Total accumulated depreciation	5,308,142	177,057	-	5,485,199
Total capital assets being depreciated, net	\$ 2,865,907			\$ 2,793,728
Business-type activities capital assets, net	\$ 4,722,688			\$ 8,137,508

Depreciation expense was charged to functions as follows in the Statement of Activities:

**Business-type activities:**

Water	\$ 13,393
Sewer	123,419
Gas	40,245
	<u>\$ 177,057</u>



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2025

**NOTE D – LONG-TERM DEBT**

**Governmental Activities:**

The following is a summary of debt transactions of the City for the year ended June 30, 2025, as it relates to the governmental type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Lease purchase	\$ 18,475	\$ -	\$ 18,475	\$ -	\$ -

On November 19, 2021, the City borrowed \$ 53,683.16 for purchase of a backhoe. Terms are an annual payment of \$ 19,084.71 at 3.28%. On November 19, 2024, during the fiscal year, the loan was paid off in full.

**Business-type activities:**

The following is a summary of debt transactions of the City for the year ended June 30, 2025, as it relates to the business type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Certificate of Participation	\$ 435,000	\$ -	\$ 80,000	\$ 355,000	\$ 85,000
Combined Waterworks/Sewer					
Revenue Bonds Interim	1,755,000	903,389	2,658,389	-	-
RD Revenue Bond Series A&B	-	2,601,000	41,263	2,559,737	55,710
Total Business-type					
Activities long-term debt	\$ 2,190,000	\$ 3,504,389	\$ 2,779,652	\$ 2,914,737	\$ 140,710

Long term debt payable within one year \$ 140,710

Long term debt payable in more than one year

Certificate of Participation	270,000
Revenue Bond	2,504,027
	<u>\$ 2,914,737</u>



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE D – LONG-TERM DEBT (Continued)**

The Proprietary Fund long-term debt as of June 30, 2025, follows:

\$560,000 Certificate of Participation (COP) Bonds to refinance a lease purchase agreement for the purpose of expanding and upgrading the City's wastewater system, due in annual installments with interest rates 1.75% to 2.50%, maturing October 1, 2028.

\$ 355,000

During September of 2024, \$2,601,000 of revenue bonds were authorized for the purposes of improving the waterworks and sewerage system on behalf of Rural Development.

The bonds consist of Series A & B issuances. The interest rates for the Series A & B issuances are 1.375% and 2.25% respectively.

2,559,737  
\$ 2,914,737

Both bonds will mature during September of 2059. Annual debt service for the Series A & B issuances is \$57,941 and \$41,590 respectively.

The annual requirement to amortize bonded debt as of June 30, 2025, follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 140,710	\$ 51,355	\$ 192,065
2027	141,646	48,464	190,110
2028	147,598	45,411	193,009
2029	153,568	42,148	195,716
2030	59,555	39,976	99,531
2031-2035	313,208	184,447	497,655
2036-2040	340,674	156,981	497,655
2041-2045	370,712	126,943	497,655
2046-2050	403,682	93,973	497,655
2051-2055	439,540	58,115	497,655
2056-2060	403,844	18,844	422,688
	<u>\$2,914,737</u>	<u>\$ 866,657</u>	<u>\$ 3,781,394</u>



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE E – DEFINED BENEFIT PENSION PLAN**

The City of Granby participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee retirement plan for units of local government which is legally separate and fiscally independent of the State of Missouri. The retirement system covers all City employees.

**General Information about the Pension Plan**

*Plan description.* The City of Granby's defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The City of Granby participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at [www.molagers.org](http://www.molagers.org).

*Benefits provided.* LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

<u>2024 Valuation</u>	
Benefit Multiplier:	1.50%
Final Average Salary:	5 years
Member Contributions:	4%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance after the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

*Employees covered by benefit terms.* On February 28, 2025, the following employees were covered by the benefits terms:

Inactive employees or beneficiaries currently receiving benefits	3
Inactive employees entitled to but not yet receiving benefits	6
Active employees	<u>10</u>
Total	<u>19</u>



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE E – DEFINED BENEFIT PENSION PLAN (Continued)**

**Contributions.** The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 4% of their gross pay to the pension plan. Employer's contribution rates are 5.8% General and 3.9% Police of annual covered payroll.

Contributions required by State Statute and made for each of the past three years are as follows:

Year Ending: June 30,		
<u>2025</u>	\$	24,246
2024		25,011
2023		23,440

These contributions represent 100 percent of the required contribution in each fiscal year.

**NOTE F – RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage for property damage and various Missouri Official's bonds. Management believes coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

**NOTE G – GRANTS**

Intergovernmental awards received by the City are subject to audit and adjustment by the grantor agencies. If grant revenues are received for expenditures, which are subsequently disallowed, the City may be required to repay the revenues to the funding agencies. No disallowed costs have resulted from this audit and management believes that further examination will not result in any disallowed costs.

**NOTE H – TRANSFERS**

Transfers between funds represent reimbursements of expenditures by other funds.

**NOTE I – COMMITMENTS AND CONTINGENCIES**

The City has contracted with the East Newton Area Fire District Protection District (the District), a political subdivision of the State of Missouri, for the operation of a fire department. The City agrees to answer fire alarms within a portion of the District determined by the contract. The City agrees to make its firefighting equipment available to the District at the time of the fire responses. The City is responsible for all costs and maintenance of the City's firefighting equipment. The District will make available any and all of its equipment to the City for the purpose of firefighting and fire prevention.



**CITY OF GRANBY, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE J – COST OF NATURAL GAS PURCHASES**

**Major supplier**

The City has an agreement with a local supplier of natural gas for its natural gas resale. The agreement calls for a fixed rate of 4.56/mcf that includes cost of delivery and is good until March of 2026.

**NOTE K- SUBSEQUENT EVENTS**

Management has evaluated events and transactions for subsequent events disclosures occurring after June 30, 2025, through January 5, 2026, the date of the financial statements were available to be issued and there are no material events requiring recognition of disclosure.





**CITY OF GRANBY, MISSOURI**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - UNAUDITED**  
**(MODIFIED CASH BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund			
	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes:				
Property taxes	\$ 55,600	\$ 56,765	\$ 56,765	\$ -
Franchise taxes	80,403	84,748	84,748	-
Sales taxes	292,277	300,015	300,015	-
Licenses & permits	7,083	5,688	5,688	-
Fines & forfeitures	15,000	14,353	14,353	-
Fire district contract	36,600	33,550	33,550	-
Summer ball	20,000	27,005	27,005	-
Old mining town days	25,000	19,592	19,592	-
Community/Annex	10,000	6,665	6,665	-
Interest	10,000	15,494	15,494	-
Donations	5,000	3,447	3,447	-
Grants	44,145	106,760	106,760	-
Miscellaneous	-	1,743	1,743	-
Total Revenues	601,108	675,825	675,825	-
EXPENDITURES				
Current:				
General government	57,542	86,740	86,740	-
Public safety- Police	337,647	282,101	282,101	-
Courts	19,298	21,029	21,029	-
Fire	107,895	108,014	108,014	-
Parks and recreation	69,800	100,983	100,983	-
Capital outlay	70,000	179,029	179,029	-
Debt Service				
Principal	-	18,475	18,475	-
Interest	-	527	527	-
Total Expenditures	662,182	796,898	796,898	-
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES				
	(61,074)	(121,073)	(121,073)	-
OTHER SOURCES (USES)				
Transfer in	-	378,323	378,323	-
Transfer (out)	-	(384,375)	(384,375)	-
Fee in lieu of	76,515	103,458	103,458	-
Sale of assets	-	38,175	38,175	-
Total other sources	76,515	135,581	135,581	-
NET CHANGE IN FUND BALANCE				
	\$ 15,441	\$ 14,508	14,508	\$ -
FUND BALANCES - BEGINNING				
			428,470	
FUND BALANCES - ENDING				
			\$ 442,978	



**CITY OF GRANBY, MISSOURI**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - UNAUDITED**  
**(MODIFIED CASH BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Street Fund			
	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Sales taxes	\$ 146,971	\$ 163,621	\$ 163,621	\$ -
Missouri motor fuel taxes	100,383	105,982	105,982	-
Interest	4,000	11,186	11,186	-
Total Revenues	<u>251,354</u>	<u>280,789</u>	<u>280,789</u>	<u>-</u>
EXPENDITURES				
Current:				
Streets	174,717	185,768	185,768	-
Capital outlay	71,000	205,116	205,116	-
Total Expenditures	<u>245,717</u>	<u>390,884</u>	<u>390,884</u>	<u>-</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	<u>5,637</u>	<u>(110,095)</u>	<u>(110,095)</u>	<u>-</u>
Transfer in	-	31,383	31,383	-
Transfer (out)	-	<u>(4,750)</u>	<u>(4,750)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 5,637</u>	<u>\$ (83,462)</u>	<u>(83,462)</u>	<u>\$ -</u>
FUND BALANCES - BEGINNING			<u>381,726</u>	
FUND BALANCES - ENDING			<u>\$ 298,264</u>	



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the City Council  
City of Granby, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Granby, Missouri, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise City of Granby, Missouri's basic financial statements, and have issued our report thereon dated January 5, 2026.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

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

  
Decker & Pace, LLC

Springfield, Missouri  
January 5, 2026



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

To the City Council  
City of Granby, Missouri

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited City of Granby, Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Granby, Missouri's major federal programs for the year ended June 30, 2025. City of Granby, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Granby, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

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





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

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

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

#### Report on Internal Control over Compliance

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

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

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

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

  
Decker & Pace, LLC

Springfield, Missouri

January 5, 2026



**CITY OF GRANBY, MISSOURI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Disbursements Expenditures</u>
<i>Other Programs (Treated individually for major program determination)</i>			
United States Department of Agriculture			
Water and Waste Disposal Systems for Rural Communities			
Water and Waste Disposal Systems for Rural Communities	10.760		2,415,722
Total Water and Waste Disposal Systems for Rural Communities			2,415,722
<i>Total United States Department of Agriculture</i>			2,415,722
Department of Housing and Urban Development			
Community Development Block Grants/State's program		MO	
Community Development Block Grants/State's program	14.228	Department of Economic Development	750,000
Total Community Development Block Grants/State's program		2019-PF-16	750,000
<i>Total Department of Housing and Urban Development</i>			750,000
<i>Total Other Programs (Treated individually for major program determination)</i>			3,165,722
<i>Total Expenditures of Federal Awards</i>			\$ 3,165,722

The accompanying notes are an integral part of this schedule  
No monies received by the City were passed through to subrecipients.

**NOTE TO SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS**

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal activity of the City of Granby, Missouri, under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of City of Granby, Missouri, it is not intended to and does not present the financial position, changes in net position, or cash flows of City of Granby, Missouri.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on an other basis method of accounting (modified cash basis). Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE C - INDIRECT COST RATE**

City of Granby, Missouri, has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**CITY OF GRANBY, MISSOURI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**A. SUMMARY OF AUDIT RESULTS**

*Financial Statements*

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- |   |       |     |          |               |
|---|-------|-----|----------|---------------|
| • Material weakness(es) identified?                     | _____ | yes | <u>✓</u> | no            |
| • Significant deficiency(ies) identified?               | _____ | yes | <u>✓</u> | none reported |
| • Noncompliance material to financial statements noted? | _____ | yes | <u>✓</u> | no            |

*Federal Awards*

Internal control over major programs:

- |   |       |     |          |               |
|---|-------|-----|----------|---------------|
| • Material weakness(es) identified?       | _____ | yes | <u>✓</u> | no            |
| • Significant deficiency(ies) identified? | _____ | yes | <u>✓</u> | none reported |

Type of auditor's report issued on compliance for major programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ yes ✓ no

The programs tested as major programs were:

AL#: 10.760 Water and Waste Disposal Systems for Rural Communities

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes ✓ no

**B. FINANCIAL STATEMENTS FINDINGS-**

None

**C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS-**

None



**CITY OF GRANBY, MISSOURI**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

<u>Number</u>	<u>Finding</u>	<u>Costs</u>
N/A	The City of Granby, Missouri had federal grants in the prior year but they had no prior findings to correct or report.	

