CITY OF EMPORIA, KANSAS

Annual Comprehensive Financial Report

Year Ended December 31, 2025

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Year Ended December 31, 2025

Prepared by

Janet Harrouff

Director of Finance

CITY OF EMPORIA, KANSAS
TABLE OF CONTENTS
December 31, 2025

		Page
INTRODUCTORY SECTION		
Letter of Transmittal		i - iii
City Organizational Chart		iv
List of Principal Officials		v
GFOA Certificate of Achievement		vi
FINANCIAL SECTION		
Independent Auditor's Report		1 - 3
Management's Discussion and Analysis		4 - 11
Basic Financial Statements	**Exhibit**	
Government-wide Financial Statements		
Statement of Net Position	A	12
Statement of Activities	B	13
Fund Financial Statements		
Balance Sheet - Governmental Funds	C	14
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position		15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	D	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		17
Statement of Net Position - Proprietary Funds	E	18
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	F	19
Statement of Cash Flows - Proprietary Funds	G	20
Notes to the Basic Financial Statements		21-57
	Schedule	**Page**
Required Supplementary Information (RSI)		
Statement of Revenues, Expenditures, and Changes in Fund Balances - Actual and Budget - General Fund	1	58
Schedule of the City's Proportionate Share of the Net Pension Liability	2	59
Schedule of Contributions	2	59
Schedule of changes in Net OPEB Liability and Related Ratios	3	60
OTHER FINANCIAL INFORMATION		
Combining Balance Sheet - Non-Major Governmental Funds	4	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	5	62
Combining Balance Sheet - Non-Major Special Revenue Funds	6	63-65
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds	7	66-68
Combining Balance Sheet - Capital Project Funds	8	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Capital Project Funds	9	70

CITY OF EMPORIA, KANSAS
TABLE OF CONTENTS (CONTINUED)
December 31, 2025

OTHER FINANCIAL INFORMATION (Continued)	**Schedule**	**Page**
Schedule of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget		
Library Fund	10	71
Convention and Tourism Promotion Fund	11	72
Industrial Fund	12	73
Special Alcohol Program Fund	13	74
Special Park and Recreation Fund	14	75
Special Street Fund	15	76
Drug Money Forfeiture Fund	16	77
Industrial Development Sales Tax Fund	17	78
Multi-Year Improvement Fund	18	79
Debt Service Fund	19	80
Combining Statement of Net Position - Internal Service Funds	20	81
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds	21	82
Combining Statement of Cash Flows - Internal Service Funds	22	83

STATISTICAL SECTION	**Table**	
Statistical Summary		84
Net Position by Component - Last Ten Fiscal Years	1	85
Changes in Net Position - Last Ten Fiscal Years	2	86
Fund Balances of Governmental Funds - Last Ten Fiscal Years	3	88
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	4	89
Governmental Activities Tax Revenues by Source - Last Ten Fiscal Years	5	90
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	6	91
Direct and Overlapping Property Tax Levy Rates - Last Ten Fiscal Years	7	92
Principal Property Taxpayers	8	93
Property Tax Levies and Collections - Last Ten Fiscal Years	9	94
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	10	95
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	11	96
Direct and Overlapping Governmental Activities Debt	12	97
Legal Debt Margin Information - Last Ten Fiscal Years	13	98
Demographic and Economic Statistics - Last Ten Fiscal Years	14	99
Principal Employers - Current year and nine years ago	15	100
Full-Time Equivalent City Employees by Function - Last Ten Fiscal Years	16	101
Operating Indicators by Function - Last Ten Fiscal Years	17	102
Capital Asset Statistics by Function - Last Ten Fiscal Years	18	103

INTRODUCTORY SECTION

June 26, 2026

Citizens of the City of Emporia, Kansas
Honorable Mayor and
City Commissioners

The Comprehensive Annual Financial Report of the City of Emporia, Kansas for the year ended December 31, 2025 is submitted herewith.

This report was prepared by the City's Finance Department. The report is published to provide to the Commission, representatives of financial institutions, and to our citizens and other interested persons detailed information concerning the financial condition of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

GENERAL INFORMATION – CITY OF EMPORIA

The City of Emporia lies 110 miles southwest of Kansas City and 85 miles northeast of Wichita on the eastern edge of the Flint Hills area of Kansas. Emporia has a population of 24,105 based on the 2022 census. There are 12.38 square miles of land in the City's corporate boundary.

The City of Emporia was incorporated in 1857. The City has Commission – City Manager form of government. The commission is comprised of five members elected at large for terms of two and four years, with three Commissioners being elected each odd-numbered year. The Mayor is elected by the Commission.

The City Manager is appointed by the Governing Body and acts as its primary agent in accordance with state statute. Other City officers and employees are appointed by the City Manager. The Governing Body is responsible for policy determination, and the City Manager is responsible for the administration of the municipal government.

This report includes all funds of the City. The City is financially accountable for the Emporia Public Library, and the Library is included in the City's financial statements. The City Commission appoints all members of the seven member Library Board. Because the Library is not a separate taxing entity by applicable state statutes, the City levies taxes for the Library's operations, which represent approximately 91 percent of total revenues. The operations of the Emporia Public Library are reported as a discretely presented component unit in the City's financial statements.

The City provides a full range of municipal services. The Public Safety program includes police and fire protection; an aquatic center, golf course, tennis courts, pickleball courts, neighborhood parks, zoo, and a community center provide a well-rounded, active recreation program; the Engineering Department provides essential street and highway construction and maintenance, surveying services, and other technical assistance to the City; the Public Utilities provide water, sewer and refuse collection services. Additional services provided include building inspection, planning and zoning, as well as general administrative services.

In developing and altering the City's accounting system, consideration is given to the adequacy of the internal controls. The internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

State law requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent Certified Public Accountants or Licensed Municipal Public Accounts selected by the City Commission. This requirement has been complied with, and the auditor's opinion has been included in this report.

LOCAL ECONOMY

Emporia is very fortunate to have a diversified economy. This diversity provides a cushion when one particular sector of the economy suffers during an economic downturn. One major source of employment is the field of food processing, which serves as an important link to the state's agricultural base. It is also somewhat insulated from the periodic downturns associated with other sectors of the economy. Strong employment in the food processing sector is maintained at Simmons Pet Food; they employ more than 1,600 people. Hostess Brands, LLC opened the Emporia facility in 2012 and currently employs 650 people. Hill's Pet Nutrition employs between 120-150 employees. Fanestil Meats employs over 100 employees.

Apart from the food processing sector, other major employment opportunities come from manufacturing and warehousing/distribution. Michelin completed a multi-million dollar expansion and employs a few hundred employees. Vektek also contributes to the local economy by employing nearly 100 employees. The Regional Development Association of East Central Kansas (RDA) continuously work to attract potential employees to the community. Recently, Hopkins Manufacturing announced its closure leading to the elimination of over 100 jobs.

Emporia State University relies on state funding, and the fiscal condition of the state has affected the operations of the Kansas Board of Regents in recent years. In response, Emporia State University actively seeks new students to increase enrollment. Flint Hills Technical College has experienced high enrollment in recent years and continues to play a crucial role in serving the business community. Additionally, the trucking industry holds significant importance in the local economy due to Emporia's access to the confluence of three highway systems and its geographical location in Kansas and the United States.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Unrestricted fund balance in the general fund at year end was 26.70 percent of total general fund revenues. This amount was above the 15 percent policy guidelines set by the Commission for budgetary and planning purposes. The water fund unrestricted fund balance was 4.86 percent, the wastewater fund unrestricted fund balance was 16.04 percent, and the Solid Waste fund unrestricted fund balance was 23.67 percent. The water and wastewater amounts are below the 20 percent reserve policy set by the City Commission. Solid Waste unrestricted balance is above the 20 percent reserve policy set by the City Commission.

The City of Emporia collects approximately 3.4 million dollars a year from a 1 cent county wide sales tax. The City Commission has stated these dollars are to be spent on city infrastructure. During 2025, $1.8 million street maintenance, $451,000 on building updates and repairs and $106,000 on zoo exhibit improvements. This sales tax is set to expire in 2039.

A five-year capital improvement plan is maintained, which serves as its planning document to ensure that facilities, equipment, and infrastructure are well maintained and operating in good condition. Property owners can participate in the Neighborhood Revitalization Program for property in the center part of Emporia. The downtown district received Historical district certification in 2013 to provide additional grant opportunities to maintain the buildings. The City of Emporia has recently created two Resident Housing Incentive District that are projected to create 80 Residential Housing Units.

RELEVANT FINANCIAL POLICIES

The adopted budgets are an integral part of the accounting system providing management control over expenditures in the general fund, special revenue funds, debt service fund, and enterprise funds. Kansas statutes require that cash be on hand before expenditure can be authorized, that all expenditures be budgeted, and that the budget not exceed anticipated revenues including carry-forward balances. The adopted budget for any fund may be amended, using the same procedures as for adoption, if the increased expenditures are financed with non-tax revenues.

Formal budgetary integration is not used for the capital projects funds because budgetary control is achieved through the resolution of authorization and funding. Encumbrance accounting is used for outstanding purchase orders, contracts, and other commitments. Encumbrances outstanding at year end are reported as assigned fund balance since they are not expenditures or liabilities.

Cash temporarily idle during the year was invested in time deposits in banks ranging from 30 to 180 days in maturity and in U.S. Government obligations with variable maturities and in the Kansas Municipal Investment Pool. At December 31, 2024, the City's cash resources were divided between demand deposits and investments as follows: in demand deposits and cash on hand, 3 percent; and in interest bearing investments, 97 percent.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized.

The City performs limited risk management operations intended to maintain coverage at appropriate levels; manage claims; and monitor carrier performance. The City was self-insured for its workers' compensation insurance for the year ended December 31, 2024.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Emporia for its annual comprehensive financial report for the year ended December 31, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Emporia, Kansas, has received a Certificate of Achievement for the last forty consecutive years (fiscal years 1985-2024). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

ACKNOWLEDGMENTS

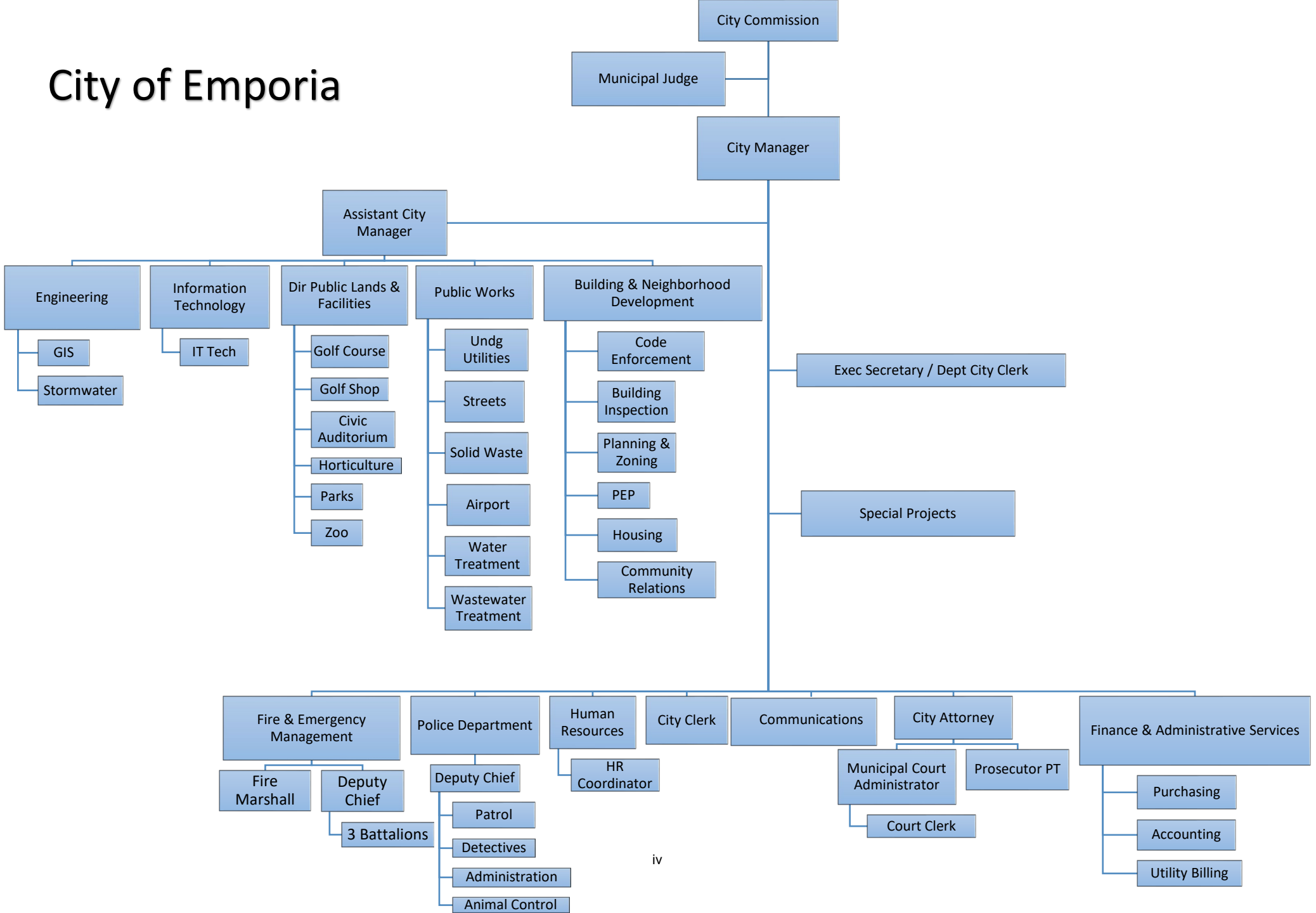
The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I should like to express my appreciation to all members of the department who assisted and contributed to its preparation. I should also like to thank the Mayor and City Commissioners for their interest and support in planning and conducting the financial operations of the City in a reasonable and progressive manner.

Respectfully submitted,

Janet Harrouff
City Treasurer

Trey Cocking
City Manager

City of Emporia



City of Emporia, Kansas

GOVERNING BODY

2025

MAYOR	ERREN HARTER
VICE-MAYOR	BECKY SMITH
COMMISSIONER	TYLER CURTIS
COMMISSIONER	JAMIE SAUDER
COMMISSIONER	SUSAN BRINKMAN

ADMINISTRATIVE OFFICIALS

CITY MANAGER	TREY COCKING
DEPUTY CITY MANAGER	MARK DETTER
ASSISTANT CITY MANAGER	TAYLOR WASH
CITY CLERK	KERRY SULL
CITY TREASURER	JANET HARROUFF
CITY ATTORNEY	CHRISTINA MONTGOMERY

DEPARTMENT HEADS

PUBLIC WORKS DIRECTOR	DEAN GRANT
CITY ENGINEER	JIM UBERT
FIRE CHIEF	BRANDON BECK
POLICE CHIEF	ED OWENS

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Emporia
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

HOOD AND ASSOCIATES CPAs, PC

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Commissioners
City of Emporia, Kansas

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Emporia, Kansas (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Emporia Public Library, which represent 100 percent of the assets, net position, and revenues of discretely presented component unit as of December 31, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards.*

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Kansas Municipal Audit and Accounting Guide, and *Government Auditing Standards* 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, including omissions, 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 statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our 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.

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hood and Associates CPAs PC

Kansas City, Missouri
June 26, 2026

City of Emporia, Kansas
Management's Discussion and Analysis
For the Year Ended December 31, 2025

As management of the City of Emporia, Kansas (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2025. We encourage readers to consider the information presented here, in conjunction with the transmittal letter at the beginning of this report, and the City's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows as of December 31, 2025, by $80,832,504 (net position). Of this amount $6,509,005 is unrestricted and may be used to meet future obligations of the City.
- The City's total net position increased by $297,391 during the fiscal year as a result of current year activities. The City's governmental activities increased by $811,135 and the City's business-type activities decreased $513,744 for the year.
- The City's General Fund's unassigned fund balance totaled $9,537,008 at December 31, 2025 or 38.4% of total 2025 General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is provided as an introduction to the basic financial statements. The basic financial statements consist of three components: government-wide financial statements, fund financial statements, and notes to the basic financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are a broad overview of the City's finances presented in a manner similar to a private business. These statements provide both long-term and short-term information about the City's overall financial status.

The *statement of net position* presents all the City's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as *net position.* Net position is an important measure of the City's overall financial health. The increases and decreases in net position can be monitored to determine whether the City's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flow. Thus, revenues and expenses are reported in this statement for certain items that will result in cash flows in future fiscal periods.

The government-wide financial statements report governmental activities of the City, which are principally supported by taxes and intergovernmental revenues, and business-type activities of the City, which are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities for the City include general government, public safety, highway and streets, culture and recreation, health and environment, building maintenance, planning and development, and airport operations. The business-type activities for the City include solid waste disposal, sewer utility, and water utility. The City includes the Emporia Public Library as a component unit.

Fund financial statements. *Fund financial statements* focus on individual parts of the City's government. These statements report the City's operations in more detail than the government-wide financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure compliance with finance-related legal requirements. These funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. This information may be useful in evaluating the City's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements, thus it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. This may enable the reader to better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

Proprietary funds. The City has two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. *Internal service funds* are an accounting mechanism used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its worker's compensation and health insurance risk management activities. Because these services predominately benefit governmental rather than business-type functions, they have been included within the *governmental activities* in the government-wide financial statements.

Notes to the basic financial statements. The notes provide additional information that is essential to obtain a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also contains certain *required supplementary information* that further explains and supports the information in the financial statements. This report also contains *other supplementary information* that provides certain combining and individual fund statements and schedules.

Government-Wide Financial Analysis

Our analysis below focuses on net position (Figure 1) and changes in net position (Figure 2) of the governmental and business-type activities.

Figure 1 – Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024**	2025	2024**	2025	2024**
Current and other assets	$ 44,649,386	$ 42,299,203	$ 3,135,015	$ 8,918,504	$ 47,784,401	$ 51,217,707
Capital assets	52,405,047	40,777,151	89,704,119	85,278,352	142,109,166	126,055,503
Total assets	97,054,433	83,076,354	92,839,134	94,196,856	189,893,567	177,273,210
Deferred outflows - pension and opeb	5,248,957	5,483,583	971,357	1,135,686	6,220,314	6,619,269
Total deferred outflows of resources	5,248,957	5,483,583	971,357	1,135,686	6,220,314	6,619,269
Long-term debt	41,993,907	30,852,216	56,983,620	57,108,748	98,977,527	87,960,964
Other liabilities	2,792,151	2,327,944	999,540	2,004,330	3,791,691	4,332,274
Total liabilities	44,786,058	33,180,160	57,983,160	59,113,078	102,769,218	92,293,238
Deferred inflows - taxes and leases	11,312,530	10,511,078	-	-	11,312,530	10,511,078
Deferred inflows - pension and opeb	1,008,732	483,764	190,897	69,286	1,199,629	553,050
Total deferred inflows of resources	12,321,262	10,994,842	190,897	69,286	12,512,159	11,064,128
Net position:						
Net investment in capital assets	36,393,155	32,925,125	29,773,485	31,522,765	66,166,640	64,447,890
Restricted	8,156,859	6,922,281	-	-	8,156,859	6,922,281
Unrestricted	646,056	4,537,529	5,862,949	4,627,413	6,509,005	9,164,942
Total net position	$ 45,196,070	$ 44,384,935	$ 35,636,434	$ 36,150,178	$ 80,832,504	$ 80,535,113

** As restated - See Note 14

As indicated earlier, net position may serve as a useful indicator of the City's financial position. As of December 31, 2025, assets and deferred outflows of resources exceeded liabilities and deferred inflows by $80,832,504, the largest portion of the City's net position, $66,166,640 (81.86 percent), reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements, vehicles, machinery and equipment, and infrastructure) less any related outstanding debt that was used to acquire those assets. The City uses capital assets to provide services to citizens; therefore, these assets are not available for future spending. An additional portion of the City's net position, $8,156,859 (10.09 percent), represents resources that are subject to external restrictions on their uses. The remaining balance of the City's net position, $6,509,005, represents the unrestricted net position that may be used to meet the City's ongoing obligations to citizens and creditors.

Figure 2 – Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024**	2025	2024**	2025	2024**
Revenues:						
Program revenues:						
Charges for services	$ 6,620,738	$ 6,287,675	$ 23,159,390	$ 21,823,978	$ 29,780,128	$ 28,111,653
Operating grants and contributions	2,446,046	2,726,180	-	-	2,446,046	2,726,180
Capital grants and contributions	1,774,005	6,292,238	710,119	612,210	2,484,124	6,904,448
General revenues:						
Property taxes:						
General purposes	9,183,965	8,252,071	-	-	9,183,965	8,252,071
Debt service	2,443,924	2,247,224	-	-	2,443,924	2,247,224
Sales taxes	10,175,776	9,875,366	-	-	10,175,776	9,875,366
Franchise taxes	2,839,596	2,838,093	-	-	2,839,596	2,838,093
Gasoline taxes	655,731	653,077	-	-	655,731	653,077
Use of money and property	1,548,950	1,791,202	311,213	531,058	1,860,163	2,322,260
Other	172,694	250,146	102,844	196,149	275,538	446,295
Total revenues	37,861,425	41,213,272	24,283,566	23,163,395	62,144,991	64,376,667
Expenses:						
General government	4,154,666	4,106,809	-	-	4,154,666	4,106,809
Public safety	16,765,719	16,218,667	-	-	16,765,719	16,218,667
Highway and streets	5,206,429	5,971,292	-	-	5,206,429	5,971,292
Culture and recreation	6,297,810	6,411,742	-	-	6,297,810	6,411,742
Health and environment	119,400	112,200	-	-	119,400	112,200
Building maintenance	2,143,703	1,961,527	-	-	2,143,703	1,961,527
Planning and development	660,108	5,248,404	-	-	660,108	5,248,404
Airport operations	946,149	1,010,188	-	-	946,149	1,010,188
Interest on long-term debt	554,371	287,988	-	-	554,371	287,988
Solid waste disposal	-	-	7,259,109	6,520,576	7,259,109	6,520,576
Sewer utility	-	-	7,278,215	7,316,032	7,278,215	7,316,032
Water utility	-	-	10,461,921	10,748,683	10,461,921	10,748,683
Total expenses	36,848,355	41,328,817	24,999,245	24,585,291	61,847,600	65,914,108
Change in net position before transfers	1,013,070	(115,545)	(715,679)	(1,421,896)	297,391	(1,537,441)
Transfers	(201,935)	(441,869)	201,935	441,869	-	-
Change in net position	811,135	(557,414)	(513,744)	(980,027)	297,391	(1,537,441)
Net position, beginning, as restated **	44,384,935	44,942,349	36,150,178	37,130,205	80,535,113	82,072,554
Net position, ending	$ 45,196,070	$ 44,384,935	$ 35,636,434	$ 36,150,178	$ 80,832,504	$ 80,535,113

** As restated - See Note 14

Governmental Activities

Governmental activities increased net position of the City by $811,135. Revenue decreased $3,351,847 from 2024 primarily from decreases in capital grants and contributions of approximately $4.5 million. Tax revenues for the City were $25,298,992, which represents 66.82% of the funding of these activities. Program revenues for the functions totaled $10,840,789 or 28.63% of the funding. Expenses decreased $4,480,462 from 2024 primarily due to the decreases to planning and development expenses of $4.6 million related development projects for Simmons Pet Foods of $3.0 million and Norfolk Iron & Metal of $1.0 million related to 2024. Funding for these development projects was received from the State of Kansas in 2024. Payroll and related benefits increased across all functions by approximately $1.1 million. The following table shows the cost of the City's programs as well as each programs' net cost (total costs less revenues generated by the activities). The net cost shows the financial burden that was placed on the taxpayers by each of these functions.

NET COST OF THE CITY'S GOVERNMENTAL ACTIVITIES

	Total Cost of Services	Net Cost of Services
General government	$ 4,154,666	$ (500,568)
Public safety	16,765,719	(14,777,617)
Highway and streets	5,206,429	(3,995,288)
Culture and recreation	6,297,810	(3,991,854)
Health and environment	119,400	(119,400)
Building maintenance	2,143,703	(2,143,703)
Planning and development	660,108	422,149
Airport operations	946,149	(346,914)
Interest on long-term debt	554,371	(554,371)
	$ 36,848,355	$ (26,007,566)

As previously noted, expenses from governmental activities total $36,848,355. However, the net costs of these services were $26,007,566. The difference represents direct revenues received from charges for services of $6,620,738 operating grants and contributions of $2,255,731 and capital grants and contributions of $1,964,320. Taxes and other revenues of $27,020,636 were used to cover these net costs.

Business-Type Activities

Business-type activities decreased the City's net position by $513,744. Total charges for services revenues increased $1,335,412 over 2024 primarily from increased water rates and usage. Expenses increased by $413,954 over the fiscal year primarily due to higher costs for solid waste, personal services, and contractual services.

Financial Analysis of the City's Funds

The City uses fund accounting to ensure and demonstrate compliance with state and federal finance-related legal requirements. These funds are accounted for on the modified accrual basis of accounting.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $26,332,464, an increase of $1,516,123 in comparison with the prior year. The ending fund balance amounts were as follows: $44,288 nonspendable; $8,156,859 restricted for various City functions and services; $8,601,389 assigned primarily for capital outlay; and $9,529,928 available for spending at the City's discretion.

Fund balance of the City's General Fund decreased $455,909 from December 31, 2024. Revenues increased $1,481,952, largely due to increases in property taxes of $865,660 from increases in valuation. Expenditures increased $1,871,403, predominantly from increases in personnel costs and related benefits across all functions and capital outlay. At the end of the current fiscal year, unassigned fund balance of the general fund was $9,537,008.

The Construction Projects Fund was established to receive funding for the purpose of making improvements to the City over an extended period of time. The fund balance at December 31, 2025 was $8,590,398 an increase of $743,685 from 2024 as revenues and transfers in exceeded capital outlay expenditures and transfers out during 2025. All of the fund balance is assigned for future capital outlay.

The Debt Service Fund increased $1,622,537 as revenues exceeded schedule debt service expenditures. The ending fund balance of $5,616,234 is restricted for the payment of debt service.

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The City's Enterprise Funds net position decreased by $513,744 as the Solid Waste and Water funds reported decreases in net position of $1,249,298 and $2,791,142, respectively and the Sewer fund increased by $3,526,696. The factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's General Fund actual revenues and transfers in were $1,104,755 over the final budget, mainly because due to actual taxes, charges for services, and transfers in being more than budgeted amounts. The General Fund's actual expenditures and transfers out totaled $29,440,397 compared to the final budgeted total of $33,479,986 for a positive variance of $4,039,589. This favorable variance includes a budget carryover of funds of $5,144,344.

Capital Asset and Debt Administration

Capital assets of the governmental activities were $52,405,047 (net of accumulated depreciation) as of December 31, 2025. This represents a $11,627,896 increase from the prior year. Capital assets for business-type activities were $89,704,119 as of December 31, 2025. This represents an increase of $4,425,767 from the prior year.

During the fiscal year, the City of Emporia was involved in several large capital projects that affected the financial statements. Significant governmental additions Flint Hill Crossing $2.7 million, Overland Road 6th to Hwy 50, $1.4 million and Fire Station $9.1 million. Significant business-type additions include various water projects of $9.1 million.

Additional information on the City's capital assets can be found in Note 5 in the Notes to the Basic Financial Statements.

City of Emporia Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024 **	2025	2024	2025	2024 **
Land	$ 5,319,964	$ 5,319,964	$ 222,572	$ 222,572	$ 5,542,536	$ 5,542,536
Construction in progress	15,326,154	4,930,608	9,038,777	12,263,023	24,364,931	17,193,631
Land improvements	21,522,388	20,602,170	56,971,319	53,774,940	78,493,707	74,377,110
Buildings and improvements	5,627,737	5,028,839	13,630,315	14,619,418	19,258,052	19,648,257
Vehicles, equipment, furniture and fixtures, and right-of-use	4,608,804	4,895,570	9,841,136	4,398,399	14,449,940	9,293,969
Total	$ 52,405,047	$ 40,777,151	$ 89,704,119	$ 85,278,352	$ 142,109,166	$ 126,055,503

** As restated

Total general obligation debt of the governmental activities as of December 31, 2025, was $4,700,000, which is a decrease of $855,000. The City added a PBC revenue bond of $12,210,000 in the current year. Total general obligation debt and loans payable of the business-type activities as of December 31, 2025, was $51,586,289, an increase of $1,915,073 from the prior year.

City of Emporia Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 4,700,000	$ 5,555,000	$ 17,175,000	$ 18,960,000	$ 21,875,000	$ 24,515,000
PBC revenue bonds	12,210,000	-	-	-	12,210,000	-
Loans payable	-	-	34,667,703	32,626,289	34,667,703	32,626,289
Total	$ 16,910,000	$ 5,555,000	$ 51,842,703	$ 51,586,289	$ 68,752,703	$ 57,141,289

At December 31, 2025, the City had total general obligation bond debt outstanding of $21,875,000, backed by the full faith and credit of the City. Total general obligation long-term debt decreased $2,640,000 for the fiscal year ended December 31, 2025. In 2025, the Emporia Public Building Commission (PBC) issued its $12,210,000 Series 2025A revenue bonds to fund the City's Fire Station #1 Project. Loans payable increased $2,041,414 as loan proceeds of $3,650,360 were utilized to fund certain to water utility fund projects.

The City is rated by one of the three rating agencies (Standard & Poor's) and has a rating of AA. Additional information on the City's long-term debt can be found in Note 6 in the Notes to the Basic Financial Statements.

Economic Factors and Next Year's Budget

According to the Kansas Department of Labor, the unemployment rate for the City of Emporia/Lyon County in December of 2025 was 4.1%. The unemployment rate is expected to increase due to the closure of Hopkins Manufacturing in the Spring of 2026 and due to reductions in employment at Michelin. At the end of March 2026, the City of Emporia/Lyon County unemployment rate increased to 5.0% according to the Kansas Department of Labor. The general revenue trends of the City of Emporia are expected to show a slight increase. The City will continue to experience a slight increase in revenue from the Multi-Year Sales Tax Fund, which is derived from a county-wide sales tax based on the distribution formula used by the State of Kansas. This sales tax was renewed in 2021 for an additional 15 years. The revenue and expenses are reviewed weekly by city management and monthly by the Mayor and Commission. The City's management also reviews the status of the unencumbered cash report on a weekly basis. The local economic outlook for most major employers has been positive.

Local manufacturers/employers have added employees and expanded their Emporia facilities. Simmons Pet Food employs approximately 1,600 employees as of the end of 2025. Other major employers include Hostess Brands, Hill's Pet Nutrition, and Norfolk Iron and Metal. Emporia State University continues to aggressively work towards increasing student population (both in total numbers and Emporia numbers). The Flint Hills Technical College has seen strong enrollment in recent years and serves as an excellent resource for the local employers for their employee needs. The City of Emporia and the Regional Development Association of East-Central Kansas will continue to aggressively promote economic development to fill vacant storefronts, industrial parks, improve the quality of life and to further diversify the Emporia economy.

The occupancy rate in the downtown area is approximately 85% with another 5% in development. Several projects in the downtown area have had a positive impact on the region. Downtown currently has a CDBG Commercial Rehabilitation Grants at 417 Commercial, I. Also, a Hope VI Grant from HUD was awarded to 502 Commercial, a downtown commercial property and the project was completed as of early 2026. All of these grants are refurbishing properties throughout downtown. Downtown has been the venue for several major events, with the largest being the Unbound Gravel Bicycle Race, which attracted 5,000 entries in this year's contest. The bicycle race has a $21 million dollar impact on the regional economy. Multiple large redevelopment projects are planned for the remainder of 2026 through 2027, which should further enhance commercial and residential options in the community core.

In 2025, the City of Emporia made significant improvements to city-owned infrastructure and facilities including completing the last phase of $20 million in water line improvements across Emporia with the completion of the SE Transmission line, which will lead to better water service for Emporia Industrial Park III and should result in fewer water line breaks in Emporia. In 2026, a Stormwater Utility fee will be implemented that will lead to improvements in the City's stormwater utility infrastructure. The Multi-Year Fund will be utilized to improve city infrastructure in 2026 and beyond. Moreover, the city has completed construction on the replacement of Fire Station #1, representing another multimillion-dollar investment in downtown Emporia. The City is also upgrading Fire Station #2 on Industrial Road.

The City Commission and City Management will continue to monitor revenues, expenses, and unencumbered cash and will continue to set a goal of reaching targeted reserve levels. City Management will take aggressive action, if necessary, such as not filling vacant positions, eliminating capital purchases, and closely monitoring projects to ensure they stay within budget. In 2025, the Emporia City Commission approved a Five-Year Budget and adopted a Capital Improvement Plan, which will help the city better anticipate and manage its long-term finances. A Capital Improvement Committee meets monthly to review all capital projects, ensuring they are progressing or determining if they need to be put on hold. In 2025, the City Commission approved a 10% increase in rates for the Water, Wastewater, and Solid Waste Funds for fiscal years 2025 and 2026. The establishment of the stormwater utility fee will raise $250K for stormwater improvements.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the City's Finance Department at 104 E 5th Avenue, Emporia, Kansas 66801.

Exhibit A

City of Emporia, Kansas
Statement of Net Position
December 31, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Emporia Public Library
Assets				
Cash and investments	$ 23,717,191	$ 7,600,990	$ 31,318,181	$ 897,530
Receivables:				
Taxes	12,444,063	-	12,444,063	-
Accounts	617,997	1,718,783	2,336,780	-
Special assessments	110,246	-	110,246	-
Due from other governments	643,240	-	643,240	1,319,962
Leases receivable	369,572	-	369,572	-
Beneficial interest in Community Foundation	-	-	-	505,229
Internal balances	6,702,789	(6,702,789)	-	-
Inventory and prepaid expenses	44,288	518,031	562,319	52,034
Capital assets:				
Not being depreciated	20,646,118	9,261,349	29,907,467	-
Being depreciated, net of depreciation	31,758,929	80,442,770	112,201,699	289,923
Total assets	97,054,433	92,839,134	189,893,567	3,064,678
Deferred Outflows of Resources				
Pension related deferred outflows	4,876,264	862,232	5,738,496	152,323
OPEB related deferred outflows	372,693	109,125	481,818	-
Total deferred outflows of resources	5,248,957	971,357	6,220,314	152,323
Liabilities				
Accounts payable	971,269	460,332	1,431,601	24,401
Accrued expenses	771,063	171,243	942,306	-
Accrued interest payable	330,238	367,965	698,203	-
Claims payable	719,581	-	719,581	-
Long term debt:				
Due within one year	2,359,737	4,188,117	6,547,854	26,198
OPEB due within one year	64,000	18,000	82,000	-
Due in more than one year	17,698,492	49,222,585	66,921,077	-
Net pension liability	20,782,917	3,235,389	24,018,306	533,390
OPEB liability	1,088,761	319,529	1,408,290	-
Total liabilities	44,786,058	57,983,160	102,769,218	583,989
Deferred Inflows of Resources				
Property taxes	10,956,229	-	10,956,229	1,319,962
Leases	356,301	-	356,301	
Pension related deferred inflows	736,250	111,114	847,364	18,321
OPEB related deferred inflows	272,482	79,783	352,265	-
Total deferred inflows of resources	12,321,262	190,897	12,512,159	1,338,283
Net Position				
Net investment in capital assets	36,393,155	29,773,485	66,166,640	289,923
Restricted:				
Public safety	168,973	-	168,973	-
Highways and streets	233,154	-	233,154	-
Culture and recreation	788,335	-	788,335	-
Planning and development	1,073,228	-	1,073,228	-
Debt service	5,893,169	-	5,893,169	-
Library (Nonexpendable)	-	-	-	341,127
Library (Expendable)	-	-	-	315,470
Unrestricted (deficit)	646,056	5,862,949	6,509,005	348,209
Total net position	$ 45,196,070	$ 35,636,434	$ 80,832,504	$ 1,294,729

See accompanying notes to the basic financial statements

Exhibit B

City of Emporia, Kansas
Statement of Activities
For the Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Emporia Public Library
Primary government:								
Governmental activities								
General government	$ 4,154,666	$ 3,304,980	$ 349,118	$ -	$ (500,568)	$ -	$ (500,568)	$ -
Public safety	16,765,719	1,720,163	267,939	-	(14,777,617)	-	(14,777,617)	-
Highway and streets	5,206,429	-	569,063	642,078	(3,995,288)	-	(3,995,288)	-
Culture and recreation	6,297,810	1,099,589	74,440	1,131,927	(3,991,854)	-	(3,991,854)	-
Health and environment	119,400	-	-	-	(119,400)	-	(119,400)	-
Building maintenance	2,143,703	-	-	-	(2,143,703)	-	(2,143,703)	-
Planning and development	660,108	-	1,082,257	-	422,149	-	422,149	-
Airport operations	946,149	496,006	103,229	-	(346,914)	-	(346,914)	-
Interest on long-term debt	554,371	-	-	-	(554,371)	-	(554,371)	-
Total governmental activities	36,848,355	6,620,738	2,446,046	1,774,005	(26,007,566)	-	(26,007,566)	-
Business-type activities								
Solid waste disposal	7,259,109	5,816,475	-	-	-	(1,442,634)	(1,442,634)	-
Sewer utility	7,278,215	7,532,980	-	710,119	-	964,884	964,884	-
Water utility	10,461,921	9,809,935	-	-	-	(651,986)	(651,986)	-
Total business-type activities	24,999,245	23,159,390	-	710,119	-	(1,129,736)	(1,129,736)	-
Total primary government	$ 61,847,600	$ 29,780,128	$ 2,446,046	$ 2,484,124	(26,007,566)	(1,129,736)	(27,137,302)	-
Component Unit								
Emporia Public Library	$ 1,486,828	$ 21,591	$ 371,226	$ -	-	-	-	(1,094,011)
General revenues:								
Taxes:								
Property taxes:								
General purposes					9,183,965	-	9,183,965	1,268,236
Debt service					2,443,924	-	2,443,924	-
Sales taxes					10,175,776	-	10,175,776	-
Franchise taxes					2,839,596	-	2,839,596	-
Gasoline taxes					655,731	-	655,731	-
Use of money and property					1,548,950	311,213	1,860,163	59,382
Gain on sale of capital assets					31,600	102,844	134,444	
Other					141,094	-	141,094	2,000
Transfers					(201,935)	201,935	-	-
Total general revenues					26,818,701	615,992	27,434,693	1,329,618
Change in net position					811,135	(513,744)	297,391	235,607
Net position, beginning of year					45,334,489	35,508,813	80,843,302	1,059,122
Prior period restatement					(949,554)	641,365	(308,189)	-
Net position, beginning of year, as restated					44,384,935	36,150,178	80,535,113	1,059,122
Net position, end of year					$ 45,196,070	$ 35,636,434	$ 80,832,504	$ 1,294,729

See accompanying notes to the basic financial statements

Exhibit C

CITY OF EMPORIA, KANSAS
Balance Sheet - Governmental Funds
December 31, 2025

	General	Construction Projects	Debt Service	Non-Major Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	$ 1,176,857	$ 9,422,652	$ 5,616,309	$ 2,575,847	$ 18,791,665
Receivables:					
Taxes	9,135,673	-	2,117,560	1,190,830	12,444,063
Accounts	381,527	196,179	-	9,222	586,928
Special assessments	-	-	110,246	-	110,246
Due from other governments	643,240	-	-	-	643,240
Leases receivable	369,572	-	-	-	369,572
Inventory	44,288	-	-	-	44,288
Due from other funds	6,707,357	-	-	-	6,707,357
Total Assets	$ 18,458,514	$ 9,618,831	$ 7,844,115	$ 3,775,899	$ 39,697,359
Liabilities					
Accounts payable	$ 140,395	$ 798,897	$ -	$ 31,977	$ 971,269
Accrued liabilities	721,692	34,317	75	14,979	771,063
Due to other funds	-	-	-	4,568	4,568
Total Liabilities	862,087	833,214	75	51,524	1,746,900
Deferred inflows of resources					
Unavailable revenue					
Special assessments	-	-	110,246	-	110,246
Leases	356,301	-	-	-	356,301
Notes receivable	-	195,219	-	-	195,219
Taxes	7,647,839	-	2,117,560	1,190,830	10,956,229
Total deferred inflows of resources	8,004,140	195,219	2,227,806	1,190,830	11,617,995
Fund balances:					
Nonspendable:					
Inventory	44,288	-	-	-	44,288
Restricted for:					
Public safety	-	-	-	168,973	168,973
Highway and streets	-	-	-	233,154	233,154
Culture and recreation	-	-	-	788,335	788,335
Planning and development	-	-	-	1,073,228	1,073,228
Debt service	-	-	5,616,234	276,935	5,893,169
Committed for:					
Assigned for:					
Capital outlay	10,991	8,590,398	-	-	8,601,389
Unassigned (deficit)	9,537,008	-	-	(7,080)	9,529,928
Total fund balance	9,592,287	8,590,398	5,616,234	2,533,545	26,332,464
Total liabilities, deferred inflows of resources and fund balances	$ 18,458,514	$ 9,618,831	$ 7,844,115	$ 3,775,899	$ 39,697,359

See accompanying notes to the basic financial statements

City of Emporia, Kansas
Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position
December 31, 2025

Fund balances of governmental funds	$	26,332,464
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund statements.		52,405,047
Deferred outflows and inflows related to pension and OPEB activity are not required to be reported in the governmental funds but are required to be reported in the Statement of Net Position		4,240,225
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Long-term liabilities		(20,122,229)
Total pension liability		(20,782,917)
Total OPEB liability		(1,088,761)
Certain revenues are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the governmental funds.		305,465
Liabilities for interest on long-term debt are recognized only when due in the governmental fund statements but are accrued in the government-wide statements.		(330,238)
Internal service funds are used to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.		4,237,014
Net position of governmental activities	$	45,196,070

See accompanying notes to the basic financial statements

Exhibit D

City of Emporia, Kansas
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2025

	General	Construction Projects	Debt Service	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 17,346,216	$ -	$ 2,296,705	$ 1,350,031	$ 20,992,952
Charges for services	2,734,564	-	-	-	2,734,564
Special assessments	-	-	39,466	-	39,466
Intergovernmental	3,995,589	1,490,726	49,440	1,967,977	7,503,732
Licenses and permits	237,010	-	-	-	237,010
Fines and fees	647,005	-	-	-	647,005
Use of money and property	363,975	504,176	191,374	95,247	1,154,772
Contributions	25,700	712,185	-	1,542	739,427
Administrative fees	2,973,250	-	-	-	2,973,250
Miscellaneous	232,781	294,828	9,689	110,784	648,082
Total Revenues	28,556,090	3,001,915	2,586,674	3,525,581	37,670,260
Expenditures:					
Current:					
General government	2,496,547	-	-	100,808	2,597,355
Public safety	15,148,967	-	-	33,177	15,182,144
Highway and streets	356,253	-	-	1,003,802	1,360,055
Culture and recreation	3,359,521	-	-	2,252,907	5,612,428
Health and environment	-	-	-	119,400	119,400
Building maintenance	1,917,122	-	-	-	1,917,122
Planning and development	-	-	-	660,108	660,108
Airport operations	724,668	-	-	-	724,668
Appropriations	100,892	-	-	-	100,892
Capital outlay	501,741	17,829,528	-	103,146	18,434,415
Debt service:					
Principal	227,786	-	855,000	683,863	1,766,649
Interest and fiscal charges	19,201	33,314	195,100	75,838	323,453
Total Expenditures	24,852,698	17,862,842	1,050,100	5,033,049	48,798,689
Excess of Revenues Over (Under) Expenditures	3,703,392	(14,860,927)	1,536,574	(1,507,468)	(11,128,429)
Other financing sources (uses):					
Transfers in	441,364	16,504,018	85,963	1,917,134	18,948,479
Transfers out	(5,102,406)	(899,406)	(12,210,000)	(938,602)	(19,150,414)
Issuance of long-term debt	501,741	-	12,210,000	103,146	12,814,887
Proceeds from sale of capital assets	-	-	-	31,600	31,600
Total Other Financing Sources (Uses)	(4,159,301)	15,604,612	85,963	1,113,278	12,644,552
Net change in fund balances	(455,909)	743,685	1,622,537	(394,190)	1,516,123
Fund balances, beginning of year	10,048,196	8,488,078	3,993,697	2,927,735	25,457,706
Prior period restatement	-	(641,365)	-	-	(641,365)
Fund balances, beginning of year, as restated	10,048,196	7,846,713	3,993,697	2,927,735	24,816,341
Fund balances, end of year	$ 9,592,287	$ 8,590,398	$ 5,616,234	$ 2,533,545	$ 26,332,464

See accompanying notes to the basic financial statements

Exhibit D
(continued)

City of Emporia, Kansas
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2025

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	$ 1,516,123
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay costs in excess of capitalization threshold	16,153,562
Depreciation	(4,525,666)
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows in the governmental funds.	
Special assessments and notes receivable	(43,096)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.	
Principal payment on long-term debt	1,766,649
Bond premium amortization	34,287
Proceeds from long term debt	(12,814,887)
Changes in accrued interest payable	(265,205)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in compensated absences and other post employment benefits payable	(6,900)
Changes in net pension obligations, deferred outflows and inflows	(880,434)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The revenues and expenses of certain internal service funds are included in governmental activities in the statement of activities.	(123,298)
Change in net position of governmental activities	$ 811,135

See accompanying notes to the basic financial statements

Exhibit E

CITY OF EMPORIA, KANSAS
Statement of Net Position
Proprietary Funds
December 31, 2025

	Enterprise Funds				
	Water Utility	Sewer Utility	Solid Waste	Total	Internal Service Funds
Assets					
Current assets:					
Cash and investments	$ -	$ 5,574,400	$ 2,026,590	$ 7,600,990	$ 4,925,526
Accounts receivables, net	547,048	642,837	528,898	1,718,783	31,069
Inventory	518,031	-	-	518,031	-
Total current assets	1,065,079	6,217,237	2,555,488	9,837,804	4,956,595
Noncurrent assets:					
Capital assets:					
Not being depreciated	8,472,066	686,658	102,625	9,261,349	-
Being depreciated, net of depreciation	34,582,584	44,287,361	1,572,825	80,442,770	-
Total noncurrent assets	43,054,650	44,974,019	1,675,450	89,704,119	-
Total assets	44,119,729	51,191,256	4,230,938	99,541,923	4,956,595
Deferred Outflows of Resources					
Pension related deferred outflows	229,260	231,546	401,426	862,232	-
OPEB related deferred outflows	28,978	29,215	50,932	109,125	-
Total Deferred Outflows of Resources	258,238	260,761	452,358	971,357	-
Liabilities					
Current liabilities:					
Accounts payable	106,331	160,236	193,765	460,332	-
Accrued liabilities	72,098	34,476	64,669	171,243	-
Due to other funds	6,702,789	-	-	6,702,789	-
Accrued interest payable	118,944	249,021	-	367,965	-
Claims payable	-	-	-	-	719,581
Current maturities on long-term debt	2,076,238	2,026,778	85,101	4,188,117	-
OPEB due within one year	5,000	5,000	8,000	18,000	-
Total current liabilities:	9,081,400	2,475,511	351,535	11,908,446	719,581
Long-term liabilities:					
Pension liability	860,263	868,839	1,506,287	3,235,389	-
OPEB liability	84,630	85,364	149,535	319,529	-
Due in more than one year	20,493,800	28,680,919	47,866	49,222,585	-
Total long-term liabilities:	21,438,693	29,635,122	1,703,688	52,777,503	-
Total liabilities	30,520,093	32,110,633	2,055,223	64,685,949	719,581
Deferred Inflows of Resources					
Pension related deferred inflows	29,544	29,839	51,731	111,114	-
OPEB related deferred inflows	21,186	21,360	37,237	79,783	-
Total Deferred Inflows of Resources	50,730	51,199	88,968	190,897	-
Net position					
Net investment in capital assets	13,860,014	14,287,855	1,625,616	29,773,485	-
Unrestricted (deficit)	(52,870)	5,002,330	913,489	5,862,949	4,237,014
Total net position	$ 13,807,144	$ 19,290,185	$ 2,539,105	$ 35,636,434	$ 4,237,014

See accompanying notes to the basic financial statements

Exhibit F

CITY OF EMPORIA, KANSAS
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Enterprise Funds				
	Water Utility	Sewer Utility	Solid Waste	Total	Internal Service Fund
Operating revenues:					
Charges for services	$ 9,782,903	$ 7,523,395	$ 5,802,786	$ 23,109,084	$ 3,718,071
Other	27,032	9,585	13,689	50,306	55,666
Total operating revenues	9,809,935	7,532,980	5,816,475	23,159,390	3,773,737
Operating expenses:					
Personal services	1,522,501	1,508,931	2,776,008	5,807,440	-
Contractual services	1,078,729	392,472	1,834,108	3,305,309	-
Commodities	2,830,833	1,212,506	503,527	4,546,866	-
Maintenance and repairs	947,005	530,310	315,294	1,792,609	-
Depreciation	1,720,786	2,060,034	470,123	4,250,943	-
Administrative charges	1,405,680	610,000	924,880	2,940,560	-
Other	460,135	195,360	430,412	1,085,907	-
Claims and expenses	-	-	-	-	4,099,696
Total operating expenses	9,965,669	6,509,613	7,254,352	23,729,634	4,099,696
Operating income (loss)	(155,734)	1,023,367	(1,437,877)	(570,244)	(325,959)
Nonoperating revenues (expenses):					
Gain (loss) on sale of capital assets	(23,678)	-	102,844	79,166	-
Intergovernmental	-	710,119	-	710,119	-
Use of money and property	56,699	180,409	74,105	311,213	202,661
Interest and fiscal charges	(472,574)	(768,602)	(4,757)	(1,245,933)	-
Total nonoperating revenues (expenses)	(439,553)	121,926	172,192	(145,435)	202,661
Income (loss) before transfers and capital grants and contributions	(595,287)	1,145,293	(1,265,685)	(715,679)	(123,298)
Transfers in	350,000	2,545,855	16,387	2,912,242	-
Transfers out	(2,545,855)	(164,452)	-	(2,710,307)	-
Change in net position	(2,791,142)	3,526,696	(1,249,298)	(513,744)	(123,298)
Total net position, beginning of year	15,956,921	15,763,489	3,788,403	35,508,813	4,360,312
Prior period restatement	641,365	-	-	641,365	-
Total net position, beginning of year, as restated	16,598,286	15,763,489	3,788,403	36,150,178	4,360,312
Total net position, end of year	$ 13,807,144	$ 19,290,185	$ 2,539,105	$ 35,636,434	$ 4,237,014

See accompanying notes to the basic financial statements

Exhibit G

City of Emporia, Kansas
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

	Enterprise Funds				Internal Service Funds
	Water Utility	Sewer Utility	Solid Waste	Totals	
Cash flows from operating activities:					
Receipts from customers and others	$ 10,127,623	$ 7,378,366	$ 5,766,414	$ 23,272,403	$ 3,773,170
Payments to suppliers	(7,808,117)	(2,877,655)	(4,048,900)	(14,734,672)	(3,946,898)
Payments to employees	(1,345,570)	(1,481,035)	(2,731,051)	(5,557,656)	-
Net cash provided by (used in) operating activities	973,936	3,019,676	(1,013,537)	2,980,075	(173,728)
Cash flows from noncapital financing activities:					
Transfers in (out)	350,000	(164,452)	16,387	201,935	-
Negative cash balance implicitly financed	4,608,999	-	-	4,608,999	-
Net cash provided by (used in) noncapital financing activities	4,958,999	(164,452)	16,387	4,810,934	-
Cash flows from investing activities:					
Interest received	56,699	180,409	74,105	311,213	202,661
Net cash provided by (used in) investing activities	56,699	180,409	74,105	311,213	202,661
Cash flows from capital and related financing activities:					
Purchase and construction of capital assets	(8,122,233)	(257,797)	(320,358)	(8,700,388)	-
Proceeds from sale of capital assets	-	-	102,844	102,844	-
Capital grants	-	710,119	-	710,119	-
Proceeds from long-term debt	3,650,360	-	-	3,650,360	-
Principal paid on long-term debt	(1,562,931)	(1,976,861)	(31,859)	(3,571,651)	-
Interest paid	(586,643)	(815,666)	(4,757)	(1,407,066)	-
Net cash provided by (used in) capital and related financing activities	(6,621,447)	(2,340,205)	(254,130)	(9,215,782)	-
Net change in cash and equivalents	(631,813)	695,428	(1,177,175)	(1,113,560)	28,933
Cash and equivalents, beginning of year	631,813	4,878,972	3,203,765	8,714,550	4,896,593
Cash and equivalents, end of year	$ -	$ 5,574,400	$ 2,026,590	$ 7,600,990	$ 4,925,526
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating income (loss)	$ (155,734)	$ 1,023,367	$ (1,437,877)	$ (570,244)	$ (325,959)
Adjustments to reconcile operating income (loss) to net cash used by operations:					
Depreciation	1,720,786	2,060,034	470,123	4,250,943	-
Changes in compensated absences	108,395	8,889	(28,808)	88,476	-
Changes in total pension liability	(60,581)	(83,913)	(90,640)	(235,134)	-
Changes in total OPEB liability	20,968	13,035	30,334	64,337	
Changes in deferred outflows of resources	42,061	51,647	70,621	164,329	-
Changes in deferred inflows of resources	33,316	31,587	56,708	121,611	-
Changes in:					
Receivables	(31,839)	(154,614)	(50,061)	(236,514)	(567)
Inventory	(61,635)	-	-	(61,635)	-
Accounts and claims payable	(1,024,100)	62,993	(40,679)	(1,001,786)	152,798
Accrued liabilities	32,772	6,651	6,742	46,165	-
Net cash provided by (used in) operating activities	$ 973,936	$ 3,019,676	$ (1,013,537)	$ 2,980,075	$ (173,728)
Noncash capital and financing activities:					
Leasing activities	$ 107,018	$ 50,451	$ -	$ 157,469	$ -
Transfers in (out) of capital assets	$ (2,545,855)	$ 2,545,855	$ -	$ -	$ -

See accompanying notes to the basic financial statements

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes to the basic financial statements include a summary of accounting policies followed and other information provided by the City of Emporia, Kansas, judged to be most appropriate for full disclosure in the preparation of the basic financial statements.

(1) Summary of Significant Accounting Policies

The City of Emporia, Kansas (the City) is a municipal corporation governed by five elected commissioners (the Commission). The City provides services to nearly 25,000 residents in many areas, including law enforcement and fire protection, water, sewer and sanitation services, community enrichment and development, and various social services.

The accounting and reporting policies of the City conform to generally accepted accounting principles (GAAP) in the United States of America applicable to local governments. The following represent the more significant accounting and reporting policies and practices of the City.

Financial Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are separate legal entities which are included in the primary government's financial report. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not only, criterion for including a potential component unit within the reporting entity is the City's financial accountability for the potential component unit. An entity is considered a component unit if City officials appoint a voting majority of the component unit's governing body and the City is able to impose its will upon the component unit. Additionally, if the entity provides specific financial benefits to or imposes specific financial burdens on the City, it may be considered a component unit.

Blended Component Unit

Emporia Public Building Commission (PBC) – The PBC was established to benefit the City and is governed by a five-member board. The City appoints all five members of the PBC Board and imposes its will on the PBC. The PBC has the authority to issue revenue bonds to finance the cost of acquiring and/or constructing land and facilities operated for a public purpose by the City. The PBC finances the debt service of the revenue bonds by leasing the land and facilities to the City. The City guarantees the rentals under the PBC lease. For financial reporting purposes, the underlying leases are treated as a financed purchases as the contract transfers ownership of the underlying assets by the end of the contract. The PBC has no power to levy taxes, and revenue bonds issued by the PBC are not included in any legal debt limitations of the Unified Government. For financial reporting, the financial activities of the PBC are accounted for within the Debt Service Fund of the City. Separate audited financial statements are not prepared by the PBC.

Discretely Presented Component Unit

Emporia Public Library – The Emporia Public Library (the Library) serves the citizens within the City's jurisdiction. The City appoints the entire governing body of the Library. Because the Library is not a separate taxing entity, the City levies tax for the Library's operations. The City appropriated $1,268,157 to the Library in 2025. Complete financial statements may be obtained at the Emporia Public Library, 110 E. 6th Avenue, Emporia, Kansas.

Jointly Governed Organizations

Regional Development Association of East Central Kansas, Inc. – The Regional Development Association of East Central Kansas, Inc., (the RDA) is a not-for-profit corporation whose purpose is to benefit the public interest through the activity of business and economic development in the City and Lyon County, Kansas. The RDA's governing board consists of seven voting members, two of whom are appointed by the City. The City has entered into a contract under which the City appropriates funds to the RDA which are used for business and economic development. The City has no ongoing financial interest or responsibilities with respect to the RDA.

Emporia Recreation Commission – The Emporia Recreation Commission was established as a joint venture between the City of Emporia, Kansas and Unified School District Number 253, Emporia, Kansas. The governing board consists of one member from the Emporia City Commission, one member from the Unified School District number 253 Board of Education, one member appointed by the Emporia City Commission, one member appointed by the Unified School District number 253 Board of Education and one member appointed at-large by the other four appointed members of the Recreation Commission Board.

Basis of Presentation

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds).

Government-wide financial statements

The statement of net position and the statement of activities display information about the City, the primary government, as a whole. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City.

Fund financial statements

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

Governmental Funds

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (other than those in Proprietary Funds) are accounted for through Governmental Funds. The measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination.

The following are the City's major governmental funds:

The General Fund accounts for all financial transactions not accounted for in other funds. The general operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are financed through revenues received by the General Fund.

The Construction Projects Fund is used to account for activities of the City's capital related improvements and projects that include the following: Multi-Year Improvements, Internal Improvements, Recreation Center Improvements, Civic Auditorium Project, Airport Improvements, Park Improvements, Paving Projects, and Capital Projects sub-funds.

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

Proprietary Funds

Proprietary Funds are used to account for the City's ongoing activities which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The following are the City's major proprietary funds:

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

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

Solid Waste Disposal Fund accounts for funds derived from customer service charges for solid waste disposal. All activities necessary to provide such services are accounted for in this fund.

Internal Service Funds

The internal service funds account for contributions made by the City to be used for paying claims for job-related injuries as well as contributions made by the City, current and former City employees to be used for payment of medical claims of covered employee health care participants and additional health insurance premiums. The City is self-insured for its workers' compensation insurance.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or when all eligibility requirements have been satisfied and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, sales tax, and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. This is a similar approach to that used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental Fund Financial Statements

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, certain revenue sources are deemed both measurable and available (collectible within the current year or within two months of year end and available to pay obligations of the current period). This includes investment earnings and state-levied locally shared taxes (including motor vehicle fees). Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Property taxes, special assessments, and notes receivable, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property taxes, special assessment, and notes receivable are recorded and deferred in the fund statements until they become available.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Property taxes are recognized as revenue in the government-wide financial statements in the year the taxes are intended to be financed by those taxes.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which have not matured are recognized when due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Proprietary Fund Financial Statements

The economic resources measurement focus and the accrual basis of accounting are utilized by the proprietary funds. Under this basis of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred. All assets and liabilities (whether current or noncurrent) associated with a proprietary fund's activities are included on its statement of net position and statement of activities. Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. All other revenues and expenses are considered nonoperating.

Lease Arrangements

The City implemented Government Accounting Standards Board (GASB) Statement No. 87, Leases. The statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of the City's financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use and underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the City's leasing activities.

Subscriptions-Based Information Technology Arrangements (SBITA)

The City implemented GASB Statement No 96, Subscriptions-Based Information Technology Arrangements (SBITA). The statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for subscription-based information technology arrangements by governments. This Statement increases the usefulness of City's financial statements by defining and establishing a SBITA that results in a right-to-use subscription intangible asset and a corresponding subscription liability. The Statement establishes a single model for SBITA accounting based on the foundational principle that SBITAs are financings of the right to use and underlying asset much like the standards established in Statement No. 87, Leases. Under this Statement, the City is required to recognize a SBITA liability and an intangible right-to-use asset and recognize amortization of the discount on the subscription liability as an outflow of resources in subsequent financial reporting periods, thereby enhancing the relevance and consistency of information about the City's subscription activities.

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds managed by the City (except for investments of the employees' health insurance trust and workers' compensation fund). The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Cash balances from all funds are invested to the extent available in certificates of deposit and other authorized investments. Investments with maturity dates greater than three months are stated separately. Earnings from these investments, unless specifically designated, are allocated monthly to the investing fund based on the percentage of funds invested to total investments.

From time to time, the City invests available cash in the Kansas Municipal Investment Pool (KMIP). KMIP is a pooled investment vehicle offered by the State of Kansas as a voluntary investment alternative for municipalities in the State of Kansas. KMIP is governed by the State of Kansas Pooled Money Investment Board. Investments in the KMIP are reported at net asset value, which approximates fair value.

Accounts Receivable and Payable

Transactions between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables / payables" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds". Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and other receivables are shown net of an allowance for uncollectible, if applicable.

Property taxes receivable – The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The office of the County Appraiser annually determines assessed valuations on January 1 and the County Clerk records the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the County. In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are levied and liens against property are placed on November 1 of the year prior to the fiscal year for which they are budgeted. Payments are due December 20, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the remaining 50% then being due on or before May 10 of the following year. The City Treasurer draws down all available funds from the County Treasurer's office in two-month intervals. Taxes remaining due and unpaid at February 15 and July 1 are subject to collection procedures prescribed in state statutes.

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City. Accruals of uncollected current year property taxes are offset by deferred inflows of resources and are identical to the adopted budget for 2026 in the governmental fund financial statements.

Inventories and Prepaid Items

Inventories in all funds are priced at cost of the latest purchase, which approximates average cost, and are based on year-end physical counts. Inventories consist of expendable supplies held for consumption. The cost of inventories is recorded as an expenditure when consumed.

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

Capital Assets

Capital assets, which include property, plant, vehicles and equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, as well as capital assets received in a service concession arrangement are reported at acquisition value as of the date of donation. Capital assets used in governmental funds types of the City are recorded at cost or estimated historical cost if purchased or constructed.

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

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

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-75
Land improvements and infrastructure	20-75
Building improvements	20-75
Vehicles and equipment	5-10
Office equipment	5-10
Leased vehicles and equipment	3-5
Subscription based information technology arrangements	3-5
Infrastructure	20-75

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory and sick pay benefits (collectively “compensated absences”). A liability is reported for unpaid accumulated sick leave for amounts that exceed the annual carryover total of 480 hours (720 for firefighters) at a rate of 4 hours of sick leave to one hour if annual sick leave payout. Any unused sick leave is not payable upon termination.

All employer related costs of compensated absences are recognized as a liability in the government-wide and proprietary fund financial statements if (a) the leave is attributable to services already rendered, (b) accumulates, and (c) is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Compensated absences is accounted for as follows:

Governmental Funds - The accumulated liabilities for compensated absences is recorded in the governmental activities column of the government-wide financial statements.

Proprietary Funds - The costs of compensated absences accrued in the respective funds as earned by City employees and recorded in the proprietary fund financial statements and the business-type activities column of the government-wide financial statements.

Long-Term Obligations

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

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

Deferred Outflows/inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualifies for reporting in this category. The first item relates to the change in actual and projected experience in calculating the City's proportionate share of the pension liability and actuarial assumption changes, and the difference between actual and projected earnings in calculating the net pension liability. The second item results from assumption changes in calculating the City's OPEB liability. The third item relates to leases receivable which will be recognized as inflow of resources in future periods over the term of the leases.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of items, which arises under the accrual and modified accrual basis of accounting, which qualify for reporting in this category. The first one relates to the change in actual and projected experience in calculating the pension liability and actuarial assumption changes, and the difference between actual and projected earnings in calculating the City's proportionate share of net pension liability. The second item relates to the change in actual and projected experience in calculating the OPEB liability. The third item, unavailable revenue, is reported in both the government-wide statement of net position and governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The fourth item, leases is reported in both the government-wide statement of net position and in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources over the remaining term of the leases.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kansas Public Employees' Retirement System (KPERS) and additions to and deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post Employment Benefit Plans (OPEB)

The City sponsors a single-employer, defined benefit healthcare plan and participates in the Kansas Public Employees Death and Disability Plan, a multiple-employer defined benefit plan. The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by the OPEB Plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Interfund Activity

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (i.e., due from other funds) in lender funds and interfund payables (i.e. due to other funds) in borrower funds.

Services provided and used – sales and purchases of goods and services between funds for a price approximating their fair value. Interfund services provided and used are reported as revenues in funds providing the good or service and expenditures or expenses in the fund purchasing the good or service. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or statement of net position. The General fund provides administrative and other support services for the Water Utility, Sewer Utility, and Solid Waste Utility funds. Amounts charged for such services for the year ended December 31, 2025 were $1,405,680, $610,000, and $924,880, respectively.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. For the purpose of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Special Assessments

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of bonds are recorded as revenue for the appropriate project. Special assessments received after issuance of bonds are recorded as revenue in the Debt Service Fund. Further, state statutes require levying additional general ad valorem property taxes in the Debt Service Fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable are accounted for within the Debt Service Fund. Special assessments are levied over various periods, and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. Special assessment taxes levied are a lien on the property and are recorded as special assessment receivable with a corresponding amount recorded as deferred inflow of resources in the fund financial statements.

Statement of Cash Flows

For purposes of the statement of cash flows, short-term investments, and certificates of deposit with a maturity date within three months of the date acquired by the City, if any, are considered cash equivalents.

Fund Balances

In the fund financial statements, governmental funds report the following fund balance classifications:

Non-Spendable – This consists of amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – This consists of amounts where constraints are placed on the use of those resources which are either externally imposed by creditors, grantors, contributors, laws, or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing Commission is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria as committed. The Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned – This consists of the residual fund balance that does not meet the requirements for the non-spendable, restricted, committed, or assigned classifications. A positive unassigned fund balance is only possible in the general fund.

The City has a fund balance policy that provides guidance for programs with multiple revenue sources. The policy is to use restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

Net Position Classifications

In the government-wide statements, equity is shown as net position and classified into three components:

(1) Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

(2) Restricted net position – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities.

(3) Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Use of Estimates

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

Stewardship, Compliance and Accountability

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

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

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been extended to or before September 20th. 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 ten days after publication the hearing may be held, and the governing body may amend the budget at that time. The statutes permit management to transfer budgeted amounts between line items and departments 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 statements are presented for each governmental fund with a legal budget, showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received, and expenditures include disbursements, open 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 the following special revenue funds: 2017 Housing, 2020 Housing, Emergency Shelter, Law Enforcement Block Grants, 2014 Housing, Stormwater Reserve Fund, Emporia Homeowner Repair, Home Equity Rehab, and Land Bank. Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body. A legal operating budget is not required for City's Construction Projects Fund's sub-funds except for the Multi-Year Improvements sub-fund. The City legally adopted an annual budget for the Multi-Year Improvement Construction Projects sub-fund.

Compliance with Kansas Statutes

The Emergency Shelter, Enforcement Block Grants Fund, and Emporia Homeowner Fund had a deficit fund balance of $2,512, $1,415, and $3,153, respectively, as of December 31, 2025.

(2) Deposits and Investments

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

Various City investments are considered to be idle funds by management and are invested according to KSA 12-1675. The statute requires that the City invest its idle funds in only temporary notes of the City, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds: U.S. Treasury bills or notes, or the Kansas Municipal Investment Pool (KMIP). Maturities of the above investments may not exceed two years by statute.

Some of the City's investments are of bond proceeds invested pursuant to KSA 10-131. This statute allows additional investment authority beyond that of KSA 12-1675. Investments of bond proceeds may follow KSA 12-1675 or include other investments such as the KMIP, direct obligations of the U. S. government or any agency thereof, investment agreements with a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's investors service or Standard and Poor's corporation, and various other investments as specified in KSA 10-131.

At December 31, 2025, the carrying values of deposits and investments are summarized as follows:

Cash on hand	$	7,325
Carrying amount of deposits		22,823,188
Kansas Municipal Investment Pool (KMIP)		8,736,569
Total cash and investments	$	31,567,082

At December 31, 2025, the City has the following investments:

Investment Type	Fair Value	Rating	Weighted Rate
Kansas Municipal Investment Pool	$ 8,736,569	S&P AAAf/S1+	0.0100%

The KMIP is under the oversight of the Pooled Money Investment Board (the Board) The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligation of, or obligations that are insured as to principal and interest by the U. S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The fair value of the City's position in the municipal investment pool is substantially the same as the value of the pool shares.

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

Custodial credit risk is the risk that in the event of a depository financial institution failure, the City's deposits may not be returned. The City's deposit policy for custodial credit risk require that the depository financial institutions will maintain 100% security in the form of FDIC coverage and pledged collateral according to KSA 9-1402. As of December 31, 2025, the City’s deposits were insured with Federal depository insurance or collateralized by securities held in the City’s name by their financial institution’s agent.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level I inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For the year ended December 31, 2025, the City's investment in KMIP was considered a cash equivalent as all investments were held in the overnight pool. Investments that are considered cash equivalents are not classified in the fair value hierarchy.

Component Unit - At year-end, the carrying amount of the Library's cash, including certificates of deposit and cash on hand, was $897,530 and the bank balance was $946,441. The difference between the carrying amount and the bank balance was outstanding checks, deposits in transit and cash on hand. Of the bank balance, $304,514 was covered by federal depository insurance and the remaining $641,927 was collateralized by pledged securities.

(3) Tax Revenues and Taxes Receivable

In accordance with governing state statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 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 the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are recorded as taxes receivable with a corresponding amount recorded as a deferred inflow of resources on the balance sheets of the appropriate funds. It is not practical to apportion delinquent taxes held by the County Treasurer as of December 31, 2025. Estimated delinquencies are insignificant and have not been recorded.

Assessed values are established by the County Appraiser. The assessed value for property located in the City as of January 1, 2024 on which the 2024 levy was based was $235,858,244.

Fund	Levy
General	$ 31.799
Library	5.113
Bond and Interest	9.202
Industrial development	0.005
	$ 46.119

Tax revenues for the year ended December 31, 2025 consisted of the following:

	General Fund	Debt Service Fund	Non-major Governmental Funds	Total
Property taxes	$ 7,833,934	$ 2,296,705	$ 1,350,031	$ 11,480,670
Sales taxes	6,672,686	-	-	6,672,686
Franchise taxes	2,839,596	-	-	2,839,596
	$ 17,346,216	$ 2,296,705	$ 1,350,031	$ 20,992,952

Taxes receivable represent property, sales, and franchise taxes, including interest and penalties, reduced by an appropriate allowance for uncollectible taxes. Taxes receivable consisted of the following at December 31, 2025:

	General Fund	Debt Service Fund	Non-major Governmental Funds	Total
Property taxes	$ 7,647,839	$ 2,117,560	$ 1,190,830	$ 10,956,229
Sales taxes	1,218,533	-	-	1,218,533
Franchise taxes	269,301	-	-	269,301
	$ 9,135,673	$ 2,117,560	$ 1,190,830	$ 12,444,063

Intergovernmental Revenues

Intergovernmental revenues for the year ended December 31, 2025, consisted of the following:

	General Fund	Contruction Projects Fund	Debt Service Fund	Non-major Governmenta Funds	Total
Grants:					
Federal, State and Local	$ 104,002	$ 1,490,726	$ -	$ 181,771	$1,776,499
State:					
Gasoline Tax	-	-	-	655,731	655,731
Transient guest tax	-	-	-	927,873	927,873
Special liquor tax	101,301	-	-	202,602	303,903
Local:					
County-wide sales taxes	3,503,090	-	-	-	3,503,090
Interlocal agreements	287,196	-	49,440	-	336,636
Total	$3,995,589	$ 1,490,726	$ 49,440	$ 1,967,977	$7,503,732

Interfund Activity

Transfers between funds for the year ended December 31, 2025 were as follows:

	Transfers Out:						
	General Fund	Construction Projects Fund	Debt Service Fund	Non-major Governmental Funds	Sewer Utility Fund	Water Utility Fund	Total
Transfers In:							
Governmental activities:							
General Fund	$ -	$ -	$ -	$ 276,912	$ 164,452	$ -	$ 441,364
Construction Projects Fund	4,294,018	-	12,210,000	-	-	-	16,504,018
Debt Service Fund	-	-	-	85,963	-	-	85,963
Non-major							
Governmental Funds	808,388	899,406	-	209,340	-	-	1,917,134
Total governmental activities	5,102,406	899,406	12,210,000	572,215	164,452	-	18,948,479
Business-type activities:							
Solid Waste Utility Fund	-	-	-	16,387	-	-	16,387
Sewer Utility Fund	-	-	-	-	-	2,545,855	2,545,855
Water Utility Fund	-	-	-	350,000	-	-	350,000
Total business-type activities	-	-	-	366,387	-	2,545,855	2,912,242
Total	$ 5,102,406	$ 899,406	$ 12,210,000	$ 938,602	$ 164,452	$ 2,545,855	$ 21,860,721

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (4) move debt service proceeds to construction projects fund to provide project funds, and (5) transfer portions of completed construction projects that benefit the Water Utility and Sewer Utility Funds. Any transfers within the governmental funds or within the proprietary funds have been eliminated in the government-wide statement of activities.

Amount due to/due from other funds as of December 31, 2025 were as follows:

	Due to:
	General Fund
Due from:	
Governmental activities:	
Other Governmental Funds	$ 4,568
Total governmental activities	4,568
Business-type activities:	
Water fund	6,702,780
Total business-type activities	6,702,780
Total	$ 6,707,348

Amounts due to the General Fund from Other Governmental Funds represent advances for short-term cash flow needs. Amounts due to the General Fund from the Water Fund represent advances for funding of construction related projects prior to the Water Fund requesting a drawdown of available loan funds from Kansas Department of Health & Environment (KDHE) loans further discussed in Note 6.

(4) Lease Arrangements

Under GASB 87, Leases, a lessor is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that related to future periods. Additional information for each lease receivable is as follows:

The City entered into three lease agreements for the right to place communication equipment on water towers owned by the City. Under the leases, the City receives annual payments between $600 and $14,520. The leases contain options to renew by sending written notice of renewal to the City no later than 120 days prior to the expiration of the initial lease term. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate ranging from 2.40% to 4.25%. At December 31, 2025 the leases receivable balance was $369,572.

For the year ended December 31, 2025, the City recognized $17,339 of lease revenue and $5,556 of interest revenue under these leases.

The City's leases receivable activity for the year ended December 31, 2025, is as follows:

Lease Description	Beginning of Year	Additions	Retirements	End of year	Current
Tower attachments	$ 197,617	$ 192,199	$ 20,244	$ 369,572	$ 15,940
Total leases receivable	$ 197,617	$ 192,199	$ 20,244	$ 369,572	$ 15,940

The scheduled future minimum lease payment due under the lease arrangements for the years ending December 31, are as follows:

	Lease Receivable		
	Principal	Interest	Total
2026	$ 15,940	$ 12,380	$ 28,320
2027	16,871	11,889	28,760
2028	18,279	11,361	29,640
2029	20,084	10,766	30,850
2030	20,966	10,126	31,092
2031-2035	123,321	39,907	163,228
2036-2040	125,629	18,187	143,816
2041-2042	28,482	1,747	30,229
	$ 369,572	$ 116,363	$ 485,935

(5) Capital Assets

A summary of the changes in capital assets for the year ended December 31, 2025 is as follows:

Governmental activities:	Beginning of Year **	Additions	Retirements	End of Year
Capital assets, not being depreciated				
Land	$ 5,319,964	$ -	$ -	$ 5,319,964
Construction in progress	4,930,608	13,114,511	2,718,965	15,326,154
Total capital assets, not being depreciated	10,250,572	13,114,511	2,718,965	20,646,118
Capital assets, being depreciated				
Land improvements	223,312,111	3,337,651	8,700	226,641,062
Building and improvements	19,107,599	914,327	55,435	19,966,491
Vehicles	4,511,416	-	142,848	4,368,568
Equipment, furniture and fixtures	9,125,586	881,360	196,756	9,810,190
Right of use assets - vehicles and equipment	1,516,381	141,624	20,530	1,637,475
Finance - vehicles and equipment	1,061,361	60,738	10,282	1,111,817
Right of use assets - SBITAs	141,554	422,316	-	563,870
Total capital assets being depreciated	258,776,008	5,758,016	434,551	264,099,473
Less accumulated depreciation for:				
Land improvements	202,709,941	2,417,433	8,700	205,118,674
Building and improvements	14,078,760	315,429	55,435	14,338,754
Vehicles	3,824,064	295,007	142,848	3,976,223
Equipment, furniture and fixtures	6,843,475	561,394	196,756	7,208,113
Right of use assets - vehicles and equipment	447,882	491,301	20,530	918,653
Finance - vehicles and equipment	302,840	310,899	10,282	603,457
Right of use assets - SBITAs	42,467	134,203	-	176,670
Total accumulated depreciation	228,249,429	4,525,666	434,551	232,340,544
Total capital assets being depreciated, net	30,526,579			31,758,929
Governmental activities capital assets, net	$ 40,777,151			$ 52,405,047

** As restated

Business-Type Activities	Beginning of Year	Additions	Retirements	End of Year
Capital assets, not being depreciated				
Land	$ 222,572	$ -	$ -	$ 222,572
Construction in progress	12,263,023	8,199,640	11,423,886	9,038,777
Total capital assets, not being depreciated	12,485,595	8,199,640	11,423,886	9,261,349
Capital assets, being depreciated				
Land improvements	92,436,406	5,423,718	163,986	97,696,138
Building and improvements	31,584,115	-	47,909	31,536,206
Vehicles	3,559,910	320,360	-	3,880,270
Equipment, furniture and fixtures	12,725,190	6,023,087	2,665	18,745,612
Right of use assets - equipment	478,047	157,469	9,128	626,388
Total capital assets being depreciated	140,783,668	11,924,634	223,688	152,484,614
Less accumulated depreciation for:				
Land improvements	38,661,466	2,203,661	140,308	40,724,819
Building and improvements	16,964,698	989,102	47,909	17,905,891
Vehicles	2,788,855	323,836	-	3,112,691
Equipment, furniture and fixtures	9,374,399	580,300	2,665	9,952,034
Right of use assets - equipment	201,493	154,044	9,128	346,409
Total accumulated depreciation	67,990,911	4,250,943	200,010	72,041,844
Total capital assets being depreciated, net	72,792,757			80,442,770
Business-type activities capital assets, net	$ 85,278,352			$ 89,704,119

Depreciation expense was charged to functions and programs of the primary government as follows:

Governmental Activities:	
General government	$ 267,072
Public safety	921,518
Highway and streets	2,324,172
Culture and recreation	621,703
Building maintenance	179,342
Airport operations	211,859
Total depreciation expense for Governmental activities	$ 4,525,666
Business-type Activities:	
Water utility	$ 1,720,786
Sewer utility	2,060,034
Solid waste	470,123
Total depreciation expense for Business-type activities:	$ 4,250,943

(6) Long Term Debt

During the year ended December 31, 2025, the following changes, including the allocation of the general obligation bonds outstanding between governmental and business-type activities, occurred in long term liabilities:

Governmental Activities:	Beginning of Year	Adjustments/ Additions	Adjustments/ Retirements	End of Year	Due Within One Year
General obligation	$ 5,555,000	$ -	$ 855,000	$ 4,700,000	$ 645,000
Premium	390,059	-	34,287	355,772	-
PBC revenue bonds	-	12,210,000	-	12,210,000	-
Finance purchase	688,174	60,738	210,503	538,409	224,330
Lease liabilities	1,132,386	141,624	532,747	741,263	440,411
SBITA liabilities	86,406	402,525	168,399	320,532	155,806
Compensated absences **	1,188,142	4,111	-	1,192,253	894,190
Total pension liability	20,743,744	39,173	-	20,782,917	-
Total OPEB liability	1,068,305	84,456	-	1,152,761	64,000
Total Governmental activities	30,852,216	12,942,627	1,800,936	41,993,907	2,423,737
Business-Type Activities:					
General obligation	18,960,000	-	1,785,000	17,175,000	1,845,000
Premium	1,222,708	-	121,516	1,101,192	-
Loans	32,626,289	3,650,360	1,608,946	34,667,703	2,066,476
Lease liabilities	304,195	134,418	154,654	283,959	148,648
Compensated absences **	251,841	-	68,993	182,848	127,993
Total pension liability	3,470,523	-	235,134	3,235,389	-
Total OPEB liability	273,192	64,337	-	337,529	18,000
Total Business-type activities	57,108,748	3,849,115	3,974,243	56,983,620	4,206,117
Total primary government	$ 87,960,964	$ 16,791,742	$ 5,775,179	$ 98,977,527	$ 6,629,854

** The change in compensated absences is presented as a net change

General obligation bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, general obligation bonds have been issued to refund both general obligation and revenue bonds.

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

Issue	Interest Rate	Date of Issue	Original Issue	Date of Final Maturity	Bonds Outstanding
Governmental Activities					
2016 Internal Improvements	3.00%	11/25/2016	1,990,000	9/1/2029	$ 65,000
2018 Internal Improvements	2.81%	6/26/2018	1,000,000	9/1/2033	160,000
2020 Refunding and Improvements	1.77%	10/20/2020	4,055,000	9/1/2035	2,065,000
2022 Internal Improvements	3.36%	10/11/2022	3,540,000	9/1/2037	2,410,000
Total Governmental Activities					$ 4,700,000
Business-Type Activities					
2015 Internal Improvements	2.38%	7/30/2015	$ 3,775,000	9/1/2030	$ 1,475,000
2016 Internal Improvements	3.00%	11/25/2016	2,850,000	9/1/2029	255,000
2018 Internal Improvements	2.81%	6/26/2018	6,190,000	9/1/2033	3,290,000
2020 Refunding and Improvements	1.77%	10/20/2020	2,885,000	9/1/2035	905,000
2022 Internal Improvements	3.36%	10/11/2022	1,625,000	9/1/2037	2,555,000
2023 Internal Improvements	4.0-5.0%	11/14/2023	9,505,000	9/1/2043	8,695,000
Total Business-Type Activities					$ 17,175,000

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

	Governmental Activities		Business-Type Activities		
Year Ending	Principal	Interest	Principal	Interest	Total
2026	$ 645,000	$ 165,100	$ 1,845,000	$ 688,987	$ 3,344,087
2027	675,000	141,750	1,660,000	622,100	3,098,850
2028	505,000	117,350	1,610,000	559,475	2,791,825
2029	455,000	99,750	1,470,000	498,850	2,523,600
2030	465,000	83,650	1,425,000	439,275	2,412,925
2031 - 2035	1,830,000	187,450	4,775,000	1,430,175	8,222,625
2036 - 2040	125,000	7,600	2,725,000	660,000	3,517,600
2041 - 2044	-	-	1,665,000	141,169	1,806,169
	$ 4,700,000	$ 802,650	$ 17,175,000	$ 5,040,031	$ 27,717,681

Emporia Public Building Commission Revenue Bonds

In 2025, the Emporia Public Building Commission (PBC) issued its $12,210,000 Series 2025A revenue bonds to fund the City's Fire Station #1 Project. The revenue bonds are payable in annual principal payments ranging from $30,000 to $1,150,000 through September 1, 2044 including interest at 4.55%. Annual debt service requirements to maturity are as follows:

Year Ending	Principal	Interest
2026	$ -	$ 825,616
2027	30,000	555,555
2028	230,000	554,190
2029	315,000	543,725
2030	335,000	529,294
2031-2035	2,530,000	2,376,920
2036-2040	4,460,000	1,603,193
2041-2044	4,310,000	500,728
	$ 12,210,000	$ 7,489,221

Loans payable

The City entered into a loan agreement with the Kansas Department of Health & Environment through the Kansas Water Pollution Control Revolving Loan Fund related to a wastewater treatment plant improvement project for an amount up to $32,285,000. The interest rate on the loan is 1.69%, plus a .25% service fee. Final maturity is scheduled for September 1, 2038.

As of December 31, 2025, the City has drawn $32,166,919 on the loan and anticipates utilizing the full amount of the loan. As of December 31, 2025, the principal outstanding was $22,466,946.

The City entered into a loan agreement with the Kansas Department of Health & Environment through the Kansas Public Water Supply Loan Fund related to water infrastructure improvement projects for an amount up to $4,000,000. The interest rate on the loan is 1.66%, plus a .35% service fee. Final maturity is scheduled for August 1, 2046.

As of December 31, 2025, the City has drawn $3,555,686 on the loan and anticipates utilizing the full amount of the loan. As of December 31, 2025, the principal outstanding was $3,483,027.

The City entered into a loan agreement with the Kansas Department of Health & Environment through the Kansas Public Water Supply Loan Fund related to water infrastructure improvement projects for an amount up to $15,000,000. The interest rate on the loan is 1.85%, plus a .35% service fee. Final maturity is scheduled for February 1, 2045.

As of December 31, 2025, the City has drawn $8,717,730 on the loan and anticipates utilizing the full amount of the loan. As of December 31, 2025, the principal outstanding was $8,717,730.

Loans	Interest Rate	Date of Issue	Maximum Original Issue	Date of Final Maturity	Loans Outstanding
Business-Type Activities					
KDHE Loan - Water pollution control	1.69%	11/7/2017	$ 32,285,000	9/1/2038	$ 22,466,946
KDHE Loan - Public water supply	1.66%	9/3/2019	4,000,000	8/1/2046	3,483,027
KDHE Loan - Public water supply	1.85%	3/5/2023	15,000,000	2/1/2045	8,717,730
					$ 34,667,703

Estimated annual debt service requirements to maturity for the loans (based on the current outstanding balances) are as follows:

	Water Pollution Control		Public Water Supply		Totals	
Year Ending	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 1,559,343	$ 435,192	$ 507,133	$ 256,824	$ 2,066,476	$ 692,016
2027	1,589,740	404,794	518,137	245,820	2,107,877	650,614
2028	1,620,731	373,804	529,380	234,577	2,150,111	608,381
2029	1,652,326	342,209	540,867	223,089	2,193,193	565,298
2030	1,684,537	309,998	552,605	211,352	2,237,142	521,350
2031 - 2035	8,928,252	1,045,422	2,948,207	871,577	11,876,459	1,916,999
2036 - 2040	5,432,017	198,001	3,282,358	537,426	8,714,375	735,427
2041 - 2045	-	-	3,185,705	169,193	3,185,705	169,193
2046	-	-	136,365	1,030	136,365	1,030
	$ 22,466,946	$ 3,109,420	$ 12,200,757	$ 2,750,888	$ 34,667,703	$ 5,860,308

Finance Purchase Agreements

The City has entered into thirty (30) financing purchase agreements for the acquisition of various vehicles and equipment under terms generally from thirty-six (36) to sixty (60) months. Under the financing purchase agreements, the City is scheduled to make monthly payments ranging from $655 to $1,646 with interest varying from 3.7 to 8.2%.

Leases Liabilities

The City has entered into fifty-six (56) lease agreements for the right-of-use (ROU) of various vehicles and equipment under terms generally from thirty-six (36) to sixty (60) months. Under fifty (50) ROU vehicle agreements, the City is scheduled to make monthly payments ranging from $929 to $1,726 with interest varying from 4.75 to 8.23%. Five ROU equipment agreements, the City is scheduled to make annual payments ranging from $10,000 to $20,712 with interest varying from 3.50 to 8.20%.

The future minimum finance purchase agreements and lease liability payments are as follows:

	Governmental Activities		Business-Type Activities		
Year Ending	Principal	Interest	Principal	Interest	Total
2026	$ 664,741	$ 60,392	$ 148,648	$ 12,441	$ 886,222
2027	434,427	23,677	50,026	6,930	515,060
2028	116,549	7,038	40,964	3,991	168,542
2029	58,339	1,904	29,500	1,510	91,253
2030	5,616	104	14,821	283	20,824
	$ 1,279,672	$ 93,115	$ 283,959	$ 25,155	$ 1,681,901

The City has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred. These leases are not included as lease liabilities or right-to-use leases assets on the statement of net position.

Subscription-Based Information Technology Arrangements

Per GASB Statement No. 96, a subscription-based information technology arrangement (SBITA) is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The measurement of the subscription liabilities is based on the present value of lease payments expected to be paid during the subscription term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, and residual value guarantee payments that are fixed in substance. The City has entered into two (2) SBITA agreements requiring annual payments from $33,420 to $140,772 with interest from 5.0 to 7.8% through June, 2027.

As of December 31, 2025, the City had minimum principal and interest payment requirements for its SBITA right-of-use assets, with a remaining term more than one year, as follows:

	Governmental Activities	
Year Ending	Principal	Interest
2026	$ 155,806	$ 18,386
2027	164,726	9,466
	$ 320,532	$ 27,852

Special Assessments

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

Debt Margin

At December 31, 2025, the statutory limit on indebtedness for general obligation bonds and bond anticipation notes is $62,919,794, which, after reduction of applicable net outstanding debt of $(560,462) ($5,055,772 minus debt service fund balance of $5,616,234) provides a debt margin of $63,480,256.

Conduit Debt

The City has entered into several conduit debt arrangements wherein the City issues industrial revenue bonds to finance a portion of the construction of facilities by private enterprises. In return, the private enterprises have executed mortgage notes or leases with the City. The City is not responsible for payment of the original bonds, but rather the debt is secured only by the cash payments agreed to be paid by the private enterprises under the terms of the mortgage or lease agreements. Generally, the conduit debt is arranged so that payments required by the private enterprises are equal to the mortgage payment schedule related to the original debt. As of December 31, 2025, total outstanding conduit debt was approximately $19.1 million.

(7) Defined Benefit Pension Plan

Description of Pension Plan. The City participates in the Kansas Public Employees Retirement System (KPERS) a cost-sharing multiple employer public employee retirement system (Pension Plan). The Pension Plan is administered by the KPERS, a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - State/School employees
  - Local employees
- Police and Fire
- Judges

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

Those employees participating in the Pension Plan for the City are included in the Local employees' group and the Kansas Police and Fire group.

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

Benefits

Benefits are established by statute and may only be changed by the State Legislature. Members (except Police and Fire) with ten or more years of credited service, may retire as early as age 55 (Police and Fire may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85. Police and Fire normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service.

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

Contributions

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

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

The actuarially determined employer contribution rate and the statutory contribution rate for the local employee group are both 10.716%. Member contribution rates as a percentage of eligible compensation for the fiscal year ended June 30, 2025 is 6%. The actuarially determined employer contribution rate and the statutory contribution rate for the police and Fire group are both 24.67%. Member contribution rates for this group are 7.15%.

Contributions to the Pension Plan from the City for the local employee group and police and firefighter group were $1,134,237 and $1,922,900, respectively, for the year ended December 31, 2025.

Employer Allocations

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

- State/School; Local; Police and Fire; and Judges

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

The allocation percentages for the City's share of the collective pension amounts as of June 30, 2025 was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2025. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. At June 30, 2025, the City's proportion in the local employee group was 0.410224%, which was an increase of 0.004356% from 2024. At June 30, 2025, the City's proportion in the police and fire group was 0.974220%, which was an increase of 0.003985% from 2024.

Net Pension Liability

At June 30, 2025, the City's local employee group reported a liability of $8,221,901 for its proportionate share of the net pension liability. The City's police and fire group reported its proportionate share of the net pension liability of $15,796,405 at June 30, 2025.

Actuarial Assumptions

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

Price inflation	2.75%
Salary increases, including price inflation	3.50% to 12.00%
Long-term rate of return, net of investment expense, and including price inflation	7.00%

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2025 are summarized in the following table:

Asset Class	Long-term Target Allocation	Long-Term Expected Real Rate of Return
U.S Equities	23.50%	5.20%
Non-U.S. Equities	23.50%	6.40%
Private Equity	8.00%	9.50%
Private Real Estate	11.00%	4.45%
Yield Driven	8.00%	4.70%
Real Return	11.00%	3.25%
Fixed Income	11.00%	1.55%
Short-term Investments	4.00%	0.25%
	100.00%	

Discount Rate

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Local	$ 12,132,941	$ 8,221,901	$ 4,937,150
Police and Fire	21,732,259	15,796,405	10,823,068
Net Pension Liability	$ 33,865,200	$ 24,018,306	$ 15,760,218

For the year ended December 31, 2025, the City recognized Local pension expense of $1,345,227 and Police and Fire pension expense of $2,538,500, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Local Group	Police and Fire	Total
Deferred outflows of resources			
City contributions subsequent to the measurement date	$ 476,639	$ 905,736	$ 1,382,375
Difference between actual and expected experience	1,059,470	1,858,293	2,917,763
Net differences between projected and actual earnings on investments	-	-	-
Changes in assumptions	203,241	386,480	589,721
Changes in proportion	451,790	396,847	848,637
Total	$ 2,191,140	$ 3,547,356	$ 5,738,496
Deferred inflows of resources			
Net differences between projected and actual earnings on investments	$ (282,367)	$ (410,358)	$ (692,725)
Changes in proportion	-	(154,639)	(154,639)
Total	$ (282,367)	$ (564,997)	$ (847,364)

The City reported $1,382,375 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Local Group Deferred Outflows (Inflows) Amount	Police and Fire Group Deferred Outflows (Inflows) Amount
2026	$ 1,075,569	$ 1,399,402
2027	321,361	480,323
2028	74,294	156,699
2029	(39,090)	40,199
Total	$ 1,432,134	$ 2,076,623

Summary of financial reporting of the City's pension plan:

	Local Group	Police and Fire Group	Total
Governmental activities:			
Net Pension Liability	$ 4,986,512	$ 15,796,405	$ 20,782,917
Business-type activities:			
Net Pension Liability	3,235,389	-	3,235,389
Net Pension Liability	$ 8,221,901	$ 15,796,405	$ 24,018,306
Governmental activities:			
Pension related deferred outflows	$ 1,328,908	$ 3,547,356	$ 4,876,264
Pension related deferred inflows	(171,253)	(564,997)	(736,250)
Business-type activities:			
Pension related deferred outflows	862,232	-	862,232
Pension related deferred inflows	(111,114)	-	(111,114)
Total	$ 1,908,773	$ 2,982,359	$ 4,891,132

Supplemental Retirement Programs

The City offers employees a deferred compensation plans created in accordance with Internal Revenue Code Section 457 and/or salary deferral under Section 401(a). Contributions to the plans by employees for the year ended December 31, 2025 were $203,986.

(8) Postemployment Benefits Other Than Pensions

Health Insurance Plan

Plan Description

The City offers postemployment health insurance to retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan administered by the City. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The health insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. The benefit is available for selection at retirement and is extended to retirees and their dependents until the individuals become eligible for Medicare at age 65. The plan does not issue a stand-alone financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* (GASB Statement 75). Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Funding Policy

The City provides medical, prescription drug, and dental benefits (healthcare benefits) to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). This statute, which may be amended by the state legislature, establishes that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125% of the premium cost for other similarly situated employees. The City requires participating retirees to contribute 120% of the premium cost of active employee.

The City provides funding for the expenditures on a pay-as-you-go basis through the Employee Health Care Fund. At January 1, 2025, the following employees were covered by the benefit terms:

Active employees	302
Inactive members currently receiving benefits	11
Total	313

Total OPEB Liability

The City's total OPEB liability of $1,111,699 was measured as of December 31, 2025 and was determined by actuarial valuation as of January 1, 2025 rolled forward to December 31, 2025. The total OPEB liability in the January 1, 2025 actuarial valuation was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified.

Valuation date	January 1, 2025
Reporting date	December 31, 2025
Measurement period	January 1, 2025 to December 31, 2025
Actuarial method	Entry Age Normal Level Percentage of Pay
Inflation	2.5% per year
Payroll growth	2.5% per year
Discount rate	4.08% per year
Future retiree participation rate	30% for employees currently electing coverage. 0% for employees currently waiving coverage
Initial spouse participation rate	Male and female employees: 20% Husbands are assumed to be three years older than wives.
Mortality	RP 2014 Healthy Annuitant Mortality Tables adjusted to 2006 and projected with MP-2021 improvement scale.
Disability	None

As an unfunded plan, the discount rate reflects The Bond Buyer index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date. The discount rate used to measure the total OPEB liability was 4.08%.

Changes in the total OPEB liability are as follows:

OPEB liability, beginning of year	$ 957,118
Service Cost	27,494
Interest	45,154
Changes of benefit terms	-
Difference between expected and actual experience	215,875
Changes of assumptions/methodology	(61,294)
Benefit payments	(64,919)
Net change in total OPEB liability	162,310
Total OPEB liability, end of year	$ 1,119,428
Total OPEB liability as a percentage of covered payroll	7.10%
Covered payroll	$ 15,766,188

The following presents the total OPEB liability, calculated using the current discount rate of 4.08%, as well as the total OPEB liability calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	$ 1,018,971	$ 1,119,428	$ 1,235,094

The following presents the total OPEB liability, calculated using the current healthcare cost trend rate of 6.0% decreasing to 5.00%, as well as the total OPEB liability calculated using a healthcare cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Current Health Cost Trend Rate	1% Increase
Total OPEB liability	$ 1,266,989	$ 1,119,428	$ 1,025,967

For the year ended December 31, 2025, the City recognized OPEB expense of $124,928.

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2025, the City reported deferred outflows related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ 291,144	$ (108,426)
Changes of assumptions	80,898	(145,687)
Total	$ 372,042	$ (254,113)

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

Year Ending December 31:	Annual Recognition
2026	$ 41,610
2027	29,454
2028	18,302
2029	(2,036)
2030	(12,027)
Thereafter	42,626
Total	$ 117,929

Disability Benefits and Life Insurance Plan

Plan Description, Benefits Provided and Contributions

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

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

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 55th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

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

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Active plan members	164
Disabled members	3
Total	167

Total OPEB liability and Actuarial Assumptions

The City's total OPEB liability of $378,591 was measured at June 30, 2025 (the measurement date), and was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025, using the following actuarial assumptions:

Valuation date	December 31, 2024
Measurement date	June 30, 2025
Inflation	2.75%
Actuarial cost method	Entry Age Normal
Payroll growth	3.00%
Salary increases including inflation	3.50%
Discount rate	5.20%

Mortality rates used for the death benefits were based on 90% of the RP-2014 Total Dataset +2 for Males and 90% of the RP-2014 Total Dataset+1 for Females. Generational mortality improvements were projected for future years using MP-2021.

The changes in the OPEB liability are as follows:

Balance, beginning of year	$ 384,379
Changes for the Year:	
Service Cost	21,981
Interest	15,108
Changes in Economic/Demographic Gains or Losses	23,439
Changes in Assumptions or Other Inputs	(22,035)
Benefit Payments	(44,281)
Balance, end of year	$ 378,591

Sensitivity Analysis

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20%) or 1-percentage-point higher (6.20%) than the current discount rate:

	1% Decrease	Current Discount	1% Increase
Total OPEB liability	$ 395,828	$ 378,591	$ 362,165

Healthcare cost trend rate sensitivity analysis is not applicable as healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS.

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the City recognized OPEB expense for this plan of $34,527. At December 31, 2025, the City reported deferred outflows and inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumption or Other Inputs	$ 95,255	$ (39,441)
Differences Between Expected and Actual Experience	14,521	(58,711)
	$ 109,776	$ (98,152)

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

Year Ending December 31,	
2026	$ (2,059)
2027	(603)
2028	371
2029	620
2030	(586)
Thereafter	13,881
	$ 11,624

Summary of financial reporting of the City's OPEB plans:

	Health Insurance	Disability Ben. & Life Ins.	Total
Governmental activities:			
Net OPEB Liability	$ 859,915	$ 292,846	$ 1,152,761
Business-type activities:			
Net OPEB Liability	251,784	85,745	337,529
Net OPEB Liability	$ 1,111,699	$ 378,591	$ 1,490,290
Governmental activities:			
OPEB related deferred outflows	$ 287,780	$ 84,913	$ 372,693
OPEB related deferred inflows	(196,560)	(75,922)	(272,482)
Business-type activities:			
OPEB related deferred outflows	84,262	24,863	109,125
OPEB related deferred inflows	(57,553)	(22,230)	(79,783)
Total	$ 117,929	$ 11,624	$ 129,553

(9) Commitments and Contingencies

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlements of claims have not exceeded available coverage over the past three fiscal years.

Workers' compensation and employee health insurance - The City established a limited risk management programs for its workers' compensation and employee health insurance. The programs cover all eligible City employees. Premiums are paid into the workers' compensation and employee health care fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. The City retains liability for $500,000 for each worker's compensation claim except for police and fire personnel for which the amount is $600,000. The City retains liability for the first $75,000 of health insurance claims. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for claims and judgments is reported in the workers' compensation and health care internal service funds. Changes in the balances of claims liabilities during the past year are as follows:

	Workers' Compensation	Employee Health Insurance	Total
Balance, December 31, 2023	$ 117,412	$ 165,828	$ 283,240
Claims payments	(193,239)	(2,796,115)	(2,989,354)
Claims and changes in estimates	233,228	3,039,669	3,272,897
Balance, December 31, 2024	157,401	409,382	566,783
Claims payments	(214,143)	(2,913,163)	(3,127,306)
Claims and changes in estimates	194,873	3,085,231	3,280,104
Balance, December 31, 2025	$ 138,131	$ 581,450	$ 719,581

B. Federal and State Grants

The City has received financial assistance from various federal, state, and local agencies in the form of grants and entitlements. These programs are subject to audit by agents of the granting authority. Management does not believe that liabilities for reimbursements, if any, will have a materially adverse effect upon the financial condition of the City.

C. Litigation

The City is involved in legal proceedings arising from the ordinary course of City activities. While these proceedings may have future financial effect, management believes that their ultimate outcome will not be material to the basic financial statements.

D. Capital Projects and Encumbrances

At December 31, 2025, the City had contractual commitments for construction projects of approximately $13.1million.

Outstanding encumbrances at December 31, 2025 were as follows: General Fund $10,991, Construction Projects Fund $8,362,655, Nonmajor governmental funds $158,833, Water Utility $8,362,655, Sewer Utility $79,568, and Solid Waste $392,829.

(10) Tax Abatements

Property tax abatements are authorized under Kansas statutes KSA 12-1740 et seq. and KSA 79- 201a and subject to City policy (Policy Statement 21 – IRB and Tax Exemption Policy). Kansas statutes provide a process for cities to abate property tax on qualifying property by issuing industrial revenue bonds up to the amount a developer borrows to finance the project. Abatements are used for industrial and office development; retail is not eligible. Cities may establish abatement percentages and criteria by policy rather than predefined state statute. Abatements may not exceed a term of ten years by statute but may be approved for a shorter term. The developer must demonstrate a positive cost/benefit to the various taxing jurisdictions. The City had the following active tax abatements during 2025, totaling $88,170 in abated City taxes for the year.

Rural Housing Incentive District

Based on Kansas statute KSA 12-5241 et seq. (the Act), the Rural Housing Incentive Districts (RHID) is a program designed to aid developers to build housing within communities by assisting in the financing of public improvements. RHID captures 100% of the incremental increase in real property taxes created by a housing development project for up to 15 years. In order to take advantage of the incentive, property must be within a redevelopment district. Districts are defined by the City or County and must be based on the Housing Needs Analysis. RHID is authorized for any city in Kansas with a population less than 60,000 in a county with a population of less than 80,000. The City has established a RHID for Hidden Vista, Riverside, Pleasant Point, Whittier Metropolis, Town Two, and Krestinger projects. Reimbursements for the year ended December 31, 2025 totaled $239,345.

Economic Development Incentives

Tax Increment Financing (TIF) is an economic development tool established by the Kansas TIF Act (KSA 12-1770 et seq.) to aid in financing projects for substantial public benefit. Public benefits can include strengthening the City's employment and economic base, diversifying the tax base, eliminating blight, providing amenities and job creation/retention.

Community Improvement District (CIDs) are an economic development tool established by the Kansas CID Act (KSA 12-6a26 through KSA 12-6a36 inclusive) to assist with a broad array of improvements that can benefit a development and the public.

Transportation Development District (TDDs) are an economic development tool established by the Kansas TDD Act (KSA 12-17, 140 et seq.) to assist with transportation-related improvements that can benefit a development and the public.

The City established the Emporia Pavilions Tax Increment Financing District and the Emporia Pavilions Community Improvement District (the Plan) to provide up to $6,069,235 in eligible reimbursable projects costs in accordance with the redevelopment agreement. The Plan is on a pay-as-you-go basis payable from the incremental increase in property and sales taxes. Funding is also available from the one percent CID Sales tax. Reimbursements from all sources for the year ended December 31, 2025 totaled $825,271.

The City established the Red Brick Tax Increment Financing District (the Red Brick Plan) to provide up to $12,578,229 in eligible reimbursable projects costs in accordance with the redevelopment agreement. The Red Brick Plan is on a pay-as-you-go basis payable from the incremental increase in property and sales taxes. Reimbursements from all sources for the year ended December 31, 2025 totaled $37,208.

The City established the Flint Hill Mall Community Improvement District (the District) to provide up to $2,400,000 in eligible reimbursable projects costs in accordance with the redevelopment agreement. The District is on a pay-as-you-go basis payable from the one percent District Sales tax. Reimbursements from all sources for the year ended December 31, 2025 totaled $154,742.

The City established the Fairview Hotel Community Improvement District (the District) to provide up to $17,195,000 in eligible reimbursable projects costs in accordance with the redevelopment agreement. The District is on a pay-as-you-go basis payable from the one percent District Sales tax. Reimbursements from all sources for the year ended December 31, 2025 totaled $70,103.

The City established the West Plaza Community Improvement District to provide up to $2,605,825 in eligible reimbursable projects costs in accordance with the redevelopment agreement. The District is on a pay-as-you-go basis payable from the one percent District Sales tax. Reimbursements from all sources for the year ended December 31, 2025 totaled $80,004.

(11) Subsequent Events

City management has evaluated subsequent events through June 26, 2026, the date the financial statements were available to be issued.

On January 7, 2026, the City received a draw down request under the loan agreement with the Kansas Department of Health & Environment through the Kansas Public Water Supply Loan Fund of $5,897,674 for expenses incurred by water main projects.

On May 13, 2026, the City received an additional draw down request under the loan agreement with the Kansas Department of Health & Environment through the Kansas Public Water Supply Loan Fund of $2,374,084 for expenses incurred by water main projects.

On May 27, 2026, the City of Emporia, Kansas issued $13,635,000 Series 2026 Bonds. Proceeds from the Bonds will provide funding for the City's Fire Station #2 expansion and remodeling, infrastructure for Flint Hills Crossing, street improvement on Overlander, purchase of street sweeper and aerial fire truck and Commercial Street storm water improvement. The bonds are payable in semi-annual payments beginning September 2027 thru September 2046 ranging from $1,209,555 to $852,800 including interest at 3.75%

No other subsequent events were identified that required adjustment to or disclosure in the financial statements.

(12) Adjustments to and Restatements of Beginning Balances

Changes to or within the Financial Reporting Entity

The City had elected to previously report the Multi-Year and Internal Improvement funds as major funds. While other improvement and capital project related funds were reported as individual non-major capital project funds. In consideration of the annual determination of major funds reporting and the potential changes from year-to-year in improvement and capital related projects, the City changed its reporting of all similar capital related improvement and project activities into the Construction Projects Fund. The Construction Projects Fund has been reported as a major governmental fund and consists of the following sub-funds: Multi-Year Improvements, Internal Improvements, Recreation Center Improvements, Civic Auditorium Project, Airport Improvements, Park Improvements, Paving Projects, and Capital Projects. Combining Construction Project Fund information is included in the Other Financial Information section of this report.

Correction of Errors

During fiscal year 2025, the City determined that vehicles capital assets reported under governmental activities were overstated by $308,189 for the year ended December 31, 2024. In addition, in conjunction with the changes to or within the financial reporting entity discussed above, the City determined that certain capital project related advances amounts totaling $641,365 should have been reported in the Construction Projects governmental fund instead of the Water Utility proprietary fund.

Changes to or within the financial reporting entity and error corrections resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	December 31, 2024 as Previously Reported	Change to or within the Financial Reporting Entity	Error Corrections	December 31, 2024 Fund Balance as Restated
Government-Wide				
Governmental Activities	$ 45,334,489	$ -	$ (949,554)	$ 44,384,935
Business-type Activities	35,508,813	-	641,365	36,150,178
Total Primary Government	$ 80,843,302	$ -	$ (308,189)	$ 80,535,113
Governmental Funds:				
Major Governmental Funds:				
General Fund	$ 10,048,196	$ -	$ -	$ 10,048,196
Multi-Year Fund	2,744,285	(2,744,285)	-	-
Internal Improvements Fund	4,309,228	(4,309,228)	-	-
Construction Projects Fund	-	8,488,078	(641,365)	7,846,713
Debt Service Fund	3,993,697	-	-	3,993,697
Total Major Governmental Funds	21,095,406	1,434,565	(641,365)	21,888,606
Non-Major Governmental Funds				
Special Revenue Funds	2,678,558	-	-	2,678,558
Capital Project Funds	1,434,565	(1,434,565)		-
Equipment Debt Service Fund	249,177	-	-	249,177
Total Non-Major Funds	4,362,300	(1,434,565)	-	2,927,735
Total Governmental Funds	$ 25,457,706	$ -	$ (641,365)	$ 24,816,341
Major Proprietary Funds				
Water Utility	$ 15,956,921	$ -	$ 641,365	$ 16,598,286
Sewer Utility	15,763,489			15,763,489
Stormwater	3,788,403	-	-	3,788,403
Total Major Proprietary Funds	$ 35,508,813	$ -	$ 641,365	$ 36,150,178

REQUIRED SUPPLEMENTARY INFORMATION

City of Emporia, Kansas
Required Supplementary Information
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 17,054,772	$ 17,054,772	$ 17,346,216	$ 291,444
Charges for services	2,433,816	2,433,816	2,734,564	300,748
Intergovernmental	3,921,005	3,921,005	3,995,589	74,584
Licenses and permits	264,350	264,350	237,010	(27,340)
Fines and fees	496,000	496,000	647,005	151,005
Use of money and property	550,000	550,000	363,975	(186,025)
Administrative fees	2,940,560	2,940,560	2,973,250	32,690
Miscellaneous	232,196	232,196	232,781	585
Total revenues	27,892,699	27,892,699	28,556,090	663,391
Expenditures:				
Current:				
General government	6,074,078	6,074,078	2,496,547	3,577,531
Public safety	15,294,015	15,294,015	15,148,967	145,048
Highway and streets	504,136	504,136	356,253	147,883
Culture and recreation	3,798,767	3,798,767	3,346,555	452,212
Building maintenance	1,926,450	1,926,450	1,917,122	9,328
Airport operations	877,333	877,333	724,668	152,665
Appropriations	91,500	91,500	100,892	(9,392)
Debt service	-	-	246,987	(246,987)
Total Expenditures	28,566,279	28,566,279	24,337,991	4,475,275
Excess of Revenues Over (Under) Expenditures	(673,580)	(673,580)	4,218,099	4,891,679
Other Financing Sources (Uses):				
Transfers in	100,000	-	441,364	441,364
Transfers out	(4,913,707)	(4,913,707)	(5,102,406)	(188,699)
Total Other Financing Sources (Uses)	(4,813,707)	(4,913,707)	(4,661,042)	252,665
Change in fund balance	$ (5,487,287)	$ (5,587,287)	(442,943)	$ 5,144,344
Fund Balances, Beginning of Year			10,048,196	
Fund Balances, End of Year - budget basis			9,605,253	
Adjustments to reconcile to GAAP				
Encumbrances, beginning of year			(23,957)	
Encumbrances, end of year			10,991	
Fund Balances, End of Year - GAAP Basis			$ 9,592,287	

CITY OF EMPORIA, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION

KPERS AND KP&F PENSION PLAN
City Pension Plan
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

	Plan Year June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's percentage share of the net pension liability	0.41022%	0.40587%	0.38860%	0.35884%	0.34070%	0.33349%	0.33205%	0.33349%	0.32030%	3.25000%
City's proportionate share of the net pension liability	$ 8,221,901	$ 8,621,568	$ 8,152,542	$ 7,133,819	$ 4,088,287	$ 5,781,597	$ 4,639,961	$ 4,648,164	$ 4,639,403	$ 5,032,781
City's covered payroll	$ 9,929,979	$ 8,958,650	$ 8,668,743	$ 7,199,955	$ 6,226,085	$ 6,399,919	$ 6,160,395	$ 5,976,602	$ 5,809,077	$ 5,311,993
City's proportionate share of the net pension liability as a percentage of covered payroll	82.80%	96.24%	94.05%	99.08%	65.66%	90.34%	75.32%	77.77%	79.86%	94.74%
Plan fiduciary net position as a percentage of the total pension liability	71.93%	69.73%	68.37%	69.75%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%

	Plan Year June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's police & fire percentage share of the net pension liability	0.97422%	0.97821%	0.93479%	0.91850%	0.96798%	0.95888%	0.98074%	0.98090%	0.95220%	98.10000%
City's police & fire proportionate share of the net pension liability	$ 15,796,405	$ 15,592,699	$ 14,930,986	$ 13,246,856	$ 9,236,867	$ 11,824,279	$ 9,926,281	$ 9,438,929	$ 8,929,395	$ 9,107,455
City's police & fires covered payroll	$ 7,360,715	$ 6,975,377	$ 6,246,063	$ 5,453,790	$ 5,291,952	$ 5,291,952	$ 5,054,843	$ 5,107,249	$ 4,914,795	$ 4,629,703
City's police & fire proportionate share of the net pension liability as a percentage of covered payroll	214.60%	223.54%	239.05%	242.89%	174.55%	223.44%	196.37%	184.81%	181.68%	196.72%
Plan fiduciary net position as a percentage of the total pension liability	71.93%	69.73%	68.37%	69.75%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%

Schedule of Contributions

	December 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 1,134,237	$ 997,838	$ 815,928	$ 733,223	$ 645,780	$ 617,994	$ 615,724	$ 567,642	$ 491,326	$ 506,048
Contributions in relation to the contractually required	$ 1,134,237	$ 997,838	$ 815,928	$ 733,223	$ 645,780	$ 617,994	$ 615,724	$ 567,642	$ 491,326	$ 506,048
Contribution Excess (Deficiency)	-	-	-	-	-	-	-	-	-	-
City's covered payroll	$ 11,814,969	$ 10,775,788	$ 9,678,861	$ 8,238,461	$ 7,175,333	$ 7,177,631	$ 6,926,029	$ 5,810,051	$ 5,693,233	$ 5,163,755
Contributions as a percentage of covered employee payroll	9.60%	9.26%	8.43%	8.90%	9.00%	8.61%	8.89%	9.77%	8.63%	9.80%

	December 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 1,922,900	$ 1,687,000	$ 1,478,180	$ 1,316,169	$ 1,235,980	$ 1,174,814	$ 1,773,936	$ 1,035,162	$ 935,286	$ 945,619
Contributions in relation to the contractually required	$ 1,922,900	$ 1,687,000	$ 1,478,180	$ 1,316,169	$ 1,235,980	$ 1,174,814	$ 1,773,936	$ 1,035,162	$ 935,286	$ 945,619
Contribution Excess (Deficiency)	-	-	-	-	-	-	-	-	-	-
City's covered payroll	$ 7,813,490	$ 7,303,030	$ 6,466,229	$ 5,747,463	$ 5,420,965	$ 5,357,109	$ 8,015,978	$ 5,419,696	$ 4,896,785	$ 4,494,387
Contributions as a percentage of covered employee payroll	24.61%	23.10%	22.86%	22.90%	22.80%	21.93%	22.13%	19.10%	19.10%	21.04%

City of Emporia, Kansas
Required Supplementary Information
Schedule of Changes in Total OPEB Liability
and Related Ratios*

Health Insurance

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	$ 27,494	$ 25,080	$ 22,639	$ 34,895	$ 33,700	$ 21,011	$ 16,273	$ 15,987
Interest on total OPEB liability	45,154	31,179	34,179	25,672	26,245	25,831	34,391	26,702
Difference between expected and actual experience	215,875	-	(174,807)	-	221,292	-	111,297	-
Changes of assumptions	(61,294)	34,882	(141,653)	6,074	63,470	97,889	(36,801)	99,687
Benefit payments and refunds	(64,919)	(60,957)	(52,056)	(66,567)	(51,299)	(46,844)	(51,844)	(58,000)
Net change in total pension liability	162,310	30,184	(311,698)	74	293,408	97,887	73,316	84,376
Total OPEB liability - beginning of year	957,118	926,934	1,238,632	1,238,558	945,150	847,263	773,947	689,571
Total OPEB liability - end of year	$ 1,119,428	$ 957,118	$ 926,934	$ 1,238,632	$ 1,238,558	$ 945,150	$ 847,263	$ 773,947
Covered employee payroll**	$ 15,766,188	$ 15,290,004	$ 14,917,077	$ 10,970,663	$ 10,703,086	$ 10,510,829	$ 10,254,467	$ 9,784,244
OPEB liability as a percentage of covered employee payroll	7.10%	6.26%	6.21%	11.29%	11.57%	8.99%	8.26%	7.91%

Disability Benefits and Life Insurance

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	$ 21,981	$ 20,537	$ 17,181	$ 27,556	$ 24,897	$ 21,596	$ 20,486	$ 20,328
Interest on total OPEB liability	15,108	13,644	10,526	8,239	8,455	12,256	13,137	12,074
Difference between expected and actual experience	23,439	19,960	82,501	(30,294)	(19,784)	(17,029)	(12,625)	-
Changes of assumptions	(22,035)	(2,520)	(2,128)	(55,174)	1,002	30,421	7,332	(11,645)
Benefit payments and refunds	(44,281)	(40,609)	(29,510)	(18,742)	(18,071)	(18,071)	(19,316)	(18,114)
Net change in total pension liability	(5,788)	11,012	78,570	(68,415)	(3,501)	29,173	9,014	2,643
Total OPEB liability - beginning of year	384,379	373,367	294,797	363,212	366,713	337,540	328,526	325,883
Total OPEB liability - end of year	$ 378,591	$ 384,379	$ 373,367	$ 294,797	$ 363,212	$ 366,713	$ 337,540	$ 328,526
Covered employee payroll**	$ 9,579,992	$ 8,580,949	$ 7,868,375	$ 6,616,785	$ 6,560,169	$ 6,051,006	$ 5,773,275	$ 5,693,456
OPEB liability as a percentage of covered payroll	3.95%	4.48%	4.75%	4.46%	5.54%	6.06%	5.85%	5.77%

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

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

COMBINING INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NON-MAJOR FUNDS

Special Revenue Funds are used to account for specific revenues, which are legally restricted to expenditure for particular purposes.

Library Fund - To account for the collection of tax levy money, which is appropriated to the Emporia Public Library for its operations.

Convention and Tourism Promotion Fund - To account for the promotion of convention and tourism. Financing is provided by a 7% tax on gross rental receipts collected from hotels and motels within the City limits.

Industrial Development Fund - To account for the promotion of industrial development. The majority of this fund is used to assist in the acquisition of land for the industrial parks. Financing is provided by a property tax levy not to exceed 1 mill. This is the maximum amount that can be levied per Kansas statutes.

Special Alcohol Program Fund - To account for costs for the establishment, maintenance and/or expansion of services or programs related to substance abuse prevention and education, or treatment of persons who are substance abusers or are in danger of becoming substance abusers. Financing is provided by tax on the sale of alcoholic liquor at establishments that have an on-premise license. State law requires 1/3 of this liquor tax to be used for a special alcohol program.

2017 Housing Fund - To account for the housing grant funds.

2020 Housing Fund - To account for the housing grant funds.

Special Park and Recreation Fund - To account for the costs of enhancing the area of recreation or parks. Financing is provided by tax on the sale of alcoholic liquor at establishments that have an on-premise license. State law requires 1/3 of this liquor tax to be used for a special park and recreation fund.

Special Street Fund - To account for a portion of costs of maintaining the street system. Financing is provided by a proportionate share of the Special City and County Highway Fund distributed by the State Treasurer.

Drug Money Forfeiture Fund - To account for the receipt and expenditure of funds seized by the police in connection with the arrest and conviction of individuals for illegal drug activities.

Industrial Development Sales Tax Fund - To account for the sales tax receipts, other revenues and expenditures related to industrial development. Receipts of retail sales taxes are deposited in the General Fund, and the portion related to this activity is transferred to this fund.

Emergency Shelter Fund - To account for funds expended in connection with the emergency shelter program.

Enforcement Block Grant - To account for grant funds appropriated to a local women's shelter.

2014 Housing Fund - To account for the housing grant funds.

Stormwater Reserve Fund - To account for funds used to fund future stormwater projects.

Emporia Homeowner Repair Fund - To account for funds used in the home repair program.

Home Equity Rehab Fund - To account for funds used in the home equity rehab program

Land Bank Fund – To account for funds used to establish the land bank fund.

Debt service fund are used to account for the accumulation of resources and payment of debt service obligations.

The Equipment Debt Service Fund - To account for the accumulation of funds to pay for future equipment acquisition obligations.

Schedule 4

CITY OF EMPORIA, KANSAS
Combining Balance Sheet - Non-major Governmental Funds
December 31, 2025

	Combined Special Revenue Funds	Equipment Debt Service Fund	Totals
Assets			
Cash and investments	$ 2,298,912	$ 276,935	$ 2,575,847
Receivables:			
Taxes	1,190,830	-	1,190,830
Accounts	9,222	-	9,222
Total Assets	$ 3,498,964	$ 276,935	$ 3,775,899
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$ 31,977	$ -	$ 31,977
Accrued liabilities	14,979	-	14,979
Due to other funds	4,568	-	4,568
Total Liabilities	51,524	-	51,524
Deferred inflows of resources			
Unavailable revenues			
Taxes	1,190,830	-	1,190,830
	1,190,830	-	1,190,830
Fund balances			
Restricted:			
Public safety	168,973	-	168,973
Highway and streets	233,154	-	233,154
Culture and recreation	788,335	-	788,335
Planning and development	1,073,228	-	1,073,228
Debt service	-	276,935	276,935
Unassigned (deficit)	(7,080)	-	(7,080)
Total fund balances	2,256,610	276,935	2,533,545
Total liabilities, deferred inflows of resources and fund balances	$ 3,498,964	$ 276,935	$ 3,775,899

Schedule 5

CITY OF EMPORIA, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2025

	Combined Special Revenue Funds	Equipment Debt Service Fund	Totals
Revenues:			
Taxes	$ 1,350,031	$ -	$ 1,350,031
Intergovernmental	1,967,977	-	1,967,977
Use of money and property	81,614	13,633	95,247
Contributions	1,542	-	1,542
Miscellaneous	110,784	-	110,784
	3,511,948	13,633	3,525,581
Expenditures:			
Current:			
General government	100,808	-	100,808
Public safety	33,177	-	33,177
Highway and streets	1,003,802	-	1,003,802
Culture and recreation	2,252,907	-	2,252,907
Health and environment	119,400	-	119,400
Planning and development	660,108	-	660,108
Capital outlay	37,045	66,101	103,146
Debt service:			
Principal	2,279	681,584	683,863
Interest and fiscal charges	280	75,558	75,838
	4,209,806	823,243	5,033,049
Excess of Revenues Over (Under) Expenditures	(697,858)	(809,610)	(1,507,468)
Other financing sources (uses):			
Transfers in	1,177,467	739,667	1,917,134
Transfers out	(938,602)	-	(938,602)
Issuance of long-term debt	37,045	66,101	103,146
Sale of capital assets	-	31,600	31,600
Total Other Financing Sources (Uses)	275,910	837,368	1,113,278
Change in fund balances	(421,948)	27,758	(394,190)
Fund Balances, Beginning of year	2,678,558	249,177	2,927,735
Fund Balances, End of Year	$ 2,256,610	$ 276,935	$ 2,533,545

CITY OF EMPORIA, KANSAS
Combining Balance Sheet - Non-Major Special Revenue Funds
December 31, 2025

Schedule 6

	Library	Convention and Tourism Promotion	Industrial Development	Special Alcohol Program	2017 Housing	2020 Housing
Assets						
Cash and investments	$ -	$ 583,182	$ 28,154	$ 108,354	$ -	$ 1,173
Receivables:						
Taxes	1,190,830	-	-	-	-	-
Accounts	-	-	-	-	-	-
Total Assets	$ 1,190,830	$ 583,182	$ 28,154	$ 108,354	$ -	$ 1,173
Liabilities						
Liabilities:						
Accounts payable	$ -	$ 449	$ -	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total Liabilities	-	449	-	-	-	-
Deferred inflows of resources						
Unavailable revenues - taxes	1,190,830	-	-	-	-	-
Fund balances						
Restricted:	-	-	-	-	-	-
Public safety	-	-	-	108,354	-	-
Highway and streets	-	-	-	-	-	-
Culture and recreation	-	582,733	-	-	-	-
Planning and development	-	-	28,154	-	-	1,173
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances	-	582,733	28,154	108,354	-	1,173
Total liabilities, deferred inflows of resources and fund balances	$ 1,190,830	$ 583,182	$ 28,154	$ 108,354	$ -	$ 1,173

CITY OF EMPORIA, KANSAS
Combining Balance Sheet - Non-Major Special Revenue Funds
December 31, 2025

Schedule 6

	Special Park and Recreation	Special Street	Drug Money Forfeiture	Industrial Development Sales Tax	Emergency Shelter	Enforcement Block Grants
Assets						
Cash and investments	$ 205,602	$ 100,521	$ 60,619	$ 906,142	$ -	$ -
Receivables:						
Taxes	-	-	-	-	-	-
Accounts	-	9,222	-	-	-	-
Total Assets	$ 205,602	$ 109,743	$ 60,619	$ 906,142	$ -	$ -
Liabilities						
Liabilities:						
Accounts payable	$ -	$ 29,016	$ -	$ -	$ 2,512	$ -
Accrued liabilities	-	14,979	-	-	-	-
Due to other funds	-	-	-	-	-	1,415
Total Liabilities	-	43,995	-	-	2,512	1,415
Deferred inflows of resources						
Unavailable revenues - taxes	-	-	-	-	-	-
Fund balances						
Restricted:	-	-	-	-	-	-
Public safety	-	-	60,619	-	-	-
Highway and streets	-	65,748	-	-	-	-
Culture and recreation	205,602	-	-	-	-	-
Planning and development	-	-	-	906,142	-	-
Unassigned (deficit)	-	-	-	-	(2,512)	(1,415)
Total fund balances	205,602	65,748	60,619	906,142	(2,512)	(1,415)
Total liabilities, deferred inflows of resources and fund balances	$ 205,602	$ 109,743	$ 60,619	$ 906,142	$ -	$ -

CITY OF EMPORIA, KANSAS
Combining Balance Sheet - Non-Major Special Revenue Funds
December 31, 2025

Continued

	2014 Housing	Storm-water Reserve Fund	Emporia Homeowner Repair	Home Equity Rehab	Land Bank	Totals
Assets						
Cash and investments	$ 15,795	$ 167,406	$ -	$ 7,844	$ 114,120	$ 2,298,912
Receivables:						
Taxes	-	-	-	-	-	1,190,830
Accounts	-	-	-	-	-	9,222
Total Assets	$ 15,795	$ 167,406	$ -	$ 7,844	$ 114,120	$ 3,498,964
Liabilities						
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 31,977
Accrued liabilities	-	-	-	-	-	14,979
Due to other funds	-	-	3,153	-	-	4,568
Total Liabilities	-	-	3,153	-	-	51,524
Deferred inflows of resources						
Unavailable revenues - taxes	-	-	-	-	-	1,190,830
Fund balances						
Restricted:	-	-	-	-	-	
Public safety	-	-	-	-	-	168,973
Highway and streets	-	167,406	-	-	-	233,154
Culture and recreation	-	-	-	-	-	788,335
Planning and development	15,795	-	-	7,844	114,120	1,073,228
Unassigned (deficit)	-	-	(3,153)	-	-	(7,080)
Total fund balances	15,795	167,406	(3,153)	7,844	114,120	2,256,610
Total liabilities, deferred inflows of resources and fund balances	$ 15,795	$ 167,406	$ -	$ 7,844	$ 114,120	$ 3,498,964

CITY OF EMPORIA, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2025

Schedule 7

	Library	Convention and Tourism Promotion	Industrial Development	Special Alcohol Program	2017 Housing	2020 Housing
Revenues:						
Taxes	$ 1,268,157	$ -	$ 1,242	$ -	$ -	$ -
Intergovernmental	-	927,873	-	101,301	-	579
Use of money & property	-	25,023	934	3,809	-	-
Contributions	-	-	-	-	-	-
Miscellaneous	-	14,006	-	-	-	-
	1,268,157	966,902	2,176	105,110	-	579
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highway and streets	-	-	-	-	-	-
Culture and recreation	1,268,236	865,355	-	-	-	-
Health and environment	-	-	-	119,400	-	-
Planning and development	-	-	-	-	102	3,400
	1,268,236	865,355	-	119,400	102	3,400
Excess of Revenues Over (Under) Expenditures	(79)	101,547	2,176	(14,290)	(102)	(2,821)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(190,000)	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(190,000)	-	-	-	-
Change in fund balances	(79)	(88,453)	2,176	(14,290)	(102)	(2,821)
Fund Balances (Deficit), Beginning of Year	79	671,186	25,978	122,644	102	3,994
Fund Balances (Deficit), End of Year	$ -	$ 582,733	$ 28,154	$ 108,354	$ -	$ 1,173

CITY OF EMPORIA, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2025

Schedule 7

	Special Park and Recreation	Special Street	Drug Money Forfeiture	Industrial Development Sales Tax	Emergency Shelter	Enforcement Block Grants
Revenues:						
Taxes	$ -	$ 80,632	$ -	$ -	$ -	$ -
Intergovernmental	101,301	655,731	-	-	17,807	9,560
Use of money & property	5,867	7,657	170	25,821	-	-
Contributions	-	-	-	-	-	-
Miscellaneous	-	17,595	-	79,183	-	-
	107,168	761,615	170	105,004	17,807	9,560
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	2,732	-	20,319	10,126
Highway and streets	-	975,277	-	-	-	-
Culture and recreation	119,316	-	-	-	-	-
Health and environment	-	-	-	-	-	-
Planning and development	-	-	-	455,833	-	-
	119,316	975,277	42,336	455,833	20,319	10,126
Excess of Revenues Over (Under) Expenditures	(12,148)	(213,662)	(42,166)	(350,829)	(2,512)	(566)
Other financing sources (uses):						
Transfers in	-	102,467	-	925,000	-	-
Transfers out	-	(33,109)	-	(715,493)	-	-
Issuance of long-term debt	-	-	37,045	-	-	-
Total Other Financing Sources (Uses)	-	69,358	37,045	209,507	-	-
Change in fund balances	(12,148)	(144,304)	(5,121)	(141,322)	(2,512)	(566)
Fund Balances (Deficit), Beginning of Year	217,750	210,052	65,740	1,047,464	-	(849)
Fund Balances (Deficit), End of Year	$ 205,602	$ 65,748	$ 60,619	$ 906,142	$ (2,512)	$ (1,415)

CITY OF EMPORIA, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2025

Continued

	2014 Housing	Stormwater Reserve Fund	Emporia Homeowner Repair	Home Equity Rehab	Land Bank	Totals
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 1,350,031
Intergovernmental	-	-	153,825	-	-	1,967,977
Use of money & property	-	7,734	-	268	4,331	81,614
Contributions	-	-	-	1,542	-	1,542
Miscellaneous	-	-	-	-	-	110,784
	-	7,734	153,825	1,810	4,331	3,511,948
Expenditures:						
Current:						
General government	-	100,808	-	-	-	100,808
Public safety	-	-	-	-	-	33,177
Highway and streets	-	28,525	-	-	-	1,003,802
Culture and recreation	-	-	-	-	-	2,252,907
Health and environment	-	-	-	-	-	119,400
Planning and development	11,585	-	163,254	1,760	24,174	660,108
	11,585	129,333	163,254	1,760	24,174	4,209,806
Excess of Revenues Over (Under) Expenditures	(11,585)	(121,599)	(9,429)	50	(19,843)	(697,858)
Other financing sources (uses):						
Transfers in	-	150,000	-	-	-	1,177,467
Transfers out	-	-	-	-	-	(938,602)
Issuance of long-term debt	-	-	-	-	-	37,045
Total Other Financing Sources (Uses)	-	150,000	-	-	-	275,910
Change in fund balances	(11,585)	28,401	(9,429)	50	(19,843)	(421,948)
Fund Balances (Deficit), Beginning of Year	27,380	139,005	6,276	7,794	133,963	2,678,558
Fund Balances (Deficit), End of Year	$ 15,795	$ 167,406	$ (3,153)	$ 7,844	$ 114,120	$ 2,256,610

Schedule 8

CITY OF EMPORIA, KANSAS
Combining Balance Sheet - Construction Projects Fund
December 31, 2025

	Multi-Year Improvements	Internal Improvements	Recreation Center Improvements	Civic Auditorium Project	Airport Improvements	Park Improvements	Paving Projects	Capital Projects	Totals
Assets									
Cash and investments	$ 3,746,621	$ 3,980,160	$ -	$ 234,300	$ 253,408	$ 10,210	$ (2,307,290)	$ 3,505,243	$ 9,422,652
Receivables:									
Accounts	960	195,219	-	-	-	-	-	-	196,179
Total Assets	$ 3,747,581	$ 4,175,379	$ -	$ 234,300	$ 253,408	$ 10,210	$ (2,307,290)	$ 3,505,243	$ 9,618,831
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	$ -	$ 26,232	$ -	$ -	$ 116,731	$ -	$ 4,775	$ 651,159	$ 798,897
Accrued liabilities	34,317	-	-	-	-	-	-	-	34,317
Total Liabilities	34,317	26,232	-	-	116,731	-	4,775	651,159	833,214
Deferred inflows of resources									
Unavailable revenue									
Notes receivable	-	195,219	-	-	-	-	-	-	195,219
Fund balances									
Assigned:									
Capital outlay	3,713,264	3,953,928	-	234,300	136,677	10,210	(2,312,065)	2,854,084	8,590,398
Total fund balances	3,713,264	3,953,928	-	234,300	136,677	10,210	(2,312,065)	2,854,084	8,590,398
Total liabilities and fund balances	$ 3,747,581	$ 4,175,379	$ -	$ 234,300	$ 253,408	$ 10,210	$ (2,307,290)	$ 3,505,243	$ 9,618,831

Schedule 9

CITY OF EMPORIA, KANSAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Construction Projects Fund
For the Year Ended December 31, 2025

	Multi-Year Improvements	Internal Improvements	Recreation Center Improvements	Civic Auditorium Project	Airport Improvements	Park Improvements	Paving Projects	Capital Projects	Totals
Revenues:									
Intergovernmental	$ -	$ 784,885	$ -	$ -	$ 103,229	$ -	$ 602,612	$ -	$ 1,490,726
Use of money and property	125,803	125,423	-	8,303	11,804	5,684	14,255	212,904	504,176
Contributions	80,000	344,828	107,290	-	-	180,067	-	-	712,185
Miscellaneous	-	44,828	-	-	-	250,000	-	-	294,828
	205,803	1,299,964	107,290	8,303	115,033	435,751	616,867	212,904	3,001,915
Expenditures:									
Capital outlay	2,175,013	1,629,604	14,546	77,777	296,343	276,761	4,432,029	8,927,455	17,829,528
Debt service:									
Interest and fiscal charges	-	33,314	-	-	-	-	-	-	33,314
	2,175,013	1,662,918	14,546	77,777	296,343	276,761	4,432,029	8,927,455	17,862,842
Excess of Revenues Over (Under) Expenditures	(1,969,210)	(362,954)	92,744	(69,474)	(181,310)	158,990	(3,815,162)	(8,714,551)	(14,860,927)
Other financing sources (uses):									
Transfers in	3,462,388	370,420	8,460	95,750	-	-	357,000	12,210,000	16,504,018
Transfers out	(524,199)	(362,766)	-	-	-	-	(12,441)	-	(899,406)
Total Other Financing Sources (Uses)	2,938,189	7,654	8,460	95,750	-	-	344,559	12,210,000	15,604,612
Change in fund balances	968,979	(355,300)	101,204	26,276	(181,310)	158,990	(3,470,603)	3,495,449	743,685
Fund Balances beginning of year	2,744,285	4,309,228	(101,204)	208,024	317,987	(148,780)	1,158,538	-	8,488,078
Prior period restatement	-	-	-	-	-	-	-	(641,365)	(641,365)
Fund Balances, beginning of year, as restated	2,744,285	4,309,228	(101,204)	208,024	317,987	(148,780)	1,158,538	(641,365)	7,846,713
Fund Balances, end of Year	$ 3,713,264	$ 3,953,928	$ -	$ 234,300	$ 136,677	$ 10,210	$ (2,312,065)	$ 2,854,084	$ 8,590,398

Schedule 10

City of Emporia, Kansas
Library Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 1,248,955	$ 1,248,955	$ 1,268,157	$ 19,202
Total Revenues	1,248,955	1,248,955	1,268,157	19,202
Expenditures:				
Culture and recreation	1,248,955	1,248,955	1,268,236	(19,281)
Total Expenditures	1,248,955	1,248,955	1,268,236	(19,281)
Excess of Revenues Over Expenditures	-	-	(79)	(79)
Change in fund balance	$ -	$ -	(79)	$ (79)
Fund Balance, Beginning of Year			79	
Fund Balance, End of Year			$ -	

Schedule 11

City of Emporia, Kansas
Convention and Tourism Promotion Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	$ 950,000	$ 950,000	$ 927,873	$ (22,127)
Use of money and property	10,000	10,000	25,023	15,023
Miscellaneous	-	-	14,006	14,006
Total Revenues	960,000	960,000	966,902	6,902
Expenditures:				
Culture and recreation	1,458,888	1,458,888	865,355	593,533
Total Expenditures	1,458,888	1,458,888	865,355	593,533
Excess of Revenues Over Expenditures	(498,888)	(498,888)	101,547	600,435
Other Financing Sources (Uses):				
Transfers out	(90,000)	(90,000)	(190,000)	(100,000)
Total Other Financing Sources (Uses)	(90,000)	(90,000)	(190,000)	(100,000)
Change in fund balance	$ (588,888)	$ (588,888)	(88,453)	$ 500,435
Fund Balance, Beginning of Year			671,186	
Fund Balances, End of Year - GAAP Basis			$ 582,733	

Schedule 12

City of Emporia, Kansas
Industrial Development Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 1,096	$ 1,315	$ 1,242	$ (73)
Use of money and property	800	1,100	934	(166)
Total Revenues	1,896	2,415	2,176	(239)
Expenditures:				
Planning and development	26,162	-	-	-
Total Expenditures	26,162	-	-	-
Excess of Revenues Over Expenditures	(24,266)	2,415	2,176	(239)
Other Financing Sources (Uses):				
Transfers out	-	28,303	-	(28,303)
Total Other Financing Sources (Uses)	-	28,303	-	(28,303)
Change in fund balance	$ (24,266)	$ 30,718	2,176	$ (28,542)
Fund Balance, Beginning of Year			25,978	
Fund Balance, End of Year			$ 28,154	

Schedule 13

City of Emporia, Kansas
Special Alcohol Program Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	$ 104,660	$ 104,660	$ 101,301	$ (3,359)
Use of money and property	3,000	3,000	3,809	809
Total Revenues	107,660	107,660	105,110	(2,550)
Expenditures:				
Health and environment	224,533	224,533	119,400	105,133
Total Expenditures	224,533	224,533	119,400	105,133
Excess of Revenues Over Expenditures	(116,873)	(116,873)	(14,290)	102,583
Change in fund balance	$ (116,873)	$ (116,873)	(14,290)	$ 102,583
Fund Balance, Beginning of Year			122,644	
Fund Balance, End of Year			$ 108,354	

Schedule 14

City of Emporia, Kansas
Special Park and Recreation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	$ 104,660	$ 104,660	$ 101,301	$ (3,359)
Use of money and property	4,000	4,000	5,867	1,867
Total Revenues	108,660	108,660	107,168	(1,492)
Expenditures:				
Culture and recreation	211,718	211,718	241,157	(29,439)
Total Expenditures	211,718	211,718	241,157	(29,439)
Excess of Revenues Over Expenditures	(103,058)	(103,058)	(133,989)	(30,931)
Change in fund balance	$ (103,058)	$ (103,058)	(133,989)	$ (30,931)
Fund Balance, Beginning of Year			217,750	
Fund Balances, End of Year - budget basis			83,761	
Adjustments to reconcile to GAAP				
Encumbrances, beginning of year			(9,315)	
Encumbrances, end of year			131,156	
Fund Balance, End of Year			$ 205,602	

Schedule 15

City of Emporia, Kansas
Special Street Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 79,813	$ 79,813	$ 80,632	$ 819
Intergovernmental	665,570	665,570	655,731	(9,839)
Use of money and property	10,000	10,000	7,657	(2,343)
Miscellaneous	5,000	5,000	17,595	12,595
Total Revenues	760,383	760,383	761,615	1,232
Expenditures:				
Highways and streets	948,595	948,595	959,242	(10,647)
Total Expenditures	948,595	948,595	959,242	(10,647)
Excess of Revenues Over Expenditures	(188,212)	(188,212)	(197,627)	(9,415)
Other Financing Sources (Uses):				
Transfers in	100,000	100,000	102,467	2,467
Transfers out	(25,000)	(25,000)	(33,109)	(8,109)
Total Other Financing Sources (Uses)	75,000	75,000	69,358	(5,642)
Change in fund balance	$ (113,212)	$ (113,212)	(128,269)	$ (15,057)
Fund Balance, Beginning of Year			210,052	
Fund Balances, End of Year - budget basis			81,783	
Adjustments to reconcile to GAAP				
Encumbrances, beginning of year			(28,763)	
Encumbrances, end of year			12,728	
Fund Balances, End of Year - GAAP Basis			$ 65,748	

Schedule 16

City of Emporia, Kansas
Drug Money Forfeiture Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	$ 5,000	$ 5,000	$ -	$ (5,000)
Use of money and property	2,000	2,400	170	(2,230)
Total Revenues	7,000	7,400	170	(7,230)
Expenditures:				
Public safety	47,044	47,044	2,732	44,312
Total Expenditures	47,044	47,044	2,732	44,312
Excess of Revenues Over Expenditures	(40,044)	(39,644)	(2,562)	37,082
Change in fund balance	$ (40,044)	$ (39,644)	(2,562)	$ 37,082
Fund Balance, Beginning of Year			65,740	
Fund Balance, End of Year			$ 63,178	

Schedule 17

City of Emporia, Kansas
Industrial Development Sales Tax Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Use of money and property	$ 20,000	$ 20,000	$ 25,821	$ 5,821
Total Revenues	20,000	20,000	105,004	85,004
Expenditures:				
Planning and development	1,934,727	1,934,727	455,833	1,478,894
Total Expenditures	1,934,727	1,934,727	455,833	1,478,894
Excess of Revenues Over Expenditures	(1,914,727)	(1,914,727)	(350,829)	1,563,898
Other Financing Sources (Uses):				
Transfers in	925,000	925,000	925,000	-
Transfers out	-	-	(715,493)	(715,493)
Total Other Financing Sources (Uses)	925,000	925,000	209,507	(715,493)
Change in fund balance	$ (989,727)	$ (989,727)	(141,322)	$ 848,405
Fund Balance, Beginning of Year			1,047,464	
Fund Balance, End of Year			$ 906,142	

Schedule 18

City of Emporia, Kansas
Multi-year Improvement Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Use of money and property	$ 130,000	$ 170,000	$ 125,803	$ (44,197)
Contributions	-	-	80,000	80,000
Total Revenues	130,000	170,000	205,803	35,803
Expenditures:				
Capital outlay	5,972,930	5,972,930	2,420,086	3,552,844
Total Expenditures	5,972,930	5,972,930	2,420,086	3,552,844
Excess of Revenues Over Expenditures	(5,842,930)	(5,802,930)	(2,214,283)	3,588,647
Other Financing Sources (Uses):				
Transfers in	3,416,507	3,416,507	3,462,388	45,881
Transfers out	-	-	(524,199)	(524,199)
Total Other Financing Sources (Uses)	3,416,507	3,416,507	2,938,189	(478,318)
Change in fund balance	$ (2,426,423)	$ (2,386,423)	723,906	$ 3,110,329
Fund Balance, Beginning of Year			2,744,285	
Fund Balances, End of Year - budget basis			3,468,191	
Adjustments to reconcile to GAAP				
Encumbrances, beginning of year			(396,746)	
Encumbrances, end of year			641,819	
Fund Balances, End of Year - GAAP Basis			$ 3,713,264	

Schedule 19

City of Emporia, Kansas
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 2,271,732	$ 2,271,732	$ 2,296,705	$ 24,973
Special assessments	35,301	35,301	39,466	4,165
Intergovernmental	49,440	49,440	49,440	-
Use of money and property	100,000	100,000	191,374	91,374
Miscellaneous	-	-	9,689	9,689
Total Revenues	2,456,473	2,456,473	2,586,674	130,201
Expenditures:				
Debt service:				
Principal	6,027,219	6,027,219	855,000	5,172,219
Interest and fiscal charges	195,100	195,100	195,100	-
Total Expenditures	6,222,319	6,222,319	1,050,100	5,172,219
Excess of Revenues Over Expenditures	(3,765,846)	(3,765,846)	1,536,574	5,302,420
Other Financing Sources (Uses):				
Transfers in	-	-	85,963	85,963
Transfers out	-	(12,210,000)	(12,210,000)	-
Issuance of long-term debt	-	12,210,000	12,210,000	-
Total Other Financing Sources (Uses)	-	-	85,963	85,963
Change in fund balance	$ (3,765,846)	$ (3,765,846)	1,622,537	$ 5,388,383
Fund Balance, Beginning of Year			3,993,697	
Fund Balance, End of Year			$ 5,616,234	

Schedule 20

CITY OF EMPORIA, KANSAS
Combining Statement of Net Position
Internal Service Funds
December 31, 2025

	Workers' Compensation	Employee Health Care	Totals
Assets			
Cash and investments	$ 2,336,253	$ 2,589,273	$ 4,925,526
Receivables:			
Accounts	-	31,069	31,069
Total Assets	2,336,253	2,620,342	4,956,595
Liabilities			
Claims payable	138,131	581,450	719,581
Total Liabilities	138,131	581,450	719,581
Net Position			
Unrestricted	2,198,122	2,038,892	4,237,014
Total net position	$ 2,198,122	$ 2,038,892	$ 4,237,014

Schedule 21

CITY OF EMPORIA, KANSAS
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2025

	Workers' Compensation	Employee Health Care	Totals
Operating revenues:			
Charges for services	$ 302,230	$ 3,415,841	$ 3,718,071
Other	8,817	46,849	55,666
	311,047	3,462,690	3,773,737
Operating expenses			
Claims and expenses	398,858	3,700,838	4,099,696
	398,858	3,700,838	4,099,696
Operating income (loss)	(87,811)	(238,148)	(325,959)
Nonoperating revenues:			
Interest income	102,794	99,867	202,661
Change in net position	14,983	(138,281)	(123,298)
Total net position, beginning of year	2,183,139	2,177,173	4,360,312
Total net position, end of year	$ 2,198,122	$ 2,038,892	$ 4,237,014

CITY OF EMPORIA, KANSAS
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2025

	Workers' Compensation	Employee Health Care	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from participants	$ 302,230	$ 3,415,274	$ 3,717,504
Cash received from reimbursements	8,817	46,849	55,666
Cash paid for claims and others	(418,128)	(3,528,770)	(3,946,898)
Net Cash Provided (Used) by Operating Activities	(107,081)	(66,647)	(173,728)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	102,794	99,867	202,661
Net Cash Provided by Investing Activities	102,794	99,867	202,661
Net change in cash and cash equivalents	(4,287)	33,220	28,933
Cash and cash equivalents, beginning of year	2,340,540	2,556,053	4,896,593
Cash and cash equivalents, end of year	$ 2,336,253	$ 2,589,273	$ 4,925,526

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

Operating income (loss)	$ (87,811)	$ (238,148)	$ (325,959)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Changes in assets and liabilities			
Accounts receivable	-	(567)	(567)
Claims payable	(19,270)	172,068	152,798
Net Cash Provided (Used) by Operating Activities	$ (107,081)	$ (66,647)	$ (173,728)

STATISTICAL SECTION
(Unaudited)

The statistical data “relate to the physical, economic, social, and political characteristics of the City.” Its design is to provide “a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements, notes, and supporting schedules presented in the Financial Section

CITY OF EMPORIA, KANSAS
STATISTICAL SECTION
(UNAUDITED)

This part of the City of Emporia's (the City) Annual *Comprehensive Financial Report (ACFR)* presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economical Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Source - Unless otherwise noted, the information in these schedules is derived from the Annual Financial Report for the relevant year.

Note: Certain amounts previously presented have been reclassified for comparability purposes.

Table 1

CITY OF EMPORIA, KANSAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	$ 33,063,360	$ 30,052,389	$ 25,051,180	$ 19,899,939	$ 14,916,163	$ 15,733,311	$ 16,580,061	$ 29,015,042	$ 32,925,125	$ 36,393,155
Restricted	7,530,579	3,394,187	3,129,380	3,279,857	3,645,462	3,278,942	6,291,015	6,819,982	6,922,281	8,156,859
Unrestricted	(5,912,002)	(5,631,571)	(845,705)	1,112,980	7,236,691	7,602,461	9,190,512	9,542,029	4,537,529	646,056
Total Net Position	$ 34,681,937	$ 27,815,005	$ 27,334,855	$ 24,292,776	$ 25,798,316	$ 26,614,714	$ 32,061,588	$ 45,377,053	$ 44,384,935	$ 45,196,070
Business-Type Activities										
Net investment in capital assets	$ 17,515,501	$ 20,933,505	$ 21,116,169	$ 27,023,181	$ 27,665,425	$ 29,295,954	$ 29,568,261	$ 31,058,261	$ 31,522,765	$ 29,773,485
Unrestricted	6,443,992	6,201,283	8,988,468	6,422,621	8,011,475	8,569,703	7,430,123	6,051,670	4,627,413	5,862,949
Total Net Position	$ 23,959,493	$ 27,134,788	$ 30,104,637	$ 33,445,802	$ 35,676,900	$ 37,865,657	$ 36,998,384	$ 37,109,931	$ 36,150,178	$ 35,636,434
Primary Government										
Net investment in capital assets	$ 50,578,861	$ 50,985,894	$ 46,167,349	$ 46,923,120	$ 42,581,588	$ 45,029,265	$ 46,148,322	$ 60,073,303	$ 64,447,890	$ 66,166,640
Restricted	7,530,579	3,394,187	3,129,380	3,279,857	3,645,462	3,278,942	6,291,015	6,819,982	6,922,281	8,156,859
Unrestricted	531,990	569,712	8,142,763	7,535,601	15,248,166	16,172,164	16,620,635	15,593,699	9,164,942	6,509,005
Total Net Position	$ 58,641,430	$ 54,949,793	$ 57,439,492	$ 57,738,578	$ 61,475,216	$ 64,480,371	$ 69,059,972	$ 82,486,984	$ 80,535,113	$ 80,832,504

Table 2

CITY OF EMPORIA, KANSAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Expenses										
Governmental activities:										
General government	$ 4,573,216	$ 4,596,205	$ 1,967,057	$ 1,789,395	$ 2,000,901	$ 1,800,868	$ 3,072,762	$ 2,954,038	$ 3,798,620	$ 4,154,666
Public safety	9,645,844	10,358,742	11,721,517	11,145,934	11,761,803	11,137,443	12,620,089	15,476,511	16,218,667	16,765,719
Highway and streets	8,252,968	7,224,881	9,272,215	9,909,293	4,913,002	6,396,110	4,663,761	4,594,214	5,971,292	5,206,429
Culture and recreation	3,895,312	3,336,199	3,472,162	4,299,067	4,303,394	4,194,202	4,696,478	5,254,557	6,411,742	6,297,810
Health and environment	1,310,285	4,148,123	119,697	86,900	94,001	70,500	86,750	97,200	112,200	119,400
Building maintenance	1,397,295	1,461,928	1,651,821	1,610,690	1,270,031	1,545,877	1,631,274	1,814,794	1,961,527	2,143,703
Planning and development	753,238	914,219	742,750	949,755	697,930	1,997,228	665,486	748,302	5,248,404	660,108
Airport operations	740,487	570,805	613,891	606,750	529,314	720,338	835,200	972,208	1,010,188	946,149
Interest and fiscal charges on long-term debt	200,820	262,829	315,641	377,684	243,949	211,436	238,612	265,048	287,988	554,371
Total Governmental Activities Expense	30,769,465	32,873,931	29,876,751	30,775,468	25,814,325	28,074,002	28,510,412	32,176,872	41,020,628	36,848,355
Business-Type Activities:										
Solid waste disposal	3,806,169	3,951,632	4,484,342	4,861,522	4,813,819	5,139,441	5,784,905	6,348,387	6,520,576	7,259,109
Sewer utility	3,611,071	3,646,709	3,617,900	5,080,214	5,189,317	5,557,427	6,893,574	6,923,483	7,316,032	7,278,215
Water utility	4,130,119	4,511,457	5,995,742	5,755,414	6,477,456	6,829,682	8,501,458	9,666,860	11,390,048	10,461,921
Total Business-Type Activities Expense	11,547,359	12,109,798	14,097,984	15,697,150	16,480,592	17,526,550	21,179,937	22,938,730	25,226,656	24,999,245
Total Primary Government Expenses	$ 42,316,824	$ 44,983,729	$ 43,974,735	$ 46,472,618	$ 42,294,917	$ 45,600,552	$ 49,690,349	$ 55,115,602	$ 66,247,284	$ 61,847,600
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 457,342	$ 495,127	$ 2,850,639	$ 2,868,017	$ 2,906,312	$ 3,095,602	$ 3,349,618	$ 3,094,846	$ 3,119,051	$ 3,304,980
Public safety	1,670,346	2,132,977	1,879,594	1,978,761	2,097,683	1,824,589	1,403,980	1,543,502	1,583,208	1,720,163
Highway and streets	-	-	-	-	-	-	-	-	-	-
Culture and recreation	565,249	528,026.00	456,539	520,467	554,032	638,834	730,921	809,435	902,250	1,099,589
Planning and development	-	-	-	-	-	-	-	-	195,906	-
Airport operations	246,340	383,721.00	332,395.00	360,738	252,052	366,803	494,205	472,496	487,260	496,006
Operating grants and contributions	2,332,109	2,439,604	2,727,310	2,525,721	2,531,115	2,391,910	3,219,327	4,646,321	2,726,180	2,446,046
Capital grants and contributions	-	-	-	954,591	1,423,551	1,039,114	1,430,720	10,724,262	6,292,238	1,774,005
Total Governmental Activities Program Revenues	5,271,386	5,979,455	8,246,477	9,208,295	9,764,745	9,356,852	10,628,771	21,290,862	15,306,093	10,840,789
Business-Type Activities:										
Charges for services:										
Solid waste disposal	4,195,488	4,382,365	4,701,014	5,132,337	5,101,150	5,517,050	5,620,410	5,490,102	5,510,563	5,816,475
Sewer utility	3,642,514	3,980,153	4,432,645	5,109,178	5,412,824	6,136,367	6,295,973	6,346,494	6,772,945	7,532,980
Water utility	4,678,884	4,669,813	5,538,819	6,256,626	6,463,232	7,239,358	7,095,644	7,938,491	9,540,470	9,809,935
Capital grants and contributions	1,665,150	4,128,788	1,540,335	1,668,918	372,082	-	2,307,810	1,973,740	612,210	710,119
Total Business-Type Activities Program Revenues	14,182,036	17,161,119	16,212,813	18,167,059	17,349,288	18,892,775	21,319,837	21,748,827	22,436,188	23,869,509
Total Primary Government Program Revenues	$ 19,453,422	$ 23,140,574	$ 24,459,290	$ 27,375,354	$ 27,114,033	$ 28,249,627	$ 31,948,608	$ 43,039,689	$ 37,742,281	$ 34,710,298

CITY OF EMPORIA, KANSAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Net (expense)/revenue										
Governmental activities	$ (25,498,079)	$ (26,894,476)	$ (21,630,274)	$ (21,567,173)	$ (16,049,580)	$ (18,717,150)	$ (17,881,641)	$ (10,886,010)	$ (25,714,535)	$ (26,007,566)
Business-type activities	2,634,677	5,051,321	2,114,829	2,469,909	868,696	1,366,225	139,900	(1,189,903)	(2,790,468)	(1,129,736)
Total Primary Government Net Expense	$ (22,863,402)	$ (21,843,155)	$ (19,515,445)	$ (19,097,264)	$ (15,180,884)	$ (17,350,925)	$ (17,741,741)	$ (12,075,913)	$ (28,505,003)	$ (27,137,302)
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes, levied for general purposes *	$ 4,426,162	$ 4,989,473	$ 5,582,179	$ 5,843,035	$ 6,130,057	$ 6,245,561	$ 6,651,855	$ 7,433,069	$ 8,252,071	$ 9,183,965
Property taxes, levied for debt service	2,816,756	2,327,309	2,030,791	1,928,042	1,961,768	1,912,985	1,912,099	2,090,286	2,247,224	2,443,924
Sales taxes	6,889,492	6,921,009	7,343,794	7,407,601	7,506,138	8,496,466	9,382,028	9,765,670	9,875,366	10,175,776
Franchise taxes	2,576,621	2,625,098	2,713,868	2,584,253	2,448,322	2,554,654	3,041,958	2,838,191	2,838,093	2,839,596
Gasoline taxes	730,216	738,426	753,580	677,776	642,215	712,575	655,837	648,358	653,077	655,731
Use of money and property	186,528	275,700	346,465	514,837	236,057	165,068	420,725	1,899,990	1,791,202	1,548,950
Gain on sale of capital assets/miscellaneous	7,462	3,158	152,943	241,913	462,825	262,609	221,285	284,693	250,146	172,694
Transfers	5,388,259	2,147,371	(670,744)	(672,363)	(1,309,738)	(816,370)	1,042,728	(758,782)	(441,869)	(201,935)
Total Governmental Activities	23,021,496	20,027,544	18,252,876	18,525,094	18,077,644	19,533,548	23,328,515	24,201,475	25,465,310	26,818,701
Business-Type Activities:										
Use of money and property	25,050	53,301	162,797	198,893	52,664	6,162	35,555	542,668	531,058	311,213
Gain on sale of capital assets/miscellaneous	145,853	218,044	345,058	-	-	-	-	-	196,149	102,844
Transfers	(5,388,259)	(2,147,371)	670,744	672,363	1,309,738	816,370	(1,042,728)	758,782	441,869	201,935
Total Business-Type Activities	(5,217,356)	(1,876,026)	1,178,599	871,256	1,362,402	822,532	(1,007,173)	1,301,450	1,169,076	615,992
Total Primary Government	$ 17,804,140	$ 18,151,518	$ 19,431,475	$ 19,396,350	$ 19,440,046	$ 20,356,080	$ 22,321,342	$ 25,502,925	$ 26,634,386	$ 27,434,693
Change in Net Position										
Governmental activities	$ (2,476,583)	$ (6,866,932)	$ (3,377,398)	$ (3,042,079)	$ 2,028,064	$ 816,398	$ 5,446,874	$ 13,315,465	$ (249,225)	$ 811,135
Business-type activities	(2,582,679)	3,175,295	3,293,428	3,341,165	2,231,098	2,188,757	(867,273)	111,547	(1,621,392)	(513,744)
Total Primary Government	$ (5,059,262)	$ (3,691,637)	$ (83,970)	$ 299,086	$ 4,259,162	$ 3,005,155	$ 4,579,601	$ 13,427,012	$ (1,870,617)	$ 297,391

CITY OF EMPORIA, KANSAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	$ 34,719	$ 41,697	$ 45,195	$ 44,116	$ 39,463	$ 36,396	$ 42,692	$ 38,686	$ 37,531	$ 44,288
Assigned	87,428	7,193	133,878	613,760	491,777	155,881	41,450	55,304	23,597	10,991
Unassigned	4,749,213	5,082,628	5,880,709	5,966,508	5,885,973	6,647,153	8,899,194	9,563,484	9,987,068	9,537,008
Total General Fund	$ 4,871,360	$ 5,131,518	$ 6,059,782	$ 6,624,384	$ 6,417,213	$ 6,839,430	$ 8,983,336	$ 9,657,474	$ 10,048,196	$ 9,592,287
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ -	$ 1,261,160	$ 16,250	$ -	$ -	$ -	$ -
Restricted	2,810,370	3,190,605	3,128,231	3,279,857	3,645,462	3,278,942	6,291,015	6,819,982	6,922,281	8,156,859
Assigned	4,715,700	209,364	3,051,652	5,054,306	9,915,468	9,684,579	9,993,551	11,247,849	8,636,858	8,590,398
Unassigned (deficit)	-	-	(275,616.00)	(747,605)	(441,212)	(92,160)	(52,100)	(45,457)	(149,629)	(7,080)
Total All Other Governmental Funds	$ 7,526,070	$ 3,399,969	$ 5,904,267	$ 7,586,558	$ 14,380,878	$ 12,887,611	$ 16,232,466	$ 18,022,374	$ 15,409,510	$ 16,740,177

CITY OF EMPORIA, KANSAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 17,281,766	$ 17,445,154	$ 18,268,211	$ 15,222,145	$ 15,496,475	$ 16,271,101	$ 17,890,481	$ 18,868,699	$ 19,916,914	$ 20,992,952
Charges for services	1,901,550	2,531,821	2,423,475	2,513,564	2,595,433	2,485,720	2,267,278	2,584,902	2,847,492	2,734,564
Special assessments	157,481	156,161	156,001	210,316	113,561	115,984	82,354	68,913	67,861	39,466
Intergovernmental	1,797,455	2,361,707	1,923,328	5,207,091	6,385,351	6,666,102	7,701,826	14,270,648	12,469,021	7,503,732
Licenses and permits	147,349	189,036	193,253	197,114	256,069	281,459	373,293	260,519	281,051	237,010
Fines and fees	590,363	552,285	529,721	518,811	454,541	506,730	430,607	476,593	524,869	647,005
Use of money and property	180,015	261,104	324,656	482,642	222,881	153,049	327,590	1,654,346	1,548,594	1,154,772
Contributions	105,152	77,897	463,762	1,504,743	815,442	118,551	574,524	2,569,676	517,754	739,427
Administrative charges	2,125,632	2,147,272	2,372,718	2,491,504	2,504,036	2,643,791	2,645,579	2,589,029	2,617,422	2,973,250
Miscellaneous	455,252	448,295	235,691	271,058	475,912	630,016	498,505	240,826	129,854	648,082
Total Revenues	24,742,015	26,170,732	26,890,816	28,618,988	29,319,701	29,872,503	32,792,037	43,584,151	40,920,832	37,670,260
Expenditures										
General government	3,280,462	4,101,383	1,953,079	1,557,724	1,521,682	2,042,327	2,527,559	2,574,905	2,726,039	2,597,355
Public safety	9,363,365	10,049,520	10,304,473	10,298,977	10,624,770	10,687,790	11,171,812	13,177,280	14,168,156	15,182,144
Highway and streets	1,079,762	1,137,448	1,124,794	1,213,728	1,240,136	1,218,744	1,374,178	1,281,393	1,419,710	1,360,055
Culture and recreation	2,857,701	2,670,631	2,799,570	3,723,800	3,458,723	3,620,874	4,169,096	4,647,143	5,786,494	5,612,428
Health and environment	59,150	80,400	100,400	86,900	94,001	70,500	86,750	97,200	112,200	119,400
Building maintenance	1,226,539	1,268,746	1,297,205	1,401,736	1,257,690	1,364,982	1,377,310	1,510,798	1,681,644	1,917,122
Planning and development	753,238	885,107	713,638	949,755	694,063	1,997,228	665,486	748,302	1,248,404	660,108
Airport operations	474,459	455,030	535,805	558,646	436,747	643,740	754,048	777,296	765,899	724,668
Appropriations	179,622	173,517	271,283	229,955	625,662	257,413	840,196	127,111	83,428	100,892
Capital outlay	5,913,913	16,878,478	2,700,758	3,372,248	4,711,151	5,911,559	7,262,959	14,450,538	14,059,771	18,434,415
Debt service										
Principal	3,175,000	2,465,000	1,600,000	1,630,000	1,059,904	1,563,816	1,620,956	2,369,154	1,645,981	1,766,649
Interest and other charges	408,794	280,081	331,263	370,699	208,049	248,210	243,905	320,400	336,990	323,453
Total Expenditures	28,772,005	40,445,341	23,732,268	25,394,168	25,932,578	29,627,183	32,094,255	42,081,520	44,034,716	48,798,689
Excess of Revenues Over/(Under) Expenditures	(4,029,990)	(14,274,609)	3,158,548	3,224,820	3,387,123	245,320	697,782	1,502,631	(3,113,884)	(11,128,429)
Other Financing Sources (Uses)										
Transfers in	8,147,796	4,224,882	7,613,647	4,904,918	9,554,773	5,793,667	11,014,905	10,658,585	5,225,137	18,948,479
Transfers out	(4,885,169)	(4,224,782)	(5,467,365)	(5,882,845)	(11,580,387)	(7,110,037)	(9,972,177)	(11,417,367)	(5,667,006)	(19,150,414)
Payment to escrow agent	(2,034,362)	-	-	-	-	-	-	-	-	-
Bond premium	-	-	-	-	364,611	-	149,689	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	113,130	218,970	31,600
Issuance of debt	2,854,363	10,397,002	1,000,000	-	4,856,775	-	3,598,562	1,607,067	1,114,641	12,814,887
Total Other Financing Sources (Uses)	4,082,628	10,397,102	3,146,282	(977,927)	3,195,772	(1,316,370)	4,790,979	961,415	891,742	12,644,552
Net Change in Fund Balances	$ 52,638	$ (3,877,507)	$ 6,304,830	$ 2,246,893	$ 6,582,895	$ (1,071,050)	$ 5,488,761	$ 2,464,046	$ (2,222,142)	$ 1,516,123
Debt service as a percentage of non-capital expenditures	13.60%	6.43%	8.50%	8.20%	5.46%	6.59%	7.00%	9.15%	5.43%	6.40%

CITY OF EMPORIA, KANSAS
GOVERNMENTAL ACTIVITIES, TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Vehicle Tax	Total
2016	$ 6,344,622	$ 6,889,492	$ 2,465,081	$ 737,923	$ 16,437,118
2017	6,497,242	6,921,009	2,514,879	758,953	16,692,083
2018	6,610,486	7,229,117	2,644,068	985,124	17,468,795
2019	7,771,077	7,407,601	2,584,253	677,776	18,440,707
2020	8,091,825	7,506,138	2,448,322	642,215	18,688,500
2021	8,158,546	8,496,466	2,554,654	712,575	19,922,241
2022	8,563,954	9,382,028	3,041,958	655,837	21,643,777
2023	9,523,355	9,765,670	2,838,191	648,358	22,775,574
2024	10,499,295	9,875,366	2,838,093	653,077	23,865,831
2025	11,627,889	10,175,776	2,839,596	655,731	25,298,992

Source: City of Emporia, Kansas Basic Financial Statements.

CITY OF EMPORIA, KANSAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	Real Property		Personal Property		Less: Tax Exempt Real Property - 1	Total Taxable Assessed Value	Total Direct Tax Rate - 2	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property - 1	Commercial Property - 1	Motor Vehicles - 2	Other - 1					
2016	$ 79,256,537	$ 52,262,553	$ 20,379,614	$ 57,768	$ 26,975,110	$ 124,981,362	42.947	$ 907,344,870	13.8%
2017	85,807,578	51,445,370	20,630,111	68,898	27,010,480	130,941,477	42.575	960,406,440	13.6%
2018	89,782,755	52,118,715	20,972,334	187,575	26,538,480	136,522,899	42.849	998,274,630	13.7%
2019	95,724,413	55,079,043	21,636,964	129,861	20,773,540	151,796,741	43.093	1,061,815,040	14.3%
2020	101,181,991	55,048,752	21,939,568	63,699	20,036,380	158,197,630	42.862	1,107,787,850	14.3%
2021	106,363,567	60,909,825	22,838,681	87,132	26,367,570	163,831,635	42.800	1,180,348,700	13.9%
2022	115,557,670	63,994,263	21,836,515	96,489	32,591,770	168,893,167	44.426	1,305,766,780	12.9%
2023	132,836,858	68,465,425	22,343,810	250,839	35,927,230	201,471,760	44.604	1,474,900,390	13.7%
2024	138,989,670	70,773,630	22,810,745	216,210	36,358,370	196,431,885	46.119	1,538,925,640	12.8%
2025	154,269,840	74,503,130	22,397,308	382,820	41,820,450	209,732,648	46.007	1,594,684,490	13.2%

Note 1 - Lyon County Appraiser
Note 2 - Lyon County Clerk's Office

CITY OF EMPORIA, KANSAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	City of Emporia, Kansas			Lyon County		
	Operating Mileage	Debt Service Mileage	Total City Mileage	Operating Mileage	Debt Service Mileage	Total County Mileage
2016	26.075	15.456	41.531	58.676	-	58.676
2017	30.107	12.840	42.947	60.896	-	60.896
2018	32.170	10.405	42.575	60.826	-	60.826
2019	32.537	10.312	42.849	60.088	-	60.088
2020	32.666	10.427	43.093	59.303	-	59.303
2021	32.860	10.002	42.862	55.423	-	55.423
2022	32.812	9.988	42.800	53.281	-	53.281
2023	34.283	10.143	44.426	52.975	-	52.975
2024	34.863	9.741	44.604	52.975	-	52.975
2025	36.917	9.202	46.119	56.619	-	56.619

Fiscal Year Ended December 31,	USD 253			Total Direct & Overlapping Rates
	Operating Mileage	Debt Service Mileage	Total USD Mileage	
2016	53.380	8.040	61.420	161.627
2017	53.441	9.618	63.059	166.902
2018	54.323	9.026	63.349	166.750
2019	53.898	9.286	63.184	166.121
2020	52.097	11.036	63.133	165.529
2021	50.795	12.392	63.187	161.472
2022	52.082	10.849	62.931	159.012
2023	52.257	12.143	64.400	161.801
2024	52.366	12.400	64.766	162.345
2025	53.470	11.300	64.770	167.508

Overlapping rates are those of local and county government that apply to property owners within the City of Emporia. Not all overlapping rates apply to all Emporia property owners.

Source: Lyon County Clerk's Office

CITY OF EMPORIA, KANSAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

	2025			2016		
Taxpayer	**Taxpayer Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxpayer Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Evergy Kansas Centeral, INC (Westar Energy)	$ 10,970,968	1	5.23%	$ 6,080,097	1	4.58%
Hills Pet Nutrition	6,351,351	2	3.03%			
Simmons Pet Food KS (formerly Menu Pet Food)	5,264,591	3	2.51%	2,629,416	2	1.98%
Agree Limited Partnership	2,873,253	4	1.37%			
Kansas Gas Service	2,672,103	5	1.27%	1,651,238	5	1.24%
Iowa Beef Processors, Inc.	1,812,050	6	0.86%	1,801,641	3	1.36%
Wal-Mart Real Estate Business Trust	1,793,639	7	0.86%	1,763,593	4	1.33%
BNSF	1,741,429	8	0.83%			
Bunge Corporation	1,706,008	9	0.81%	1,085,158	10	0.82%
Hostess Brands, LLC	1,347,646	10	0.64%			
Flint Hills Mall LLC				1,494,078	6	1.13%
Emporia Partners				1,271,337	7	0.96%
Tyson Fresh Meats				1,227,122	8	0.93%
AHIP Emporia Properties				1,098,585	9	0.83%
Total	$ 36,533,038		17.42%	$ 20,102,265		15.15%
Total Assessed Value (1)	$ 209,732,648			$ 132,655,646		

(1) Data from Lyon County Treasurer's Office

CITY OF EMPORIA, KANSAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	$ 6,316,300	$ 5,974,327	94.59%	$ 231,470	$ 6,205,797	98.25%
2017	6,560,582	6,159,624	93.89%	126,329	6,285,953	95.81%
2018	6,848,025	6,214,266	90.75%	149,512	6,363,778	92.93%
2019	7,281,428	6,746,759	92.66%	153,027	6,899,786	94.76%
2020	7,447,306	6,723,918	90.29%	174,889	6,898,807	92.63%
2021	7,892,213	7,141,014	90.48%	125,872	7,266,886	92.08%
2022	8,950,584	7,687,576	85.89%	180,207	7,867,783	87.90%
2023	10,065,702	8,514,757	84.59%	239,830	8,754,587	86.97%
2024	10,875,423	9,384,025	86.29%	150,240	9,534,265	87.67%
2025	11,284,902	10,360,788	91.81%	268,226	10,629,014	94.19%

Data from City of Emporia Treasurer

CITY OF EMPORIA, KANSAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	Governmental Activities						Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita - 1
	General Obligation Bonds	Revenue Bonds	Finance Purchase	Lease	SBITA	Loans/ Agreements	General Obligation Bonds	Lease Liability	Loans Payable			
2016	$ 9,175,000	$ -	$ -	$ -	$ -	$ -	$ 14,350,000	$ -	$ -	$ 23,525,000	4.98%	$ 954
2017	6,705,000	-	-	-	-	-	13,300,000	-	10,397,002	30,402,002	5.62%	1,225
2018	6,105,000	-	-	-	-	-	17,660,000	-	23,523,911	47,288,911	8.70%	1,920
2019	4,475,000	-	-	-	-	-	15,435,000	-	27,365,088	47,275,088	7.88%	1,909
2020	7,995,053	-	-	-	-	636,871	14,974,519	-	28,314,976	51,921,419	8.71%	2,151
2021	6,560,746	-	-	69,732	-	483,055	12,907,528	-	28,314,976	48,336,037	7.65%	1,986
2022	8,783,632	-	45,369	59,351	-	325,673	14,395,243	-	29,201,537	52,810,805	8.09%	2,206
2023	6,854,346	-	770,900	516,608	111,136	164,662	22,078,847	339,476	28,931,216	59,767,191	9.46%	2,496
2024	5,945,059	-	688,174	1,132,386	86,406	-	20,182,708	304,195	32,626,289	60,965,217	8.38%	2,503
2025	5,055,772	12,210,000	538,409	741,263	320,532	-	18,276,192	283,959	34,667,703	72,093,830	10.81%	2,952

Note 1 - See the Schedule of Demographic and Economic Statistics - Table 14

Note - Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF EMPORIA, KANSAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities General Obligation Bonds	Business-Type Activities General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net Bonded Debt	Percentage Estimated Annual Taxable Value of Property - 1	Per Capita - 2
2016	$ 9,175,000	$ 15,040,000	$ 277,343	$ 23,937,657	2.64%	$ 971
2017	6,705,000	13,300,000	433,646	19,571,354	2.04%	789
2018	6,105,000	17,660,000	919,889	22,845,111	2.29%	927
2019	4,475,000	15,435,000	749,432	19,160,568	1.80%	774
2020	7,995,053	14,974,519	883,334	22,086,238	1.99%	915
2021	6,560,746	12,907,528	1,340,014	18,128,260	1.54%	745
2022	8,783,632	14,395,243	1,986,995	21,191,880	1.62%	885
2023	6,854,346	22,078,847	2,378,112	26,555,081	1.80%	1,109
2024	5,945,059	20,182,708	3,993,967	22,133,800	1.44%	909
2025	5,055,772	18,276,192	5,616,234	17,715,730	1.11%	726

Note - Detail regarding the City's outstanding debt can be found in the notes to the financial statements.

Note 1 - See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

Note 2 - Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF EMPORIA, KANSAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2025

Governmental Unit	Debt Outstanding - Paid with Property Taxes	Percentage Applicable to City of Emporia	Amount Applicable to City of Emporia
Unified School District #253 - Overlapping	$ 74,925,000	87.20%	$ 65,332,352
Lyon County, Kansas - Overlapping	14,575,000	63.09%	9,194,639
Subtotal, Overlapping Debt			74,526,991
City of Emporia - Direct Debt			18,865,976
Total Direct and Overlapping Debt			$ 93,392,967
Population			24,418
Overlapping debt per capita			$ 3,052
Direct and overlapping debt per capita			$ 3,825

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the overlapping debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also applied to the other debt of the overlapping governmental units.

Source: Lyon County Clerk

CITY OF EMPORIA, KANSAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
For the Years Ended December 31,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit *	$ 39,796,694	$ 41,494,216	$ 42,931,638	$ 45,539,022	$ 47,459,289	$ 49,149,491	$ 50,667,950	$ 60,441,528	$ 58,929,566	$ 62,919,794
Total net debt applicable to limit	8,897,657	6,271,354	5,185,111	3,725,568	7,111,719	5,220,732	6,796,637	4,476,234	1,951,362	(560,462)
Legal Debt Margin	$ 30,899,037	$ 35,222,862	$ 37,746,527	$ 41,813,454	$ 40,347,570	$ 43,928,759	$ 43,871,313	$ 55,965,294	$ 56,978,204	$ 63,480,256
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	22.36%	15.11%	12.08%	8.18%	14.98%	10.62%	13.41%	7.41%	3.31%	-0.89%

***** According to Kansas law, the debt limitation is 30% of assessed valuation.

Source: Assessed Valuation from Lyon County Appraiser

	2025
Assessed Value	$ 209,732,648
Debt Limit Ratio	30%
December 31, 2025 Debt Limit	62,919,794
Outstanding Debt Subject to Debt Limit	* (560,462)
Debt Authority Remaining December 31, 2025	63,480,256
December 31, 2025 GO Bonds Outstanding	5,055,772
Less: Amount set aside for repayment of general obligation debt	(5,616,234)
Total Outstanding Debt Subject to Debt Limit December 31, 2025	* $ (560,462)

CITY OF EMPORIA, KANSAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	Population - 1	Population Income (amounts expressed in thousands)	Per Capita Personal Income - 2	Median Age - 2	Education Level in Years of Formal Schooling - 2	School Enrollment - 3	Unemployment Rate - 2
2016	24,649	$ 472,152	$ 19,155	29.4	12.2	11,134	4.1%
2017	24,816	541,014	21,801	29.0	12.2	11,015	3.1%
2018	24,636	543,569	22,064	28.6	12.2	11,207	3.4%
2019	24,765	599,709	24,216	28.6	12.2	11,207	3.1%
2020	24,139	596,137	24,696	33.4	12.2	12,338	4.7%
2021	24,343	632,212	25,971	28.6	12.2	11,452	3.4%
2022	23,938	652,670	27,265	29	12.3	12,172	2.9%
2023	23,941	631,635	26,383	29.2	12.3	10,641	2.8%
2024	24,354	727,722	29,881	33.1	12.4	10,596	3.3%
2025	24,418	666,709	27,304	33.2	12.4	10,457	4.1%

Note 1 - Data from U.S. Census Information

Note 2 - Data from Kansas Department of Labor Lyon County Statistics

Note 3 - Data obtained from USD 253 Board of Ed, Flint Hills Technical College and Emporia State University

CITY OF EMPORIA, KANSAS
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	2025			2016		
Taxpayer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Simmons Pet Food	1,613	1	5.00%	460	5	1.87%
USD #253	928	2	2.88%	779	2	3.17%
Emporia State University	644	3	2.00%	738	3	3.00%
Hostess Brands, LLC	630	4	1.95%	577	4	2.35%
Newman Regional Health	482	5	1.49%	414	6	1.69%
Michelin	316	6	0.98%			0.00%
Lyon County	260	7	0.81%	252	7	1.03%
City of Emporia	236	8	0.73%	245	9	1.00%
Hill's Pet Nutrition	143	9	0.44%			0.00%
Evco Wholesale Food Corporation	126	10	0.39%			0.00%
Tyson Fresh Meats				914	1	3.72%
Hopkins Manufacturing				252	8	1.03%
Norfolk Iron & Metal				151	10	0.61%
Total	5,378		16.67%	4,782		19.47%

Data from Emporia Chamber of Commerce

CITY OF EMPORIA, KANSAS
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	38	37	37	40	43	41	44	46	47	48
Public Safety										
Officers	41	40	43	41	47	38	40	36	34	40
Civilians	7	7	7	7	7	6	8	8	8	7
Fire										
Firefighters and Officers	47	51	51	49	53	40	43	44	44	49
Civilians	3	3	3	3	3	3	3	3	3	3
Highways and Streets										
Engineering	7	7	7	6	7	8	8	7	6	7
Maintenance	9	7	9	9	9	10	10	10	9	10
Sanitation	32	29	32	33	35	33	33	32	29	33
Culture and Recreation	19	22	21	23	18	16	18	19	19	20
Water	16	17	16	18	21	22	24	23	16	25
Sewer	8	8	8	8	7	8	12	8	7	5
Total	227	228	234	237	250	225	243	236	222	247

(1) Data received from the Human Resources Department

CITY OF EMPORIA, KANSAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Physical arrests (1)	1,171	1,123	1,120	1,273	656	765	932	996	1,049	1,095
Parking violations (1)	3,589	2,791	2,940	3,617	1,513	323	626	424	206	133
Traffic violations (1)	2,072	2,641	2,328	2,946	1,282	1,987	1,864	1,610	3,155	2,454
Fire										
Number of calls answered (2)	3,426	3,710	3,904	4,317	4,081	4,215	3,765	3,536	4,411	3,842
Inspections (2)	958	878	907	920	465	603	913	*	632	678
Highways and Streets										
Street resurfacing (miles) (3)	6	4	11	3	13	4	4	5	6	6
Potholes repaired (4)	800	900	900	1500	1,500	1,500	1,500	1,500	1,600	1,600
Sanitation										
Refuse collected (tons/day) (5)	72	84	88	88	77	84	84	81	78	75
Recyclables collected (tons/day) (5)	7	5	4	4	3	5	5	5	5	5
Water										
New connections (6)	29	21	25	30	22	18	19	17	12	14
Water main breaks (6)	50	69	55	43	53	68	65	135	72	26
Average daily consumption (thousands of gallons) (7)	5,443	5,671	6,095	6,317	6,948	7,519	7,519	7,519	7,519	7,600
Wastewater										
Average daily treatment capacity (thousands of gallons) (8)	2,500	2,000	2,500	3,000	3,300	3,500	3,500	3,500	3,500	3,500

(1) Data received from the Human Resources Department
(2) Data received from the fire department
(3) Data received from the engineering department
(4) Data received from the street department
(5) Data received from the solid waste department
(6) Data received from the public works department
(7) Data recovered from the water department
(8) Data received from the wastewater department
* Data is not available due to software change

CITY OF EMPORIA, KANSAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units (1)	25	25	25	21	23	23	23	23	21	22
Fire Stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection Trucks (2)	12	12	12	12	9	9	12	12	12	12
Highways and Streets										
Street (miles) (3)	169	169	169	169	169	169	169	171	172	172
Traffic signals (4)	101	105	105	105	105	105	105	105	105	105
Culture and Recreation										
Parks acreage (5)	325	325	325	325	324	323.56	323.56	323.56	324	324
Parks (5)	18	18	18	18	18	18	18	18	18	18
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	6	6	6	6	2	2	2	2	2	2
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water main (miles) (3)	183	183	184	184	171	171	171	191	195	195
Fire hydrants (6)	913	913	913	913	933	943	943	942	942	943
Maximum daily capacity thousands of gallons) (7)	7,869	9,789	11,783	9,483	11,014	11,190	11,190	11,190	11,190	11,190
Sewer										
Sanitary sewers (miles) (3)	144	144	144	144	144	144	142	139	141	143
Storm sewers (miles) (3)	73	73	73	75	76	76	76	76	77	77
Maximum daily treatment capacity (thousands of gallons (8)	4,500	4,500	4,600	4,800	4,600	4,600	4,600	4,600	4,600	4,600

(1) Data received from the Human Resources Department
(2) Data received from the fire department
(3) Data received from the engineering department
(4) Data received from the street department
(5) Data received from the solid waste department
(6) Data received from the public works department
(7) Data received from the water department
(8) Data received from the wastewater department