CITY OF CHETOPA, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2025

CITY OF CHETOPA, KANSAS

December 31, 2025

TABLE OF CONTENTS

	PAGE NUMBER
Independent Auditor's Report	1-3
Statement 1	
Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis	4
Notes to the Financial Statement	5-17
SUPPLEMENTARY INFORMATION	
Schedule 1	
Summary of Expenditures – Actual and Budget - Regulatory Basis (Budgeted Funds Only)	18
Schedule 2	
Schedule of Receipts and Expenditures – Actual and Budget- Regulatory Basis (With Comparative Actual Amounts for the Prior Year)	
General Fund	19-21
Fire Fighting Equipment Fund	22
Special Law Enforcement Fund	23
City Building Fund	24
Special City and County Highway Fund	25
Library Fund	26
Special Park Fund	27
Employee Benefits Fund	28
Industrial Development Fund	29
Swimming Pool Donations Fund	30
Sewer Project Fund	31
General Obligation Bond and Interest Fund	32
Water System Debt Service Fund	33
Water Utility Fund	34-35
Water Utility Depreciation and Maintenance Fund	36
Water System Bond Reserve Fund	37
Water Reserve Fund	38
Sewer Utility Fund	39
Sewer Utility Depreciation and Maintenance Fund	40
Sewer Reserve Fund	41
Refuse Utility Fund	42
Refuse Utility Depreciation Fund	43
Electric Utility Fund	44
Electric Utility Depreciation Fund	45
Schedule 3	
Summary of Receipts and Disbursements – Agency Funds - Regulatory Basis	46

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Chetopa, 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 Chetopa, 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 matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Chetopa, Kansas 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 of Chetopa as of December 31, 2025, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City of Chetopa 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, schedules of receipts and expenditures – actual and budget – regulatory basis for each individual fund, and schedule of receipts and disbursements – agency funds, regulatory basis (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 City of Chetopa, Kansas as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated March 17, 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.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 1, 2026
Chanute, Kansas

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

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Ending Cash Balances December 31, 2025
General Fund	$ 67,098.64	$ 642,058.76	$ 671,708.97	$ 37,448.43	$ 23,859.11	$ 61,307.54
Special Purpose Funds:						
Fire Fighting Equipment	125,661.45	18,920.33	1,917.07	142,664.71	-	142,664.71
Special Law Enforcement	4,082.22	2,118.10	1,577.24	4,623.08	-	4,623.08
City Building	3,208.41	500.00	1,827.50	1,880.91	-	1,880.91
Special City and County Highway	64,698.54	51,657.69	25,334.73	91,021.50	1,266.06	92,287.56
Library	-	11,546.40	11,546.40	-	-	-
Special Park	5,563.33	28,258.26	15,520.65	18,300.94	447.03	18,747.97
Employee Benefits	39,271.76	215,589.01	211,048.83	43,811.94	481.37	44,293.31
Industrial Development	21,333.87	2.71	-	21,336.58	-	21,336.58
Swimming Pool Donations	-	600.14	-	600.14	-	600.14
Capital Projects:						
Sewer Project	(577,685.89)	3,069,868.53	2,496,672.64	(4,490.00)	-	(4,490.00)
Bond and Interest:						
General Obligation Bond and Interest	-	263,871.39	263,871.39	-	-	-
Water System Debt Service	-	8,204.50	8,204.50	-	-	-
Business Funds:						
Water Utility	94,490.62	577,787.10	629,943.31	42,334.41	24,569.90	66,904.31
Water Utility Depreciation and Maintenance	74,102.40	7,325.82	28,000.00	53,428.22	-	53,428.22
Water System Bond Reserve	21,216.00	816.00	-	22,032.00	-	22,032.00
Water Reserve	58,487.21	5,350.14	-	63,837.35	-	63,837.35
Sewer Utility	42,445.08	257,405.38	285,382.84	14,467.62	1,205.17	15,672.79
Sewer Utility Depreciation and Maintenance	42,951.32	2,350.14	300.00	45,001.46	-	45,001.46
Sewer Reserve	77,146.47	3,625.33	-	80,771.80	-	80,771.80
Refuse Utility	73,298.09	145,893.42	147,984.75	71,206.76	4,985.32	76,192.08
Refuse Utility Depreciation	75,410.54	6,000.00	-	81,410.54	-	81,410.54
Electric Utility	310,275.94	1,228,249.51	1,187,769.48	350,755.97	67,321.30	418,077.27
Electric Utility Depreciation	222,847.71	12,751.03	-	235,598.74	-	235,598.74
Total Reporting Entity (Excluding Agency Funds)	$ 845,903.71	$ 6,560,749.69	$ 5,988,610.30	$ 1,418,043.10	$ 124,135.26	$ 1,542,178.36

Composition of Cash:	
Cash on Hand	$ 200.00
Bank of Commerce - Chetopa	
Operating Checking Account	980,365.05
Petty Cash Checking Account	2,500.00
Freedom Claims Checking Account	25,093.68
Swimming Pool Checking Account	600.14
Certificates of Deposit	621,000.00
Total Primary Government	1,629,758.87
Less: Agency Funds Per Schedule 3	(87,580.51)
Total Reporting Entity (Excluding Agency Funds)	$ 1,542,178.36

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Chetopa, Kansas (the City) was incorporated April 18, 1857, and operates as a second class city under the provisions of the Kansas Constitution, Article 12, Section 5 and K.S.A. 15-101 *et seq*. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water, electric, trash, and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Chetopa, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principle standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from accounting principles generally accepted in the United States of America.

Financial Reporting Entity

The City of Chetopa is a municipal corporation governed by an elected six-member council. This financial statement presents the City of Chetopa (the primary government) and does not include any related municipal entities.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Chetopa Public Library – The City of Chetopa Library Board operates the City's public library. Acquisition or disposition of real property or bond issuances must be approved by the City. Separately internal financial statements are available at the Chetopa Public Library.

Chetopa Historical Society – The City of Chetopa Historical Society Board operates the City's Historical Society. Acquisition or disposition of real property or bond issuances must be approved by the City. Separately internal financial statements are available at the Chetopa Historical Society.

Regulatory Basis Fund Types

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its cash, liabilities, fund equity, regulatory receipts and expenditures. The various funds are grouped by type in the financial statements. The types of funds maintained by the City are as follows:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types (Continued)

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.

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.

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.

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.)

Agency fund – funds 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 Presentation – Regulatory 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.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a regulatory receipt source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for regulatory receipt recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31st, such taxes are a lien on the property.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension Plan
Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System or the State of Kansas Police and Fire Retirement System, both of which are multi-employer, state-wide pension plans. The City's policy is to fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State of Kansas.

Reimbursed Expenses
The District records reimbursable expenditures in the fund that makes the risbursement 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 the KMAAG regulatory basis accounting.

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

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

If the City is holding a revenue neutral rate hearing, the public hearing shall be no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City did hold a revenue neutral rate hearing for this 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. During the year ended December 31, 2025, the City amended the Water Utility Fund.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)
All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory basis receipts 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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds and the following special purpose funds:

- Swimming Pool Donations Fund

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes
Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1, the City was in apparent violation with K.S.A. 10-1113, as the City has obligated expenditures in excess of available monies in the Sewer Project Fund, however, K.S.A. 10-1,116 provides that under certain situations, the fund can end the year with a negative unencumbered cash balance and therefore, be exempt from the cash basis laws of Kansas. The Sewer Project Fund met the criteria under the statutes and therefore, is not deemed to be in violation of the Kansas cash basis laws. As shown in Schedule 1, the City was in compliance with the budget laws of Kansas.

Compliance with Revenue Bond Covenants
The City is required, under the ordinances on Revenue Bond Issues, to maintain in its Business Funds certain restricted accounts. The ordinances provide that the following reserve account be set up in the amount described below:

RESERVE ACCOUNTS	REQUIRED AMOUNT	ACTUAL AMOUNT
Debt Service Reserve Requirement of a transfer of $68 per month for every year until maturity	$ 22,032.00	$ 22,032.00

The City agrees to fix, establish, maintain and collect such rates, fees or charges for Water Utility service furnished by the Water System, which will be sufficient to enable the City to have, in each fiscal year, a net income in an amount that will be not less than 110% of the amount required to be paid by the City in the next succeeding fiscal year on account of both principal and interest of the 1998 Water System Bonds of the City at the time outstanding. Net income is defined as gross income less operating expenses, but before any transfers, depreciation, debt service, and capital expense. For the year ended December 31, 2025, the Water Utility Fund had net income of $275,306.46 which is 3,416.98% of the principal and interest requirements for 2026 of $8,057.00.

Management is not aware of any other statutory violations.

3. DEPOSITS AND INVESTMENTS

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

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

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

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

Deposits - At December 31, 2025, the City's carrying amount of deposits was $1,629,558.87 and the bank balance was $1,627,433.20. The bank balance was held at one bank resulting in a concentration of credit risk. Of the bank balance, $500,000.00 was covered by federal depository insurance and $1,127,433.20 was collateralized by pledged securities held by the pledging financial institutions' agent in the City's name.

4. LONG-TERM DEBT

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

Issue	Interest Issue	Date of of Issue	Amount	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Paid with Utility Receipts									
Series 2012	2.75%	July 24, 2012	$ 3,000,000.00	July 24, 2052	$ 2,411,687.00	$ -	$ 58,273.00	$ 2,353,414.00	$ 66,321.39
Series 2014-A	3.00%	March 20, 2014	2,148,000.00	March 24, 2054	1,821,975.21	-	38,268.74	1,783,706.47	54,659.26
Series 2014-B	2.75%	March 20, 2014	1,116,000.00	March 27, 2054	938,802.24	-	20,531.94	918,270.30	25,817.06
Revenue Bonds									
Paid with Utility Receipts									
Series 1998 - Water	4.75%	December 21, 1998	143,500.00	December 21, 2039	82,200.00	-	4,300.00	77,900.00	3,904.50
Revolving Loans									
Kansas Water Pollution Control	1.30%	February 1, 2021	2,341,300.00	September 1, 2042	88,704.89	-	88,704.89	-	727.70
Finance Leases									
Water Intake Improvements	3.00%	December 29, 2016	125,941.84	March 6, 2026	19,059.28	-	15,210.03	3,849.25	347.98
Storm Shelter	3.00%	December 29, 2016	37,488.46	March 6, 2026	5,645.03	-	4,523.90	1,121.13	108.10
Police Equipment	2.75%	April 7, 2020	17,958.54	April 8, 2025	1,263.78	-	1,263.78	-	7.28
Dump Truck	2.75%	April 7, 2020	25,809.00	April 7, 2025	1,826.25	-	1,826.25	-	4.26
First Responders Truck	2.50%	July 21, 2020	24,629.36	July 21, 2025	3,006.56	-	3,006.56	-	24.37
Fire Trucks	4.50%	March 19, 2019	54,582.57	April 1, 2025	3,248.93	-	3,248.93	-	12.41
F150 Police Truck	3.85%	August 15, 2023	57,514.93	August 5, 2027	32,272.31	-	11,609.07	20,663.24	1,038.80
F800 Boom Truck	6.50%	September 17, 2024	16,827.18	September 17, 2027	15,500.26	-	5,334.50	10,165.76	853.78
Total Contractual Indebtedness					$ 5,425,191.74	$ -	$ 256,101.59	$ 5,169,090.15	$ 153,826.89

4. LONG-TERM DEBT (Continued)

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

Issue	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046-2050	2051-2054
Principal										
General Obligation Bonds										
Paid with Utility Receipts										
Series 2012	$ 59,876.00	$ 61,522.00	$ 63,046.00	$ 64,948.00	$ 66,734.00	$ 362,066.00	$ 414,584.00	$ 474,979.00	$ 544,010.00	$ 241,649.00
Series 2014-A	39,416.81	40,599.31	41,677.26	43,067.61	44,359.64	242,439.35	280,976.46	325,870.33	377,795.29	347,504.41
Series 2014-B	21,096.57	21,676.72	22,206.87	22,883.52	23,512.82	127,562.20	146,058.02	167,342.19	191,663.00	174,268.39
Revenue Bonds										
Paid with Utility Receipts										
Series 1998 - Water	4,200.00	4,400.00	4,600.00	4,900.00	5,100.00	29,200.00	25,500.00	-	-	-
Finance Leases										
Water Intake Improvements	3,849.25	-	-	-	-	-	-	-	-	-
Storm Shelter	1,121.13	-	-	-	-	-	-	-	-	-
F150 Police Truck	11,623.59	9,039.65	-	-	-	-	-	-	-	-
F800 Boom Truck	5,692.47	4,473.29	-	-	-	-	-	-	-	-
Total Principal Payments	146,875.82	141,710.97	131,530.13	135,799.13	139,706.46	761,267.55	867,118.48	968,191.52	1,113,468.29	763,421.80
Interest										
General Obligation Bonds										
Paid with Utility Receipts										
Series 2012	64,718.89	63,072.30	61,380.44	59,646.68	57,860.61	260,757.51	208,160.76	147,920.36	78,918.96	10,047.10
Series 2014-A	53,511.19	52,328.69	51,110.71	49,860.39	48,568.36	222,074.98	183,462.75	138,698.87	86,796.97	26,552.10
Series 2014-B	25,252.43	24,672.28	24,076.17	23,465.48	22,836.18	104,123.83	85,593.31	64,369.99	40,059.97	12,186.66
Revenue Bonds										
Paid with Utility Receipts										
Series 1998 - Water	3,857.00	3,657.50	3,448.50	3,230.00	2,997.26	9,457.28	5,172.78	-	-	-
Finance Leases										
Water Intake Improvements	59.69	-	-	-	-	-	-	-	-	-
Storm Shelter	61.39	-	-	-	-	-	-	-	-	-
F150 Police Truck	1,028.61	573.14	-	-	-	-	-	-	-	-
F800 Boom Truck	495.81	122.97	-	-	-	-	-	-	-	-
Total Interest Payments	148,985.01	144,426.88	140,015.82	136,202.55	132,262.41	596,413.60	482,389.60	350,989.22	205,775.90	48,785.86
Total Principal and Interest	$ 295,860.83	$ 286,137.85	$ 271,545.95	$ 272,001.68	$ 271,968.87	$ 1,357,681.15	$ 1,349,508.08	$ 1,319,180.74	$ 1,319,244.19	$ 812,207.66

4. LONG-TERM DEBT (Continued)

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

Issue	Total
Principal	
General Obligation Bonds	
Paid with Utility Receipts	
Series 2012	$ 2,353,414.00
Series 2014-A	1,783,706.47
Series 2014-B	918,270.30
Revenue Bonds	
Paid with Utility Receipts	
Series 1998 - Water	77,900.00
Finance Leases	
Water Intake Improvements	3,849.25
Storm Shelter	1,121.13
F150 Police Truck	20,663.24
F800 Boom Truck	10,165.76
Total Principal Payments	5,169,090.15
Interest	
General Obligation Bonds	
Paid with Utility Receipts	
Series 2012	1,012,483.61
Series 2014-A	912,965.01
Series 2014-B	426,636.30
Revenue Bonds	
Paid with Utility Receipts	
Series 1998 - Water	31,820.32
Finance Leases	
Water Intake Improvements	59.69
Storm Shelter	61.39
F150 Police Truck	1,601.75
F800 Boom Truck	618.78
Total Interest Payments	2,386,246.85
Total Principal and Interest	$ 7,555,337.00

5. FINANCE LEASE OBLIGATIONS

The City has entered into a finance lease agreement in order to make water line and intake improvements throughout the City. Payments are made on the 6th day of each month, including an interest rate of 3.0%. Final maturity of the lease is March 6, 2026. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 3,908.94
	3,908.94
Less: Imputed Interest	(59.69)
Net Present Value of Minimum Lease Payments	3,849.25
Less: Current Maturities	(3,849.25)
Long-Term Finance Lease Obligations	$ 0.00

The City has entered into a finance lease agreement in order to construct a storm shelter. Payments are made on the 6th day of each month, including an interest rate of 3.0%. Final maturity of the lease is March 6, 2026. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 1,182.52
	1,182.52
Less: Imputed Interest	(61.39)
Net Present Value of Minimum Lease Payments	1,121.13
Less: Current Maturities	(1,121.13)
Long-Term Finance Lease Obligations	$ 0.00

The City has entered into a finance lease agreement in order to purchase a police pickup truck. Payments are made on the 5th day of each month, including an interest rate of 3.85%. Final maturity of the lease is August 5, 2027. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 12,652.20
2027	9,612.79
	22,264.99
Less: Imputed Interest	(1,601.75)
Net Present Value of Minimum Lease Payments	20,663.24
Less: Current Maturities	(11,623.59)
Long-Term Finance Lease Obligations	$ 9,039.65

5. FINANCE LEASE OBLIGATIONS (Continued)

The City has entered into a finance lease agreement in order to purchase a For F800 boom truck. Payments are made on the 17th day of each month, including an interest rate of 6.5%. Final maturity of the lease is September 17, 2027. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2026	$ 6,188.28
2027	4,596.26
	10,784.54
Less: Imputed Interest	(618.78)
Net Present Value of Minimum Lease Payments	10,165.76
Less: Current Maturities	(5,692.47)
Long-Term Finance Lease Obligations	$ 4,473.29

6. DEFINED BENEFIT PENSION PLAN

General Information about the Pension 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 or 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 memberemployee 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 $71,819.55 for the year ended December 31, 2025.

6. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability

At December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was $579,929.00. 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.

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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.

Compensated Absences:

All full-time employees of the City are eligible for vacation benefits in varying annual amounts listed below. Part-time employees who work at least twenty hours or more per week shall earn four hours of vacation for each month of employment. Vacation may be carried over at a maximum of 240 hours at each anniversary date. In the event of termination, unused accrued vacation time is paid.

From 0 to 4 years of continuous employment – 10 days
From 5 to 9 years of continuous employment – 12 days
From 10 to 14 years of continuous employment – 15 days
From 15 to 19 years of continuous employment – 18 days
For 20 or more years of continuous employment – 20 days

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Sick leave accrues to all full-time employees at the rate of eight hours of sick leave for each month of service and part-time employees at the rate of four hours for each month of service. Sick leave amounts accrue to a maximum of 240 hours. Unused leave at termination will not be paid out for all employees other than the three grandfathered in to the old policy which will be paid at the following amounts:

For five years of continuous employment – 50% of all accrued hours
For six years of continuous employment – 60% of all accrued hours
For seven years of continuous employment – 70% of all accrued hours
For eight years of continuous employment – 80% of all accrued hours
For nine years of continuous employment – 90% of all accrued hours
For ten years of continuous employment – 100% of all accrued hours

The City estimates a liability for compensated absences which meet the following criteria:

1) The City's obligation relating to employees' rights to receive compensation for future absences is attributed to employee's services already rendered.
2) The obligation relates to rights that vest or accumulate.
3) Payment of the compensation is probable.
4) The amount can be reasonably estimated.

In accordance with the above criteria, the City has estimated a liability for vacation pay, which has been earned, but not taken by City employees at December 31, 2025 of $28,120.37. The City has estimated a liability for sick leave earned, but not taken, by City employees at December 31, 2025 of $42,449.73.

Other Post-Employment Benefits:
As provided by K.S.A. 12-5040, the local government 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 PG 15paid in full by the insured. There is no cost to the City under this program.

9. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
General	Special City and County Highway	K.S.A. 12-1,119	$ 27,094.36
General	Special Park	K.S.A. 12-197	19,618.26
Electric Utility	Electric Utility Depreciation	K.S.A. 12-825d	6,000.00
Electric Utility	Sewer Utility	K.S.A. 12-825d	50,000.00
Electric Utility	Employee Benefits	K.S.A. 12-825d	65,000.00
Electric Utility	General	K.S.A. 12-825d	175,000.00
Refuse Utility	Refuse Utility Depreciation	K.S.A. 12-825d	6,000.00
Water Utility	Water System Debt Service	K.S.A. 12-825d	8,204.50

9. INTERFUND TRANSFERS

Operating transfers were as follows (Continued):

From Fund:	To Fund:	Statutory Authority	Amount
Water Utility	General Obligation Bond and Interest Fund	K.S.A. 12-825d	$ 139,277.00
Water Utility	Water System Bond Reserve	K.S.A. 12-825d	816.00
Water Utility	Water Reserve	K.S.A. 12-825d	4,500.00
Water Utility	Water Utility Deprecation and Maintenance	K.S.A. 12-825d	4,500.00
Sewer Utility	General Obligation Bond and Interest Fund	K.S.A. 12-825d	124,594.39
Sewer Utility	Sewer Utility Deprecation and Maintenance	K.S.A. 12-825d	1,500.00
Sewer Utility	Sewer Reserve	K.S.A. 12-631o	1,500.00

10. CAPITAL PROJECTS

The following is a summary of capital project authorizations and expenditures to date:

PROJECT NAME	AUTHORIZED	EXPENDED THRU 12/31/25	ESTIMATED COMPLETION
Sewer Project	$ 4,304,506.00	$ 3,293,189.53	2026

11. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent to year end, and there were no subsequent events requiring recognition in the financial statement. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

CITY OF CHETOPA, KANSAS

Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	$ 671,709.00	$ -	$ 671,709.00	$ 671,708.97	$ (0.03)
Special Purpose Funds:					
Fire Fighting Equipment	135,965.00	-	135,965.00	1,917.07	(134,047.93)
Special Law Enforcement	6,555.00	-	6,555.00	1,255.34	(5,299.66)
City Building	2,508.00	-	2,508.00	1,827.50	(680.50)
Special City and County Highway	108,471.00	-	108,471.00	25,334.73	(83,136.27)
Library	12,553.00	-	12,553.00	11,546.40	(1,006.60)
Special Park	27,582.00	-	27,582.00	15,520.65	(12,061.35)
Employee Benefits	290,003.00	-	290,003.00	211,048.83	(78,954.17)
Industrial Development	21,197.00	-	21,197.00	-	(21,197.00)
Bond and Interest Fund:					
General Obligation Bond and Interest	263,872.00	-	263,872.00	263,871.39	(0.61)
Business Funds:					
Water Utility	630,000.00	-	630,000.00	629,943.31	(56.69)
Sewer Utility	285,429.00	-	285,429.00	285,382.84	(46.16)
Refuse Utility	241,309.00	-	241,309.00	147,984.75	(93,324.25)
Electric Utility	1,698,420.00	-	1,698,420.00	1,187,769.48	(510,650.52)

CITY OF CHETOPA, 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 Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 125,204.73	$ 117,203.66	$ 127,792.00	$ (10,588.34)
Delinquent Tax	16,231.75	-	10,551.00	(10,551.00)
Motor Vehicle Tax	19,583.35	19,523.22	19,470.00	53.22
Recreational Vehicle Tax	226.67	207.16	219.00	(11.84)
16 & 20M Truck Tax	252.96	163.97	174.00	(10.03)
Watercraft Tax	-	-	34.00	(34.00)
Sales Tax	272,888.15	268,063.61	275,943.00	(7,879.39)
Franchise Tax	12,220.70	12,307.73	12,661.00	(353.27)
Neighborhood Revitalization Rebate	(99.73)	-	-	-
Special Assessments	364.65	69.76	-	69.76
Charges for Services				
Licenses and Fees	535.00	740.00	376.00	364.00
Swimming Pool	-	-	3,992.00	(3,992.00)
Fines, Forfeitures and Penalties				
Fines	38,195.59	43,647.97	56,583.00	(12,935.03)
Use of Money and Property				
Interest	3,065.33	2,690.68	5,487.00	(2,796.32)
Other Receipts				
Reimbursed Expense	10,592.77	-	-	-
Donations	10.00	100.00	-	100.00
Miscellaneous	801.00	2,341.00	-	2,341.00
Operating Transfers from				
Electric Utility Fund	175,000.00	175,000.00	150,000.00	25,000.00
Total Receipts	675,072.92	642,058.76	$ 663,282.00	$ (21,223.24)
Expenditures				
General Government				
Personal Services	5,397.85	3,961.88	$ 4,272.00	$ (310.12)
Contractual Services	172,225.04	151,351.61	165,476.00	(14,124.39)
Commodities	25,765.85	9,185.20	33,718.00	(24,532.80)
Capital Outlay	-	-	605.00	(605.00)
Finance Lease - Storm Shelter	4,632.00	4,632.00	4,736.00	(104.00)
Police				
Personal Services	279,161.10	337,125.62	270,941.00	66,184.62
Contractual Services	34,139.84	21,839.68	24,755.00	(2,915.32)
Commodities	38,822.88	39,647.55	28,608.00	11,039.55

CITY OF CHETOPA, 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 Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Police (Continued)				
Finance Lease - Police Equipment	$ 3,848.88	$ 1,271.06	$ 1,271.00	$ 0.06
Finance Lease - Police Ford	12,652.20	12,647.87	12,652.00	(4.13)
Fire				
Personal Services	579.46	2,318.24	1,000.00	1,318.24
Contractual Services	20,014.16	12,878.90	5,745.00	7,133.90
Commodities	17,164.04	12,900.25	17,914.00	(5,013.75)
Finance Lease - Fire Trucks	10,275.72	3,261.34	3,257.00	4.34
First Responders				
Personal Services	-	-	103.00	(103.00)
Contractual Services	4,792.80	1,134.01	1,976.00	(841.99)
Commodities	930.58	-	968.00	(968.00)
Swimming Pool				
Commodities	494.91	-	-	-
Capital Outlay	-	-	18,000.00	(18,000.00)
Parks				
Personal Services	5,006.25	4,524.38	1,192.00	3,332.38
Contractual Services	3,061.38	926.53	1,000.00	(73.47)
Commodities	1,864.62	1,498.33	1,000.00	498.33
Museum				
Contractual Services	2,880.82	3,495.85	9,754.00	(6,258.15)
Commodities	983.98	220.67	1,653.00	(1,432.33)
Municipal Court				
Contractual Services	-	-	10,000.00	(10,000.00)

CITY OF CHETOPA, 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 Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Street				
Personal Services	$ 6,980.61	$ 91.68	$ 1,766.00	$ (1,674.32)
Contractual Services	117.18	83.70	1,000.00	(916.30)
Commodities	(51.68)	-	1,000.00	(1,000.00)
Operating Transfers to:				
Special City and County Highway Fund	28,224.93	27,094.36	33,766.00	(6,671.64)
Special Park Fund	18,934.17	19,618.26	13,581.00	6,037.26
Total Expenditures	698,899.57	671,708.97	$ 671,709.00	$ (0.03)
Receipts Over(Under) Expenditures	(23,826.65)	(29,650.21)		
Unencumbered Cash, Beginning	90,925.29	67,098.64		
Unencumbered Cash, Ending	$ 67,098.64	$ 37,448.43		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Delinquent Tax	$ 8.00	$ -	$ -	$ -
Charges for Services				
Rural Fire Contracts	16,603.00	16,795.00	12,000.00	4,795.00
Use of Money and Property				
Interest	1,521.16	2,125.33	-	2,125.33
Total Receipts	18,132.16	18,920.33	$ 12,000.00	$ 6,920.33
Expenditures				
Fire Fighting Equipment				
Contractual Services	1,508.76	70.39	$ -	$ 70.39
Commodities	2,615.49	1,846.68	135,965.00	(134,118.32)
Total Expenditures	4,124.25	1,917.07	$ 135,965.00	$ (134,047.93)
Receipts Over(Under) Expenditures	14,007.91	17,003.26		
Unencumbered Cash, Beginning	111,653.54	125,661.45		
Unencumbered Cash, Ending	$ 125,661.45	$ 142,664.71		

CITY OF CHETOPA, KANSAS
SPECIAL LAW ENFORCEMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
VIN Inspection Fees	$ 420.00	$ 340.00	$ 140.00	$ 200.00
Other Receipts				
Donations	-	-	-	-
Reimbursed Expense	-	2,100.00	-	2,100.00
Total Receipts	420.00	2,440.00	$ 140.00	$ 2,300.00
Expenditures				
Public Safety				
Contractual Services	-	1,255.34	$ 6,555.00	$ (5,299.66)
Commodities	3,291.18	-	-	-
Total Expenditures	3,291.18	1,255.34	$ 6,555.00	$ (5,299.66)
Receipts Over(Under) Expenditures	(2,871.18)	1,184.66		
Unencumbered Cash, Beginning	6,953.40	4,082.22		
Unencumbered Cash, Ending	$ 4,082.22	$ 5,266.88		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Other Receipts				
Miscellaneous	$ 1,200.00	$ 500.00	$ -	$ 500.00
Total Receipts	1,200.00	500.00	$ -	$ 500.00
Expenditures				
Capital Improvements				
Contractual Services	-	687.50	$ 2,508.00	$ (1,820.50)
Commodities	-	1,140.00	-	1,140.00
Total Expenditures	-	1,827.50	$ 2,508.00	$ (680.50)
Receipts Over(Under) Expenditures	1,200.00	(1,327.50)		
Unencumbered Cash, Beginning	2,008.41	3,208.41		
Unencumbered Cash, Ending	$ 3,208.41	$ 1,880.91		

CITY OF CHETOPA, KANSAS
SPECIAL CITY AND COUNTY 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 Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Intergovernmental				
Motor Fuel Tax	$ 24,827.37	$ 24,563.33	$ 27,550.00	$ (2,986.67)
Operating Transfer from				
General Fund	28,224.93	27,094.36	33,766.00	(6,671.64)
Total Receipts	53,052.30	51,657.69	$ 61,316.00	$ (9,658.31)
Expenditures				
Street Improvements				
Personal Services	12,737.66	-	$ 33,802.00	$ (33,802.00)
Contractual Services	5,428.94	1,545.75	20,000.00	(18,454.25)
Commodities	29,671.59	21,958.47	52,822.00	(30,863.53)
Debt Service				
Finance Lease	5,541.72	1,830.51	1,847.00	(16.49)
Total Expenditures	53,379.91	25,334.73	$ 108,471.00	$ (83,136.27)
Receipts Over(Under) Expenditures	(327.61)	26,322.96		
Unencumbered Cash, Beginning	65,026.15	64,698.54		
Unencumbered Cash, Ending	$ 64,698.54	$ 91,021.50		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 9,098.08	$ 9,604.09	$ 11,106.00	$ (1,501.91)
Delinquent Tax	1,295.21	499.56	917.00	(417.44)
Motor Vehicle Tax	1,393.54	1,416.11	1,415.00	1.11
Recreational Vehicle Tax	16.00	15.06	16.00	(0.94)
16/20M Truck Tax	21.46	11.58	13.00	(1.42)
Watercraft Tax	-	-	3.00	(3.00)
Neighborhood Revitalization Rebate	(7.25)	-	-	-
Other Receipts				
Reimbursed Expense	45.86	-	-	-
Total Receipts	11,862.90	11,546.40	$ 13,470.00	$ (1,923.60)
Expenditures				
Culture and Recreation				
Appropriation to Library Board	11,817.04	11,546.40	$ 12,553.00	$ (1,006.60)
Commodities	45.86	-	-	-
Total Expenditures	11,862.90	11,546.40	$ 12,553.00	$ (1,006.60)
Receipts Over(Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Intergovernmental				
State Grant	$ 7,842.00	$ -	$ -	$ -
Charges for Services				
Camper Fees	11,555.00	8,640.00	11,094.00	(2,454.00)
Use of Money and Property				
Interest	-	-	30.00	(30.00)
Operating Transfer from				
General Fund	18,934.17	19,618.26	13,581.00	6,037.26
Total Receipts	38,331.17	28,258.26	$ 24,705.00	$ 3,553.26
Expenditures				
General Government				
Personal Services	2,004.83	154.13	$ 2,327.00	$ (2,172.87)
Contractual Services	4,086.45	6,616.24	5,215.00	1,401.24
Commodities	31,998.57	8,750.28	20,040.00	(11,289.72)
Total Expenditures	38,089.85	15,520.65	$ 27,582.00	$ (12,061.35)
Receipts Over(Under) Expenditures	241.32	12,737.61		
Unencumbered Cash, Beginning	5,322.01	5,563.33		
Unencumbered Cash, Ending	$ 5,563.33	$ 18,300.94		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 66,509.56	$ 103,242.68	$ 119,366.00	$ (16,123.32)
Delinquent Tax	9,698.45	3,790.56	9,856.00	(6,065.44)
Motor Vehicle Tax	10,272.85	10,352.16	10,343.00	9.16
Recreational Vehicle Tax	116.98	110.06	117.00	(6.94)
16/20M Truck Tax	175.07	84.62	92.00	(7.38)
Watercraft Tax	-	-	19.00	(19.00)
Neighborhood Revitalization Rebate	(52.98)	-	-	-
Other Receipts				
Miscellaneous	51,685.62	33,008.93	59,488.00	(26,479.07)
Operating Transfer from				
Electric Utility Fund	90,000.00	65,000.00	100,000.00	(35,000.00)
Total Receipts	228,405.55	215,589.01	$ 299,281.00	$ (83,691.99)
Expenditures				
General Government				
Personal Services	250,097.36	206,146.36	$ 254,547.00	$ (48,400.64)
Contractual Services	1,183.29	4,902.47	35,456.00	(30,553.53)
Total Expenditures	251,280.65	211,048.83	$ 290,003.00	$ (78,954.17)
Receipts Over(Under) Expenditures	(22,875.10)	4,540.18		
Unencumbered Cash, Beginning	62,146.86	39,271.76		
Unencumbered Cash, Ending	$ 39,271.76	$ 43,811.94		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Delinquent Tax	$ 136.48	$ 2.71	$ -	$ 2.71
Total Receipts	136.48	2.71	$ -	$ 2.71
Expenditures				
General Government				
Contractual Services	-	-	$ 21,197.00	$ (21,197.00)
Total Expenditures	-	-	$ 21,197.00	$ (21,197.00)
Receipts Over(Under) Expenditures	136.48	2.71		
Unencumbered Cash, Beginning	21,197.39	21,333.87		
Unencumbered Cash, Ending	$ 21,333.87	$ 21,336.58		

CITY OF CHETOPA, KANSAS
SWIMMING POOL DONATIONS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest	$ -	$ 0.14
Other Receipts		
Donations	-	600.00
Total Receipts	-	600.14
Expenditures		
General Government		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	600.14
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 600.14

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

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Federal Grant	$ 198,595.00	$ 394,155.00
State Grant	20,236.00	2,675,713.53
Total Receipts	218,831.00	3,069,868.53
Expenditures		
Capital Improvements		
Capital Outlay	796,516.89	2,496,672.64
Total Expenditures	796,516.89	2,496,672.64
Receipts Over(Under) Expenditures	(577,685.89)	573,195.89
Unencumbered Cash, Beginning	-	(577,685.89)
Unencumbered Cash, Ending	$ (577,685.89)	$ (4,490.00)

CITY OF CHETOPA, KANSAS
GENERAL OBLIGATION 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 Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfers from:				
Water Utility Fund	$ 139,051.97	$ 139,277.00	$ 139,278.00	$ (1.00)
Sewer Utility Fund	124,409.05	124,594.39	124,594.00	0.39
Total Receipts	263,461.02	263,871.39	$ 263,872.00	$ (0.61)
Expenditures				
Debt Service				
Principal	113,450.90	117,073.68	$ 117,074.00	$ (0.32)
Interest	150,010.12	146,797.71	146,798.00	(0.29)
Total Expenditures	263,461.02	263,871.39	$ 263,872.00	$ (0.61)
Receipts Over(Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

CITY OF CHETOPA, KANSAS
WATER SYSTEM DEBT SERVICE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Water Utility Fund	$ 8,199.26	$ 8,204.50
Total Receipts	8,199.26	8,204.50
Expenditures		
Debt Service		
Principal	4,100.00	4,300.00
Interest	4,099.26	3,904.50
Total Expenditures	8,199.26	8,204.50
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Water Sales	$ 494,889.79	$ 568,641.22	$ 582,981.00	$ (14,339.78)
Penalties	5,896.01	7,201.73	6,000.00	1,201.73
Intergovernmental				
Grant Proceeds	37,500.00	-	-	-
Use of Money and Property				
Interest	2,097.32	1,944.15	2,614.00	(669.85)
Operating Transfer from				
Electric Utility Fund	50,000.00	-	36,000.00	(36,000.00)
Total Receipts	590,383.12	577,787.10	$ 627,595.00	$ (49,807.90)
Expenditures				
Production				
Personal Services	137,675.25	146,402.89	$ 140,000.00	$ 6,402.89
Contractual Services	92,321.95	38,272.34	128,331.00	(90,058.66)
Commodities	71,629.08	78,310.88	80,000.00	(1,689.12)
Capital Outlay	46,419.00	151,576.23	20,000.00	131,576.23
Distribution				
Contractual Services	6,239.93	5,348.36	7,462.00	(2,113.64)
Commodities	981.22	697.16	1,505.00	(807.84)
Capital Outlay	-	-	50,000.00	(50,000.00)
General Administrative				
Personal Services	24,441.73	26,383.69	23,965.00	2,418.69
Contractual Services	3,570.47	3,227.57	3,405.00	(177.43)
Commodities	-	(141.89)	-	(141.89)
Non-Operating				
Contractual Services	2,743.86	885.24	-	885.24
Taxes and Fees	-	3,094.40	-	3,094.40
Debt Service				
Finance Lease - First Responders Truck	5,256.84	3,030.93	3,029.00	1.93
Finance Lease - Water Intake Imp	15,576.00	15,558.01	15,912.00	(353.99)

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures				
Operating Transfers to:				
Water System Debt Service Fund	$ 8,199.26	$ 8,204.50	$ 8,047.00	$ 157.50
Water Utility Depreciation and Maintenance Fund	4,500.00	4,500.00	4,500.00	-
General Obligation Bond and Interest Fund	139,051.97	139,277.00	139,278.00	(1.00)
Water System Bond Reserve Fund	816.00	816.00	816.00	-
Water Reserve Fund	4,500.00	4,500.00	3,750.00	750.00
Total Expenditures	563,922.56	629,943.31	$ 630,000.00	$ (56.69)
Receipts Over(Under) Expenditures	26,460.56	(52,156.21)		
Unencumbered Cash, Beginning	68,030.06	94,490.62		
Unencumbered Cash, Ending	$ 94,490.62	$ 42,334.41		

CITY OF CHETOPA, KANSAS
WATER UTILITY DEPRECIATION AND MAINTENANCE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest	$ 1,841.16	$ 2,825.82
Operating Transfer from		
Water Utility Fund	4,500.00	4,500.00
Total Receipts	6,341.16	7,325.82
Expenditures		
General Administrative		
Contractual Services	2,575.00	-
Commodities	6,100.26	-
Capital Outlay	-	28,000.00
Total Expenditures	8,675.26	28,000.00
Receipts Over(Under) Expenditures	(2,334.10)	(20,674.18)
Unencumbered Cash, Beginning	76,436.50	74,102.40
Unencumbered Cash, Ending	$ 74,102.40	$ 53,428.22

CITY OF CHETOPA, KANSAS
WATER SYSTEM BOND RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Water Utility Fund	$ 816.00	$ 816.00
Total Receipts	816.00	816.00
Expenditures		
Production Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	816.00	816.00
Unencumbered Cash, Beginning	20,400.00	21,216.00
Unencumbered Cash, Ending	$ 21,216.00	$ 22,032.00

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

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest	$ 608.47	$ 850.14
Operating Transfer from		
Water Utility Fund	4,500.00	4,500.00
Total Receipts	5,108.47	5,350.14
Expenditures		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	5,108.47	5,350.14
Unencumbered Cash, Beginning	53,378.74	58,487.21
Unencumbered Cash, Ending	$ 58,487.21	$ 63,837.35

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Sewer Collections	$ 189,838.65	$ 203,847.38	$ 209,178.00	$ (5,330.62)
Penalties	-	2,661.15	1,964.00	697.15
Use of Money and Property				
Revolving Loan Proceeds	17,075.00	-	-	-
Interest	1,021.76	896.85	1,286.00	(389.15)
Operating Transfer from				
Electric Utility Fund	120,000.00	50,000.00	73,000.00	(23,000.00)
Total Receipts	327,935.41	257,405.38	$ 285,428.00	$ (28,022.62)
Expenditures				
Operating Expenditures				
Personal Services	40,316.05	39,462.05	$ 12,124.00	$ 27,338.05
Contractual Services	22,764.51	20,370.21	35,656.00	(15,285.79)
Commodities	4,918.16	2,031.60	1,756.00	275.60
Capital Outlay	17,075.00	6,492.00	19,250.00	(12,758.00)
Debt Service				
Principal	131,028.04	88,704.89	88,734.00	(29.11)
Interest	2,292.06	727.70	315.00	412.70
Operating Transfers to:				
General Obligation Bond and Interest Fund	124,409.05	124,594.39	124,594.00	0.39
Sewer Utility Depreciation and Maintenance Fund	1,500.00	1,500.00	1,500.00	-
Sewer Reserve Fund	1,500.00	1,500.00	1,500.00	-
Total Expenditures	345,802.87	285,382.84	$ 285,429.00	$ (46.16)
Receipts Over(Under) Expenditures	(17,867.46)	(27,977.46)		
Unencumbered Cash, Beginning	60,312.54	42,445.08		
Unencumbered Cash, Ending	$ 42,445.08	$ 14,467.62		

CITY OF CHETOPA, KANSAS
SEWER UTILITY DEPRECIATION AND MAINTENANCE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest	$ 608.47	$ 850.14
Operating Transfer from		
Sewer Utility Fund	1,500.00	1,500.00
Total Receipts	2,108.47	2,350.14
Expenditures		
General Administrative		
Capital Outlay	-	300.00
Total Expenditures	-	300.00
Receipts Over(Under) Expenditures	2,108.47	2,050.14
Unencumbered Cash, Beginning	40,842.85	42,951.32
Unencumbered Cash, Ending	$ 42,951.32	$ 45,001.46

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

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest	$ 1,521.16	$ 2,125.33
Operating Transfer from		
Sewer Utility Fund	1,500.00	1,500.00
Total Receipts	3,021.16	3,625.33
Expenditures		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	3,021.16	3,625.33
Unencumbered Cash, Beginning	74,125.31	77,146.47
Unencumbered Cash, Ending	$ 77,146.47	$ 80,771.80

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Refuse Collections	$ 131,275.76	$ 139,329.22	$ 140,219.00	$ (889.78)
Penalties	1,599.89	1,688.19	1,460.00	228.19
Use of Money and Property				
Interest	4,586.49	4,816.01	4,554.00	262.01
Other Receipts				
Miscellaneous	90.00	60.00	-	60.00
Total Receipts	137,552.14	145,893.42	$ 146,233.00	$ (339.58)
Expenditures				
Operating Expenditures				
Personal Services	101,202.02	82,891.43	$ 79,329.00	$ 3,562.43
Contractual Services	36,398.89	39,610.65	40,000.00	(389.35)
Commodities	16,530.83	19,482.67	25,000.00	(5,517.33)
Capital Outlay	-	-	54,980.00	(54,980.00)
Debt Service				
Finance Lease - Trash Truck	-	-	36,000.00	(36,000.00)
Operating Transfer to				
Refuse Utility Depreciation Fund	6,000.00	6,000.00	6,000.00	-
Total Expenditures	160,131.74	147,984.75	$ 241,309.00	$ (93,324.25)
Receipts Over(Under) Expenditures	(22,579.60)	(2,091.33)		
Unencumbered Cash, Beginning	95,877.69	73,298.09		
Unencumbered Cash, Ending	$ 73,298.09	$ 71,206.76		

CITY OF CHETOPA, KANSAS
REFUSE UTILITY DEPRECIATION FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts For the Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Refuse Utility Fund	$ 6,000.00	$ 6,000.00
Total Receipts	6,000.00	6,000.00
Expenditures		
General Administrative Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	6,000.00	6,000.00
Unencumbered Cash, Beginning	69,410.54	75,410.54
Unencumbered Cash, Ending	$ 75,410.54	$ 81,410.54

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Electric Sales	$ 1,111,574.33	$ 1,198,560.93	$ 1,334,940.00	$ (136,379.07)
Penalties	13,304.32	13,122.34	11,888.00	1,234.34
Use of Money and Property				
Interest	13,387.69	11,992.85	1,714.00	10,278.85
Lease Proceeds	16,801.43	-	-	-
Other Receipts				
Reimbursed Expense	1,577.22	-	9,421.00	(9,421.00)
Miscellaneous	2,040.00	4,573.39	-	4,573.39
Total Receipts	1,158,684.99	1,228,249.51	$ 1,357,963.00	$ (129,713.49)
Expenditures				
Production				
Contractual Services	889.07	374.00	$ 889.00	$ (515.00)
Commodities	472,545.43	491,702.98	451,293.00	40,409.98
Transmission				
Personal Services	37,528.10	50,772.16	37,860.00	12,912.16
Contractual Services	40,218.04	24,094.13	47,000.00	(22,905.87)
Commodities	40,275.65	34,131.14	66,621.00	(32,489.86)
Capital Outlay	16,801.43	-	408,075.00	(408,075.00)
General Administration				
Personal Services	260,709.72	237,341.29	268,861.00	(31,519.71)
Contractual Services	9,458.94	2,592.60	10,820.00	(8,227.40)
Commodities	7,012.63	-	1,570.00	(1,570.00)
Non-Operating				
Contractual Services	37,829.50	44,572.90	36,431.00	8,141.90
Debt Service				
Finance Lease - Pole Truck	1,547.07	6,188.28	-	6,188.28
Operating Transfer to:				
General Fund	175,000.00	175,000.00	150,000.00	25,000.00
Employee Benefits Fund	90,000.00	65,000.00	100,000.00	(35,000.00)
Electric Utility Depreciation Fund	6,000.00	6,000.00	10,000.00	(4,000.00)
Water Utility Fund	50,000.00	-	36,000.00	(36,000.00)
Sewer Utility Fund	120,000.00	50,000.00	73,000.00	(23,000.00)
Total Expenditures	1,365,815.58	1,187,769.48	$ 1,698,420.00	$ (510,650.52)
Receipts Over(Under) Expenditures	(207,130.59)	40,480.03		
Unencumbered Cash, Beginning	517,406.53	310,275.94		
Unencumbered Cash, Ending	$ 310,275.94	$ 350,755.97		

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

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest	$ 7,691.92	$ 6,751.03
Operating Transfer from		
Electric Utility Fund	6,000.00	6,000.00
Total Receipts	13,691.92	12,751.03
Expenditures		
General Administrative		
Commodities	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	13,691.92	12,751.03
Unencumbered Cash, Beginning	209,155.79	222,847.71
Unencumbered Cash, Ending	$ 222,847.71	$ 235,598.74

Schedule 3

CITY OF CHETOPA, KANSAS
AGENCY FUNDS
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2025

Funds	Beginning Cash Balances	Receipts	Disbursements	Ending Cash Balances
Municipal Court	$ 39,960.36	$ 69,586.40	$ 61,881.13	$ 47,665.63
Electric Meter Deposits	28,050.00	7,158.14	5,983.10	29,225.04
Water Meter Deposits	9,875.00	2,200.00	1,385.16	10,689.84
Total Agency Funds	$ 77,885.36	$ 78,944.54	$ 69,249.39	$ 87,580.51

Jarred Gilmore Phillips

Honorable Mayor, City Council, and Management
City of Chetopa, Kansas

In planning and performing our audit of the financial statement of the City of Chetopa, Kansas as of and for the year ended December 31, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Chetopa, Kansas's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City of Chetopa, Kansas's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Chetopa, Kansas's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

Preparation of Financial Statement

Professional standards require management to accept responsibility for the preparation and fair presentation of the financial statement, including related note disclosures. The City engages the auditor to assist in drafting the financial statement in accordance with the Kansas Municipal Audit and Accounting Guide. The City does not have personnel with specialized training in governmental financial reporting necessary to independently prepare the complete financial statement and related disclosures. Accordingly, management relies on the auditor for preparation of the financial statement. While this condition is common among smaller governmental entities and does not reflect on management's integrity or oversight, it represents a deficiency in internal control over financial reporting because the preparation of the financial statement is not performed by individuals independent of the audit process.

Management has reviewed and approved the financial statement and has accepted responsibility for them. We encourage management and the Council to continue their oversight of the financial reporting process and to remain informed of reporting requirements.

Segregation of Duties

Due to the limited number of personnel, complete segregation of duties is not achievable. As a result, certain internal control functions are necessarily performed by the same individual. Under auditing standards generally accepted in the United States, this condition represents a significant deficiency in internal control, as it increases the risk that errors or irregularities could occur and not be detected on a timely basis.

This comment is provided as a reminder to the City Council of its fiduciary oversight responsibilities, rather than as a recommendation for corrective action. Management and the Council are aware of this limitation and have determined that the costs associated with additional staffing or restructuring would outweigh the related benefits at this time.

Accordingly, the Council should continue to exercise diligent financial oversight, including active involvement in the review of financial information and monitoring of fiscal activities, to mitigate the risks inherent in this condition.

This communication is intended solely for the information and use of management, the Mayor, City Council, and others within City of Chetopa, Kansas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 1, 2026
Chanute, Kansas