City of Centralia, Kansas

Financial Statement
As of December 31, 2025
and For the Year Then Ended

With Report by Independent Auditor

SHIPLEY
CPA, LLC
Audit, Assurance, & Consulting Services

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the
City of Centralia, Kansas

Adverse and Unmodified Opinions

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Centralia, Kansas (the City), 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 my opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of my 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 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 my opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City 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

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

My 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 my 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 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, I:

- 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 my 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.

I am 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 I identified during the audit.

Supplementary Information

My 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, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and summary of receipts and disbursements – agency fund (Schedules 1, 2, 3 and 4 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*. 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 my 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.

Shipley CPA, LLC

Shipley CPA, LLC
Topeka, Kansas
March 9, 2026

CITY OF CENTRALIA, 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 Payable	Ending Cash Balance
General Fund:						
General Fund	$ 71,266	$ 355,664	$ 347,471	$ 79,459	$ 5,034	$ 84,493
Special Purpose Funds:						
Library Fund	-	31,763	31,737	26	-	26
Special Highway Fund	-	49,088	49,088	-	-	-
Capital Improvement Fund	296	100	388	8	-	8
Equipment Reserve Fund	116	125,203	125,271	48	-	48
Business Funds:						
Water Utility Fund	14,602	141,847	130,406	26,043	-	26,043
Sewer Utility Fund	46,784	119,321	139,701	26,404	-	26,404
Electric Utility Fund	38,386	577,573	516,242	99,717	-	99,717
Centralia Lake Fund	65,123	205,714	244,806	26,031	-	26,031
Electric Reserve Fund	53,272	84,649	99,055	38,866	-	38,866
Water Reserve Fund	20,158	14,176	24,773	9,561	-	9,561
Capital Project Funds:						
Capital Project Electric - Phase II	23,865	-	23,865	-	-	-
CCLIP Street Project	1,369	-	1,369	-	-	-
Swimming Pool Project	275,955	459,167	735,122	-	-	-
Pool House Project	520	39,413	39,933	-	-	-
Related Municipal Entity:						
Centralia City Library	88,427	61,515	47,939	102,003	-	102,003
Total Reporting Entity (Excluding Agency Funds)	$ 700,139	$ 2,265,193	$ 2,557,166	$ 408,166	$ 5,034	$ 413,200

Composition of Cash:	
Checking accounts	$ 150,162
Certificates of deposit	267,238
Total	417,400
Less Agency Funds (per Schedule 3)	(4,200)
Total Reporting Entity (Excluding Agency Funds)	$ 413,200

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

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2025

Note 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Centralia, Kansas (the City), is a municipal corporation governed by an elected five-member council plus a mayor. This regulatory financial statement presents the City. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate.

Centralia City Library

The Centralia City Library (the CCL), is organized under K.S.A. 12-1218. The City levies a property tax for the CCL under K.S.A 79-1952, which is deposited in the City's Library Fund and transferred to the CCL for its operations.

Regulatory Basis Fund Types

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The following types of funds were utilized in recording the financial activities of the City for the year 2025:

General fund – The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources that are intended for specified purposes.

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

Business funds – 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.)

Agency funds – Used to account for assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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 regulatory basis of accounting.

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 KMAAG regulatory basis accounting.

Note 2 – 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 budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
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 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 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 revenue 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 were no such amendments to the 2025 budget.

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.

Note 2 – Budgetary Information (continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues 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 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 and the following special purpose funds: Capital Improvement Fund and the Equipment Reserve Fund.

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

Note 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 or branch bank in the county in which the City is located 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; 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.

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 Government'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 did not have a peak period pledge agreement during 2025, and therefore the City did not designate peak periods. All deposits were legally secured at December 31, 2025.

At December 31, 2025, the carrying amount of the City's deposits including certificates of deposit was $311,197 and the bank balance was $329,559. The bank balance was held at one bank resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks and deposits. Of the bank balance, $250,000 was covered by FDIC insurance and the remaining was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

Note 3 – Deposits and Investments (continued)

Related Municipal Entity

At December 31, 2025, the carrying amount of the CCL deposits including certificates of deposit was $102,003 and the bank balance was $102,003. The bank balance was held at one bank. The difference between the carrying amount and the bank balance is outstanding checks and deposits. Of the bank balance, all was covered by FDIC insurance.

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 statutes require investments to be adequately secured.

Note 4 – Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied 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 of the full amounts of the 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 levied and collected in the year prior to January 1st of the ensuing year.

Note 5 – Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

Project Name	Project Authorization	Expended to Date
Pool House Project	$ 285,000	$ 56,413
Sewer Project	3,340,211	23,320

The City has authorized a sewer project (Sanitary Sewer Collection System Rehabilitation) noted above and has been awarded $650,000 in CDBG grant funds and a Kansas Water Pollution Control Revolving Fund loan up to $4,532,997 with estimated principal forgiveness of $2,000,000. No amounts have been drawn down on the loan or received from the grant in 2025.

Note 6 – Long-Term Debt

Changes in long-term liabilities for the City 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 and Service Fees Paid
General Obligation Bonds:									
Series 2018-A	3.00%	5/2/2018	$ 460,000	9/1/2027	$ 160,000	$ -	$ 50,000	$ 110,000	$ 4,800
Series 2020 - Refunding	1.00%	9/26/2020	365,000	11/1/2039	305,000	-	20,000	285,000	4,773
Series 2021	1.15%	9/16/2021	475,000	9/1/2033	370,000	-	40,000	330,000	4,255
Series 2025	4.05%	3/1/2025	450,000	3/1/2045	-	450,000	-	450,000	9,113
					835,000	450,000	110,000	1,175,000	22,941
Leases:									
Chevy Pickup	3.00%	6/3/2021	40,492	6/3/2026	12,836	-	8,458	4,378	516
Skid Steer	5.95%	6/6/2024	36,549	6/6/2029	36,549	-	6,400	30,149	2,175
					49,385	-	14,858	34,527	2,691
					$ 884,385	$ 450,000	$ 124,858	$ 1,209,527	$ 25,632

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

	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	Total
Principal									
Series 2018-A	$ 55,000	$ 55,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 110,000
Series 2020 - Refunding	20,000	20,000	20,000	20,000	20,000	100,000	85,000	-	285,000
Series 2021	40,000	40,000	40,000	40,000	40,000	130,000	-	-	330,000
Series 2025	15,000	15,500	16,000	17,000	17,500	99,000	121,500	148,500	450,000
Chevy Pickup	4,378	-	-	-	-	-	-	-	4,378
Skid Steer	6,876	7,286	7,719	8,268	-	-	-	-	30,149
	141,254	137,786	83,719	85,268	77,500	329,000	206,500	148,500	1,209,527
Interest and Service Fees									
Series 2018-A	4,800	3,300	1,650	-	-	-	-	-	9,750
Series 2020 - Refunding	4,772	4,573	4,373	3,973	3,747	14,339	5,239	-	41,016
Series 2021	7,400	6,600	5,800	5,000	4,200	8,700	-	-	37,700
Series 2025	17,921	17,303	16,666	15,997	15,299	65,043	42,839	15,541	206,609
Chevy Pickup	38	-	-	-	-	-	-	-	38
Skid Steer	1,789	1,379	946	397	-	-	-	-	4,511
	36,720	33,155	29,435	25,367	23,246	88,082	48,078	15,541	299,624
	$ 177,974	$ 170,941	$ 113,154	$ 110,635	$ 100,746	$ 417,082	$ 254,578	$ 164,041	$ 1,509,151

Note 7 – Interfund Transactions

Operating transfers were as follows:

From	To	Amount	Authority
Electric Utility Fund	Electric Reserve Fund	$ 84,649	K.S.A. 12-825d
Sewer Utility Fund	Electric Utility Fund	29,600	K.S.A. 12-825d
Sewer Utility Fund	Equipment Reserve Fund	50,000	K.S.A. 12-825d
General Fund	Equipment Reserve Fund	19,800	K.S.A. 12-825d
General Fund	Special Highway Fund	35,790	K.S.A. 12-825d
Centralia Lake Fund	Equipment Reserve Fund	13,900	K.S.A. 12-825d
Centralia Lake Fund	General Fund	70,000	K.S.A. 12-825d
Special Highway Fund	Equipment Reserve Fund	41,503	n/a
Capital Project Electric - Phase II	Electric Utility Fund	23,865	n/a
CCLIP Street Project Fund	Sewer Utility Fund	1,369	n/a
Water Utility Fund	Electric Utility Fund	15,000	K.S.A. 12-825d
Water Utility Fund	Water Reserve Fund	14,176	K.S.A. 12-825d
Swimming Pool Project	Pool House Project	37,689	n/a

Note 8 – Compensated Absences

The City maintains a policy of providing vacation and sick leave to its full-time employees, granted in varying amounts depending on length of service and date of hire. Vacation days are vesting and are allowed a maximum of 40 hours to be carried over into the next period. Sick leave is non-vesting and accumulates with a maximum accrual of 480 hours.

Note 9 – 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; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

The City pays an annual premium to Kansas Municipal Insurance Trust for its worker's compensation and employer's liability insurance coverage. The agreement to participate provides that the Municipalities will be self-sustaining through member premiums. Additional premiums may be due if total claims for the pool are different than what has been anticipated by pool administrator.

The City continues to carry commercial insurance for all other risks of loss, including general liability, crime, inland marine, errors and omissions, business auto, and property. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10 – Defined Benefit Pension Plan

Plan Description: The non-school Municipality participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. 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 established the KPERS memberemployee 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 the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $21,684 for the year ended December 31, 2025.

Net Pension Liability

At December 31, 2025, the (non-school municipality)'s proportionate share of the collective net pension liability reported by KPERS was $187,016. 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 11 – Evaluation of Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure through March 9, 2026, which is the date the financial statement was available for issue.

Regulatory Required Supplementary Information

SCHEDULE 1

CITY OF CENTRALIA, KANSAS
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund:					
General Fund	$ 411,087	$ -	$ 411,087	$ 347,471	$ (63,616)
Special Purpose Funds:					
Library Fund	32,097	-	32,097	31,737	(360)
Special Highway Fund	50,000	-	50,000	49,088	(912)
Business Funds:					
Water Utility Fund	155,874	-	155,874	130,406	(25,468)
Sewer Utility Fund	160,316	-	160,316	139,701	(20,615)
Electric Utility Fund	523,249	-	523,249	516,242	(7,007)
Centralia Lake Fund	238,515	24,975	263,490	244,806	(18,684)
Electric Reserve Fund	134,527	-	134,527	99,055	(35,472)
Water Reserve Fund	34,489	-	34,489	24,773	(9,716)

CITY OF CENTRALIA, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Ad valorem tax	$ 93,409	$ 102,453	$ (9,044)
Delinquent tax	616	500	116
Motor vehicle tax	14,271	15,449	(1,178)
Recreational vehicle tax	457	406	51
16/20M vehicle tax	197	86	111
Commercial vehicle tax	-	375	(375)
Watercraft tax	-	193	(193)
Liquor tax	1,512	1,964	(452)
Local sales tax	69,116	64,000	5,116
Franchise tax	14,792	15,000	(208)
SAC tax	5,373	-	5,373
Special assessment tax	-	1,000	(1,000)
Personal property current tax	1,208	-	1,208
Reimbursements	36,460	10,000	26,460
Municipal court fees	-	1,000	(1,000)
Sale of material	558	2,000	(1,442)
Licenses	50	200	(150)
Pool fees	5,898	5,500	398
Solid waste revenue	43,007	42,720	287
Interest on idle funds	5,092	25,000	(19,908)
Neighborhood revitalization rebate	(7,140)	(5,966)	(1,174)
Miscellaneous	788	-	788
Transfers in	70,000	70,000	-
Total Receipts	355,664	$ 351,880	$ 3,784
Expenditures			
General administration	141,100	$ 120,497	$ 20,603
Pool	21,339	33,000	(11,661)
Solid waste	38,970	38,000	970
Shop	75,041	112,500	(37,459)
Capital outlay	-	10,000	(10,000)
Emergency services	6,318	6,500	(182)
Bond interest	9,113	-	9,113
Transfers out	55,590	55,590	-
Cash reserves	-	35,000	(35,000)
Total Expenditures	347,471	$ 411,087	$ (63,616)
Receipts Over (Under) Expenditures	8,193		
Unencumbered Cash, Beginning	71,266		
Unencumbered Cash, Ending	$ 79,459		

CITY OF CENTRALIA, KANSAS
LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Ad valorem tax	$ 27,027	$ 29,639	$ (2,612)
Delinquent tax	188	-	188
Motor vehicle tax	4,259	4,613	(354)
Recreational vehicle tax	132	121	11
16/20 M vehicle tax	59	26	33
Commercial vehicle tax	-	112	(112)
Watercraft tax	-	57	(57)
SAC tax	1,554	-	1,554
Personal property current tax	349	-	349
Neighborhood revitalization rebate	(2,066)	(1,890)	(176)
Reimbursements	26	-	26
Miscellaneous	235	-	235
Total Receipts	31,763	$ 32,678	$ (915)
Expenditures			
Operating expenses	31,737	$ 32,097	$ (360)
Total Expenditures	31,737	$ 32,097	$ (360)
Receipts Over (Under) Expenditures	26		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ 26		

CITY OF CENTRALIA, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
State of Kansas gas tax	$ 13,298	$ 14,210	$ (912)
Transfers in	35,790	35,790	-
Total Receipts	49,088	$ 50,000	$ (912)
Expenditures			
Street repair and maintenance	7,585	$ 50,000	$ (42,415)
Transfers out	41,503	-	41,503
Total Expenditures	49,088	$ 50,000	$ (912)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ -		

CITY OF CENTRALIA, KANSAS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual
Receipts	
Transfers in	$ -
Miscellaneous	100
Total Receipts	100
Expenditures	
Capital outlay	388
Total Expenditures	388
Receipts Over (Under) Expenditures	(288)
Unencumbered Cash, Beginning	296
Unencumbered Cash, Ending	$ 8

CITY OF CENTRALIA, KANSAS
EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual
Receipts	
Sale of material	$ -
Transfers in	125,203
Total Receipts	125,203
Expenditures	
Capital outlay	125,271
Total Expenditures	125,271
Receipts Over (Under) Expenditures	(68)
Unencumbered Cash, Beginning	116
Unencumbered Cash, Ending	$ 48

CITY OF CENTRALIA, KANSAS
WATER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Fees received	$ 141,847	$ 143,568	$ (1,721)
Miscellaneous	-	-	-
Total Receipts	141,847	$ 143,568	$ (1,721)
Expenditures			
Salaries and benefits	41,910	$ 46,000	$ (4,090)
Purchased water	28,024	30,000	(1,976)
Commodities	9,146	10,000	(854)
Contractual	15,386	6,000	9,386
Insurance	6,764	5,000	1,764
Water tower inspection	-	9,700	(9,700)
Capital outlay	-	-	-
Cash forward	-	20,000	(20,000)
Transfers out	29,176	29,174	2
Total Expenditures	130,406	$ 155,874	$ (25,468)
Receipts Over (Under) Expenditures	11,441		
Unencumbered Cash, Beginning	14,602		
Unencumbered Cash, Ending	$ 26,043		

CITY OF CENTRALIA, KANSAS
SEWER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Fees received	$ 117,952	$ 117,912	$ 40
Transfers in	1,369	-	1,369
Total Receipts	119,321	$ 117,912	$ 1,409
Expenditures			
Salaries and benefits	21,041	$ 46,000	$ (24,959)
Operating expenses	15,740	14,700	1,040
Capital outlay	23,320	50,000	(26,680)
Cash forward	-	20,000	(20,000)
Miscellaneous	-	16	(16)
Transfers out	79,600	29,600	50,000
Total Expenditures	139,701	$ 160,316	$ (20,615)
Receipts Over (Under) Expenditures	(20,380)		
Unencumbered Cash, Beginning	46,784		
Unencumbered Cash, Ending	$ 26,404		

CITY OF CENTRALIA, KANSAS
ELECTRIC UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Fees received	$ 507,305	$ 458,640	$ 48,665
Interest on idle funds	997	-	997
Miscellaneous	806	-	806
Transfers in	68,465	44,600	23,865
Total Receipts	577,573	$ 503,240	$ 74,333
Expenditures			
Salaries and benefits	92,638	$ 46,000	$ 46,638
Purchased electricity	301,579	265,000	36,579
Electric transmissions cost	18,482	20,000	(1,518)
Commodities	12,226	5,000	7,226
Contractual	5,231	7,500	(2,269)
Insurance	1,437	1,500	(63)
Capital outlay	-	10,000	(10,000)
Miscellaneous	-	8,600	(8,600)
Cash forward	-	75,000	(75,000)
Transfers out	84,649	84,649	-
Total Expenditures	516,242	$ 523,249	$ (7,007)
Receipts Over (Under) Expenditures	61,331		
Unencumbered Cash, Beginning	38,386		
Unencumbered Cash, Ending	$ 99,717		

CITY OF CENTRALIA, KANSAS
CENTRALIA LAKE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Lake permit fees	$ 84,202	$ 150,000	$ (65,798)
Advance lake fees	77,052	-	77,052
Kansas fish and game permits	12,360	17,510	(5,150)
Interest on idle funds	312	-	312
Haying lease payments	6,263	4,988	1,275
State aid	24,975	-	24,975
Miscellaneous	550	-	550
Total Receipts	205,714	$ 172,498	$ 33,216
Expenditures			
Salaries and benefits	44,190	$ 40,000	$ 4,190
Contractual	6,786	4,000	2,786
Commodities	4,719	7,500	(2,781)
Insurance	6,695	5,000	1,695
Utilities	28,766	25,000	3,766
Road work	4,689	10,000	(5,311)
Capital outlay	62,561	40,000	22,561
Miscellaneous	2,500	3,115	(615)
Cash forward	-	20,000	(20,000)
Adjustment for Qualifying Budget Credits	-	24,975	(24,975)
Transfers out	83,900	83,900	-
Total Expenditures	244,806	$ 263,490	$ (18,684)
Receipts Over (Under) Expenditures	(39,092)		
Unencumbered Cash, Beginning	65,123		
Unencumbered Cash, Ending	$ 26,031		

CITY OF CENTRALIA, KANSAS
ELECTRIC RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Transfers in	$ 84,649	$ 84,649	$ -
Total Receipts	84,649	$ 84,649	$ -
Expenditures			
Bond principal	90,000	$ 90,000	$ -
Bond interest	9,055	12,200	(3,145)
Miscellaneous	-	327	(327)
Cash forward	-	32,000	(32,000)
Total Expenditures	99,055	$ 134,527	$ (35,472)
Receipts Over (Under) Expenditures	(14,406)		
Unencumbered Cash, Beginning	53,272		
Unencumbered Cash, Ending	$ 38,866		

CITY OF CENTRALIA, KANSAS
WATER RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual	Budget	Variance Over (Under)
Receipts			
Transfers in	$ 14,176	$ 14,174	$ 2
Total Receipts	14,176	$ 14,174	$ 2
Expenditures			
Bond principal	20,000	$ 20,000	$ -
Bond interest	4,773	4,772	1
Cash forward	-	9,717	(9,717)
Total Expenditures	24,773	$ 34,489	$ (9,716)
Receipts Over (Under) Expenditures	(10,597)		
Unencumbered Cash, Beginning	20,158		
Unencumbered Cash, Ending	$ 9,561		

CITY OF CENTRALIA, KANSAS
CAPITAL PROJECT ELECTRIC – PHASE II FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual
Receipts	
Grants	$ -
Total Receipts	-
Expenditures	
Transfers out	23,865
Total Expenditures	23,865
Receipts Over (Under) Expenditures	(23,865)
Unencumbered Cash, Beginning	23,865
Unencumbered Cash, Ending	$ -

CITY OF CENTRALIA, KANSAS
CCLIP STREET PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual
Receipts	
Transfers in	$ -
Total Receipts	-
Expenditures	
Transfers out	1,369
Total Expenditures	1,369
Receipts Over (Under) Expenditures	(1,369)
Unencumbered Cash, Beginning	1,369
Unencumbered Cash, Ending	$ -

CITY OF CENTRALIA, KANSAS
SWIMMING POOL PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual
Receipts	
Bond proceeds	$ 450,000
Interest on idle funds	9,167
Total Receipts	459,167
Expenditures	
Capital outlay	686,886
Bond issuance costs	10,547
Transfers out	37,689
Total Expenditures	735,122
Receipts Over (Under) Expenditures	(275,955)
Unencumbered Cash, Beginning	275,955
Unencumbered Cash, Ending	$ -

CITY OF CENTRALIA, KANSAS
POOL HOUSE PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual
Receipts	
Transfers in	$ 37,689
Interest on idle funds	1,724
Total Receipts	39,413
Expenditures	
Capital outlay	39,933
Total Expenditures	39,933
Receipts Over (Under) Expenditures	(520)
Unencumbered Cash, Beginning	520
Unencumbered Cash, Ending	$ -

CITY OF CENTRALIA, KANSAS
AGENCY FUND
SUMMARY OF RECEIPTS AND DISBURSEMENTS – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Utility Deposits	$ 7,200	$ -	$ 3,000	$ 4,200
Total Agency Funds	$ 7,200	$ -	$ 3,000	$ 4,200

CITY OF CENTRALIA, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES
RELATED MUNICIPAL ENTITY
CENTRALIA CITY LIBRARY
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Actual
Receipts	
Interest	$ 1,402
City appropriation tax	32,097
NEKLS	22,486
Miscellaneous	5,530
Total Receipts	61,515
Expenditures	
Salaries	29,797
Operating expenses	6,502
Contractual	11,640
Capital outlay	-
Total Expenditures	47,939
Receipts Over (Under) Expenditures	13,576
Unencumbered Cash, Beginning	88,427
Unencumbered Cash, Ending	$ 102,003