CITY OF LYONS, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2025

CITY OF LYONS, KANSAS

December 31, 2025

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Lyons, 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 Lyons, 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 Lyons, Kansas 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 Lyons, Kansas 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 1.

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), 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 1 of the financial statement, the financial statement is prepared by the City of Lyons, Kansas 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 1 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 1; 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.

Auditor's Responsibilities 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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial 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, schedules of receipts and expenditures – actual and budget – regulatory basis for each individual fund, and summary of receipts and disbursements – agency funds, regulatory basis (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional 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*. 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 is not a required part of the basic financial statement. 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 supplementary 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 1.

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 Lyons, Kansas as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated July 19, 2025, which contained an unmodified opinion on the basic 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. 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 basic financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2026, on our consideration of the City of Lyons, Kansas' 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 Lyons, Kansas' 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 Lyons, Kansas' internal control over financial reporting and compliance.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 1, 2026
Chanute, Kansas

CITY OF LYONS, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Ending Cash Balances December 31, 2025
General Fund	$ 294,746.87	$ 5,329,297.34	$ 5,564,832.16	$ 59,212.05	$ 234,877.03	$ 294,089.08
Special Purpose Funds:						
Library	1,850.50	103,698.25	99,587.00	5,961.75	-	5,961.75
Special Highway	557,629.20	180,293.83	325,610.09	412,312.94	-	412,312.94
Special Parks and Recreation	32,907.55	9,105.93	7,735.23	34,278.25	-	34,278.25
Special Alcohol DUI	514.45	-	514.45	-	-	-
Municipal Equipment Reserve	481,537.76	87,169.51	119,621.00	449,086.27	-	449,086.27
Capital Improvement	132,806.32	505,000.00	437,500.00	200,306.32	-	200,306.32
Eternal Flame	6,925.01	-	6,925.01	-	-	-
VIN Inspection	29,976.50	8,635.00	-	38,611.50	-	38,611.50
FEMA Grant	-	192,889.83	44,910.00	147,979.83	-	147,979.83
Capital Project Funds:						
Wastewater Treatment Repayment	-	166,155.00	124,575.00	41,580.00	124,575.00	166,155.00
Bond and Interest Funds:						
Quivira Housing Bond and Interest	97,319.43	84,000.00	39,620.00	141,699.43	-	141,699.43
Gas Line Project Bond and Interest	445,363.93	104,000.00	218,380.00	330,983.93	-	330,983.93
Business Funds:						
Water Utility	581,195.42	1,083,344.92	1,267,542.38	396,997.96	19,912.77	416,910.73
Water Reserve	-	609,488.06	95,464.91	514,023.15	-	514,023.15
Water Line Capital Project Reserve	372,211.84	362.69	372,574.53	-	-	-
Wastewater Treatment	84,607.61	767,745.55	624,291.00	228,062.16	29,733.45	257,795.61
Stormwater Utility	109,500.86	22,971.00	852.05	131,619.81	-	131,619.81
Gas Utility	435,100.00	2,165,573.52	2,495,011.69	105,661.83	19,733.44	125,395.27
Gas Line Replacement Reserve	161,606.30	100,000.00	120,000.00	141,606.30	-	141,606.30
Sewer Replacement Reserve	459,718.76	254,931.61	222,993.83	491,656.54	14,712.66	506,369.20
Sewer Line Replacement Reserve	59,657.08	-	59,657.08	-	-	-
Water Well Reserve	33,913.11	-	33,913.11	-	-	-
Trust Funds:						
Special Law Enforcement	1,865.51	-	-	1,865.51	-	1,865.51
Cemetery Endowment	159,980.43	-	-	159,980.43	-	159,980.43
Total Reporting Entity (Excluding Agency Funds)	$ 4,540,934.44	$ 11,774,662.04	$ 12,282,110.52	$ 4,033,485.96	$ 443,544.35	$ 4,477,030.31

Composition of Cash:	
Cash on Hand	$ 400.00
Checking Accounts	2,705,446.21
Certificates of Deposit	2,080,000.00
Less:	
Public Building Commission Cash Balances	(298,762.64)
Total Cash	4,487,083.57
Agency Funds Per Schedule 3	(10,053.26)
Total Reporting Entity (Excluding Agency Funds)	$ 4,477,030.31

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Lyons, Kansas (the City) was incorporated in 1880, and operates as a second class city under the provisions of the Kansas Constitution, Article 12, Section 5 and K.S.A. 15-101 *et seq*. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water, electric, gas, stormwater, trash, and sewer, health and social services, culture-recreation, education, public improvements, and general administrative services.

The financial statement and schedules of the City of Lyons, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principle standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from accounting principles generally accepted in the United States of America.

Reporting Entity

The City of Lyons is a municipal corporation governed by an elected eight-member council. This financial statement presents the City of Lyons (the primary government) and does not include any related municipal entities.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Lyons Public Library – The City of Lyons Library Board operates the City's public library. Acquisition or disposition of real property or bond issuances must be approved by the City. The City levies taxes for the library and appoints the board members. Separate internal financial statements are available at the Lyons Public Library.

Lyons Public Building Commission – The City of Lyons Public Building Commission was formed in 2010 under K.S.A. 12-1757. The Commission can sue and be sued, and can buy, sell, or lease real property. The Commission can issue revenue bonds with City approval for the purpose of providing funds to acquire, erect, equip, repair, maintain, and operate buildings and other facilities maintained and operated by the City. Separate internal financial statements are available from the City of Lyons. The City is acting as the fiduciary agent for the Commission.

Housing Authority of the City of Lyons, Kansas – The City's Housing Authority operates the City's housing projects. The Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Audited financial statements can be obtained by contacting the housing authority's office.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its cash, liabilities, fund equity, regulatory receipts and expenditures. The various funds are grouped by type in the financial statements. The types of funds maintained by the City are as follows:

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.

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for axquisition or construction of major capital facilities or equipment.

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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 funds, etc.).

Trust fund – fund 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 Presentation – Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The 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.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a regulatory receipt source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes (Continued)
Consequently, for regulatory receipt recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31st, such taxes are a lien on the property.

Pension Plan
Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System or the State of Kansas Police and Fire Retirement System, both of which are multi-employer, state-wide pension plans. The City's policy is to fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State of Kansas.

Reimbursed Expenses
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 the KMAAG regulatory basis of accounting.

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 City is holding a revenue neutral rate hearing, the public hearing shall be 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 City 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. During the year ended December 31, 2025, the City amended the General Fund.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)
All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory basis receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality 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 projects funds and the following special purpose funds:

- Capital Improvement Fund
- Eternal Flame Fund
- FEMA Grant Fund

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes
Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1 and Schedule 1, the City was in apparent compliance with the Kansas cash basis laws and budget laws.

The City was in apparent violation of K.S.A. 12-1608 which requires the treasurer of second class cities to publish quarterly statements showing the total amount received into each fund and the total amount expended from each fund and the cash balances of each fund at the beginning and close of each quarter. Such quarterly statements shall show the amount of outstanding registered warrants, temporary notes, bonds and all other obligations and liabilities of the City. There was only one quarterly statement published during the year.

Management is not aware of any other statutory violations.

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

3. DEPOSITS AND INVESTMENTS (Continued)

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. All deposits were legally secured at December 31, 2025.

Deposits - At December 31, 2025, the City's carrying amount of deposits, including certificates of deposit and amounts from the Public Building Commission was $4,785,446.21 and the bank balance was $4,838,278.78. The bank balance was held at two banks resulting in a concentration of credit risk. Of the bank balance, $750,000.00 was covered by federal depository insurance and $4,088,278.78 was collateralized by pledged securities held by the pledging financial institutions' agent in the City's name

4. LONG-TERM DEBT

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

Issue	Interest Issue	Date of of Issue	Amount	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Paid with Utility Receipts									
Series 2007	4.15 - 5.50%	August 15, 2007	$ 500,000.00	September 1, 2027	$ 105,000.00	$ -	$ 35,000.00	$ 70,000.00	$ 4,620.00
Refunding Series A, 2020	3.15%	March 3, 2020	2,380,000.00	February 1, 2035	2,135,000.00	-	170,000.00	1,965,000.00	48,380.00
State Low Interest Utility Loan	2.13%	March 22, 2021	3,000,000.00	January 1, 2031	1,899,957.89	-	300,083.51	1,599,874.38	38,082.81
Revolving Loans									
Public Water Supply	2.43%	December 6, 2011	4,046,168.00	February 1, 2033	947,095.10	-	101,598.23	845,496.87	22,400.93
Water Pollution Control	3.09%	July 31, 2025	6,500,000.00	March 1, 2047	-	166,155.00	-	166,155.00	-
Finance Leases									
Street Sweeper	2.44%	September 20, 2021	262,758.00	September 20, 2026	129,502.70	-	46,589.34	82,913.36	2,100.41
Pickup and Trailer	5.50%	March 21, 2023	240,479.00	March 21, 2028	197,419.16	-	45,458.02	151,961.14	10,856.50
Total Contractual Indebtedness					$ 5,413,974.85	$ 166,155.00	$ 698,729.10	$ 4,881,400.75	$ 126,440.65

4. LONG-TERM DEBT (Continued)

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

Issue	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046-2047	Less Amounts not Drawn Down	Total
Principal											
General Obligation Bonds											
Paid with Utility Receipts											
Series 2007	$ 35,000.00	$ 35,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 70,000.00
Refunding Series A, 2020	175,000.00	180,000.00	185,000.00	190,000.00	195,000.00	1,040,000.00	-	-	-	-	1,965,000.00
State Low Interest Utility Loan	229,283.36	311,449.42	318,136.47	324,967.10	331,944.38	84,093.65	-	-	-	-	1,599,874.38
Revolving Loans											
Public Water Supply	104,082.06	106,626.63	109,233.39	111,903.89	114,639.67	299,011.23	-	-	-	-	845,496.87
Water Pollution Control	-	118,640.06	242,807.41	250,368.11	258,164.26	1,416,529.55	1,651,243.36	1,924,848.34	637,398.91	(6,333,845.00)	166,155.00
Finance Leases											
Street Sweeper	82,913.36	-	-	-	-	-	-	-	-	-	82,913.36
Pickup and Trailer	47,958.22	50,595.92	53,407.00	-	-	-	-	-	-	-	151,961.14
Total Principal Payments	674,237.00	802,312.03	908,584.27	877,239.10	899,748.31	2,839,634.43	1,651,243.36	1,924,848.34	637,398.91	(6,333,845.00)	4,881,400.75
Interest											
General Obligation Bonds											
Paid with Utility Receipts											
Series 2007	3,080.00	1,540.00	-	-	-	-	-	-	-	-	4,620.00
Refunding Series A, 2020	44,309.00	40,120.00	35,813.00	31,388.00	26,845.00	62,422.00	-	-	-	-	240,897.00
State Low Interest Utility Loan	33,263.39	26,716.90	20,029.85	13,199.22	6,221.94	447.80	-	-	-	-	99,879.10
Revolving Loans											
Public Water Supply Revolving Loan	19,917.10	17,372.53	14,765.77	12,095.27	9,359.49	10,986.67	-	-	-	-	84,496.83
Water Pollution Control	-	100,425.00	195,322.71	187,762.01	169,965.86	774,121.05	539,407.24	265,802.26	19,796.27	-	2,252,602.40
Finance Leases											
Street Sweeper	2,051.64	-	-	-	-	-	-	-	-	-	2,051.64
Pickup and Trailer	8,356.30	5,718.60	2,907.52	-	-	-	-	-	-	-	16,982.42
Total Interest Payments	110,977.43	191,893.03	268,838.85	244,444.50	212,392.29	847,977.52	539,407.24	265,802.26	19,796.27	-	2,701,529.39
Total Principal and Interest	$ 785,214.43	$ 994,205.06	$ 1,177,423.12	$ 1,121,683.60	$ 1,112,140.60	$ 3,687,611.95	$2,190,650.60	$2,190,650.60	$ 657,195.18	$ (6,333,845.00)	$ 7,582,930.14

5. FINANCE LEASE OBLIGATIONS

The City has entered into a finance lease agreement in order to purchase a street sweeper. Payments are made annually, including an interest rate of 2.44%. Final maturity of the lease is September 20, 2026. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 84,965.00
	84,965.00
Less: Imputed Interest	(2,051.64)
Net Present Value of Minimum Lease Payments	82,913.36
Less: Current Maturities	(82,913.36)
Long-Term Finance Lease Obligations	$ 0.00

The City has entered into a finance lease agreement in order to purchase a pickup and a trailer. Payments are made annually, including an interest rate of 5.50%. Final maturity of the lease is March 21, 2028. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 56,314.52
2027	56,314.52
2028	56,314.52
	168,943.56
Less: Imputed Interest	(16,982.42)
Net Present Value of Minimum Lease Payments	151,961.14
Less: Current Maturities	(47,958.22)
Long-Term Finance Lease Obligations	$ 104,002.92

6. RIGHT TO USE CONTRACTS

As of December 31, 2025 the City has entered into a number of contracts for equipment and vehicles. Rent expense for the year ended December 31, 2025, was $260,577.18. Under the current agreements, the future minimum rental payments are as follows:

2026	$ 245,630.44
2027	237,148.36
2028	157,984.60
2029	19,810.88

7. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kspers.gov or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

7. DEFINED BENEFIT PENSION PLAN (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. 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 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 KPERS for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City of Lyons, Kansas were $185,923.79 for KPERS for the year ended December 31, 2025.

Net Pension Liability

At December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was $1,325,669.00. 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 nonemployer 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.kspers.gov or can be obtained as described above.

8. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

9. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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.

9. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Compensated Absences:
All full-time employees of the City are eligible for vacation benefits in varying annual amounts listed below. Part-time employees who work at least twenty hours or more per week shall earn four hours of vacation for each month of employment. Vacation may not be taken until the employee completes six months of service. Vacation may be carried over at a maximum of 40 hours at each anniversary date. In the event of termination, unused accrued vacation time is paid.

From 0 to 1 year of continuous employment – 5 days per year
From 2 to 9 years of continuous employment – 10 days per year
From 10 to 15 years of continuous employment – 15 days per year
For 16 years of continuous employment – 16 days per year
For 17 years of continuous employment – 17 days per year
For 18 years of continuous employment – 18 days per year
For 19 years of continuous employment – 19 days per year
For 20 or more years of continuous employment – 20 days per year

Sick leave accrues to all full-time employees at the rate of eight hours of sick leave for each month of service and part-time employees at the rate of four hours for each month of service. Sick leave amounts accrue to a maximum of 720 hours for full-time employees and 540 hours for part-time employees. Any amounts over these at the end of each fiscal year are paid out at $25 for each eight hour increment. Unused sick leave at termination shall be paid as follows:

For ten years of continuous employment – $25 for every eight hours

The City estimates a liability for compensated absences which meet the following criteria:

1) The City's obligation relating to employees' rights to receive compensation for future absences is attributed to employee's services already rendered.
2) The obligation relates to rights that vest or accumulate.
3) Payment of the compensation is probable.
4) The amount can be reasonably estimated.

In accordance with the above criteria, the City has estimated a liability for vacation pay, which has been earned, but not taken by City employees at December 31, 2025 of $32,157.20. The City has estimated a liability for sick leave earned, but not taken, by City employees at December 31, 2025 of $1,807.81.

Other Post-Employment Benefits:
As provided by K.S.A. 12-5040, the local government 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.

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. There is no cost to the City under this program.

10. INTERFUND TRANSFERS

Operating and residual transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
Gas Utility	General Fund	K.S.A. 12-825d	$ 200,000.00
Gas Utility	Gas Line Project Bond and Interest	K.S.A. 12-825d	104,000.00
Gas Utility	Gas Line Replacement Reserve	K.S.A. 12-825d	100,000.00
Wastewater Treatment	General	K.S.A. 12-825d	64,867.84
Water Line Capital Project Reserve	Water Reserve	Per Resolution	310,574.95
Water Utility	Water Reserve	K.S.A. 12-825d	235,000.00
Water Utility	General	K.S.A. 12-825d	300,000.00
Water Utility	Water Line Capital Project Reserve	K.S.A. 12-825d	362.69
Eternal Flame	Gas Utility	Per Resolution	6,925.01
Gas Line Replacement Reserve	General	K.S.A. 79-2934	120,000.00
Water Well Reserve	Water Reserve	Per Resolution	33,913.11
Sewer Replacement Reserve	Water Reserve	K.S.A. 79-2934	30,000.00
Sewer Line Replacement Reserve	Sewer Replacement Reserve	Per Resolution	59,657.08
Special Alcohol DUI	General	Per Resolution	514.45
General	Quivira Housing Bond and Interest	K.S.A. 12-197	84,000.00
General	Capital Improvement	K.S.A. 12-1,118	505,000.00
General	Municipal Equipment Reserve	K.S.A. 12-1,117	45,000.00

11. CAPITAL PROJECTS

The following is a summary of capital project authorizations and expenditures to date:

PROJECT NAME	AUTHORIZED	EXPENDED THRU 12/31/25	ESTIMATED COMPLETION
Wastewater Treatment Plant Improvements	$ 7,150,000.00	$ 124,575.00	2028

12. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

13. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent to year end, and there were no subsequent events requiring recognition in the financial statement. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

CITY OF LYONS, KANSAS

Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	$ 4,882,435.00	$ 1,846,340.35	$ 6,728,775.35	$ 5,564,832.16	$ (1,163,943.19)
Special Purpose Funds:					
Library	113,000.00	-	113,000.00	99,587.00	(13,413.00)
Special Highway	697,736.00	-	697,736.00	325,610.09	(372,125.91)
Special Parks and Recreation	28,367.00	-	28,367.00	7,735.23	(20,631.77)
Special Alcohol DUI	514.00	-	514.00	514.45	0.45
Municipal Equipment Reserve	515,000.00	-	515,000.00	119,621.00	(395,379.00)
VIN Inspection	-	-	-	-	-
Bond and Interest Funds:					
Quivira Housing Bond and Interest	69,720.00	-	69,720.00	39,620.00	(30,100.00)
Gas Line Project Bond and Interest	461,730.00	-	461,730.00	218,380.00	(243,350.00)
Business Funds:					
Water Utility	1,638,857.00	-	1,638,857.00	1,267,542.38	(371,314.62)
Wastewater Treatment	624,291.00	-	624,291.00	624,291.00	-
Stormwater Utiliy	87,383.00	-	87,383.00	852.05	(86,530.95)
Gas Utility	3,769,090.00	-	3,769,090.00	2,495,011.69	(1,274,078.31)

CITY OF LYONS, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 814,743.02	$ 806,094.00	$ 934,846.00	$ (128,752.00)
Delinquent Tax	50,672.79	51,446.62	37,000.00	14,446.62
Motor Vehicle Tax	139,239.53	127,978.74	124,482.00	3,496.74
Recreational Vehicle Tax	2,635.76	2,436.49	2,428.00	8.49
16 & 20M Truck Tax	648.37	378.30	623.00	(244.70)
Commercial Motor Vehicle Tax	4,206.68	4,765.71	6,992.00	(2,226.29)
Watercraft Tax	-	-	914.00	(914.00)
Sales Tax	979,065.36	980,649.80	970,000.00	10,649.80
Franchise Tax	170,499.36	178,483.82	157,000.00	21,483.82
Neighborhood Revitalization Rebate	(1,207.73)	(5,277.87)	(5,243.00)	(34.87)
Special Assessments	9,292.50	1,089.74	-	1,089.74
Payments in Lieu of Taxes	36,111.44	38,853.93	42,000.00	(3,146.07)
Alcohol Tax	9,040.25	9,105.94	9,500.00	(394.06)
Tourism Tax	18,045.38	17,958.33	17,000.00	958.33
Intergovernmental				
Grants	124,392.50	45,347.32	-	45,347.32
Airport Federal Grant	153,305.53	1,083,717.47	-	1,083,717.47
Federal Grants	123,691.50	118,788.09	-	118,788.09
State Grants	7,125.00	261,044.16	-	261,044.16
Connecting Links	-	-	86,000.00	(86,000.00)
Charges for Services				
Licenses and Fees	4,465.00	-	21,000.00	(21,000.00)
VIN Inspections	-	-	8,000.00	(8,000.00)
Swimming Pool	56,883.24	53,210.69	55,000.00	(1,789.31)
Refuse Collections	199,772.77	206,514.62	200,000.00	6,514.62
Refuse Penalties	3,133.85	3,106.99	-	3,106.99
Cemetery	18,163.00	14,368.00	10,000.00	4,368.00
Utility Sales Tax	62,603.27	64,782.78	-	64,782.78
Animal Registration	-	2,385.00	5,000.00	(2,615.00)
Land Bank	-	321.00	1,000.00	(679.00)
Fines, Forfeitures and Penalties	176,425.21	126,101.61	80,000.00	46,101.61
Use of Money and Property				
Rentals	1,285.59	6,226.00	1,400.00	4,826.00
Sale of Equipment	1,106.20	32,669.88	5,000.00	27,669.88
Interest	42,896.81	47,912.57	35,000.00	12,912.57
Other Receipts				
Reimbursed Expense	80,435.46	337,443.31	60,000.00	277,443.31
Donations	-	18,116.01	-	18,116.01
Miscellaneous	31,928.76	7,896.00	-	7,896.00

CITY OF LYONS, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts (Continued)				
Operating Transfers from:				
Gas Utility Fund	$ 120,000.00	$ 200,000.00	$ 250,000.00	$ (50,000.00)
Wastewater Treatment Fund	30,000.00	64,867.84	-	64,867.84
Gas Line Replacement Reserve Fund	-	120,000.00	-	120,000.00
Water Utility Fund	70,000.00	300,000.00	100,000.00	200,000.00
Residual Transfer from Special Alcohol DUI Fund	-	514.45	514.00	0.45
Total Receipts	3,540,606.40	5,329,297.34	$ 3,215,456.00	$ 2,113,841.34
Expenditures				
General Government				
Personal Services	157,732.89	243,754.54	$ 163,800.00	$ 79,954.54
Contractual Services	523,542.41	614,454.14	921,800.00	(307,345.86)
Commodities	13,683.78	937,370.59	6,000.00	931,370.59
Capital Outlay	-	-	605,635.00	(605,635.00)
Compost Operation				
Personal Services	9,142.42	-	-	-
Contractual Services	726.07	2,669.89	3,500.00	(830.11)
Commodities	1,852.33	1,049.78	2,150.00	(1,100.22)
Police				
Personal Services	679,312.21	679,637.62	608,800.00	70,837.62
Contractual Services	198,312.92	201,317.92	189,500.00	11,817.92
Commodities	22,500.03	22,444.04	39,650.00	(17,205.96)
Capital Outlay	-	2,092.85	19,800.00	(17,707.15)
Animal Control				
Personal Services	2,180.00	-	-	-
Contractual Services	2,564.81	22,509.95	16,000.00	6,509.95
Commodities	-	-	500.00	(500.00)
Municipal Court				
Personal Services	29,284.09	44,034.36	35,100.00	8,934.36
Contractual Services	24,870.93	23,093.49	16,000.00	7,093.49
Commodities	1,823.44	652.66	500.00	152.66
Fire				
Personal Services	32,818.12	32,604.21	58,000.00	(25,395.79)
Contractual Services	46,574.61	46,366.13	50,350.00	(3,983.87)
Commodities	5,064.05	7,174.76	7,100.00	74.76
Capital Outlay	7,926.05	1,385.00	10,500.00	(9,115.00)

CITY OF LYONS, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Cemetery				
Personal Services	$ 188,564.05	$ 217,414.04	$ 173,400.00	$ 44,014.04
Contractual Services	30,287.75	38,109.62	32,300.00	5,809.62
Commodities	7,909.41	7,725.14	10,300.00	(2,574.86)
Capital Outlay	-	902.00	5,000.00	(4,098.00)
Parks				
Personal Services	180,439.86	192,919.51	182,100.00	10,819.51
Contractual Services	47,541.58	87,303.56	74,600.00	12,703.56
Commodities	12,839.92	11,536.93	17,200.00	(5,663.07)
Capital Outlay	-	16,689.98	16,500.00	189.98
Swimming Pool				
Personal Services	64,887.21	61,608.94	80,900.00	(19,291.06)
Contractual Services	21,204.79	30,997.01	51,000.00	(20,002.99)
Commodities	24,331.85	29,008.80	34,000.00	(4,991.20)
Capital Outlay	-	-	8,500.00	(8,500.00)
Streets				
Personal Services	151,710.11	200,067.29	175,500.00	24,567.29
Contractual Services	103,387.89	156,466.50	270,500.00	(114,033.50)
Commodities	33,747.42	56,250.35	53,700.00	2,550.35
Capital Outlay	-	38,047.20	45,250.00	(7,202.80)
Airport				
Contractual Services	106,191.77	90,662.63	85,000.00	5,662.63
Commodities	-	-	1,000.00	(1,000.00)
Capital Outlay	-	539,533.57	124,000.00	415,533.57
Refuse				
Contractual Services	181,503.01	205,515.91	-	205,515.91
Debt Service				
Finance Leases	67,461.25	67,461.25	-	67,461.25
Operating Transfer to:				
VIN Inspection Fund	18,086.50	-	-	-
Municipal Equipment Reserve Fund	45,000.00	45,000.00	45,000.00	-
Quivira Bond and Interest Fund	42,000.00	84,000.00	42,000.00	42,000.00
Capital Improvement Fund	305,000.00	505,000.00	-	505,000.00
Cash Forward	-	-	600,000.00	(600,000.00)
Total Certified Budget			4,882,435.00	682,397.16
Adjustments for Qualifying Budget Credits			1,846,340.35	(1,846,340.35)
Total Expenditures	3,392,005.53	5,564,832.16	$ 6,728,775.35	$ (1,163,943.19)
Receipts Over(Under) Expenditures	148,600.87	(235,534.82)		
Unencumbered Cash, Beginning	146,146.00	294,746.87		
Unencumbered Cash, Ending	$ 294,746.87	$ 59,212.05		

CITY OF LYONS, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	$ 90,528.86	$ 83,126.97	$ 96,423.00	$ (13,296.03)
Delinquent Tax	4,426.78	5,205.98	2,900.00	2,305.98
Motor Vehicle Tax	11,607.05	14,216.73	13,832.00	384.73
Recreational Vehicle Tax	219.79	270.75	270.00	0.75
16 & 20M Truck Tax	55.34	31.52	69.00	(37.48)
Commercial Motor Vehicle Tax	350.73	529.55	777.00	(247.45)
Watercraft Tax	-	-	102.00	(102.00)
Neighborhood Revitalization Rebate	(134.20)	(544.28)	(541.00)	(3.28)
Payments in Lieu of Taxes	577.85	861.03	-	861.03
Total Receipts	107,632.20	103,698.25	$ 113,832.00	$ (10,133.75)
Expenditures				
Culture and Recreation				
Appropriation to Library Board	107,632.20	99,587.00	$ 113,000.00	$ (13,413.00)
Total Expenditures	107,632.20	99,587.00	$ 113,000.00	$ (13,413.00)
Receipts Over(Under) Expenditures	-	4,111.25		
Unencumbered Cash, Beginning	1,850.50	1,850.50		
Unencumbered Cash, Ending	$ 1,850.50	$ 5,961.75		

CITY OF LYONS, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Motor Fuel Tax	$ 96,108.49	$ 94,657.85	$ 94,810.00	$ (152.15)
Intergovernmental				
Connecting Links	85,754.02	85,635.98	-	85,635.98
Other Receipts				
Donations	-	-	185,000.00	(185,000.00)
Total Receipts	181,862.51	180,293.83	$ 279,810.00	$ (99,516.17)
Expenditures				
Public Streets				
Contractual Services	20,569.30	2,756.82	$ 375,000.00	$ (372,243.18)
Commodities	6,700.00	7,913.27	65,000.00	(57,086.73)
Capital Outlay	-	314,940.00	-	314,940.00
Cash Forward	-	-	257,736.00	(257,736.00)
Total Expenditures	27,269.30	325,610.09	$ 697,736.00	$ (372,125.91)
Receipts Over(Under) Expenditures	154,593.21	(145,316.26)		
Unencumbered Cash, Beginning	403,035.99	557,629.20		
Unencumbered Cash, Ending	$ 557,629.20	$ 412,312.94		

CITY OF LYONS, KANSAS
SPECIAL PARKS AND RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Alcohol Tax	$ 9,040.25	$ 9,105.93	$ 10,000.00	$ (894.07)
Total Receipts	9,040.25	9,105.93	$ 10,000.00	$ (894.07)
Expenditures				
Public Recreation				
Contractual Services	-	-	$ 1,209.00	$ (1,209.00)
Capital Outlay	-	7,735.23	15,000.00	(7,264.77)
Cash Forward	-	-	12,158.00	(12,158.00)
Total Expenditures	-	7,735.23	$ 28,367.00	$ (20,631.77)
Receipts Over(Under) Expenditures	9,040.25	1,370.70		
Unencumbered Cash, Beginning	23,867.30	32,907.55		
Unencumbered Cash, Ending	$ 32,907.55	$ 34,278.25		

CITY OF LYONS, KANSAS
SPECIAL ALCOHOL DUI FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Alcohol Tax	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Residual Transfer to General Fund	-	514.45	$ 514.00	$ 0.45
Total Expenditures	-	514.45	$ 514.00	$ 0.45
Receipts Over(Under) Expenditures	-	(514.45)		
Unencumbered Cash, Beginning	514.45	514.45		
Unencumbered Cash, Ending	$ 514.45	$ -		

CITY OF LYONS, KANSAS
MUNICIPAL EQUIPMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Taxes	$ 36,208.59	$ 33,801.29	$ 39,210.00	$ (5,408.71)
Delinquent Taxes	2,135.90	2,221.73	1,825.00	396.73
Motor Vehicle Taxes	5,805.04	5,687.60	5,533.00	154.60
Recreational Vehicle Taxes	109.91	108.27	108.00	0.27
16 & 20M Truck Taxes	27.74	15.76	28.00	(12.24)
Commercial Motor Vehicle Taxes	175.40	211.79	311.00	(99.21)
Watercraft Taxes	-	-	41.00	(41.00)
Neighborhood Revitalization Rebate	(53.68)	(221.31)	(220.00)	(1.31)
Payments in Lieu of Taxes	289.00	344.38	-	344.38
Operating Transfer from				
General Fund	45,000.00	45,000.00	45,000.00	-
Total Receipts	89,697.90	87,169.51	$ 91,836.00	$ (4,666.49)
Expenditures				
Equipment				
Commodities	-	8,172.69	$ -	$ 8,172.69
Capital Outlay	-	111,448.31	140,000.00	(28,551.69)
Cash Forward	-	-	375,000.00	(375,000.00)
Total Expenditures	-	119,621.00	$ 515,000.00	$ (395,379.00)
Receipts Over(Under) Expenditures	89,697.90	(32,451.49)		
Unencumbered Cash, Beginning	391,839.86	481,537.76		
Unencumbered Cash, Ending	$ 481,537.76	$ 449,086.27		

CITY OF LYONS, KANSAS
CAPITAL IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from General Fund	$ 305,000.00	$ 505,000.00
Total Receipts	305,000.00	505,000.00
Expenditures		
General Government		
Contractual Services	285,900.00	437,500.00
Total Expenditures	285,900.00	437,500.00
Receipts Over(Under) Expenditures	19,100.00	67,500.00
Unencumbered Cash, Beginning	113,706.32	132,806.32
Unencumbered Cash, Ending	$ 132,806.32	$ 200,306.32

CITY OF LYONS, KANSAS
ETERNAL FLAME FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Miscellaneous	$ -	$ -
Total Receipts	-	-
Expenditures		
Residual Transfer to		
Gas Utility Fund	-	6,925.01
Total Expenditures	-	6,925.01
Receipts Over(Under) Expenditures	-	(6,925.01)
Unencumbered Cash, Beginning	6,925.01	6,925.01
Unencumbered Cash, Ending	$ 6,925.01	$ -

CITY OF LYONS, KANSAS
VIN INSPECTION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
VIN Inspections	$ 11,890.00	$ 8,635.00	$ -	$ 8,635.00
Operating Transfer from General Fund	18,086.50	-	-	-
Total Receipts	29,976.50	8,635.00	$ -	$ 8,635.00
Expenditures				
Public Safety				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	$ -	$ -
Receipts Over(Under) Expenditures	29,976.50	8,635.00		
Unencumbered Cash, Beginning	-	29,976.50		
Unencumbered Cash, Ending	$ 29,976.50	$ 38,611.50		

CITY OF LYONS, KANSAS
FEMA GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Federal Grant	$ -	$ 170,196.91
State Grant	-	22,692.92
Total Receipts	-	192,889.83
Expenditures		
Capital Improvement		
Contractual Services	-	44,910.00
Total Expenditures	-	44,910.00
Receipts Over(Under) Expenditures	-	147,979.83
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 147,979.83

CITY OF LYONS, KANSAS
WASTEWATER TREATMENT REPAYMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Revolving Loan Proceeds	$ -	$ 166,155.00
Total Receipts	-	166,155.00
Expenditures		
Capital Improvement		
Capital Outlay	-	124,575.00
Total Expenditures	-	124,575.00
Receipts Over(Under) Expenditures	-	41,580.00
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 41,580.00

CITY OF LYONS, KANSAS
QUIVIRA HOUSING BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from General Fund	$ 42,000.00	$ 84,000.00	$ 42,000.00	$ 42,000.00
Total Receipts	42,000.00	84,000.00	$ 42,000.00	$ 42,000.00
Expenditures				
Debt Service				
Principal	30,000.00	35,000.00	$ 35,000.00	$ -
Interest	5,895.00	4,620.00	4,620.00	-
Cash Forward	-	-	30,100.00	(30,100.00)
Total Expenditures	35,895.00	39,620.00	$ 69,720.00	$ (30,100.00)
Receipts Over(Under) Expenditures	6,105.00	44,380.00		
Unencumbered Cash, Beginning	91,214.43	97,319.43		
Unencumbered Cash, Ending	$ 97,319.43	$ 141,699.43		

CITY OF LYONS, KANSAS
GAS LINE PROJECT BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from Gas Utility Fund	$ 304,000.00	$ 104,000.00	$ 241,000.00	$ (137,000.00)
Total Receipts	304,000.00	104,000.00	$ 241,000.00	$ (137,000.00)
Expenditures				
Debt Service				
Principal	165,000.00	170,000.00	$ 170,000.00	$ -
Interest	54,778.00	48,380.00	48,380.00	-
Cash Forward	-	-	243,350.00	(243,350.00)
Total Expenditures	219,778.00	218,380.00	$ 461,730.00	$ (243,350.00)
Receipts Over(Under) Expenditures	84,222.00	(114,380.00)		
Unencumbered Cash, Beginning	361,141.93	445,363.93		
Unencumbered Cash, Ending	$ 445,363.93	$ 330,983.93		

CITY OF LYONS, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Utility Sales	$ 983,150.66	$ 1,034,294.45	$ 1,147,341.00	$ (113,046.55)
Penalties	9,303.50	6,695.89	-	6,695.89
Meter Connections	11,300.00	8,100.00	11,000.00	(2,900.00)
Use of Money and Property				
Sale of Equipment	-	33,765.00	600.00	33,165.00
Other Receipts				
Miscellaneous	12,809.52	-	500.00	(500.00)
Reimbursed Expense	19,141.19	489.58	-	489.58
Total Receipts	1,035,704.87	1,083,344.92	$ 1,159,441.00	$ (76,096.08)
Expenditures				
Production				
Personal Services	184,035.75	225,119.54	$ 354,500.00	$ (129,380.46)
Contractual Services	197,092.99	208,904.94	215,000.00	(6,095.06)
Commodities	84,164.01	95,287.69	180,000.00	(84,712.31)
Capital Outlay	-	45,702.54	42,500.00	3,202.54
Administration				
Personal Services	130,676.52	138,276.80	-	138,276.80
Contractual Services	106.67	116.67	-	116.67
Debt Service				
Finance Leases	18,771.51	18,771.51	124,000.00	(105,228.49)
Operating Transfer to:				-
General Fund	70,000.00	300,000.00	-	300,000.00
Water Line Capital Project Reserve Fund	125,000.00	362.69	100,000.00	(99,637.31)
Water Reserve Fund	-	235,000.00	75,000.00	160,000.00
Cash Forward	-	-	547,857.00	(547,857.00)
Total Expenditures	809,847.45	1,267,542.38	$ 1,638,857.00	$ (371,314.62)
Receipts Over(Under) Expenditures	225,857.42	(184,197.46)		
Unencumbered Cash, Beginning	355,338.00	581,195.42		
Unencumbered Cash, Ending	$ 581,195.42	$ 396,997.96		

CITY OF LYONS, KANSAS
WATER RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from:		
Water Utility Fund	$ -	$ 235,000.00
Sewer Replacement Reserve Fund	-	30,000.00
Residual Transfer from:		
Water Well Reserve Fund	-	33,913.11
Water Line Capital Project Reserve Fund	-	310,574.95
Total Receipts	-	609,488.06
Expenditures		
Capital Improvement		
Contractual Services	-	17,965.81
Commodities	-	15,499.52
Debt Service		
Principal	-	52,340.28
Interest	-	9,659.30
Total Expenditures	-	95,464.91
Receipts Over(Under) Expenditures	-	514,023.15
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 514,023.15

CITY OF LYONS, KANSAS
WATER LINE CAPITAL PROJECT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Water Utility Fund	$ 125,000.00	$ 362.69
Total Receipts	125,000.00	362.69
Expenditures		
Debt Service		
Principal	99,173.66	49,257.95
Interest	24,825.50	12,741.63
Residual Transfer to Water Reserve Fund	-	310,574.95
Total Expenditures	123,999.16	372,574.53
Receipts Over(Under) Expenditures	1,000.84	(372,211.84)
Unencumbered Cash, Beginning	365,111.00	372,211.84
Cancelled Encumbrance	6,100.00	-
Unencumbered Cash, Ending	$ 372,211.84	$ -

CITY OF LYONS, KANSAS
WASTEWATER TREATMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Utility Sales	$ 515,529.78	$ 725,276.32	$ 520,000.00	$ 205,276.32
Penalties	6,307.73	8,704.23	-	8,704.23
Use of Money and Property				
Sale of Equipment	-	33,765.00	1,100.00	32,665.00
Other Receipts				
Reimbursed Expense	175.34	-	1,200.00	(1,200.00)
Total Receipts	522,012.85	767,745.55	$ 522,300.00	$ 245,445.55
Expenditures				
Water Treatment				
Personal Services	143,047.51	179,220.27	$ 301,800.00	$ (122,579.73)
Contractual Services	124,242.18	147,880.46	115,000.00	32,880.46
Commodities	39,663.78	36,325.80	90,000.00	(53,674.20)
Capital Outlay	-	39,744.70	48,150.00	(8,405.30)
Administration				
Personal Services	111,264.60	137,363.75	-	137,363.75
Contractual Services	106.66	116.67	-	116.67
Debt Service				
Finance Leases	18,771.51	18,771.51	-	18,771.51
Operating Transfer to				
General Fund	30,000.00	64,867.84	-	64,867.84
Cash Forward	-	-	69,341.00	(69,341.00)
Total Expenditures	467,096.24	624,291.00	$ 624,291.00	$ -
Receipts Over(Under) Expenditures	54,916.61	143,454.55		
Unencumbered Cash, Beginning	29,691.00	84,607.61		
Unencumbered Cash, Ending	$ 84,607.61	$ 228,062.16		

CITY OF LYONS, KANSAS
STORMWATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Utility Sales	$ 23,177.47	$ 22,971.00	$ 23,000.00	$ (29.00)
Penalties	267.70	-	-	-
Total Receipts	23,445.17	22,971.00	$ 23,000.00	$ (29.00)
Expenditures				
Storm Water				
Contractual Services	-	852.05	$ 40,000.00	$ (39,147.95)
Commodities	651.86	-	6,000.00	(6,000.00)
Cash Forward	-	-	41,383.00	(41,383.00)
Total Expenditures	651.86	852.05	$ 87,383.00	$ (86,530.95)
Receipts Over(Under) Expenditures	22,793.31	22,118.95		
Unencumbered Cash, Beginning	86,707.55	109,500.86		
Unencumbered Cash, Ending	$ 109,500.86	$ 131,619.81		

CITY OF LYONS, KANSAS
GAS UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Intergovernmental				
Federal Grant	$ -	$ -	$ 130.00	$ (130.00)
Charges for Services				
Utility Sales	2,111,145.32	2,123,989.20	3,000,000.00	(876,010.80)
Penalties	19,955.98	19,358.86	-	19,358.86
Meter Connections	10,900.00	8,550.00	13,000.00	(4,450.00)
Other Receipts				
Miscellaneous	4,031.09	-	850.00	(850.00)
Reimbursed Expense	168.24	6,750.45	-	6,750.45
Residual Transfer from				
Eternal Flame Fund	-	6,925.01	-	6,925.01
Total Receipts	2,146,200.63	2,165,573.52	$ 3,013,980.00	$ (848,406.48)
Expenditures				
Distribution				
Personal Services	171,697.35	220,385.39	$ 337,100.00	$ (116,714.61)
Contractual Services	258,122.26	316,404.97	505,000.00	(188,595.03)
Commodities	647,642.33	1,036,324.54	1,073,200.00	(36,875.46)
Capital Outlay	-	33,247.21	40,250.00	(7,002.79)
Administration				
Personal Services	111,263.82	136,894.60	-	136,894.60
Contractual Services	5,426.67	9,588.66	-	9,588.66
Debt Service				
Principal	286,769.37	300,083.51	300,000.00	83.51
Interest	58,442.83	38,082.81	56,000.00	(17,917.19)
Operating Transfer to:				
General Fund	120,000.00	200,000.00	250,000.00	(50,000.00)
Gas Line Project Bond and Interest Fund	304,000.00	104,000.00	241,000.00	(137,000.00)
Gas Line Replacement Reserve Fund	50,000.00	100,000.00	50,000.00	50,000.00
Cash Forward	-	-	916,540.00	(916,540.00)
Total Expenditures	2,013,364.63	2,495,011.69	$ 3,769,090.00	$ (1,274,078.31)
Receipts Over(Under) Expenditures	132,836.00	(329,438.17)		
Unencumbered Cash, Beginning	302,264.00	435,100.00		
Unencumbered Cash, Ending	$ 435,100.00	$ 105,661.83		

CITY OF LYONS, KANSAS
GAS LINE REPLACEMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Reimbursed Expense	$ 68,235.40	$ -
Operating Transfer from		
Gas Utility Fund	50,000.00	100,000.00
Total Receipts	118,235.40	100,000.00
Expenditures		
Capital Improvements		
Contractual Services	0.06	-
Commodities	106,900.00	-
Operating Transfer to		
General Fund	-	120,000.00
Total Expenditures	106,900.06	120,000.00
Receipts Over(Under) Expenditures	11,335.34	(20,000.00)
Unencumbered Cash, Beginning	150,270.96	161,606.30
Unencumbered Cash, Ending	$ 161,606.30	$ 141,606.30

CITY OF LYONS, KANSAS
SEWER REPLACEMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Charges for Services		
Utility Sales	$ 196,091.66	$ 192,975.47
Penalties	2,436.00	2,299.06
Residual Transfer from Sewer Line Replacment Reserve Fund	-	59,657.08
Total Receipts	198,527.66	254,931.61
Expenditures		
Capital Improvements		
Commodities	24,675.24	98,668.83
Capital Outlay	-	94,325.00
Operating Transfer to Water Reserve Fund	-	30,000.00
Total Expenditures	24,675.24	222,993.83
Receipts Over(Under) Expenditures	173,852.42	31,937.78
Unencumbered Cash, Beginning	285,866.34	459,718.76
Unencumbered Cash, Ending	$ 459,718.76	$ 491,656.54

CITY OF LYONS, KANSAS
SEWER LINE REPLACEMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Wastewater Treatment Fund	$ -	$ -
Total Receipts	-	-
Expenditures		
Residual Transfer to Sewer Replacement Reserve Fund	-	59,657.08
Total Expenditures	-	59,657.08
Receipts Over(Under) Expenditures	-	(59,657.08)
Unencumbered Cash, Beginning	59,657.08	59,657.08
Unencumbered Cash, Ending	$ 59,657.08	$ -

CITY OF LYONS, KANSAS
WATER WELL RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Water Utility Fund	$ -	$ -
Total Receipts	-	-
Expenditures		
Capital Improvements		
Contractual Services	21,069.00	-
Commodities	4,180.00	-
Residual Transfer to Water Reserve Fund	-	33,913.11
Total Expenditures	25,249.00	33,913.11
Receipts Over(Under) Expenditures	(25,249.00)	(33,913.11)
Unencumbered Cash, Beginning	59,162.11	33,913.11
Unencumbered Cash, Ending	$ 33,913.11	$ -

CITY OF LYONS, KANSAS
SPECIAL LAW ENFORCEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Donations	$ -	$ -
Total Receipts	-	-
Expenditures		
Public Safety		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	1,865.51	1,865.51
Unencumbered Cash, Ending	$ 1,865.51	$ 1,865.51

CITY OF LYONS, KANSAS
CEMETERY ENDOWMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Miscellaneous	$ -	$ -
Total Receipts	-	-
Expenditures		
Operating Expenditures		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	159,980.43	159,980.43
Unencumbered Cash, Ending	$ 159,980.43	$ 159,980.43

Schedule 3

CITY OF LYONS, KANSAS
AGENCY FUNDS
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Beginning Cash Balances	Receipts	Disbursements	Ending Cash Balances
Fireman's Relief Association	$ 10,030.01	$ 64,176.28	$ 64,153.03	$ 10,053.26
Total Agency Funds	$ 10,030.01	$ 64,176.28	$ 64,153.03	$ 10,053.26

CITY OF LYONS, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER	ASSISTANCE LISTING NUMBER	PROVIDED TO SUB-RECIPIENTS	CASH RECEIPTS	DISBURSE-MENTS/ EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Passed through the Kansas Department of Commerce					
Community Development Block Grant	22-HR-006	14.228	$ -	$ 98,907.50	$ 76,071.50
Total U.S. Department of Housing and Urban Development			-	98,907.50	76,071.50
U.S. DEPARTMENT OF TRANSPORTATION					
Passed through the Kansas Department of Transportation					
Highway Safety Cluster					
Special Traffic Enforcement Program	SP-1300-26 035261311	20.600	-	2,805.10	1,025.68
		Total Highway Safety Cluster	-	2,805.10	1,025.68
Direct Program					
Airport Improvement Program	N/A	20.106	-	1,083,717.47	1,228,895.27
Total U.S. Department of Transportation			-	1,086,522.57	1,229,920.95
U.S. DEPARTMENT OF ENERGY					
Passed through the Kansas Corporation Commission					
Energy Efficiency and Conservation Block Grant	None Assigned	81.128	-	17,075.49	17,075.49
Total U.S. Department of Energy			-	17,075.49	17,075.49
U.S. DEPARTMENT OF HOMELAND SECURITY					
Passed through the Kansas Adjutant General's Department Division of Emergency Management					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	None Assigned	97.036	-	166,967.00	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	4747DR-KS	97.036	-	3,229.91	44,910.00
		Total 97.036	-	170,196.91	44,910.00
Total U.S. Department of Homeland Security			-	170,196.91	44,910.00
TOTAL ALL PROGRAMS			$ -	$ 1,372,702.47	$ 1,367,977.94

NOTE A -- BASIS OF PRESENTATION
The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Lyons, Kansas and is presented on the cash basis of accounting modified for encumbrances. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the regulatory basis financial statement.

NOTE B -- INDIRECT COSTS
The City of Lyons, Kansas did not elect to use the de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Lyons, Kansas

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 (*Government Auditing Standards*), the financial statement of the City of Lyons, Kansas, as of and for the year ended December 31, 2025 and the related notes to the financial statement, which collectively comprise the City's basic financial statement, and have issued our report thereon dated June 1, 2026.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statement, we considered the City'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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City's financial statement 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 the City's financial statement is 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 statement. 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
June 1, 2026

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Lyons, Kansas

Report on Compliance for Each Major Federal Program
Opinion on Each Major Federal Program
We have audited the City of Lyons, Kansas' 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 the City of Lyons, Kansas' major federal programs for the year ended December 31, 2025. City of Lyons, Kansas' 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, the City of Lyons, Kansas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), 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 the City of Lyons, Kansas 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 the City of Lyons, Kansas' 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 the City of Lyons, Kansas' 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 the City of Lyons, Kansas' 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 GAAS, *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 the City of Lyons, Kansas' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the City of Lyons, Kansas' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Lyons, Kansas' 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 the City of Lyons, Kansas' 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.

Purpose of This Report
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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
June 1, 2026

CITY OF LYONS, KANSAS

Schedule of Findings and Questioned Costs
December 31, 2025

I. SUMMARY OF AUDITORS' RESULTS

Financial Statement:

The auditor's report expresses an adverse opinion on the basic financial statement of the City of Lyons, Kansas on the Generally Accepted Accounting Principles (GAAP) basis of accounting and an unmodified opinion on the regulatory basis of accounting.

Internal Control over Financial Reporting:

Material weakness(es) identified?	____ Yes	__X__	No
Significant deficiencies identified?	____ Yes	__X__	None Reported
Noncompliance or other matters required to be reported under *Government Auditing Standards*	____ Yes	__X__	No

Federal Awards:

Internal control over major programs:			
Material weakness(es) identified?	____ Yes	__X__	No
Significant deficiencies identified?	____ Yes	__X__	None Reported

The auditor's report on compliance for the major federal award programs for the City of Lyons, Kansas expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	__X__	No

Identification of major programs:

U.S. DEPARTMENT OF TRANSPORTATION
Airport Improvement Program Assistance Listing #20.106

The threshold for distinguishing Types A and B programs was $1,000,000.00.

Auditee qualified as a low risk auditee? ____ Yes __X__ No

II. FINANCIAL STATEMENT FINDINGS

NONE

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

CITY OF LYONS, KANSAS

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2025

NONE