CITY OF BURLINGTON, KANSAS

FINANCIAL STATEMENTS

Year ended December 31, 2025

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City of Burlington, Kansas

Financial Statements
Year ended December 31, 2025

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City of Burlington, Kansas

Financial Statements
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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Burlington, Kansas

Opinions
We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Burlington, Kansas, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Burlington, Kansas, as of December 31, 2025, and the respective changes in financial position thereof and the budgetary comparison for the General Fund and the City/County Infrastructure Project Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 Statements 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 audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amount and disclosures in the financial statements.

- 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 statements.
- Conclude whether, in our judgement, 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.

Other Matters

Required Supplementary Information

The City has not presented management discussion and analysis that principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be a part of, the basic financial statements. Accounting principles generally accepted in the United States of America require that the other post-employment benefit schedules, the schedule of the City's proportionate share of the net pension liability, and the schedule of the City's contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The combining and individual nonmajor fund financial statements and schedules, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

September 2, 2026

City of Burlington, Kansas

STATEMENT OF NET POSITION
December 31, 2025

	Governmental Activities	Business-type Activities	Total
Assets and Deferred Outflows of Resources			
Current assets:			
Cash and cash equivalents	$ 5,549,137	$ 3,422,477	$ 8,971,614
Accounts receivable (net of allowance for uncollectibles)	-	455,754	455,754
Taxes receivable	863,998	-	863,998
Inventory	-	426,346	426,346
Prepaid expenses	27,035	75,464	102,499
Restricted assets			
Cash and cash equivalents	-	61,476	61,476
Total current assets	6,440,170	4,441,517	10,881,687
Noncurrent assets:			
Capital assets:			
Capital assets, nondepreciable			
Land	-	246,649	246,649
Capital assets, depreciable	8,178,987	44,584,966	52,763,953
Less: accumulated depreciation	[6,017,389]	[29,278,239]	[35,295,628]
Total net capital assets	2,161,598	15,553,376	17,714,974
Total noncurrent assets	2,161,598	15,553,376	17,714,974
Total assets	8,601,768	19,994,893	28,596,661
Deferred outflows of resources			
Net pension liability	243,410	284,124	527,534
OPEB liability	2,975	-	2,975
KPERS OPEB liability	15,647	-	15,647
Total deferred outflows of resources	262,032	284,124	546,156
Total assets and deferred outflows of resources	$ 8,863,800	$ 20,279,017	$ 29,142,817
Liabilities and Deferred Inflows of Resources			
Liabilities:			
Current liabilities:			
Accrued liabilities	$ 44,984	$ 53,096	$ 98,080
Accounts payable	22,178	409,218	431,396
Interest payable	-	200,414	200,414
Meter deposits	-	61,476	61,476
Current portion of bonds and notes payable	-	325,004	325,004
Total current liabilities	67,162	1,049,208	1,116,370
Noncurrent liabilities:			
OPEB liability	16,621	-	16,621
KPERS OPEB liability	41,736	-	41,736
Accrued compensated absences	223,115	223,944	447,059
General obligation bonds and notes payable	-	8,020,939	8,020,939
Net pension liability	955,170	1,095,194	2,050,364
Total noncurrent liabilities	1,236,642	9,340,077	10,576,719
Total liabilities	1,303,804	10,389,285	11,693,089
Deferred Inflows of Resources			
Unavailable revenue - property taxes	848,695	-	848,695
OPEB liability	24,182	-	24,182
KPERS OPEB liability	34,302	-	34,302
Net pension liability	48,110	47,602	95,712
Total deferred inflows of resources	955,289	47,602	1,002,891
Total liabilities and deferred inflows of resources	$ 2,259,093	$ 10,436,887	$ 12,695,980
Net Position			
Net investment in capital assets	$ 2,161,598	$ 7,207,433	$ 9,369,031
Restricted for:			
Debt service	21,291	-	21,291
Unrestricted	4,421,818	2,634,697	7,056,515
Total net position	$ 6,604,707	$ 9,842,130	$ 16,446,837

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

City of Burlington, Kansas

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

		Program Revenues		Net [Expenses] Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental activities:						
General government	$ 575,193	$ 220,674	$ 7,139	$ [347,380]	$ -	$ [347,380]
Public safety	1,058,303	132,611	-	[925,692]	-	[925,692]
Highways and streets	1,420,494	-	498,379	[922,115]	-	[922,115]
Culture and recreation	365,539	23,058	115,629	[226,852]	-	[226,852]
Economic development	369	-	-	[369]	-	[369]
Interest on long-term debt	205,039	-	-	[205,039]	-	[205,039]
Total governmental activities	3,624,937	376,343	621,147	[2,627,447]	-	[2,627,447]
Business-type activities:						
Electric Utility	4,527,428	3,755,604	145,000	-	[626,824]	[626,824]
Sewer Utility	845,514	435,563	179,732	-	[230,219]	[230,219]
Water Utility	1,756,987	1,622,368	-	-	[134,619]	[134,619]
Total business-type activities	7,129,929	5,813,535	324,732	-	[991,662]	[991,662]
Total government	$10,754,866	$ 6,189,878	$ 945,879	[2,627,447]	[991,662]	[3,619,109]
	General Revenues:					
	Property taxes levied for					
	General purposes			828,294	-	828,294
	Debt service			4,937	-	4,937
	Sales tax			1,013,457	323,152	1,336,609
	Franchise tax			11,344	-	11,344
	Special assessments			14,863	-	14,863
	Investments earnings			152,545	-	152,545
	Miscellaneous			89,823	187,268	277,091
	Transfers, net			619,771	[619,771]	-
	Total general revenues and transfers			2,735,034	[109,351]	2,625,683
	Change in net position			107,587	[1,101,013]	[993,426]
	Net position - beginning			6,497,120	10,943,143	17,440,263
	Net position - ending			$ 6,604,707	$ 9,842,130	$ 16,446,837

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

City of Burlington, Kansas

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	General	Debt Service	County/ City Infrastructure Project	Infrastructure	Special Highway	County/ City Street Project	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	$ 307,936	$ 21,291	$ 335,784	$ 1,678,152	$ 1,566,529	$ 765,733	$ 873,712	$ 5,549,137
Receivables						-		
Taxes	823,305	-	-	-	-	-	40,693	863,998
Prepaid expenses	25,346	-	-	-	-	-	1,689	27,035
Total assets	$ 1,156,587	$ 21,291	$ 335,784	$ 1,678,152	$ 1,566,529	$ 765,733	$ 916,094	$ 6,440,170
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ [3,627]	$ -	$ -	$ -	$ 15,668	$ 2,966	$ 7,171	$ 22,178
Accrued liabilities	44,986	-	-	-	-	-	-	44,986
Total liabilities	41,359	-	-	-	15,668	2,966	7,171	67,164
Deferred inflows of resources:								
Unavailable revenue - property taxes	823,305	-	-	-	-	-	25,390	848,695
Total deferred inflows of resources	823,305	-	-	-	-	-	25,390	848,695
Total liabilities and deferred inflows of resources	864,664	-	-	-	15,668	2,966	32,561	915,859
Fund balance:								
Nonspendable	25,346	-	-	-	-	-	1,689	27,035
Restricted	-	21,291	-	-	1,550,861	-	80,100	1,652,252
Committed	-	-	335,784	1,678,152	-	762,767	801,744	3,578,447
Unassigned	266,577	-	-	-	-	-	-	266,577
Total fund balance	291,923	21,291	335,784	1,678,152	1,550,861	762,767	883,533	5,524,311
Total liabilities, deferred inflows of resources and fund balances	$ 1,156,587	$ 21,291	$ 335,784	$ 1,678,152	$ 1,566,529	$ 765,733	$ 916,094	$ 6,440,170

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

City of Burlington, Kansas

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2025

Total Governmental Fund Balances		$ 5,524,311
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
The cost of capital assets is	8,178,987	
Accumulated depreciation is	6,017,389	2,161,598
Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position.		243,410
Pension fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position.		[48,109]
A long-term liability is recorded for the unfunded portion of post employment benefits other than pensions, while in the governmental funds, liabilities that do not require satisfaction with current resources are not recorded.		[98,219]
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long term liabilities at year end consist of:		
Net pension liability	[955,170]	
Compensated absences payable	[223,115]	[1,178,285]
Net Position of Governmental Activities		$ 6,604,706

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

City of Burlington, Kansas

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General	Debt Service	City/ County Infrastructure Project	Infrastructure	Special Highway	City/ County Street Project	Other Governmental Funds	Total Governmental Funds
REVENUES:								
Property tax	$ 795,572	$ 4,937	$ -	$ -	$ -	$ -	$ 32,722	$ 833,231
Sales tax	690,305	-	-	-	323,152	-	-	1,013,457
Franchise tax	11,344	-	-	-	70,200	-	-	81,544
Charges for services	46,333	-	-	-	-	-	186,746	233,079
Special assessments	1,496	10,791	-	-	-	2,576	-	14,863
Intergovernmental	2,481	-	209,865	-	-	218,314	120,287	550,947
Licenses and permits	10,653	-	-	-	-	-	-	10,653
Fines and fees	129,961	-	-	-	-	-	2,650	132,611
Use of money and property	151,025	-	-	-	-	-	1,520	152,545
Reimbursements	22,940	-	-	-	-	-	30,600	53,540
Miscellaneous	36,283	-	-	-	-	-	-	36,283
Total revenues	1,898,393	15,728	209,865	-	393,352	220,890	374,525	3,112,753
EXPENDITURES:								
Current								
General government	161,889	-	-	179,732	-	-	354,276	695,897
Public safety	1,011,245	-	-	-	-	-	-	1,011,245
Highways and streets	752,772	-	-	-	128,839	19,712	30,600	931,923
Culture and recreation	299,306	-	-	-	-	-	20,411	319,717
Economic development	-	-	-	-	-	-	369	369
Public health	8,240	-	-	-	-	-	-	8,240
Capital outlay	11,187	-	223,012	-	-	975	60,070	295,244
Debt service								
Interest and other charges	-	-	-	205,039	-	-	-	205,039
Total expenditures	2,244,639	-	223,012	384,771	128,839	20,687	465,726	3,467,674
Excess [deficiency] of revenues over [under] expenditures	[346,246]	15,728	[13,147]	[384,771]	264,513	200,203	[91,201]	[354,921]
OTHER FINANCING SOURCES [USES]								
Transfers [out]	[21,074]	-	-	-	-	-	-	[21,074]
Transfers in	235,000	-	-	384,771	-	-	21,074	640,845
Total other financing sources [uses]	213,926	-	-	384,771	-	-	21,074	619,771
Net change in fund balances	[132,320]	15,728	[13,147]	-	264,513	200,203	[70,127]	264,850
Fund balance, January 1	424,243	5,563	348,931	1,678,152	1,286,348	562,564	953,660	5,259,461
Fund balance, December 31	$ 291,923	$ 21,291	$ 335,784	$ 1,678,152	$ 1,550,861	$ 762,767	$ 883,533	$ 5,524,311

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

City of Burlington, Kansas

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

Total Net Change In Fund Balances - Governmental Funds		$ 264,850
Amounts reported for governmental activities in the statement of activities are different because		
Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period.		
Capital asset additions	9,851	
Depreciation expense	[282,061]	[272,210]
Some expenses reported in the statement of activities, such as compensated absences and net other post employment benefit obligations, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences	133,930	
OPEB liability	246	
KPERS OPEB liability	618	134,794
Pension payments are reported as expenditures in the governmental funds and do not affect the statement of net activities.		[19,847]
Changes In Net Position of Governmental Activities		$ 107,587

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
GENERAL FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Property tax	$ 795,572	$ -	$ 795,572	$ 817,366	$ 817,366	$ [21,794]
Sales tax	690,305	-	690,305	660,243	660,243	30,062
Franchise tax	11,344	-	11,344	16,500	16,500	[5,156]
Licenses and permits	10,653	-	10,653	14,600	14,600	[3,947]
Special assessments	1,496	-	1,496	5,000	5,000	[3,504]
Charges for services	46,333	-	46,333	25,949	25,949	20,384
Intergovernmental	2,481	-	2,481	7,500	7,500	[5,019]
Fines and fees	129,961	-	129,961	90,000	90,000	39,961
Use of money and property	151,025	-	151,025	180,500	180,500	[29,475]
Reimbursements	36,283	-	36,283	59,000	59,000	[22,717]
Miscellaneous	22,940	-	22,940	17,250	17,250	5,690
Total revenues	1,898,393	-	1,898,393	1,893,908	1,893,908	4,485
Expenditures						
General government						
Personal services	82,582	-	82,582	106,703	106,703	24,121
Contractual services	71,629	1,016	72,645	60,093	60,093	[12,552]
Commodities	7,678	-	7,678	10,500	10,500	2,822
Capital outlay	9,851	-	9,851	40,000	40,000	30,149
Total general government	171,740	1,016	172,756	217,296	217,296	44,540
Public safety						
Personal services	669,697	-	669,697	878,487	878,487	208,790
Contractual services	293,327	-	293,327	147,648	147,648	[145,679]
Commodities	48,221	-	48,221	13,500	13,500	[34,721]
Total public safety	1,011,245	-	1,011,245	1,039,635	1,039,635	28,390
Highway and streets						
Personal services	608,023	-	608,023	695,625	695,625	87,602
Contractual services	132,713	-	132,713	132,330	132,330	[383]
Commodities	12,036	-	12,036	13,200	13,200	1,164
Total highway and streets	752,772	-	752,772	841,155	841,155	88,383

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
GENERAL FUND (Continued)
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Culture and recreation						
Personal services	$ 211,850	$ -	$ 211,850	$ 223,696	$ 223,696	$ 11,846
Contractual services	74,362	-	74,362	78,821	78,821	4,459
Commodities	13,094	-	13,094	15,500	15,500	2,406
Capital outlay	1,336	-	1,336	-	-	[1,336]
Total culture and recreation	300,642	-	300,642	318,017	318,017	17,375
Public health						
Personal services	8,240	-	8,240	8,650	8,650	410
Total public health	8,240	-	8,240	8,650	8,650	410
Total expenditures	2,244,639	1,016	2,245,655	2,424,753	2,424,753	179,098
Excess [deficiency] of revenues over [under] expenditures	[346,246]	[1,016]	[347,262]	[530,845]	[530,845]	183,583
Other financing sources [uses]						
Transfer [out]	[21,074]	-	[21,074]	[10,552]	[10,552]	[10,522]
Transfers in	235,000	-	235,000	230,000	230,000	5,000
Total other financing sources [uses]	213,926	-	213,926	219,448	219,448	[5,522]
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	[132,320]	[1,016]	[133,336]	$ [311,397]	$ [311,397]	$ 178,061
Fund balance, January 1	424,243	[88,427]	335,816			
Fund balance, December 31	$ 291,923	$ [89,443]	$ 202,480			

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
CITY/COUNTY INFRASTRUCTURE PROJECT FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Intergovernmental	$ 209,865	$ -	$ 209,865	$ 209,865	$ 209,865	$ -
Total revenues	209,865	-	209,865	209,865	209,865	-
Expenditures						
Capital outlay	223,012	-	223,012	678,644	678,644	455,632
Total expenditures	223,012	-	223,012	678,644	678,644	455,632
Excess [deficiency] of revenues over [under] expenditures	[13,147]	-	[13,147]	$ [468,779]	$ [468,779]	$ 455,632
Fund balance, January 1,	348,931	-	348,931			
Fund balance, December 31	$ 335,784	$ -	$ 335,784			

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SPECIAL HIGHWAY FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Sales tax	$ 323,152	$ -	$ 323,152	$ 330,122	$ 330,122	$ [6,970]
Intergovernmental	70,200	-	70,200	68,810	68,810	1,390
Total revenues	393,352	-	393,352	398,932	398,932	[5,580]
Expenditures						
Highways and streets						
Contractual services	128,839	-	128,839	1,419,106	1,419,106	1,290,267
Total expenditures	128,839	-	128,839	1,419,106	1,419,106	1,290,267
Excess [deficiency] of revenues over [under] expenditures	264,513	-	264,513	$[1,020,174]	$[1,020,174]	$ 1,284,687
Fund balance, January 1	1,286,348	-	1,286,348			
Fund balance, December 31	$ 1,550,861	$ -	$ 1,550,861			

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
COUNTY/CITY STREET PROJECT FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Intergovernmental	$ 218,314	-	$ 218,314	$ 209,865	$ 209,865	$ 8,449
Special assessments	2,576	-	2,576	2,576	2,576	-
Total revenues	220,890	-	220,890	212,441	212,441	8,449
Expenditures						
Highways and streets						
Contractual services	19,712	-	19,712	654,318	654,318	634,606
Capital outlay	975	-	975	88,000	88,000	87,025
Total expenditures	20,687	-	20,687	742,318	742,318	721,631
Excess [deficiency] of revenues over [under] expenditures	200,203	-	200,203	$ [529,877]	$ [529,877]	$ 730,080
Fund balance, January 1	562,564	-	562,564			
Fund balance, December 31	$ 762,767	$ -	$ 762,767			

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

City of Burlington, Kansas

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2025

	Business-Type Activities: Enterprise Funds			
	Electric Utility	Sewer Utility	Water Utility	Total
Assets and Deferred Outflows of Resources				
Current assets:				
Cash and cash equivalents	$ 1,706,578	$ 962,634	$ 753,265	$ 3,422,477
Accounts receivable (net of allowance for uncollectibles)	302,733	34,615	118,406	455,754
Inventory	382,729	3,098	40,519	426,346
Prepaid expenses	52,849	1,813	20,802	75,464
Restricted assets				
Cash and cash equivalents	46,533	-	14,943	61,476
Total current assets	2,491,422	1,002,160	947,935	4,441,517
Capital assets:				
Capital assets, nondepreciable				
Land	4,000	166,649	76,000	246,649
Capital assets, depreciable				
Utility plant	14,420,245	15,739,840	14,424,881	44,584,966
Less: accumulated depreciation	[12,692,597]	[8,987,024]	[7,598,618]	[29,278,239]
Total net capital assets	1,731,648	6,919,465	6,902,263	15,553,376
Deferred outflows of resources				
Pension liability	168,280	36,901	78,943	284,124
Total deferred outflows of resources	168,280	36,901	78,943	284,124
Total assets and deferred outflows of resources	$ 4,391,350	$ 7,958,526	$ 7,929,141	$ 20,279,017
Liabilities and Deferred Inflows of Resources				
Current liabilities:				
Accrued liabilities	$ 31,900	$ 3,750	$ 17,446	$ 53,096
Accounts payable	296,818	12,180	100,220	409,218
Interest payable	6,782	193,632	-	200,414
Meter deposits	46,533	-	14,943	61,476
Current portion of bonds and notes payable	145,000	180,004	-	325,004
Total current liabilities	527,033	389,566	132,609	1,049,208
Noncurrent liabilities:				
Accrued compensated absences	146,521	14,777	62,646	223,944
Long-term portion of bonds and notes payable	930,000	7,090,939	-	8,020,939
Net pension liability	617,353	142,922	334,919	1,095,194
Total noncurrent liabilities	1,693,874	7,248,638	397,565	9,340,077
Total liabilities	2,220,907	7,638,204	530,174	10,389,285
Deferred inflows of resources				
Pension liability	32,368	4,906	10,328	47,602
Total deferred outflows of resources	32,368	4,906	10,328	47,602
Total liabilities and deferred inflows of resources	$ 2,253,275	$ 7,643,110	$ 540,502	$ 10,436,887
Net position:				
Net investment in capital assets	$ 656,648	$ [351,478]	$ 6,902,263	$ 7,207,433
Unreserved	1,481,427	666,894	486,376	2,634,697
Total net position	$ 2,138,075	$ 315,416	$ 7,388,639	$ 9,842,130

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2025

	Business-Type Activities: Enterprise Funds			
	Electric Utility	Sewer Utility	Water Utility	Totals
Operating revenues				
Charges for services	$ 3,755,604	$ 435,563	$ 1,622,368	$ 5,813,535
Reimbursements	180,168	-	[8,291]	171,877
Miscellaneous	4,306	200	10,885	15,391
Total operating revenues	3,940,078	435,763	1,624,962	6,000,803
Operating expenses				
Collection and treatment	-	406,231	-	406,231
Production	2,998,287	-	864,232	3,862,519
Distribution	770,478	-	359,249	1,129,727
Administration and general	374,065	4,384	300,129	678,578
Depreciation and amortization	362,896	434,899	232,416	1,030,211
Total operating expenses	4,505,726	845,514	1,756,026	7,107,266
Operating income [loss]	[565,648]	[409,751]	[131,064]	[1,106,463]
Nonoperating revenues [expenses]				
Contributed capital	145,000	179,732	-	324,732
Capital improvement sales tax	-	323,152	-	323,152
Interest expense	[21,702]	-	[961]	[22,663]
Total nonoperating revenues [expenses]	123,298	502,884	[961]	625,221
Income before operating transfers	[442,350]	93,133	[132,025]	[481,242]
Transfers				
Transfer [out]	[95,000]	[459,771]	[65,000]	[619,771]
Total transfers	[95,000]	[459,771]	[65,000]	[619,771]
Change in net position	[537,350]	[366,638]	[197,025]	[1,101,013]
Net position, January 1	2,675,425	682,054	7,585,664	10,943,143
Net position, December 31	$ 2,138,075	$ 315,416	$ 7,388,639	$ 9,842,130

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

City of Burlington, Kansas

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2025

	Business-Type Activities: Enterprise Funds			
	Electric Utility	Sewer Utility	Water Utility	Totals
Cash flows from operating activities				
Cash received from customers	$ 3,950,321	$ 435,934	$ 1,622,207	$ 6,008,462
Cash paid to suppliers and employees	[4,130,047]	[395,537]	[1,423,114]	[5,948,698]
Net cash provided by [used in] operating activities	[179,726]	40,397	199,093	59,764
Cash flows from noncapital financing activities				
Sales taxes revenue	-	323,152	-	323,152
Transfers [to] from other funds	[95,000]	[459,771]	[65,000]	[619,771]
Net cash provided by [used in] noncapital financing activities	[95,000]	[136,619]	[65,000]	[296,619]
Cash flows from capital and related financing activities				
Purchases and construction of capital assets	[54,831]	-	[105,005]	[159,836]
Capital contributions	145,000	179,732	-	324,732
Interest paid on bonds and loans	[20,904]	[4,653]	[2,404]	[27,961]
Payments on bonds and loans	[145,000]	[175,079]	[146,190]	[466,269]
Net cash provided by [used in] capital and related financing activities	[75,735]	-	[253,599]	[329,334]
Net increase [decrease] in cash and cash equivalents	[350,461]	[96,222]	[119,506]	[566,189]
Cash and cash equivalents, January 1	2,057,039	1,058,856	872,771	3,988,666
Cash and cash equivalents, December 31	$ 1,706,578	$ 962,634	$ 753,265	$ 3,422,477

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

City of Burlington, Kansas

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Continued)
For the Year Ended December 31, 2025

	Business-Type Activities: Enterprise Funds			
	Electric Utility	Sewer Utility	Water Utility	Totals
Reconciliation of operating income [loss] to net cash provided by [used in] operating activities				
Operating income [loss]	$ [565,648]	$ [409,751]	$ [131,064]	$ [1,106,463]
Adjustments to reconcile operating income [loss] to net cash provided by [used in] operating activities				
Depreciation expense	362,896	434,899	232,416	1,030,211
[Increase] decrease in accounts receivable	10,243	171	[2,755]	7,659
[Increase] decrease in prepaid expenses	[7,048]	[161]	[1,923]	[9,132]
[Increase] decrease in inventory	7,055	-	[7,946]	[891]
[Increase] decrease in deferred outflows	7,367	1,644	4,336	13,347
Increase [decrease] in accrued liabilities	481	[281]	1,209	1,409
Increase [decrease] in deferred inflows	11,773	2,626	6,930	21,329
Increase [decrease] in net pension liability	[11,556]	[2,579]	[6,802]	[20,937]
Increase [decrease] in accounts payable	[7,252]	9,134	96,932	98,814
Increase [decrease] in accrued compensated absences	11,963	4,695	7,760	24,418
Net cash provided by [used in] operating activities	$ [179,726]	$ 40,397	$ 199,093	$ 59,764

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

City of Burlington, Kansas

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
December 31, 2025

	KS Loan Program Fund
ASSETS	
Cash and cash equivalents	$ -
Total assets	$ -
LIABILITIES	
Accounts payable	$ 70
Total liabilities	$ 70
NET POSITION	
Net position	
Restricted for individuals, organizations or other governments	$ [70]

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

City of Burlington, Kansas

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended December 31, 2025

	KS Loan Program Fund
Additions	
Charges for services	$ 841
Total additions	841
Deductions	
Contractual services	911
Total deductions	911
Change in net position	[70]
Net position, January 1	-
Net position, December 31	$ [70]

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Reporting Entity*

The City of Burlington, Kansas, (the City) is a municipal corporation governed by a mayor and an elected six-member council. These financial statements present the City (the primary government) and exclude all component units of which the City appointed a voting majority of the unit's board, and the City is either able to impose its will on the unit or a financial benefit or burden relationship exists. Thus, these financial statements of the City consist only of the funds of the primary government, excluding the Burlington Housing Authority.

The Burlington Housing Authority is a component unit for which the City appoints the governing board. The City makes no financial appropriation to the Burlington Housing Authority. Complete financial statements for this component unit are available from the Burlington Housing Authority.

B. *Government-wide and fund financial statements*

The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the City's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Taxes and other items which are not classified as program revenues are presented as general revenues of the City.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column in the fund financial statements.

C. *Measurement Focus, Basis of Accounting and Basis of Presentation*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. *Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on fixed assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Fiduciary funds are used to report assets held in trustee or custodial capacity for others and are not available to support City programs.

The City reports the following major governmental funds:

The *General Fund* is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

The *Debt Service Fund* is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the City is obligated in some manner for the payment.

The *City/County Infrastructure Project Fund* is used to account for designated special infrastructure projects.

The *Infrastructure Fund* is used to account for special infrastructure projects.

The *Special Highway Fund* is used to account for capital improvements of City streets.

The *City/County Street Project Fund* is used to account for special street projects.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. *Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)*

The City reports the following major proprietary funds:

The *Electric Utility Fund* is used to account for the provision of electric service to the residents of the City. All activities necessary to provide electric service are accounted for in this fund.

The *Sewer Utility Fund* is used to account for all sewer operations including administration, maintenance, financing and related debt service and billing collection. All operations are financed by means of customer user fees which are established by the governing body.

The *Water Utility Fund* is used to account for the provision of water service to the residents of the City. All activities necessary to provide water service are accounted for in this fund, including administration, operations, maintenance, financing and related debt service and billing collection.

D. *Assets, Liabilities and Equity*

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments (including certificates of deposit) with original maturities of three months or less from the date of acquisition.

Kansas statutes authorize the City to invest in U.S. Treasury bills and notes, repurchase agreements, the Kansas Municipal Investment Pool, and certain other types of federal and Kansas municipal obligations. Investments are stated at cost.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City and therefore are not susceptible to accrual. Accruals of uncollected current year property taxes are offset by deferred revenue and are identical to the adopted budget for 2026.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the accounting period, and further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Assets, Liabilities and Equity (Continued)*

2. Receivables and Payables (Continued)

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. Property taxes are levied as of November 1 and become a lien on the property as of that date. Payments are due November 1, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20 of the ensuing year. Additional amounts are distributed on four (4) subsequent dates throughout the calendar year.

The City maintains two revolving loan funds classified as permanent funds which make loans to local businesses.

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $3,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets used in governmental fund types of the City are recorded at cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type is included in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment of the primary government, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-50
Equipment	5-25
Vehicles	5-10

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Assets, Liabilities and Equity (Continued)*

5. Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment and monies from meter deposits are classified as restricted assets on the balance sheet because their use is limited.

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A liability is reported for one half of unpaid accumulated sick leave which is payable on retirement. Vacation pay and one half of sick leave is accrued when incurred in the governmental wide and proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund, in the fund financial statements that will pay it.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Fund Equity

In the fund financial statements, governmental funds report fund balance in the following classifications: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Restricted fund balance indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city council. Assigned fund balances include amounts that are constrained by the City management's intent to be used for specific purposes, but are neither restricted nor committed. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available restricted amounts is considered to be spent first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned and unassigned.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Assets, Liabilities and Equity (Continued)*

8. Fund Equity (Continued)

The following is the detail for fund balance classifications in the financial statements:

	Major Governmental Funds							
	General	Bond and Interest	County/City Infrastructure Project	Infrastructure	Special Highway	County/City Street Project	Other Governmental Funds	Total Governmental Funds
Fund Balances:								
Nonspendable	$ 25,346	$ -	$ -	$ -	$ -	$ -	$ 1,689	$ 27,035
Restricted for:								
Debt retirement	-	21,291	-	-	-	-	-	21,291
Economic development	-	-	-	-	-	-	29,210	29,210
Liability coverage	-	-	-	-	-	-	3,303	3,303
Highways and streets	-	-	-	-	1,550,861	-	-	1,550,861
Culture and recreation	-	-	-	-	-	-	33,867	33,867
Cemetery	-	-	-	-	-	-	13,720	13,720
Committed for:								
Economic development	-	-	-	-	-	-	125,530	125,530
Equipment outlay	-	-	-	-	-	-	141,057	141,057
Special improvements	-	-	335,784	1,678,152	-	-	43,969	2,057,905
Public safety	-	-	-	-	-	-	31,647	31,647
Highways and streets	-	-	-	-	-	762,767	-	762,767
Culture and recreation	-	-	-	-		-	459,541	459,541
Unassigned:	266,577	-	-	-	-	-	-	266,577
Total Fund Balances	$ 291,923	$ 21,291	$ 335,784	$ 1,678,152	$ 1,550,861	$ 762,767	$ 883,533	$ 5,524,311

9. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Assets, Liabilities and Equity (Continued)*

10. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government funds report unavailable revenues from one source: property taxes.

11. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service fund, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the 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 the 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 10 days after all statutory notifications 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 the 2025 budget.

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 2025 budget was not amended.

The statutes permit management to transfer budgeted amounts between accounts within an individual fund. However, such statutes prohibit management from incurring expenditures in excess of the total amount of the adopted budget for expenditures of individual funds without first following the amendment procedures mentioned in the above paragraph. Budget comparison statements 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 statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, 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. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for the fiduciary funds and certain special revenue funds.

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

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

III. DETAILED NOTES ON ALL FUNDS

A. Budgetary Information (Continued)

	Major Governmental Funds							
	General	Bond and Interest	County/City Infrastructure Project	Infrastructure	Special Highway	County/City Street Project	Other Governmental Funds	Total Governmental Funds
GAAP FUND BALANCE December 31, 2025	$ 291,923	$ 21,291	$ 335,784	$ 1,678,152	$ 1,550,861	$ 762,767	$ 883,533	$ 5,524,311
Adjustments:								
Unreserved fund balances not subject to the Kansas Budget Law:								
Infrastructure Fund	-	-	-	[1,678,152]	-	-	-	[1,678,152]
Drug Forfeiture	-	-	-	-	-	-	[801]	[801]
Revolving Loan (CDBG)	-	-	-	-	-	-	[6,611]	[6,611]
Revolving Loan (Coffey County)	-	-	-	-	-	-	[118,919]	[118,919]
Special Cemetery Trust	-	-	-	-	-	-	[13,720]	[13,720]
Municipal Court cash balance	[20,774]	-	-	-	-	-	-	[20,774]
Cemetery cash balance	[68,669]	-	-	-	-	-	-	[68,669]
Total deductions	[89,443]	-	-	[1,678,152]	-	-	[140,051]	[1,907,646]
BUDGETARY FUND BALANCE December 31, 2025	$ 202,480	$ 21,291	$ 335,784	$ -	$ 1,550,861	$ 762,767	$ 743,482	$ 3,616,665

A. *Deposits and Investments*

The City's cash is considered to be active funds by management and is invested according to K.S.A. 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county in which the City is located or an adjacent county and the banks provide an acceptable rate for active funds.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk require that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral according to K.S.A. 9-1402. The Kansas State Treasurer's Fiscal Agency Department held an unsecured and uncollateralized deposit of $8,580. The City's bank accounts at Central National Bank and First National Bank were also unsecured at year end.

The City does not have any formal investment policies that would further limit concentration of credit risk, interest rate, or custodial credit risks beyond state statutes.

B. *Receivables*

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General	Other Governmental	Electric Utility	Sewer Utility	Water Utility	Totals
Receivables:						
Taxes	$ 823,305	$ 40,693	$ -	$ -	$ -	$ 863,998
Accounts	-	-	302,733	34,615	118,406	455,754
Net total receivables	$ 823,305	$ 40,693	$ 302,733	$ 34,615	$ 118,406	$ 1,319,752

Notes receivables consist of loans to businesses for local economic development activities.

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. *Capital Assets*

Capital asset activity for the year ended December 31, 2025, was as follows:

	Balance 12/31/2024	Additions	Retirements	Balance 12/31/2025
City governmental activities:				
Capital assets, being depreciated				
Land & Buildings	$ 5,285,872	$ 9,851	$ -	$ 5,295,723
Equipment	1,850,509	-	-	1,850,509
Vehicles	1,032,755	-	-	1,032,755
Total capital assets	8,169,136	9,851	-	8,178,987
Less accumulated depreciation for:				
Buildings	2,516,371	156,914	-	2,673,285
Equipment	2,327,185	81,534	-	2,408,719
Vehicles	891,770	43,613	-	935,383
Total accumulated depreciation	5,735,326	282,061	-	6,017,387
Governmental activities capital assets, net	$ 2,433,810	$ [272,210]	$ -	$ 2,161,600
Business-type activities:				
Capital assets, not being depreciated				
Land	$ 246,649	$ -	$ -	$ 246,649
Capital assets, being depreciated				
Plant	41,870,912	-	-	41,870,912
Machinery and equipment	2,554,218	159,836	-	2,714,054
Total capital assets	44,671,779	159,836	-	44,831,615
Less accumulated depreciation for:				
Plant	27,007,918	1,030,212	-	28,038,130
Machinery and equipment	1,240,109	-	-	1,240,109
Total accumulated depreciation	28,248,027	1,030,212	-	29,278,239
Business-type activities capital assets, net	$ 16,423,752	$ [870,376]	$ -	$ 15,553,376

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. *Capital Assets (Continued)*

The City's depreciation expense was charged to governmental functions as follows:

Governmental Activities:	
General government	$ 13,487
Culture and recreation	44,017
Highway and streets	191,341
Public safety	33,216
Total depreciation	$ 282,061
Business-type Activities:	
Electric	$ 362,896
Sewer	434,899
Water	232,416
Total depreciation	$ 1,030,212

D. *Long-term Debt*

General Obligation Bonds. 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 the proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The bonds generally are issued with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Issue	Interest Rate	Maturity	Original Amount	Outstanding Amount
Paid with utility revenues				
Series 2012-B	3.00%	1/5/2052	$ 5,800,000	$ 4,598,653
Series 2013-A	2.50%	2/27/2053	3,360,000	2,672,290
Series 2022-A	1.20 - 2.20%	9/1/2032	1,500,000	1,075,000
Total			$ 10,660,000	$ 8,345,943

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. *Long-term Debt (Continued)*

Annual debt service requirements to maturity for the general obligation bonds and notes are as follows:

	Business-type activities	
Year Ending December 31,	Principal	Interest
2026	$ 325,004	$ 225,113
2027	335,069	217,802
2028	340,278	210,118
2029	350,634	202,062
2030	356,142	193,609
2031 - 2035	1,413,956	840,299
2036 - 2040	1,257,086	666,771
2041 - 2045	1,444,737	479,120
2046 - 2050	1,660,624	263,142
2051 - 2053	862,413	40,974
Total	$ 8,345,943	$ 3,339,011

Changes in Long-term Liabilities. During the year ended December 31, 2025, the following changes occurred in long-term liabilities:

Governmental activities	Balance January 1, 2025	Additions/ Adjustments	Retirements	Balance December 31, 2025
Compensated absences*	$ 357,045	$ -	$ 133,930	$ 223,115
Total	$ 357,045	$ -	$ 133,930	$ 223,115
Business-type activities				
General obligation bonds	$ 8,806,022	$ -	$ 460,079	$ 8,345,943
Premium on general obligation bonds	6,190	-	6,190	-
Total general obligation bonds	8,812,212	-	466,269	8,345,943
Compensated absences*	199,526	24,418	-	223,944
Total	$ 9,011,738	$ 24,418	$ 466,269	$ 8,569,887

* - the change in the compensated absences liability is presented as a net change.

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. *Long-term Debt (Continued)*

Special Assessments. As provided by Kansas statutes, projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the debt service fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the debt service fund. The special assessments receivable are not recorded as revenue when levied against the respective property owners as such amounts are not available to finance current year operations. The special assessment debt is a contingent liability of the City to the extent of property owner defaults which have historically been immaterial.

Conduit Debt Obligations. From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State of Kansas nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2025 there is one series of Industrial Revenue Bonds outstanding, with an aggregate original principal amount payable of $79,480,000.

IV. OTHER INFORMATION

A. *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; and natural disasters for which the City carries commercial insurance. No significant reductions in insurance coverage from that of the prior year have occurred. The City's insurance coverage does not cover the risk of loss to the electrical distribution system due to wind or ice storms. Settlements have not exceeded insurance coverage for each of the past three years.

B. *Contingent Liabilities*

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

C. *Defined Benefit Pension Plan*

Description of Pension Plan. The City participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - State/School employees
  - Local employees

IV. OTHER INFORMATION (Continued)

C. *Defined Benefit Pension Plan (Continued)*

- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the Local employees group.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at www.kspers.gov.

Benefits. Benefits are established by statute and may only be changed by the State Legislature. Members (except Police and Firemen) with ten or more years of credited service, may retire as early as age 55 (Police and Firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions. Member contributions are established by state law and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

IV. OTHER INFORMATION (Continued)

C. *Defined Benefit Pension Plan (Continued)*

The actuarially determined employer contribution rates (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rates are as follows:

	Employer Rate	Capped Rate
Local government employees	9.71%	9.71%

Member contribution rates as a percentage of eligible compensation for the KPERS fiscal year 2025 are 6.00% for Local employees.

Employer Allocations. Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of December 31, 2025, are based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended December 31, 2025.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. As of June 30, 2025, the City's proportion for the Local employees group was 0.099%, which was an increase of .004% from its proportion measured as of June 30, 2024.

Net Pension Liability. As of December 31, 2025 and 2024, the City reported a liability of $2,050,364 and $2,101,543, respectively, for its total proportionate share of the net pension liability for the Local group.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025, using the following actuarial assumptions:

Assumptions	Rate
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases, including wage increases	3.50% to 15.5%, including price inflation
Long-term rate of return, net of investment expense, and including price inflation	7.00%

IV. OTHER INFORMATION (Continued)

C. *Defined Benefit Pension Plan (Continued)*

Mortality rates were based on the PUB 2010 Mortality Tables, with age setbacks and set forwards based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 29, 2024, as provided by KPERS' investment consultant, are summarized in the following table:

Asset	Long-Term Allocation	Long-Term Expected Real Rate of Return
Global Equity	43.00%	8.20%
Alternatives	11.00%	12.00%
Real Estate	15.00%	5.70%
Yield Driven	12.00%	5.30%
Infrastructure	3.00%	6.80%
Core Fixed Income	13.00%	2.20%
Short-Term Investments	3.00%	0.30%
	100.00%	

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State, School and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for Police & Firemen, and Judges. Future employer contribution rates were also modeled for Police & Firemen and Judges, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

IV. OTHER INFORMATION (Continued)

C. *Defined Benefit Pension Plan (Continued)*

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
$3,025,693	$2,050,364	$1,231,218

Pension Expense. For the year ended December 31, 2025, the City recognized Local pension expense of $288,645, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources. As of December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the Local group from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	$ 264,209	$ -
Net differences between projected and actual earnings on investments	-	[70,416]
Changes in proportion	81,399	[25,296]
Changes in assumptions	50,684	-
Total	$ 396,292	$ [95,712]

$131,242 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	[Inflows] Outflows Amount
2026	$ 222,680
2027	56,407
2028	23,945
2029	[2,452]
2030	-
Total	$ 300,580

IV. OTHER INFORMATION (Continued)

D. *Interfund Transfers*

A reconciliation of transfers by fund type for 2025 follows:

From	To	Amount	Regulatory Authority
Electric Utility Fund	General Fund	$ 95,000	K.S.A. 12-825d
Sewer Utility Fund	Infrastructure Fund	384,771	K.S.A. 12-825d
Sewer Utility Fund	General Fund	75,000	K.S.A. 12-825d
Water Utility Fund	General Fund	65,000	K.S.A. 12-825d
General Fund	VIN Inspection Fund	21,074	Resolution 2024-04
		$ 640,845	

The City uses interfund transfers to share administrative costs between funds.

E. *Postemployment Healthcare Plan*

Plan Description. The City provides for a continuation of medical, prescription drug, hearing and vision insurance benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No separate financial report is issued for the Plan.

Funding Policy. The contribution requirements of plan participants and the City are established and amended by the City. The required contribution is based on projected pay-as-you-go financing requirements. Plan participants contributed approximately 100% of the total premiums to the Plan, through their required contribution of $754 per month for retiree-only coverage and $2,346, per month, for retiree and dependent coverage.

As of December 31, 2025, the following employees were covered by the benefit terms.

Active employees	41
Retirees and covered spouses	-
Total	41

Actuarial Assumptions. The City's total OPEB liability of $16,621 was measured as of December 31, 2025, and was determined by an actuarial valuation as of that date.

IV. OTHER INFORMATION (Continued)

E. *Other Postemployment Healthcare Plan (Continued)*

The total OPEB liability in the December 31, 2025, actuarial valuation was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Valuation date	January 1, 2025
Actuarial cost method	Entry age, level percentage of pay
Discount rate	4.43%
Healthcare cost trend rates	Medical & Pharmacy: 6.00% for 2025, to an ultimate rate of 4.00% for 2028 and later years
Retiree's share of benefit related costs	100% of premium equivalent rates

The discount rate was based on an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of Aa or higher.

Mortality rates were based on the PUB2010 General tables, headcount weighted, projected generationally with SSA Mortality Improvement Scale.

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balance 1/1/2025	$ 20,490
Service cost	1,046
Interest cost	922
Difference between expected and actual experience	[5,599]
Change in assumptions	[238]
Balance 12/31/2025	$ 16,621

Sensitivity of the City's OPEB Liability to Changes in the Discount Rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.28%) or one percentage point higher (5.28%) than the current discount rate:

	1% Decrease (3.43%)	Discount Rate (4.43%)	1% Increase (5.43%)
Total OPEB Liability	$ 18,292	$ 16,621	$ 15,099

The following presents the total OPEB liability of the City, calculated using the healthcare trend rate of 4.43%, as well as what each plan's total OPEB liability would be if it were calculated using trend rates for each year that are 1.00% lower or 1.00% higher than the current rates:

IV. OTHER INFORMATION (Continued)

E. *Other Postemployment Healthcare Plan (Continued)*

	1% Decrease (3.00%)	Healthcare Cost Trend Rates (4.00%)	1% Increase (5.00%)
Total OPEB Liability	$ 13,978	$ 16,621	$ 18,974

OPEB Expense. For the year ended December 31, 2025, the City recognized $[246] in OPEB expense.

Deferred Outflows of Resources and Deferred Inflows of Resources. As of December 31, 2025, the City reported deferred inflows of resources related to other postemployment benefits from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	$ -	$ [19,634]
Changes in assumptions	2,975	[4,548]
	$ 2,975	$ [24,182]

Amounts reported as deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended December 31,	Deferred [inflows] Amount
2026	$ [2,214]
2027	[2,214]
2028	[2,214]
2029	[2,214]
2030	[2,214]
Thereafter	[10,137]
Total	$ [21,207]

F. *Other Postemployment Healthcare Plan (KPERS)*

Plan Description. The City participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

IV. OTHER INFORMATION (Continued)

F. *Other Postemployment Healthcare Plan (KPERS) (Continued)*

Benefits. Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60 percent (prior to January 1, 2006, 66 2/3 percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first.

If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Employees Covered by Benefit Terms. As of June 30, 2025, the valuation date, the following employees were covered by the benefit terms:

Active employees	41
Disabled members	-
Total	41

Total OPEB Liability. The City's total KPERS OPEB liability of $41,736 reported as of December 31, 2025, was measured as of June 30, 2025, and was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025, using the following actuarial assumptions:

IV. OTHER INFORMATION (Continued)

F. *Other Postemployment Healthcare Plan (KPERS) (Continued)*

Valuation date	December 31, 2024
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.00%
Discount rate (based on 20 year municipal bond rate with an average rating of AA/Aa or better, obtained through the Bond Buyer General Obligation 20-Bond Municipal Index)	5.20%

The discount rate was based on the bond buyer general obligation 20-bond municipal index.

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The actuarial assumptions used in the December 31, 2024, valuation were based on the results of the most recent KPERS experience study. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2024, KPERS pension valuation.

The changes in the total KPERS OPEB liability are as follows:

	Total KPERS OPEB Liability
Balance 1/1/2025	$ 39,606
Service cost	5,361
Interest	1,768
Difference between expected and actual experience	[2,157]
Changes in assumptions	[2,842]
Balance 12/31/2025	$ 41,736

Sensitivity of the total KPERS OPEB liability to changes in the discount rate. The following presented the total KPERS OPEB liability of the City, as well as what the City's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB Liability	$ 43,973	$ 41,736	$ 39,495

IV. OTHER INFORMATION (Continued)

F. *Other Postemployment Healthcare Plan (KPERS) (Continued)*

Sensitivity of the total KPERS OPEB liability to changes in the healthcare cost trend rates. The following presented the total KPERS OPEB liability of the City calculated using the current healthcare cost trend rates as well as what the City's total KPERS OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	$ 41,736	$ 41,736	$ 41,736

OPEB Expense. For the year ended December 31, 2025, the City recognized OPEB expense of $566.

Deferred Outflows of Resources and Deferred Inflows of Resources. As of December 31, 2025, the City reported deferred inflows related to KPERS other postemployment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ [24,208]
Changes of assumptions	2,131	[10,094]
Contributions subsequent to measurement date	13,516	-
Total	$ 15,647	$ [34,302]

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Year Ended December 31,	Deferred [inflows] Amounts
2026	$ 6,997
2027	[6,146]
2028	[5,271]
2029	[4,591]
2030	[4,287]
Thereafter	[5,357]
Total	$ [18,655]

City of Burlington, Kansas

REQUIRED SUPPLEMENTARY INFORMATION
Year ended December 31, 2025

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Total OPEB liability	2025	2024	2023	2022	2021	2020	2019	2018	2017
Service cost	$ 1,046	$ 1,016	$ 1,398	$ 1,357	$ 1,392	$ 1,351	$ 1,054	$ 2,037	$ 1,978
Interest cost	922	778	829	421	601	714	1,249	1,084	984
Change in assumptions	[238]	[930]	484	[4,234]	411	1,980	2,156	[1,211]	-
Difference between expected & actual experience	-	-	[2,163]	-	[9,544]	-	[12,446]	-	-
Net change in total OPEB liability	[3,869]	864	548	[2,456]	[7,140]	4,045	[7,987]	1,910	2,962
Total OPEB liability - beginning	20,490	19,626	19,078	21,534	28,674	24,629	32,616	30,706	27,744
Total OPEB liability - ending	$ 16,621	$ 20,490	$ 19,626	$ 19,078	$ 21,534	$ 28,674	$ 24,629	$ 32,616	$ 30,706
Covered-employee payroll	$ 2,402,857	$ 2,412,551	$ 2,104,930	$ 2,067,838	$ 1,932,555	$ 1,997,947	$ 2,272,519	$ 1,991,722	$ 1,933,711
Total net OPEB liability as a percentage of covered-employee payroll	0.70%	0.80%	0.90%	0.92%	1.11%	1.44%	1.08%	1.64%	1.59%
Actuarially determined contribution	$ 2,088	$ 2,161	$ 2,108	$ 1,915	$ 1,859	$ 2,650	$ 2,573	$ 3,827	$ 3,716

* - Data became available with the inception of GASB 75 during fiscal year 2017, therefore, 10 years of data is unavailable.

City of Burlington, Kansas

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
Year ended December 31, 2025

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS - KPERS

Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Total KPERS OPEB liability	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 5,361	$ 4,674	$ 4,672	$ 7,783	$ 7,562	$ 6,519	$ 6,254	$ 6,218
Interest	1,768	1,418	1,284	1,139	1,228	1,738	1,928	1,812
Difference between expected & actual experience	[2,157]	[1,115]	[3,234]	[10,276]	[11,929]	[7,245]	[9,311]	[8,283]
Changes in assumptions	[2,842]	468	[171]	[11,990]	80	3,845	715	[556]
Net change in total OPEB liability	2,130	5,445	2,551	[13,344]	[3,059]	4,857	[414]	[809]
Total OPEB liability - beginning	39,606	34,161	31,610	44,954	48,013	43,156	43,570	44,379
Total OPEB liability - ending	$ 41,736	$ 39,606	$ 34,161	$ 31,610	$ 44,954	$ 48,013	$ 43,156	$ 43,570
Covered-employee payroll	$ 2,410,562	$ 2,115,524	$ 1,845,875	$ 1,822,514	$ 1,841,437	$ 1,821,559	$ 1,773,598	$ 1,783,929
Total OPEB liability as a percentage of covered-employee payroll	1.73%	1.87%	1.85%	1.73%	2.44%	2.64%	2.43%	2.44%

* - Data became available with the inception of GASB 75 during fiscal year 2018, therefore, 10 years of data is unavailable.

City of Burlington, Kansas

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
Year ended December 31, 2025

KPERS PENSION PLAN

Schedule of the City's Proportionate Share of the Net Pension Liability*
Last Ten Fiscal Years

Year ended Year	City's proportion of the net pension liability	City's proportionate share of the net pension liability	City's covered-employee payroll	City's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2025	0.102%	$ 2,050,364	$ 2,399,403	85.45%	74.40%
12/31/2024	0.099%	2,101,543	2,142,827	98.07%	71.71%
12/31/2023	0.095%	1,998,129	2,025,192	98.66%	70.55%
12/31/2022	0.097%	1,927,489	1,919,502	100.42%	70.66%
12/31/2021	0.102%	1,224,651	1,974,288	62.03%	81.14%
12/31/2020	0.100%	1,749,136	1,867,586	93.66%	70.77%
12/31/2019	0.100%	1,398,462	1,839,762	76.01%	75.02%
12/31/2018	0.101%	1,404,663	1,785,078	78.69%	74.22%
12/31/2017	0.103%	1,484,913	1,716,455	86.51%	72.15%
12/31/2016	0.098%	1,517,806	1,717,854	88.35%	68.55%

* - The amounts presented for each fiscal year were determined as of 12/31.

Schedule of the City's Contributions
Last Ten Fiscal Years

Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency [excess]	City's covered-employee payroll	Contributions as a percentage of covered-employee payroll
12/31/2025	$ 254,773	$ 254,773	$ -	$ 2,623,821	9.71%
12/31/2024	222,185	222,185	-	2,399,403	9.26%
12/31/2023	180,640	180,640	-	2,142,827	8.43%
12/31/2022	180,242	180,242	-	2,025,192	8.90%
12/31/2021	170,260	170,260	-	1,919,502	8.87%
12/31/2020	169,986	169,986	-	1,974,288	8.61%
12/31/2019	166,029	166,029	-	1,867,586	8.89%
12/31/2018	154,356	154,356	-	1,839,762	8.39%
12/31/2017	151,018	151,018	-	1,785,078	8.46%

City of Burlington, Kansas

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Total Nonmajor Special Revenue Funds	Total Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 734,462	$ 139,250	$ 873,712
Receivables			
Taxes	40,693	-	40,693
Prepaid expenses	1,689	-	1,689
Total assets	$ 776,844	$ 139,250	$ 916,094
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 7,171	$ -	$ 7,171
Unearned revenue	-	-	-
Total liabilities	7,171	-	7,171
Deferred inflows of resources:			
Unavailable revenue - property taxes	25,390	-	25,390
Total deferred inflows of resources	25,390	-	25,390
Total liabilities and deferred inflows of resources	32,561	-	32,561
Fund balance:			
Nonspendable	1,689	-	1,689
Restricted	66,380	13,720	80,100
Committed	676,214	125,530	801,744
Total fund balance [deficit]	744,283	139,250	883,533
Total liabilities, deferred inflows of resources and fund balances	$ 776,844	$ 139,250	$ 916,094

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	Total Nonmajor Special Revenue Funds	Total Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues			
Property tax	$ 32,722	$ -	$ 32,722
Sales tax	-	-	-
Intergovernmental	120,287	-	120,287
Charges for services	186,746	-	186,746
Fines and fees	2,650	-	2,650
Reimbursements	30,600	-	30,600
Special assessments	-	-	-
Use of money and property	369	1,151	1,520
Total revenues	373,374	1,151	374,525
Expenditures			
Current			
General government	223,897	130,379	354,276
Highways and streets	30,600	-	30,600
Culture and recreation	20,411	-	20,411
Economic development	369	-	369
Capital outlay	60,070	-	60,070
Total expenditures	335,347	130,379	465,726
Excess [deficiency] of revenues over [under] expenditures	38,027	[129,228]	[91,201]
Other financing sources [uses]			
Transfers in	21,074	-	21,074
Total other financing sources [uses]	21,074	-	21,074
Net change in fund balance	59,101	[129,228]	[70,127]
Fund balance, beginning of year	685,182	268,478	953,660
Fund balance, end of year	$ 744,283	$ 139,250	$ 883,533

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2025

ASSETS	Cemetery	Industrial Development	Equipment Reserve	Special Improvement	Drug Forfeiture	Special Liability Expense
Cash and cash equivalents	$ -	$ 29,210	$ 141,057	$ 43,969	$ 801	$ 3,303
Receivables (net of allowance for uncollectibles)	21,700	-	-	-	-	3,690
Prepaid expenses	-	-	-	-	-	1,689
Total assets	$ 21,700	$ 29,210	$ 141,057	$ 43,969	$ 801	$ 8,682
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources:						
Unavailable revenue - property taxes	21,700	-	-	-	-	3,690
Total deferred inflows of resources	21,700	-	-	-	-	3,690
Total liabilities and deferred inflows of resources	21,700	-	-	-	-	3,690
Fund balances						
Nonspendable	-	-	-	-	-	1,689
Restricted	-	29,210	-	-	-	3,303
Committed	-	-	141,057	43,969	801	-
Total fund balances	-	29,210	141,057	43,969	801	4,992
Total liabilities, deferred inflows of resources and fund balances	$ 21,700	$ 29,210	$ 141,057	$ 43,969	$ 801	$ 8,682

Special Parks and Recreation	City/ County Park Project	Refuse	Court Diversion	VIN Inspection	ARPA	Totals
$ 33,867	$ 391,192	$ 60,217	$ 4,128	$ 26,718	$ -	$ 734,462
-	-	15,303	-	-	-	40,693
-	-	-	-	-	-	1,689
$ 33,867	$ 391,192	$ 75,520	$ 4,128	$ 26,718	$ -	$ 776,844
$ -	$ 5,135	$ 2,036	$ -	$ -	$ -	$ 7,171
-	-	-	-	-	-	-
-	5,135	2,036	-	-	-	7,171
-	-	-	-	-	-	25,390
-	-	-	-	-	-	25,390
-	5,135	2,036	-	-	-	32,561
-	-	-	-	-	-	1,689
33,867	-	-	-	-	-	66,380
-	386,057	73,484	4,128	26,718	-	676,214
33,867	386,057	73,484	4,128	26,718	-	744,283
$ 33,867	$ 391,192	$ 75,520	$ 4,128	$ 26,718	$ -	$ 776,844

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2025

	Cemetery	Industrial Development	Equipment Reserve	Special Improvement	Drug Forfeiture
Revenues					
Property tax	$ 24,311	$ -	$ -	$ -	$ -
Sales tax	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and fees	-	-	-	-	-
Reimbursements	-	-	-	30,600	-
Use of money and property	-	369	-	-	-
Special assessments	-	-	-	-	-
Total revenues	24,311	369	-	30,600	-
Expenditures					
General government	24,311	-	-	-	-
Highways and streets	-	-	-	30,600	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	60,070	-	-
Economic development	-	369	-	-	-
Total expenditures	24,311	369	60,070	30,600	-
Excess [deficiency] of revenues over [under] expenditures	-	-	[60,070]	-	-
Other Financing Sources [Uses]					
Transfers in	-	-	-	-	-
Total Other Financing Sources [Uses]	-	-	-	-	-
Net change in fund balances	-	-	[60,070]	-	-
Fund balance, January 1	-	29,210	201,127	43,969	801
Fund balance, December 31	$ -	$ 29,210	$ 141,057	$ 43,969	$ 801

Special Liability Expense	Special Parks and Recreation	City/ County Park Project	Refuse	Court Diversion	VIN Inspection	ARPA	Totals
$ 8,411	$ -	$ -	$ -	$ -	$ -	$ -	$ 32,722
-	-	-	-	-	-	-	-
-	2,144	111,004	-	-	-	7,139	120,287
-	-	-	183,744	-	3,002	-	186,746
-	-	-	-	2,650	-	-	2,650
-	-	-	-	-	-	-	30,600
-	-	-	-	-	-	-	369
-	-	-	-	-	-	-	-
8,411	2,144	111,004	183,744	2,650	3,002	7,139	373,374
7,558	-	-	183,489	1,400	-	7,139	223,897
-	-	-	-	-	-	-	30,600
-	-	20,411	-	-	-	-	20,411
-	-	-	-	-	-	-	60,070
-	-	-	-	-	-	-	369
7,558	-	20,411	183,489	1,400	-	7,139	335,347
853	2,144	90,593	255	1,250	3,002	-	38,027
-	-	-	-	-	21,074	-	21,074
-	-	-	-	-	21,074	-	21,074
853	2,144	90,593	255	1,250	24,076	-	59,101
4,139	31,723	295,464	73,229	2,878	2,642	-	685,182
$ 4,992	$ 33,867	$ 386,057	$ 73,484	$ 4,128	$ 26,718	$ -	$ 744,283

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING BALANCE SHEET
NONMAJOR PERMANENT FUNDS
December 31, 2025

ASSETS	Revolving Loan (CDBG)	Revolving Loan (Coffey County)	Special Cemetery Trust	Totals
Cash and cash equivalents	$ 6,611	$ 118,919	$ 13,720	$ 139,250
Total assets	$ 6,611	$ 118,919	$ 13,720	$ 139,250
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Total liabilities	-	-	-	-
Fund balances				
Restricted	-	-	13,720	13,720
Committed	6,611	118,919	-	125,530
Total fund balances	6,611	118,919	13,720	139,250
Total liabilities and fund balances	$ 6,611	$ 118,919	$ 13,720	$ 139,250

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
For the Year Ended December 31, 2025

	Revolving Loan (CDBG)	Revolving Loan (Coffey County)	Special Cemetery Trust	Totals
Revenues				
Use of money and property	$ -	$ 1,151	$ -	$ 1,151
Total revenues	-	1,151	-	1,151
Expenditures				
General government	130,379	-	-	130,379
Total expenditures	130,379	-	-	130,379
Net change in fund balance	[130,379]	1,151	-	[129,228]
Fund balance, January 1	136,990	117,768	13,720	268,478
Fund balance, December 31	$ 6,611	$ 118,919	$ 13,720	$ 139,250

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
CEMETERY FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Property tax	$ 24,311	$ -	$ 24,311	$ 24,978	$ 24,978	$ [667]
Total revenues	24,311	-	24,311	24,978	24,978	[667]
Expenditures						
General government						
Appropriation	24,311	-	24,311	24,978	24,978	667
Total expenditures	24,311	-	24,311	24,978	24,978	667
Excess [deficiency] of revenues over [under] expenditures	-	-	-	$ -	$ -	$ -
Fund balance, January 1	-	-	-			
Fund balance, December 31	$ -	$ -	$ -			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
INDUSTRIAL DEVELOPMENT FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Use of money and property	$ 369	$ -	$ 369	$ 1,869	$ 1,869	$ [1,500]
Total revenues	369	-	369	1,869	1,869	[1,500]
Expenditures						
Economic development						
Contractual services	369	-	369	31,079	31,079	30,710
Total expenditures	369	-	369	31,079	31,079	30,710
Excess [deficiency] of revenues over [under] expenditures	-	-	-	$ [29,210]	$ [29,210]	$ 29,210
Fund balance, January 1	29,210	-	29,210			
Fund balance, December 31	$ 29,210	$ -	$ 29,210			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
EQUIPMENT RESERVE FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-	-	-
Expenditures						
General government						
Capital outlay	60,070	-	60,070	209,022	209,022	148,952
Total expenditures	60,070	-	60,070	209,022	209,022	148,952
Excess [deficiency] of revenues over [under] expenditures	[60,070]	-	[60,070]	[209,022]	[209,022]	148,952
Fund balance, January 1	201,127	-	201,127			
Fund balance, December 31	$ 141,057	$ -	$ 141,057			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SPECIAL IMPROVEMENT FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Reimbursements	$ 30,600	$ -	$ 30,600	$ -	$ -	$ 30,600
Total revenues	30,600	-	30,600	-	-	30,600
Expenditures						
Highways and streets						
Contractual services	30,600	-	30,600	28,435	28,435	[2,165]
Total expenditures	30,600	-	30,600	28,435	28,435	[2,165]
Excess [deficiency] of revenues over [under] expenditures	-	-	-	$ [28,435]	$ [28,435]	$ 28,435
Fund balance, January 1	43,969	-	43,969			
Fund balance, December 31	$ 43,969	$ -	$ 43,969			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SPECIAL LIABILITY EXPENSE FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Property tax	$ 8,411	$ -	$ 8,411	$ 8,651	$ 8,651	$ [240]
Total revenues	8,411	-	8,411	8,651	8,651	[240]
Expenditures						
General government						
Contractual services	7,558	-	7,558	10,105	10,105	2,547
Total expenditures	7,558	-	7,558	10,105	10,105	2,547
Excess [deficiency] of revenues over [under] expenditures	853	-	853	$ [1,454]	$ [1,454]	$ 2,307
Fund balance, January 1	4,139	-	4,139			
Fund balance, December 31	$ 4,992	$ -	$ 4,992			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
SPECIAL PARKS AND RECREATION FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Intergovernmental	$ 2,144	$ -	$ 2,144	$ 1,397	$ 1,397	$ 747
Total revenues	2,144	-	2,144	1,397	1,397	747
Expenditures						
Culture and recreation						
Contractual services	-	-	-	30,952	30,952	30,952
Total expenditures	-	-	-	30,952	30,952	30,952
Excess [deficiency] of revenues over [under] expenditures	2,144	-	2,144	$ [29,555]	$ [29,555]	$ 31,699
Fund balance, January 1	31,723	-	31,723			
Fund balance, December 31	$ 33,867	$ -	$ 33,867			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
COUNTY/CITY PARK PROJECT FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Intergovernmental	$ 111,004	$ -	$ 111,004	$ 109,935	$ 109,935	$ 1,069
Total revenues	111,004	-	111,004	109,935	109,935	1,069
Expenditures						
Culture and Recreation						
Contractual services	9,625	-	9,625	230,426	230,426	220,801
Commodities	10,786	-	10,786	20,000	20,000	9,214
Capital outlay	-	-	-	155,275	155,275	155,275
Total expenditures	20,411	-	20,411	405,701	405,701	385,290
Excess [deficiency] of revenues over [under] expenditures	90,593	-	90,593	$ [295,766]	$ [295,766]	$ 386,359
Fund balance, January 1	295,464	-	295,464			
Fund balance, December 31	$ 386,057	$ -	$ 386,057			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
DEBT SERVICE FUND
For the Year Ended December 31, 2025

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget Positive [Negative]
Revenues						
Property tax	$ 4,937	$ -	$ 4,937	$ 4,633	$ 4,633	$ 304
Special assessments	10,791	-	10,791	10,407	10,407	384
Total revenues	15,728	-	15,728	15,040	15,040	688
Expenditures						
Cash basis reserve	-	-	-	15,947	15,947	15,947
Total expenditures	-	-	-	15,947	15,947	15,947
Excess [deficiency] of revenues over [under] expenditures	15,728	-	15,728	$ [907]	$ [907]	$ 16,635
Fund balance, January 1	5,563	-	5,563			
Fund balance, December 31	$ 21,291	$ -	$ 21,291			

See independent auditor's report on the financial statements.