ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

December 31, 2025



Prepared by:

FINANCE AND ADMINISTRATION DEPARTMENT

INTRODUCTORY SECTION

CITY OF MISSION, KANSAS
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
Year Ended December 31, 2025

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April 30, 2026

To the Citizens of Mission, Kansas

The City of Mission is pleased to submit this annual comprehensive financial report for the fiscal year ending December 31, 2025. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This report includes all funds of the City. The City provides a range of services including police protection, trash services, construction and maintenance of streets and infrastructure, and recreational and cultural activities. Except for Rock Creek Drainage District #1 and Rock Creek Drainage District #2, there are no other entities over which the City exercises financial accountability.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

COMMUNITY PROFILE

Mission is located in northeast Johnson County, Kansas, a suburb of the Kansas City metropolitan area. The City lies adjacent to a major transportation corridor, Interstate 35, and is accessible to the entire metropolitan area. The City has a population of approximately 10,013 and covers an area of 2.87 square miles, of which nearly 100% is developed.

Mission was incorporated in 1951 and became a City of the Second Class under Kansas statutes in 1959.

The City operates under a non-partisan Mayor/Council form of government. The Council is comprised of eight members elected from four wards, with equal representation from each ward. Each councilmember representing a ward is elected, on a staggered basis, for a four-year term. The Mayor is elected at large for a four-year term. The Mayor and Council are responsible for all policy-making functions of the City.

The City Administrator is appointed by the Mayor and Council and serves as the chief administrative officer of the City. The City Administrator is responsible for the implementation of policies adopted by the Council and is also responsible for the general operations of the City.

The City has five operating departments including Police, Public Works, Parks + Recreation, Community Development and Administration. The City has a total of 73 full-time employees. Other services including fire protection, water distribution, wastewater collection, and education are provided by separate entities.

Mission has traditionally been viewed as a first-tier suburban community with a small-town atmosphere, convenient services, and an inclusive and welcoming environment. Residents enjoy an excellent standard of living as a result of the active community spirit, an award-winning school system, low crime rates and high-quality service delivery. The governing body proactively addresses quality of life issues to ensure that the current standard of living is not only maintained but ultimately enhanced.

ECONOMIC CONDITION AND OUTLOOK

The business environment within Mission provides a good balance between retailers, professional services, and corporations in a variety of industries including adult education, pharmaceutical, software development and advertising.

Since the 1930s, the Johnson Drive corridor, which bisects the city from east to west, has served as the retail trade area for Northeast Johnson County. Various national and local retailers, businesses, professional services, boutique shops and dining and drinking establishments are located along the corridor. In addition, the City offers a full-service grocery store and a national, big-box retailer.

Mission has numerous small to medium-sized office buildings for professional service providers, including doctors and dentists, veterinarians, lawyers, and architects. Financial services, such as insurance companies, banks, and accountants are also well represented among the City's businesses. There are several, medium to larger office buildings located primarily on the west side of Mission that provide office space for various corporations.

Mission is also adjacent to the major transportation corridors of Metcalf Avenue (U.S. Route 69), Shawnee Mission Parkway and Interstate 35.

The City Council works to meet the needs of existing businesses, while simultaneously dedicating resources to attract new businesses. Property and sales tax revenues generated by the business community are vital to the City's financial stability. The City's property mill levy remains one of the lowest in Johnson County and in the State of Kansas.

MAJOR CITY INITIATIVES

Mission has been recognized throughout the Kansas City metropolitan area, and the larger mid-west region, for its forward-thinking visioning and planning processes. Several master plans adopted over a decade ago set the foundation for a number of redevelopment projects that have come to fruition in recent years. An update of the City's comprehensive plan was completed and

approved in December 2023 and will guide planning and decision-making for the next several years.

In recent years, the City has experienced increased interest from the development community for multi-family housing projects. These include:

- The Locale, a 200+ unit, five-story luxury apartment building which offers an array of amenities for its residents, completed in the spring of 2020;
- The Lanes at Mission Bowl, a 176 unit, five-story luxury apartment building, completed in the fall of 2024;
- Mission Vale, a 19-unit townhome development completed in the fall of 2024;
- The Flats (formerly 58/Nall), a 77-unit apartment building completed in late 2025;
- Mission Beverly, a 240+ unit luxury apartment building, approved in 2024 with construction beginning in spring 2026; and
- The Block development project, a 300+ unit luxury apartment development on the City's west side, final approvals granted in 2025 with construction anticipated in August 2027.

If all the projects currently approved or anticipated are completed, there will be over 700 additional housing units/apartments available to residents, primarily centered in and around the downtown Johnson Drive corridor.

There was also a significant public development project that continued in 2025. Johnson County Wastewater's reconstruction of its Nelson wastewater treatment facility, which has been serving Northeast Johnson County since the 1940s, is ongoing.

The City continues to take on significant projects of its own each year. Since 2024, this has included:

- Continued investment in the residential Street Preservation Program at over $2.0 million annually;
- Construction of major improvements in the City's outdoor park system including complete renovation of Water Works Park (2024) and completion of Mohawk Park Phase II Improvements (2024);
- Resurfacing and restriping of 63rd St from Nall Ave to Roe Blvd (2025);
- Design of improvements to the Rock Creek Channel from Woodson to Maple with construction slated to begin in 2026; and
- Design of improvements for full depth reconstruction of Johnson Dr from Metcalf Ave to Lamar Ave.

The Public Works Department continued its infrastructure condition assessment work in an effort to prioritize road and storm water projects for the next five to ten years. Future transportation infrastructure needs are being addressed through a combination of dedicated property tax mills, proceeds from the dedicated Street Sales Tax, and revenues from the Special Highway funds distributed by the state. The Street Sales Tax was renewed and increased (from ¼-cent to ⅜-cent) by voters in September 2021 and will sunset in March 2032.

The voters of Mission approved a dedicated ⅜-cent sales tax for parks and recreation in 2013 for ten years. The sales tax was used to pay debt service on general obligation bonds issued for the renovation of the City's outdoor aquatic center. The sales tax has also provided an important revenue stream for continued maintenance and improvement of recreation facilities as well funding for recommendations identified in the City's 2015 Parks Master Plan. As the initial 10-year horizon drew near, the City completed a multi-year conceptual design process which developed specific improvements and amenities for each of the City's main parks. These outdoor park improvements served as the catalyst for successful renewal of the Parks + Recreation sales tax in 2023 for an additional ten years, sunsetting in March 2033.

Large-scale park improvements began in 2022 with the reconstruction of the tennis courts in Andersen Park and Phase I improvements to Mohawk Park including a new pavilion and restrooms. Design services for improvements to Water Works Park were approved in 2023 and a new walking trail was completed in Broadmoor Park. Additionally, the design of Phase II improvements to Mohawk Park was approved. Construction for both Water Works Park and Mohawk Park Phase II was completed in 2024.

The City continues to promote organizational efficiency and effectiveness through technology upgrades, management of a comprehensive classification and compensation system, and on-going evaluation of employee benefits. The labor market and competition for qualified employees remains challenging and the City is continually reviewing and adjusting pay ranges to adequately compensate employees for the work they do as well as position the City as a competitive employer in the job marketplace.

The City maintains a replacement schedule for all of its computer equipment and other technology assets. Researching and implementing new software applications for enhanced efficiencies remains a priority. E-ticketing software, asset management software, and new building permitting and land management software all became fully operational in late 2024 and throughout 2025.

Sustainability is one of the City's core values. Efforts to support the goals and recommendations of the regional KC Climate Action Plan as well as recommendations developed by Mission's Climate Protection Plan (CAP) Task Force remain top priorities. The CAP Task Force, the Sustainability Commission and staff are charged with applying the principles and recommendations to the programs, activities and services of the City.

FUTURE INITIATIVES

Mission continues to explore new and diverse ways to support redevelopment efforts throughout the community. Our work focuses on ensuring redevelopment that results in high quality, sustainable projects benefiting not only Mission but the entire region. Mission supports efforts for long-range, comprehensive capital infrastructure planning and budgeting; while refining strategies for the on-going maintenance, repair and replacement of our current infrastructure assets.

Development projects which emerged in 2025 included the Block Development project at 5665 Foxridge Drive, a 300-unit multi-family development on the City's west side just north of Johnson

Drive and the Encore, a 180-unit multi family development just to the east of the Lanes at Mission Bowl. Additionally, a Community Improvement District (CID) to collect a 1% additional sales tax at the Mission Mart Shopping Center was approved which will be used to reimburse a portion of the estimated $7 million in improvements by the new owner on a pay-as-you-go basis.

Office tenants and occupancy continue to fluctuate post-pandemic, and we have seen some interest in adaptive reuse of existing office buildings. The Community Development Department began work on a comprehensive zoning code review process. The goal of this project is to result in adoption of newer, streamlined city zoning code ordinances.

Sustainability work continues in 2025 with Mission continuing to be the host for a regional environmental fair each fall. Mission began participating in regional sustainability efforts through the group Climate Action KC allowing sustainability-minded municipalities to share ideas, advice, and lessons learned on sustainability efforts.

The Public Works Department continues to work on high priority projects identified from its 2021 infrastructure assessment work and follow-up studies. These include continued investment in the annual residential Street Preservation program and participation in upgrades to major arterial and collector streets with the assistance of the County Assistance Road System (CARS) program. The City was awarded a $6.0 million Surface Transportation Program (STP) grant to assist with the reconstruction of Johnson Drive from Lamar to Metcalf in 2026. Design, appraisal and right-of-way acquisition were generally completed in 2025 for this $11.0 million street project, and construction will begin in summer 2026. The City awarded a design contract in 2024 for improvements to the Rock Creek channel from Woodson to Maple. Construction is anticipated for 2026 and approximately 50% of the project's estimated $15 million cost will be funded through the Johnson County Stormwater Management Program.

The Parks + Recreation Department focused on outdoor park maintenance and smaller scale improvements in 2025 after reopening two completely renovated parks in 2024. Outdoor parks improvements in 2025 include repaving the Rock Creek Trail and repairing the Broadmoor Park pedestrian bridge.

In 2025, a new step pay system was fully implemented in the Police Department, addressing pay issues that were contributing to recruitment and retention challenges. By the end of 2025, the Department was fully staffed. The Mission Police Department also maintains a focus on training, keeping personnel abreast of a variety of professional trends and development opportunities. Continued investment in community relations and a commitment to expanding data collection efforts are top priorities for the Department over the next several years.

TAX ABATEMENTS

The City offers a variety of incentive programs designed to broaden and diversify the tax base, encourage capital investment, create employment opportunities and provide for the economic growth and welfare of the region. The City has three major public incentive programs: industrial revenue bonds (IRBs), tax increment financing, and community improvement districts (CID)

Program. For more information about the City's incentive programs, see Note 15 to the financial statements.

FINANCIAL INFORMATION

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

BUDGETARY CONTROLS

The City maintains various budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund, Special Revenue Funds, and Debt Service Funds are included in the annual appropriated budget. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end. However, unencumbered appropriations do lapse. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit

Kansas statutes require an annual audit of the City's financial statements. The audit for 2025 was conducted by GordonCPA Certified Public Accountants and their report on the financial statements is included in the financial section of this report.

Reporting 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 for its annual comprehensive financial report (ACFR) for the fiscal year ending December 31, 2024. This is the thirty-second consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

ACKNOWLEDGEMENTS

The preparation of this comprehensive annual financial report was made possible by the dedicated services of the staff of the Finance and Administration, Community Development, Police, Municipal Court and Parks + Recreation departments. Our sincere appreciation is extended to all members of the staff, whose efforts made this report possible, with specific recognition provided for the work completed by Budget and Finance Manager Christine Korth and Accountant Joanna Marin.

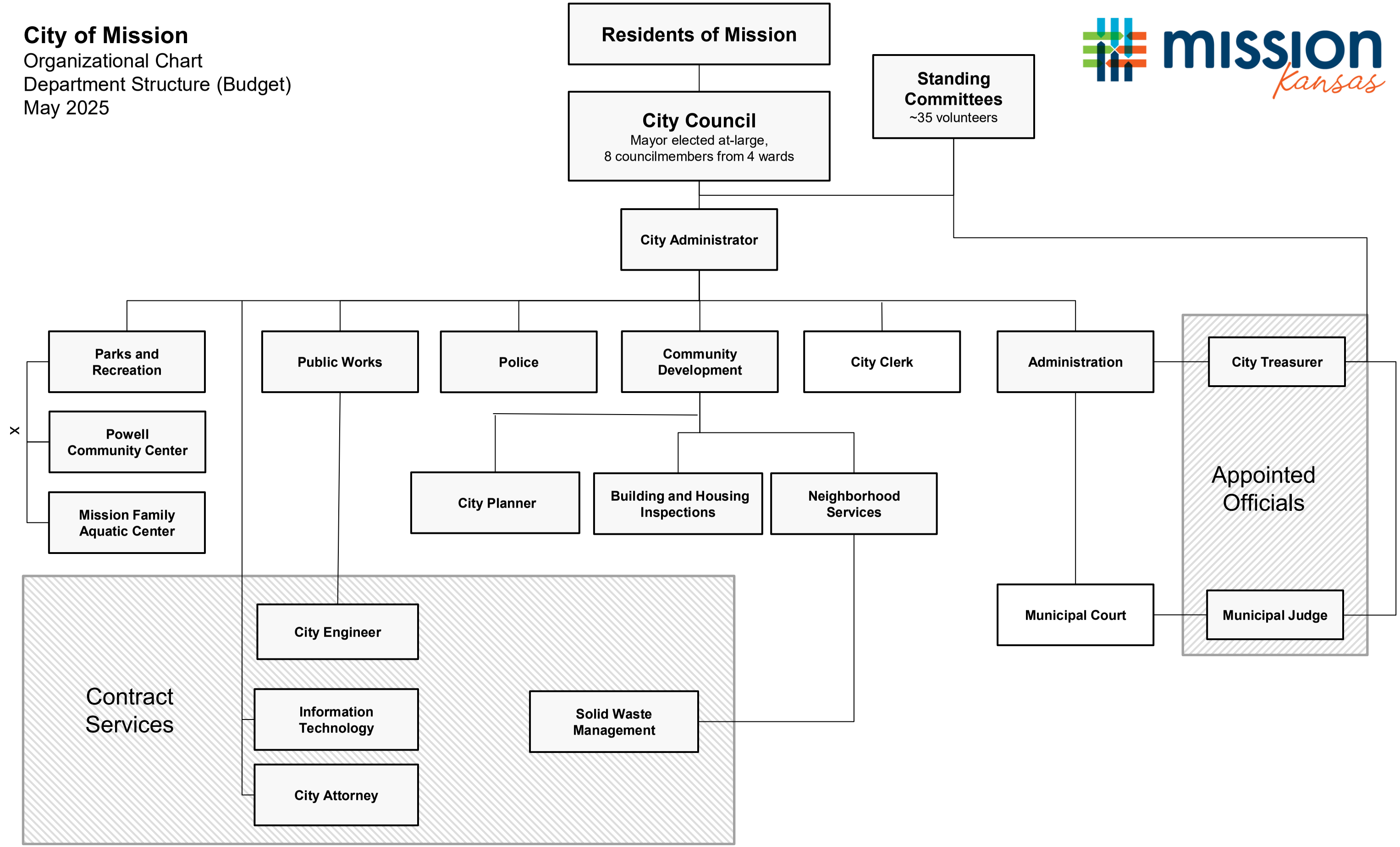
Respectfully submitted,



Laura Smith
City Administrator

City of Mission

Organizational Chart
Department Structure (Budget)
May 2025



CITY OF MISSION, KANSAS

Principal Officials - 2025

Mayor and City Council

Mayor Sollie Flora

Councilmember Josepha Haden Chomphosy	Ward 1
Councilmember Wanda Vaughn	Ward 1
Councilmember Lea Loudon	Ward 2
Councilmember Mary Ryherd	Ward 2
Councilmember Sam Komona	Ward 2
Councilmember Brian Schmid	Ward 3
Councilmember Debbie Kring	Ward 3
Councilmember Ben Chociej	Ward 4
Councilmember Cheryl Carpenter-Davis	Ward 4

Administration

City Administrator	Laura Smith
Deputy City Administrator - Development Services	Brian Scott
Deputy City Administrator - Administrative Services	Justin Carroll
City Clerk	Robyn Fulks
Chief of Police	Daniel Madden
Public Works Director	Stephanie Boyce
Parks + Recreation Director	Penn Almoney

Attorney

David K. Martin

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mission
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

GORDONCPA
AUDITING
ACCOUNTING
CONSULTING

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Lawrence, KS 66049

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Mission, Kansas

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amount and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

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

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

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 our work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

April 30, 2026

CITY OF MISSION, KANSAS

MANAGMENT DICUSSION AND ANALYSIS
For the Year Ended December 31, 2025
Unaudited

The management discussion and analysis of the City of Mission's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2025. This narrative should be read in conjunction with the City's letter of transmittal, which begins on page iii.

Financial Highlights

- The government-wide net position totaled $76.8 million at the end of the 2025 fiscal year.
- Total capital assets, net of accumulated depreciation as of December 31, 2025 totaled $86.1 million.
- During the year ended December 31, 2025, the City's total revenues (which included charges for services, local taxes and state and federal aid) for all funds exceeded total expenses by $1.3 million.
- The City's net capital assets increased by $1.2 million in the current fiscal year. Depreciation in assets was offset by new infrastructure construction to City facilities for 2025 Street Preservation, 63rd St, and 2025 Storm Water Sewer Modifications.

Using This Financial Report

This annual report consists of government-wide and fund specific financial statements. In addition, the annual report includes budgetary-basis financial statement comparisons, in accordance with the State of Kansas cash basis and budget laws.

The government-wide statements are designed to provide information about the City's activities as a whole and provide a longer-term view of the City's finances. The fund financial statements tell how the City's governmental activities were financed in the short term, as well as what remains for future spending. Fund financial statements report the City's operations in greater detail than the government-wide statements by providing information about the City's most significant funds. In addition, combining statements included in the supplemental information show details of all other governmental funds. The City also holds fiduciary funds on behalf of various parties. These funds are reported in a separate statement.

Reporting on the City as a Whole (Government-Wide)

The view of the City as a whole looks at all financial transactions and asks the question, "Are we in a better financial position as a result of the current year's financial activities?" The Statement of Net Position and the Statement of Activities provide the basis for answering this question. The statements include all assets and all liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received or paid.

These two statements report the City's net position and current year change in net position. The change in net position is important because it tells the reader whether the City, as a whole, has improved or diminished its financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Causes of these changes may be the result of many factors, some financial, some not.

In the Statement of Net Position and the Statement of Activities, the City has one kind of activity – Governmental Activity. All the City's programs and services are reported here including general governmental, public safety, public works and culture and recreation.

CITY OF MISSION, KANSAS

MANAGMENT DICUSSION AND ANALYSIS
For the Year Ended December 31, 2025
Unaudited

Government Wide Position

The Statement of Net Position provides the financial position of the City as a whole. The City's overall financial position increased by 1.8% in 2025. The following is a summary of the City's statement of net position as of December 31, 2025 and 2024.

City of Mission
Condensed Statement of Net Position

	Governmental Activities	
	2025	2024
Current assets	$ 30,671,011	$ 22,783,355
Net capital assets	86,073,073	84,855,499
Total assets	116,744,084	107,638,854
Deferred outflows of resources	1,754,762	1,834,436
Total assets and deferred outflows of resources	$ 118,498,846	$ 109,473,290
Long-term liabilities	$ 33,902,169	$ 27,021,865
Other liabilities	1,329,514	1,334,519
Total liabilities	35,231,683	28,356,384
Deferred inflows of resources	6,466,743	5,591,734
Total liabilities and deferred inflows of resources	$ 41,698,426	$ 33,948,118
Net position:		
Net investment in capital assets	$ 70,657,627	$ 67,183,947
Restricted	4,531,325	1,247,230
Unrestricted	1,611,468	7,093,995
Total net position	$ 76,800,420	$ 75,525,172

The assets of the City are classified as current assets and capital assets. Cash and investments and accounts receivable are the largest current assets. These are assets that are available to provide resources for the near-term operations of the City. Capital assets are used in the operations of the City as well, but on a long-term basis. These assets include land, buildings and improvements, infrastructure (including construction in progress), and machinery and equipment.

Current and non-current liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued liabilities, interest payable, municipal court bonds payable, and unearned revenue.

The City has $24.7 million in long-term debt, consisting of general obligation bonds, capital leases, and a loan from the Kansas Department of Health and Environment (KDHE). $3.0 million of the total debt amount is due within the next fiscal year.

The City had total assets and deferred outflows of resources as of December 31, 2025 totaling $118.5 million. The total assets and deferred outflows of resources of the City exceeds the total liabilities and deferred inflows of resources by $76.8 million. The net investment in capital assets totaled $70.7 million, restricted net position totaled $4.5 million and unrestricted net position totaled $1.6 million.

Government-Wide Activities

The following is a condensed statement of the City's change in net position for the year ended December 31, 2025. Major items of program revenues, grants and general revenues are detailed. Government-wide activities increased the net position of the City by approximately $1.3 million for the year ended December 31, 2025.

Property tax revenues for the year increased by $165,801 or 3.31%, primarily due to an increase in assessed valuations throughout the City. Sales tax revenues increased by $510,219 or 5.78%, primarily due to an increase in taxable sales during the year.

Total expenses for the year increased by $2.6 million or 12.19%. This increase was primarily driven by a higher volume of projects completed by the Public Works Department, implementation of a new step compensation plan for sworn officers, and additional salary and benefit adjustments.

A reconciliation of the total change in fund balances for the governmental funds to change in net position of governmental activities in the Statement of Activities is located on page 17 of the basic financial statements.

CITY OF MISSION, KANSAS

MANAGMENT DICUSSION AND ANALYSIS
For the Year Ended December 31, 2025
Unaudited

City of Mission
Condensed Statement of Net Position

	Governmental Activities	
	2025	2024
Revenues:		
Program revenues:		
Charges for services	$ 5,968,005	$ 5,805,008
Operating grants and contributions	2,399,921	2,309,036
Capital grants and contributions	15,767	31,125
General revenues:		
Property taxes	5,174,516	5,008,715
Motor vehicle tax	252,069	232,189
Sales tax	9,340,273	8,830,054
Franchise tax	1,042,587	985,324
Transient guest tax	99,435	129,872
Investment earnings	417,226	448,992
Miscellaneous	754,062	310,862
Gain on sale of capital assets	-	65,500
Total revenues	25,463,861	24,156,677
Program expenses:		
General government	5,028,983	5,318,584
Public safety	5,592,202	5,440,906
Public works	8,963,478	6,215,326
Culture and recreation	3,760,581	4,147,295
Interest on long-term debt	843,369	438,066
Total expenses	24,188,613	21,560,177
Increase in net position	1,275,248	2,596,500
Net position - beginning	75,525,172	73,194,234
Correction of an error	-	[265,562]
Net position - beginning, restated	75,525,172	72,928,672
Net position - ending	$76,800,420	$ 75,525,172

Reporting the City's Most Significant Funds (Fund Financial Statements)

The City uses many funds to account for a multitude of financial transactions. The fund financial statements focus on the City's most significant funds. Combining fund balance sheets and statement of revenues, expenditures and changes in fund balances provide detailed information about all of the City's major and non-major governmental funds.

All of the City's activities are reported in the governmental funds, which focus on how money flows into and out of the funds and how balances left over at fiscal year-end are available to be spent in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps the reader to decide whether there are more or fewer financial resources that can be spent in the near term to finance the City's programs. Major differences between the City's governmental activities as reported in the statement of net position and the statement of activities and its governmental funds are reconciled in the governmental funds financial statements.

Fund balances as of December 31, 2025 for all governmental funds totaled $17.2 million. Total unassigned fund balances for all governmental funds as of December 31, 2025 was $3.3 million, entirely attributable to the General Fund.

The General Fund is the chief operating fund of the City. At the end of the 2025 fiscal year, total fund balance in the General Fund was $3.8 million, of which $3.3 million is unassigned. Audited numbers for the 2025 fiscal year show a decrease in the total fund balance of $139,225 from the previous year. This change reflects modestly higher expenditures primarily due to increased costs in services and operational support. While the fund balance declined, it remains within a healthy range and continues to support the City's ability to deliver essential services and maintain financial stability. General Fund revenues exceeded expenditures by $720,775, exclusive of any transfers.

The Parks and Recreation Sales Tax Fund is used to account for revenues received from a dedicated three-eighths of one percent sales tax for parks and recreation. A portion of the revenues was pledged to the 2022A Series G.O. Bonds issued for renovation of outdoor parks. The balance is dedicated to other parks and recreation capital and operating expenses. In addition to annual maintenance at the Powell Community Center and Mission Family Aquatic Center, major capital projects funded by these revenues included repaving the Rock Creek Trail and repairing the Broadmoor Park pedestrian bridge. The ending fund balance was $1.5 million as of December 31, 2025.

The Street Sales Tax Fund is used to account for revenues received from a dedicated three-eighths of one percent sales tax for street and transportation related activities. A portion of the revenues were pledged to the 2022A Series G.O. Bonds issued for the continued street improvements throughout the City. The balance of the revenue is utilized for ongoing street and transportation network related projects. In fiscal year 2025, these revenues helped fund the 63rd St Project and the 2025 residential Street Preservation Program. The ending fund balance was $352,148 as of December 31, 2025.

The Stormwater Fund is used to account for stormwater fees assessed on all developed property in the City, as well as stormwater special assessments. The stormwater utility fee is a factor of an equivalent residential unit (ERU), single-family homes paying one ERU and larger properties paying a multiple of ERUs based on the amount of impervious surface. In fiscal year 2025, these revenues funded the 2025 Drainage Modification projects, numerous sink hole repairs, as well as various system inspections. The ending fund balance was $5.8 million as of December 31, 2025.

The Solid Waste Fund is used to account for a solid waste fee assessed on all residential properties in the City to pay for solid waste collection. This allows the City to provide a more efficient and cost-effective collection of residential solid waste by contracting with one hauler. The total expenses in this fund represent the cost of providing this service. The ending fund balance was $19,143 as of December 31, 2025.

The Capital Improvement Fund accounts for resources used to construct and maintain infrastructure in the City. Revenue is primarily derived from the transfer of a significant portion of the City's overall property tax collected in the General Fund. This allocation is transferred from the General Fund to the Capital Improvement Fund each fiscal year to be used for street improvements. In fiscal year 2025, the City spent $1.1 million for the 63rd St Project. The City received reimbursement for a portion of these project costs through the Johnson County Assistance Road System (CARS), and a partial reimbursement from the neighboring city Prairie Village. The City also spent $2.9 million for the 2025 residential Street Preservation Program. As of December 31, 2025, the fund had an ending fund balance of $3.6 million.

Reporting on the General Fund Budget

The City's budget is prepared in accordance with the Kansas Budget Law and is based primarily on cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Property Tax was $370,606 less than what was budgeted for 2025. This is primarily due to anticipated TIF increment payments the City must distribute and property tax delinquencies. Northeast Johnson County has maintained a very strong housing market over the past few years, which has led to higher assessed values for residential property. However, assessments are starting to stabilize.

Use Tax was $183,553 less than what was budgeted for 2024 due to a large refund being issued by the Kansas Department of Revenue.

Actual revenue realized for Licenses and Permits was $28,689 less than budgeted due to implementation challenges associated with new software. Revenue for Fines and Fees was $82,586 less than budgeted. Reduced police staffing and other priorities contributed to this.

Reporting on Capital Assets and Debt Administration

The City's net capital assets increased by $1.2 million in the current fiscal year. Depreciation in assets was offset by new infrastructure construction to City facilities for 2025 Street Preservation, 63rd St, and 2025 Storm Water Sewer Modifications. The park renovation projects included updating numerous assets for the City due to replacing/updating aging infrastructure. The City also purchased new vehicles in the Police department in 2025.

Many of the major road and storm water channel projects are financed through long-term debt. As of December 31, 2025 the City had a total general obligation bond principal debt outstanding of $23,065,000 backed by the full faith and credit of the City. The City maintains a AA+ bond rating, which is the second highest rating possible and represents the City's strong capacity for meeting its financial obligations.

Contacting the City

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, please contact the City's Administration Department at 6090 Woodson, Mission, Kansas 66202.

BASIC FINANCIAL STATEMENTS

CITY OF MISSION, KANSAS

STATEMENT OF NET POSITION
December 31, 2025

Assets and Deferred Outflows of Resources	Governmental Activities
Current assets:	
Cash and cash equivalents	$ 15,340,060
Restricted cash and investments	30,547
Receivables	15,058,991
Land held for resale	100,000
Notes receivable	141,413
Capital assets not being depreciated/amortized:	
Land	9,338,256
Construction in progress	8,434,116
Capital assets, net of accumulated depreciation/amortization:	108,689,458
Less: accumulated depreciation	[40,388,757]
Total assets	116,744,084
Deferred outflows of resources	
Other post-employment benefits	45,896
Pensions	1,708,866
Total deferred outflows of resources	1,754,762
Total assets and deferred outflows of resources	$ 118,498,846
Liabilities and Deferred Inflows of Resources	
Current liabilities:	
Accounts payable	$ 341,769
Accrued liabilities	412,463
Interest payable	440,582
Municipal court bonds payable	30,547
Unearned revenue	104,152
Non-current liabilities:	
Due within one year	3,570,204
Due in more than one year	30,331,966
Total liabilities	35,231,683
Deferred inflows of resources:	
Property tax levied for a subsequent period	5,841,862
Other post-employment benefits	145,432
Pensions	479,449
Total deferred inflows of resources	6,466,743
Total liabilities and deferred inflows of resources	$ 41,698,426
Net Position	
Net investment in capital assets	$ 70,657,627
Restricted for:	
Alcohol awareness programs	306,680
Capital improvements	3,558,707
Convention and tourism	89,733
Culture and recreation	292,318
Donations	57,354
Education	20,280
Public safety	116,651
Public works	89,602
Unrestricted	1,611,468
Total net position	$ 76,800,420

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

CITY OF MISSION, KANSAS

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

	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: Total Governmental Activities
Governmental activities:					
General government	$ 5,028,983	$ 819,824	$ 32,500	$ -	$ [4,176,659]
Public safety	5,592,202	756,218	164,027	-	[4,671,957]
Public works	8,963,478	2,518,628	1,808,834	15,767	[4,620,249]
Culture and recreation	3,760,581	1,873,335	394,560	-	[1,492,686]
Interest on long-term debt	843,369	-	-	-	[843,369]
Total governmental activities	$ 24,188,613	$ 5,968,005	$ 2,399,921	$ 15,767	[15,804,920]
General Revenues:					
Property tax					5,174,516
Motor vehicle tax					252,069
Sales tax					9,340,273
Franchise tax					1,042,587
Transient guest tax					99,435
Investments earnings					417,226
Miscellaneous					754,062
Total general revenues					17,080,168
Change in net position					1,275,248
Net position - beginning					75,525,172
Net position - ending					$ 76,800,420

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

CITY OF MISSION, KANSAS

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	General	Parks and Recreation Sales Tax	Streets Sales Tax	Stormwater
ASSETS				
Cash and cash equivalents	$ 2,903,422	$ 1,297,692	$ 143,812	$ 5,794,009
Restricted cash and investments	30,547	-	-	-
Receivables:				
Taxes	6,409,336	208,335	208,336	-
Special assessments	-	-	-	6,595,356
Due from other funds	7,713	-	-	-
Other	235,220	-	-	-
Land held for resale	100,000	-	-	-
Total assets	$ 9,686,238	$ 1,506,027	$ 352,148	$ 12,389,365
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 245,724	$ -	$ -	$ -
Accrued liabilities	412,463	-	-	-
Due to other funds	-	-	-	-
Payable from restricted assets:				
Municipal court bonds	30,547	-	-	-
Unearned revenue	104,152	-	-	-
Total liabilities	792,886	-	-	-
Deferred inflows of resources:				
Unavailable revenue - property taxes	5,100,001	-	-	-
Unavailable revenue - special assessments	-	-	-	6,595,356
Total deferred inflows of resources	5,100,001	-	-	6,595,356
Fund balance:				
Nonspendable - land held for resale	100,000	-	-	-
Restricted	-	-	-	-
Committed	252,797	1,506,027	352,148	5,794,009
Assigned	157,728	-	-	-
Unassigned	3,282,826	-	-	-
Total fund balance [deficit]	3,793,351	1,506,027	352,148	5,794,009
Total liabilities, deferred inflows of resources and fund balances	$ 9,686,238	$ 1,506,027	$ 352,148	$ 12,389,365

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

CITY OF MISSION, KANSAS

BALANCE SHEET - Continued
GOVERNMENTAL FUNDS
December 31, 2025

	Solid Waste	Capital Improvement	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 19,143	$ 3,053,615	$ 2,128,366	$ 15,340,059
Restricted cash and investments	-	-	-	30,547
Receivables:				
Taxes	-	-	802,035	7,628,042
Special assessments	-	-	-	6,595,356
Due from other funds	-	-	-	7,713
Other	-	505,092	95,281	835,593
Land held for resale	-	-	-	100,000
Total assets	$ 19,143	$ 3,558,707	$ 3,025,682	$ 30,537,310
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ 96,045	$ 341,769
Accrued liabilities	-	-	-	412,463
Due to other funds	-	-	7,713	7,713
Payable from restricted assets:				
Municipal court bonds	-	-	-	30,547
Unearned revenue	-	-	-	104,152
Total liabilities	-	-	103,758	896,644
Deferred inflows of resources:				
Unavailable revenue - property taxes	-	-	741,861	5,841,862
Unavailable revenue - special assessments	-	-	-	6,595,356
Total deferred inflows of resources	-	-	741,861	12,437,218
Fund balance:				
Nonspendable - land held for resale	-	-	-	100,000
Restricted	-	3,558,707	972,618	4,531,325
Committed	19,143	-	1,207,445	9,131,569
Assigned	-	-	-	157,728
Unassigned	-	-	-	3,282,826
Total fund balance [deficit]	19,143	3,558,707	2,180,063	17,203,448
Total liabilities, deferred inflows of resources and fund balances	$ 19,143	$ 3,558,707	$ 3,025,682	$ 30,537,310

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

CITY OF MISSION, KANSAS

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

Total Governmental Fund Balances		$ 17,203,448
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
The cost of capital assets is	126,461,830	
Accumulated depreciation is	[40,388,757]	86,073,073
Other long-term assets are not available to pay for current expenditures and therefore are reported as unavailable in the funds.		6,595,356
Notes receivable do not provide current financial resources and are not reported in the funds		141,413
OPEB contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position		45,896
Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position		1,708,866
OPEB fundings are reported as revenues in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position		[145,432]
Pension fundings are reported as revenues in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position		[479,449]
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
General obligation bonds payable	[23,065,000]	
Premium	[1,603,530]	
Notes payable - financed purchases	[78,488]	
Loan payable	[33,428]	
Interest payable	[440,582]	
Compensated absences payable	[659,717]	
Net pension liability	[7,677,794]	
Total other post-employment benefits	[784,212]	[34,342,751]
Net Position of Governmental Activities		$ 76,800,420

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

CITY OF MISSION, KANSAS

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

	General	Parks and Recreation Sales Tax	Street Sales Tax	Stormwater
REVENUES:				
Taxes	$ 11,658,989	$ 1,210,272	$ 1,210,272	$ -
Intergovernmental	164,027	394,560	-	2,750
Licenses and permits	139,611	-	-	-
Charges for services	1,977,824	-	-	2,518,628
Fines and fees	790,178	-	-	-
Special assessements	-	-	-	15,767
Interest	99,090	10,877	27,276	163,446
Miscellaneous	448,820	-	-	-
Total revenues	15,278,539	1,615,709	1,237,548	2,700,591
EXPENDITURES:				
Current:				
General government	1,755,893	-	-	-
Public safety	5,470,524	-	-	-
Public works	3,691,442	135,652	-	676,516
Culture and recreation	3,149,442	-	-	-
Capital outlay	238,713	448,737	850,000	321,401
Debt service:				
Principal	195,000	260,000	305,000	1,905,678
Interest	56,750	125,550	146,675	236,997
Total expenditures	14,557,764	969,939	1,301,675	3,140,592
Excess [deficiency] of revenues over [under] expenditures	720,775	645,770	[64,127]	[440,001]
OTHER FINANCING SOURCES [USES]:				
Transfers in	20,000	-	-	90,000
Transfers [out]	[880,000]	-	-	[570,000]
Issuance of long-term debt	-	-	-	4,375,000
Total other financing sources [uses]	[860,000]	-	-	3,895,000
Excess [deficiency] of revenues and other sources over [under] expenditures and other sources [uses]	[139,225]	645,770	[64,127]	3,454,999
Fund balance, beginning	3,932,576	860,257	416,275	2,339,010
Fund balance, ending	$ 3,793,351	$ 1,506,027	$ 352,148	$ 5,794,009

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

CITY OF MISSION, KANSAS

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

	Solid Waste	Capital Improvement	Total Nonmajor Funds	Total Governmental Funds
REVENUES:				
Taxes	$ -	$ -	$ 2,327,289	$ 16,406,822
Intergovernmental	-	1,219,324	-	1,780,661
Licenses and permits	-	-	-	139,611
Charges for services	-	-	18,996	4,515,448
Fines and fees	-	-	-	790,178
Special assessements	570,720	-	-	586,487
Interest	18,797	84,026	13,713	417,225
Miscellaneous	2,956	156,000	87,596	695,372
Total revenues	592,473	1,459,350	2,447,594	25,331,804
EXPENDITURES:				
Current				
General government	684,812	309,008	1,920,585	4,670,298
Public safety	-	-	-	5,470,524
Public works	-	-	312,674	4,816,284
Culture and recreation	-	-	-	3,149,442
Capital outlay	-	4,606,689	-	6,465,540
Debt service:				
Principal	-	-	39,770	2,705,448
Interest	-	-	6,305	572,277
Total expenditures	684,812	4,915,697	2,279,334	27,849,813
Excess [deficiency] of revenues over [under] expenditures	[92,339]	[3,456,347]	168,260	[2,518,009]
OTHER FINANCING SOURCES [USES]:				
Transfers in	80,000	1,350,000	25,000	1,565,000
Transfers [out]	-	-	[115,000]	[1,565,000]
Issuance of long-term debt	-	5,222,551	400,000	9,997,551
Total other financing sources [uses]	80,000	6,572,551	310,000	9,997,551
Excess [deficiency] of revenues and other sources over [under] expenditures and other sources [uses]	[12,339]	3,116,204	478,260	7,479,542
Fund balance - Beginning of year	31,482	442,503	1,701,803	9,723,906
Fund balance - End of year	$ 19,143	$ 3,558,707	$ 2,180,063	$ 17,203,448

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

CITY OF MISSION, KANSAS

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

Total Net Change In Fund Balances - Governmental Funds		$ 7,479,542
Amounts reported for governmental activities in the statement of activities are different because:		
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/amortization expense.		
Capital outlay	5,281,330	
Depreciation expense	[3,891,646]	
Loss on sale of capital assets	[172,110]	1,217,574
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		[51,217]
The issuance of long-term debt (e.g., bonds) 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, however, 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 amorized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Issuance of bonds payable and bond premium	[9,997,551]	
Bond principal	2,660,000	
Notes payable - financed purchases	39,770	
Loan principal	5,614	
Amortization of bond premium	183,273	[7,108,894]
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and, thus, requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		[271,027]
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.		
Compensated absences	67,093	
Other post-employment benefits	24,329	
Pension	[82,152]	9,270
Changes In Net Position of Governmental Activities		$ 1,275,248

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

CITY OF MISSION, KANSAS

GENERAL FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance With Final Budget
Revenues:				
Taxes	$ 12,114,605	$ 12,114,605	$ 11,658,989	$ [455,616]
Intergovernmental	157,500	157,500	164,027	6,527
Licenses and permits	164,000	164,000	139,611	[24,389]
Charges for services	1,778,600	1,778,600	1,977,824	199,224
Fines and fees	1,375,250	1,375,250	790,178	[585,072]
Interest	100,000	100,000	99,090	[910]
Miscellaneous	562,500	562,500	448,820	[113,680]
Total revenues	16,252,455	16,252,455	15,278,539	[973,916]
Expenditures:				
General government:				
Personal service	1,018,675	1,018,675	1,110,581	91,906
Contractual	588,995	588,995	601,848	12,853
Commodities	48,050	48,050	43,463	[4,587]
Capital outlay	110,000	110,000	17,858	[92,142]
Total general government	1,765,720	1,765,720	1,773,750	8,030
Public safety:				
Personal service	4,542,018	4,542,018	4,793,774	251,756
Contractual	518,734	518,734	581,554	62,820
Commodities	182,374	182,374	95,195	[87,179]
Capital outlay	88,000	88,000	113,586	25,586
Total public safety	5,331,126	5,331,126	5,584,109	252,983
Public works:				
Personal service	1,990,500	1,990,500	1,911,015	[79,485]
Contractual	1,496,600	1,496,600	1,511,999	15,399
Commodities	231,750	231,750	158,929	[72,821]
Capital outlay	115,000	115,000	102,973	[12,027]
Total public works	3,833,850	3,833,850	3,684,916	[148,934]
Culture and recreation:				
Personal service	2,070,300	2,070,300	2,036,892	[33,408]
Contractual	973,750	973,750	952,139	[21,611]
Commodities	196,250	196,250	160,414	[35,836]
Capital outlay	-	-	4,296	4,296
Total culture and recreation	3,240,300	3,240,300	3,153,741	[86,559]
Debt service	251,750	251,750	251,750	-
Contingency	4,714,797	4,714,797	-	[4,714,797]
Total expenditures:	19,137,543	19,137,543	14,448,266	[4,689,277]

CITY OF MISSION, KANSAS

GENERAL FUND (CONTINUED)

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance With Final Budget
Excess [deficiency] of revenues Over [under] expenditures	$ [2,885,088]	$ [2,885,088]	$ 830,273	$ 3,715,361
Other financing sources [uses]:				
Transfers in	20,000	20,000	20,000	-
Transfers [out]	[1,572,500]	[1,572,500]	[880,000]	692,500
Total other financing sources [uses]	[1,552,500]	[1,552,500]	[860,000]	692,500
Net change in fund balance	[4,437,588]	[4,437,588]	[29,727]	4,407,861
Fund balance, beginning	4,437,588	4,437,588	3,803,826	[633,762]
Fund balance, ending	$ -	$ -	3,774,099	$ 3,774,099
Encumbrances for equipment and professional services ordered but not received are not recorded for GAAP purposes until received			19,252	
Fund balance on the basis of GAAP			$ 3,793,351	

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

CITY OF MISSION, KANSAS

STORMWATER FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Charges for services	$ 2,550,000	$ 2,560,000	$ 2,518,628	$ [41,372]
Special assessments	15,767	15,767	15,767	-
Intergovernmental	-	487,663	2,750	[484,913]
Interest	25,000	100,000	163,446	63,446
Total revenues	2,590,767	3,163,430	2,700,591	[462,839]
Expenditures:				
Public works	300,000	933,826	656,516	[277,310]
Capital outlay	1,324,500	975,325	204,247	[771,078]
Debt service	2,142,825	2,142,825	2,142,675	[150]
Total expenditures:	3,767,325	4,051,976	3,003,438	[1,048,538]
Excess [deficiency] of revenues Over [under] expenditures	[1,176,558]	[888,546]	[302,847]	585,699
Other financing sources [uses]				
Transfers in	112,000	112,000	90,000	[22,000]
Transfers [out]	-	[550,000]	[570,000]	[20,000]
Debt proceeds	-	4,443,712	4,375,000	[68,712]
Total other financing sources [uses]	112,000	4,005,712	3,895,000	[110,712]
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	[1,064,558]	3,117,166	3,592,153	474,987
Fund balance, beginning	1,112,318	2,339,010	2,192,985	[146,025]
Fund balance, ending	$ 47,760	$ 5,456,176	$ 5,785,138	$ 328,962
Encumbrances for equipment and professional services ordered but not received are not recorded for GAAP purposes until received			8,871	
Fund balance on the basis of GAAP			$ 5,794,009	

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

CITY OF MISSION, KANSAS

SOLID WASTE FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Charges for services	$ 575,000	$ 570,000	$ 570,720	$ 720
Interest	7,500	15,000	18,797	3,797
Miscellaneous	2,500	2,500	2,956	456
Total revenues	585,000	587,500	592,473	4,973
Expenditures:				
General government	678,850	682,800	684,812	2,012
Total expenditures:	678,850	682,800	684,812	2,012
Excess [deficiency] of revenues Over [under] expenditures	[93,850]	[95,300]	[92,339]	2,961
Other financing sources [uses]				
Transfers in	55,000	80,000	80,000	-
Total other financing sources [uses]	55,000	80,000	80,000	-
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	[38,850]	[15,300]	[12,339]	2,961
Fund balance, beginning	45,588	31,482	31,482	-
Fund balance, ending	$ 6,738	$ 16,182	$ 19,143	$ 2,961

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

CITY OF MISSION, KANSAS

STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2025

	Total Custodial Funds
Assets	
Cash and cash equivalents	$ 9,915
Net position:	
Restricted for individuals, organizations, and other governments	$ 9,915

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

CITY OF MISSION, KANSAS

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

	Total Custodial Funds
Additions:	
Reinstatement fees	$ 12,563
Judicial surcharge	3,162
Total additions	15,725
Deductions:	
Reinstatement fee remittance	12,535
Judicial surcharge remittance	3,140
Total deductions	15,675
Change in net position	50
Net position, beginning	9,865
Net position, ending	$ 9,915

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

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Mission, Kansas (the City) is a city of the second class with a mayor-council form of government with the addition of a city administrator. The City was incorporated in 1951 and covers an area of approximately 2.87 square miles in Johnson County, Kansas. The City's organization consists of the general government, which is made up of the general overhead, legislative, administration, and community development departments; public safety, which is made up of the municipal court and police departments; the public works department; and culture and recreation, which is made up of the Mission Family Aquatic Center and Community Center departments.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Rock Creek Drainage District #1 and Rock Creek Drainage District #2 (the Districts) are blended component units of the City. The City created the Districts to generate revenue for stormwater projects. Each year, the Districts transfer funds primarily to the City's stormwater fund. The Districts are legally separate entities from the City. However, the City Council makes up the entirety of the Districts' boards. As such, the City can impose its will on the Districts. Additionally, the City's management manages the activities of the Districts in essentially the same manner as they manage City activities. Separately issued financial statements are not prepared for the Districts.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All nonfiduciary activities of the City are governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to use in meeting the operational or capital requirements of a particular function. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund 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 and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Each fund is considered to be a separate accounting entity, accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Governmental resources are allocated to and accounted for within individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Note 1. Summary of Significant Accounting Policies (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Property taxes, sales taxes, utility franchise taxes, interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

While property taxes receivable and other assessments receivable are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year end because statutory provisions prohibit their use until the year for which they were raised and budgeted. Instead, they are offset by unavailable revenue accounts.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Parks and Recreation Sales Tax Fund* is a capital projects fund used to account for revenues received from 3/8 of one percent sales tax for parks and recreation, with a portion pledged to retire the Series 2022-A General Obligation Bonds issued for outdoor park improvements. The balance may be used for other parks and recreation activities, including operating costs. Voters renewed the sales tax in September 2022 for 10 years with a new sunset in March 2033.

The *Streets Sales Tax Fund* is a capital project fund used to account for revenues from the 3/8 cent sales tax for streets and transportation improvements. Voters renewed the sales tax in September 2021 for 10 years with a new sunset in March 2032.

The *Stormwater Fund* is a special revenue fund used to account for storm water utility charges received based on an equivalent residential unit (ERU) to be used for storm water improvements citywide, including public works expenditures. Revenues are either restricted or committed for this purpose.

The *Solid Waste Fund* is a special revenue fund used to account for solid waste utility charges collected from an annual assessment to cover general government expenditures, including contract and supply costs related to residential trash, recycling and yard work collection. Revenues are either restricted or committed for this purpose.

The *Capital Improvement Fund* is a capital projects fund used to account for resources used to construct and maintain infrastructure citywide.

Note 1. Summary of Significant Accounting Policies (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the City reports the following fiduciary fund type:

Custodial funds are used to report resources held by the City in a purely custodial capacity. The City uses Custodial funds to account for amounts collected through the court for driver's license reinstatement fees due to the State of Kansas, and for amounts collected and paid for Driving Under the Influence evaluations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

The City's cash and investments are considered to be demand deposits and cash held by the State of Kansas Municipal Investment Pool. The City considers all highly liquid, short-term investments with original maturities of 90 days or less to be cash equivalents.

Investments are reported in the accompanying financial statements at fair value.

D. Receivables and Payables

Receivables are reported on the government-wide financial statements net of an allowance for uncollectible accounts. As of December 31, 2025, an allowance for uncollectible receivables of approximately $554,979 has been recorded.

Note 1. Summary of Significant Accounting Policies (Continued)

E. Receivables and Payables (Continued)

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

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

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

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

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned.

F. Capital Assets

Capital assets, which include land, buildings, improvements, equipment, infrastructure assets, and construction in progress, are reported in the government-wide financial statements as assets. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Asset Category	Years
Buildings	20 - 75
Building improvements	20 - 75
Machinery and equipment	5 - 10
Office equipment	5 - 10
Infrastructure	20 - 75
Fitness equipment	3

Note 1. Summary of Significant Accounting Policies (Continued)

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 7 and 8 for more information on the deferred outflows for the pension plans and other post-employment benefits (OPEB) plans, respectively.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has several items that qualify for reporting in this category. One item, *unavailable revenue*, is reported in the governmental funds balance sheet and the governmental activities in the government-wide statement of net position. The governmental funds and governmental activities report unavailable revenues from property taxes and the governmental funds report unavailable revenues from special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other items are deferred inflows for the OPEB and pension plans. See Notes 7 and 8 for more information on the deferred inflows for the OPEB and pension plans, respectively.

H. Compensated Absences

Under terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. At the end of each calendar year, employees are allowed to carry over any unused vacation and sick leave. In the event of termination, an employee is paid for any unused carryover plus all unused earned vacation through the date of separation not to exceed a total of 240 hours. The City's sick leave policy is to pay employees 50% of unused sick leave upon retirement or termination without cause. The government-wide financial statements recognize liability for accrued compensated absences for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability is also recognized for leave that has been used but not yet paid in cash or settled through noncash means. In the governmental fund financial statements, a liability is accrued for the amount that normally would be liquidated with expendable available financial resources.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the effective interest 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 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.

Note 1. Summary of Significant Accounting Policies (Continued)

J. Pensions

For purposes of measuring the collective 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/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based on primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2025, fund balances for governmental funds are made up of the following:

Nonspendable fund balances include amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long- term notes receivable.

Restricted fund balances include amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed fund balances include amounts that can only be used for specific purposes determined by a formal action, an ordinance, of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City Council taking the same formal action, an ordinance, that originally imposed the constraint.

Assigned fund balances include amounts intended to be used by the City for specific purposes that are neither restricted nor committed. The City Council authorizes by resolution the City Administrator to assign fund balances. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of the assignment.

Unassigned fund balances are used as the residual classification for the General Fund and include all amounts not contained in other classifications. The General Fund is the only fund that can report a positive unassigned fund balance amount. In governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

It is the fund balance policy of the City to budget an amount in the General Fund reserves equal to 25% of budgeted General Fund revenues for that same budget year.

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

Note 1. Summary of Significant Accounting Policies (Continued)

K. Fund Balances (Continued)

	Major Governmental Funds							
	General	Parks and Recreation Sales Tax	Street Sales Tax	Stormwater	Solid Waste	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Fund Balances:								
Nonspendable	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000
Restricted for:								
Alcohol awareness programs	-	-	-	-	-	-	306,680	306,680
Capital improvements	-	-	-	-	-	3,558,707	-	3,558,707
Conventions and tourism	-	-	-	-	-	-	89,733	89,733
Culture and recreation	-	-	-	-	-	-	292,318	292,318
Donations	-	-	-	-	-	-	57,354	57,354
Education	-	-	-	-	-	-	20,280	20,280
Public safety	-	-	-	-	-	-	116,651	116,651
Public works	-	-	-	-	-	-	89,602	89,602
	-	-	-	-	-	3,558,707	972,618	4,531,325
Committed for:								
ADA compliance	252,797	-	-	-	-	-	-	252,797
Culture and recreation	-	1,506,027	-	-	-	-	15,150	1,521,177
Development projects	-	-	-	-	-	-	1,089,578	1,089,578
Equipment reserve and replacement	-	-	-	-	-	-	83,120	83,120
Farm and flower market	-	-	-	-	-	-	19,579	19,579
Public works	-	-	352,148	5,794,009	-	-	18	6,146,175
Solid waste	-	-	-	-	19,143	-	-	19,143
	252,797	1,506,027	352,148	5,794,009	19,143	-	1,207,445	9,131,569
Assigned for:								
Zoning code update	19,252	-	-	-	-	-	-	19,252
Public safety	53,346	-	-	-	-	-	-	53,346
Public works	25,130	-	-	-	-	-	-	25,130
Economic development	60,000	-	-	-	-	-	-	60,000
	157,728	-	-	-	-	-	-	157,728
Unassigned:	3,282,826	-	-	-	-	-	-	3,282,826
Total Fund Balances	$ 3,793,351	$ 1,506,027	$ 352,148	$ 5,794,009	$ 19,143	$ 3,558,707	$ 2,180,063	$ 17,203,448

Note 1. Summary of Significant Accounting Policies (Continued)

L. Net Position

In the government-wide financial statements, equity is displayed in three components as follows:

Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

M. Use of Estimates

The preparation of 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, deferred outflows of resources and deferred inflows of resources, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

N. Pending Governmental Accounting Standards Board Statements

As of December 31, 2025, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This statement also addresses certain application issues. The requirements of this statement will become effective for the City during the year ended December 31, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement 34 and additional disclosures for capital assets held for sale. The requirements of this statement will become effective for the City during the year ended December 31, 2026.

Note 2. Stewardship, Compliance and Accountability

Budgetary Information. The City is required by State statute to legally adopt annual operating budgets for all funds unless exempted by a specific statute. The City has legally adopted annual budgets for the General Fund, the Stormwater Fund, the Solid Waste Fund, the Parks and Recreation Sales Tax Fund, the Streets Sales Tax Fund, the Capital Improvement Fund, the Special Alcohol Fund, Special Parks and Recreation Fund, Special Highway Fund, Mission Convention and Visitors Bureau Fund, Rock Creek Drainage District #1 Fund, Rock Creek Drainage District #2 Fund, Cornerstone Commons CID Fund, and the Equipment Reserve and Replacement Fund. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. The following funds were amended during fiscal year 2025: Special Highway, Equipment Reserve and Replacement, Stormwater, and Solid Waste.

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

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year end. Encumbered appropriations are carried forward.

A legal operating budget is not required for the Special Law Enforcement Fund, School District Sales Tax Fund, Donations and Escrow Fund, Mission Crossing TIF Fund, Silvercrest TIF Fund, Mission Trails TIF Fund, Capitol Federal TIF Fund, Transportation Utility Fund, Rock Creek TIF District #3 Fund, Rock Creek TIF District #4 Fund, Mission Farm and Flower Market Fund, Opioid Settlement Fund, Family Adoption Fund, Mission Bowl TIF Fund, Rock Creek TIF District #2 Fund, Gateway TIF District Fund and the fiduciary funds.

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

Note 3. Deposits and Investments

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the City. The City's deposit policy for custodial credit risk requires that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral according to K.S.A. 9-1402.

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

As of December 31, 2025, the City had the following investment and related maturity:

			Investment Maturity (in Years)	
Investment Type	Fair Value	Rating U.S.	Less than 1	1 - 2
Kansas Municipal Investment Pool	$ 14,228,363	NR	$ 14,228,363	$ -

Credit Risk. Various City investments are considered to be idle funds by management and are invested according to K.S.A. 12-1675. The statute requires that the City invest its idle funds only in temporary notes of the City, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the fund: U.S. Treasury bills or notes or the Kansas Municipal Investment Pool (KMIP). The City's investments in the KMIP were not rated by a rating agency as of December 31, 2025. Maturities of the above investments may not exceed two years by statute, except for certain bond proceeds and monies used to implement the City's multi-year capital improvements program.

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 obligations 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 ten 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.

Some of the City's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 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 K.S.A. 10-131.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City is not exposed to significant interest rate risk.

Concentration of Credit Risk. State statutes and the City place no limit on the amount the City may invest in any one issuer.

Note 3. Deposits and Investments (Continued)

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside part. As of December 31, 2025, the City's investments were not exposed to custodial credit risk.

Fair Value Measurement. 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 1 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.

Note 4. Notes Receivable

In April 2007, the City signed promissory notes to finance both a borrower's acquisition of a building and other improvements in the amount of $534,692 as well as the borrower's remodeling of the building and other improvements for business operations in the amount of $267,882, with both loans over a term of 21 years at 5.00% per annum. During the fiscal year ending December 31, 2025, the City received $55,758 in principal payments towards the loans. As of December 31, 2025, the City had outstanding notes receivable of $141,413.

Note 5. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 9,338,256	$ -	$ -	$ 9,338,256
Construction-in-progress	3,584,829	4,849,287	-	8,434,116
Total capital assets, not being depreciated	12,923,085	4,849,287	-	17,772,372
Capital assets, being depreciated:				
Buildings	13,055,744	-	-	13,055,744
Improvements	3,437,771	-	-	3,437,771
Infrastructure	80,204,261	-	-	80,204,261
Machinery and equipment	11,790,995	432,043	231,356	11,991,682
Total capital assets, being depreciated	108,488,771	432,043	231,356	108,689,458
Less accumulated depreciation for:				
Buildings	6,074,345	280,402	-	6,354,747
Improvements	763,714	223,479	-	987,193
Infrastructure	23,412,220	2,860,681	-	26,272,901
Machinery and equipment	6,306,078	527,084	59,246	6,773,916
Total accumulated depreciation	36,556,357	3,891,646	59,246	40,388,757
Governmental activities capital assets, net	$ 84,855,499	$ 1,389,684	$ 172,110	$ 86,073,073

Depreciation expense was charged to functions/programs of the City for the year ended December 31, 2025, as follows:

Governmental Activities:	
General government	$ 272,423
Public safety	61,900
Public works	2,959,534
Culture and recreation	597,789
Total depreciation	$ 3,891,646

Note 6. Long-Term Debt

Changes in Long-Term Liabilities. Long-term liability activity for the year ended December 31, 2025, was as follows:

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025	Current Portion
General obligation bonds	$ 16,360,000	$ 9,365,000	$ 2,660,000	$ 23,065,000	$ 3,010,000
General obligation bonds premium	1,154,252	632,551	183,273	1,603,530	-
General obligation bonds, net	17,514,252	9,997,551	2,843,273	24,668,530	3,010,000
Notes payable - financed purchases - direct borrowing	118,258	-	39,770	78,488	42,345
KDHE loan payable - direct borrowing	39,012	-	5,583	33,429	5,730
Compensated absences *	726,810	-	67,093	659,717	455,205
Total OPEB	770,603	63,724	50,115	784,212	56,924
Net pension liability	7,852,900	-	175,106	7,677,794	-
	$ 27,021,835	$ 10,061,275	$ 3,180,940	$ 33,902,170	$ 3,570,204

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

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and capital projects.

General obligation bonds payable as of December 31, 2025, are comprised of the following:

General Obligation Bonds	Interest Rates	Original Amount	Final Maturity Date	Principal Payments During 2025	Outstanding December 31, 2025
Series 2014A - Refunding	2.00 - 3.00%	$ 9,795,000	09/01/29	$ 395,000	$ 1,745,000
Series 2019A - Capital Improvement	4.00 - 5.00%	3,470,000	09/01/29	450,000	2,035,000
Series 2020A - Refunding	1.50 - 2.00%	6,020,000	09/01/29	1,055,000	1,840,000
Series 2021A - Capital Improvement	2.00 - 3.00%	3,205,000	09/01/36	195,000	2,445,000
Series 2022A - Capital Improvement	4.00 - 5.00%	6,655,000	04/01/33	565,000	5,635,000
Series 2025A - Capital Improvement	4.00 - 5.00%	9,365,000	10/01/35	-	9,365,000
				$ 2,660,000	$ 23,065,000

Call provisions at the option of the City included in the bonds are as follows:

Series 2019A: Callable September 1, 2027, at par plus accrued interest.
Series 2020A: Callable September 1, 2027, at par plus accrued interest.
Series 2021A: Callable September 1, 2029, at par plus accrued interest.
Series 2022A: Callable April 1, 2030, at par plus accrued interest.
Series 2025A: Callable October 1, 2032, at par plus accrued interest.

The remaining installment ranges for the general obligation bonds are as follows:

Note 6. Long-Term Debt (Continued)

General Obligation Bonds	Installment Range Low	High
Series 2014A - Refunding	$ 395,000	$ 460,000
Series 2019A - Capital Improvement	450,000	545,000
Series 2020A - Refunding	275,000	1,055,000
Series 2021A - Capital Improvement	195,000	245,000
Series 2022A - Capital Improvement	565,000	820,000
Series 2025A - Capital Improvement	690,000	1,110,000

Annual debt service requirements through maturity for the bonds are as follows:

Year Ending December 31,	General Obligation Bonds Principal	Interest	Total
2026	$ 3,010,000	$ 1,057,400	$ 4,067,400
2027	3,255,000	803,525	4,058,525
2028	3,000,000	674,125	3,674,125
2029	3,130,000	548,075	3,678,075
2030	1,820,000	411,850	2,231,850
2031 - 2035	8,605,000	919,700	9,524,700
2036	245,000	4,900	249,900
Total	$ 23,065,000	$ 4,419,575	$ 27,484,575

Kansas Department of Health and Environment - Direct Borrowing. The Kansas Department of Health and Environment (KDHE) and the City entered into an agreement for direct borrowing. The loan calls for an interest rate of 2.60%. The agreement provides that, in the event of default, KDHE may take whatever action is available under the law or at equity to collect the debt due or to become due. KDHE may also collect any legal fees, or otherwise, necessary to carry out this action. The agreement also provides that KDHE may take action to accelerate payment of remaining principal if deemed necessary.

Annual debt service requirements to maturity for the KDHE loan outstanding as of December 31, 2025, are as follows:

Year Ending December 31,	Notes Payable - Direct Borrowing Principal	Interest	Total
2026	$ 5,730	$ 832	$ 6,562
2027	5,880	682	6,562
2028	6,034	528	6,562
2029	6,192	370	6,562
2030	6,354	208	6,562
2031	3,239	42	3,281
Total	$ 33,429	$ 2,662	$ 36,091

Notes Payable - Financed Purchases. The City acquired equipment for governmental activities under a financed purchase agreement. In the year that the assets are acquired, the City records the present value of future payments as a capital outlay expenditure and as an offsetting other-financing source in the governmental fund financial statements.

Note 6. Long-Term Debt (Continued)

In the purchase agreement for exercise equipment, the exercise equipment is the pledged collateral. In the event of default, the agreement provides that the lender may request payment of all payments due within the budget year that the default occurs (accelerated payment), as well as outstanding payments from past budget years, if any. The agreement also provides that the lender or the City may terminate the lease after one year, but payment of any outstanding principal for that particular budget year must be paid.

The assets acquired through these financed purchases are as follows:

Assets:	
Fitness equipment	$ 124,583
Less: accumulated depreciation	[32,361]
Net book value	$ 92,222

Future minimum payments for financed purchases as of December 31, 2025, are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 42,345	$ 3,730	$ 46,075
2027	36,143	974	37,117
Total	$ 78,488	$ 4,704	$ 83,192

Conduit Debt Obligations. The City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State of Kansas, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2025, there were two series of industrial revenue bonds outstanding, with an aggregate authorized principal amount of $225,358,589.

Conduit Debt Obligations as of December 31, 2025

IRB's	Issue Date	Authorized	Outstanding	Rate	Maturity Date
Housing IRB's					
Mission Square	12/18/2009	$ 11,100,000	$ 6,713,168	3.50%	12/1/2039
Project IRB's					
Aryeh Realty LLC (Gateway)	10/26/2018	214,258,589	78,000	2.00%	8/31/2032
		$ 225,358,589	$ 6,791,168		

Note 7. Other Postemployment Benefit Healthcare Plans

Health Insurance

Benefits Provided and Contributions. The City offers postemployment health insurance for retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan administered by the City. The other postemployment benefit (OPEB) plan (the OPEB Plan) provides medical benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The OPEB Plan does not issue a standalone financial report.

Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2025, totaled $21,002.

Employees Covered by Benefit Terms. As of the actuarial valuation date of January 1, 2025, the following employees were covered by the benefit terms.

Inactive members currently receiving benefits	3
Active members	7
Total	10

Total OPEB Liability. The City's total OPEB liability of $754,719 is measured as of December 31, 2025, and was determined by an actuarial valuation performed as of January 1, 2025.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the January 1, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate as of measurement date	4.43%
Discount rate for OPEB expense	4.28%
Mortality table	Pub-2016 Headcount-Weighted General and Safety Mortality Tables, separetly for Employees and Retirees with generational projection in accordance with Scale MP-2021
Salary scale	5.00%
Healthcare cost trend rates	
Current rate	7.50%
Ultimate rate	4.60%
Year ultimate rate is reached	2050
Actuarial cost method	Entry age normal- level pay

The discount rate was based on the S&P Municipal Bond 20-Year High Grade Rate Index as of the measurement date.

The actuarial assumptions were based on the results of the most recent actuarial experience study that was conducted for a period through December 31, 2025.

Changes and items of impact relative to the prior valuation were as follows:

1. The discount rate was updated to reflect changes in the applicable municipal bond index.
2. New mortality tables were incorporated in the valuation, with a projection for mortality improvements.
3. Healthcare cost and administrative expense trend rates were updated to reflect current expectations.

Note 7. Other Postemployment Benefit Healthcare Plans (Continued)

Changes in Total OPEB Liability.

	OPEB liability
Balance 1/1/2025	$ 742,149
Service cost	18,241
Interest cost	31,689
Benefit paid	[40,399]
Changes in assumptions	5,103
Changes in experience	[2,064]
Balance 12/31/2025	$ 754,719

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.

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

	1% decrease	Discount rate	1% increase
	4.43%	4.43%	5.43%
Total OPEB Liability	$ 825,856	$ 754,719	$ 691,915

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.

The following represents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

		Healthcare cost Trend rates Current trend	
	1% decrease	Assumption	1% increase
Total OPEB Liability	$ 689,741	$ 754,719	$ 828,802

OPEB Expense and Deferred Outflows and Inflows of Resources.

For the year ended December 31, 2025, the City recognized OPEB expense of $616. As of December 31, 2025, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 41,195	$ [27,624]
Changes of assumptions	4,006	[75,272]
Total	$ 45,201	$ [102,896]

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

Note 7. Other Postemployment Benefit Healthcare Plans (Continued)

Year ended December 31,	Deferred [Inflows] Outflows Amount
2026	$ [48,638]
2027	[11,441]
2028	1,957
2029	427
2030	-
2031+	-
Total	$ [57,695]

Disability Benefits and Life Insurance

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

Employer contributions are established and may be amended by state statute. Members are not required to contribute. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2025, totaled $0.

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, 66⅔ percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

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

Note 7. Other Postemployment Benefit Healthcare Plans (Continued)

Employees Covered by Benefit Terms. As of the valuation date of December 31, 2024, the following employees were covered by the benefit terms.

Active employees	41
Disabled members	-
Total	41

Total OPEB Liability. The City's total OPEB liability of $29,493 was measured as of June 30, 2025, and was determined by an actuarial valuation performed as of December 31, 2024.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2024 actuarial valuation, which was rolled forward to June 30, 2024, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

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

The discount rate was based on the Bond Buyer General Obligation 20-Year Municipal Bond Index.

The actuarial assumptions used in the December 31, 2024, valuation were based on the results of an actuarial experience study during 2019-2022.

Changes and items of impact relative to the prior valuation were as follows:

1. The discount rate was updated in accordance with the requirements of GASB 75.

The overall impact of the new assumptions is a decrease in the benefit obligations.

Changes in the Total OPEB Liability.

Balance 1/1/2025	$ 28,454
Service cost	7,287
Interest	1,404
Effect of economic/demographic gains or losses	[5,524]
Changes in assumptions	[2,128]
Balance 12/31/2025	$ 29,493

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

Note 7. Other Postemployment Benefit Healthcare Plans (Continued)

	1% decrease (4.20%)	Discount rate (5.20%)	1% increase (6.20%)
Total OPEB Liability	$ 31,170	$ 29,493	$ 27,814

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% decrease	Healthcare cost Trend rates	1% increase
Total OPEB Liability	$ 29,493	$ 29,493	$ 29,493

OPEB Expense and Deferred Outflows and Inflows of Resources. For the year ended December 31, 2025, the City recognized OPEB expense of $381. As of December 31, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ [35,832]
Changes of assumptions	695	[6,704]
Total	$ 695	$ [42,536]

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

Year ended June 30,	
2026	$ [8,286]
2027	[7,924]
2028	[6,775]
2029	[5,452]
2030	[4,923]
Thereafter	[8,481]
Total	$ [41,841]

Aggregate OPEB Information.

	Balances as of December 31, 2025		
	Health Insurance	Disability Benefits and Life Insurance	Total
Deferred outflows	$ 45,201	$ 695	$ 45,896
Deferred inflows	[102,896]	[42,536]	[145,432]
Total OPEB liability	754,719	29,493	784,212
OPEB expense	616	381	997

Note 8. Employee Retirement Systems and Defined Benefit Pension Plan

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

- Public employees, which include:
    - State/school employees
    - Local employees
- Police and firemen
- Judges

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

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

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

Benefits Provided. Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 points (police and firemen 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, member employees may withdraw their contributions from their individual accounts, including interest. Member employees 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.

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

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

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

Note 8. Employee Retirement Systems and Defined Benefit Pension Plans (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6.00% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. K.S.A. 74-4975 establishes the Police and Firemen (KP&F) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates be determined based on the results of each annual actuarial valuation for each of the three state-wide pension groups. 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 groups are funded on an actuarial reserve basis.

For KPERS fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.20% of total payroll.

The actuarially determined employer contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate were 9.71% for KPERS and 24.67% for KP&F for the year ended December 31, 2025. Contributions to the Pension Plan from the City were $352,968 for KPERS and $691,167 for KP&F for the year ended December 31, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions. As of December 31, 2025, the City reported a liability of $7,677,794 ($2,549,662 for KPERS and $5,128,132 for KP&F) for its proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2025, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025.

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

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The City's proportion of the collective net pension liability was based on the ratio of the City's actual contributions to KPERS & KP&F, relative to the total employer and nonemployer contributions of the Local group within KPERS & KP&F for the KPERS fiscal year ended June 30, 2025. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. As of June 30, 2025, the City's proportion for KPERS was 0.127%, which was a decrease of 0..004% from its proportion measured as of June 30, 2024. As of June 30, 2025, the City's proportion for KP&F was 0.316%, which was a decrease of 0.13% from its proportion measured as of June 30, 2024.

Note 8. Employee Retirement Systems and Defined Benefit Pension Plans (Continued)

For the year ended December 31, 2025, the City recognized pension expense of $1,052,761 ($330,945 for KPERS and $721,816 for KP&F). As of December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	$ 931,823	$ -
Net differences between projected and actual earnings on investments	-	[220,782]
Changes of assumptions	188,493	-
Changes in proportion	81,435	[258,667]
Contributions subsequent to the measurement date	507,115	-
Total	$ 1,708,866	$ [479,449]

The $507,115 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Local	Police and firemen	
Year ended December 31,	Deferred [Inflows] Outflows Amount	Deferred [Inflows] Outflows Amount	Total
2026	$ 411,849	$ 745,541	$ 1,157,390
2027	26,240	71,693	97,933
2028	5,997	[13,764]	[7,767]
2029	[3,463]	[14,676]	[18,139]
2030	-	-	-
Total	$ 440,623	$ 788,794	$ 1,229,417

Actuarial Assumption. 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, applied to all periods included in the measurement:

Assumptions	Rate
Price inflation	2.75%
Wage inflation	3.50%
Salary increases, including wage increases	3.50% to 15.50%, including inflation
Long-term rate of return, net of investment expense, and including price inflation	7.00%

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocations as of June 30, 2024, are summarized in the following table:

Note 8. Employee Retirement Systems and Defined Benefit Pension Plans (Continued)

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

Discount Rate. The discount rate used 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 first 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 Collective Net Pension Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the collective net pension liability calculated using the discount rate of 7.00% as well as what the City's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Local	$ 3,762,500	$ 2,549,662	$ 1,531,041
Police and firemen	7,055,143	5,128,132	3,513,592
Total	$ 10,817,643	$ 7,677,794	$ 5,044,633

Plan Fiduciary Net Position. Detailed information about the Pension Plan's fiduciary net position is available in the separately issued KPERS financial report.

Note 9. Defined Contribution Plan

The City has established the City of Mission Money Purchase Plan, administered by the Principal Financial Group, available to employees other than those participating in KP&F. The City Council established and amends benefit provisions. Employees age 21 or older are eligible to participate after completing 1,000 or more hours of service. The City's contributions for each employee are 60% vested after five years of service and vest an additional 20% each year thereafter. The City makes annual contributions to the plan equal to 2% of covered employees' wages. Employees under the plan can make contributions to the plan of up to 10% of their wages. City contributions for 2025 were $50,173.

Note 10. Special Assessments

In January 2015, the City passed Ordinance Number 1419 establishing the Gateway Special Benefit District and levying special assessments on certain property to pay the costs of internal stormwater improvements and providing for the collection of such special assessments in 20 annual installments. Special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the Stormwater Fund with a corresponding amount recorded as deferred inflows. Special assessments receivable as of December 31, 2025, in the fund financial statements totaled $6,595,356.

Note 11. Risk Management

The City is exposed to various risks of loss related to torts; damage to and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

Note 12. Commitments and Contingencies - Encumbrances

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. As of December 31, 2025, the City's recorded encumbrances in governmental funds were as follows:

General Fund	$ 19,252
Special Highway Fund	42
Stormwater Fund	8,871
Capital Improvement Fund	179,212
Parks and Recreation Sales Tax Fund	10,436
	$ 217,813

Note 13. Interfund Transfers

Transfers by fund for the year ended December 31, 2025, were as follows:

Fund	Transfers In	Transfers Out
General	$ 20,000	$ 880,000
Stormwater	90,000	570,000
Capital Improvement	1,350,000	-
Solid Waste	80,000	-
Nonmajor governmental	25,000	115,000
Total	$ 1,565,000	$ 1,565,000

All significant interfund transfers in 2025 were routine or administrative in nature. 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, and (2) use unrestricted revenues collected in a fund that is used to finance various programs and capital improvement projects accounted for in another fund in accordance with budgetary authorizations.

Note 14. Amounts Due To and From Other Funds

As of December 31, 2025, the City had $7,713 due from the Mission Flower Market Fund to the General Fund.

Note 15. Economic Development Incentives

The City of Mission has utilized a number of economic development incentives that are authorized under Kansas state statutes including industrial revenue bonds (IRBs) [K.S.A. 12-1740 et seq]; tax increment financing (TIF) [K.S.A. 12-1770 et seq]; and community improvement district (CID) [K.S.A. 12-6a26 et seq]. Application of these incentives is further clarified by specific City Council policies.

Consideration of any incentive begins with the submittal of an application (including fee) to the City. City staff will review the merits of the application as well as conduct a financial analysis of the request. Staff will then negotiate the terms for the use of the incentive which are memorialized in a development agreement. The City Council ultimately approves the use of any incentive by ordinances and in conformance with the provisions of the applicable state statues.

This footnote provides information on current economic development projects that the City of Mission has undertaken utilizing these tools. Many projects use more than one tool, and by their very nature incorporate some form of tax abatement.

Tax Increment Financing (TIF): The Kansas TIF Act (K.S.A. 12-1770 et seq) authorize the use of TIF by cities and counties to aid in the financing of private development projects that will provide substantial public benefit such as job creation/retention, elimination of blight, or needed public improvements. City Council Policy 106 provides further guidance on the use of TIF by the City of Mission.

TIF permits the City to capture the additional (incremental) property tax and sales tax for all taxing jurisdictions that are generated from new development that is above the original (base) property and sales tax that existed prior to the new development occurring. The incremental property and sales tax collected by the City is used to reimburse the developer for certain eligible costs associated with the development, or for certain public improvements that encourage future development, while the base property and sales tax continues to be collected by the various taxing jurisdictions. The use of TIF is limited to 20 years for each development project.

The use of TIF begins with the establishment of a TIF district. A study must be submitted to the City demonstrating how the property within a clearly defined area meets one or more of the criteria outlined in the TIF Act that would give cause for the use of TIF. The study is evaluated by City staff and a public hearing held to take testimony on the study. Notice of the public hearing is given to the school board and the board of county commissioners. Each has the right to submit an objection to the creation of the district. If there is no objection, and the Council finds the testimony to be compelling, it may then establish the TIF district by ordinance.

Once the TIF district is established, a developer and/or property owner may submit a Project Plan to the City with details for a proposed development project within the district. The project plan outlines how the proposed development project will address the underlining concerns that led to the creation of the TIF district, and how TIF is to be used in assisting with the proposed development project. Staff will evaluate the merits and cost-benefit of the Project Plan before submitting it to the City Council for consideration. Again, a public hearing is set to take testimony on the Project Plan and notice of such is sent to the school board and board of county commissioners. If the Project Plan is approved, a redevelopment agreement specifying the performance standards for the development project, costs to be reimbursed, and other requirements will be adopted by the City Council.

The City of Mission establishes individual funds for each TIF district in order to track the property and sales tax collected and reimbursed back to the developer. The funds are shown as non-major governmental funds in this annual comprehensive financial report. For the fiscal year ending December 31, 2025, the city applied incremental revenues to TIF projects as follows.

Note 15. Economic Development Incentives (Continued)

Project Name:	Gateway (Rock Creek TIF District #1)
Project Description:	650,000 sq. ft. mixed used redevelopment of the former Mission Mall site. Project to include 373 apartment units, 202 room hotel, 5-story office building, food hall, movie-entertainment complex, and general retail.
Total Project Costs:	$268,000,000 (from July 2023, no longer applicable)
Total TIF Eligible Costs:	$64,000,000 (from July 2023, no longer applicable)
TIF Base Year Established:	2006 – Ordinance 1190, Ordinance 1195; 2019-Ordinance 1508
TIF Project Plan Adopted:	2017 – Ordinance 1468; 2022 – Ordinance 1577. There is no current TIF Project Plan for this project, the previous plan was terminated in July 2023.
Approved TIF Incentives:	The incentives to be provided to the developer in the last plan (2022) included the following: 100% ad valorem property tax increment, 55% of the City's 1% general sales tax increment, and 90% of the City's 9% transient sales tax increment.
Reimbursement Method:	Issuance of Special Obligation Bonds to be repaid from property and sales tax increment for a period of 20 years.
2025 Total TIF Increment:	$0
TIF Increment Collected to Date:	$36,009
TIF Increment Paid to Date:	$0
Project Commitments:	Mixed-use project at the City's eastern Gateway with structured parking and other amenities.
Additional Comments:	Though started, this project has not been completed due to the developer's inability to secure financing. The development agreement and TIF Project Plan were terminated in July 2023, and the lender has initiated a foreclosure action with a final decision still pending. This project plan has currently expired, any new developer would need to submit a new project plan.

Project Name:	Rock Creek TIF District #2
Project Description:	Redevelopment of the area around the Rock Creek storm channel.
Total Project Costs:	$0
Total TIF Eligible Costs:	$0
TIF Base Year Established:	2006 – Ordinance 1190, Ordinance 1195; 2019 - Ordinance 1508
TIF Project Plan Adopted:	No project plan has been developed at this time.
Approved TIF Incentives:	No project plan has been developed at this time.
Reimbursement Method:	No project plan has been developed at this time.
2025 Total TIF Increment:	$91,259
TIF Increment Collected to Date:	$227,513
TIF Increment Paid to Date:	$0

Note 15. Economic Development Incentives (Continued)

Project Commitments: No project plan has been developed at this time.

Additional Comments: This TIF district was part of a larger Rock Creek TIF District #1 that was subdivided into smaller districts in 2019. Once this division occurred, the base year property tax amount was more defined and smaller, allowing property tax increment to be generated from the redefined district.

Project Name: Capitol Federal Savings Bank (Rock Creek TIF District #2A)
Project Description: Construction of a new 3,700 sq. ft. commercial building at the corner of Nall and Johnson Drive in the city's downtown.

Total Project Costs: $3,765,000
Total TIF Eligible Costs: $530,000

TIF Base Year Established: 2006 – Ordinance 1190, Ordinance 1195; 2010 – Ordinance 1299; 2019 - Ordinance 1508
TIF Project Plan Adopted: 2010 – Ordinance 1299

Approved TIF: 50% ad valorem property tax increment

Reimbursement Method: The developer is to be reimbursed as increment is generated annually for up to 20 years or until eligible costs are paid.

2025 Total TIF Increment: $22,185
TIF Increment Collected to Date: $102,188
TIF Increment Paid to Date: $0

Project Commitments: New bank facility in a prominent location in the city's downtown; public improvements to Nall Ave., Johnson Drive, and Martway St.; parking for trail; land swap for old bank site to create new transit center; and improvements to the Rock Creek storm channel.

Additional Comments: This TIF district was part of a larger Rock Creek TIF District #1 that was subdivided into smaller districts in 2019. Once this division occurred, the base year property tax amount was more defined and smaller, allowing property tax increment to be generated from the redefined district. To date, no expenses have been submitted for reimbursement

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Project Name: Residence on Rock Creek, LLC aka as The Lanes (Rock Creek TIF District #3A)
Project Description: Redevelopment of the former Mission Bowl bowling alley site into a 176-unit multi-family development, which includes eight live-work units offering renters an opportunity to operate a small office or retail space in the same-unit where they live.

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Total Project Costs: $30,000,000
Total TIF Eligible Costs: $5,895,235

TIF Base Year Established: 2006 – Ordinance 1190, Ordinance 1195; 2019 - Ordinance 1508; 2020 – Ordinance 1527
TIF Project Plan Adopted: 2020 – Ordinance 1527

Note 15. Economic Development Incentives (Continued)

Approved TIF Incentives: Incentives to be provided to the developer include: 90% of the ad valorem property tax years 1-5; 85% of the ad valorem property tax years 6-10; 80% of the ad valorem property tax years 11-15; and 75% of the ad valorem property tax years 16-20. The additional TIF Revenues are dedicated to the City for TIF eligible expenses within the approved TIF Project Plan area.

Reimbursement Method: The developer is to be reimbursed as increment is generated annually for up to 20 years or until eligible costs are paid.

2025 Total TIF Increment: $283,526
TIF Increment Collected to Date: $495,221
TIF Increment Paid to Date: $411,861

Project Commitments: Developer is to build to LEED Silver, or better, certification and maintain rent for 20% of the units at 60% AMI throughout 20-year TIF term.

Additional Comments: Rock Creek TIF District #3 was originally part of a larger Rock Creek TIF District #1 that was subdivided into smaller districts in 2019. Rock Creek TIF District #3 was subdivided again in 2020 to create Rock Creek TIF District #3A and #3B.

Project Name: Rock Creek TIF District #3B
Project Description: Redevelopment of the area around the Rock Creek storm channel.

Total Project Costs: $0
Total TIF Eligible Costs: $0

TIF Base Year Established: 2006 – Ordinance 1190, Ordinance 1195; 2019 - Ordinance 1508; 2020 – Ordinance 1527
TIF Project Plan Adopted: No project plan has been developed at this time.

Approved TIF Incentives: No project plan has been developed at this time.

Reimbursement Method: No project plan has been developed at this time.

2025 Total TIF Increment: $113,597
TIF Increment Collected to Date: $307,187
TIF Increment to Paid Date: $0

Project Commitments: No project plan has been developed at this time.

Additional Comments: Rock Creek TIF District #3 was originally part of a larger Rock Creek TIF District #1 that was subdivided into smaller districts in 2019. Rock Creek TIF District #3 was subdivided again in 2020 to create Rock Creek TIF District #3A and #3B. Rock Creek TIF District #3B was subdivided in 2024 to create Rock Creek TIF District #3B and #3C. Rock Creek TIF District #3B was subdivided again in 2025 to create Rock Creek TIF District #3B, #3C, and #3D.

Note 15. Economic Development Incentives (Continued)

Project Name:	Mission Bowl Apartments, LLC aka The Lanes Phase II (Rock Creek TIF District #3C)
Project Description:	Phase II of the Mission Bowl Project including the development of a five-story apartment building with 96 units directly adjacent to Phase I.
Total Project Costs:	$23,251,000
Total TIF Eligible Costs:	$5,975,000
TIF Base Year Established:	2006 – Ordinance 1190, Ordinance 1195; 2019 - Ordinance 1508; 2020 – Ordinance 1527
TIF Project Plan Adopted:	2024 – Ordinance 1613
Approved TIF Incentives:	Incentives to be provided to the developer include: 90% of the ad valorem property tax years 1-5; 85% of the ad valorem property tax years 6-10; 80% of the ad valorem property tax years 11-15; and 75% of the ad valorem property tax years 16-20. The additional TIF Revenues are dedicated to the City for TIF eligible expenses within the approved TIF Project Plan area.
Reimbursement Method:	The developer is to be reimbursed as increment is generated annually for up to 20 years or until eligible costs are paid.
2025 Total TIF Increment:	$18,093
TIF Increment Collected to Date:	$18,093
TIF Increment to Paid Date:	$0
Project Commitments:	Developer is to build to LEED Silver, or better, certification and maintain rent for 20% of the units at 60% AMI.
Additional Comments:	Rock Creek TIF District #3 was originally part of a larger Rock Creek TIF District #1 that was subdivided into smaller districts in 2019. Rock Creek TIF District #3 was subdivided again in 2020 to create Rock Creek TIF District #3A and #3B. Rock Creek TIF District #3B was subdivided again in 2024 to create Rock Creek TIF District #3C. Shortly after approval, the Developer decided to pursue a larger version of this project so the City does not anticipate this project plan to be constructed as approved.

Project Name:	5101 Johnson Drive (Rock Creek TIF District #3D)
Project Description:	The acquisition and renovation of the existing approximately 22,000 sq ft building located at 5101 Johnson Drive (former Wild Oats) and all associated site work, including, but not limited to infrastructure, utilities, street improvements, landscaping, lighting and associated parking.
Total Project Costs:	$0
Total TIF Eligible Costs:	$0
TIF Base Year Established:	2006 – Ordinance 1190, Ordinance 1195; 2019 - Ordinance 1508; 2020 – Ordinance 1527
TIF Project Plan Adopted:	2025 – Ordinance 1633

Note 15. Economic Development Incentives (Continued)

Approved TIF Incentives: Developer to receive 100% of ad valorem property tax increment.

Reimbursement Method: The developer is to be reimbursed as increment is generated annually for up to 20 years or until eligible costs are paid.

2025 Total TIF Increment: $113,597
TIF Increment Collected to Date: $307,187
TIF Increment to Paid Date: $0

Project Commitments: Project incentives were predicated on securing a specific tenant (regional brewery) for the majority of the space which did not occur. Current TIF Project Plan is invalid and would need to be renegotiated for a new tenant(s).

Additional Comments: Rock Creek TIF District #3 was originally part of a larger Rock Creek TIF District #1 that was subdivided into smaller districts in 2019. Rock Creek TIF District #3 was subdivided again in 2020 to create Rock Creek TIF District #3A and #3B, then #3B was subdivided in 2025 to create Rock Creek TIF District #3D.

Project Name: Rock Creek TIF District #4
Project Description: A redevelopment district containing one project area consisting of some or all of the following uses: one or more commercial or residential facilities and all related infrastructure improvements, including storm water improvements within and around the Rock Creek channel, streets, sanitary and storm sewers, water lines and all related expenses to redevelop and finance the project and all other associated public and private infrastructure.

Total Project Costs: $1,695,000
Total TIF Eligible Costs: $350,000

TIF Base Year Established: 2006 – Ordinance 1190, Ordinance 1195; 2019 - Ordinance 1508
TIF Project Plan Adopted: 2025 – Ordinance 1636

Approved TIF Incentives: 100% ad valorem property tax increment

Reimbursement Method: 100% of TIF-eligible costs to be reimbursed to developer up to $350,000

2025 Total TIF Increment: $28,325
TIF Increment Collected to Date: $159,224
TIF Increment to Paid to Date: $0

Project Commitments: Reimbursing expenses related to comprehensive infrastructure improvements within the TIF district and necessitated by the Mission Beverly (Milhaus) multi-family project.

Additional Comments: This TIF district was originally part of a larger Rock Creek TIF District #1 that was subdivided into smaller districts in 2019. This was a City-initiated TIF Project Plan adopted in support of the Mission Beverly multi-family development project. The combined infrastructure improvements are considered necessary to facilitate the successful completion of Milhaus' 261-unit multi-family redevelopment project and are expected to benefit future redevelopment within TIF District No. 4.

Note 15. Economic Development Incentives (Continued)

Project Name:	Mission Crossing TIF District
Project Description:	116,000 sq ft. mixed-use development project consisting of two, stand-alone restaurants, small strip shopping center, and a three-story apartment complex for independent senior living.
Total Project Costs:	$24,000,000
Total TIF Eligible Costs:	$14,600,000
TIF Base Year Established:	2010 – Ordinance 1316
TIF Project Plan Adopted:	2010 – Ordinance 1324
Approved TIF Incentives:	Incentives to be provided to the Developer include: 100% of the ad valorem property tax increment and 100% of the City's 1% general sales tax increment.
Reimbursement Method:	The developer is to be reimbursed on a pay-as-you-go basis as increment is generated annually for up to 20 years or until eligible costs are paid.
2025 Total TIF Increment:	$248,796
TIF Increment Collected to Date:	$3,305,893
TIF Increment Paid to Date:	$3,182,177
Project Commitments:	Development of a mixed-use project in conformance with the City's Form Based Code and a donation of land for a small public park. City committed to construction of transit stops utilizing a federal TIGER grant.
Additional Comments:	All TIF eligible costs were reimbursed in 2025 and the TIF District was dissolved five (5) years ahead of schedule. The certified TIF costs were substantially lower than the TIF Eligible costs identified in the Project Plan.

Project Name:	Silvercrest at Broadmoor TIF District
Project Description:	Development of a 307-unit multi-family development on the site.
Total Project Costs:	$108,151,511
Total TIF Eligible Costs:	$28,188,674
TIF Base Year Established:	2017 – Ordinance 1455
TIF Project Plan Adopted:	No project plan was developed for the 2017 assisted living project. 2025 – Ordinance 1627 (Block multi-family project)
Approved TIF Incentives:	Incentives to be provided to the Developer include: 90% of the ad valorem property tax years 1-5; 85% of the ad valorem property tax years 6-10; 80% of the ad valorem property tax years 11-15; and 60% of the ad valorem property tax years 16-20.
Reimbursement Method:	The developer is to be reimbursed on a pay-as-you-go basis as increment is generated annually for up to 20 years or until eligible costs are paid.
2025 Total TIF Increment:	$17,097
TIF Increment Collected to Date:	$47,514

Note 15. Economic Development Incentives (Continued)

TIF Increment Paid to Date: $0

Project Commitments: Developer is to achieve two Green Globes certifications or the percentage of captured TIF revenues the developer is scheduled to receive will be reduced 5% in years 10-15 and 10% in years 15-20. The Developer will also make a one-time IRB origination fee of $350,000 if they obtain the preferred sustainability certifications, and a $500,000 IRB origination fee if they do not.

Additional Comments: In 2017, the developer withdrew their application prior to adoption of a TIF Project Plan for the originally planned 162,000 sq ft assisted living facility. A new developer submitted an application for a 307-unit multi-family project and that TIF Project Plan was approved in 2025.

Project Name: Mission Trails TIF District (The Locale)
Project Description: Development of a five-story, 201-unit apartment building and four-level parking structure in the City's downtown.

Total Project Costs: $40,491,832
Total TIF Eligible Costs: $9,440,252

TIF Base Year Established: 2017 – Ordinance 1457
TIF Project Plan Adopted: 2017 – Ordinance 1467
Approved TIF Incentives: 100% ad valorem property tax increment

Reimbursement Method: The developer is to be reimbursed on a pay-as-you-go basis as increment is generated annually for up to 20 years or until eligible costs are paid.

2025 Total TIF Increment: $552,552
TIF Increment Collected to Date: $2,239,552
TIF Increment Paid to Date: $2,239,552

Project Commitments: Mixed-use project in the City's downtown, public parking easement on the first level of the parking structure and payment of $250,000.

Industrial Revenue Bonds: Kansas State Statute K.S.A. 12-1740 *et seq* authorizes cities and counties to issue industrial revenue bonds (IRBs) for the purchase, construction, improvement, or repair of certain types of facilities including commercial, industrial, and multi-family facilities. City Council Policy 131 provides further guidance on the use of IRBs.

IRBs are traditionally utilized as an incentive granting vehicle to grant up to 10-year property tax abatements and/or a sales tax exemption on materials and labor associated with any construction, improvements, or repairs. The sales tax exemption applies to state, county, and local sales tax. Mission utilizes IRBs for both types of incentives.

As of December 31, 2025, there were two issuances of industrial revenue bonds (IRBs) outstanding for sales tax exemption on materials and labor. These issuances were for Gateway development, with a balance remaining of $78,000, and the Mission Bowl sales tax exemption IRBs matured in Dec 2025.

Note 15. Economic Development Incentives (Continued)

Project Name:	Mission Flats
Project Description:	Development of a three-story, 77-unit apartment building and associated parking one block north of Johnson Drive at the corner of 58th Street and Nall Avenue.
Performance Agreement Adopted/Amended:	2023
Approved IRB Incentives:	70% Property Tax Abatement for 10 years.
Reimbursement Method:	Developer's 30% of taxes is assessed on November tax bill, County sends the proceeds of that 30% to all taxing jurisdictions pro rata.
Project Commitments:	Commitment to build to a minimum of one Green Globe under the US Green Building Council's Green Globe rating system and dedication of 10% of the units as attainable housing at 60% of Area Median Income (AMI). Payment of IRB origination fee ($60,000) at time of bond closing.

Project Name:	Mission Beverly (Milhaus Project)
Project Description:	Construction of an approximately 250,000 sq ft, three and four story, 263-unit Class A multifamily housing project with structured and surface parking to be located in two separate buildings north and south of Martway between Beverly and Dearborn. The project will include two (2) live-work units.
Performance Agreement Adopted/Amended:	2024/2025
Approved IRB Incentives:	75% Property Tax Abatement for 10 years.
Reimbursement Method:	Developer's 25% of taxes is assessed on November tax bill, County sends the proceeds of that 25% to all taxing jurisdictions pro rata.
Project Commitments:	Commitment to build to a minimum of one Green Globe under the USGBC's Green Globe rating system. Developer pays $25,000 at time of transfer of ownership of Beverly Park, with balance of $475,000 due at closing on the IRBs. Payment of IRB origination fee at time of bond closing.

Community Improvement District: Kansas State Statute K.S.A. 12-6a26 *et seq* permits cities and counties to establish a community improvement district (CID) for the purpose of imposing a tax assessment on property within the district or impose an additional sales tax up to 2% on retail activity within the district. The revenue generated from the tax assessment or additional sales tax may be used to reimburse the developer for certain eligible costs associated with the construction and operation of improvements within the district, for a period of up to 22 years.

Note 15. Economic Development Incentives (Continued)

Project Name:	Mission Crossing
Project Description:	116,000 sq ft. mixed-use development project consisting of two, stand-alone restaurants, small strip shopping center, and a three-story apartment complex for independent senior living.
Authorizing Ordinance:	2010 – Ordinance 1317
Approved CID Incentive:	1% community improvement district sales tax
Reimbursement Method:	Quarterly distributions for total CID eligible costs of $2,708,665 or 22 years
2025 Total CID Collections:	$150,527
CID Collected to Date:	$1,090,387
Total CID Paid to Date	$1,054,650
Project Commitments:	Development of a mixed-use project in conformance with the City's Form Based Code and a donation of land for a small public park. City committed to construction of transit stops utilizing a TIGER grant.

Project Name:	Cornerstone Commons
Project Description:	Development of a new mixed-use commercial development.
Authorizing Ordinance:	2014 – Ordinance 1402
Approved CID Incentive:	1% community improvement district sales tax
Reimbursement Method:	Quarterly distributions for total CID eligible costs of $1,500,00 or 22 years
2025 Total CID Collections:	$66,621
CID Collected to Date:	$1,090,387
Total CID Paid to Date	$1,054,650
Project Commitments:	N/A

Project Name:	Mission Mart Shopping Center
Project Description:	Upgrades to enhance the community and tenant experience when visiting the Mission Mart Shopping Center. Proposed improvements will enhance visibility via lighting, landscaping, parking, infrastructure and community spaces with connections to the Rock Creek trail that will help create a fresh shopping experience.
Authorizing Ordinance:	2025 – Ordinance 1628
Approved CID Incentive:	1% community improvement district sales tax
Reimbursement Method:	Quarterly distributions for total CID eligible costs of $3,577,910 or 22 years
2025 Total CID Collections:	$33,094
CID Collected to Date:	$33,094
Total CID Paid to Date	$33,094
Project Commitments:	Developer must spend double the CID Cap, or $7,155,820, to receive the full reimbursement.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MISSION, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Health Insurance
Last Eight Fiscal Years*

Total OPEB liability	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 18,241	$ 16,995	$ 31,232	$ 54,047	$ 42,489	$ 47,552	$ 61,739	$ 71,671
Interest cost	31,689	29,008	37,014	21,653	17,412	30,158	44,703	57,439
Difference between actual and expected experience	[2,064]	37,484	[80,175]	98,541	89,984	[109,521]	12,768	[610,943]
Changes in assumptions	5,103	[25,980]	[59,324]	[201,473]	[53,663]	49,521	[372,880]	[58,177]
Benefit payments	[40,399]	[46,680]	[49,432]	[57,854]	[37,490]	[33,546]	[36,663]	[42,597]
Net change in total OPEB liability	12,570	10,827	[120,685]	[85,086]	58,732	[15,836]	[290,333]	[582,607]
Total OPEB liability - beginning	742,149	731,322	852,007	937,093	878,361	894,197	1,184,530	1,767,137
Total OPEB liability - ending	$ 754,719	$ 742,149	$ 731,322	$ 852,007	$ 937,093	$ 878,361	$ 894,197	$ 1,184,530
Covered employee payroll	$ 6,634,990	$ 5,459,732	$ 4,482,758	$ 4,908,925	$ 4,551,124	$ 5,068,014	$ 4,319,077	$ 3,602,521
Total OPEB liability as a percentage of covered employee payroll	11.37%	13.59%	16.31%	17.36%	20.59%	17.33%	20.70%	32.88%

* GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2018. Therefore, 10 years of data is unavailable.

Note: There are no assets accumulated in the trust that meet the criteria of GASB codification to pay related benefits for the OPEB plan.

CITY OF MISSION, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Disability Benefits and Life Insurance
Last Eight Fiscal Years*

Total OPEB liability	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 7,287	$ 7,160	$ 7,469	$ 11,070	$ 11,066	$ 7,980	$ 8,821	$ 8,723
Interest cost	1,404	1,163	1,149	936	898	1,198	1,598	1,458
Effect of economic/demographic gains or losses	[5,524]	[4,728]	[8,799]	[11,627]	[9,272]	[7,128]	[16,954]	[9,371]
Changes in assumptions	[2,128]	138	[94]	[7,641]	24	1,226	327	[352]
Net change in total OPEB liability	1,039	3,733	[275]	[7,262]	2,716	3,276	[6,208]	458
Total OPEB liability - beginning	28,454	24,721	24,996	32,258	29,542	26,266	32,474	32,016
Total OPEB liability - ending	$ 29,493	$ 28,454	$ 24,721	$ 24,996	$ 32,258	$ 29,542	$ 26,266	$ 32,474
Covered employee payroll	$ 2,905,752	$ 2,549,572	$ 2,448,772	$ 2,555,314	$ 2,307,798	$ 2,323,164	$ 1,821,013	$ 2,095,328
Total OPEB liability as a percentage of covered employee payroll	1.01%	1.12%	1.01%	0.98%	1.40%	1.27%	1.44%	1.55%

* GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2018. Therefore, 10 years of data is unavailable.

Note: There are no assets accumulated in the trust that meet the criteria of GASB codification to pay related benefits for the OPEB plan.

CITY OF MISSION, KANSAS
Schedule of the City's Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Ten Fiscal Years

Year ended December 31,	City's proportion of the net pension liability	City's proportionate share of the net pension liablity	City's covered payroll	City's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	0.212%	$ 7,677,794	$ 5,337,733	143.84%	71.93%
2024	0.213%	7,852,900	5,113,492	153.57%	69.73%
2023	0.230%	7,899,599	4,923,823	160.44%	68.37%
2022	0.093%	7,535,689	4,738,700	159.02%	68.91%
2021	0.091%	4,723,379	4,364,944	108.21%	79.19%
2020	0.091%	6,734,482	4,476,958	150.43%	69.25%
2019	0.093%	5,180,970	3,995,294	129.68%	73.55%
2018	0.090%	5,006,058	3,950,352	126.72%	73.18%
2017	0.095%	5,103,588	3,912,396	130.45%	71.71%
2016	0.089%	5,189,214	3,845,094	134.96%	68.84%

Covered payroll corresponds to the measurement date for the year ended June 30.

CITY OF MISSION, KANSAS
Schedule of the City's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

KPERS Local Group

Year ended December 31,	Statutorily Required Contribution	Contributions In Relation to the Statutorily Required Contribution	Contribution Deficiency [Excess]	City's Covered Payroll	Contributions as a Percentage of Covered-Payroll
2025	$352,967	$352,967	-	$ 3,635,088	9.71%
2024	271,384	271,384	-	2,930,712	9.26%
2023	233,059	233,059	-	2,764,638	8.43%
2022	245,058	245,058	-	2,753,464	8.90%
2021	247,362	247,362	-	2,624,468	9.43%
2020	242,655	242,655	-	2,482,442	9.77%
2019	226,244	226,244	-	2,309,138	9.80%
2018	199,116	199,116	-	2,155,668	9.24%
2017	175,703	175,703	-	2,076,861	8.46%
2016	194,456	194,456	-	2,118,261	9.18%

KPERS Police and Firemen Group

Year ended December 31,	Statutorily Required Contribution	Contributions In Relation to the Statutorily Required Contribution	Contribution Deficiency [Excess]	City's Covered Payroll	Contributions as a Percentage of Covered-Employee Payroll
2025	$691,167	$691,167	-	$2,801,650	24.67%
2024	556,022	556,022	-	2,407,021	23.10%
2023	523,290	523,290	-	2,289,108	22.86%
2022	483,013	483,013	-	2,100,968	22.99%
2021	426,499	426,499	-	1,912,563	22.30%
2020	417,037	417,037	-	1,901,842	21.93%
2019	432,079	432,079	-	1,954,501	22.11%
2018	373,428	373,428	-	1,876,016	19.91%
2017	326,539	326,539	-	1,715,917	19.03%
2016	362,921	362,921	-	1,777,281	20.42%

Covered payroll is for the year ended December 31.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

CITY OF MISSION, KANSAS

COMBINING BALANCE SHEET
GENERAL FUND
December 31, 2025

	General	Municipal Court	Cafeteria Plan	Total
ASSETS				
Cash and cash equivalents	$ 2,850,000	$ -	$ 53,422	$ 2,903,422
Restricted cash and investments	-	30,547	-	30,547
Receivables:				
Taxes	6,409,336	-	-	6,409,336
Due from other funds	7,713	-	-	7,713
Other	235,220	-	-	235,220
Land held for resale	100,000	-	-	100,000
Total assets	$ 9,602,269	$ 30,547	$ 53,422	$ 9,686,238
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 245,724	$ -	$ -	$ 245,724
Accrued liabilities	412,463	-	-	412,463
Payable from restricted assets:				
Municipal court bonds	-	30,547	-	30,547
Unearned revenue	104,152	-	-	104,152
Total liabilities	762,339	30,547	-	792,886
Deferred inflows of resources:				
Unavailable revenue - property taxes	5,100,001	-	-	5,100,001
Fund balance:				
Nonspendable - land held for resale	100,000	-	-	100,000
Committed	252,797	-	-	252,797
Assigned	157,728	-	-	157,728
Unassigned	3,229,404	-	53,422	3,282,826
Total fund balance [deficit]	3,739,929	-	53,422	3,793,351
Total liabilities, deferred inflows of resources, and fund balances	$ 9,602,269	$ 30,547	$ 53,422	$ 9,686,238

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

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

	General	Municipal Court	Cafeteria Plan	Total
REVENUES:				
Taxes	$ 11,658,989	$ -	$ -	$ 11,658,989
Intergovernmental	164,027	-	-	164,027
Licenses and permits	139,611	-	-	139,611
Charges for services	1,977,824	-	-	1,977,824
Fines and fees	790,178	-	-	790,178
Interest	99,090	-	-	99,090
Miscellaneous	385,352	-	63,468	448,820
Total revenues	15,215,071	-	63,468	15,278,539
EXPENDITURES:				
Current:				
General government	1,696,732	-	59,161	1,755,893
Public safety	5,470,524	-	-	5,470,524
Public works	3,691,442	-	-	3,691,442
Culture and recreation	3,149,442	-	-	3,149,442
Capital outlay	238,713	-	-	238,713
Debt service:				
Principal	195,000	-	-	195,000
Interest and other charges	56,750	-	-	56,750
Total expenditures	14,498,603	-	59,161	14,557,764
Excess [deficiency] of revenues over [under] expenditures	716,468	-	4,307	720,775
OTHER FINANCING SOURCES [USES]:				
Transfers in	20,000	-	-	20,000
Transfers [out]	[880,000]	-	-	[880,000]
Total other financing sources [uses]	[860,000]	-	-	[860,000]
Net change in fund balance	[143,532]	-	4,307	[139,225]
Fund balance, beginning	3,883,461	-	49,115	3,932,576
Fund balance, ending	$ 3,739,929	$ -	$ 53,422	$ 3,793,351

See independent auditor's report on the financial statements.

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

1. **Special Alcohol Fund** – established to account for one-third of the Alcohol Tax Funds sent to the City quarterly from the State Treasurer's office, pursuant to K.S.A. 79-41a01 et seq., and to disperse monies that are allocated yearly for distribution to agencies that are approved by the City Council in specified amounts on a yearly basis.

2. **Special Parks and Recreation Fund** – established to account for one-third of the Alcohol Tax Funds that are sent to the City quarterly from the State Treasurer's office which are computed in compliance with K.S.A Supp. 79-41A04 et seq., representing tax receipts and adjustments processed by the Department of Revenue.

3. **Special Law Enforcement Fund** – established to provide a depository for monies forfeited to the police department pursuant to provisions of K.S.A. 65-4135 and 65-4156 relating to controlled substance investigation forfeitures. Expenditures from this fund are made only for authorized law enforcement purposes of the police department. Monies in the fund are not to be used for normal operating expenses of the City's police department.

4. **Special Highway Fund** – established to account for monies sent quarterly from the State Treasurer's office which are the Special City and County Highway Fund distributed and computed in compliance with K.S.A. 79-3425C.

5. **School District Sales Tax Fund** – established to account for the City's portion of sales tax monies received as a result of a ⅛ cent sales tax granted to schools by Johnson County voters in 2002. The sales tax is no longer being collected.

6. **Mission Convention and Visitors Bureau Fund** – established to account for transient guest tax receipts that are received from hotels in the City of Mission pursuant to K.S.A. 12-1697 et seq., and Charter Ordinance 29.

7. **Donations and Escrow Fund** – established to account for monies that may be received as donations or gifts from businesses, groups and individuals that are intended for a specific purpose; or monies received by the City to held for a specific purpose (i.e. a portion of insurance proceeds held after a fire until repairs are made).

8. **Rock Creek Drainage District #1 Fund** – established to account for the Rock Creek Drainage District #1.

9. **Rock Creek Drainage District #2 Fund** – established to account for the Rock Creek Drainage District #2.

10. **Mission Crossing TIF Fund** – established to account for incremental property tax and sales tax generated from the development of the Mission Crossing Shopping Center and Welstone senior independent living facility. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A. 12-1770 (Tax Increment Finance Statutes) and K.S.A. 12-6a26 (Community Improvement District Act).

Special Revenue Funds (Continued)

11. **Silvercrest TIF Fund –** established to account for incremental property tax and sales tax that is generated from the Silvercrest at Broadmoor redevelopment district. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A. 12-1770 (Tax Increment Finance Statutes) and K.S.A. 12-6a26 (Community Improvement District Act).

12. **Cornerstone Commons CID Fund** – established to account for a 1% Community Improvement District (CID) sales tax that is generated from retailers located within the Cornerstone Commons CID. This sales tax is remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A. 12-6a26 (Community Improvement District Act).

13. **Mission Trails TIF Fund** – established to account for incremental property tax generated from the development of 201-unit multi-family development project along Johnson Drive in the City's downtown district. The incremental property tax is remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A. 12-1770 (Tax Increment Finance Statutes).

14. **Capitol Federal TIF Fund (Rock Creek TIF District #2A)** – established to account for incremental property tax and sales tax generated that may be generated from development of a new 3,700 square foot bank facility in the City's downtown and public improvements to adjacent roadways. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A. 12-1770 (Tax Increment Finance statutes).

15. **Transportation Utility Fund** – established to account for the transportation utility charges received based on an estimated land use formula per parcel to fund street and other transportation related improvements. The transportation utility charges were repealed by the City in 2016.

16. **Rock Creek TIF District #3** – established to account for incremental property tax and sales tax that may be generated from new development projects that occur in the district. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A 12-1770 (Tax Increment Finance Statutes).

17. **Rock Creek TIF District #4** – established to account for incremental property tax and sales tax generated from infrastructure improvements for a new 261-unit multi-family development project. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A 12-1770 (Tax Increment Finance Statutes).

18. **Mission Farm and Flower Market Fund** – established to account for proceeds (including the Supplemental Nutrition Assistance Program) received from the Mission Farm and Flower Market.

19. **Opioid Settlement Fund** – established to account for opioid settlement monies distributed to the City by the State of Kansas to address the public health needs related to addiction.

20. **Family Adoption Fund** – established to account for monies received from individuals and businesses as donations to the City's Holiday Family Adoption program.

21. **Mission Bowl TIF Fund** – established to account for incremental property tax generated from the development of a 168-unit multi-family development project along Martway Street near the City's downtown district. The incremental property tax is remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A. 12-770 (Tax Increment Finance Statutes).

Special Revenue Funds (Continued)

22. **Rock Creek TIF District #2 Fund** – established to account for incremental property tax and sales tax that may be generated from new development projects that occur in the district. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A 12-1770 (Tax Increment Finance Statutes). No specific TIF project plans have been submitted to date.

23. **Gateway TIF District Fund** – established to account for incremental property tax and sales tax that may be generated from a new mixed-use development project. These taxes are remitted back to the developer to reimburse for certain eligible costs associated with the development in accordance with K.S.A. 12-1770 (Tax Increment Finance Statutes). The developer agreement and TIF project plan were terminated in July 2023 after the lender initiated a foreclosure action against the developer.

Capital Projects Fund

1. **Equipment Reserve and Replacement Fund** – established to account for reserves and funding of major capital equipment purchase, upgrades, and replacements (primarily vehicles and equipment).

CITY OF MISSION, KANSAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Special Revenue Funds					
	Special Alcohol	Special Parks and Recreation	Special Law Enforcement	Special Highway	School District Sales Tax	Mission Convention and Visitors Bureau
ASSETS						
Cash and cash equivalents	$ 316,615	$ 264,818	$ 40,794	$ 22,009	$ 20,280	$ 63,946
Receivables:						
Taxes	-	-	-	-	-	28,679
Other	-	27,500	-	67,781	-	-
Total assets	$ 316,615	$ 292,318	$ 40,794	$ 89,790	$ 20,280	$ 92,625
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 9,935	$ -	$ -	$ 188	$ -	$ 2,892
Due to other funds	-	-	-	-	-	-
Total liabilities	9,935	-	-	188	-	2,892
Deferred inflows of resources:						
Unavailable revenue - property taxes	-	-	-	-	-	-
Fund balance:						
Restricted	306,680	292,318	40,794	89,602	20,280	89,733
Committed	-	-	-	-	-	-
Total fund balance [deficit]	306,680	292,318	40,794	89,602	20,280	89,733
Total liabilities, deferred inflows of resources, and fund balances	$ 316,615	$ 292,318	$ 40,794	$ 89,790	$ 20,280	$ 92,625

CITY OF MISSION, KANSAS

COMBINING BALANCE SHEET - Continued
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Special Revenue Funds					
	Donations and Escrow	Rock Creek Drainage District #1	Rock Creek Drainage District #2	Mission Crossing TIF	Silvercrest TIF	Cornerstone Commons CID
ASSETS						
Cash and cash equivalents	$ 57,354	$ 2,896	$ 3,679	$ 164,148	$ 47,515	$ 10,946
Receivables:						
Taxes	-	29,007	116,165	20,891	8,160	10,604
Other	-	-	-	-	-	-
Total assets	$ 57,354	$ 31,903	$ 119,844	$ 185,039	$ 55,675	$ 21,550
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ 33,381	$ -	$ 15,608
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	33,381	-	15,608
Deferred inflows of resources:						
Unavailable revenue - property taxes	-	29,007	116,165	-	8,160	-
Fund balance:						
Restricted	57,354	-	-	-	-	-
Committed	-	2,896	3,679	151,658	47,515	5,942
Total fund balance [deficit]	57,354	2,896	3,679	151,658	47,515	5,942
Total liabilities, deferred inflows of resources, and fund balances	$ 57,354	$ 31,903	$ 119,844	$ 185,039	$ 55,675	$ 21,550

CITY OF MISSION, KANSAS

COMBINING BALANCE SHEET - Continued
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Special Revenue Funds					
	Mission Trails TIF	Capitol Federal TIF	Transportation Utility	Rock Creek TIF District #3	Rock Creek TIF District #4	Mission Farm and Flower Market
ASSETS						
Cash and cash equivalents	$ -	$ 102,189	$ 18	$ 307,188	$ 159,224	$ 27,634
Receivables:						
Taxes	293,070	13,679	-	-	6,147	-
Other	-	-	-	-	-	-
Total assets	$ 293,070	$ 115,868	$ 18	$ 307,188	$ 165,371	$ 27,634
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 342
Due to other funds	-	-	-	-	-	7,713
Total liabilities	-	-	-	-	-	8,055
Deferred inflows of resources:						
Unavailable revenue - property taxes	293,070	13,679	-	-	6,147	-
Fund balance:						
Restricted	-	-	-	-	-	-
Committed	-	102,189	18	307,188	159,224	19,579
Total fund balance [deficit]	-	102,189	18	307,188	159,224	19,579
Total liabilities, deferred inflows of resources, and fund balances	$ 293,070	$ 115,868	$ 18	$ 307,188	$ 165,371	$ 27,634

CITY OF MISSION, KANSAS

COMBINING BALANCE SHEET - Continued
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Special Revenue Funds					Capital Projects Fund	
	Opioid Settlement	Family Adoption	Mission Bowl TIF	Rock Creek TIF District #2	Gateway TIF District	Equipment Reserve and Replacement	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	$ 75,857	$ 22,738	$ 45,762	$ 227,515	$ 36,010	$ 109,231	$ 2,128,366
Receivables:							
Taxes	-	-	214,485	61,148	-	-	802,035
Other	-	-	-	-	-	-	95,281
Total assets	$ 75,857	$ 22,738	$ 260,247	$ 288,663	$ 36,010	$ 109,231	$ 3,025,682
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable	$ -	$ 7,588	$ -	$ -	$ -	$ 26,111	$ 96,045
Due to other funds	-	-	-	-	-	-	7,713
Total liabilities	-	7,588	-	-	-	26,111	103,758
Deferred inflows of resources:							
Unavailable revenue - property taxes	-	-	214,485	61,148	-	-	741,861
Fund balance:							
Restricted	75,857	-	-	-	-	-	972,618
Committed	-	15,150	45,762	227,515	36,010	83,120	1,207,445
Total fund balance [deficit]	75,857	15,150	45,762	227,515	36,010	83,120	2,180,063
Total liabilities, deferred inflows of resources, and fund balances	$ 75,857	$ 22,738	$ 260,247	$ 288,663	$ 36,010	$ 109,231	$ 3,025,682

CITY OF MISSION, KANSAS

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

	Special Revenue Funds					
	Special Alcohol	Special Parks and Recreation	Special Law Enforcement	Special Highway	School District Sales Tax	Mission Convention and Bureau
REVENUES:						
Taxes	$ 150,025	$ 150,025	$ -	$ 271,674	$ -	$ 99,435
Charges for services	-	-	-	-	-	-
Interest	-	5,467	-	928	562	846
Miscellaneous	-	620	-	27,260	-	-
Total revenues	150,025	156,112	-	299,862	562	100,281
EXPENDITURES:						
Current:						
General government	102,558	-	7,804	-	-	53,027
Public works	-	-	-	311,121	-	-
Debt service:						
Principal	-	39,770	-	-	-	-
Interest and other charges	-	6,305	-	-	-	-
Total expenditures	102,558	46,075	7,804	311,121	-	53,027
Excess [deficiency] of revenues over [under] expenditures	47,467	110,037	[7,804]	[11,259]	562	47,254
OTHER FINANCING SOURCES [USES]:						
Transfers in	-	-	-	-	-	-
Transfers [out]	-	-	-	-	-	[25,000]
Issuance of long-term debt	-	-	-	-	-	-
Total other financing sources [uses]	-	-	-	-	-	[25,000]
Net change in fund balance	47,467	110,037	[7,804]	[11,259]	562	22,254
Fund balance, beginning	259,213	182,281	48,598	100,861	19,718	67,479
Fund balance, ending	$ 306,680	$ 292,318	$ 40,794	$ 89,602	$ 20,280	$ 89,733

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

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

	Special Revenue Funds					
	Donations and Escrow	Rock Creek Drainage District #1	Rock Creek Drainage District #2	Mission Crossing TIF	Silvercrest TIF	Cornerstone Commons CID
REVENUES:						
Taxes	$ -	$ 58	$ 62,288	$ 389,021	$ 17,097	$ 64,717
Charges for services	-	-	-	-	-	-
Interest	-	951	40	-	-	-
Miscellaneous	32,500	-	-	-	-	5,000
Total revenues	32,500	1,009	62,328	389,021	17,097	69,717
EXPENDITURES:						
Current:						
General government	43,651	-	-	324,793	-	71,621
Public works	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Total expenditures	43,651	-	-	324,793	-	71,621
Excess [deficiency] of revenues over [under] expenditures	[11,151]	1,009	62,328	64,228	17,097	[1,904]
OTHER FINANCING SOURCES [USES]:						
Transfers in	-	-	-	-	-	-
Transfers [out]	-	[30,000]	[60,000]	-	-	-
Issuance of long-term debt	-	-	-	-	-	-
Total other financing sources [uses]	-	[30,000]	[60,000]	-	-	-
Net change in fund balance	[11,151]	[28,991]	2,328	64,228	17,097	[1,904]
Fund balance - Beginning of year	68,505	31,887	1,351	87,430	30,418	7,846
Fund balance - End of year	$ 57,354	$ 2,896	$ 3,679	$ 151,658	$ 47,515	$ 5,942

CITY OF MISSION, KANSAS

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

	Special Revenue Funds					
	Mission Trails TIF	Capitol Federal TIF	Transportation Utility	Rock Creek TIF District #3	Rock Creek TIF District #4	Mission Farm and Flower Market
REVENUES:						
Taxes	$ 552,552	$ 22,186	$ -	$ 113,597	$ 28,325	$ -
Charges for services	-	-	-	-	-	18,996
Interest	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	552,552	22,186	-	113,597	28,325	18,996
EXPENDITURES:						
Current:						
General government	552,552	-	-	-	-	9,239
Public works	-	-	-	-	-	1,553
Debt service:						
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Total expenditures	552,552	-	-	-	-	10,792
Excess [deficiency] of revenues over [under] expenditures	-	22,186	-	113,597	28,325	8,204
OTHER FINANCING SOURCES [USES]:						
Transfers in	-	-	-	-	-	-
Transfers [out]	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-
Total other financing sources [uses]	-	-	-	-	-	-
Net change in fund balance	-	22,186	-	113,597	28,325	8,204
Fund balance - Beginning of year	-	80,003	18	193,591	130,899	11,375
Fund balance - End of year	$ -	$ 102,189	$ 18	$ 307,188	$ 159,224	$ 19,579

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

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

	Special Revenue Funds					Capital Projects Fund	
	Opioid Settlement	Family Adoption	Mission Bowl TIF	Rock Creek TIF District #2	Gateway TIF District	Equipment Reserve and Replacement	Total Nonmajor Governmental Funds
REVENUES:							
Taxes	$ -	$ -	$ 315,029	$ 91,260	$ -	$ -	$ 2,327,289
Charges for services	-	-	-	-	-	-	18,996
Interest	-	-	-	-	-	4,919	13,713
Miscellaneous	17,785	4,431	-	-	-	-	87,596
Total revenues	17,785	4,431	315,029	91,260	-	4,919	2,447,594
EXPENDITURES:							
Current:							
General government	-	19,385	411,861	-	-	324,094	1,920,585
Public works	-	-	-	-	-	-	312,674
Debt service:							
Principal	-	-	-	-	-	-	39,770
Interest and other charges	-	-	-	-	-	-	6,305
Total expenditures	-	19,385	411,861	-	-	324,094	2,279,334
Excess [deficiency] of revenues over [under] expenditures	17,785	[14,954]	[96,832]	91,260	-	[319,175]	168,260
OTHER FINANCING SOURCES [USES]:							
Transfers in	-	25,000	-	-	-	-	25,000
Transfers [out]	-	-	-	-	-	-	[115,000]
Issuance of long-term debt	-	-	-	-	-	400,000	400,000
Total other financing sources [uses]	-	25,000	-	-	-	400,000	310,000
Net change in fund balance	17,785	10,046	[96,832]	91,260	-	80,825	478,260
Fund balance - Beginning of year	58,072	5,104	142,594	136,255	36,010	2,295	1,701,803
Fund balance - End of year	$ 75,857	$ 15,150	$ 45,762	$ 227,515	$ 36,010	$ 83,120	$ 2,180,063

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

PARKS AND RECREATION SALES TAX FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 1,195,000	$ 1,195,000	$ 1,210,272	$ 15,272
Intergovernmental	-	-	394,560	394,560
Interest	25,000	25,000	10,877	[14,123]
Total revenues	1,220,000	1,220,000	1,615,709	395,709
Expenditures:				
Public works	-	-	135,652	135,652
Capital outlay	1,007,500	1,007,500	411,222	[596,278]
Debt service	392,050	392,050	385,550	[6,500]
Total expenditures	1,399,550	1,399,550	932,424	[467,126]
Excess [deficiency] of revenues Over [under] expenditures	[179,550]	[179,550]	683,285	862,835
Fund balance, January 1	512,706	512,706	812,306	299,600
Fund balance, December 31	$ 333,156	$ 333,156	1,495,591	$ 1,162,435
Encumbrances for equipment and professional services ordered but not received are not recorded for GAAP purposes until received			10,436	
Fund balance on the basis of GAAP			$ 1,506,027	

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

STREETS SALES TAX FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 1,195,000	$ 1,195,000	$ 1,210,272	$ 15,272
Interest	25,000	25,000	27,276	2,276
Total revenues	1,220,000	1,220,000	1,237,548	17,548
Expenditures:				
Capital outlay	950,000	950,000	850,000	[100,000]
Debt service	459,300	459,300	451,675	[7,625]
Total expenditures	1,409,300	1,409,300	1,301,675	[107,625]
Excess [deficiency] of revenues Over [under] expenditures	[189,300]	[189,300]	[64,127]	125,173
Fund balance, January 1	201,548	201,548	416,275	214,727
Fund balance, December 31	$ 12,248	$ 12,248	$ 352,148	$ 339,900

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

CAPITAL IMPROVEMENT FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Intergovernmental	$ 1,200,385	$ 1,200,385	$ 1,219,324	$ 18,939
Interest	10,000	10,000	84,026	74,026
Miscellaneous	64,360	64,360	156,000	91,640
Total revenues	1,274,745	1,274,745	1,459,350	184,605
Expenditures:				
Capital outlay	4,815,073	4,815,073	3,529,818	[1,285,255]
Miscellaneous	-	-	309,008	309,008
Total expenditures	4,815,073	4,815,073	3,838,826	[976,247]
Excess [deficiency] of revenues Over [under] expenditures	[3,540,328]	[3,540,328]	[2,379,476]	1,160,852
Other financing sources [uses]				
Transfers in	1,380,000	1,380,000	1,350,000	[30,000]
Issuance of long-term debt	-	-	5,222,551	5,222,551
Total other financing sources [uses]	1,380,000	1,380,000	6,572,551	5,192,551
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	[2,160,328]	[2,160,328]	4,193,075	6,353,403
Fund balance, January 1	2,162,859	2,162,859	[813,580]	[2,976,439]
Fund balance, December 31	$ 2,531	$ 2,531	3,379,495	$ 3,376,964
Encumbrances for equipment and professional services ordered but not received are not recorded for GAAP purposes until received			179,212	
Fund balance on the basis of GAAP			$ 3,558,707	

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

SPECIAL ALCOHOL FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Intergovernmental	$ 140,000	$ 140,000	$ 150,025	$ 10,025
Total revenues	140,000	140,000	150,025	10,025
Expenditures:				
General government	155,000	155,000	102,558	[52,442]
Total expenditures	155,000	155,000	102,558	[52,442]
Excess [deficiency] of revenues Over [under] expenditures	[15,000]	[15,000]	47,467	62,467
Fund balance, January 1	183,458	183,458	259,213	75,755
Fund balance, December 31	$ 168,458	$ 168,458	$ 306,680	$ 138,222

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

SPECIAL PARKS AND RECREATION FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Intergovernmental	$ 135,000	$ 135,000	$ 150,025	$ 15,025
Interest	1,000	1,000	5,467	4,467
Miscellaneous	5,000	5,000	620	[4,380]
Total revenues	141,000	141,000	156,112	15,112
Expenditures:				
Culture and recreation	5,000	5,000	-	[5,000]
Capital outlay	175,000	175,000	-	[175,000]
Debt service	51,240	51,240	46,075	[5,165]
Total expenditures	231,240	231,240	46,075	[185,165]
Excess [deficiency] of revenues Over [under] expenditures	[90,240]	[90,240]	110,037	200,277
Fund balance, January 1	148,768	148,768	182,281	33,513
Fund balance, December 31	$ 58,528	$ 58,528	$ 292,318	$ 233,790

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

SPECIAL HIGHWAY FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Intergovernmental	$ 275,000	$ 269,140	$ 271,674	$ 2,534
Interest	7,500	2,500	928	[1,572]
Miscellaneous	-	9,500	27,260	17,760
Total revenues	282,500	281,140	299,862	18,722
Expenditures:				
Capital outlay	126,500	320,000	278,194	[41,806]
Total expenditures	126,500	320,000	278,194	[41,806]
Excess [deficiency] of revenues Over [under] expenditures	156,000	[38,860]	21,668	60,528
Fund balance, January 1	30,544	100,861	67,892	[32,969]
Fund balance, December 31	$ 186,544	$ 62,001	89,560	$ 27,559
Encumbrances for equipment and professional services ordered but not received are not recorded for GAAP purposes until received			42	
Fund balance on the basis of GAAP			$ 89,602	

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

MISSION CONVENTION AND VISITORS BUREAU FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 90,000	$ 90,000	$ 99,435	$ 9,435
Interest	2,000	2,000	846	[1,154]
Total revenues	92,000	92,000	100,281	8,281
Expenditures:				
General government	90,000	90,000	53,027	[36,973]
Total expenditures	90,000	90,000	53,027	[36,973]
Excess [deficiency] of revenues Over [under] expenditures	2,000	2,000	47,254	45,254
Other financing sources [uses]				
Transfers [out]	-	-	[25,000]	[25,000]
Total other financing sources [uses]	-	-	[25,000]	[25,000]
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	2,000	2,000	22,254	20,254
Fund balance, January 1	84,060	84,060	67,479	[16,581]
Fund balance, December 31	$ 86,060	$ 86,060	$ 89,733	$ 3,673

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

ROCK CREEK DRAINAGE DISTRICT #1 FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ 31,822	$ 31,822	$ 58	$ [31,764]
Interest	50	50	951	901
Total revenues	31,872	31,872	1,009	[30,863]
Expenditures:				
Contingency	-	-	-	-
Total expenditures	-	-	-	-
Excess [deficiency] of revenues Over [under] expenditures	31,872	31,872	1,009	[30,863]
Other financing sources [uses]				
Transfers [out]	[12,000]	[12,000]	[30,000]	[18,000]
Total other financing sources [uses]	[12,000]	[12,000]	[30,000]	[18,000]
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	19,872	19,872	[28,991]	[48,863]
Fund balance, January 1	-	-	31,887	31,887
Fund balance, December 31	$ 19,872	$ 19,872	$ 2,896	$ [16,976]

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

ROCK CREEK DRAINAGE DISTRICT #2 FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Taxes	$ -	$ 104,537	$ 62,288	$ [42,249]
Interest	-	100	40	[60]
Total revenues	-	104,637	62,328	[42,309]
Expenditures:				
Contingency	-	-	-	-
Total expenditures	-	-	-	-
Excess [deficiency] of revenues Over [under] expenditures	-	104,637	62,328	[42,309]
Other financing sources [uses]				
Transfers [out]	-	[65,000]	[60,000]	5,000
Total other financing sources [uses]	-	[65,000]	[60,000]	5,000
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	-	39,637	2,328	[37,309]
Fund balance, January 1	-	-	1,351	1,351
Fund balance, December 31	$ -	$ 39,637	$ 3,679	$ [35,958]

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

CORNERSTONE COMMONS CID FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Intergovernmental	$ 72,000	$ 72,000	$ 64,717	$ [7,283]
Miscellaneous	-	-	5,000	5,000
Total revenues	72,000	72,000	69,717	[2,283]
Expenditures:				
General government	70,500	70,500	71,621	1,121
Total expenditures	70,500	70,500	71,621	1,121
Excess [deficiency] of revenues Over [under] expenditures	1,500	1,500	[1,904]	[3,404]
Fund balance, January 1	10,917	10,917	7,846	[3,071]
Fund balance, December 31	$ 12,417	$ 12,417	$ 5,942	$ [6,475]

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

EQUIPMENT RESERVE AND REPLACEMENT FUND

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

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive [Negative]
Revenues:				
Interest	$ 500	$ -	$ 4,919	$ 4,919
Miscellaneous	165,000	-	-	-
Total revenues	165,500	-	4,919	4,919
Expenditures:				
Capital outlay	137,500	391,181	324,094	[67,087]
Total expenditures	137,500	391,181	324,094	[67,087]
Excess [deficiency] of revenues Over [under] expenditures	28,000	[391,181]	[319,175]	72,006
Other financing sources [uses]				
Transfers in	137,500	-	-	-
Long-term debt proceeds	-	400,000	400,000	-
Total other financing sources [uses]	137,500	400,000	400,000	-
Excess [deficiency] of revenues and other sources over [under] Expenditures and other [uses]	165,500	8,819	80,825	72,006
Fund balance, January 1	-	2,295	2,295	-
Fund balance, December 31	$ 165,500	$ 11,114	$ 83,120	$ 72,006

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
December 31, 2025

	License Reinstatement Fees	Alcohol and Drug Safety	Total
ASSETS			
Cash and cash equivalents	$ 134	$ 9,781	$ 9,915
Total assets	$ 134	$ 9,781	$ 9,915
NET POSITION:			
Restricted for individuals, organizations, and other governments	$ 134	$ 9,781	$ 9,915

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

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

	License Reinstatement Fees	Alcohol and Drug Safety	Total
ADDITIONS:			
Reinstatement fees	$ 12,563	$ -	$ 12,563
Judicial surcharge	3,162	-	3,162
Total additions	15,725	-	15,725
DEDUCTIONS:			
Reinstatement fee remittance	12,535	-	12,535
Judicial surcharge remittance	3,140	-	3,140
Total deductions	15,675	-	15,675
Net change in fiduciary net position	50	-	50
Net position, beginning	84	9,781	9,865
Net position, ending	$ 134	$ 9,781	$ 9,915

See independent auditor's report on the financial statements.

CITY OF MISSION, KANSAS

Statistical Section
(unaudited)

This part of the City of Mission's *Annual Comprehensive Financial Report* 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 one of the City's most significant local revenue sources, 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 Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment in 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 related to the services the City provides and the activities it performs.

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

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

	2016	2017	2018	2019	2020
Governmental activities:					
Net investment in capital assets	$ 36,242,192	$ 38,141,953	$ 41,312,063	$ 40,320,221	$ 46,718,202
Restricted	676,572	327,129	486,810	675,915	787,919
Unrestricted	1,744,530	1,264,295	10,968,903	15,269,698	11,697,100
Total net position	$ 38,663,294	$ 39,733,377	$ 52,767,776	$ 56,265,834	$ 59,203,221

	2021	2022	2023	2024	2025
Governmental activities:					
Net investment in capital assets	$ 50,186,427	$ 56,669,002	$ 63,317,425	$ 67,183,947	$ 70,657,627
Restricted	1,095,013	816,134	2,091,303	1,247,230	4,531,325
Unrestricted	10,350,684	8,785,419	7,785,506	7,093,995	1,611,468
Total net position	$ 61,632,124	$ 66,270,555	$ 73,194,234	$ 75,525,172	$ 76,800,420

Source: City of Mission, Kansas Basic Financial Statements

CITY OF MISSION, KANSAS
CHANGE IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	$ 2,599,590	$ 3,499,029	$ 4,628,089	$ 3,472,222	$ 3,455,429	$ 4,979,183	$ 3,806,216	$ 4,935,941	$ 5,318,584	$ 5,028,983
Public safety	4,135,349	3,733,032	3,989,831	4,351,828	4,484,731	4,168,433	4,752,443	5,083,400	5,440,906	5,592,202
Public works	3,606,294	3,643,160	3,638,008	3,981,986	3,959,532	3,991,972	3,808,216	4,281,057	6,215,326	8,963,478
Culture and recreation	2,801,261	2,968,348	3,322,745	3,295,074	2,710,090	2,958,058	3,419,429	3,594,446	4,147,295	3,760,581
Interest on long-term debt	887,504	569,058	613,042	673,385	652,236	443,543	503,558	500,696	438,066	843,369
Total primary government expenses	14,029,998	14,412,627	16,191,715	15,774,495	15,262,018	16,541,189	16,289,862	18,395,540	21,560,177	24,188,613
Program revenues										
Governmental activities:										
Charges for services:										
General government	710,862	656,319	663,702	679,353	680,746	678,587	739,794	751,533	736,909	819,824
Public safety	1,253,047	1,622,400	1,396,353	1,434,390	880,172	667,520	762,838	897,769	819,108	756,218
Public works	2,532,476	2,571,224	2,706,837	2,588,724	2,519,498	2,599,362	2,573,982	2,515,054	2,506,851	2,518,628
Culture and recreation	1,913,634	1,799,660	1,758,575	1,789,978	657,528	800,479	1,245,704	1,521,672	1,742,140	1,873,335
Operating grants and contributions:										
General government	-	17,438	13,795	52,767	15,038	2,673	20,120	10,000	21,000	32,500
Public safety	75,844	84,694	80,109	88,603	382,524	147,486	245,267	271,725	289,054	164,027
Public works	398,346	991,936	416,396	871,947	1,123,523	507,735	1,452,623	4,326,429	1,944,398	1,808,834
Culture and recreation	-	-	-	-	-	-	-	-	54,584	394,560
Capital grants and contributions	-	-	-	-	-	-	15,767	15,767	31,125	15,767
Total primary government program revenues	6,884,209	7,743,671	7,035,767	7,505,762	6,259,029	5,403,842	7,056,095	10,309,949	8,145,169	8,383,693
Total primary government net (expense)	(7,145,789)	(6,668,956)	(9,155,948)	(8,268,733)	(9,002,989)	(11,137,347)	(9,233,767)	(8,085,591)	(13,415,008)	(15,804,920)
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property	2,839,599	2,597,195	2,780,954	3,058,427	2,954,509	3,669,143	3,638,720	3,843,225	5,008,715	5,174,516
Sales	5,870,341	6,380,670	6,756,072	6,961,735	7,173,991	7,986,222	8,502,789	9,019,526	8,830,054	9,340,273
Transient guest	43,835	64,160	61,384	51,270	58,192	55,500	72,873	86,671	129,872	99,435
Motor vehicle	157,488	229,186	243,911	241,875	237,105	240,277	226,377	225,980	232,189	252,069
Franchise	1,024,850	1,061,940	1,155,820	1,024,697	1,011,085	1,030,860	1,107,914	1,048,051	985,324	1,042,587
Investment earnings	4,616	41,337	112,216	221,980	35,790	1,077	113,316	584,779	448,992	417,226
Miscellaneous	314,640	354,234	544,623	162,000	378,069	366,301	192,573	183,784	310,862	754,062
Gain on disposal of assets	-	-	-	44,807	91,635	176,274	17,722	17,254	65,500	-
Total primary government	10,255,369	10,728,722	11,654,980	11,766,791	11,940,376	13,525,654	13,872,284	15,009,270	16,011,508	17,080,168
Change in net position governmental activities	$ 3,109,580	$ 4,059,766	$ 2,499,032	$ 3,498,058	$ 2,937,387	$ 2,388,307	$ 4,638,517	$ 6,923,679	$ 2,596,500	$ 1,275,248

Source: City of Mission, Kansas Basic Financial Statements

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

	2016	2017	2018	2019	2020
General Fund:					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	-	-	-	-	-
Committed	96,436	415,232	129,463	165,518	184,404
Assigned	287,198	346,192	229,000	519,488	428,835
Unassigned	3,214,825	4,239,499	4,984,889	4,927,832	4,435,348
Total general fund	$ 3,598,459	$ 5,000,923	$ 5,343,352	$ 5,612,838	$ 5,048,587
All other governmental funds:					
Nonspendable	$ 1,982,634	$ 327,129	$ 486,810	$ 675,915	$ 787,919
Restricted	33,434	1,644,131	4,538,874	8,191,754	4,505,685
Committed	-	220,000	-	295,684	199,280
Assigned	(30,882)	(27,179)	(149,768)	(161,521)	(207,756)
Total all other governmental funds	$ 1,985,186	$ 2,164,081	$ 4,875,916	$ 9,001,832	$ 5,285,128

	2021	2022	2023	2024	2025
General Fund:					
Nonspendable	$ -	$ -	$ 100,000	$ 100,000	$ 100,000
Restricted	2,328,708	-	-	-	-
Committed	194,002	230,315	213,605	238,890	252,797
Assigned	349,219	424,205	552,220	378,750	157,728
Unassigned	4,044,877	4,038,093	3,750,957	3,214,936	3,282,826
Total general fund	$ 6,916,806	$ 4,692,613	$ 4,616,782	$ 3,932,576	$ 3,793,351
All other governmental funds:					
Nonspendable	$ 1,095,013	$ 7,971,943	$ 5,795,945	$ 1,247,230	$ -
Restricted	3,774,265	3,276,541	3,100,059	4,544,100	4,531,325
Committed	560,110	-	-	-	8,878,772
Assigned	(321,016)	(19,632)	(28,438)	-	-
Total all other governmental funds	$ 5,108,372	$ 11,228,852	$ 8,867,566	$ 5,791,330	$ 13,410,097

Source: City of Mission, Kansas Basic Financial Statements

Note: In 2019, the City issued Series 2019A General Obligation Bonds in the amount of $3,470,000.
In 2020, the City issued Series 2020A General Obligation Bonds in the amount of $6,020,000.
In 2021, the City issued Series 2021A General Obligation Bonds in the amount of $3,205,000.
In 2022, the City issued Series 2022A General Obligation Bonds in the amount of $6,655,000.
In 2025, the City issued Series 2025A General Obligation Bonds in the amount of $9,365,000.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Taxes	$9,772,782	$10,333,151	$10,998,141	$11,338,004	$11,434,882	$12,982,002	$13,548,673	$14,223,453	$15,186,154	$16,406,822
Intergovernmental	474,190	1,076,630	496,505	960,550	1,203,076	655,221	1,697,890	4,598,155	2,288,036	1,780,661
Licenses and permits	152,245	162,439	155,469	155,897	155,331	126,233	155,187	164,920	150,110	139,611
Charges for services	4,995,727	4,864,764	4,973,644	4,902,157	3,702,441	3,952,196	4,404,293	4,623,339	4,835,790	4,515,448
Fines and fees	1,253,047	1,622,400	1,406,735	1,372,590	795,226	609,520	732,038	850,441	819,108	790,178
Special assessments	-	-	1,498,990	599,596	599,596	599,960	615,727	315,747	914,447	586,487
Interest	4,616	41,337	112,216	221,980	35,790	1,077	113,318	584,779	448,992	417,225
Miscellaneous	350,375	329,377	569,918	318,073	756,652	455,932	291,501	291,573	389,453	695,372
Total revenues	17,002,982	18,430,098	20,211,618	19,868,847	18,682,994	19,382,141	21,558,627	25,652,407	25,032,090	25,331,804
Expenditures:										
General government	1,921,928	3,396,458	3,585,610	3,764,992	3,912,555	5,066,287	3,506,964	4,521,462	4,777,742	4,670,298
Public safety	3,868,458	3,457,920	3,756,157	3,983,436	3,827,951	3,884,795	4,274,018	4,469,995	4,864,448	5,470,524
Public works	1,841,605	2,132,215	2,007,478	1,901,473	2,407,486	2,294,421	2,460,326	2,387,417	2,859,340	4,816,284
Culture and recreation	2,440,954	2,504,971	2,637,958	2,703,683	2,125,022	2,530,934	2,701,421	2,990,859	3,093,504	3,149,442
Capital outlay	1,735,962	1,974,163	1,099,691	3,055,848	6,757,696	3,268,624	7,340,128	9,806,545	9,874,456	6,465,540
Debt service:										
Principal	3,245,596	3,438,471	3,556,090	3,537,335	3,671,912	3,752,390	4,029,422	3,270,757	2,601,975	2,705,448
Interest and other charges	926,474	850,807	751,838	748,605	872,102	646,749	527,760	688,689	655,814	572,277
Issuance costs	-	-	-	-	-	-	135,903	-	-	-
Total expenditures	15,980,977	17,755,005	17,394,822	19,695,372	23,574,724	21,444,200	24,975,942	28,135,724	28,727,279	27,849,813
Excess of revenues over (under) expenditures	1,022,005	675,093	2,816,796	173,475	(4,891,730)	(2,062,059)	(3,417,315)	(2,483,317)	(3,695,189)	(2,518,009)
Other financing sources (uses):										
Transfers in	1,181,764	1,134,887	1,478,111	1,763,148	1,488,682	1,524,713	1,591,326	7,168,462	2,461,723	1,565,000
Transfers out	(1,181,764)	(1,134,887)	(1,478,111)	(1,763,148)	(1,488,682)	(1,524,713)	(1,591,326)	(7,168,462)	(2,461,723)	(1,565,000)
Issuance of debt - bonds	-	-	-	3,470,000	6,020,000	3,205,000	6,655,000	-	-	9,997,551
Bond premium	-	-	-	707,120	329,140	171,731	636,712	-	-	-
Issuance of debt - leases	367,920	-	210,000	-	420,000	136,821	-	-	-	-
Issuance of financed purchases	-	-	-	-	-	-	-	-	134,809	-
Payment to refunded bond escrow agent	-	-	-	-	(6,250,000)	-	-	-	-	-
Sale of general capital assets	-	121,340	27,468	44,807	91,635	199,375	21,890	46,200	65,500	-
Total other financing sources (uses)	367,920	121,340	237,468	4,221,927	610,775	3,712,927	7,313,602	46,200	200,309	9,997,551
Net change in fund balances	$ 1,389,925	$ 796,433	$ 3,054,264	$ 4,395,402	$ (4,280,955)	$ 1,650,868	$ 3,896,287	$ (2,437,117)	$ (3,494,880)	$ 7,479,542
Debt service as a percentage of noncapital expenditures	-91.19%	27.18%	26.44%	25.76%	27.02%	24.20%	25.84%	21.60%	17.28%	14.52%

Source: City of Mission, Kansas Basic Financial Statements

CITY OF MISSION, KANSAS
TAX REVENUES OF GOVERNMENTAL FUNDS BY SOURCE
LAST TEN YEARS

Fiscal Year December 31,	Property Tax	City Sales Tax	City Use Tax	County Sales Tax	County Use Tax	Transient Guest Tax	Development District Tax	Franchise Tax	Total
2016	$ 2,833,757	$ 3,731,155	$ 821,687	$ 982,627	$ 199,878	$ 43,835	$ 134,993	$ 1,024,850	$ 9,772,782
2017	2,826,381	3,939,487	946,090	1,120,687	235,966	64,160	138,440	1,061,940	10,333,151
2018	3,024,865	4,005,307	1,178,272	1,178,715	250,573	61,384	143,205	1,155,820	10,998,141
2019	3,300,302	4,191,837	1,157,133	1,185,120	265,393	51,270	162,252	1,024,697	11,338,004
2020	3,191,614	4,143,192	1,399,244	1,145,902	314,266	58,192	171,387	1,011,085	11,434,882
2021	3,909,420	4,376,937	1,674,749	1,331,051	424,779	55,500	178,686	1,030,860	12,981,982
2022	3,131,215	4,960,332	1,343,532	1,424,094	478,338	72,873	1,030,375	1,107,914	13,548,673
2023	3,207,737	5,005,431	1,724,382	1,458,223	504,181	86,671	1,188,777	1,048,051	14,223,453
2024	4,051,945	5,041,467	1,405,420	1,530,543	537,500	129,872	1,504,083	985,324	15,186,154
2025	4,632,716	5,223,283	1,678,564	1,578,503	557,950	99,435	1,593,784	1,042,587	16,406,822

Source: City of Mission, Kansas Basic Financial Statements

CITY OF MISSION, KANSAS
LOCAL SALES AND CONSUMPTION TAX COLLECTIONS
LAST TEN YEARS

Category	2016 [1]	2017	2018	2019	2020
Auto sales, repairs and parts	$ 291,347	$ 313,159	$ 359,427	$ 390,075	$ 363,664
Clothing, department and shoe stores	758,033	794,015	846,658	840,999	964,261
Building construction, repairs, and maintenance	125,380	195,077	193,325	195,147	213,745
Grocery and drug stores	678,796	732,485	814,652	880,007	976,809
Medical	21,721	32,693	38,897	32,451	39,534
Hotels, restaurants and entertainment	791,752	822,731	876,828	909,456	840,892
Specialty	527,942	538,996	556,102	603,934	664,362
Utilities/communications	473,119	562,856	594,517	517,189	440,100
All other outlets	952,820	877,676	887,752	957,183	1,005,791
Total	$4,620,910	$4,869,688	$5,168,158	$5,326,440	$5,509,160
City Sales Tax Rates:					
General sales tax	1.00%	1.00%	1.00%	1.00%	1.00%
Street sales tax (for 10 years)	0.25%	0.25%	0.25%	0.25%	0.25%
Parks sales tax (for 10 years)	0.38%	0.38%	0.38%	0.38%	0.38%
	1.63%	1.63%	1.63%	1.63%	1.63%

Category	2021	2022	2023	2024	2025
Auto sales, repairs and parts	$ 397,162	$ 443,182	$ 426,683	490,977	400,367
Clothing, department and shoe stores	1,106,192	1,225,320	1,230,286	1,251,535	1,192,550
Building construction, repairs, and maintenance	249,752	172,228	271,505	249,382	294,402
Grocery and drug stores	935,215	1,023,671	1,056,490	1,089,882	1,152,970
Medical	38,443	45,315	44,790	39,311	40,493
Hotels, restaurants and entertainment	965,564	1,099,703	1,030,215	1,101,695	1,078,830
Specialty	836,648	943,143	937,740	945,842	977,053
Utilities/communications	469,479	601,320	500,304	446,064	489,101
All other outlets	986,556	854,854	1,318,880	851,990	1,250,417
Total	$5,985,011	$6,408,735	$6,816,892	6,466,678	6,876,184
City Sales Tax Rates:					
General sales tax	1.00%	1.00%	1.00%	1.00%	1.00%
Street sales tax (for 10 years)	0.25%	0.38%	0.38%	0.38%	0.38%
Parks sales tax (for 10 years)	0.38%	0.38%	0.38%	0.38%	0.38%
	1.63%	1.76%	1.76%	1.76%	1.76%

Source: Kansas Department of Revenue.
(1) 2016 Sales Tax totals were corrected.

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

Year Ended December 31,		Real Property		Personal Property				Ratio of Assessed Value to Estimated Actual Value	Total Direct Tax Rate (Per $1,000)
Assessment Year	Budget Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Total Assessed Value	Estimated Actual Value		
2015	2016	$ 120,318,510	$ 910,954,710	$ 1,270,673	$ 6,972,143	$ 121,589,183	$ 917,926,853	13.25%	18.225
2016	2017	130,726,507	966,136,620	1,250,762	6,941,351	131,977,269	973,077,971	13.56%	18.019
2017	2018	138,659,697	1,026,050,700	1,000,871	5,568,748	139,660,568	1,031,619,448	13.54%	17.973
2018	2019	156,541,757	1,139,513,100	944,126	5,280,937	157,485,883	1,144,794,037	13.76%	17.878
2019	2020	160,063,474	1,200,820,720	842,751	4,911,995	160,906,225	1,205,732,715	13.35%	17.157
2020	2021	171,674,400	1,297,043,690	807,566	4,737,013	172,481,966	1,301,780,703	13.25%	17.048
2021	2022	179,584,885	1,323,598,220	679,809	4,153,027	180,264,694	1,327,751,247	13.58%	16.369
2022	2023	199,155,244	1,495,367,790	614,716	3,754,220	199,769,960	1,499,122,010	13.33%	16.374
2023	2024	213,095,062	1,627,897,260	585,546	3,165,627	213,680,608	1,631,062,887	13.10%	18.497
2024	2025	222,427,063	1,720,365,810	526,318	2,843,886	222,953,381	1,723,209,696	12.94%	18.507

Information obtained from the Johnson County Records and Tax Administration Annual Abstract of Taxes.

CITY OF MISSION, KANSAS
PROPERTY TAX RATES PER $ 1,000 OF ASSESSED VALUATION
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS

	City										
Year Ended December 31,	General Fund	Storm Drain Fund	General Obligaton Fund	Total Direct Rate	Johnson County	Shawnee Mission School District	Johnson County Community College	Consolidated Fire Districct #2	Johnson County Library	Johnson County Parks and Recreation	Total
2016	18.019	0.000	0.000	18.019	19.590	54.940	9.473	11.769	3.915	3.102	120.808
2017	17.973	0.000	0.000	17.973	19.318	53.663	9.503	11.760	3.921	3.112	119.250
2018	17.878	0.000	0.000	17.878	19.024	52.427	9.266	11.750	3.901	3.088	117.334
2019	17.157	0.000	0.000	17.157	19.036	52.121	9.121	11.753	3.904	3.090	116.182
2020	17.048	0.000	0.000	17.048	18.799	52.351	9.191	11.201	3.905	3.093	115.588
2021	16.369	0.000	0.000	16.369	18.564	51.667	9.110	10.775	3.908	3.096	113.489
2022	16.374	0.000	0.000	16.374	17.772	57.386	8.617	10.477	3.815	3.021	117.462
2023	18.497	0.000	0.000	18.497	17.526	50.822	8.131	10.007	3.812	3.022	111.817
2024	18.507	0.000	0.000	18.507	17.286	51.335	8.124	10.008	3.816	3.023	112.099
2025	22.025	0.000	0.000	22.025	17.29	50.886	7.873	10.007	3.817	3.023	114.921

Information provided by the Johnson County, Kansas County Clerk's Tax Roll Press Release.

(1) Property Tax rates per $ 1,000 of Assessed Valuation

(2) The State of Kansas imposes a property tax of 1.5 mills per $1,0000 of Assessed Valuation. This is not included in the totals on the table.

CITY OF MISSION, KANSAS
PRINCIPAL PROPERTY TAXPAYERS

December 31, 2025 and Nine Years Ago

	2025			2016		
Taxpayer	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation		% of Total Assessed Valuation
Avanti Residential - The Locale (Formerly Mission Apartments LLC)	$ 6,612,040	1	3.09%	$ -		0.00%
Bridges at Foxridge NF L.L.C.	4,192,670	2	1.96%	2,094,610	7	1.59%
Scriptpro	4,620,776	3	2.16%	4,779,606	1	3.62%
Tower Properties Company	3,504,280	4	1.64%	2,477,561	5	1.88%
Aryeh Realty LLC	3,504,158	5	1.64%	-		0.00%
DHC ZB Properties	3,408,944	6	1.60%	-		0.00%
Whispering Falls, L.L.C.	3,055,320	7	1.43%	2,013,305	9	1.53%
Target	2,907,242	8	1.36%	4,203,706	2	3.19%
Foxfire Apartments	2,811,405	9	1.32%	-		0.00%
Mission Mart Shopping Center	2,588,897	10	1.21%	2,080,577	8	1.58%
MOHR Mission, LLC	-		0.00%	2,658,924	3	2.01%
CAPROCQ KC Mission, LLC	-		0.00%	2,479,651	4	1.88%
Silverwood Apartments LLC	-		0.00%	2,173,270	6	1.65%
Hy-Vee, Inc.	-		0.00%	1,867,250	10	1.41%
Total	$ 37,205,732		17.41%	$ 26,828,460		20.34%

Source: Johnson County Clerk's Office

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

Year Ended December 31,	Total Tax Levy	Current Taxes Collected	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Tax Levy
2016	$2,215,969	$2,160,946	97.50%	$ 21,222	$2,182,168	98.5%
2017	2,376,754	2,316,534	97.50%	21,222	2,337,756	98.4%
2018	2,510,100	2,445,831	97.40%	21,890	2,467,721	98.3%
2019	2,815,503	2,750,760	97.70%	13,820	2,764,580	98.2%
2020	2,760,596	2,663,260	96.47%	17,851	2,681,111	97.1%
2021	2,940,512	2,792,099	94.95%	41,530	2,833,629	96.4%
2022	2,950,256	2,919,409	98.95%	22,051	2,941,460	99.7%
2023	3,271,136	3,031,730	92.68%	(129,073)	2,902,657	88.7%
2024	3,952,199	3,613,738	91.44%	99,989	3,713,727	94.0%
2025	4,126,012	3,735,406	90.53%	6,574	3,741,981	90.7%

Source: Johnson County, Kansas Records and Tax Administration and City of Mission Finance Records.

CITY OF MISSION, KANSAS
OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	KDHE Loan Payable	Notes Payable Financed Payable	Total	City Population	Personal Income	Debt Per Capita	Debt as a Percentage of Personal Income
2016	$ 30,178,416	$ 78,851	$ 693,132	$ 30,950,399	9,323	$ 328,701,011	$ 3,320	9.42%
2017	26,871,743	74,339	454,174	27,400,256	9,323	328,701,011	2,939	8.34%
2018	23,470,070	69,649	385,142	23,924,861	9,323	328,701,011	2,566	7.28%
2019	24,172,301	64,896	207,589	24,444,786	9,323	328,701,011	2,622	7.44%
2020	20,639,506	59,960	425,584	21,125,050	9,323	328,701,011	2,266	6.43%
2021	20,281,488	54,924	400,050	20,736,462	9,954	397,184,508	2,083	5.22%
2022	21,965,000	49,756	255,787	22,270,543	9,864	409,119,264	2,258	5.44%
2023	18,850,000	44,454	155,383	19,049,837	9,954	493,121,160	1,914	3.86%
2024	16,360,000	39,043	118,258	16,517,301	10,013	490,727,117	1,650	3.37%
2025	23,065,000	33,429	78,488	23,176,917	10,013	525,762,604	2,315	4.41%

Source: Johnson County Treasurers Office and City of Mission Finance Records.

CITY OF MISSION, KANSAS
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED
VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITAL
LAST TEN YEARS

Year Ended December 31,	Population[1]	Assessed Value [2]	General Obligation Bonds [3]	Less Amounts Available in Debt Service Fund [3]	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Per Capita
2016	9,323	$ 131,977,269	$ 30,178,416	$ 676,572	$ 29,501,844	22.35%	$ 3,164
2017	9,323	139,660,568	26,871,743	896,721	25,975,022	18.60%	2,786
2018	9,323	157,485,883	23,470,070	-	23,470,070	14.90%	2,517
2019	9,323	160,906,225	24,172,301	-	24,172,301	15.02%	2,593
2020	9,323	172,481,966	20,639,506	-	20,639,506	11.97%	2,214
2021	9,954	180,264,694	20,281,488	-	20,281,488	11.25%	2,038
2022	9,864	199,155,244	21,965,000	-	21,965,000	11.03%	2,227
2023	9,954	208,605,124	18,850,000	-	18,850,000	9.04%	1,894
2024	10,013	213,095,062	16,360,000	-	16,360,000	7.68%	1,634
2025	10,013	222,427,063	23,065,000	-	23,065,000	10.37%	2,304

(1) Source: US Census Bureau 2010 Census (2014-2020) and 2020 Census
(2) Source: Johnson County Records and Tax Administration Annual Abstract of Taxes.
(3) Source: City of Mission Finance Records.

CITY OF MISSION, KANSAS
DIRECT AND OVERLAPPING DEBT
As of December 31, 2025

Name of Governmental Unit	Debt Obligation	Percentage Applicable to City of Mission	Amount Applicable to City of Mission
Direct debt:			
City of Mission, Kansas	$ 23,176,917	100.00%	$ 23,176,917
Overlapping debt: [1]			
Johnson County and Johnson County Parks and Rec	6,886,109	1.47%	101,247
Shawnee Mission School (U.S.D. 512) (2)	476,570,498	3.99%	18,991,581
Fire District #2 (3)	4,215,000	15.70%	661,689
Total overlapping debt	487,671,607		19,754,517
Total direct and overlapping debt	$ 510,848,524		$ 42,931,434

(1) Information provided by individual entities.

(2) Information from Boarddocs.com

(3) Information KS Dept of Admin website- document library

Note: 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

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.

CITY OF MISSION, KANSAS
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020
Total assessed valuation of taxable property [1]	$ 133,572,726	$ 144,400,516	$ 152,648,490	$ 171,027,097	$ 174,321,806
Debt limit percent of assessed value	30.00%	30.00%	30.00%	30.00%	30.00%
Debt limit	43,320,155	45,794,547	51,308,129	52,296,542	55,865,552
Total net debt applicable to limit	8,372,455	7,120,000	5,845,000	4,642,000	3,411,270
Legal debt margin	$ 34,947,700	$ 38,674,547	$ 45,463,129	$ 47,654,542	$ 52,454,282
Total net debt applicable to the limit as a percentage of debt limit [2]	19.33%	15.55%	11.39%	8.88%	6.11%

	2021	2022	2023	2024	2025
Total assessed valuation of taxable property [1]	$ 186,218,505	$ 193,217,365	$ 213,456,026	226,729,923	236,469,931
Debt limit percent of assessed value	30.00%	30.00%	30.00%	30.00%	30.00%
Debt limit	57,965,210	$ 57,965,210	$ 64,036,808	$ 68,018,977	$ 70,940,979
Total net debt applicable to limit	2,150,669	$ 21,965,000	18,850,000	16,360,000	23,065,000
Legal debt margin	$ 55,814,541	$ 36,000,210	$ 45,186,808	$ 51,658,977	$ 47,875,979
Total net debt applicable to the limit as a percentage of debt limit [2]	3.71%	37.89%	29.44%	24.05%	32.51%

Note 1: Total assessed valuation of taxable property on this table includes motor vehicle assessed valuation. Abstract from county is assessment year prior fo current audit budget year.

Note 2: Under Kansas State finance law, the City's outstanding unexcluded general obligation debt should not exceed 30 percent of the total assessed property value.

CITY OF MISSION, KANSAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population [1]	Unemployment Rate [2]	Per Capita Personal Income [1]	Personal Income
2016	9,323	2.9%	$ 35,257	$ 328,701,011
2017	9,323	2.5%	35,257	328,701,011
2018	9,323	2.6%	35,257	328,701,011
2019	9,323	2.8%	35,257	328,701,011
2020	9,323	5.3%	35,257	328,701,011
2021	9,954	3.1%	39,902	397,184,508
2022	9,864	2.9%	41,476	409,119,264
2023	9,954	3.20%	49,540	493,121,160
2024	10,013	3.60%	49,009	490,727,117
2025	10,013	3.20%	52,508	525,762,604

(1) Source: US Census Bureau

(2) Source: Kansas Department of Labor statistics for Johnson County, Kansas.

CITY OF MISSION, KANSAS
PRINCIPAL EMPLOYERS (Johnson County)
December 31, 2025 and 10 Years Ago

	December 31, 2025			December 31, 2016		
Employer	Employees	Percentage of Total County Employment	Rank	Employees	Percentage of Total County Employment	Rank
Olathe Unified School District	5,600	1.59%	1	4,498	1.42%	2
HCA Midwest	5,000	1.42%	2			
Garmin International	5,000	1.42%	3	3,766	1.19%	3
Kansas Health System formerly Olathe Health Systems	4,600	1.30%	4	2,542	0.80%	8
Johnson County Government	4,025	1.14%	5	3,500	1.10%	4
T-Mobile fomerly Sprint	4,000	1.13%	6	6,000	1.89%	1
Shawnee Mission School District	3,675	1.04%	7	3,400	1.07%	5
Blue Valley School District	3,175	0.90%	8	3,226	1.02%	6
United Health Group	3,000	0.85%	9			
Wal Mart	2,850	0.81%	10	2,494	0.79%	9
Black and Veatch	0	0.00%		2,800	0.88%	7
Hy Vee Food Stores	0	0.00%		2,494	0.79%	10
Total residents employed in Johnson County, KS	353,054			317,670		

Source: County Economic Research Institute (CERI), pitchbook.com
Source: Federal Reserve Economic Data

CITY OF MISSION, KANSAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2016	2017	2018	2019	2020[1]	2021	2022	2023	2024	2025
Public safety/municipal justice:										
911 calls received	9,492	9,751	7,868	8,808	6,686	6,593	7,084	7,668	7,346	7,159
DUI arrests	188	196	80	149	85	63	78	65	62	41
Traffic/parking complaints	9,995	11,267	7,658	9,809	4,926	2,607	4,675	4,687	5,370	4,136
Accidents	353	345	347	310	203	186	201	231	217	239
Investigations cases	407	338	275	336	349	219	205	248	122	164
Total court cases processed	8,356	9,308	7,087	7,524	4,515	2,456	4,778	4,797	5,771	4,631
Public works:										
Lane miles swept	785	1,455	1,210	975	1,300	279 [2]	279	230	551	551
Streets milled and overlaid (liner feet)	3,544	6,255	100	739	10,939	11,645	9,146	8,412	7,820	13,044
Sidewalk replaced (square yards)	138	2,760	218	3,556	4,290	1,500	1,070	1,344	1,552	5,921
Curb and gutter replaced (linear feet)	2,363	12,153	1,805	2,549	5,250	4,151	9,790	17,613	7,405	10,558
Acres of lawn mowed	1,599	1,599	1,599	1,385	1,385	1,385	1,385	1,416	1,416	1,416
Urban management and planning:										
Building permits processed	468	415	381	421	330	402	373	331	450	368
Plan reviews performed	20	26	13	61	102	230	322	331	196	283
Leisure and recreation:										
Annual memberships sold	1,969	1,628	1,835	1,843	1,137	1,118	1,131	1,936	1,978	2,228
Annual membership revenue	802,554	669,823	621,649	643,767	289,320	277,863	457,903	452,553	480,111	672,769
Facility reservations processed	1,723	2,147	1,679	1,715	722	1,692	1,135	1,753	1,945	1,645
Facility reservation revenue	280,731	273,496	283,536	278,703	69,111	110,427	200,882	274,145	309,179	308,089
Pool membership sold	345	313	469	423	-	442	401	1,320	1,318	1,233
Pool revenue	123,679	121,198	135,974	142,460	-	141,475	154,002	156,774	174,532	178,832

Source: Various City departments.

(1) All operations of the city were impacted due to the Covid-19 Pandemic.
(2) The methodology was changed in 2021 for how "Lane Miles Swept" is tracked. Prior years were calculated using the mileage on the sweeper. Since the sweeper is also used for cleaning out inlets the 2021 data was obtained from the equipment logs.

CITY OF MISSION, KANSAS
FULL TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government:										
Administration/Finance	6.5	6.5	6.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Community Development	7.0	7.0	7.0	6.0	5.0	5.0	4.0	4.0	4.0	4.0
Municipal Court	2.0	2.0	2.0	1.0	2.0	2.0	3.0	3.0	3.0	3.0
Public Works	12.0	12.0	12.0	13.0	13.0	13.0	13.0	12.0	11.0	11.0
Police	32.0	33.0	33.0	35.0	35.0	33.0	33.0	31.0	31.0	31.0
Parks and Recreation	13.5	13.5	13.0	13.0	13.0	13.0	13.0	13.0	13.0	12.0
Total	73.0	74.0	73.0	75.0	75.0	73.0	73.0	70.0	69.0	68.0

Source: City of Mission, Kansas Budget

CITY OF MISSION, KANSAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police:										
Stations	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public works:										
Miles of streets						44.7	44.7	44.7	44.7	44.7
Lane Miles [1]	89.3	89.3	89.3	89.3	89.3					
Streetlights	1002.0	1002.0	1002.0	946.0	946.0	960.0	960.0	960.0	960.0	845.0
Parks and recreation:										
Parks and recreation:	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	7.0
Park acreage	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.0
Pools	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tennis courts	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community center	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

Source: City of Mission, Kansas.

(1) Methodology has changed from miles of streets to lane miles of street, which is more accurate. Lane miles based