City of Andover, Kansas

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

With Report by Independent Auditors

Shipley & Williams CPAs, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the
City of Andover, 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 Andover, 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 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 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 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) 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 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 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, 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 (the basic financial statement) as a whole. The schedules listed under supplementary information in the table of contents are presented for purposes of additional analysis and are 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.

Shipley & Williams CPAs, LLC

Shipley & Williams CPAs, LLC
Topeka, Kansas
October 8, 2026

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Primary Government:							
General Fund	$ 4,254,310	$ 7,548	$ 14,755,302	$ 15,160,842	$ 3,856,318	$ 706,261	$ 4,562,579
Special Purpose Funds:							
Street Improvement Fund	1,779,163	-	12,290,020	9,542,118	4,527,065	4,785,914	9,312,979
Employee Benefits Fund	1,976,959	-	4,229,298	3,564,307	2,641,950	213,090	2,855,040
Special Highway Fund	626,070	-	539,674	639,339	526,405	29,716	556,121
Library Fund	78,092	-	823,845	895,213	6,724	99,752	106,476
Hotel and Tourism Fund	214,317	-	117,169	199,385	132,101	480	132,581
Park Improvement Fund	1,074,046	-	405,865	25,207	1,454,704	3,600	1,458,304
Fire District #1 Fund	152,684	-	613,020	517,247	248,457	8,010	256,467
Emergency 911 Fund	304,479	-	119,159	96,223	327,415	106	327,521
Special Building Fund	43,201	-	107,074	112,288	37,987	-	37,987
Golf Course Fund	1,943	-	310,473	268,656	43,760	45,535	89,295
Festivals Fund	103,723	-	74,812	41,939	136,596	829	137,425
Amphitheatre Fund	31,383	-	186,740	204,490	13,633	-	13,633
Debt Service Fund	1,157,077	-	9,270,017	9,620,202	806,892	-	806,892
Capital Project Fund:							
Sewer Expansion/Equipment Reserve Fund	16,877,780	-	39,176,545	49,468,528	6,585,797	39,612,830	46,198,627
TIF Fund	24,145	141,246	1,603,181	1,607,866	160,706	-	160,706
Street Equipment Reserve Fund	288,739	-	315,152	302,067	301,824	-	301,824
City Project Funds	(6,916,996)	66,569	5,744,440	11,618,831	(12,724,818)	6,295,610	(6,429,208)
Capital Equipment Reserve Fund	1,813,534	1,947	1,970,845	2,272,193	1,514,133	120,167	1,634,300
Sales Tax Funded Projects Fund	2,785,679	-	3,790,206	3,780,395	2,795,490	188,807	2,984,297
Carry Forward	$ 26,670,328	$ 217,310	$ 96,442,837	$ 109,937,336	$ 13,393,139	$ 52,110,707	$ 65,503,846

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Carry Forward	$ 26,670,328	$ 217,310	$ 96,442,837	$ 109,937,336	$ 13,393,139	$ 52,110,707	$ 65,503,846
Business Funds:							
Water Utility Fund	617,615	-	1,001,376	683,578	935,413	196,019	1,131,432
Sewer Utility Fund	2,602,066	-	3,789,727	3,084,703	3,307,090	137,666	3,444,756
Recycling/Trash Utility Fund	176,474	-	1,221,480	1,121,455	276,499	96,002	372,501
Storm Water Utility Fund	92,156	-	217,197	218,993	90,360	5,626	95,986
Vehicle Lease Management Fund	290,065	-	505,431	497,123	298,373	-	298,373
Total Primary Government	30,448,704	217,310	103,178,048	115,543,188	18,300,874	52,546,020	70,846,894
Related Municipal Entity:							
Andover Public Building Commission	-	-	112,288	112,288	-	-	-
Andover Public Library	985,900	-	968,263	844,952	1,109,211	4,675	1,113,886
Total Reporting Entity (Excluding Agency Funds)	$ 31,434,604	$ 217,310	$ 104,258,599	$ 116,500,428	$ 19,410,085	$ 52,550,695	$ 71,960,780

Composition of Cash and Investments:	
Equity Bank:	
Checking	$ 70,729,099
Bond account	25,555
Surety account	13,965
Library checking	7,834
Library capital improvement	94,186
Emprise Bank:	
Library checking	325,333
Andover State Bank:	
Library certificate of deposit	350,972
Capital Federal:	
Library checking	53,859
Library certificate of deposit	281,702
Kansas Municipal Investment Pool	81,614
Capitalized health account	82,405
Total Cash and Investments	72,046,524
Agency Funds per Schedule 4	(85,744)
Total Reporting Entity (excluding Agency Funds)	$ 71,960,780

CITY OF ANDOVER, KANSAS
Notes to the Financial Statement
December 31, 2025

Note 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Andover, Kansas (the City) was incorporated in 1957 as a municipal corporation governed under a Mayor-Council form of government consisting of an elected mayor and six council members. The City provides a full range of municipal services to its citizens in the areas of highways and streets, wastewater treatment, public improvement, public safety, planning and zoning, recreation, and general administrative services. This financial statement presents the City and the following related municipal entities:

> The Andover Public Library (the Library) is legally separate from the City; however, the governing body of the Library is appointed by the City Council. The Library may not purchase or lease a site or erect a building for use of the Library without the approval of the City Council. The Library taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special purpose fund of the City. The Library also receives funding through state assistance programs, charges for services, and donations from the public.
>
> The Andover Public Building Commission (the Commission) is a legally separate entity governed by a seven-member board consisting of the same members as the Governing Body of the City. The Commission was established to finance and construct public buildings for the benefit of the City and is therefore included as a related municipal entity in the City's financial statement.

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 revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

Note 1 – Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types

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 – 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 revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

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

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 fund – 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 fund – Used to report assets held by the City in a purely custodial capacity.

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 1 – Summary of Significant Accounting Policies (Continued)

Annual Personal and Sick Leave Benefits

The City's policy regarding vacation pay permits all regular employees with one year of service to earn 86 hours vacation pay, two to five years of service to earn 118 hours vacation pay, six to ten years of service to earn 142 hours vacation pay, eleven to fifteen years of service to earn 166 hours vacation pay, sixteen to twenty years of service to earn 190 hours vacation pay, and twenty-one or more years of service to earn 214 hours vacation pay. Employees may accumulate a maximum of 86 to 321 hours of vacation pay depending on the employee's years of service with the City. Vacation will not accrue more than one hundred fifty percent of what they accrue annually. An employee must work one full year before being eligible for any vacation pay upon resignation. Upon resignation, employees who have vacation hours in excess of the maximum vacation balance, per year of service, will receive their current rate of pay for hours up to the maximum vacation balance level.

The City's policy regarding sick leave permits all regular full-time and probationary employees to earn 8 hours of sick leave for every month of service. Sick leave is allowed to accumulate up to a maximum of 480 hours for non-firefighters and 720 for firefighters. After the maximum hours are reached, employees, based on their monthly or hourly salary, will be paid 5/12 of the unused hours over the maximum as of December 31st. Policies require the cancellation of accumulated sick leave upon termination.

Retirement Plans

Substantially all full-time City employees, other than police and fire employees, are members of a single employer defined contribution pension plan administered by AXA Financial, Inc. The City's policy is to fund all pension costs accrued. The police and fire employees of the City are members of the State of Kansas Police and Firemen's Retirement System (the System), which is a cost-sharing multi-employer statewide pension plan. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually by the System's actuary.

Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

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), the debt service fund, 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 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 budget 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. The budget was amended for the following funds in the current budget year: Street Improvement, Hotel and Tourism, Emergency 911, Amphitheatre, Sewer Expansion/Equipment Reserve, TIF, and Water Utility.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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, agency funds, the Andover Public Library, or the Andover Public Building Commission.

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

Deposits

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. Effective January 1, 2026, K.S.A. 9-1402 authorizes financial institutions to secure deposits of public moneys of governmental units through the Kansas Collateral Pool (public moneys pooled method as defined by 2025 Senate Substitute for House Bill 2152). The City has no other policies that would further limit interest rate risk.

Investments

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 (KMIP). The City has no investment policy that would further limit its investment choices. The rating of the City's investments is noted below, as applicable.

As of December 31, 2025, the City had the following investments and maturities:

Investment Type	Cost	Investment Maturities (in Years)	Rating
Kansas Municipal Investment Pool	$ 81,614	Less than a year	N/A

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. The City's allocation of investments as of December 31, 2025, is as follows:

Investment Type	Percentage of Investments
Kansas Municipal Investment Pool	100%

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance, or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has not designated "peak periods". All deposits were legally secured at December 31, 2025.

Note 3 - Deposits and Investments (Continued)

Custodial Credit Risk – Deposits (Continued)
At December 31, 2025, the carrying amount of the City's deposits was $70,768,619 and the bank balance was $71,054,420. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance and the remaining balance of $70,804,420 was collateralized with securities held by the pledging financial institutions' agent bank in the City's name.

At December 31, 2025, the carrying amount of the Library's deposits was $1,113,886 and the bank balance was $1,129,119. The bank balance was held at four banks resulting in a concentration of credit risk. Of the bank balance, $852,020 was covered by federal depository insurance and the remaining balance of $277,099 was unsecured.

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.

At December 31, 2025, the City had invested $81,614 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board (the Board). The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Note 4 – Defined Benefit Pension Plan

Kansas Police and Firemen's Retirement System Pension Plan
Plan Description. The City participates in the Kansas Police and Firemen's Retirement System (KP&F), a cost-sharing multiple-employer defined benefit pension plan administered by the Kansas Public Employees Retirement System (KPERS), 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas Avenue, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Note 4 – Defined Benefit Pension Plan (Continued)

Kansas Police and Firemen's Retirement System Pension Plan (Continued)
Contributions. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. 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 KP&F 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 and the statutory contribution rate were 24.67% for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $920,830 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 $7,680,946 for KP&F. 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 Kansas Police and Firemen 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 5 – Long-Term Debt

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general government activities. The Andover Public Building Commission issues revenue bonds, which are to be paid with future property tax revenues to be levied in the special building fund and other resources available to the City. Additionally, the City has entered into lease agreements as lessee for financing the acquisition of equipment.

Note 5 – Long-Term Debt (Continued)

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 Paid
General Obligation Bonds:									
Series 2015-A	2.0-3.5%	11/12/15	$ 6,540,000	10/01/36	$ 2,820,000	$ -	$ 545,000	$ 2,275,000	$ 79,800
Series 2015-B	0.7-3.9%	12/01/15	3,780,000	10/01/30	1,685,000	-	260,000	1,425,000	59,640
Series 2016-A	2.0-2.5%	03/01/16	9,640,000	10/01/31	3,050,000	-	635,000	2,415,000	66,694
Series 2017-A	2.0-3.3%	12/14/17	3,575,000	10/01/38	2,820,000	-	165,000	2,655,000	84,713
Series 2019-A	2.0-4.0%	11/14/19	7,525,000	10/01/39	5,945,000	-	390,000	5,555,000	148,773
Series 2019-B	2.0-3.0%	12/17/19	3,655,000	10/01/39	3,160,000	-	180,000	2,980,000	71,618
Series 2020-A	1.0-3.0%	07/30/20	3,695,000	10/01/40	3,095,000	-	165,000	2,930,000	60,025
Series 2020-B	1.1-2.0%	11/12/20	4,320,000	10/01/33	1,260,000	-	130,000	1,130,000	20,830
Series 2020-C	1.0-3.0%	12/22/20	3,745,000	10/01/41	3,045,000	-	230,000	2,815,000	56,323
Series 2021-A	1.0-2.0%	09/01/21	9,605,000	10/01/39	9,605,000	-	350,000	9,255,000	159,475
Series 2021-B	1.6-2.6%	12/30/21	16,890,000	10/01/40	16,890,000	-	700,000	16,190,000	352,253
Series 2022-A	3.0-5.0%	09/27/22	4,160,000	10/01/42	4,010,000	-	155,000	3,855,000	156,619
Series 2023-A	4.0-5.0%	08/01/23	3,220,000	10/01/43	3,135,000	-	110,000	3,025,000	130,700
Series 2024-A	4.0-5.0%	05/29/24	25,155,000	10/01/44	25,155,000	-	2,565,000	22,590,000	1,592,742
Series 2025-A	4.0-5.0%	10/30/25	12,230,000	10/01/46	-	12,230,000	-	12,230,000	-
Total General Obligation Bonds					85,675,000	12,230,000	6,580,000	91,325,000	3,040,205
Temporary Notes:									
Series 2025-A	3.50%	10/30/25	36,235,000	10/01/28	-	36,235,000	-	36,235,000	-
Andover Public Building Commission Revenue Bonds:									
Amphitheatre (2017A)	3.0-4.0%	08/15/17	1,150,000	11/01/32	775,000	-	85,000	690,000	27,288
Finance Leases:									
Two (2) 2022 Ford Police Interceptor Utility	0.00%	02/21/23	74,853	02/21/28	46,159	-	14,971	31,188	-
'23 Ford Expedition	0.00%	03/27/23	70,961	03/27/28	44,942	-	14,192	30,750	-
'23 Ford F150	0.00%	12/01/23	59,732	12/01/28	46,790	-	11,946	34,844	-
'23 Ford Expedition Max	0.00%	08/31/23	65,287	08/31/28	46,789	-	13,057	33,732	-
'23 Chevy Silverado 3500HD Chassis	0.00%	02/17/23	70,510	02/17/28	43,481	-	14,102	29,379	-
'23 Ford F150	0.00%	11/21/23	60,216	11/21/28	46,166	-	12,043	34,123	-
Carry Forward					$ 274,327	$ -	$ 80,311	$ 194,016	$ -

Note 5 – Long-Term Debt (Continued)

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Carry Forward					$ 274,327	$ -	$ 80,311	$ 194,016	$ -
Three (3) 2023 Ford F150s	0.00%	12/11/23	$ 179,208	12/11/28	140,378	-	35,842	104,536	-
'21 Dodge Durango	0.00%	10/12/22	47,120	10/12/26	20,615	-	11,780	8,835	-
'22 Chevy Silverado 1500	0.00%	11/25/22	48,519	11/25/26	22,237	-	12,130	10,107	-
Four (4) 2022 Chevy Silverado 1500s	0.00%	09/15/22	184,410	09/15/26	76,836	-	46,103	30,733	-
Two (2) 2022 Chevy Silverado 1500s	0.00%	10/07/22	97,778	10/07/26	42,779	-	24,444	18,335	-
Postage Meter Rental	0.00%	07/26/22	8,248	07/26/27	4,261	-	1,650	2,611	-
Postage Meter Rental	0.00%	05/23/23	1,359	05/23/26	642	-	453	189	-
'23 Ford Police SUV	0.00%	04/12/24	65,412	04/12/29	55,600	-	13,082	42,518	-
'23 Ford Police SUV	0.00%	02/16/24	65,160	02/16/29	53,214	-	13,032	40,182	-
'23 Ford Police SUV	0.00%	04/01/24	65,229	04/01/29	55,444	-	13,046	42,398	-
'23 Ford Police SUV	0.00%	03/04/24	64,694	03/04/29	53,912	-	12,939	40,973	-
Two (2) 2023 Ford F150s	0.00%	01/05/24	119,594	01/05/29	95,675	-	23,919	71,756	-
'23 Ford F150	0.00%	01/03/24	59,265	01/03/29	47,412	-	11,853	35,559	-
'24 Chevy Silverado 2500HD	0.00%	01/08/24	48,616	01/08/29	38,893	-	9,723	29,170	-
'24 Chevy Tahoe	0.00%	05/20/24	77,705	05/20/29	67,344	-	15,541	51,803	-
'24 Chevy Tahoe	0.00%	07/01/24	78,371	07/01/29	70,534	-	15,674	54,860	-
'24 Chevy Traverse	0.00%	07/22/24	48,356	07/22/29	43,520	-	9,671	33,849	-
'25 Chevy Equinox	0.00%	12/10/24	38,431	12/10/29	37,790	-	7,686	30,104	-
Police Body Cameras	0.00%	11/01/24	116,082	11/01/29	48,082	-	12,021	36,061	-
Police In-Car Cameras	0.00%	11/01/24	223,308	11/01/29	183,309	-	45,827	137,482	-
Adobe Software	0.00%	12/31/24	18,280	03/31/26	15,669	-	15,669	-	-
Central Square Software	0.00%	05/07/24	1,352,885	05/07/34	994,885	-	100,843	894,042	-
RMM Essentials Software	0.00%	11/01/24	8,085	07/01/26	7,315	-	4,620	2,695	-
Police Tasers	0.00%	09/30/25	139,752	01/31/30	-	139,752	-	139,752	-
GovAI Software	0.00%	11/01/25	19,250	12/31/26	-	19,250	2,750	16,500	-
Copier	0.00%	06/06/25	16,783	06/06/30	-	16,783	1,958	14,825	-
Fire Engine	3.85%	10/24/25	1,018,000	04/01/35	-	1,018,000	-	1,018,000	-
Total Finance Leases					2,450,673	1,193,785	542,567	3,101,891	-
Total Contractual Indebtedness					$ 88,900,673	$ 49,658,785	$ 7,207,567	$ 131,351,891	$ 3,067,493

Note 5 – Long-Term Debt (Continued)

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

Issue	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046	Total
General Obligation Bonds:										
Principal:										
Series 2015-A	$ 240,000	$ 235,000	$ 240,000	$ 240,000	$ 250,000	$ 905,000	$ 165,000	$ -	$ -	$ 2,275,000
Series 2015-B	265,000	275,000	285,000	295,000	305,000	-	-	-	-	1,425,000
Series 2016-A	565,000	350,000	360,000	365,000	380,000	395,000	-	-	-	2,415,000
Series 2017-A	165,000	170,000	175,000	185,000	190,000	1,045,000	725,000	-	-	2,655,000
Series 2019-A	410,000	425,000	440,000	445,000	455,000	2,155,000	1,225,000	-	-	5,555,000
Series 2019-B	180,000	185,000	190,000	195,000	200,000	1,070,000	960,000	-	-	2,980,000
Series 2020-A	170,000	175,000	180,000	185,000	185,000	970,000	1,065,000	-	-	2,930,000
Series 2020-B	130,000	135,000	140,000	140,000	140,000	445,000	-	-	-	1,130,000
Series 2020-C	145,000	155,000	155,000	155,000	165,000	870,000	965,000	205,000	-	2,815,000
Series 2021-A	600,000	610,000	625,000	635,000	640,000	3,315,000	2,830,000	-	-	9,255,000
Series 2021-B	940,000	960,000	980,000	1,000,000	1,015,000	5,350,000	5,945,000	-	-	16,190,000
Series 2022-A	155,000	160,000	185,000	190,000	195,000	1,100,000	1,285,000	585,000	-	3,855,000
Series 2023-A	110,000	120,000	125,000	125,000	140,000	785,000	950,000	670,000	-	3,025,000
Series 2024-A	3,090,000	3,240,000	3,405,000	3,575,000	450,000	2,585,000	3,200,000	3,045,000	-	22,590,000
Series 2025-A	160,000	375,000	395,000	415,000	435,000	2,530,000	3,185,000	3,870,000	865,000	12,230,000
Total Principal	7,325,000	7,570,000	7,880,000	8,145,000	5,145,000	23,520,000	22,500,000	8,375,000	865,000	91,325,000
Interest:										
Series 2015-A	67,538	61,537	55,075	48,475	41,275	98,050	-	-	-	371,950
Series 2015-B	51,450	42,705	33,218	22,958	11,895	-	-	-	-	162,226
Series 2016-A	53,994	42,694	35,694	28,044	19,375	9,875	-	-	-	189,676
Series 2017-A	80,175	75,638	70,963	65,931	60,612	214,113	47,612	-	-	615,044
Series 2019-A	133,173	116,773	99,773	90,973	82,072	269,723	71,100	-	-	863,587
Series 2019-B	66,218	60,818	55,268	51,468	47,568	175,702	55,305	-	-	512,347
Series 2020-A	55,075	49,975	44,725	42,925	41,075	159,887	64,600	-	-	458,262
Series 2020-B	18,230	15,630	12,930	10,130	7,330	11,940	-	-	-	76,190
Series 2020-C	49,423	45,073	40,423	35,773	31,122	121,025	62,850	3,382	-	389,071
Series 2021-A	152,475	140,475	128,275	115,775	109,425	426,695	140,875	-	-	1,213,995
Series 2021-B	338,253	319,453	300,253	280,653	264,653	1,042,538	443,545	-	-	2,989,348
Series 2022-A	148,869	141,119	133,119	123,869	114,368	459,206	265,900	35,400	-	1,421,850
Series 2023-A	126,300	121,900	117,100	110,850	104,600	422,400	251,000	54,600	-	1,308,750
Series 2024-A	1,061,350	906,850	744,850	574,600	395,850	1,621,500	1,004,200	311,000	-	6,620,200
Series 2025-A	498,661	534,350	515,600	495,850	475,100	2,025,750	1,366,850	670,450	36,762	6,619,373
Total Interest	2,901,184	2,674,990	2,387,266	2,098,274	1,806,320	7,058,404	3,773,837	1,074,832	36,762	23,811,869

Note 5 – Long-Term Debt (Continued)

Issue	2026	2027	2028	2029	2030	2031-2035	Total
Temporary Notes:							
Principal:							
Series 2025-A	$ -	$ -	$ 36,235,000	$ -	$ -	$ -	$ 36,235,000
Interest:							
Series 2025-A	1,166,062	1,268,225	1,268,225	-	-	-	3,702,512
Andover Public Building Commission Revenue Bonds:							
Principal:							
Amphitheatre (2017A)	85,000	90,000	95,000	100,000	100,000	220,000	690,000
Interest:							
Amphitheatre (2017A)	24,738	22,188	19,263	16,175	12,800	13,400	108,564
Finance Leases:							
Principal:							
Two (2) 2022 Ford Police Interceptor Utility	14,971	14,971	1,246	-	-	-	31,188
'23 Ford Expedition	14,192	14,192	2,366	-	-	-	30,750
'23 Ford F150	11,946	11,946	10,952	-	-	-	34,844
'23 Ford Expedition Max	13,057	13,057	7,618	-	-	-	33,732
'23 Chevy Silverado 3500HD Chassis	14,102	14,102	1,175	-	-	-	29,379
'23 Ford F150	12,043	12,043	10,037	-	-	-	34,123
Three (3) 2023 Ford F150s	35,842	35,842	32,852	-	-	-	104,536
'21 Dodge Durango	8,835	-	-	-	-	-	8,835
'22 Chevy Silverado 1500	10,107	-	-	-	-	-	10,107
Four (4) 2022 Chevy Silverado 1500s	30,733	-	-	-	-	-	30,733
Two (2) 2022 Chevy Silverado 1500s	18,335	-	-	-	-	-	18,335
Postage Meter Rental	1,650	961	-	-	-	-	2,611
Postage Meter Rental	189	-	-	-	-	-	189
'23 Ford Police SUV	13,082	13,082	13,082	3,272	-	-	42,518
'23 Ford Police SUV	13,032	13,032	13,032	1,086	-	-	40,182
Carry Forward	212,116	143,228	92,360	4,358	-	-	452,062

Note 5 – Long-Term Debt (Continued)

Issue	2026	2027	2028	2029	2030	2031-2035	Total
Carry Forward	212,116	143,228	92,360	4,358	-	-	452,062
'23 Ford Police SUV	13,046	13,046	13,046	3,260	-	-	42,398
'23 Ford Police SUV	12,939	12,939	12,939	2,156	-	-	40,973
Two (2) 2023 Ford F150s	23,919	23,919	23,918	-	-	-	71,756
'23 Ford F150	11,853	11,853	11,853	-	-	-	35,559
'24 Chevy Silverado 2500HD	9,723	9,723	9,724	-	-	-	29,170
'24 Chevy Tahoe	15,541	15,541	15,541	5,180	-	-	51,803
'24 Chevy Tahoe	15,674	15,674	15,674	7,838	-	-	54,860
'24 Chevy Traverse	9,671	9,671	9,671	4,836	-	-	33,849
'25 Chevy Equinox	7,686	7,686	7,686	7,046	-	-	30,104
Police Body Cameras	12,021	12,021	12,019	-	-	-	36,061
Police In-Car Cameras	45,827	45,827	45,828	-	-	-	137,482
Central Square Software	100,843	100,843	100,843	106,286	112,001	373,226	894,042
RMM Essentials Software	2,695	-	-	-	-	-	2,695
Police Tasers	15,000	31,188	31,188	31,188	31,188	-	139,752
GovAI Software	16,500	-	-	-	-	-	16,500
Copier	3,357	3,357	3,357	3,357	1,397	-	14,825
Fire Engine	104,686	86,834	90,177	93,648	97,254	545,401	1,018,000
Total Principal	633,097	543,350	495,824	269,153	241,840	918,627	3,101,891
Interest:							
Fire Engine	17,310	35,163	31,820	28,348	24,742	64,579	201,962

Note 5 – Long-Term Debt (Continued)

Conduit Debt

The City has issued limited obligation bonds for the purpose of financing capital activities of unrelated third parties. Although conduit debt obligations bear the name of the City, they are payable solely from resources provided by leases with third parties on whose behalf they were issued. As of December 31, 2025, there were seven series of industrial revenue bonds outstanding with a principal amount payable of approximately $49.19 million. The bonds do not constitute an indebtedness or pledge of the faith or credit of the City of Andover, and accordingly, are not reported in the accompanying financial statement.

Tax Increment Financing District

In December 2019, the City established a tax increment financing district to support economic development activities and issued General Obligation Tax Increment Bonds, Series 2019-B, in the amount of $3,655,000. Additional tax increment financing district bonds totaling $26,495,000 were issued in 2021.

Projects financed through tax increment financing involve the creation of an "increment" in real estate property taxes. The increment is the amount of property taxes paid on the increase in assessed valuation of property in the redevelopment district over the property taxes paid in the redevelopment district before redevelopment occurs. When the aggregate tax rates of all tax jurisdictions are applied to the increased property valuation in the redevelopment district, tax increment is generated and paid to the City to fund and pay over time certain costs of the development project. The property taxes attributable to the assessed value of the district before redevelopment (the "base valuation"), are distributed to all taxing jurisdictions just before development of the redevelopment district.

The redevelopment project consists of the necessary infrastructure and site improvements to permit a full scale residential and mixed-use development anticipated to include 190 single family residences and over 340,000 square feet of retail/commercial space with large and small scale retail, restaurants, and complimentary uses. The project includes street, drainage, sewer, water, and park improvements to be developed in three phases.

Kansas statutes governing tax increment financing allow such financing to be used for property acquisition, site preparation, utilities, drainage, street improvements, landscape amenities, public outdoor spaces, streetscape amenities, and parking facilities in a redevelopment district. The tax increment financing will be used to pay a portion of these costs related to the proposed project and 100% of the tax increment attributable to the redevelopment was pledged to finance such costs for a period not exceeding 20 years as provided by law.

Note 6 – Interfund Transfers

Operating transfers for the year ended December 31, 2025 were as follows:

From	To	Regulatory Authority	Amount
General	Vehicle Lease Management	KSA 12-1,118	$ 315,859
General	Capital Equipment Reserve	KSA 12-1,117	405,800
General	Golf Course	Ordinance	307,200
General	Sales Tax Funded Projects	KSA 12-1,118	3,635,271
Sewer Utility	Sewer Expansion/Equipment Reserve	KSA 12-1,117	1,100,000
Sewer Utility	General	KSA 12-1,117	350,000
Sewer Utility	Vehicle Lease Management	KSA 12-1,117	36,655
Special Highway	Street Equipment Reserve	KSA 12-1,117	135,000
City Projects	General	KSA 12-1,117	183,350
Fire District #1	Capital Equipment Reserve	Ordinance	10,909
Storm Water Utility	Capital Equipment Reserve	KSA 12-1,117	14,000
Storm Water Utility	Vehicle Lease Management	KSA 12-1,117	1,400
Street Improvement	Debt Service	Ordinance	509,367
TIF	Debt Service	Ordinance	1,607,866
Sales Tax Funded Projects	Debt Service	Ordinance	3,309,251
Hotel and Tourism	Amphitheatre	Ordinance	112,500

Note 7 – Other Long-Term Obligations

Simplified Employee Pension Plan

All full-time employees, except for police and fire employees, participate in the City's Simplified Employee Pension Plan (the Plan), a single-employer defined contribution retirement plan. The payroll for employees covered by the Plan was $3,553,964 and the City's total payroll was $8,301,071 for the year ended December 31, 2025. All full-time employees are eligible to participate in the Plan after six months of continuous employment. Benefits are fully vested upon eligibility to participate in the Plan. The employer's contribution as required by the Plan document, for 2025 was based upon 7% of gross compensation and was $356,646. Employees are not required to make contributions to the Plan but are allowed to make elective contributions; however, the tax deferral of such contributions is dependent upon each individual's situation. The City matches the employee's elective contributions up to a maximum of 3%. During 2025, the employees' elective contributions made through payroll deductions were $197,566. All contributions are paid directly to the Plan Administrator, Equitable Financial Life Insurance Company, in the name of the individual employees and the accounts are 100% vested at the time of contribution. The City retains no ownership rights to the accounts and, accordingly, the account balances are not included within the financial statement of the City. The City holds no investments of the Plan or any of its related parties. The City Council may amend or discontinue the Plan at any time.

Note 7 – Other Long-Term Obligations (Continued)

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all employees who qualify under the plan terms and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level 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.

Note 8 – Commitments and Contingencies

Federal Assistance

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the City. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement as of December 31, 2025.

Sewage Treatment Reserves

The City Council has, by ordinance, established a sewer connection surcharge at a fixed amount (currently $1,500 for City residents). The funds collected from this surcharge are restricted for either: (a) the future expansion of the sewage treatment plant or (b) at the discretion of the governing body may be used to reduce the general tax levy in the debt service fund which is levied to fund past sewer expansion costs.

Litigation

The City is a party to various claims, none of which is expected to have a material impact on the financial statement.

Self-Insurance

The City is responsible for a potential liability up to $50,000 per individual per year for health care claims. This plan had fixed costs of $499,156 for the year ended December 31, 2025. Management believes claims incurred, but not reported, are insignificant at December 31, 2025.

Note 9 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

Note 10 – Capital Projects

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

Project Name	Project Authorization	Expended to Date
Lodge	$ 2,199,238	$ 2,199,238
Wastewater Treatment Plant - Inspection	1,278,415	1,278,415
Fire Station Park	645,272	645,272
Southern Hills - Stormwater Improvements	814,099	814,099
Southern Hills - Sewer Improvements	843,415	843,415
Southern Hills - Engineering	758,400	758,400
Meadowbrook 4th - Engineering	178,000	178,000
Wastewater Treatment Plant	47,440,188	47,440,188
Andover Traffic Signals	55,000	55,000
Wastewater Treatment Plant - AV	59,760	59,760
Meadowbrook 4th - Paving	944,539	944,539
Library Parking Lot Repairs	362,458	439,893
Wastewater Treatment Plant - Electric Upgrades	442,176	442,176
Vista Ridge 1st Addition - Engineering	135,490	135,490
Postie's Patch - Sewer Improvements	38,070	38,070
KTA Bridge - Engineering	113,500	113,500
Vista Ridge 2nd Addition - Engineering	183,900	183,900
S. Andover Road Maintenance	80,000	80,000
Yorktown Parkway	9,410,530	9,410,530
UDM Refresh	30,116	30,116
Founders Parkway - Engineering	19,655	19,655
KTA Bridge	1,433,716	1,433,716
Landscaping Project	4,873	4,873
City Hall Parking Lot Repairs	-	20,000

Note 11 – Statutory Compliance

The City Project Funds had a deficit cash balance of $6,429,208 and a deficit unencumbered cash balance of $12,724,818 at December 31, 2025, which is a violation of K.S.A. 10-1113. However, per K.S.A. 10-1116, limits of indebtedness may be exceeded when this is due to capital project expenditures incurred prior to the issuance of bonds.

Note 12 – Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure through October 8, 2026, which is the date the financial statement was available for issue.

On July 22, 2026, the City issued $4,915,000 of General Obligation Bonds, Series 2026. The bonds were issued to finance the otherwise unpaid costs of various capital improvements within the City, including water, sanitary sewer, and paving improvements. The bonds bear interest at rates ranging from 4.00% to 5.00% and mature annually through October 1, 2046. Principal and interest are payable from special assessments levied against the properties benefiting from the improvements and, to the extent necessary, ad valorem taxes levied upon all taxable tangible property within the City.

Supplementary Information

SCHEDULE 1

CITY OF ANDOVER, KANSAS
Summary of Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance-Over (Under)
General Fund	$ 17,094,658	$ -	$ 17,094,658	$ 15,160,842	$ (1,933,816)
Special Purpose Funds:					
Street Improvement Fund	10,119,800	-	10,119,800	9,542,118	(577,682)
Employee Benefits Fund	4,800,536	-	4,800,536	3,564,307	(1,236,229)
Special Highway Fund	728,800	-	728,800	639,339	(89,461)
Library Fund	921,200	-	921,200	895,213	(25,987)
Hotel and Tourism Fund	227,475	-	227,475	199,385	(28,090)
Park Improvement Fund	690,000	-	690,000	25,207	(664,793)
Fire District #1 Fund	593,526	-	593,526	517,247	(76,279)
Emergency 911 Fund	100,000	-	100,000	96,223	(3,777)
Special Building Fund	125,000	-	125,000	112,288	(12,712)
Golf Course Fund	290,000	-	290,000	268,656	(21,344)
Festivals Fund	42,000	-	42,000	41,939	(61)
Amphitheatre Fund	215,000	-	215,000	204,490	(10,510)
Debt Service Fund	10,072,203	-	10,072,203	9,620,202	(452,001)
Capital Project Fund:					
Sewer Expansion/ Equipment Reserve Fund	52,000,000	-	52,000,000	49,468,528	(2,531,472)
TIF Fund	1,626,000	-	1,626,000	1,607,866	(18,134)
Business Funds:					
Water Utility Fund	1,000,000	-	1,000,000	683,578	(316,422)
Sewer Utility Fund	3,293,209	-	3,293,209	3,084,703	(208,506)
Recycling/Trash Utility Fund	1,123,821	-	1,123,821	1,121,455	(2,366)
Storm Water Utility Fund	230,921	-	230,921	218,993	(11,928)
Vehicle Lease Management Fund	500,000	-	500,000	497,123	(2,877)
Totals	$ 105,794,149	$ -	$ 105,794,149	$ 97,569,702	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
General Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Taxes	$ 12,437,297	$ 12,348,761	$ (88,536)
Fines and Fees	490,575	466,583	(23,992)
Licenses and Permits	501,650	560,206	58,556
Intergovernmental	-	416,345	416,345
Rentals and Recreational Fees	-	149,391	149,391
Charges for Services	-	433	433
Miscellaneous	200	8,100	7,900
Interest Income	45,000	272,133	227,133
Transfers In	350,000	533,350	183,350
Total Receipts	$ 13,824,722	14,755,302	$ 930,580
Expenditures:			
Administration:			
Personal Services	$ 871,841	944,990	$ 73,149
Contractual Services	605,550	814,005	208,455
Commodities	26,450	94,557	68,107
Capital Outlay	10,000	10,347	347
Total Administration	1,513,841	1,863,899	350,058
Police			
Personal Services	2,653,006	2,330,114	(322,892)
Contractual Services	314,532	334,019	19,487
Commodities	230,350	144,341	(86,009)
Capital Outlay	67,000	65,109	(1,891)
Total Police	3,264,888	2,873,583	(391,305)
Fire:			
Personal Services	1,674,650	1,761,199	86,549
Contractual Services	228,500	282,166	53,666
Commodities	133,600	91,855	(41,745)
Capital Outlay	285,000	159,451	(125,549)
Total Fire	2,321,750	2,294,671	(27,079)
Municipal Court:			
Personal Services	68,660	67,066	(1,594)
Contractual Services	77,874	58,325	(19,549)
Commodities	750	1,703	953
Total Municipal Court	$ 147,284	$ 127,094	$ (20,190)

CITY OF ANDOVER, KANSAS
General Fund (Continued)
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Expenditures (Continued):			
Streets:			
Personal Services	$ 596,550	414,608	$ (181,942)
Contractual Services	199,350	237,704	38,354
Commodities	14,650	25,670	11,020
Capital Outlay	25,000	27,863	2,863
Total Streets	835,550	705,845	(129,705)
Parks:			
Personal Services	877,100	772,230	(104,870)
Contractual Services	204,100	307,352	103,252
Commodities	266,250	235,649	(30,601)
Capital Outlay	80,000	48,690	(31,310)
Total Parks	1,427,450	1,363,921	(63,529)
Recreational Program:			
Contractual Services	46,200	29,731	(16,469)
Commodities	55,376	31,070	(24,306)
Total Recreational Program	101,576	60,801	(40,775)
Information Technology:			
Personal Services	213,630	191,023	(22,607)
Contractual Services	245,360	236,108	(9,252)
Commodities	58,000	81,188	23,188
Capital Outlay	12,000	16,180	4,180
Total Information Technology	528,990	524,499	(4,491)
Code Enforcement:			
Personal Services	$ 462,079	$ 341,429	$ (120,650)
Contractual Services	268,250	337,918	69,668
Commodities	10,000	3,052	(6,948)
Total Code Enforcement	740,329	682,399	(57,930)
Transfers Out	4,463,000	4,664,130	201,130
Cash Reserves	1,750,000	-	(1,750,000)
Total Expenditures	$ 17,094,658	15,160,842	$ (1,933,816)
Receipts Over (Under) Expenditures		(405,540)	
Prior Year Canceled Encumbrances		7,548	
Unencumbered Cash, Beginning		4,254,310	
Unencumbered Cash, Ending		$ 3,856,318	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Street Improvement Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Taxes	$ 3,750,000	$ 3,750,000	$ 3,635,271	$ (114,729)
Intergovernmental	1,500,000	1,500,000	2,700,000	1,200,000
Licenses and Permits	60,000	60,000	156,625	96,625
Debt Issuance Proceeds	-	5,276,763	5,551,959	275,196
Interest Income	50,000	-	246,165	246,165
Total Receipts	$ 5,360,000	$ 10,586,763	12,290,020	$ 1,703,257
Expenditures:				
Contractual Services	$ 210,000	$ 210,000	1,160,550	$ 950,550
Capital Outlay	3,000,000	9,000,000	7,872,201	(1,127,799)
Transfers Out	909,800	909,800	509,367	(400,433)
Total Expenditures	$ 4,119,800	$ 10,119,800	9,542,118	$ (577,682)
Receipts Over (Under) Expenditures			2,747,902	
Unencumbered Cash, Beginning			1,779,163	
Unencumbered Cash, Ending			$ 4,527,065	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Taxes	$ 3,580,691	$ 3,724,159	$ 143,468
Payroll Contributions	211,000	387,108	176,108
Interest Income	25,000	118,031	93,031
Total Receipts	$ 3,816,691	4,229,298	$ 412,607
Expenditures:			
Personal Services	$ -	2,250,435	$ 2,250,435
Contractual Services	4,361,650	1,313,872	(3,047,778)
Cash Reserve	438,886	-	(438,886)
Total Expenditures	$ 4,800,536	3,564,307	$ (1,236,229)
Receipts Over (Under) Expenditures		664,991	
Unencumbered Cash, Beginning		1,976,959	
Unencumbered Cash, Ending		$ 2,641,950	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Taxes	$ 418,880	$ 509,043	$ 90,163
Charges for Services	-	6,347	6,347
Interest Income	20,000	24,284	4,284
Total Receipts	$ 438,880	539,674	$ 100,794
Expenditures:			
Personal Services	$ 103,000	103,000	$ -
Contractual Services	104,200	123,884	19,684
Commodities	261,600	233,392	(28,208)
Capital Outlay	125,000	44,063	(80,937)
Transfers Out	135,000	135,000	-
Total Expenditures	$ 728,800	639,339	$ (89,461)
Receipts Over (Under) Expenditures		(99,665)	
Unencumbered Cash, Beginning		626,070	
Unencumbered Cash, Ending		$ 526,405	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Library Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Taxes	$ 849,453	$ 817,778	$ (31,675)
Interest Income	-	6,067	6,067
Total Receipts	$ 849,453	823,845	$ (25,608)
Expenditures:			
Appropriations to Library Board	$ 921,200	817,778	$ (103,422)
Capital Outlay	-	77,435	77,435
Total Expenditures	$ 921,200	895,213	$ (25,987)
Receipts Over (Under) Expenditures		(71,368)	
Unencumbered Cash, Beginning		78,092	
Unencumbered Cash, Ending		$ 6,724	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Hotel and Tourism Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Taxes	$ 100,000	$ 109,000	$ 108,684	$ (316)
Interest Income	2,500	5,000	6,224	1,224
Donations	-	-	200	200
Miscellaneous	-	-	2,061	2,061
Total Receipts	$ 102,500	$ 114,000	117,169	$ 3,169
Expenditures:				
Contractual Services	$ 38,200	$ 38,200	73,508	$ 35,308
Commodities	64,275	64,275	13,377	(50,898)
Transfers Out	100,000	125,000	112,500	(12,500)
Total Expenditures	$ 202,475	$ 227,475	199,385	$ (28,090)
Receipts Over (Under) Expenditures			(82,216)	
Unencumbered Cash, Beginning			214,317	
Unencumbered Cash, Ending			$ 132,101	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Park Improvement Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Taxes	$ 83,000	$ 89,851	$ 6,851
Licenses and permits	135,000	190,875	55,875
Rentals	-	73,717	73,717
Intergovernmental	-	250	250
Interest Income	-	51,172	51,172
Total Receipts	$ 218,000	405,865	$ 187,865
Expenditures:			
Contractual Services	$ -	3,008	$ 3,008
Capital Outlay	690,000	22,199	(667,801)
Total Expenditures	$ 690,000	25,207	$ (664,793)
Receipts Over (Under) Expenditures		380,658	
Unencumbered Cash, Beginning		1,074,046	
Unencumbered Cash, Ending		$ 1,454,704	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Fire District #1 Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	$ 593,526	$ 602,768	$ 9,242
Interest Income	-	10,252	10,252
Total Receipts	$ 593,526	613,020	$ 19,494
Expenditures:			
Personal Services	$ 443,844	466,943	$ 23,099
Contractual Services	39,378	27,021	(12,357)
Commodities	23,006	12,374	(10,632)
Capital Outlay	41,895	-	(41,895)
Miscellaneous	10,936	-	(10,936)
Transfers Out	34,467	10,909	(23,558)
Total Expenditures	$ 593,526	517,247	$ (76,279)
Receipts Over (Under) Expenditures		95,773	
Unencumbered Cash, Beginning		152,684	
Unencumbered Cash, Ending		$ 248,457	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Emergency 911 Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Taxes	$ 90,189	$ 90,189	$ 107,185	$ 16,996
Interest Income	8,000	8,000	11,974	3,974
Total Receipts	$ 98,189	$ 98,189	119,159	$ 20,970
Expenditures:				
Contractual Services	$ 77,479	$ 100,000	95,813	$ (4,187)
Commodities	-	-	410	410
Total Expenditures	$ 77,479	$ 100,000	96,223	$ (3,777)
Receipts Over (Under) Expenditures			22,936	
Unencumbered Cash, Beginning			304,479	
Unencumbered Cash, Ending			$ 327,415	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Special Building Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Taxes	$ 89,007	$ 104,402	$ 15,395
Interest Income	-	2,672	2,672
Total Receipts	$ 89,007	107,074	$ 18,067
Expenditures:			
Appropriations to Andover Public Building Commission	$ 115,000	112,288	$ (2,712)
Cash Reserve	10,000	-	(10,000)
Total Expenditures	$ 125,000	112,288	$ (12,712)
Receipts Over (Under) Expenditures		(5,214)	
Unencumbered Cash, Beginning		43,201	
Unencumbered Cash, Ending		$ 37,987	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Golf Course Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Charges for Services	$ -	$ 1,789	$ 1,789
Interest Income	-	1,484	1,484
Transfers In	285,000	307,200	22,200
Total Receipts	$ 285,000	310,473	$ 25,473
Expenditures:			
Contractual Services	$ 118,000	144,779	$ 26,779
Commodities	17,000	4,351	(12,649)
Capital Outlay	155,000	119,526	(35,474)
Total Expenditures	$ 290,000	268,656	$ (21,344)
Receipts Over (Under) Expenditures		41,817	
Unencumbered Cash, Beginning		1,943	
Unencumbered Cash, Ending		$ 43,760	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Festivals Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Greater Andover Days	$ 44,500	$ 67,043	$ 22,543
Hometown Christmas	4,000	4,000	-
Amphitheatre	-	(500)	(500)
Interest Income	-	4,269	4,269
Total Receipts	$ 48,500	74,812	$ 26,312
Expenditures:			
Greater Andover Days	$ 38,000	36,545	$ (1,455)
Hometown Christmas	4,000	4,941	941
Amphitheatre	-	453	453
Total Expenditures	$ 42,000	41,939	$ (61)
Receipts Over (Under) Expenditures		32,873	
Unencumbered Cash, Beginning		103,723	
Unencumbered Cash, Ending		$ 136,596	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Amphitheatre Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Amphitheatre	$ 75,000	$ 75,000	$ 75,000	$ -
Interest Income	-	-	(760)	(760)
Transfers In	100,000	125,000	112,500	(12,500)
Total Receipts	$ 175,000	$ 200,000	186,740	$ (13,260)
Expenditures:				
Contractual Services	$ 190,000	$ 215,000	203,280	$ (11,720)
Commodities	-	-	1,210	1,210
Total Expenditures	$ 190,000	$ 215,000	204,490	$ (10,510)
Receipts Over (Under) Expenditures			(17,750)	
Unencumbered Cash, Beginning			31,383	
Unencumbered Cash, Ending			$ 13,633	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Debt Service Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Taxes	$ 58,309	$ 120,398	$ 62,089
Special Assessments	3,546,791	3,408,881	(137,910)
Debt Issuance Proceeds	-	244,020	244,020
Interest Income	18,500	70,234	51,734
Transfers In	5,587,996	5,426,484	(161,512)
Total Receipts	$ 9,211,596	9,270,017	$ 58,421
Expenditures:			
Principal	$ 6,580,000	6,580,000	$ -
Interest Expense	3,040,203	3,040,202	(1)
Commission and Postage	2,000	-	(2,000)
Cash Basis Reserve	450,000	-	(450,000)
Total Expenditures	$ 10,072,203	9,620,202	$ (452,001)
Receipts Over (Under) Expenditures		(350,185)	
Unencumbered Cash, Beginning		1,157,077	
Unencumbered Cash, Ending		$ 806,892	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Sewer Expansion/Equipment Reserve Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Licenses and Permits	$ 250,000	$ 250,000	$ 780,176	$ 530,176
Debt Issuance Proceeds	-	36,366,533	36,366,533	-
Interest Income	-	-	929,836	929,836
Transfers In	1,000,000	1,000,000	1,100,000	100,000
Total Receipts	$ 1,250,000	$ 37,616,533	39,176,545	$ 1,560,012
Expenditures:				
Contractual Services	$ -	$ -	1,968,580	$ 1,968,580
Capital Outlay	13,085,000	52,000,000	47,499,948	(4,500,052)
Total Expenditures	$ 13,085,000	$ 52,000,000	49,468,528	$ (2,531,472)
Receipts Over (Under) Expenditures			(10,291,983)	
Unencumbered Cash, Beginning			16,877,780	
Unencumbered Cash, Ending			$ 6,585,797	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
TIF Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Taxes	$ -	$ 903,112	$ 903,110	$ (2)
Miscellaneous	-	686,990	686,990	-
Interest Income	-	12,000	13,081	1,081
Total Receipts	$ -	$ 1,602,102	1,603,181	$ 1,079
Expenditures:				
Contractual Services	$ -	$ 18,000	-	$ (18,000)
Transfers Out	-	1,608,000	1,607,866	(134)
Total Expenditures	$ -	$ 1,626,000	1,607,866	$ (18,134)
Receipts Over (Under) Expenditures			(4,685)	
Prior Year Canceled Encumbrances			141,246	
Unencumbered Cash, Beginning			24,145	
Unencumbered Cash, Ending			$ 160,706	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Water Utility Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Charges for Services	$ 135,000	$ 146,400	$ 160,199	$ 13,799
Debt Issuance Proceeds	-	765,000	810,551	45,551
Interest Income	7,500	25,000	30,626	5,626
Total Receipts	$ 142,500	$ 936,400	1,001,376	$ 64,976
Expenditures:				
Contractual Services	$ -	$ -	45,338	$ 45,338
Capital Outlay	-	1,000,000	638,240	(361,760)
Total Expenditures	$ -	$ 1,000,000	683,578	$ (316,422)
Receipts Over (Under) Expenditures			317,798	
Unencumbered Cash, Beginning			617,615	
Unencumbered Cash, Ending			$ 935,413	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Sewer Utility Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Licenses and Permits	$ 40,000	$ 42,327	$ 2,327
Charges for Services	3,500,000	3,624,107	124,107
Interest Income	39,000	123,293	84,293
Total Receipts	$ 3,579,000	3,789,727	$ 210,727
Expenditures:			
Personal Services	$ 995,569	846,950	$ (148,619)
Contractual Services	571,940	523,887	(48,053)
Commodities	170,700	136,969	(33,731)
Capital Outlay	90,000	90,242	242
Transfers Out	1,465,000	1,486,655	21,655
Total Expenditures	$ 3,293,209	3,084,703	$ (208,506)
Receipts Over (Under) Expenditures		705,024	
Unencumbered Cash, Beginning		2,602,066	
Unencumbered Cash, Ending		$ 3,307,090	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Recycling/Trash Utility Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Charges for Services	$ 1,116,500	$ 1,210,113	$ 93,613
Interest Income	1,250	11,367	10,117
Total Receipts	$ 1,117,750	1,221,480	$ 103,730
Expenditures:			
Personal Services	$ 47,821	-	$ (47,821)
Contractual Services	1,063,000	1,120,010	57,010
Commodities	13,000	1,445	(11,555)
Total Expenditures	$ 1,123,821	1,121,455	$ (2,366)
Receipts Over (Under) Expenditures		100,025	
Unencumbered Cash, Beginning		176,474	
Unencumbered Cash, Ending		$ 276,499	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Storm Water Utility Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Charges for Services	$ 214,000	$ 213,696	$ (304)
Interest Income	2,000	3,501	1,501
Total Receipts	$ 216,000	217,197	$ 1,197
Expenditures:			
Personal Services	$ 162,471	168,281	$ 5,810
Contractual Services	35,500	33,444	(2,056)
Commodities	17,550	1,868	(15,682)
Transfers Out	15,400	15,400	-
Total Expenditures	$ 230,921	218,993	$ (11,928)
Receipts Over (Under) Expenditures		(1,796)	
Unencumbered Cash, Beginning		92,156	
Unencumbered Cash, Ending		$ 90,360	

SCHEDULE 2

CITY OF ANDOVER, KANSAS
Vehicle Lease Management Fund
Schedule of Receipts and Expenditures – Budget and Actual
Regulatory Basis
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Miscellaneous	$ 175,000	$ 146,002	$ (28,998)
Interest Income	-	5,515	5,515
Transfers In	-	353,914	353,914
Total Receipts	$ 175,000	505,431	$ 330,431
Expenditures:			
Capital Outlay	$ 500,000	497,123	$ (2,877)
Receipts Over (Under) Expenditures		8,308	
Unencumbered Cash, Beginning		290,065	
Unencumbered Cash, Ending		$ 298,373	

SCHEDULE 3

CITY OF ANDOVER, KANSAS
Street Equipment Reserve Fund*
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Receipts:		
Intergovernmental	$	154,382
Miscellaneous		10,900
Interest Income		14,870
Transfers In		135,000
Total Receipts		315,152
Expenditures:		
Capital Outlay		302,067
Receipts Over (Under) Expenditures		13,085
Unencumbered Cash, Beginning		288,739
Unencumbered Cash, Ending	$	301,824

* This fund is not required to be budgeted.

SCHEDULE 3

CITY OF ANDOVER, KANSAS
City Project Funds*
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Receipts:	
Debt Issuance Proceeds	$ 6,039,758
Interest Income	(295,318)
Total Receipts	5,744,440
Expenditures:	
Contractual Services	11,435,481
Transfers Out	183,350
Total Expenditures	11,618,831
Receipts Over (Under) Expenditures	(5,874,391)
Prior Year Canceled Encumbrances	66,569
Unencumbered Cash, Beginning	(6,916,996)
Unencumbered Cash, Ending	$ (12,724,818)

* This fund is not required to be budgeted.

SCHEDULE 3

CITY OF ANDOVER, KANSAS
Capital Equipment Reserve Fund*
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Receipts:	
Fines and Fees	$ 24,629
Contributions	1,000,000
Miscellaneous	438,798
Interest Income	76,709
Transfers In	430,709
Total Receipts	1,970,845
Expenditures:	
Contractual Services	92,206
Commodities	114,219
Capital Outlay	2,065,768
Total Expenditures	2,272,193
Receipts Over (Under) Expenditures	(301,348)
Prior Year Canceled Encumbrances	1,947
Unencumbered Cash, Beginning	1,813,534
Unencumbered Cash, Ending	$ 1,514,133

* This fund is not required to be budgeted.

SCHEDULE 3

CITY OF ANDOVER, KANSAS
Sales Tax Funded Projects Fund*
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Receipts:	
Interest Income	$ 154,935
Transfers In	3,635,271
Total Receipts	3,790,206
Expenditures:	
Contractual Services	471,144
Transfers Out	3,309,251
Total Expenditures	3,780,395
Receipts Over (Under) Expenditures	9,811
Unencumbered Cash, Beginning	2,785,679
Unencumbered Cash, Ending	$ 2,795,490

* This fund is not required to be budgeted.

SCHEDULE 3

CITY OF ANDOVER, KANSAS
Andover Public Building Commission*
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Receipts:	
Intergovernmental	$ 112,288
Expenditures:	
Principal	85,000
Interest Expense	27,288
Total Expenditures	112,288
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	-
Unencumbered Cash, Ending	$ -

* This fund is not required to be budgeted.

SCHEDULE 4

CITY OF ANDOVER, KANSAS
Agency Funds
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Clearing	$ 64,796	$ 101,468	$ 106,075	$ 60,189
Municipal Court Bond Fund	25,055	17,870	17,370	25,555
Total	$ 89,851	$ 119,338	$ 123,445	$ 85,744

SCHEDULE 5

CITY OF ANDOVER, KANSAS
Andover Public Library – Related Municipal Entity
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Receipts:	
Taxes	$ 795,461
Intergovernmental	84,534
Fines and Fees	50,134
Miscellaneous	11,033
Interest Income	27,101
Total Receipts	968,263
Expenditures:	
Salaries, Wages, and Payroll Taxes	538,669
Advertising and Promotion	8,250
Contract Services	47,184
Capital Outlay	24,797
Postage	12,525
Special Programs	11,447
Books, Periodicals, and Other Media	92,934
Repairs and Maintenance	40,483
Workshops and Trainings	1,098
Utilities	57,953
Other	9,612
Total Expenditures	844,952
Receipts Over (Under) Expenditures	123,311
Unencumbered Cash, Beginning	985,900
Unencumbered Cash, Ending	$ 1,109,211