CITY OF COUNCIL GROVE, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Council Grove, Kansas
Council Grove, Kansas

Adverse and Unmodified Opinions

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

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

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

Basis for Adverse and Unmodified Opinions

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditors' 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, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated July 15, 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/municipal-audits. 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.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

July 21, 2026

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Regulatory Basis Fund Types							
General Fund	$ 534,764	-	2,247,292	2,265,338	**516,718**	89,291	**606,009**
Special Purpose Funds							
.7% Sales Tax Fund	873,225	-	408,584	284,720	**997,089**	733	**997,822**
1% Sales Tax Fund	950,859	-	583,691	441,488	**1,093,062**	6,561	**1,099,623**
Industrial Development Fund	-	-	16,487	16,375	**112**	-	**112**
Library Fund	(137)	-	90,432	90,266	**29**	-	**29**
Library Benefits Fund	137	-	27,102	27,000	**239**	-	**239**
Special Highway Fund	202,121	-	57,155	19,225	**240,051**	-	**240,051**
Special Parks and Recreation Fund	52,464	-	8,148	-	**60,612**	-	**60,612**
Employee Benefits Fund	259,284	-	568,784	712,671	**115,397**	8,941	**124,338**
Highway Maintenance Fund	178,861	-	37,632	20,000	**196,493**	18,000	**214,493**
Diversion Fund	3,705	-	2,848	5,836	**717**	-	**717**
Equipment Reserve Fund	200,222	-	138,516	87,277	**251,461**	10,777	**262,238**
Computer Equipment Reserve Fund	78,921	-	30,943	29,763	**80,101**	3,426	**83,527**
Capital Improvements Reserve Fund	791,647	-	106,000	12,874	**884,773**	-	**884,773**
Grants Fund	148,584	-	75,166	238,455	**(14,705)**	174,636	**159,931**
CVB Fund	-	-	146,903	130,146	**16,757**	4,351	**21,108**
Rural Fire Equipment Reserve Fund	-	-	80,615	-	**80,615**	-	**80,615**
Business Funds							
Water Fund	486,304	-	973,589	1,124,875	**335,018**	63,683	**398,701**
Water Maintenance Reserve Fund	293,031	-	17,700	75,325	**235,406**	31,400	**266,806**
Sewer Fund	423,561	-	223,285	291,257	**355,589**	74,711	**430,300**
Sewer Reserve Fund	141,190	-	25,000	-	**166,190**	-	**166,190**
Refuse Fund	25,791	-	176,611	179,705	**22,697**	14,537	**37,234**
Trust Fund							
Cemetery Endowment Fund	83,445	-	100	5,000	**78,545**	-	**78,545**
Total Primary Government	5,727,979	-	6,042,583	6,057,596	**5,712,966**	501,047	**6,214,013**
Related Municipal Entity							
Public Building Commission	246,500	-	216,640	216,640	**246,500**	-	**246,500**
Total Reporting Entity (Excluding Agency Funds)	$ 5,974,479	-	6,259,223	6,274,236	**5,959,466**	501,047	**6,460,513**

Composition of Cash	Checking and Money Market Accounts	$ **5,428,763**
	Certificates of Deposit	**1,254,052**
	Total Reporting Entity	**6,682,815**
	Agency Funds per Schedule 3	**(222,302)**
	Total Reporting Entity (Excluding Agency Funds)	$ **6,460,513**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Council Grove, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The City is a municipal corporation governed by an elected mayor and six-member council. This financial statement presents the City (the municipality) and its related municipal entity, City of Council Grove, Kansas Public Building Commission, shown below. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents. This financial statement does not include the related municipal entity, Council Grove Public Library, shown below.

City of Council Grove, Kansas Public Building Commission

The City Council and mayor govern the Public Building Commission. Although it is legally separate from the City, the Public Building Commission is reported as a related municipal entity because its sole purpose is to finance and construct the City's public buildings.

Council Grove Public Library

The City's Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City. Unaudited financial statements can by obtained by contacting the library.

Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2025.

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 revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

Trust Fund – fund used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund – fund used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

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

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

Reimbursements
The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

NOTE 2 – BUDGETARY INFORMATION

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

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.

d. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this 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 revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Equipment Reserve Fund, Computer Equipment Reserve Fund, Capital Improvements Reserve Fund, Grants Fund and Rural Fire Equipment Reserve Fund.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

City of Council Grove, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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.

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

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

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the 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 does not use "peak periods". All deposits were legally secured at December 31, 2025.

At December 31, 2025, the City's carrying amount of deposits was $6,682,815 and the bank balance was $6,829,543. 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 $6,329,543 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 at December 31, 2025.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Council Grove, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2025 were as follows:

From	To	Regulatory Authority		Amount
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	$	90,249
General Fund	Computer Equipment Reserve Fund	K.S.A. 12-1,117		20,000
General Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118		92,000
General Fund	Employee Benefits Fund	K.S.A. 12-16,102		51,049
General Fund	Rural Fire Equipment Reserve Fund	K.S.A. 12-1, 117		80,615
1% Sales Tax Fund	General Fund	K.S.A. 12-197		166,500
1% Sales Tax Fund	Employee Benefits Fund	K.S.A. 12-197		68,350
1% Sales Tax Fund	CVB Fund	K.S.A. 12-197		45,000
Water Fund	Water Maintenance Reserve Fund	K.S.A. 12-825d		15,000
Water Fund	Employee Benefits Fund	K.S.A. 12-16,102		84,603
Water Fund	Equipment Reserve Fund	K.S.A. 12-1,117		22,547
Water Fund	Capital Improvements Reserve Fund	K.S.A. 12-1,118		14,000
Sewer Fund	Equipment Reserve Fund	K.S.A. 12-1,117		10,000
Sewer Fund	Sewer Reserve Fund	K.S.A. 12-825d		25,000
Sewer Fund	Employee Benefits Fund	K.S.A. 12-16,102		21,212
Refuse Fund	Computer Equipment Reserve Fund	K.S.A. 12-1,117		10,943
Cemetery Endowment Fund	General Fund	Council		5,000

NOTE 5 – LITIGATION

City of Council Grove, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

NOTE 6 – RISK MANAGEMENT

City of Council Grove, Kansas 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. The City has been unable to obtain worker's compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 175 participating members.

The City pays an annual premium to Kansas Municipal Insurance Trust for its worker's compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Insurance Trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims

in excess of $500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Municipal Insurance Trust management.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three calendar years.

NOTE 7 – GRANTS AND SHARED REVENUES

City of Council Grove, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 8 – DEFERRED COMPENSATION PLAN

City of Council Grove, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Expenditures exceeded budgeted limits in the CVB Fund, which is in violation of K.S.A. 79-2935. The fund was created in 2025 and budgeting for the fund began in 2026.

NOTE 10 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description
City of Council Grove, Kansas 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kspers.gov or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions
K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS 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 $115,861 for the year ended December 31, 2025.

Net Pension Liability

At December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was $960,836. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **City of Council Grove, Kansas** 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.

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.

NOTE 12 – COMPENSATED ABSENCES

The City's policies regarding vacation leave permit employees to accumulate vacation leave at the following rates:

Months of Employment	Accrual per Year (Days/Hours)
0-3 years	15 days / (3 weeks)
4-7 years	20 days / (4 weeks)
8-11 years	25 days / (5 weeks)
12-15 years	30 days / (6 weeks)
16-19 years	35 days / (7 weeks)
20+ years	40 days / (8 weeks)

No more than 5 days of vacation pay may be carried forward to the next anniversary year. All accumulated vacation pay is payable upon employment termination.

The City's policies regarding sick leave permit employees to accumulate a maximum of 3.69 hours of sick pay per period. Sick pay compensation at retirement is restricted to a maximum of 30 days and only if the employee worked at least 10 years and is at least 55 years old. A maximum of 75 days of sick pay may be accumulated. Unused sick pay is forfeited upon employment termination other than retirement.

NOTE 13 – CITY OF COUNCIL GROVE, KANSAS PUBLIC BUILDING COMMISSION

Lease Receivable

City of Council Grove, Kansas Public Building Commission entered into a lease agreement with **City of Council Grove, Kansas** for the lease of swimming pool improvements. The City is obligated to make payments to the Commission equivalent to the debt that the Commission has assumed and to pay its outstanding revenue bonds. The term of the lease obligations commenced on June 26, 2019 and ends on June 1, 2033. Total payments receivable are as follows:

Years Ending December 31		Total
2026	$	212,475
2027		213,075
2028		218,256
2029		217,863
2030		222,013
Thereafter		612,706
Total	**$**	**1,696,388**

Long-Term Debt

City of Council Grove, Kansas Public Building Commission has the following type of long-term debt.

Revenue Bonds

On June 26, 2019, the Commission issued $2,465,000 in Series 2019 Refunding Revenue Bonds for the purpose of providing funds for refunding Series 2012 Revenue Bonds. The bonds will mature on June 1, 2033 with semiannual payments and an interest rate of 1.80 - 3.25%.

NOTE 14 – DEBT RESTRICTIONS AND COVENANTS

KDHE Water Pollution Control Revolving Loans

City of Council Grove, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements to the existing sewage system of $509,600. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2025 as it is providing dedicated funds through user fees generated by the Sewer Fund.

KDHE Water Pollution Control Revolving Loans

City of Council Grove, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements to the existing wastewater system of $3,162,750. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2025 as it is providing dedicated funds through user fees generated by the Sewer Fund.

NOTE 15 – LONG-TERM DEBT

City of Council Grove, Kansas has the following types of long-term debt.

General Obligation Bonds
On April 28, 2020, the City issued $1,360,000 in Series 2020 General Obligation bonds for the purpose of certain public water supply improvements.

KDOT Loan
The City entered into a loan agreement with the Kansas Department of Transportation on May 12, 2008 for a curb and gutter project on Washington Street. The City has a 1% dedicated sales tax to finance the repayment, or in absences of sales tax revenues, they agree to levy tax sufficient for repayment.

KDHE Loan
The City entered into a $509,600 revolving loan agreement on July 1, 2010 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance improvements to the wastewater collection and treatment facility. The City will use user fees generated by the Sewer Fund for loan repayment, which began March 1, 2012.

KDHE Loan
The City entered into a $3,162,750 revolving loan agreement on September 11, 2025 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance improvements to the wastewater collection system. The City will use user fees generated by the Sewer Fund for loan repayment, which is scheduled to begin on March 1, 2028.

Lease Obligations
The City entered into a lease agreement with the City of Council Grove, Kansas Public Building Commission for an amount necessary to meet the debt service requirement on the outstanding revenue bonds for the use of swimming pool improvements.

The City has entered into additional leases for equipment. The leases contain a fiscal funding clause.

CITY OF COUNCIL GROVE, KANSAS

Regulatory-Required Supplementary Information

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

Issue		Interest Rates	Date of Issue	Amount of Issue	Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	**Balance End of Year**	Interest Paid
General Obligation Bonds										
Series 2020 Water		1.70-2.60%	4/28/2020	$ 1,360,000	2033	$ 595,000	-	145,000	**450,000**	14,050
KDOT Loan										
Washington Street		3.74%	5/12/2008	703,261	2027	120,684	-	48,687	**71,997**	4,514
KDHE Loan										
Sewer Loan 1784-01		2.30%	7/1/2010	509,600	2031	176,234	-	23,304	**152,930**	3,920
Sewer Loan 3085-01	*	3.15%	9/11/2025	3,162,750	2048	-	-	-	**-**	-
Total KDHE Loans						176,234	-	23,304	**152,930**	3,920
Finance Leases										
2015 Fire Truck		2.70%	2/9/2015	264,516	2027	52,236	-	24,660	**27,576**	1,107
Skid Steer		3.32%	10/1/2017	50,023	2027	8,449	-	2,693	**5,756**	32,982
Series 2019 Public Building Commission		1.80 - 3.25%	6/26/2019	2,465,000	2033	1,675,000	-	170,000	**1,505,000**	46,640
Energy Updates		2.75%	9/9/2020	1,199,218	2035	925,510	-	73,195	**852,315**	25,452
2023 Skid Steer		5.49%	11/28/2023	91,612	2031	60,942	-	8,851	**52,091**	4,308
2023 Mini Excavator		5.49%	11/28/2023	94,812	2031	67,274	-	9,770	**57,504**	4,427
2024 Fire Truck		5.75%	11/19/2024	67,825	2027	49,716	-	15,623	**34,093**	2,859
Total Finance Leases						2,839,127	-	304,792	**2,534,335**	117,775
Total Contractual Indebtedness - City						3,731,045	-	521,783	**3,209,262**	140,259
Related Municipal Entity Debt										
Revenue Bond										
Series 2019 Public Building Commission		1.80 - 3.25%	6/26/2019	2,465,000	2033	1,675,000	-	170,000	**1,505,000**	46,640
Total Contractual Indebtedness						$ 5,406,045	-	691,783	**4,714,262**	186,899

***** The City has not taken any drawdowns as of 12/31/2025

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

	YEAR						
	2026	2027	2028	2029	2030	2031 - 2035	**Total**
Principal							
General Obligation Bonds	$ 45,000	55,000	55,000	60,000	60,000	175,000	**450,000**
KDOT Loan	50,630	21,367	-	-	-	-	**71,997**
KDHE Loan	23,901	24,515	25,144	25,789	26,451	27,130	**152,930**
Finance Leases	309,489	295,787	286,246	294,644	308,154	1,040,015	**2,534,335**
Total Principal	429,020	396,669	366,390	380,433	394,605	1,242,145	**3,209,262**
Interest							
General Obligation Bonds	11,005	9,993	8,755	7,435	5,995	9,175	**52,358**
KDOT Loan	2,693	799	-	-	-	-	**3,492**
KDHE Loan	3,381	2,828	2,260	1,678	1,081	469	**11,697**
Finance Leases	76,166	67,337	58,013	49,222	39,861	65,925	**356,524**
Total Interest	93,245	80,957	69,028	58,335	46,937	75,569	**424,071**
Total Principal and Interest - City	**522,265**	**477,626**	**435,418**	**438,768**	**441,542**	**1,317,714**	**3,633,333**
Principal							
Revenue Bond	170,000	175,000	185,000	190,000	200,000	585,000	**1,505,000**
Interest							
Revenue Bond	42,475	38,075	33,256	27,863	22,013	27,706	**191,388**
Total Principal and Interest - RME	**212,475**	**213,075**	**218,256**	**217,863**	**222,013**	**612,706**	**1,696,388**
Total Principal and Interest	$ **734,740**	**690,701**	**653,674**	**656,631**	**663,555**	**1,930,420**	**5,329,721**

Schedule 1

CITY OF COUNCIL GROVE, 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)
Regulatory Basis Fund Types					
General Fund	$ 2,497,272	-	2,497,272	**2,265,338**	(231,934)
Special Purpose Funds					
.7% Sales Tax Fund	1,048,257	-	1,048,257	**284,720**	(763,537)
1% Sales Tax Fund	1,283,379	-	1,283,379	**441,488**	(841,891)
Industrial Development Fund	16,375	-	16,375	**16,375**	-
Library Fund	77,948	12,318	90,266	**90,266**	-
Library Benefits Fund	27,000	-	27,000	**27,000**	-
Special Highway Fund	265,252	-	265,252	**19,225**	(246,027)
Special Parks and Recreation Fund	91,760	-	91,760	**-**	(91,760)
Employee Benefits Fund	698,325	14,910	713,235	**712,671**	(564)
Highway Maintenance Fund	216,036	-	216,036	**20,000**	(196,036)
Diversion Fund	6,881	-	6,881	**5,836**	(1,045)
CVB Fund	-	-	-	**130,146**	130,146
Business Funds					
Water Fund	1,412,609	-	1,412,609	**1,124,875**	(287,734)
Sewer Fund	911,204	-	911,204	**291,257**	(619,947)
Refuse Fund	202,154	-	202,154	**179,705**	(22,449)

CITY OF COUNCIL GROVE, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Morris County	$ 656,400	**791,456**	791,377	79
Franchise Fees	150,999	**151,746**	140,000	11,746
County Sales Tax	234,843	**248,595**	200,000	48,595
Liquor Tax	9,703	**8,048**	10,667	(2,619)
Fees and Fines	280,658	**319,545**	291,800	27,745
Use of Money and Property	637,894	**481,866**	452,801	29,065
Federal Aid	19,941	**38,680**	-	38,680
State Aid	279	**-**	-	-
Miscellaneous	63,188	**35,856**	43,000	(7,144)
Transfers In	116,500	**171,500**	186,500	(15,000)
Total Receipts	2,170,405	**2,247,292**	2,116,145	131,147
Expenditures				
Administration	362,354	**347,050**	361,644	(14,594)
Police	465,298	**557,283**	540,726	16,557
Streets/Public Works	312,238	**359,447**	328,957	30,490
Swimming Pool	131,901	**142,386**	132,568	9,818
City Parks	55,244	**69,611**	79,200	(9,589)
Cemetery Care	50,196	**43,894**	45,024	(1,130)
Fire	195,013	**109,707**	151,942	(42,235)
Municipal Court	27,051	**27,199**	27,600	(401)
Recreation	154,385	**169,819**	152,683	17,136
City Lake	123,058	**105,029**	116,787	(11,758)
CVB	1,101	**-**	-	-
Transfers Out	224,572	**333,913**	197,511	136,402
Cash Forward	-	**-**	362,630	(362,630)
Total Expenditures	2,102,411	**2,265,338**	2,497,272	(231,934)
Receipts Over (Under) Expenditures	67,994	**(18,046)**		
Unencumbered Cash - Beginning	466,770	**534,764**		
Unencumbered Cash - Ending	$ 534,764	**516,718**		

CITY OF COUNCIL GROVE, KANSAS
.7% Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Sales Tax	$ 382,024	**408,584**	280,000	128,584
Expenditures				
Personnel Services	3,411	**-**	-	-
Pool Lease Payments	217,078	**216,640**	216,640	-
Intake Payments	88,170	**64,287**	64,287	-
Other	2,145	**3,793**	10,000	(6,207)
Cash Forward	-	**-**	757,330	(757,330)
Total Expenditures	310,804	**284,720**	1,048,257	(763,537)
Receipts Over (Under) Expenditures	71,220	**123,864**		
Unencumbered Cash - Beginning	802,005	**873,225**		
Unencumbered Cash - Ending	$ 873,225	**997,089**		

CITY OF COUNCIL GROVE, KANSAS
1% Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Sales Tax	$ 545,748	**583,691**	400,000	183,691
Reimbursed Expenses	10,000	**-**	-	-
Total Receipts	555,748	**583,691**	400,000	183,691
Expenditures				
Washington Street	53,503	**53,503**	53,503	-
Infrastructure	346,495	**60,070**	200,000	(139,930)
Grants	54,500	**48,065**	60,000	(11,935)
Other	27,273	**-**	25,000	(25,000)
Transfers Out	194,850	**279,850**	254,850	25,000
Cash Forward	-	**-**	690,026	(690,026)
Total Expenditures	676,621	**441,488**	1,283,379	(841,891)
Receipts Over (Under) Expenditures	(120,873)	**142,203**		
Unencumbered Cash - Beginning	1,071,732	**950,859**		
Unencumbered Cash - Ending	$ 950,859	**1,093,062**		

CITY OF COUNCIL GROVE, KANSAS
Industrial Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Morris County	$ 17,377	**16,487**	16,375	112
Expenditures				
Industrial Development	17,377	**16,375**	16,375	-
Receipts Over (Under) Expenditures	-	**112**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**112**		

CITY OF COUNCIL GROVE, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Morris County	$ 76,949	**78,114**	77,682	432
Reimbursed Expenses	-	**12,318**	-	12,318
Total Receipts	76,949	**90,432**	77,682	12,750
Expenditures				
Library Appropriation	76,152	**77,948**	77,948	-
Capital Outlay	-	**12,318**	-	12,318
(a) Adjustment for Qualifying Budget Credits	-	**-**	12,318	(12,318)
Total Expenditures	76,152	**90,266**	90,266	-
Receipts Over (Under) Expenditures	797	**166**		
Unencumbered Cash - Beginning	(934)	**(137)**		
Unencumbered Cash - Ending	$ (137)	**29**		

(a) Adjustment for Qualifying Budget Credits

Reimbursed Expenses Over Amount Budgeted	$ 12,318

CITY OF COUNCIL GROVE, KANSAS
Library Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Morris County	$ 25,823	**27,102**	27,000	102
Expenditures				
Library Appropriation	26,877	**27,000**	27,000	-
Receipts Over (Under) Expenditures	(1,054)	**102**		
Unencumbered Cash - Beginning	1,191	**137**		
Unencumbered Cash - Ending	$ 137	**239**		

CITY OF COUNCIL GROVE, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
State of Kansas	$ 137,042	**57,155**	57,390	(235)
Expenditures				
Street Repairs and Maintenance	86,343	**19,225**	265,252	(246,027)
Receipts Over (Under) Expenditures	50,699	**37,930**		
Unencumbered Cash - Beginning	151,422	**202,121**		
Unencumbered Cash - Ending	$ 202,121	**240,051**		

CITY OF COUNCIL GROVE, KANSAS
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Liquor Tax	$ 9,703	**8,048**	10,667	(2,619)
Donations and Other	5,110	**100**	-	100
Transfers In	10,000	**-**	-	-
Total Receipts	24,813	**8,148**	10,667	(2,519)
Expenditures				
Parks and Recreation	27,099	**-**	91,760	(91,760)
Receipts Over (Under) Expenditures	(2,286)	**8,148**		
Unencumbered Cash - Beginning	54,750	**52,464**		
Unencumbered Cash - Ending	$ 52,464	**60,612**		

CITY OF COUNCIL GROVE, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Morris County	$ 417,988	**283,660**	277,427	6,233
Reimbursed Expenses	41,426	**59,910**	45,000	14,910
Transfers In	165,034	**225,214**	173,861	51,353
Total Receipts	624,448	**568,784**	496,288	72,496
Expenditures				
Health and Dental	332,983	**523,473**	421,200	102,273
Social Security and Medicare	76,497	**81,294**	84,000	(2,706)
KPERS	84,336	**94,624**	95,000	(376)
Firemen's Relief	3,247	**2,749**	2,000	749
Workers' Compensation and Unemployment	9,711	**10,531**	9,000	1,531
Cash Forward	-	**-**	87,125	(87,125)
(a) Adjustment for Qualifying Budget Credits	-	**-**	14,910	(14,910)
Total Expenditures	506,774	**712,671**	713,235	(564)
Receipts Over (Under) Expenditures	117,674	**(143,887)**		
Unencumbered Cash - Beginning	141,610	**259,284**		
Unencumbered Cash - Ending	$ 259,284	**115,397**		

(a) Adjustment for Qualifying Budget Credits

Reimbursed Expenses Over Amount Budgeted	$ 14,910

CITY OF COUNCIL GROVE, KANSAS
Highway Maintenance Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
State of Kansas	$ 88,124	**37,632**	35,800	1,832
Expenditures				
Highway Improvements	52,199	**20,000**	216,036	(196,036)
Receipts Over (Under) Expenditures	35,925	**17,632**		
Unencumbered Cash - Beginning	142,936	**178,861**		
Unencumbered Cash - Ending	$ 178,861	**196,493**		

CITY OF COUNCIL GROVE, KANSAS
Diversion Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Diversion Fees	$ 2,435	**2,848**	1,000	1,848
Expenditures				
Law Enforcement	7,001	**5,836**	6,881	(1,045)
Receipts Over (Under) Expenditures	(4,566)	**(2,988)**		
Unencumbered Cash - Beginning	8,271	**3,705**		
Unencumbered Cash - Ending	$ 3,705	**717**		

CITY OF COUNCIL GROVE, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Sale of Equipment and Grants	$	16,556	**15,720**
Transfers In		122,835	**122,796**
Total Receipts		139,391	**138,516**
Expenditures			
Equipment		71,110	**87,277**
Receipts Over (Under) Expenditures		68,281	**51,239**
Unencumbered Cash - Beginning		131,941	**200,222**
Unencumbered Cash - Ending	$	200,222	**251,461**

CITY OF COUNCIL GROVE, KANSAS
Computer Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	30,924	**30,943**
Expenditures			
Equipment		11,898	**29,763**
Receipts Over (Under) Expenditures		19,026	**1,180**
Unencumbered Cash - Beginning		59,895	**78,921**
Unencumbered Cash - Ending	$	78,921	**80,101**

CITY OF COUNCIL GROVE, KANSAS
Capital Improvements Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Donations and Reimbursed Expenses	$	825	**-**
Transfers In		106,000	**106,000**
Total Receipts		106,825	**106,000**
Expenditures			
Capital Improvements		25,074	**12,874**
Receipts Over (Under) Expenditures		81,751	**93,126**
Unencumbered Cash - Beginning		709,896	**791,647**
Unencumbered Cash - Ending	$	791,647	**884,773**

CITY OF COUNCIL GROVE, KANSAS
Grants Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Federal Aid	$	59,810	**-**
State Aid		183,667	**-**
Other Grants and Donations		5,000	**75,166**
Total Receipts		248,477	**75,166**
Expenditures			
Grant Projects		238,702	**238,455**
Receipts Over (Under) Expenditures		9,775	**(163,289)**
Unencumbered Cash - Beginning		138,809	**148,584**
Unencumbered Cash - Ending	$	148,584	**(14,705)**

CITY OF COUNCIL GROVE, KANSAS
CVB Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Morris County	$ -	**25,000**	-	25,000
Donations and Other	-	**76,903**	-	76,903
Transfers In	-	**45,000**	-	45,000
Total Receipts	-	**146,903**	-	146,903
Expenditures				
Personnel Services	-	**46,187**	-	46,187
Contractual	-	**74,416**	-	74,416
Commodities	-	**9,543**	-	9,543
Total Expenditures	-	**130,146**	-	130,146
Receipts Over (Under) Expenditures	-	**16,757**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**16,757**		

CITY OF COUNCIL GROVE, KANSAS
Rural Fire Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	-	**80,615**
Expenditures		-	**-**
Receipts Over (Under) Expenditures		-	**80,615**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**80,615**

CITY OF COUNCIL GROVE, KANSAS
Water Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Charges for Services	$ 904,661	**892,552**	966,910	(74,358)
Miscellaneous	47,411	**81,037**	-	81,037
Total Receipts	952,072	**973,589**	966,910	6,679
Expenditures				
Production				
Personnel Services	141,599	**148,050**	129,260	18,790
Contractual Services	169,919	**247,105**	174,500	72,605
Commodities	179,249	**126,808**	185,000	(58,192)
Capital Outlay	33,874	**33,858**	33,840	18
Distribution				
Personnel Services	107,992	**128,591**	121,500	7,091
Contractual Services	15,978	**20,160**	33,950	(13,790)
Commodities	30,373	**23,789**	13,150	10,639
Capital Outlay	45,667	**57,514**	95,000	(37,486)
Administration				
Personnel Services	26,476	**29,049**	32,200	(3,151)
Contractual Services	33,657	**46,826**	20,600	26,226
Commodities	8,633	**15,277**	27,000	(11,723)
Capital Outlay	19,715	**18,457**	16,920	1,537
Debt Service	128,768	**93,241**	93,240	1
Transfers Out	110,944	**136,150**	118,547	17,603
Cash Forward	-	**-**	317,902	(317,902)
Total Expenditures	1,052,844	**1,124,875**	1,412,609	(287,734)
Receipts Over (Under) Expenditures	(100,772)	**(151,286)**		
Unencumbered Cash - Beginning	587,076	**486,304**		
Unencumbered Cash - Ending	$ 486,304	**335,018**		

CITY OF COUNCIL GROVE, KANSAS
Water Maintenance Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	**Current Year Actual**
Receipts		
Reimbursed Expenses	$ -	**2,700**
Transfers In	15,000	**15,000**
Total Receipts	15,000	**17,700**
Expenditures		
Capital Outlay	-	**75,325**
Receipts Over (Under) Expenditures	15,000	**(57,625)**
Unencumbered Cash - Beginning	278,031	**293,031**
Unencumbered Cash - Ending	$ 293,031	**235,406**

CITY OF COUNCIL GROVE, KANSAS
Sewer Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Charges for Services	$ 218,007	**220,780**	238,960	(18,180)
Miscellaneous	3,485	**2,505**	-	2,505
Total Receipts	221,492	**223,285**	238,960	(15,675)
Expenditures				
Personnel Services	78,333	**85,391**	73,000	12,391
Contractual Services	258,198	**48,521**	45,100	3,421
Commodities	41,043	**49,238**	29,700	19,538
Capital Outlay	2,939	**24,245**	12,000	12,245
Debt Service	27,650	**27,650**	27,650	-
Transfers Out	50,002	**56,212**	52,000	4,212
Cash Forward	-	**-**	671,754	(671,754)
Total Expenditures	458,165	**291,257**	911,204	(619,947)
Receipts Over (Under) Expenditures	(236,673)	**(67,972)**		
Unencumbered Cash - Beginning	660,234	**423,561**		
Unencumbered Cash - Ending	$ 423,561	**355,589**		

CITY OF COUNCIL GROVE, KANSAS
Sewer Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	25,000	**25,000**
Expenditures		-	**-**
Receipts Over (Under) Expenditures		25,000	**25,000**
Unencumbered Cash - Beginning		116,190	**141,190**
Unencumbered Cash - Ending	$	141,190	**166,190**

CITY OF COUNCIL GROVE, KANSAS
Refuse Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Charges for Services	$ 177,389	**176,611**	174,000	2,611
Expenditures				
Contractual Services	168,428	**168,762**	168,100	662
Transfers Out	10,924	**10,943**	5,500	5,443
Cash Forward	-	**-**	28,554	(28,554)
Total Expenditures	179,352	**179,705**	202,154	(22,449)
Receipts Over (Under) Expenditures	(1,963)	**(3,094)**		
Unencumbered Cash - Beginning	27,754	**25,791**		
Unencumbered Cash - Ending	$ 25,791	**22,697**		

CITY OF COUNCIL GROVE, KANSAS
Cemetery Endowment Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Cemetery Care	$	300	**100**
Expenditures			
Transfers Out		-	**5,000**
Receipts Over (Under) Expenditures		300	**(4,900)**
Unencumbered Cash - Beginning		83,145	**83,445**
Unencumbered Cash - Ending	$	83,445	**78,545**

CITY OF COUNCIL GROVE, KANSAS
Public Building Commission
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Lease Payments from the City	$	217,078	**216,640**
Expenditures			
Pool Principal and Interest		215,577	**216,640**
Fees		1,501	**-**
Total Expenditures		217,078	**216,640**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		246,500	**246,500**
Unencumbered Cash - Ending	$	246,500	**246,500**

CITY OF COUNCIL GROVE, KANSAS
Agency Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025

Fund	Beginning Cash Balance	Receipts	Disbursements	**Ending Cash Balance**
City Lake Tax Refunds	$ 129,569	-	-	**129,569**
Utility Deposits	81,963	11,835	1,722	**92,076**
Employee Benefits HSA/FSA	-	4,919	4,262	**657**
Total Agency Funds	$ 211,532	16,754	5,984	**222,302**