CITY OF TROY, KANSAS

FINANCIAL STATEMENTS

Year ended December 31, 2025

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CITY OF TROY, KANSAS

FINANCIAL STATEMENTS
Year ended December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Troy, Kansas

Adverse and Unmodified Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2025, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

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

Other Matter

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Troy, Kansas as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated February 6, 2025, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2025 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 basic financial statement or to the 2024 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

February 27, 2026

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

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ 294,521	$ -	$ 485,747	$ 431,041	$ 349,227	$ 6,256	$ 355,483
Special Purpose Funds:							
Street and Highway	6,473	-	26,364	19,616	13,221	-	13,221
Ambulance District	211,295	-	15,565	114,614	112,246	172	112,418
Employee Benefit	[5,756]	-	169,411	168,867	[5,212]	5,212	-
Tort Liability	80,881	-	12,760	10,407	83,234	-	83,234
Community Center	234,756	-	8,320	108,138	134,938	-	134,938
City 1% Sales Tax	56,027	-	133,983	80,232	109,778	-	109,778
Equipment Reserve	44,328	-	41,400	73,396	12,332	-	12,332
Troy Community Engagement	-	-	4,138	68	4,070	-	4,070
Bond and Interest Funds:							
Bond and Interest	-	-	-	-	-	-	-
Business Funds:							
Electric	1,077,401	-	1,141,938	1,190,109	1,029,230	22,572	1,051,802
Electric Special Assessment	85,136	-	81,715	76,129	90,722	-	90,722
Water	122,522	-	665,498	706,365	81,655	7,499	89,154
Sewer	71,764	-	160,130	184,677	47,217	1,570	48,787
Total Reporting Entity	$ 2,279,348	$ -	$ 2,946,969	$ 3,163,659	$ 2,062,658	$ 43,281	$ 2,105,939

Composition of Cash:	
Exchange Bank & Trust	
Certificates of Deposit	$ 238,500
First Option Bank	
Checking	1,410,039
Certificates of Deposit	457,000
Petty Cash	400
Total	$ 2,105,939

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

CITY OF TROY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Troy (the City) is a municipal corporation governed by a mayor and a five-member council. These financial statements present the City and its related municipal entities for which the government is considered to be financially accountable. However, the City's only related municipal entity, the Troy Public Housing Authority, is not included in these financial statements.

Basis of Accounting

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

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

Regulatory Basis Fund Types

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

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

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

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

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

Budgetary Information

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

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

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

If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least 10 days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The General, Electric, Sewer, Ambulance District, Employee Benefit, and Community Center funds were amended during the year.

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

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

A legal operating budget is not required for capital project funds or the Troy Community Engagement Fund.

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

NOTE 2 - Deposits and Investments

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

Investments. K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. As of December 31, 2025, the City held no such investments.

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

NOTE 2 - Deposits and Investments (Continued)

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

As of December 31, 2025, the City's carrying amount of deposits was $2,105,939 and the bank balance was $2,150,780. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by federal depository insurance and $1,650,780 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments as of December 31, 2025.

NOTE 3 - Retirement Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.71% for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $45,734 for the year ended December 31, 2025.

Net Pension Liability. As of December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was $366,737. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup of KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE 4 - Long-Term Debt

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

Type of Issue	January 1, 2025	Additions	Retirements	December 31, 2025	Interest Paid
Certificates of Participation	$ 33,000	$ -	$ 33,000	$ -	$ 1,568
Finance Lease	45,428	281,000	10,388	316,040	2,717
General Obligation Bonds	2,202,810	-	103,539	2,099,271	55,252
Totals	$ 2,281,238	$ 281,000	$ 146,927	$ 2,415,311	$59,537

General Obligation Bonds. On August 4, 2015, the City issued 2015-A General Obligation Bonds in the amount of $2,080,000. The proceeds were used to finance the 2013 Wastewater Collection System Improvement Project. The bonds carry a 2.5% interest rate, with the final payment due on August 4, 2055.

On April 23, 2020, the City issued 2020-A General Obligation Bonds in the amount of $685,000. The proceeds were used to finance the 2019 Electric Distribution System Improvement Project. The bonds carry a 2.75% interest rate, with the final payment due on March 1, 2030.

General obligation bonds currently outstanding are as follows:

Debt Issue	Date Issued	Interest Rate	Maturity Date	Original Amount	Outstanding Amount
2015A	7/30/2015	2.50%	8/4/2055	$ 2,080,000	$ 1,734,271
2020A	4/23/2020	2.75%	3/1/2030	685,000	365,000
				$ 2,765,000	$ 2,099,271

The annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending December 31,	Principal Due	Interest Due	Total Due
2026	$ 109,503	$ 52,432	$ 161,935
2027	110,490	49,519	160,009
2028	116,502	46,514	163,016
2029	117,540	43,413	160,953
2030	118,604	40,287	160,953
2031 - 2035	234,924	179,373	414,297
2036 - 2040	265,796	148,503	414,299
2041 - 2045	300,724	113,576	414,300
2046 - 2050	340,241	74,058	414,299
2051 - 2055	384,947	29,347	414,294
Total	$ 2,099,271	$ 777,022	$ 2,878,355

NOTE 4 - Long-Term Debt (Continued)

Finance Leases. The City entered into a finance lease agreement on October 20, 2023, for the purchase of equipment in the amount of $55,000. The lease agreement carries an interest rate of 5.90% and is scheduled to mature on November 15, 2028.

The City also entered into a finance lease agreement on May 1, 2025, for the purchase of water equipment in the amount of $281,000. The lease agreement carried an interest rate of 4.75% and is scheduled to mature on May 2, 2032.

Finances leases currently outstanding are as follows:

Debt Issue	Date Issued	Interest Rate	Maturity Date	Original Amount	Outstanding Amount
2023 Excavator	10/20/2023	5.90%	11/15/2028	$ 55,000	$ 35,040
2025 Water Equipment	5/2/2025	4.75%	5/2/2032	281,000	281,000
				$ 336,000	$ 316,040

The annual debt service requirements to maturity for the finances lease is as follows:

Year Ending December 31,	Principal Due	Interest Due	Total Due
2026	$ 45,872	$ 15,477	$ 61,349
2027	48,187	1,438	49,625
2028	50,617	10,732	61,349
2029	40,071	8,173	48,244
2030	41,974	6,270	48,244
2031 - 2032	89,319	6,464	95,783
	$ 316,040	$ 48,554	$364,594

NOTE 5 - Commitments and Contingencies

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

NOTE 6 - Interfund Transfers

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Water	Equipment Reserve	K.S.A. 12-1,117	$ 13,800
Sewer	Equipment Reserve	K.S.A. 12-1,117	13,800
Electric	Equipment Reserve	K.S.A. 12-1,117	13,800
Electric	Employee Benefit	K.S.A. 12-825d	169,411
			$ 210,811

NOTE 7 - Compensated Absences

The City's personnel policy grants employees annual vacation in varying amount depending on length of service. Annual vacation leave is accumulated at the rate of 10 days after year one; 12 days after year 5; 15 days after year 10; 18 days after year 15. Any unused vacation leave at year-end is lost by the employee and not carried over. The city also allows 5 personal days per calendar year and any unused days will not carry over to the following year.

The City's personnel policy also grants employees annual sick leave at a rate of 4 hours per month of service; accrual max 240 hours. Any unused sick leave will be carried over to the following year. Any employee with less than 10 years of service shall not be paid for any unused sick leave upon termination. Any employee with over 10 years of service will be paid accumulated sick leave if they have left voluntarily.

NOTE 8 - Risk Management

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

NOTE 9 - Other Long-Term Obligations from Operations

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

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

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

SCHEDULE 1

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

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over [Under]
General Funds:					
General	$ 615,205	$ -	$ 615,205	$ 431,041	$ [184,164]
Special Purpose Funds:					
Street and Highway	28,807	-	28,807	19,616	[9,191]
Ambulance District	186,000	-	186,000	114,614	[71,386]
Employee Benefit	183,700	-	183,700	168,867	[14,833]
Tort Liability	104,235	-	104,235	10,407	[93,828]
Community Center	142,540	-	142,540	108,138	[34,402]
City 1% Sales Tax	100,000	-	100,000	80,232	[19,768]
Equipment Reserve	82,800	-	82,800	73,396	[9,404]
Bond and Interest Funds:					
Bond and Interest	-	-	-	-	-
Business Funds:					
Electric	1,386,478	-	1,386,478	1,190,109	[196,369]
Electric Special Assessment	80,932	-	80,932	76,129	[4,803]
Water	852,668	-	852,668	706,365	[146,303]
Sewer	207,659	-	207,659	184,677	[22,982]

See independent auditor's report on the financial statements.

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes	$ 392,867	$ 368,936	$ 369,126	$ [190]
Franchise tax	21,653	26,362	30,000	[3,638]
Licenses and permits	3,945	3,119	2,500	619
Interest	72,236	68,686	65,000	3,686
Fines and fees	1,930	139	5,000	[4,861]
Transfer in	106,764	-	-	-
Miscellaneous	31,261	18,505	5,000	13,505
Total Receipts	630,656	485,747	$ 476,626	$ 9,121
Expenditures				
General government	91,204	38,892	$ 130,500	$ [91,608]
Highways and streets	333,951	274,039	321,600	[47,561]
Public safety	83,848	118,110	150,000	[31,890]
Debt service	106,764	-	13,105	[13,105]
Total Expenditures	615,767	431,041	$ 615,205	$ [184,164]
Receipts Over [Under] Expenditures	14,889	54,706		
Unencumbered Cash, Beginning	279,632	294,521		
Unencumbered Cash, Ending	$ 294,521	$ 349,227		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes	$ 26,088	$ 26,364	$ 25,980	$ 384
Total Receipts	26,088	26,364	$ 25,980	$ 384
Expenditures				
Commodities	32,792	19,616	$ 24,807	$ [5,191]
Contractual services	650	-	4,000	[4,000]
Total Expenditures	33,442	19,616	$ 28,807	$ [9,191]
Receipts Over [Under] Expenditures	[7,354]	6,748		
Unencumbered Cash, Beginning	13,827	6,473		
Unencumbered Cash, Ending	$ 6,473	$ 13,221		

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Charges for service	$ 2,872	$ 2,525	$ 5,000	$ [2,475]
Contributions	-	-	1,000	[1,000]
Miscellaneous	2,088	13,040	-	13,040
Total Receipts	4,960	15,565	$ 6,000	$ 9,565
Expenditures				
Contractual services	7,280	5,554	$ 28,000	$ [22,446]
Commodities	21,767	3,260	38,000	[34,740]
Capital outlay	94,103	105,800	120,000	[14,200]
Total Expenditures	123,150	114,614	$ 186,000	$ [71,386]
Receipts Over [Under] Expenditures	[118,190]	[99,049]		
Unencumbered Cash, Beginning	329,485	211,295		
Unencumbered Cash, Ending	$ 211,295	$ 112,246		

See independent auditor's report on the financial statements.

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Transfer in	$ 161,111	$ 169,411	$ 185,678	$ [16,267]
Miscellaneous	16	-	-	-
Total Receipts	161,127	169,411	$ 185,678	$ [16,267]
Expenditures				
Social security	17,723	16,295	$ 19,000	$ [2,705]
Retirement	21,951	21,796	30,000	[8,204]
Unemployment tax	341	445	700	[255]
Worker's compensation	14,941	12,620	8,000	4,620
Other employee benefits	107,710	117,711	126,000	[8,289]
Total Expenditures	162,666	168,867	$ 183,700	$ [14,833]
Receipts Over [Under] Expenditures	[1,539]	544		
Unencumbered Cash, Beginning	[4,217]	[5,756]		
Unencumbered Cash, Ending	$ [5,756]	$ [5,212]		

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes	$ 12,432	$ 12,760	$ 12,962	$ [202]
Total Receipts	12,432	12,760	$ 12,962	$ [202]
Expenditures				
Contractual services	10,868	10,407	$ 104,235	$ [93,828]
Total Expenditures	10,868	10,407	$ 104,235	$ [93,828]
Receipts Over [Under] Expenditures	1,564	2,353		
Unencumbered Cash, Beginning	79,317	80,881		
Unencumbered Cash, Ending	$ 80,881	$ 83,234		

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Miscellaneous	$ 7,000	$ 8,320	$ 7,500	$ 820
Total Receipts	7,000	8,320	$ 7,500	$ 820
Expenditures				
Capital outlay	78,604	44,206	$ 60,000	$ [15,794]
Contractual services	31,121	29,488	38,500	[9,012]
Debt service	33,304	33,784	34,040	[256]
Miscellaneous	7,323	660	10,000	[9,340]
Total Expenditures	150,352	108,138	$ 142,540	$ [34,402]
Receipts Over [Under] Expenditures	[143,352]	[99,818]		
Unencumbered Cash, Beginning	378,108	234,756		
Unencumbered Cash, Ending	$ 234,756	$ 134,938		

CITY OF TROY, KANSAS
CITY 1% SALES TAX FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes	$ 128,427	$ 133,983	$ 120,000	$ 13,983
Total Receipts	128,427	133,983	$ 120,000	$ 13,983
Expenditures				
Capital outlay	72,400	80,232	$ 100,000	$ [19,768]
Total Expenditures	72,400	80,232	$ 100,000	$ [19,768]
Receipts Over [Under] Expenditures	56,027	53,751		
Unencumbered Cash, Beginning	-	56,027		
Unencumbered Cash, Ending	$ 56,027	$ 109,778		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Transfer in	$ 41,400	$ 41,400	$ 41,400	$ -
Total Receipts	41,400	41,400	$ 41,400	$ -
Expenditures				
Capital outlay	50,111	73,396	$ 82,800	$ [9,404]
Total Expenditures	50,111	73,396	$ 82,800	$ [9,404]
Receipts Over [Under] Expenditures	[8,711]	[31,996]		
Unencumbered Cash, Beginning	53,039	44,328		
Unencumbered Cash, Ending	$ 44,328	$ 12,332		

See independent auditor's report on the financial statements.

CITY OF TROY, KANSAS
TROY COMMUNITY ENGAGEMENT FUND
Schedule of Receipts and Expenditures *
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Actual
Receipts		
Miscellaneous	$ -	$ 4,138
Total Receipts	-	4,138
Expenditures		
Contractual services	-	68
Total Expenditures	-	68
Receipts Over [Under] Expenditures	-	4,070
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 4,070

* This fund is not required to be budgeted.

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Transfer out	106,764	-	$ -	$ -
Total Expenditures	106,764	-	$ -	$ -
Receipts Over [Under] Expenditures	[106,764]	-		
Unencumbered Cash, Beginning	106,764	-		
Unencumbered Cash, Ending	$ -	$ -		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Charges for services	$ 1,026,373	$ 1,136,535	$ 1,100,000	$ 36,535
Miscellaneous	29,227	5,403	15,000	[9,597]
Total Receipts	1,055,600	1,141,938	$ 1,115,000	$ 26,938
Expenditures				
Personal services	178,237	174,463	$ 182,000	$ [7,537]
Capital outlay	49,118	67,788	80,000	[12,212]
Contractual services	47,259	59,059	60,000	[941]
Commodities	652,199	705,588	865,000	[159,412]
Transfer out	174,911	183,211	199,478	[16,267]
Total Expenditures	1,101,724	1,190,109	$ 1,386,478	$ [196,369]
Receipts Over [Under] Expenditures	[46,124]	[48,171]		
Unencumbered Cash, Beginning	1,123,525	1,077,401		
Unencumbered Cash, Ending	$ 1,077,401	$ 1,029,230		

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Special assessment	$ 83,350	$ 81,715	$ 85,000	$ [3,285]
Total Receipts	83,350	81,715	$ 85,000	$ [3,285]
Expenditures				
Principle	65,000	65,000	$ 65,000	$ -
Interest	12,720	10,931	10,932	[1]
Miscellaneous	54	198	5,000	[4,802]
Total Expenditures	77,774	76,129	$ 80,932	$ [4,803]
Receipts Over [Under] Expenditures	5,576	5,586		
Unencumbered Cash, Beginning	79,560	85,136		
Unencumbered Cash, Ending	$ 85,136	$ 90,722		

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Charges for services	$ 376,187	$ 381,832	$ 390,000	$ [8,168]
Lease proceeds	-	281,000	367,918	[86,918]
Transfer in	106,764	-	-	-
Reimbursement	2,313	2,666	5,000	[2,334]
Total Receipts	485,264	665,498	$ 762,918	$ [97,420]
Expenditures				
Personal services	209,500	207,980	$ 185,000	$ 22,980
Contractual services	38,557	48,910	96,000	[47,090]
Capital outlay	-	-	376,918	[376,918]
Commodities	148,049	435,675	160,000	275,675
Debt service	-	-	20,950	[20,950]
Transfer out	13,800	13,800	13,800	-
Total Expenditures	409,906	706,365	$ 852,668	$ [146,303]
Receipts Over [Under] Expenditures	75,358	[40,867]		
Unencumbered Cash, Beginning	47,164	122,522		
Unencumbered Cash, Ending	$ 122,522	$ 81,655		

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Charges for services	$ 161,295	$ 159,960	$ 160,000	$ [40]
Miscellaneous	-	170	-	170
Total Receipts	161,295	160,130	$ 160,000	$ 130
Expenditures				
Personal services	57,883	59,492	$ 69,000	$ [9,508]
Contractual services	28,985	17,718	25,000	[7,282]
Commodities	16,141	10,808	20,000	[9,192]
Debt service	82,859	82,859	79,859	3,000
Transfer out	13,800	13,800	13,800	-
Total Expenditures	199,668	184,677	$ 207,659	$ [22,982]
Receipts Over [Under] Expenditures	[38,373]	[24,547]		
Unencumbered Cash, Beginning	110,137	71,764		
Unencumbered Cash, Ending	$ 71,764	$ 47,217		