

CITY OF BALDWIN CITY, KANSAS

FINANCIAL STATEMENTS

Year Ended December 31, 2025

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CITY OF BALDWIN CITY, KANSAS

FINANCIAL STATEMENTS
Year ending December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Baldwin City, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Baldwin City, Kansas and its related municipal entity, the Baldwin City Library, (collectively, the City), as of and for the year ended December 31, 2025 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City 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 Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of receipts and disbursements-agency funds and the schedule of regulatory basis receipts and expenditures-related municipal entity (Schedules 1, 2, 3 and 4) as listed in the table of contents) are presented for 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 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.

Other Matters

The 2024 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) for the year ended December 31, 2024, is presented for purposes of additional analysis and is not a required part of the basic financial statement.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Baldwin City, Kansas as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated August 11, 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/oar/municipalservices>. The 2024 actual column (2020 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.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

September 2, 2026

CITY OF BALDWIN CITY, KANSAS

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

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add: Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
General Funds:						
General	\$ [40,084]	\$ 4,509,035	\$ 4,381,401	\$ 87,550	\$ 137,027	\$ 224,577
Special Purpose Funds:						
Library	-	237,622	237,622	-	-	-
Special Parks and Recreation	140,024	26,619	-	166,643	-	166,643
Special Highway	242,531	321,435	383,572	180,394	-	180,394
Swimming Pool Sales						
Tax Revenue	49,899	-	-	49,899	-	49,899
General Reserve	30,685	-	-	30,685	-	30,685
Cemetery Reserve	5,531	6,143	-	11,674	-	11,674
Cemetery	224,569	98,542	71,932	251,179	[4,566]	246,613
Neighborhood Revitalization Program	-	310,062	310,062	-	-	-
Bond and Interest Funds:						
Bond and Interest	3,937	1,095,800	1,099,737	-	-	-
Capital Project Funds:						
Capital Project	[421,495]	32,403	94,177	[483,269]	-	[483,269]
Quality of Life Sales Tax	193,057	182,770	297,507	78,320	2,657	80,977
Capital Improvement Sales Tax	53,727	352,630	334,131	72,226	-	72,226
Police Building Project	[367,244]	-	-	[367,244]	-	[367,244]
Rail/Trail Project	-	-	-	-	-	-
Business Funds:						
Electric System	524,983	6,176,058	5,898,370	802,671	240,789	1,043,460
Electric Project	3,980,657	282,848	1,900,610	2,362,895	647,919	3,010,814
Water System	17,724	2,641,500	2,421,634	237,590	62,534	300,124
Water Project	[7,570]	15,075	-	7,505	-	7,505
Wastewater Utility	233,212	1,386,142	1,584,313	35,041	34,523	69,564
Wastewater Project	8,880	28,360	-	37,240	-	37,240
Refuse Utility	[35,885]	519,343	522,538	[39,080]	40,160	1,080
Total Primary Government	<u>4,837,138</u>	<u>18,222,387</u>	<u>19,537,606</u>	<u>3,521,919</u>	<u>1,161,043</u>	<u>4,682,962</u>
Related Municipal Entity:						
Baldwin City Library	<u>509,804</u>	<u>363,955</u>	<u>278,119</u>	<u>595,640</u>	<u>-</u>	<u>595,640</u>
Total Related Municipal Entity	<u>509,804</u>	<u>363,955</u>	<u>278,119</u>	<u>595,640</u>	<u>-</u>	<u>595,640</u>
Total Reporting Entity	<u>\$ 5,346,942</u>	<u>\$ 18,586,342</u>	<u>\$ 19,815,725</u>	<u>\$ 4,117,559</u>	<u>\$ 1,161,043</u>	<u>\$ 5,278,602</u>

Composition of Cash:

Baldwin State Bank	
Checking	\$ 2,617,728
Checking - Baldwin City Library	179,674
Mid America Bank	
Certificates of Deposit	2,061,433
Kansas State Bank	
Checking	3,101
Douglas County Community Foundation - Baldwin City Library	415,966
Petty Cash	700
Total	<u>\$ 5,278,602</u>

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

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Baldwin City, Kansas, (the City) is a municipal corporation governed by a mayor and a five-member council. These financial statements present the City and its related municipal entity for which the City is considered to be financially accountable.

Related Municipal Entity. The Baldwin City Public Library (Library) serves the citizens within the City's jurisdiction. The City appoints the entire governing body of the Library. Acquisition or disposition of real property by the Library must be approved by the City. Bond issuances must also be approved by the City. Complete financial statements are not available for the Library for the year ended December 31, 2025.

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide* (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.

Regulatory Basis Fund Types

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

The General Fund is the chief operating fund is used to account for all resources except those required to be accounted for in another fund.

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

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

The Capital Project Fund is used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

The Business Funds are funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.)

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. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper 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 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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The original budget was not amended during the year ended December 31, 2025.

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 regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the 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 improvement funds, capital project funds, or trust funds.

NOTE 2 – Deposits and Investments

Deposits. 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.

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

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2025

NOTE 2 – Deposits and Investments (Continued)

K.S.A. 12-1225(h) authorizes Library boards to invest or reinvest gifts and donations and any dividends, interest, rent or income derived from the gifts in the manner the board deems will best serve the interest of the library. As of December 31, 2025, the Baldwin City Library had the following unsecured investments:

<u>Investment Type</u>	<u>Fair Value</u>
Douglas County Community Foundation	
Mutual funds	<u>\$ 415,966</u>

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods."

As of December 31, 2025, the City's carrying amount of deposits was \$4,682,962 and the bank balance was \$4,730,790. The bank balance was held by three banks, which reduces the concentration of credit risk. Of the bank balance, \$1,253,101 was covered by federal depository insurance, \$3,477,689 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

As of December 31, 2025, the Library's carrying amount of deposits was \$179,674 and the bank balance was \$180,084. The bank balance was held by one bank resulting in a concentration of credit risk. The entirety of the 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.

NOTE 3 – Defined Benefit Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS 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. K.S.A. 74-4975 establishes 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.

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 3 – Defined Benefit Pension Plan (Continued)

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F 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 KPERS and 24.67% for KP&F for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were \$259,811 for KPERS and \$212,402 for KP&F for the year ended December 31, 2025.

Net Pension Liability. As of December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,988,052 and \$1,693,320 for KP&F. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 4 – Deferred Compensation Retirement Plan

The City administers a 401(a) pension plan. Employees are eligible to participate in the plan after six months of continuous service. Plan compensation is determined by W-2 wages. The City matches employee contributions up to 4% of wages. All employee contributions are fully vested.

Employer matching contributions are subject to the following vesting schedule:

Years of employment	1	2	3	4	5
Vested percentage	20%	40%	60%	80%	100%

Forfeitures may first be used to reduce fees. Remaining forfeitures will be used to reduce City contributions. For the year ended December 31, 2025, the City recognized pension expense of \$61,297. There were no plan forfeitures for the year ended December 31, 2025. The City closed the plan to new hires effective July 1, 2020.

NOTE 5 – Other Long-Term Obligations from Operations

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City 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.

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

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 6 – Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation earned but unused at termination is paid to the employees at their current rate of pay up to a maximum of 30 days. Employees who resign in good standing are entitled to ten percent of their unused sick leave and employees who retire in good standing are entitled to twenty percent of their sick leave. The sick leave is calculated at the maximum entitlement even though not all employees are eligible for retirement in the coming year. The liability for compensated absences as of December 31, 2025 is \$332,640.

NOTE 7 – Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the City as of December 31, 2025.

NOTE 8 – Interfund Transfers

A reconciliation of transfers by fund type for 2025 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
Electric System	General	\$ 554,275	K.S.A. 12-825d
Water System	General	220,165	K.S.A. 12-825d
Wastewater Utility	General	150,143	K.S.A. 12-825d
Refuse Utility	General	21,443	K.S.A. 12-825d
Cemetery	General	4,322	Council Resolution
General	Capital Project	2,198	K.S.A. 12-1,118
Quality of Life Sales Tax	Bond and Interest	225,937	K.S.A 74-8905
Capital Improvement Sales Tax	Bond and Interest	334,131	K.S.A 74-8905
General	Bond and Interest	87,063	K.S.A. 12-1,118
Special Highway	Bond and Interest	65,000	K.S.A 74-8905
Special Highway	Capital Project	22,834	K.S.A. 12-1,118
		<u>\$1,687,512</u>	

NOTE 9 – Risk Management

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

During the ordinary course of its operations, the City is a party to various claims, legal actions and complaints. In the opinion of management and legal counsel, no such claims, legal actions or complaints would not have a material effect on any of the financial statements of the City as of December 31, 2025.

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2025

NOTE 10 – Long-Term Debt

The following table summarizes changes in long-term debt for the year ended December 31, 2025:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
General Obligation Bonds	\$ 17,320,000	\$ -	\$ 1,300,000	\$ 16,020,000	\$ 560,301
Revolving Loans	1,338,841	-	84,781	1,254,060	23,983
Finance Leases	3,471,408	-	450,569	3,020,839	129,948
Total	<u>\$ 22,130,249</u>	<u>\$ -</u>	<u>\$ 1,835,350</u>	<u>\$ 20,294,900</u>	<u>\$ 714,232</u>

General Obligation Bonds. The following table details the City's outstanding general obligation bonds as of December 31, 2025:

<u>General Obligation Bonds</u>	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Current Amount</u>
Refunding, Series 2013	03/19/13	09/01/33	2.00 - 3.50%	\$ 7,165,000	\$ 1,740,000
Refunding, Series 2014	08/01/14	11/01/26	2.50 - 2.75%	5,890,000	370,000
Refunding and Improvement, Series 2015-A	06/18/15	09/01/35	2.00 - 3.50%	2,100,000	515,000
Improvement, Series 2015-B	12/10/15	09/01/35	2.25 - 3.50%	3,155,000	1,780,000
Improvement, Series 2018-A	12/04/18	09/01/38	3.00 - 4.00%	3,915,000	2,430,000
Refunding, Series 2021	02/25/21	09/01/40	1.00 - 2.00%	3,075,000	2,875,000
Improvement, Series 2023-A	06/01/23	09/01/42	3.25 - 5.00%	4,020,000	4,020,000
Refunding and Improvement, Series 2024-A	2/28/2024	09/01/43	4.00-5.00%	2,370,000	2,290,000
					<u>\$ 16,020,000</u>

The annual debt service requirements to maturity for the general obligation bonds are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,330,000	\$ 522,501	\$ 1,852,501
2027	990,000	484,726	1,474,726
2028	1,035,000	456,301	1,491,301
2029	925,000	420,214	1,345,214
2030	930,000	387,614	1,317,614
2031 - 2035	4,825,000	1,439,351	6,264,351
2036 - 2040	4,590,000	695,038	5,285,038
2041 - 2043	1,395,000	95,000	1,490,000
	<u>\$ 16,020,000</u>	<u>\$ 4,500,745</u>	<u>\$ 20,520,745</u>

Revolving Loan. The following table details the City's outstanding revolving loans as of December 31, 2025:

<u>Revolving Loans</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Current Amount</u>
KDHE Public Water Supply - 2896	08/25/16	8/1/2034	1.82%	<u>\$ 1,816,457</u>	<u>\$ 1,254,060</u>

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2025

NOTE 10 – Long-Term Debt (Continued)

The annual debt service requirements to maturity for the revolving loans are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 86,331	\$ 22,433	\$ 108,764
2027	87,909	20,855	108,764
2028	89,517	19,247	108,764
2029	91,153	17,611	108,764
2030	92,820	15,944	108,764
2031 - 2035	490,183	53,636	543,820
2036 - 2038	316,147	10,145	326,292
	<u>\$ 1,254,060</u>	<u>\$ 159,871</u>	<u>\$ 1,413,931</u>

Finance Leases. The following table details the City's outstanding finance leases as of December 31, 2025:

<u>Finance Leases</u>	<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>	<u>Interest Rate</u>	<u>Original</u> <u>Amount</u>	<u>Current</u> <u>Amount</u>
2017 Crack Sealer	08/30/17	08/30/27	1.89%	\$ 42,000	\$ 9,041
2018 Elgin Street Sweeper	01/30/18	01/30/28	1.89%	75,000	23,992
2018 Digger Truck	03/30/18	03/30/28	1.89%	236,643	75,700
2019 Rosenbauer Ladder Truck	04/01/19	04/01/34	3.89%	883,408	590,484
2019 Ford F-550	04/09/19	04/09/29	3.78%	57,961	25,777
2021 Ford Police Interceptor	02/01/22	03/01/27	2.50%	142,608	44,749
2022 Rosenbauer Pumper Fire Truck	02/16/22	03/01/32	2.95%	600,854	410,742
2023 Bucket Truck	12/21/23	09/01/33	4.59%	1,850,000	1,525,398
2024 Swimming Pool Renovations	11/07/24	11/15/29	5.00%	400,000	314,957
					<u>\$ 3,020,839</u>

The annual debt service requirements to maturity for the finance leases are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 419,931	\$ 127,713	\$ 547,644
2027	421,858	110,495	532,353
2028	419,318	93,096	512,413
2029	402,706	75,213	477,919
2030	324,878	57,152	382,030
2031 - 2034	1,032,148	88,426	1,120,574
	<u>\$ 3,020,839</u>	<u>\$ 552,095</u>	<u>\$ 2,452,360</u>

Special Assessments. As provided by Kansas Statutes, projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as regulatory receipts in the appropriate project. Special assessments received after the issuance of bonds are recorded as regulatory receipts in the bond and interest fund. The special assessment debt is a contingent liability of the City to the extent of property owner defaults, which have historically been immaterial.

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

NOTE 11 – Stewardship, Compliance, and Accountability

The City reported deficit cash balances in the Capital Project and Police Building Project funds as of December 31, 2025, which is a violation of K.S.A. 10-1113.

Expenditures in the Special Highway, Quality of Life Sales Tax, Water System and Wastewater Utility funds exceeded the adopted budget for the year ended December 31, 2025, which is a violation of K.S.A. 79-2935.

NOTE 12 – Subsequent Events

On May 28, 2026, the City issued General Obligation Temporary Notes, Series 2026-A, in the amount of \$4,375,000. Proceeds of the temporary notes will be used to (i) provide temporary financing to pay the costs of various City-wide improvements and (ii) pay the costs of issuance of the notes. The notes carry an interest rate of 2.90% and are scheduled to mature on September 1, 2028.

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CITY OF BALDWIN CITY, KANSAS

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

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over [Under]</u>
General Funds:					
General	\$ 4,210,080	\$ 153,940	\$ 4,364,020	\$ 4,381,401	\$ 17,381
Special Purpose Funds:					
Library	246,430	-	246,430	237,622	[8,808]
Special Parks and Recreation	153,853	-	153,853	-	[153,853]
Special Highway	335,808	-	335,808	383,572	47,764
Swimming Pool Sales					
Tax Revenue	49,899	-	49,899	-	[49,899]
General Reserve	-	-	-	-	-
Cemetery Reserve	-	-	-	-	-
Cemetery	159,407	-	159,407	71,932	[87,475]
Neighborhood Revitalization					
Program	535,000	-	535,000	310,062	[224,938]
Bond and Interest Funds:					
Bond and Interest	1,134,253	-	1,134,253	1,099,737	[34,516]
Capital Project Funds:					
Quality of Life Sales Tax	242,743	-	242,743	297,507	54,764
Capital Improvement Sales Tax	551,791	-	551,791	334,131	[217,660]
Business Funds:					
Electric System	6,403,993	-	6,403,993	5,898,370	[505,623]
Water System	2,309,921	-	2,309,921	2,421,634	111,713
Wastewater Utility	1,446,386	-	1,446,386	1,584,313	137,927
Refuse Utility	544,929	-	544,929	522,538	[22,391]

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

CITY OF BALDWIN CITY, KANSAS

General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 2,712,989	\$ 2,914,069	\$ 2,965,927	\$ [51,858]
Intergovernmental	51,446	37,679	39,361	[1,682]
Franchise fees	50,430	56,114	78,000	[21,886]
Licenses, permits and fees	35,782	139,511	76,280	63,231
Fines, forfeitures and penalties	9,785	8,860	20,000	[11,140]
Federal grants	285,225	9,115	-	9,115
Use of money and property	363,705	195,881	50,000	145,881
Transfer in	780,675	950,348	113,252	837,096
Miscellaneous	93,334	197,458	66,640	130,818
Reimbursements	-	-	40,766	[40,766]
Total Receipts	<u>4,383,371</u>	<u>4,509,035</u>	<u>\$ 3,450,226</u>	<u>\$ 1,058,809</u>
Expenditures				
General administration				
Personal services	92,538	100,116	\$ 99,664	\$ 452
Contractual services	483,465	377,304	357,168	20,136
Commodities	6,192	11,835	22,072	[10,237]
Capital outlay	<u>11,161</u>	<u>18,968</u>	<u>3,000</u>	<u>15,968</u>
	<u>593,356</u>	<u>508,223</u>	<u>481,904</u>	<u>26,319</u>
Planning				
Personal services	158,790	164,700	186,611	[21,911]
Contractual services	11,466	14,955	17,904	[2,949]
Commodities	1,755	4,441	1,710	2,731
Capital outlay	<u>794</u>	<u>17</u>	<u>-</u>	<u>17</u>
	<u>172,805</u>	<u>184,113</u>	<u>206,225</u>	<u>[22,112]</u>
Public works				
Personal services	318,971	318,064	357,603	[39,539]
Contractual services	70,383	67,968	99,700	[31,732]
Commodities	52,055	119,613	183,750	[64,137]
Capital outlay	<u>101,698</u>	<u>9,775</u>	<u>32,500</u>	<u>[22,725]</u>
	<u>543,107</u>	<u>515,420</u>	<u>673,553</u>	<u>[158,133]</u>
Culture and recreation				
Personal services	132,332	162,896	166,388	[3,492]
Contractual services	43,308	43,835	42,000	1,835
Commodities	13,074	9,373	23,500	[14,127]
Capital outlay	<u>2,652</u>	<u>6,295</u>	<u>10,000</u>	<u>[3,705]</u>
	<u>191,366</u>	<u>222,399</u>	<u>241,888</u>	<u>[19,489]</u>
Fire Department				
Personal services	128,414	125,883	132,254	[6,371]
Contractual services	71,299	56,222	62,775	[6,553]
Commodities	10,974	12,331	11,484	847
Capital outlay	<u>113,875</u>	<u>25,349</u>	<u>10,001</u>	<u>15,348</u>
	<u>324,562</u>	<u>219,785</u>	<u>216,514</u>	<u>3,271</u>

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

CITY OF BALDWIN CITY, KANSAS

General Fund (continued)
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2025
 (With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Expenditures (Continued)				
Police Department				
Personal services	\$ 1,549,427	\$ 1,696,846	\$ 1,539,744	\$ 157,102
Contractual services	194,513	315,567	245,753	69,814
Commodities	47,196	60,440	63,125	[2,685]
Capital outlay	208,853	152,770	6,200	146,570
	<u>1,999,989</u>	<u>2,225,623</u>	<u>1,854,822</u>	<u>370,801</u>
Municipal Court				
Personal services	47,650	49,052	50,759	[1,707]
Contractual services	15,166	23,159	25,071	[1,912]
Commodities	629	144	662	[518]
	<u>63,445</u>	<u>72,355</u>	<u>76,492</u>	<u>[4,137]</u>
Economic Development				
Contractual services	325,263	45,115	36,000	9,115
Capital outlay	101,196	60,485	100,000	[39,515]
	<u>426,459</u>	<u>105,600</u>	<u>136,000</u>	<u>[30,400]</u>
Pool				
Personal services	-	-	2,182	[2,182]
Contractual services	88,823	104,047	120,000	[15,953]
Capital outlay	8,395	-	33,500	[33,500]
Commodities	28,371	23,978	12,500	11,478
	<u>125,589</u>	<u>128,025</u>	<u>168,182</u>	<u>[40,157]</u>
Information Technology				
Personal services	28,835	1,636	32,800	[31,164]
Contractual services	1,115	1,057	1,700	[643]
Commodities	3,550	15	-	15
Capital outlay	90,454	107,505	97,000	10,505
	<u>123,954</u>	<u>110,213</u>	<u>131,500</u>	<u>[21,287]</u>
Transfer out	156,539	89,261	23,000	66,261
Miscellaneous expenses	6,986	384	-	384
Adjustment for qualifying budget credits	-	-	153,940	[153,940]
Total Expenditures	<u>4,728,157</u>	<u>4,381,401</u>	<u>\$ 4,364,020</u>	<u>\$ 17,381</u>
Receipts Over [Under] Expenditures	[344,786]	127,634		
Unencumbered Cash, Beginning	<u>304,702</u>	<u>[40,084]</u>		
Unencumbered Cash, Ending	<u>\$ [40,084]</u>	<u>\$ 87,550</u>		

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

CITY OF BALDWIN CITY, KANSAS

Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 215,273	\$ 237,622	\$ 251,231	\$ [13,609]
Total Receipts	<u>215,273</u>	<u>237,622</u>	<u>\$ 251,231</u>	<u>\$ [13,609]</u>
Expenditures				
Culture and Recreation:				
Commodities	-	-	\$ 480	\$ [480]
Contractual services	9,214	8,017	245,950	[237,933]
Appropriation to library board	<u>207,899</u>	<u>229,605</u>	<u>-</u>	<u>229,605</u>
Total Expenditures	<u>217,113</u>	<u>237,622</u>	<u>\$ 246,430</u>	<u>\$ [8,808]</u>
Receipts Over [Under] Expenditures	[1,840]	-		
Unencumbered Cash, Beginning	<u>1,840</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

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

CITY OF BALDWIN CITY, 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 Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 24,906	\$ 22,244	\$ 17,961	\$ 4,283
Park fees	1,575	4,375	7,350	[2,975]
Total Receipts	<u>26,481</u>	<u>26,619</u>	<u>\$ 25,311</u>	<u>\$ 1,308</u>
Expenditures				
Culture and Recreation:				
Capital outlay	-	-	\$ 153,853	\$ [153,853]
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 153,853</u>	<u>\$ [153,853]</u>
Receipts Over [Under] Expenditures	26,481	26,619		
Unencumbered Cash, Beginning	<u>113,543</u>	<u>140,024</u>		
Unencumbered Cash, Ending	<u>\$ 140,024</u>	<u>\$ 166,643</u>		

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

CITY OF BALDWIN CITY, KANSAS

Special Highway Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2025
 (With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 306,604	\$ 321,435	\$ 316,075	\$ 5,360
Total Receipts	<u>306,604</u>	<u>321,435</u>	<u>\$ 316,075</u>	<u>\$ 5,360</u>
Expenditures				
Public works				
Capital outlay	80,931	69,930	\$ -	\$ 69,930
Commodities	81,747	225,808	193,108	32,700
Contractual services	-	-	77,700	[77,700]
Transfer out	<u>65,000</u>	<u>87,834</u>	<u>65,000</u>	<u>22,834</u>
Total Expenditures	<u>227,678</u>	<u>383,572</u>	<u>\$ 335,808</u>	<u>\$ 47,764</u>
Receipts Over [Under] Expenditures	78,926	[62,137]		
Unencumbered Cash, Beginning	<u>163,605</u>	<u>242,531</u>		
Unencumbered Cash, Ending	<u>\$ 242,531</u>	<u>\$ 180,394</u>		

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

CITY OF BALDWIN CITY, KANSAS

Swimming Pool Sales Tax Revenue Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total Receipts	-	-	-	-
Expenditures				
Culture and recreation:				
Contractual services	-	-	\$ 49,899	\$ [49,899]
Total Expenditures	-	-	\$ 49,899	\$ [49,899]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	49,899	49,899		
Unencumbered Cash, Ending	\$ 49,899	\$ 49,899		

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

CITY OF BALDWIN CITY, KANSAS

General Reserve Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2025
 (With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Lease proceeds	\$ -	\$ -	\$ -	\$ -
Total Receipts	-	-	-	-
Expenditures				
Capital outlay	-	-	\$ -	\$ -
Total Expenditures	-	-	\$ -	\$ -
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	30,685	30,685		
Unencumbered Cash, Ending	\$ 30,685	\$ 30,685		

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

CITY OF BALDWIN CITY, KANSAS

Cemetery Reserve Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>[Under]</u>
Receipts				
Use of money and property	\$ -	\$ 6,143	\$ -	\$ 6,143
Total Receipts	-	6,143	-	6,143
Expenditures				
Capital outlay	126,863	-	\$ -	\$ -
Total Expenditures	126,863	-	\$ -	\$ -
Receipts Over [Under] Expenditures	[126,863]	6,143		
Unencumbered Cash, Beginning	132,394	5,531		
Unencumbered Cash, Ending	\$ 5,531	\$ 11,674		

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

CITY OF BALDWIN CITY, KANSAS

Cemetery Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 100,655	\$ 85,467	\$ 94,369	\$ [8,902]
Miscellaneous	29,419	13,075	-	13,075
Use of money and property	-	-	16,800	[16,800]
Total Receipts	<u>130,074</u>	<u>98,542</u>	<u>\$ 111,169</u>	<u>\$ [12,627]</u>
Expenditures				
Personal services	34,911	36,994	\$ 43,365	\$ [6,371]
Contractual services	15,792	19,487	94,297	[74,810]
Commodities	5,092	5,561	13,910	[8,349]
Capital outlay	14,424	5,568	3,210	2,358
Transfer out	<u>4,322</u>	<u>4,322</u>	<u>4,625</u>	<u>[303]</u>
Total Expenditures	<u>74,541</u>	<u>71,932</u>	<u>\$ 159,407</u>	<u>\$ [87,475]</u>
Receipts Over [Under] Expenditures	55,533	26,610		
Unencumbered Cash, Beginning	<u>169,036</u>	<u>224,569</u>		
Unencumbered Cash, Ending	<u>\$ 224,569</u>	<u>\$ 251,179</u>		

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

CITY OF BALDWIN CITY, KANSAS

Neighborhood Revitalization Program Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2025
 (With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Miscellaneous	\$ 343,946	\$ 310,062	\$ 535,000	\$ [224,938]
Total Receipts	<u>343,946</u>	<u>310,062</u>	<u>\$ 535,000</u>	<u>\$ [224,938]</u>
Expenditures				
Commodities	343,946	310,062	\$ -	\$ 310,062
Contractual services	-	-	535,000	[535,000]
Total Expenditures	<u>343,946</u>	<u>310,062</u>	<u>\$ 535,000</u>	<u>\$ [224,938]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

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

CITY OF BALDWIN CITY, KANSAS

Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes	\$ 346,466	\$ 383,669	\$ 405,506	\$ [21,837]
Transfer in	555,479	712,131	648,069	64,062
Total Receipts	<u>901,945</u>	<u>1,095,800</u>	<u>\$ 1,053,575</u>	<u>\$ 42,225</u>
Expenditures				
Debt service:				
Principal	639,699	814,364	\$ 862,983	\$ [48,619]
Interest	240,959	278,673	271,270	7,403
Miscellaneous	17,350	6,700	-	6,700
Total Expenditures	<u>898,008</u>	<u>1,099,737</u>	<u>\$ 1,134,253</u>	<u>\$ [34,516]</u>
Receipts Over [Under] Expenditures	3,937	[3,937]		
Unencumbered Cash, Beginning	<u>-</u>	<u>3,937</u>		
Unencumbered Cash, Ending	<u>\$ 3,937</u>	<u>\$ -</u>		

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

CITY OF BALDWIN CITY, KANSAS

Capital Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2025 and 2024

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Special assessments	\$ 7,371	\$ 7,371
Bond proceeds	2,990,963	-
Miscellaneous	100,000	-
Transfer in	<u>49,343</u>	<u>25,032</u>
Total Receipts	<u>3,147,677</u>	<u>32,403</u>
Expenditures		
Public works		
Contractual services	3,206,867	94,177
Debt service:		
Principal	1,580,000	-
Interest	19,355	-
Cost of issuance	<u>4,000</u>	<u>-</u>
Total Expenditures	<u>4,810,222</u>	<u>94,177</u>
Receipts Over [Under] Expenditures	[1,662,545]	[61,774]
Unencumbered Cash, Beginning	<u>1,241,050</u>	<u>[421,495]</u>
Unencumbered Cash, Ending	<u>\$ [421,495]</u>	<u>\$ [483,269]</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Quality of Life Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2025
 (With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales tax revenue	\$ 162,035	\$ 176,315	\$ 242,743	\$ [66,428]
Miscellaneous	-	6,455	-	6,455
Total Receipts	<u>162,035</u>	<u>182,770</u>	<u>\$ 242,743</u>	<u>\$ [59,973]</u>
Expenditures				
Contractual services	24,195	69,173	\$ -	\$ 69,173
Commodities	85	-	-	-
Capital outlay	11,215	2,397	16,805	[14,408]
Transfer out	<u>49,928</u>	<u>225,937</u>	<u>225,938</u>	<u>[1]</u>
Total Expenditures	<u>85,423</u>	<u>297,507</u>	<u>\$ 242,743</u>	<u>\$ 54,764</u>
Receipts Over [Under] Expenditures	76,612	[114,737]		
Unencumbered Cash, Beginning	<u>116,445</u>	<u>193,057</u>		
Unencumbered Cash, Ending	<u>\$ 193,057</u>	<u>\$ 78,320</u>		

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

CITY OF BALDWIN CITY, KANSAS

Capital Improvement Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2025
 (With Comparative Actual Amounts for the Year Ended December 31, 2024)

		Current Year		
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts				
Sales tax revenue	\$ 324,071	\$ 352,630	\$ 410,812	\$ [58,182]
Total Receipts	<u>324,071</u>	<u>352,630</u>	<u>\$ 410,812</u>	<u>\$ [58,182]</u>
Expenditures				
Capital outlay	42,123	-	\$ 217,660	\$ [217,660]
Transfer out	<u>440,551</u>	<u>334,131</u>	<u>334,131</u>	<u>-</u>
Total Expenditures	<u>482,674</u>	<u>334,131</u>	<u>\$ 551,791</u>	<u>\$ [217,660]</u>
Receipts Over [Under] Expenditures	[158,603]	18,499		
Unencumbered Cash, Beginning	<u>212,330</u>	<u>53,727</u>		
Unencumbered Cash, Ending	<u>\$ 53,727</u>	<u>\$ 72,226</u>		

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

CITY OF BALDWIN CITY, KANSAS

Police Building Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2025 and 2024

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Contractual services	-	-
Total Expenditures	-	-
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	[367,244]	[367,244]
Unencumbered Cash, Ending	\$ [367,244]	\$ [367,244]

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Rail/Trail Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2025 and 2024

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfer in	\$ 107,196	\$ -
Total Receipts	<u>107,196</u>	<u>-</u>
Expenditures		
Contractual services	<u>1,227</u>	<u>-</u>
Total Expenditures	<u>1,227</u>	<u>-</u>
Receipts Over [Under] Expenditures	105,969	-
Unencumbered Cash, Beginning	<u>[105,969]</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Electric System Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Sales to consumers	\$ 4,458,166	\$ 5,654,751	\$ 5,776,243	\$ [121,492]
Reimbursed expenses	1,469	181,648	-	181,648
Franchise fees	257,238	319,474	-	319,474
Miscellaneous	24,467	10,385	12,626	[2,241]
Debt proceeds	-	-	-	-
Use of money and property	4,761	9,800	7,490	2,310
Total Receipts	<u>4,746,101</u>	<u>6,176,058</u>	<u>\$ 5,796,359</u>	<u>\$ 379,699</u>
Expenditures				
Personal services	1,113,248	1,280,987	\$ 1,194,237	\$ 86,750
Contractual services	2,406,853	2,590,197	3,034,361	[444,164]
Commodities	101,089	79,069	214,357	[135,288]
Capital outlay	1,087,368	416,720	447,697	[30,977]
Debt service:				
Principal	656,414	647,757	954,716	[306,959]
Interest	354,405	319,904	-	319,904
Miscellaneous	-	9,461	-	9,461
Transfer out	477,639	554,275	558,625	[4,350]
Total Expenditures	<u>6,197,016</u>	<u>5,898,370</u>	<u>\$ 6,403,993</u>	<u>\$ [505,623]</u>
Receipts Over [Under] Expenditures	[1,450,915]	277,688		
Unencumbered Cash, Beginning	<u>1,975,898</u>	<u>524,983</u>		
Unencumbered Cash, Ending	<u>\$ 524,983</u>	<u>\$ 802,671</u>		

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

CITY OF BALDWIN CITY, KANSAS

Electric Project Fund
Schedule of Receipts and Expenditures - Actual *
Regulatory Basis
For the Year Ended December 31, 2025 and 2024

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ -	\$ 249,060
Use of money and property	<u>-</u>	<u>33,788</u>
Total Receipts	<u>-</u>	<u>282,848</u>
Expenditures		
Contractual services	864,486	1,650,985
Capital outlay	-	249,625
Cost of issuance	<u>3,293</u>	<u>-</u>
Total Expenditures	<u>867,779</u>	<u>1,900,610</u>
Receipts Over [Under] Expenditures	[867,779]	[1,617,762]
Unencumbered Cash, Beginning	<u>4,848,436</u>	<u>3,980,657</u>
Unencumbered Cash, Ending	<u>\$ 3,980,657</u>	<u>\$ 2,362,895</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Water System Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	Actual			[Under]
Receipts				
Sales to consumers	\$ 2,431,832	\$ 2,520,040	\$ 2,387,307	\$ 132,733
Franchise fees	107,527	119,724	-	119,724
Miscellaneous	35,251	986	5,250	[4,264]
Use of money and property	750	750	7,350	[6,600]
Total Receipts	<u>2,575,360</u>	<u>2,641,500</u>	<u>\$ 2,399,907</u>	<u>\$ 241,593</u>
Expenditures				
Personal services	507,590	536,984	\$ 557,859	\$ [20,875]
Contractual services	1,268,404	1,263,519	1,036,944	226,575
Commodities	32,666	48,728	77,375	[28,647]
Capital outlay	179,297	181,839	256,960	[75,121]
Debt service:				
Principal	228,520	125,729	180,029	[54,300]
Interest	45,093	39,827	-	39,827
Miscellaneous	4,641	4,843	-	4,843
Transfer out	195,486	220,165	200,754	19,411
Total Expenditures	<u>2,461,697</u>	<u>2,421,634</u>	<u>\$ 2,309,921</u>	<u>\$ 111,713</u>
Receipts Over [Under] Expenditures	113,663	219,866		
Unencumbered Cash, Beginning	<u>[95,939]</u>	<u>17,724</u>		
Unencumbered Cash, Ending	<u>\$ 17,724</u>	<u>\$ 237,590</u>		

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

CITY OF BALDWIN CITY, KANSAS

Water Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2025 and 2024

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Connection fees	\$ 5,624	\$ 15,075
Total Receipts	<u>5,624</u>	<u>15,075</u>
Expenditures		
Capital projects	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	5,624	15,075
Unencumbered Cash, Beginning	<u>[13,194]</u>	<u>[7,570]</u>
Unencumbered Cash, Ending	<u>\$ [7,570]</u>	<u>\$ 7,505</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Wastewater Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Amounts for the Year Ended December 31, 2024)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	Actual			[Under]
Receipts				
Sales to consumers	\$ 1,261,872	\$ 1,298,125	\$ 1,334,099	\$ [35,974]
Franchise fees	72,576	77,602	-	77,602
Miscellaneous	1,690	1,200	-	1,200
Use of money and property	54,014	9,215	55,000	[45,785]
Total Receipts	<u>1,390,152</u>	<u>1,386,142</u>	<u>\$ 1,389,099</u>	<u>\$ [2,957]</u>
Expenditures				
Personal services	551,319	655,520	\$ 557,732	\$ 97,788
Contractual services	277,059	233,420	277,200	[43,780]
Commodities	57,339	71,848	72,300	[452]
Capital outlay	59,435	150,151	48,625	101,526
Debt service:				
Principal	237,500	247,500	323,231	[75,731]
Interest	81,294	75,731	-	75,731
Transfer out	72,662	150,143	167,298	[17,155]
Total Expenditures	<u>1,336,608</u>	<u>1,584,313</u>	<u>\$ 1,446,386</u>	<u>\$ 137,927</u>
Receipts Over [Under] Expenditures	53,544	[198,171]		
Unencumbered Cash, Beginning	<u>179,668</u>	<u>233,212</u>		
Unencumbered Cash, Ending	<u>\$ 233,212</u>	<u>\$ 35,041</u>		

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

CITY OF BALDWIN CITY, KANSAS

Wastewater Project Fund
Schedule of Receipts and Expenditures - Actual *
Regulatory Basis
For the Year Ended December 31, 2025 and 2024

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Connection fees	\$ 6,680	\$ 28,360
Total Receipts	<u>6,680</u>	<u>28,360</u>
Expenditures		
Transfer out	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	6,680	28,360
Unencumbered Cash, Beginning	<u>2,200</u>	<u>8,880</u>
Unencumbered Cash, Ending	<u>\$ 8,880</u>	<u>\$ 37,240</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Refuse Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2025
 (With Comparative Actual Amounts for the Year Ended December 31, 2024)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 448,020	\$ 497,836	\$ 504,368	\$ [6,532]
Franchise fees	19,406	21,507	-	21,507
Total Receipts	<u>467,426</u>	<u>519,343</u>	<u>\$ 504,368</u>	<u>\$ 14,975</u>
Expenditures				
Personal services	15,648	15,182	\$ 19,199	\$ [4,017]
Contractual services	465,912	479,120	505,076	[25,956]
Commodities	-	-	525	[525]
Capital outlay	6,648	6,793	2,300	4,493
Transfer out	30,566	21,443	17,829	3,614
Total Expenditures	<u>518,774</u>	<u>522,538</u>	<u>\$ 544,929</u>	<u>\$ [22,391]</u>
Receipts Over [Under] Expenditures	[51,348]	[3,195]		
Unencumbered Cash, Beginning	<u>15,463</u>	<u>[35,885]</u>		
Unencumbered Cash, Ending	<u>\$ [35,885]</u>	<u>\$ [39,080]</u>		

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

CITY OF BALDWIN CITY, KANSAS

Schedule of Receipts and Expenditures - Actual
Regulatory Basis
Related Municipal Entity - Baldwin City Library
For the Year Ended December 31, 2025

Receipts	
City appropriations	\$ 237,622
Charges for services	4,373
Grants and donations	64,112
Use of money and property	22,515
Gain/[Loss] on value of investments	<u>35,333</u>
Total Receipts	<u>363,955</u>
Expenditures	
Culture and recreation	86,927
Wages	<u>191,192</u>
Total Expenditures	<u>278,119</u>
Receipts Over [Under] Expenditures	85,836
Unencumbered Cash, Beginning	<u>509,804</u>
Unencumbered Cash, Ending	<u><u>\$ 595,640</u></u>

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