

COUNCIL ACTION FORM

Meeting Date: July 9, 2026

Staff Contact: Katherine Carttar, City Administrator

Agenda Item: Consider Passing Resolution No. 155-2026 Waiving the GAAP Requirement for Financial Reporting

Background/Description of Item

The State of Kansas requires audits for cities and their financial statements be based on Generally Accepted Accounting Principles (GAAP), which has proven to be a very cumbersome and expensive accounting standard to comply with for smaller municipalities.

The provisions of K.S.A. 75-1120A(A) do allow for cities to adopt the Cash Receipts and Disbursements method of accounting for the audit, where the audit testing procedures remain the same and it allows cities to report an audit based on the annual budget cycle.

Staff Comments/Recommendation

As has been the past practice of the City of Westwood, waiving the requirements of GAAP principles during the annual financial audit is recommended to allow for a more straightforward auditing process. As this Resolution waiving GAAP was not presented simultaneously with the audit due to an oversight of City staff, it is being presented for adoption on this month's regular agenda.

Budget Impact

None

Suggested Motion

I move to approve Resolution No. 155-2026 waiving the requirements of K.S.A. 75-1120A(A) as they apply to the City of Westwood for the fiscal year that ended December 31, 2025.