

INDEPENDENCE CITY COMMISSION

SPECIAL SESSION AGENDA

January 28, 2026

9:00 AM

Commission Room City Hall

The Agenda shall be as follows:

- I. SPECIAL SESSION
 - A. Call to Order
- II. ITEMS FOR COMMISSION ACTION
 - A. Consider authorizing an interfund transfer to the airport fund.
- III. ITEMS FOR DISCUSSION
 - A. Discuss progress of the Community-Based Strategic Plan and sanitation modifications.
- IV. ADJOURNMENT



**REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
January 28, 2026**

Department Admin

Director Approval Lacey Lies

AGENDA ITEM Consider authorizing an interfund transfer to the airport fund.

SUMMARY RECOMMENDATION Authorize the transfer

BACKGROUND

The Airport Operating Fund experienced cash flow pressures during calendar year 2025 attributable to a combination of revenue fluctuations, expenditure timing, and other operational factors. As a result, the Airport Fund is reporting a cash balance deficit as of **December 31, 2025**.

While the Airport Fund generated significant revenues during the year, total cash outflows exceeded inflows. In addition, approximately \$85,000 in accounts receivable related to invoiced fuel sales had been billed but not yet collected as of year-end. These receivables are expected to be received; however, they do not eliminate the cash balance deficit reported at December 31, 2025.

To address the reported year-end cash position and ensure accurate financial reporting, staff is requesting City Commission authorization to record an interfund transfer from the Water/Sewer Capital Fund to the Airport Fund in the amount of \$125,000, **effective as of December 31, 2025**.

The City Commission may authorize the transfer as either:

- a **one-time transfer of financial support**, or
- an **interfund loan**, with repayment terms established by the City Commission

Authorization of the transfer with an effective date of December 31, 2025 will allow the transaction to be properly reflected in the City's 2025 financial records and clearly document Commission intent.

High-Level Financial Snapshot (2025)

Airport Operating Fund — Cash vs. Operations

Description	Amount
Beginning-of-Year Cash	\$48,169
2025 Revenues	\$678,000
Total Resources	\$726,169
2025 Expenses	\$(747,000)
Projected Cash Balance 12/31/2025	\$(20,831)
Outstanding Receivables (invoiced, not yet received)	~\$85,000
Effective Cash Deficit	~\$(105,831)

FINANCIAL INFORMATION Transfer of \$125,000 from the Water/Sewer Capital Fund to the Airport Fund.

SUGGESTED MOTION Option 1 (One-Time Transfer, Support): I move to authorize a one-time interfund transfer in the amount of \$125,000 from the Water/Sewer Capital Fund to the Airport Fund, effective as of December 31, 2025, to provide operating support and restore a positive cash balance.

Option 2 (Loan): I move to authorize an interfund loan in the amount of \$125,000 from the Water/Sewer Capital Fund to the Airport Fund, effective as of December 31, 2025, with repayment terms as established by the City Commission.

SUPPORTING DOCUMENTS

1. Resolution 2026-020_Interfund Transfer_Draft
2. Resolution 2026-020_Interfund Transfer Loan_Draft

Resolution No. 2026-020

A RESOLUTION AUTHORIZING AN INTERFUND TRANSFER FROM THE WATER/SEWER CAPITAL FUND TO THE AIRPORT FUND

WHEREAS, the City of Independence, Kansas operates the Airport as an enterprise fund; and

WHEREAS, during calendar year 2025 the Airport Fund experienced cash flow pressures attributable to a combination of revenue fluctuations, expenditure timing, and operational factors; and

WHEREAS, as of December 31, 2025, the Airport Fund is reporting a cash balance deficit; and

WHEREAS, the City Commission desires to address the reported cash position of the Airport Fund while maintaining the long-term integrity of other City funds; and

WHEREAS, the Water/Sewer Capital Fund has sufficient available resources to provide a one-time interfund transfer without impairing capital obligations;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF INDEPENDENCE, KANSAS:

1. That a one-time interfund transfer in the amount of \$125,000 is hereby authorized from the Water/Sewer Capital Fund to the Airport Fund, effective as of December 31, 2025.
2. That this transfer is intended as financial support to the Airport Fund and shall not be considered a loan or subject to repayment.
3. That the City Clerk and Finance Director are authorized and directed to take all actions necessary to effectuate and properly record this transfer in the City's 2025 financial records.

ADOPTED this ___ day of _____, 2026.

Dean A. Hayse, Mayor

Attest:

David Schwenker, City Clerk

Resolution No. 2026-020

**A RESOLUTION AUTHORIZING AN INTERFUND LOAN FROM THE
WATER/SEWER CAPITAL FUND TO THE AIRPORT FUND**

WHEREAS, the City of Independence, Kansas operates the Airport as an enterprise fund; and

WHEREAS, during calendar year 2025 the Airport Fund experienced cash flow pressures attributable to a combination of revenue fluctuations, expenditure timing, and operational factors; and

WHEREAS, as of December 31, 2025, the Airport Fund is reporting a cash balance deficit; and

WHEREAS, the City Commission desires to address the reported cash position of the Airport Fund while maintaining the long-term integrity of other City funds; and

WHEREAS, the Water/Sewer Capital Fund has sufficient available resources to provide an interfund loan without impairing capital obligations;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF INDEPENDENCE, KANSAS:

1. That an interfund loan in the amount of \$125,000 is hereby authorized from the Water/Sewer Capital Fund to the Airport Fund, effective as of December 31, 2025.
2. That this transfer shall be recorded as a loan payable by the Airport Fund and due to the Water/Sewer Capital Fund.
3. That repayment terms, including timing and method of repayment, shall be established by the City Commission or administered by the Finance Director consistent with Commission direction.
4. That the City Clerk and Finance Director are authorized and directed to take all actions necessary to effectuate and properly record this loan in the City's 2025 financial records.

ADOPTED this ___ day of _____, 2026.

Dean A. Hayse, Mayor

Attest:

David Schwenker, City Clerk