CITY OF WILSON, KANSAS

FINANCIAL STATEMENT AND INDEPENDENT AUDITORS' REPORT
For the Year Ended December 31, 2025

CITY OF WILSON
Wilson, Kansas

For the Year Ended December 31, 2025

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Independent Auditors' Report

To the Honorable Mayor and City Council
City of Wilson, Kansas

Adverse and Unmodified Opinions

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

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

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

Basis for Adverse and Unmodified Opinions

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

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

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the

circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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.

Auditors' Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 statement.
- 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.

Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Wilson, Kansas, as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated June 30, 2025, which contained an unmodified opinion on the basis financial statement. The 2024 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2025 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 basic financial statement or to the 2024 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 comparative information is fairly stated in all material respects in relation to the 2024 basic financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note A.

Gudenkauf + Malone, Inc

Gudenkauf & Malone, Inc.
July 10, 2026

CITY OF WILSON, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payables	Ending Cash Balance
Governmental Type Funds:						
General Fund	$ 391,991	$ 1,043,556	$ 1,053,889	$ 381,658	$ 37,734	$ 419,392
Special Purpose Funds:						
Library	4,199	24,186	25,060	3,325	286	3,611
Special Street	106,197	112,604	-	218,801	-	218,801
Special Rural Fire	33,910	22,213	22,696	33,427	2,153	35,580
Special Parks and Recreation	24,369	33,670	16,148	41,891	6,142	48,033
Capital Improvement	294,415	82,412	44,228	332,599	4,876	337,475
Fire Equipment Replacement	139,676	45,835	40,638	144,873	-	144,873
Water Repair	143,602	74,117	9,300	208,419	8,000	216,419
Municipal Equipment Reserve	130,490	31,364	32,397	129,457	10,934	140,391
Sewer Reserve	140,238	46,318	13,386	173,170	-	173,170
Diversion Fund	652	500	-	1,152	-	1,152
Travel & Tourism	44,457	11,234	2,140	53,551	-	53,551
Emergency Preparedness	606	-	606	-	-	-
Special Recreation Projects	848	-	848	-	-	-
	1,063,659	484,453	207,447	1,340,665	32,391	1,373,056
Business Funds:						
Sewer Utility	11,781	138,049	138,994	10,836	2,813	13,649
Water Utility	20,116	224,559	209,675	35,000	3,350	38,350
	31,897	362,608	348,669	45,836	6,163	51,999
Trust Funds:						
Cemetery	31,445	47	-	31,492	-	31,492
Cemetery Endowment	11,920	3,175	-	15,095	-	15,095
	43,365	3,222	-	46,587	-	46,587
Total Reporting Entity (Excluding Agency Funds)	$ 1,530,912	$ 1,893,839	$ 1,610,005	$ 1,814,746	$ 76,288	$ 1,891,034

Composition of Cash:

Checking Account	$ 34,692
Savings Account	1,625,752
Petty Cash	500
Certificates of Deposit	231,190
Total Cash	1,892,134
Agency Funds Per Schedule 3	(1,100)
Total Reporting Entity (Excluding Agency Funds)	$ 1,891,034

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

CITY OF WILSON
Wilson, Kansas

Notes to Financial Statement

Year Ended December 31, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City of Wilson, located in north central Kansas, in Ellsworth County, was incorporated in 1883. The City has a population of over 800 with roots in Czech heritage.

The City of Wilson is a municipal corporation governed under the Mayor-Council form of government. Wilson engages in a range of municipal services including general government administration, public safety and administration of justice, transportation and environmental services, community development and recreation activities.

The regulatory financial statement presents the City of Wilson, Kansas (the Municipality) and does not include any Related Municipal Entities.

Regulatory Basis Fund Types

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

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

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

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Accounting

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There was no such budget amendment for this year.

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

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Municipal Equipment Reserve Fund	Capital Improvement Fund
Fire Equipment Replacement Fund	Diversion Fund
Water Repair Fund	Sewer Reserve Fund
Emergency Preparedness Fund	Special Recreation Projects Fund

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

Property Tax

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations based on real estate transactions recorded by the Register of Deeds and personal property transactions reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are assessed on a calendar year basis and become a lien on property on November 1 of each year. The taxes are due one-half on December 20th and one-half the following May 10th. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property tax receivables are not available as a resource that can be used to finance the current operation of the City and therefore are not susceptible to accrual.

Undistributed taxes from the prior year levy are recognized as income in the current year. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statement taken as a whole.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City of Wilson is not aware of any non-compliance with Kansas statutes.

NOTE C – DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants;

NOTE C – DEPOSITS AND INVESTMENTS - CONTINUED

repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investments choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City had no designated "peak periods." All deposits were legally secured at December 31, 2025.

At December 31, 2025, the City's carrying amount of deposits was $1,892,135 and the bank balance was $1,955,464. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance, $1,705,464 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

NOTE D - INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Capital Improvement	KSA 12-1,118	$18,986
General	Fire Equipment Replacement	KSA 12-1,117	22,000
General	Municipal Equipment Reserve	KSA 12-1,117	24,000
General	Special Street	KSA 12-1,119	90,000
Water Utility	Capital Improvement	KSA 12-1,118	36,779
Water Utility	Water Repair	KSA 12-825d	73,558
Water Utility	General	KSA 12-825d	11,259
Sewer Utility	Sewer Reserve	KSA 12-825d	46,318
Sewer Utility	Capital Improvement	KSA 12-1,118	23,829
Special Rural Fire	Fire Equipment Replacement	KSA 12-1,117	5,000

NOTE E – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post Employment Benefits

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

NOTE E – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

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

Compensated Absences

The City's vacation policy permits employees to earn from 5 days (40 hours) to 20 days (160 hours) of paid vacation per year, depending on years of employment. No more than 30 days (240 hours) can be carried over to the next year. Upon separation from employment with the City the employee is entitled to all earned vacation, unless exceptions are met.

Sick leave is earned at a rate of one (1) eight-hour work day for each calendar month. For employees hired on or before March 3, 2008, there is no limit to the amount of sick leave that can be carried over to the next year. For employees hired after March 3, 2008, employees can carry over 80 days (640 hours) of sick leave. All sick days in excess of the 80 days are bought back by the City at the end of the year. Upon retirement, death, or honorable termination, the City will pay for all unused sick leave accumulated at a rate of one hour of wages for each unused day of sick leave.

The City's employees have accumulated 144 days of sick leave and 34 days of vacation as of December 31, 2025. Accumulated sick leave benefits are estimated at $3,995 and accumulated vacation benefits are estimated at $7,616 for a total estimated liability for compensated absences of $11,611.

NOTE F – DEFINED BENEFIT PENSION PLAN

Plan Description – The City of Wilson 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 Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions – K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law establishes the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. 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 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the

NOTE F – DEFINED BENEFIT PENSION PLAN – CONTINUED

employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.71% for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City of Wilson were $23,082 for the year ended December 31, 2025.

Net Pension Liability

At December 31, 2025, the City of Wilson's proportionate share of the collective net pension liability reported by KPERS was $180,342. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE G – CLAIMS AND JUDGMENTS

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 has purchased commercial insurance for these potential risks. There were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

NOTE H – RELATED PARTY TRANSACTIONS

In a governmental entity, related parties include members of the governing body, board members, administrative officials, and immediate families of administrative officials, board members, and members of the governing body. Required disclosures on related party transactions do not include compensation arrangements, expense allowances and similar items incurred in the ordinary course of operations. The following are not required to be reported, but are presented for information only.

	2025
Wilson Foods	$1,212
Heather Claussen, a council member Is employed by the company	

NOTE I – SEWER LAGOON IMPROVEMENT PROJECT

In June 2025, the City of Wilson was awarded a loan through the Kansas Department of Health and Environment (KDHE) State Revolving Fund (SRF) program for the purpose of improving the City's sewer lagoons in the amount of $528,189. During 2025, the City received loan forgiveness totaling $158,457 under the terms of the SRF program.

NOTE J – SUBSEQUENT EVENTS

In January 2026, Council approved a funding request of $40,000 to Wilson Tourism Hub from Transient Guest Tax fund.

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report which is the date at which the financial statement was available to be issued.

CITY OF WILSON, KANSAS

NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2025

NOTE J - LONG-TERM DEBT

Changes in long-term liabilities for the City of Wilson for the year ended December 31, 2025, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
KDHE Loans									
Sewer Lagoon	1.33%	6/6/2025	$528,189	3/1/2045	218,249	309,940	166,624	361,565	3,620
General Obligation Bonds:									
2018-A BI #0247040918342	2.88%	4/2/2018	$125,000	4/9/2033	81,257	-	8,040	73,217	2,336
2018-B BI #0247040918343	3.38%	4/3/2018	$75,000	4/9/2033	49,381	-	4,787	44,594	1,667
Total Contractual Indebtedness					$ 348,887	$ 309,940	$ 179,451	$ 479,376	$ 7,623

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

	2026	2027	2028	2029	2030	2031-2033	Total
Principal:							
Sewer Lagoon	16,357	16,575	16,796	17,020	17,247	277,570	361,565
General Obligation Bond							
2018-A	8,271	8,508	8,753	9,005	9,264	29,416	73,217
2019-B	4,948	5,115	5,288	5,467	5,651	18,125	44,594
Total Principal	29,576	30,198	30,837	31,492	32,162	325,111	479,376
Interest:							
Sewer Lagoon	4,755	4,536	4,315	4,091	3,864	28,544	50,105
General Obligation Bond							
2018-A	2,105	1,867	1,623	1,371	1,112	1,708	9,786
2019-B	1,505	1,338	1,165	987	802	1,237	7,034
Total Interest	8,365	7,741	7,103	6,449	5,778	31,489	66,925
Total Principal and Interest	$37,941	$37,939	$ 37,940	$37,941	$ 37,940	$356,600	$ 546,301

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

Schedule 1

CITY OF WILSON, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:					
General Funds:					
General	$ 824,686	$ 330,997	$ 1,155,683	$ 1,053,889	$ (101,794)
Special Purpose Funds:					
Library	28,516	-	28,516	25,060	(3,456)
Special Street	140,000	-	140,000	-	(140,000)
Special Rural Fire	25,000	-	25,000	22,696	(2,304)
Special Parks and Recreation	21,000	-	21,000	16,148	(4,852)
Travel & Tourism	50,000	-	50,000	2,140	(47,860)
Business Funds:					
Sewer Utility	139,000	-	139,000	138,994	(6)
Water Utility	209,720	-	209,720	209,675	(45)
Total	$ 1,437,922	$ 330,997	$ 1,768,919	$ 1,468,602	$ (300,317)

Schedule 2-1

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

GENERAL

	2024 Actual	2025 Actual	2025 Budget	2025 Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 258,667	$ 250,103	$ 255,383	$ (5,280)
Delinquent Tax	6,092	7,344	5,548	1,796
Motor Vehicle Tax	28,846	28,830	30,143	(1,313)
Recreational Vehicle Tax	840	645	978	(333)
Alcoholic Liquor Local	2,253	2,459	2,410	49
Compensating Use Tax	40,118	43,789	20,000	23,789
Sales Tax	103,681	117,023	82,000	35,023
Franchise Tax	60,097	62,912	60,000	2,912
Fees	2,874	21,319	4,150	17,169
Sales and Services	29,098	27,450	16,280	11,170
Refuse Collections	109,579	111,629	93,000	18,629
Public Transportation	5,303	4,289	5,000	(711)
Interest on Idle Funds	9,647	11,404	3,000	8,404
Miscellaneous	1,965	3,464	-	3,464
Grants	26,338	-	-	-
Special Construction Projects - State of KS Loan	274,626	309,940	-	309,940
Reimbursed Expenses	47,715	8,640	1,000	7,640
Insurance Proceeds	-	21,057	-	21,057
Transfer from Water	14,976	11,259	18,720	(7,461)
Total Receipts	1,022,715	1,043,556	$ 597,612	$ 445,944
Expenditures				
General	103,127	94,209	200,000	(105,791)
Street and Alley	99,777	97,471	115,000	(17,529)
Fire	17,718	18,991	20,000	(1,009)
Recreation	9,151	8,557	13,000	(4,443)
Police	73,585	72,436	80,000	(7,564)
Parks	23,001	20,791	20,000	791
Cemetery	17,235	16,857	14,000	2,857
Employee Benefits	69,060	61,718	69,000	(7,282)
Refuse				
Contractual Services	109,155	111,903	100,000	11,903

Schedule 2-1

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

GENERAL - Continued

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Expenditures - Continued				
Accounting and Auditing Contractual Services	7,500	7,800	7,200	600
Economic Development Appropriation	10,896	7,596	13,900	(6,304)
Public Transportation	5,637	6,848	6,600	248
Transfer to Municipal Equipment Replacement	24,000	24,000	24,000	-
Transfer to Fire Equipment Replacement	22,000	22,000	22,000	-
Transfer to Capital Improvement	18,986	18,986	18,986	-
Transfer to Special Street	100,000	90,000	100,000	(10,000)
Grant	23,298	12,516	-	12,516
Special Contruction Projects	274,626	309,940	-	309,940
Expenses Reimbursed by Insurance Proceeds	-	21,057	-	21,057
Reimbursed Expenses	15,544	30,213	1,000	29,213
Total Expenditures	1,024,296	1,053,889	824,686	229,203
Adjustment for Qualifying Budget Credit	-	-	330,997	(330,997)
Total Expenditures Subject to Budget	1,024,296	1,053,889	$ 1,155,683	$ (101,794)
Receipts Over (Under) Expenditures	(1,581)	(10,333)		
Unencumbered Cash, Beginning	393,572	391,991		
Unencumbered Cash, Ending	$ 391,991	$ 381,658		

Schedule 2-2

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

LIBRARY FUND

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 20,736	$ 21,241	$ 21,575	$ (334)
Delinquent Tax	497	588	474	114
Motor Vehicle Tax	2,288	2,305	2,603	(298)
Recreational Vehicle Tax	66	52	84	(32)
				-
Total Receipts	23,587	24,186	$ 24,736	$ (550)
Expenditures				
Personal Services	253	212	2,716	(2,504)
Contractual Services	16,800	16,800	16,800	-
Commodities	6,679	8,048	9,000	(952)
Total Expenditures	23,732	25,060	$ 28,516	$ (3,456)
Receipts Over (Under) Expenditures	(145)	(874)		
Unencumbered Cash, Beginning	4,344	4,199		
Unencumbered Cash, Ending	$ 4,199	$ 3,325		

Schedule 2-3

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

SPECIAL STREET

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts				
State of Kansas	$ 22,726	$ 22,604	$ 19,590	$ 3,014
Transfer from General	100,000	90,000	100,000	(10,000)
Total Receipts	122,726	112,604	$ 119,590	$ (6,986)
Expenditures				
Commodities	95,000	-	140,000	(140,000)
Total Expenditures	95,000	-	$ 140,000	$ (140,000)
Receipts Over (Under) Expenditures	27,726	112,604		
Unencumbered Cash, Beginning	78,471	106,197		
Unencumbered Cash, Ending	$ 106,197	$ 218,801		

Schedule 2-4

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

SPECIAL RURAL FIRE

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts				
Township Contracts	$ 23,399	$ 22,213	$ 22,000	$ 213
Total Receipts	23,399	22,213	$ 22,000	$ 213
Expenditures				
Commodities	12,763	14,496	15,000	(504)
Contractual Services	2,200	3,200	5,000	(1,800)
Transfer to Fire Equipment Replacement Fund	5,000	5,000	5,000	-
Total Expenditures	19,963	22,696	$ 25,000	$ (2,304)
Receipts Over (Under) Expenditures	3,436	(483)		
Unencumbered Cash, Beginning	30,474	33,910		
Unencumbered Cash, Ending	$ 33,910	$ 33,427		

Schedule 2-5

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

SPECIAL PARKS AND RECREATION

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts				
Donations	$ 7,505	$ 31,211	$ 1,000	$ 30,211
State of Kansas	2,253	2,459	2,410	49
Total Receipts	9,758	33,670	$ 3,410	$ 30,260
Expenditures				
Commodities	490	16,148	21,000	(4,852)
Total Expenditures	490	16,148	$ 21,000	$ (4,852)
Receipts Over (Under) Expenditures	9,268	17,522		
Unencumbered Cash, Beginning	15,101	24,369		
Unencumbered Cash, Ending	$ 24,369	$ 41,891		

Schedule 2-6

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

CAPITAL IMPROVEMENT

	2024 Actual	2025 Actual
Receipts		
Interest	$ 490	$ 495
Insurance Proceeds	103,355	2,323
Transfer from General	18,986	18,986
Transfer from Water Utility	28,373	36,779
Transfer from Sewer Utility	17,843	23,829
Total Receipts	169,047	82,412
Expenditures		
Capital	12,306	27,398
Principal	12,446	12,827
Interest	4,396	4,003
Total Expenditures	29,148	44,228
Receipts Over (Under) Expenditures	139,899	38,184
Unencumbered Cash, Beginning	154,516	294,415
Unencumbered Cash, Ending	$ 294,415	$ 332,599

Schedule 2-7

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

FIRE EQUIPMENT REPLACEMENT

	2024 Actual	2025 Actual
Receipts		
Interest	$ 560	$ 565
Miscellaneous	27,852	18,270
Transfer from Special Rural Fire	5,000	5,000
Transfer from General	22,000	22,000
Total Receipts	55,412	45,835
Expenditures		
Commodities	31,725	40,638
Total Expenditures	31,725	40,638
Receipts Over (Under) Expenditures	23,687	5,197
Unencumbered Cash, Beginning	115,989	139,676
Unencumbered Cash, Ending	$ 139,676	$ 144,873

Schedule 2-8

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

WATER REPAIR

	2024 Actual	2025 Actual
Receipts		
Interest	$ 553	$ 559
Transfer from Water Utility	76,095	73,558
Total Receipts	76,648	74,117
Expenditures		
Commodities	16,733	9,300
KDHE Interest and Fees	3,780	-
KDHE Principal	27,685	-
Total Expenditures	48,198	9,300
Receipts Over (Under) Expenditures	28,450	64,817
Unencumbered Cash, Beginning	115,152	143,602
Unencumbered Cash, Ending	$ 143,602	$ 208,419

Schedule 2-9

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

MUNICIPAL EQUIPMENT RESERVE

	2024 Actual	2025 Actual
Receipts		
Interest	$ 269	$ 310
Sale Proceeds	49,250	-
Insurance Proceeds	-	7,054
Transfer from General	24,000	24,000
Total Receipts	73,519	31,364
Expenditures		
Capital Outlay	92,744	32,397
Total Expenditures	92,744	32,397
Receipts Over (Under) Expenditures	(19,225)	(1,033)
Unencumbered Cash, Beginning	149,715	130,490
Unencumbered Cash, Ending	$ 130,490	$ 129,457

Schedule 2-10

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

SEWER RESERVE

	2024 Actual	2025 Actual
Receipts		
Transfer from Sewer	$ 45,735	$ 46,318
Total Receipts	45,735	46,318
Expenditures		
Principal	39	8,167
Commodities	1,500	1,600
Interest & Fees	170	3,619
Total Expenditures	1,709	13,386
Receipts Over (Under) Expenditures	44,026	32,932
Unencumbered Cash, Beginning	96,212	140,238
Unencumbered Cash, Ending	$ 140,238	$ 173,170

Schedule 2-11

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

DIVERSION FUND

	2024 Actual	2025 Actual
Receipts		
Fees	$ -	$ 500
Total Receipts	-	500
Expenditures		
Commodities	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	500
Unencumbered Cash, Beginning	652	652
Unencumbered Cash, Ending	$ 652	$ 1,152

Schedule 2-12

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

TRAVEL & TOURISM FUND

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transient Guest Tax	$ 11,988	$ 11,234	$ 10,000	$ 1,234
Total Receipts	11,988	11,234	$ 10,000	$ 1,234
Expenditures				
Travel & Tourism Expense	2,413	2,140	50,000	(47,860)
Total Expenditures	2,413	2,140	$ 50,000	$ (47,860)
Receipts Over (Under) Expenditures	9,575	9,094		
Unencumbered Cash, Beginning	34,882	44,457		
Unencumbered Cash, Ending	$ 44,457	$ 53,551		

Schedule 2-13

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

EMERGENCY PREPAREDNESS

	2024 Actual	2025 Actual
Receipts	$ -	$ -
Total Receipts	-	-
Expenditures	-	606
Total Expenditures	-	606
Receipts Over (Under) Expenditures	-	(606)
Unencumbered Cash, Beginning	606	606
Unencumbered Cash, Ending	$ 606	$ -

SPECIAL RECREATION PROJECTS

	2024 Actual	2025 Actual
Receipts		
Income	$ -	$ -
Total Receipts	-	-
Expenditures		
Miscellaneous	-	848
Total Expenditures	-	848
Receipts Over (Under) Expenditures	-	(848)
Unencumbered Cash, Beginning	848	848
Unencumbered Cash, Ending	$ 848	$ -

Schedule 2-14

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

SEWER UTILITY

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts				
Sales	$ 132,128	$ 137,599	$ 125,500	$ 12,099
Miscellaneous	-	450	-	450
Total Receipts	132,128	138,049	$ 125,500	$ 12,549
Expenditures				
Personal Services	44,409	44,242	44,000	242
Contractual Services	11,678	8,770	16,000	(7,230)
Commodities	12,306	15,835	14,000	1,835
Transfer to Sewer Reserve	45,735	46,318	47,000	(682)
Transfer to Capital Improvement	17,843	23,829	18,000	5,829
Total Expenditures	131,971	138,994	$ 139,000	$ (6)
Receipts Over (Under) Expenditures	157	(945)		
Unencumbered Cash, Beginning	11,624	11,781		
Unencumbered Cash, Ending	$ 11,781	$ 10,836		

Schedule 2-15

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

WATER UTILITY

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts				
Sales	$ 219,445	$ 218,862	$ 207,000	$ 11,862
Meter Fee	18	-	-	-
Utility Deposits	960	1,125	900	225
Miscellaneous	1,639	4,572	-	4,572
Total Receipts	222,062	224,559	$ 207,900	$ 16,659
Expenditures				
General	44,867	46,573	42,000	4,573
Production	40,816	40,096	40,000	96
Transmission	1,567	1,410	5,000	(3,590)
Transfer to General	14,976	11,259	18,720	(7,461)
Transfer to Water Repair	76,095	73,558	65,000	8,558
Transfer to Capital Improvement	28,373	36,779	39,000	(2,221)
Total Expenditures	206,694	209,675	$ 209,720	$ (45)
Receipts Over (Under) Expenditures	15,368	14,884		
Unencumbered Cash, Beginning	4,748	20,116		
Unencumbered Cash, Ending	$ 20,116	$ 35,000		

Schedule 2-16

CITY OF WILSON, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

CEMETERY TRUST

	2024 Actual	2025 Actual
Receipts		
Interest	$ 47	$ 47
Total Receipts	47	47
Expenditures	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	47	47
Unencumbered Cash, Beginning	31,398	31,445
Unencumbered Cash, Ending	$ 31,445	$ 31,492

CEMETERY ENDOWMENT

	2024 Actual	2025 Actual
Receipts		
Cemetery Lots Sold	$ 1,200	$ 3,175
Total Receipts	1,200	3,175
Expenditures	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	1,200	3,175
Unencumbered Cash, Beginning	10,720	11,920
Unencumbered Cash, Ending	$ 11,920	$ 15,095

Schedule 3

CITY OF WILSON, KANSAS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended December 31, 2025

AGENCY FUNDS

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Municipal Court	$ 101	$ -	$ -	$ 101
Czech Festival	58,686	39,372	97,059	999
Totals	$ 58,787	$ 39,372	$ 97,059	$ 1,100