CITY OF ELLIS, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Ellis, Kansas
Ellis, Kansas

Adverse and Unmodified Opinions

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

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

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

Basis for Adverse and Unmodified Opinions

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

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

above+beyond
AdamsBrown, LLC

Responsibilities of Management for the Financial Statement

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

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

Auditors' Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated June 16, 2025, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2025 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 basic financial statement or to the 2024 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Hays, Kansas

June 15, 2026

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Regulatory Basis Fund Types							
General Fund	$ 709,270	1,260	2,633,974	2,471,569	**872,935**	95,921	**968,856**
Special Purpose Funds							
Special Highway Fund	17,806	-	61,632	56,547	**22,891**	705	**23,596**
Special Parks and Recreation Fund	31,970	-	2,973	-	**34,943**	-	**34,943**
Capital Improvement Fund	146,511	-	-	-	**146,511**	-	**146,511**
Capital Improvement Fund - Cemetery Expansion	52,500	-	150	-	**52,650**	-	**52,650**
Capital Improvement Fund - Streets	347,214	17,024	225,481	68,689	**521,030**	-	**521,030**
Capital Improvement Fund - Special Projects	255,725	-	66,722	29,136	**293,311**	13,713	**307,024**
Capital Improvement Fund - Water Exploration	165,567	-	66,722	40,978	**191,311**	213,775	**405,086**
Capital Improvement Fund - Swimming Pool	106,296	-	-	-	**106,296**	-	**106,296**
Special Machinery Fund	636,315	-	221,358	124,884	**732,789**	3,531	**736,320**
Library Fund	2,302	-	77,764	77,426	**2,640**	-	**2,640**
Tourism Fund	188,192	-	21,103	22,109	**187,186**	3,620	**190,806**
ARPA Federal Aid Fund	-	-	-	-	**-**	24,614	**24,614**
Bond and Interest Funds							
Water Principal and Interest Fund	719,928	-	-	618,325	**101,603**	-	**101,603**
TIF Bond and Interest Fund	79,685	-	-	76,593	**3,092**	-	**3,092**
Business Funds							
Campground Utility Fund	44,900	750	428,017	409,051	**64,616**	1,323	**65,939**
Water Utility Fund	314,578	-	429,305	567,119	**176,764**	8,692	**185,456**
Sewer Utility Fund	302,187	-	438,326	427,545	**312,968**	6,673	**319,641**
Sanitation Utility Fund	152,635	-	410,613	475,964	**87,284**	9,388	**96,672**
Water Depreciation Reserve Fund	802,948	-	1,252,841	124,697	**1,931,092**	759	**1,931,851**
Sewer Depreciation Reserve Fund	485,520	-	75,000	91,322	**469,198**	64,559	**533,757**
Trust Funds							
Coinsurance Fund	412,992	-	362,926	319,946	**455,972**	-	**455,972**
Cemetery Endowment Fund	29,406	-	525	-	**29,931**	-	**29,931**
Total Primary Government	6,004,447	19,034	6,775,432	6,001,900	**6,797,013**	447,273	**7,244,286**
Related Municipal Entity							
Ellis Public Library	71,368	-	204,118	158,857	**116,629**	59,930	**176,559**
Total Reporting Entity (Excluding Agency Funds)	$ 6,075,815	19,034	6,979,550	6,160,757	**6,913,642**	507,203	**7,420,845**

Composition of Cash		
Checking Accounts		$ **7,421,222**
Cash on Hand		**2,500**
Total Primary Government		**7,423,722**
Total Related Municipal Entity		**176,559**
Agency Fund per Schedule 3		**(179,436)**
Total Reporting Entity (Excluding Agency Funds)		$ **7,420,845**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

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

Ellis Public Library

The City's Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City.

Ellis Housing Authority

The City's Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Audited financial statements can be obtained by contacting the housing authority's office.

Basis of Presentation – Fund Accounting

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

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

Regulatory Basis Fund Types

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

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

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

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

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

Agency Fund – fund used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund and health reimbursement arrangement).

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

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

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

NOTE 2 – BUDGETARY INFORMATION

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

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

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

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

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Capital Improvement Fund, Capital Improvement Fund – Cemetery Expansion, Capital Improvement Fund – Streets, Capital Improvement Fund – Special Projects, Capital Improvement Fund – Water Exploration, Capital Improvement Fund – Swimming Pool, Special Machinery Fund, and ARPA Federal Aid Fund.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City adopted an investment policy during 2007 that would further limit its investment choices.

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

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2025.

At December 31, 2025, the City's carrying amount of deposits was $7,423,722 and the bank balance was $7,497,105. The bank balance was held by two banks resulting in a concentration of credit risk. The entire bank balance was covered by federal depository insurance.

At December 31, 2025, the Public Library's carrying amount of deposits was $176,559 and the bank balance was $182,834. The bank balance was held by two banks resulting in a concentration of credit risk. The entire bank balance was covered by federal depository insurance.

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

NOTE 4 – INTERFUND TRANSFERS

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

From	To	Regulatory Authority		Amount
General Fund	Special Machinery Fund	K.S.A. 12-1,117	$	157,454
General Fund	Capital Improvement Fund – Streets	K.S.A. 12-1,118		225,481
General Fund	Coinsurance Fund	Ordinance		189,114
General Fund	Water Depreciation Reserve Fund	K.S.A. 12-1,117		428,500
General Fund	Capital Improvement Fund – Special Projects	K.S.A. 12-1,118		66,722
General Fund	Capital Improvement Fund – Water Exploration	K.S.A. 12-1,118		66,722
Sanitation Utility Fund	General Fund	K.S.A. 12-825d		21,475
Sanitation Utility Fund	Special Machinery Fund	K.S.A. 12-825d		22,980
Sanitation Utility Fund	Coinsurance Fund	Ordinance		65,824
Sewer Utility Fund	Special Machinery Fund	K.S.A. 12-825d		11,500
Sewer Utility Fund	Sewer Deprecation Reserve Fund	K.S.A. 12-825d		75,000
Sewer Utility Fund	Coinsurance Fund	Ordinance		39,579
Campground Utility Fund	Coinsurance Fund	Ordinance		12,919
Water Utility Fund	Special Machinery Fund	K.S.A. 12-825d		16,165
Water Utility Fund	Water Depreciation Reserve Fund	K.S.A. 12-825d		150,000
Water Utility Fund	Coinsurance Fund	Ordinance		54,558
TIF Bond and Interest Fund	General Fund	K.S.A. 10-117a		76,593
Water Principal and Interest Fund	Water Depreciation Reserve Fund	K.S.A. 12-1,117		618,325

NOTE 5 – CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
KDHE Water Supply System Improvement	$5,729,620	$559,489

NOTE 6 – LITIGATION

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

NOTE 7 – 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 other than related to employee health benefits. 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 8 – GRANTS AND SHARED REVENUES

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

NOTE 9 – DEFERRED COMPENSATION PLAN

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

NOTE 10 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

Contributions
K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of

covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.71% for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $90,719 for the year ended December 31, 2025.

The statutory contribution rate for Ellis Public Library was 9.71% for the fiscal year ended December 31, 2025. Contributions to the pension plan from the Public Library were $4,738 for the year ended December 31, 2025.

Net Pension Liability

At December 31, 2025, the City's and Public Library's proportionate share of the collective net pension liability reported by KPERS was $777,467 and $32,168, respectively. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's and Public Library's proportion of the net pension liability was based on the ratio of the City's and Public Library's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

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

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

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

NOTE 12 – COMPENSATED ABSENCES

Vacation
City of Ellis, Kansas' policy regarding vacation for full-time employees is as follows:

Years Worked	80 Hour Pay Period Amount Earned	84 Hour Pay Period Amount Earned
1	40 hours/year	42 hours/year
2	80 hours/year	84 hours/year
3	88 hours/year	92 hours/year
4	96 hours/year	101 hours/year
5	104 hours/year	109 hours/year
6	112 hours/year	118 hours/year
7	120 hours/year	126 hours/year
8	128 hours/year	134 hours/year
9	136 hours/year	143 hours/year
10	144 hours/year	151 hours/year
11	152 hours/year	160 hours/year
12	160 hours/year	168 hours/year
13	168 hours/year	176 hours/year
14	176 hours/year	185 hours/year
15	184 hours/year	193 hours/year
16	192 hours/year	202 hours/year
17 and over	200 hours/year	210 hours/year

Part-time employees who work at least 20 hours or more per week shall earn vacation at the rate of one half the rate of full-time employees. Vacation may not be taken until the employee completes one full year of service. With the exception of 48 hours of allowable carryover, all vacation must be taken by the employee's anniversary date.

Sick Leave
The City's policy for sick leave permits an employee to earn sick leave at the rate of 8 hours per calendar month up to a maximum of 816 hours for 80 hours per pay period employees and 8.4 hours per calendar month up to a maximum of 856.8 hours for 84 hours per pay period employees. If specific voluntary separation requirements are met, employees shall be paid one percent (1%) for each year of continuous service of the value for any unused sick leave. The paid sick leave is included in the employee's final paycheck.

Currently, Ellis Public Library, a related municipal entity of **City of Ellis, Kansas**, allows the head librarian 48 hours of vacation and 44 hours of sick leave after six months of employment. Vacation and sick leave may not be carried over to the next year.

NOTE 13 – HEALTH REIMBURSEMENT ARRANGEMENT

City of Ellis, Kansas entered into a Health Reimbursement Arrangement (HRA). The full-time employee benefit is an HRA as defined by Section 105 of the Internal Revenue Code. The HRA plan is funded solely by the employer. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription drug costs incurred by the employees, their spouse or their dependents. The maximum allowance per year is $7,100 for employee only, $14,200 for employee and spouse, employee and children, and employee and family. Of this amount the employee is responsible for $2,200 for employee only and $4,400 for employee and spouse, employee and children and employee and family. The City is

responsible for the difference. The amount the City paid in HRA reimbursements was $27,656 for the year ended December 31, 2025.

NOTE 14 – DEBT RESTRICTIONS AND COVENANTS

KDHE Revolving Loan

City of Ellis, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to refinance the wastewater treatment plant project in the amount of $831,611. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2025 as it is providing dedicated funds through rates, fees, and charges for the use and services furnished by or through the wastewater treatment system.

City of Ellis, Kansas entered into a loan agreement with the Kansas Department of Health and Environment for a water system improvement project in the amount of $5,729,620. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds.

NOTE 15 – CONDUIT DEBT

From time to time, **City of Ellis, Kansas** 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 generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector entities serviced by the bond issuance. 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, 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 statement. As of December 31, 2025, there was one industrial revenue bond outstanding for a restaurant. The principal amount payable at December 31, 2025 totaled $1,925,204.

NOTE 16 – LONG-TERM DEBT

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

KDHE Revolving Loan

The City entered into an $831,611 revolving loan agreement on March 4, 2015, with the Kansas Department of Health and Environment acting on behalf of the State of Kansas for the purpose of financing improvements to the existing wastewater treatment facility.

The City entered into a $5,279,620 revolving loan agreement on November 5, 2022, with the Kansas Department of Health and Environment acting on behalf of the State of Kansas for the purpose of financing a water system improvement project. As of December 31, 2025, no funds had been advanced on the loan.

General Obligation Bonds

On June 24, 2010, the City issued $348,000 in General Obligation Bonds for the purpose of providing funds to pay the cost of the water system improvements.

On October 17, 2016, the City issued $567,000 in General Obligation Bonds for the purpose of funding upgrades to the water distribution system.

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	**Balance End of Year**	Interest Paid
Revolving Loans									
KDHE - Wastewater Treatment Facility	2.13%	03/04/15	$ 831,611	09/01/36	$ 579,639	-	(39,142)	**540,497**	10,714
KDHE - Water System Improvement Project	2.60%	11/05/22	5,729,620	08/01/58	-	-	-	**-** *	-
General Obligation Bonds									
Series 2010	3.25%	06/24/10	348,000	06/24/50	273,000	-	(7,000)	**266,000**	8,873
Series 2016	1.88%	10/17/16	567,000	10/28/48	323,895	-	(11,189)	**312,706**	6,073
Total Contractual Indebtedness					$ 1,176,534	-	(57,331)	**1,119,203**	25,660

* At December 31, 2025, the City has not expended any of the funds. The City is authorized to spend up to $5,729,620, and KDHE anticipates forgiving $1,000,000 of that amount. The remainder of $4,729,620 is reflected in the Revolving Loans on the maturity schedule.

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

	YEAR											
	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046-2050	2051-2055	2056-2058	**Total**
Principal												
Revolving Loans	$ 39,980	40,836	41,711	148,341	152,021	818,593	767,399	759,545	864,267	983,427	653,997	**5,270,117**
General Obligation Bonds	18,399	18,613	19,831	20,053	20,279	108,934	123,254	139,188	110,155	-	-	**578,706**
Total Principal	**58,379**	**59,449**	**61,542**	**168,394**	**172,300**	**927,527**	**890,653**	**898,733**	**974,422**	**983,427**	**653,997**	**5,848,823**
Interest												
Revolving Loans	9,974	9,219	8,447	24,120	22,943	332,153	411,351	329,347	238,723	135,604	26,028	**1,547,909**
General Obligation Bonds	14,508	14,067	13,622	13,140	12,654	55,634	41,676	25,770	8,352	-	-	**199,423**
Total Interest	**24,482**	**23,286**	**22,069**	**37,260**	**35,597**	**387,787**	**453,027**	**355,117**	**247,075**	**135,604**	**26,028**	**1,747,332**
Total Principal and Interest	$ **82,861**	**82,735**	**83,611**	**205,654**	**207,897**	**1,315,314**	**1,343,680**	**1,253,850**	**1,221,497**	**1,119,031**	**680,025**	**7,596,155**

CITY OF ELLIS, KANSAS

Regulatory-Required Supplementary Information

Schedule 1

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

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	**Expenditures Chargeable to Current Year**	Variance Over (Under)
Regulatory Basis Fund Types					
General Fund	$ 2,824,524	-	2,824,524	**2,471,569**	(352,955)
Special Purpose Funds					
Special Highway Fund	90,125	-	90,125	**56,547**	(33,578)
Special Parks and Recreation Fund	35,322	-	35,322	**-**	(35,322)
Library Fund	77,426	-	77,426	**77,426**	-
Tourism Fund	187,597	-	187,597	**22,109**	(165,488)
Bond and Interest Funds					
Water Principal and Interest Fund	618,325	-	618,325	**618,325**	-
TIF Bond and Interest Fund	76,593	-	76,593	**76,593**	-
Business Funds					
Campground Utility Fund	544,297	-	544,297	**409,051**	(135,246)
Water Utility Fund	846,528	-	846,528	**567,119**	(279,409)
Sewer Utility Fund	696,994	-	696,994	**427,545**	(269,449)
Sanitation Utility Fund	551,056	-	551,056	**475,964**	(75,092)

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem	$ 1,007,601	**1,232,696**	1,254,498	(21,802)
Delinquent	16,591	**28,022**	-	28,022
Motor Vehicle	123,726	**129,951**	107,655	22,296
Total Taxes and Shared Revenues	1,147,918	**1,390,669**	1,362,153	28,516
Intergovernmental				
Compensating Use Tax	171,661	**202,159**	156,575	45,584
Local Alcoholic Liquor Tax	2,837	**2,973**	2,938	35
City Sales Tax	536,538	**523,688**	521,550	2,138
Total Intergovernmental	711,036	**728,820**	681,063	47,757
Licenses and Permits				
Licenses and Permits	17,710	**11,118**	12,000	(882)
Franchise Fees	79,960	**84,609**	93,000	(8,391)
Total Licenses and Permits	97,670	**95,727**	105,000	(9,273)
Miscellaneous				
Grave Openings and Closings	8,350	**9,500**	7,500	2,000
Copy Fees	251	**184**	275	(91)
Miscellaneous	13,423	**78,671**	16,100	62,571
Cemetery Lots	2,625	**2,050**	1,500	550
Pool Fees and Concessions	14,435	**14,380**	14,500	(120)
Museum Roundup Program	176	**185**	175	10
Grants and Donations	-	**365**	-	365
Transfers In	142,120	**98,068**	98,068	-
Total Miscellaneous	181,380	**203,403**	138,118	65,285
Fines and Forfeitures				
Fines and Court Costs	20,980	**14,739**	14,500	239
Diversion Fees	200	**500**	-	500
Total Fines and Forfeitures	21,180	**15,239**	14,500	739
Use of Money and Property				
Interest	239,960	**175,837**	-	175,837
Rentals and Leases	23,850	**24,279**	23,850	429
Total Use of Money and Property	263,810	**200,116**	23,850	176,266
Total Receipts	$ 2,422,994	**2,633,974**	2,324,684	309,290

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Expenditures				
General Government				
Personal Services	$ 133,286	**112,877**	142,752	(29,875)
Contractual	172,438	**274,760**	203,175	71,585
Commodities	18,465	**23,198**	23,925	(727)
Capital Outlay	-	**4,705**	-	4,705
Total General Government	324,189	**415,540**	369,852	45,688
Police Department				
Personal Services	385,540	**363,623**	418,378	(54,755)
Contractual	42,089	**63,234**	47,400	15,834
Commodities	22,812	**19,830**	22,200	(2,370)
Capital Outlay	-	**-**	2,500	(2,500)
Total Police Department	450,441	**446,687**	490,478	(43,791)
Municipal Court				
Personal Services	13,936	**10,863**	7,542	3,321
Contractual	6,311	**10,858**	12,300	(1,442)
Commodities	419	**314**	400	(86)
Total Municipal Court	20,666	**22,035**	20,242	1,793
Fire Department				
Personal Services	24,004	**23,195**	24,391	(1,196)
Contractual	20,394	**18,757**	21,950	(3,193)
Commodities	1,448	**3,053**	6,500	(3,447)
Capital Outlay	4,631	**4,530**	2,500	2,030
Total Fire Department	50,477	**49,535**	55,341	(5,806)
Park Department				
Personal Services	68,277	**67,165**	83,116	(15,951)
Contractual	17,006	**19,775**	19,250	525
Commodities	18,130	**13,358**	16,100	(2,742)
Capital Outlay	100	**-**	3,000	(3,000)
Total Park Department	103,513	**100,298**	121,466	(21,168)
Economic Development	120,852	**-**	377,385	(377,385)
Street Department				
Personal Services	59,416	**53,453**	68,042	(14,589)
Contractual	-	**248**	2,500	(2,252)
Total Street Department	59,416	**53,701**	70,542	(16,841)
Building and Inspections				
Personal Services	26,467	**27,720**	34,510	(6,790)
Contractual	2,344	**6,412**	4,350	2,062
Commodities	1,004	**1,201**	3,550	(2,349)
Total Building and Inspections	$ 29,815	**35,333**	42,410	(7,077)

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Expenditures (continued)				
Museums				
Contractual	$ 1,163	**853**	2,500	(1,647)
Commodities	454	**1,632**	1,000	632
Capital Outlay	-	**-**	2,000	(2,000)
Total Museums	1,617	**2,485**	5,500	(3,015)
Appropriations				
Museums	31,000	**31,000**	31,000	-
Library	9,500	**9,500**	9,500	-
Library Employee Benefit	2,500	**2,500**	2,500	-
Alliance and Foundation	20,000	**22,000**	22,000	-
Other	23,746	**31,293**	32,850	(1,557)
Total Appropriations	86,746	**96,293**	97,850	(1,557)
Swimming Pool				
Personal Services	90,914	**90,056**	105,463	(15,407)
Contractual	5,812	**12,521**	8,000	4,521
Commodities	13,854	**10,612**	14,000	(3,388)
Total Swimming Pool	110,580	**113,189**	127,463	(14,274)
Risk Management	-	**-**	2,500	(2,500)
Sales Tax Rebate Program	-	**-**	1,000	(1,000)
Feral Cat Program	350	**1,283**	2,000	(717)
DARE Program	521	**697**	500	197
Xeriscaping Incentive Program	-	**500**	5,000	(4,500)
Sidewalk Replacement Program	-	**-**	5,000	(5,000)
Transfers Out	686,651	**1,133,993**	1,029,995	103,998
Total Expenditures	2,045,834	**2,471,569**	2,824,524	(352,955)
Receipts Over (Under) Expenditures	377,160	**162,405**		
Unencumbered Cash - Beginning	332,110	**709,270**		
Prior Year Cancelled Encumbrances	-	**1,260**		
Unencumbered Cash - Ending	$ 709,270	**872,935**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Fuel Tax	$ 52,476	**51,935**	54,410	(2,475)
Licenses, Permits, Inspections	1,400	**1,700**	1,500	200
Reimbursed Expenses	-	**7,997**	-	7,997
Total Receipts	53,876	**61,632**	55,910	5,722
Expenditures				
Personal Services	20,389	**14,023**	22,191	(8,168)
Contractual	20,607	**13,500**	20,000	(6,500)
Commodities	25,266	**29,024**	20,000	9,024
Capital Outlay	-	**-**	27,934	(27,934)
Total Expenditures	66,262	**56,547**	90,125	(33,578)
Receipts Over (Under) Expenditures	(12,386)	**5,085**		
Unencumbered Cash - Beginning	30,192	**17,806**		
Unencumbered Cash - Ending	$ 17,806	**22,891**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental				
Local Alcoholic Liquor Tax	$ 2,837	**2,973**	2,937	36
Expenditures				
Contractual	4,778	**-**	2,000	(2,000)
Commodities	-	**-**	3,000	(3,000)
Capital Outlay	-	**-**	30,322	(30,322)
Total Expenditures	4,778	**-**	35,322	(35,322)
Receipts Over (Under) Expenditures	(1,941)	**2,973**		
Unencumbered Cash - Beginning	33,911	**31,970**		
Unencumbered Cash - Ending	$ 31,970	**34,943**		

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Insurance Proceeds	$	48,209	**-**
Transfers In		5,415	**-**
Total Receipts		53,624	**-**
Expenditures			
Contractual		38,079	**-**
Receipts Over (Under) Expenditures		15,545	**-**
Unencumbered Cash - Beginning		130,966	**146,511**
Unencumbered Cash - Ending	$	146,511	**146,511**

CITY OF ELLIS, KANSAS
Capital Improvement Fund - Cemetery Expansion
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	15,000	**-**
Donations		2,500	**150**
Total Receipts		17,500	**150**
Expenditures		-	**-**
Receipts Over (Under) Expenditures		17,500	**150**
Unencumbered Cash - Beginning		35,000	**52,500**
Unencumbered Cash - Ending	$	52,500	**52,650**

CITY OF ELLIS, KANSAS
Capital Improvement Fund - Streets
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	80,000	**225,481**
Expenditures			
Capital Outlay		211,286	**68,689**
Receipts Over (Under) Expenditures		(131,286)	**156,792**
Unencumbered Cash - Beginning		478,500	**347,214**
Prior Year Cancelled Encumbrances		-	**17,024**
Unencumbered Cash - Ending	$	347,214	**521,030**

CITY OF ELLIS, KANSAS
Capital Improvement Fund - Special Projects
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	52,522	**66,722**
Grants		16,500	**-**
Total Receipts		69,022	**66,722**
Expenditures			
Contractual Services		20,082	**29,118**
Commodities		-	**18**
Total Expenditures		20,082	**29,136**
Receipts Over (Under) Expenditures		48,940	**37,586**
Unencumbered Cash - Beginning		206,785	**255,725**
Unencumbered Cash - Ending	$	255,725	**293,311**

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	52,522	**66,722**
Expenditures			
Contractual Services		12,355	**40,978**
Receipts Over (Under) Expenditures		40,167	**25,744**
Unencumbered Cash - Beginning		125,400	**165,567**
Unencumbered Cash - Ending	$	165,567	**191,311**

CITY OF ELLIS, KANSAS
Capital Improvement Fund - Swimming Pool
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	**-**
Expenditures			
Contractual		947	**-**
Receipts Over (Under) Expenditures		(947)	**-**
Unencumbered Cash - Beginning		107,243	**106,296**
Unencumbered Cash - Ending	$	106,296	**106,296**

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Donations and Grants	$	2,028	**10,200**
State Aid		-	**3,059**
Insurance Proceeds		3,327	**-**
Transfers In		123,602	**208,099**
Total Receipts		128,957	**221,358**
Expenditures			
Capital Outlay		125,818	**124,884**
Receipts Over (Under) Expenditures		3,139	**96,474**
Unencumbered Cash - Beginning		633,176	**636,315**
Unencumbered Cash - Ending	$	636,315	**732,789**

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem	$ 56,593	**69,161**	70,451	(1,290)
Delinquent	935	**1,304**	-	1,304
Motor Vehicle	6,948	**7,299**	6,046	1,253
Total Receipts	64,476	**77,764**	76,497	1,267
Expenditures				
Library Appropriations	64,372	**77,426**	77,426	-
Receipts Over (Under) Expenditures	104	**338**		
Unencumbered Cash - Beginning	2,198	**2,302**		
Unencumbered Cash - Ending	$ 2,302	**2,640**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Transient Guest Tax	$ 50,954	**20,758**	30,150	(9,392)
Miscellaneous	-	**345**	-	345
Total Receipts	50,954	**21,103**	30,150	(9,047)
Expenditures				
Contractual	14,957	**19,413**	27,400	(7,987)
Commodities	727	**2,696**	3,000	(304)
Capital Outlay	-	**-**	157,197	(157,197)
Total Expenditures	15,684	**22,109**	187,597	(165,488)
Receipts Over (Under) Expenditures	35,270	**(1,006)**		
Unencumbered Cash - Beginning	152,922	**188,192**		
Unencumbered Cash - Ending	$ 188,192	**187,186**		

Schedule 2-13

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

	Prior Year Actual	**Current Year Actual**
Receipts	$ -	**-**
Expenditures		
Contractual	228,297	**-**
Receipts Over (Under) Expenditures	(228,297)	**-**
Unencumbered Cash - Beginning	228,297	**-**
Unencumbered Cash - Ending	$ -	**-**

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Transfers In	$ 354,085	**-**	-	-
Expenditures				
Principal	415,000	**-**	-	-
Interest	8,300	**-**	-	-
Transfers Out	-	**618,325**	618,325	-
Total Expenditures	423,300	**618,325**	618,325	-
Receipts Over (Under) Expenditures	(69,215)	**(618,325)**		
Unencumbered Cash - Beginning	789,143	**719,928**		
Unencumbered Cash - Ending	$ 719,928	**101,603**		

Schedule 2-15

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

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	**-**
Expenditures			
Transfers Out		80,000	**-**
Receipts Over (Under) Expenditures		(80,000)	**-**
Unencumbered Cash - Beginning		80,000	**-**
Unencumbered Cash - Ending	$	-	**-**

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem	$ 231,021	**-**	-	-
Delinquent	4,635	**-**	-	-
Special Assessments	900	**-**	-	-
Total Receipts	236,556	**-**	-	-
Expenditures				
Principal	150,000	**-**	-	-
Interest	7,125	**-**	-	-
Service Fees	1,400	**-**	-	-
Transfers Out	-	**76,593**	76,593	-
TIF Housing Project	858,838	**-**	-	-
Total Expenditures	1,017,363	**76,593**	76,593	-
Receipts Over (Under) Expenditures	(780,807)	**(76,593)**		
Unencumbered Cash - Beginning	860,492	**79,685**		
Unencumbered Cash - Ending	$ 79,685	**3,092**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Grants	$ -	**12,000**	-	12,000
Federal Aid	3,750	**330,466**	330,466	-
User Fees	71,279	**81,946**	55,855	26,091
Use of Money and Property				
Rentals and Leases	3,605	**3,605**	3,605	-
Total Receipts	78,634	**428,017**	389,926	38,091
Expenditures				
Personal Services	35,571	**33,641**	36,534	(2,893)
Contractual	80,351	**346,505**	21,475	325,030
Commodities	3,370	**4,393**	5,100	(707)
Capital Outlay	67,446	**11,593**	468,269	(456,676)
Transfers Out	10,491	**12,919**	12,919	-
Total Expenditures	197,229	**409,051**	544,297	(135,246)
Receipts Over (Under) Expenditures	(118,595)	**18,966**		
Unencumbered Cash - Beginning	163,495	**44,900**		
Prior Year Cancelled Encumbrances	-	**750**		
Unencumbered Cash - Ending	$ 44,900	**64,616**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Water Sales	$ 655,407	**408,209**	412,950	(4,741)
Connects and Disconnects	17,261	**15,555**	19,975	(4,420)
Penalties	6,660	**3,766**	7,500	(3,734)
Miscellaneous	2,539	**1,775**	2,775	(1,000)
Total Receipts	681,867	**429,305**	443,200	(13,895)
Expenditures				
Personal Services	151,449	**143,295**	156,003	(12,708)
Contractual	100,340	**116,799**	126,700	(9,901)
Commodities	38,239	**47,672**	44,650	3,022
Capital Outlay	-	**5,495**	265,317	(259,822)
Principal	17,983	**18,189**	18,189	-
Interest	15,379	**14,946**	14,946	-
Transfers Out	400,128	**220,723**	220,723	-
Total Expenditures	723,518	**567,119**	846,528	(279,409)
Receipts Over (Under) Expenditures	(41,651)	**(137,814)**		
Unencumbered Cash - Beginning	356,229	**314,578**		
Unencumbered Cash - Ending	$ 314,578	**176,764**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Sewer Charges	$ 419,349	**432,887**	414,500	18,387
Penalties	4,671	**4,513**	4,800	(287)
Miscellaneous	417	**926**	900	26
Total Receipts	424,437	**438,326**	420,200	18,126
Expenditures				
Personal Services	117,762	**113,364**	125,239	(11,875)
Contractual	108,056	**105,093**	123,050	(17,957)
Commodities	31,922	**31,728**	37,250	(5,522)
Capital Outlay	-	**-**	234,095	(234,095)
Principal	38,321	**39,142**	39,142	-
Interest	11,439	**10,714**	10,714	-
Commission Fees	1,521	**1,425**	1,425	-
Transfers Out	112,304	**126,079**	126,079	-
Total Expenditures	421,325	**427,545**	696,994	(269,449)
Receipts Over (Under) Expenditures	3,112	**10,781**		
Unencumbered Cash - Beginning	299,075	**302,187**		
Unencumbered Cash - Ending	$ 302,187	**312,968**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Sanitation Charges	$ 389,798	**398,797**	390,500	8,297
Recycle Proceeds	4,150	**6,643**	2,400	4,243
Penalties	4,239	**4,107**	4,275	(168)
Miscellaneous	369	**1,066**	1,000	66
Total Receipts	398,556	**410,613**	398,175	12,438
Expenditures				
Personal Services	200,616	**207,525**	193,346	14,179
Contractual	113,983	**127,189**	129,225	(2,036)
Commodities	28,289	**29,437**	32,250	(2,813)
Capital Outlay	10,815	**1,534**	85,956	(84,422)
Transfers Out	105,460	**110,279**	110,279	-
Total Expenditures	459,163	**475,964**	551,056	(75,092)
Receipts Over (Under) Expenditures	(60,607)	**(65,351)**		
Unencumbered Cash - Beginning	213,242	**152,635**		
Unencumbered Cash - Ending	$ 152,635	**87,284**		

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

		Prior Year Actual	**Current Year Actual**
Receipts			
State Aid	$	-	**56,016**
Transfers In		150,000	**1,196,825**
Total Receipts		150,000	**1,252,841**
Expenditures			
Contractual		-	**68,591**
Capital Outlay		48,035	**56,106**
Total Expenditures		48,035	**124,697**
Receipts Over (Under) Expenditures		101,965	**1,128,144**
Unencumbered Cash - Beginning		700,983	**802,948**
Unencumbered Cash - Ending	$	802,948	**1,931,092**

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

	Prior Year Actual	**Current Year Actual**
Receipts		
Transfers In	$ 75,000	**75,000**
Expenditures		
Contractual	3,459	**65,520**
Capital Outlay	2,091	**25,802**
Total Expenditures	5,550	**91,322**
Receipts Over (Under) Expenditures	69,450	**(16,322)**
Unencumbered Cash - Beginning	416,070	**485,520**
Unencumbered Cash - Ending	$ 485,520	**469,198**

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Reimbursed Expenses	$	-	**932**
Transfers In		344,768	**361,994**
Total Receipts		344,768	**362,926**
Expenditures			
Contractual		301,354	**319,946**
Receipts Over (Under) Expenditures		43,414	**42,980**
Unencumbered Cash - Beginning		369,578	**412,992**
Unencumbered Cash - Ending	$	412,992	**455,972**

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Lot Sales	$	825	**525**
Expenditures		-	**-**
Receipts Over (Under) Expenditures		825	**525**
Unencumbered Cash - Beginning		28,581	**29,406**
Unencumbered Cash - Ending	$	29,406	**29,931**

CITY OF ELLIS, KANSAS
Ellis Public Library
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental	$	13,250	**99,810**
Interest		122	**161**
Collections		7,926	**14,721**
Appropriations		76,372	**89,426**
Total Receipts		97,670	**204,118**
Expenditures			
Personal Services		51,214	**59,469**
Contractual		17,240	**15,975**
Commodities		16,587	**18,686**
Capital Outlay		5,555	**64,727**
Total Expenditures		90,596	**158,857**
Receipts Over (Under) Expenditures		7,074	**45,261**
Unencumbered Cash - Beginning		64,294	**71,368**
Unencumbered Cash - Ending	$	71,368	**116,629**

CITY OF ELLIS, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2025

Fund		Beginning Cash Balance	Cash Receipts	Cash Disbursements	**Ending Cash Balance**
Health Reimbursement Arrangement	$	139,827	88,029	49,080	**178,776**
Payroll Clearing		693	1,210,460	1,210,493	**660**
Total Agency Funds	$	140,520	1,298,489	1,259,573	**179,436**