OFFICIAL STATEMENT

BANK QUALIFIED
BOOK-ENTRY ONLY **RATING: S&P: "SP-1+"**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"): (1) the interest on the Notes (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; (2) the interest on the Notes is exempt from income taxation by the State of Kansas; and (3) the Notes are "qualified tax-exempt obligations" within the meaning of Code § 265(b)(3). See "TAX MATTERS – Opinion of Bond Counsel" herein.

$6,765,000
CITY OF AUGUSTA, KANSAS
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2026-1

Dated: Date of Delivery **Due: As shown below**

The General Obligation Temporary Notes, Series 2026-1 (the "Notes") will be issued by the City of Augusta, Kansas (the "City" or the "Issuer"), as fully registered notes, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Notes. Purchases of the Notes will be made in book-entry form, in the denominations of $5,000 or any integral multiple thereof (the "Authorized Denomination"). Purchasers will not receive certificates representing their interests in Notes purchased. So long as Cede & Co. is the registered owner of the Notes, as nominee of DTC, references herein to the Note owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as herein defined) of the Notes. Principal will be payable at maturity or earlier redemption upon presentation and surrender of the Notes by the registered owners thereof at the office of the Treasurer of the State of Kansas, Topeka, Kansas, as paying agent and note registrar (the "Paying Agent" and "Note Registrar"). Semiannual interest on each Note will be payable on March 1 and September 1, beginning on March 1, 2027, to the persons who are the registered owners of the Notes as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date by check or draft of the Paying Agent mailed to such registered owner, or in the case of an interest payment to a registered owner of $500,000 or more in aggregate principal amount of Notes, by electronic transfer. So long as DTC or its nominee, Cede & Co., is the Owner of the Notes, such payments will be made directly to DTC. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

The Notes will be subject to redemption and payment prior to Stated Maturity, at the option of the issuer, on September 1, 2027, or any date thereafter. See "THE NOTES-Redemption Provisions" herein.

The Notes and the interest thereon will constitute general obligations of the Issuer, payable from the proceeds of the Bonds to be issued to permanently finance the improvements described herein and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer.

MATURITY SCHEDULE

Stated Maturity September 1	Principal Amount	Interest Rate	Yield	CUSIP[(1)]
2029	$6,765,000	3.50%	3.10%	051321XW2

(All plus accrued interest, if any)

[(1)] *CUSIP numbers have been assigned to this issue by Standard & Poor's CUSIP Service Bureau, a division of the S&P Global, Inc., and are included solely for the convenience of the Owners of the Notes. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.*

The Notes are offered when, as and if issued by the Issuer, subject to the approval of legality by Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel to the Issuer. Certain other legal matters will be passed upon by Gibson Watson Marino LLC, Wichita, Kansas, counsel for the Issuer. It is expected that the Notes will be available for delivery through the facilities of DTC in New York, New York on or about August 27, 2026.

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. THE COVER PAGE IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. "APPENDIX C - SUMMARY OF FINANCING DOCUMENTS" CONTAINS DEFINITIONS USED IN THIS OFFICIAL STATEMENT.

northland

The date of this Official Statement is August 3, 2026.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE NOTES AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE NOTES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE NOTES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE NOTES IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE NOTES AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT CONTAINS STATEMENTS THAT ARE "FORWARD-LOOKING STATEMENTS" AS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WHEN USED IN THIS OFFICIAL STATEMENT, THE WORDS "ESTIMATE," "INTEND," "EXPECT" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. SUCH STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE HEREOF.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

CITY OF AUGUSTA, KANSAS

113 E. 6th
Augusta, Kansas 67010
(316) 775-4510

GOVERNING BODY

Mike Rawlings, Mayor

Jake Marr, Councilmember
Michael R. Martin, Councilmember
Shane Scott, Councilmember
Shawn Davis, Councilmember
Matt Lichlyter, Councilmember
Bob Bailey, Councilmember
Kip Richardson, Councilmember
Allison Weide, Councilmember

ADMINISTRATIVE OFFICERS

CITY MANAGER
Joshua Shaw

ASSISTANT CITY MANAGER
Kamme Sroufe

CITY CLERK /
FINANCE DIRECTOR
Erica Jones

ISSUER'S COUNSEL
Gibson Watson Marino LLC,
Wichita, Kansas

BOND COUNSEL
Gilmore & Bell, P.C.
Wichita, Kansas

FINANCIAL ADVISOR
Piper Sandler & Co.
Leawood, Kansas

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations with respect to the Notes other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein concerning the Issuer has been furnished by the Issuer and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the Federal Securities Laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Notes.

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$6,765,000
CITY OF AUGUSTA, KANSAS
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2026-1

INTRODUCTION

General Matters

The purpose of this Official Statement is to furnish information relating to the City of Augusta, Kansas (the "Issuer" or the "City"), and the General Obligation Temporary Notes, Series 2026-1 (the "Notes"), of the Issuer, dated as of the Date of Delivery, to be issued in the principal amount of $6,765,000.

The Appendices to this Official Statement are integral parts of this document, to be read in their entirety.

The Issuer is a municipal corporation duly organized and existing under the laws of the State of Kansas. Additional information regarding the Issuer is contained in ***APPENDIX A*** to this Official Statement.

The materials contained on the cover page, in the body and in the Appendices to this Official Statement are to be read in their entirety. All financial and other information presented herein has been compiled by the Issuer. Except for the information expressly attributed to other sources deemed to be reliable, all information has been provided by the Issuer. The presentation of information herein, including tables of receipts from various taxes, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the Issuer. No representation is made that past experience, as might be shown by such financial or other information, will necessarily continue or be repeated in the future

Definitions

Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in "***APPENDIX C*** – SUMMARY OF FINANCING DOCUMENTS – THE BOND RESOLUTION - DEFINITIONS."

Continuing Disclosure

The Securities and Exchange Commission (the "SEC") has promulgated amendments to Rule 15c2-12 (the "Rule"), requiring continuous secondary market disclosure. In connection with the issuance of the Notes, the Issuer will enter into a continuing disclosure undertaking (the "Disclosure Undertaking") wherein the Issuer covenants to annually provide certain financial information and operating data (collectively the "Annual Report") and other information necessary to comply with the Rule, and to transmit the same to the MSRB. Pursuant to the Disclosure Undertaking, the Issuer has agreed to file its Annual Report with the national repository ("EMMA") not later than the last day of the tenth month after the end of the Issuer's Fiscal Year, commencing with the year ending December 31, 2026. In the Bond Resolution, hereinafter defined, the Issuer covenants with the Underwriter and the Beneficial Owners to apply the provisions of the Disclosure Undertaking to the Notes. This covenant is for the benefit of and is enforceable by the Beneficial Owners of the Notes.

The Issuer has previously entered into disclosure undertakings pursuant to the Rule (the "Prior Undertakings"). Over the past five fiscal years, the Issuer has filed its Annual Report within the time period prescribed by the Prior Undertakings.

For more information regarding the Disclosure Undertaking, see "***APPENDIX D*** – FORM OF DISCLOSURE UNDERTAKING."

Additional Information

Additional information regarding the Issuer or the Notes may be obtained from the Clerk of the Issuer at the address set forth in the preface to this Official Statement.

THE NOTES

Authority for the Notes

The Notes are being issued pursuant to and in full compliance with the Constitution and statutes of the State, including K.S.A. 10-101 to 10-125, inclusive (specifically including K.S.A. 10-123); and Charter Ordinance No. 22 of the Issuer, as amended and supplemented from time to time (the "Act"), and a resolution adopted by the governing body of the Issuer (the "Note Resolution").

Security for the Notes

The Notes shall be general obligations of the Issuer payable as to both principal and interest from the proceeds of the Bonds to be issued to permanently finance the Improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are pledged for the prompt payment of the principal of and interest on the Notes as the same become

Description of the Notes

The Notes shall consist of fully registered book-entry-only notes in the denomination of $5,000 or any integral multiples thereof (the "Authorized Denomination") and shall be numbered in such manner as the Note Registrar shall determine. All of the Notes shall be dated as of the Date of Delivery (the "Dated Date"), shall become due in the amounts, on the Stated Maturities, and subject to redemption and payment, prior to their Stated Maturities, and shall bear interest at the rates per annum set forth on the inside cover page of this Official Statement. The Notes shall bear interest (computed on the basis of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner hereinafter set forth.

Designation of Paying Agent and Note Registrar

The Issuer will at all times maintain a paying agent and note registrar meeting the qualifications set forth in the Note Resolution. The Issuer reserves the right to appoint a successor paying agent or Note registrar. No resignation or removal of the paying agent or Note registrar shall become effective until a successor has been appointed and has accepted the duties of paying agent or Note registrar. Every paying agent or note registrar appointed by the Issuer shall at all times meet the requirements of Kansas law.

The Treasurer of the State of Kansas, Topeka, Kansas (the "Note Registrar" and "Paying Agent") has been designated by the Issuer as paying agent for the payment of principal of and interest on the Notes and Note Registrar with respect to the registration, transfer and exchange of Notes.

Method and Place of Payment of the Notes

The principal of, or Redemption Price, and interest on the Notes shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal or Redemption Price of each Note shall be paid at Maturity or at the Redemption Date to the person in whose name such Note is registered on the Note Register at the Maturity thereof, upon presentation and surrender of such Note at the principal office of the Paying Agent.

The interest payable on each Note on any Interest Payment Date shall be paid to the Owner of such Note as shown on the Note Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Note Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of $500,000 or more in aggregate principal amount of Notes, by electronic transfer to such Owner upon written notice given to the Note Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing, any Defaulted Interest with respect to any Note shall cease to be payable to the Owner of such Note on the relevant Record Date and shall be payable to the Owner in whose name such Note is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall notify the Issuer of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Note entitled to such notice not less than 10 days prior to such Special Record Date.

SO LONG AS CEDE & CO., REMAINS THE REGISTERED OWNER OF THE NOTES, THE PAYING AGENT SHALL TRANSMIT PAYMENTS TO THE SECURITIES DEPOSITORY, WHICH SHALL REMIT SUCH PAYMENTS IN ACCORDANCE WITH ITS NORMAL PROCEDURES. See "THE NOTES – Book-Entry Notes; Securities Depository."

Payments Due on Saturdays, Sundays and Holidays

In any case where a Note Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Note Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Note Payment Date, and no interest shall accrue for the period after such Note Payment Date.

Book-Entry Notes; Securities Depository

The Notes shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Notes, except in the event the Note Registrar issues Replacement Notes. It is anticipated that during the term of the Notes, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Notes to the Participants until and unless the Note Registrar authenticates and delivers Replacement Notes to the Beneficial Owners as described in the following paragraphs.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Notes being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Notes; or

(b) if the Note Registrar receives written notice from Participants having interest in not less than 50% of the Notes Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Notes being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Notes, then the Note Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Note Registrar shall register in the name of and authenticate and deliver Replacement Notes to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Note Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Note. Upon the issuance of Replacement Notes, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Note Registrar, to the extent applicable with respect to such Replacement Notes. If the Securities Depository resigns and the Issuer, the Note Registrar or Owners are unable to locate a qualified successor of the Securities Depository, then the Note Registrar shall authenticate and cause delivery of Replacement Notes to Owners, as provided herein. The Note Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Notes. The cost of printing, registration, authentication, and delivery of Replacement Notes shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Note Registrar receives written evidence satisfactory to the Note Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Note Registrar upon its receipt of a Note or Notes for cancellation shall cause the delivery of the Notes to the successor Securities Depository in appropriate denominations and form as provided in the Note Resolution.

Registration, Transfer and Exchange of Notes

As long as any of the Notes remain Outstanding, each Note when issued shall be registered in the name of the Owner thereof on the Note Register. Notes may be transferred and exchanged only on the Note Register as hereinafter provided. Upon surrender of any Note at the principal office of the Note Registrar, the Note Registrar shall transfer or exchange such Note for a new Note or Notes in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Note that was presented for transfer or exchange. Notes presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Note Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Notes is exercised, the Note Registrar shall authenticate and deliver Notes in accordance with the provisions of the Note Resolution. The Issuer shall pay the fees and expenses of the Note Registrar for the registration, transfer and exchange of Notes. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Note Registrar, are the responsibility of the Owners of the Notes. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The Issuer and the Note Registrar shall not be required (a) to register the transfer or exchange of any Note that has been called for redemption after notice of such redemption has been mailed by the Paying Agent and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Note during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest.

Mutilated, Lost, Stolen or Destroyed Notes

If (a) any mutilated Note is surrendered to the Note Registrar or the Note Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Note, and (b) there is delivered to the Issuer and the Note Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Note Registrar that such Note has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Note Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Note, a new Note of the same Stated Maturity and of like tenor and principal amount. If any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Issuer, in its discretion, may pay such Note instead of issuing a new Note. Upon the issuance of any new Note, the Issuer may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Nonpresentment of Notes

If any Note is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Note have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Note shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Note, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Note Resolution or on, or with respect to, said Note. If any Note is not presented for payment within four (4) years following the date when such Note becomes due at Maturity, the Paying Agent shall repay to the Issuer the funds theretofore held by it for payment of such Note, and such Note shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Redemption Provisions

Optional Redemption. At the option of the Issuer, the Notes will be subject to redemption and payment prior to Stated Maturity on September 1, 2027, and thereafter, as a whole at any time or in part (selection of the amount of Notes to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Selection of Notes to be Redeemed. Notes shall be redeemed only in an Authorized Denomination. When less than all of the Notes are to be redeemed and paid prior to their Stated Maturity, such Notes shall be redeemed in such manner as the Issuer shall determine, Notes of less than a full Stated Maturity shall be selected by the Note Registrar in minimum Authorized Denomination in such equitable manner as the Note Registrar may determine. In the case of a partial redemption of Notes by lot when Notes of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it were a separate Note of a minimum Authorized Denomination. If it is determined that one or more, but not all, of the minimum Authorized Denomination value represented by any Note is selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Note to the Note Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of such minimum Authorized Denomination value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Note or Notes of the aggregate principal amount of the unredeemed portion of the principal amount of such Note. If the Owner of any such Note fails to present such Note to the Paying Agent for payment and exchange as aforesaid, such Note shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination value called for redemption (and to that extent only).

Notice and Effect of Call for Redemption. Unless waived by any Owner of Notes to be redeemed, if the Issuer shall call any Notes for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Notes to the Note Registrar and the Purchaser. In addition, the Issuer shall cause the Note Registrar to give written notice of redemption to the Owners of said Notes. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information: (a) the Redemption Date; (b) the Redemption Price; (c) if less than all Outstanding Notes are to be redeemed, the identification (and, in the case of partial redemption of any Notes, the respective principal amounts) of the Notes to be redeemed; (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Note or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and (e) the place where such Notes are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent. The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Notes or portions of Notes that are to be redeemed on such Redemption Date. Official notice of redemption having been given as aforesaid, the Notes or portions of Notes to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Notes or portion of Notes shall cease to bear interest.

For so long as the Securities Depository is effecting book-entry transfers of the Notes, the Note Registrar shall provide the notices specified to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Note (having been mailed notice from the Note Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Note so affected, shall not affect the validity of the redemption of such Note.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Instructions. The Paying Agent is also directed to comply with any mandatory or voluntary standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Note.

THE DEPOSITORY TRUST COMPANY

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each scheduled maturity of the Notes, and will be deposited with DTC.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also

facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

4. To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Notes purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Notes by causing the Direct Participant to transfer the

Participant's interest in the Notes, on DTC's records, to the Paying Agent. The requirement for physical delivery of the Notes in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Notes are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Notes to the Paying Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Issuer or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

THE PROJECT

The Notes are being issued to fund electric utility distribution improvements within the City.

SOURCES AND USES OF FUNDS

The following table summarizes the sources and uses of funds associated with the issuance of the Notes:

Sources of Funds:	
Principal Amount of the Notes	$6,765,000.00
Reoffering Premium	26,654.10
Total	***$6,791,654.10***
Uses of Funds:	
Deposit to Improvement Fund	$6,671,206.35
Costs of Issuance	111,315.00
Underwriter's Discount	9,132.75
Total	***$6,791,654.10***

RISK FACTORS AND INVESTMENT CONSIDERATIONS

A PROSPECTIVE PURCHASER OF THE NOTES DESCRIBED HEREIN SHOULD BE AWARE THAT THERE ARE CERTAIN RISKS ASSOCIATED WITH THE NOTES WHICH MUST BE RECOGNIZED.

THE FOLLOWING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE NOTES.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD ANALYZE CAREFULLY THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AND MAY BE OBTAINED FROM THE UNDERWRITER.

Taxation of Interest on the Notes

An opinion of Bond Counsel will be obtained to the effect that interest earned on the Notes is excludable from gross income for federal income tax purposes under current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable rulings and regulations under the Code; however, an application for a ruling has not been made and an opinion of counsel is not binding upon the Internal Revenue Service. There can be no assurance that the present provisions of the Code, or the rules and regulations thereunder, will not be adversely amended or modified, thereby rendering the interest earned on the Notes includable in gross income for federal income tax purposes.

The Issuer has covenanted in the Note Resolution and in other documents and certificates to be delivered in connection with the issuance of the Notes to comply with the provisions of the Code, including those which require the Issuer to take or omit to take certain actions after the issuance of the Notes. Because the existence and continuation of the excludability of the interest on the Notes depends upon events occurring after the date of issuance of the Notes, the opinion of Bond Counsel described under "TAX MATTERS" assumes the compliance by the Issuer with the provisions of the Code described above and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Notes in the event of noncompliance with such provisions. The failure of the Issuer to comply with the provisions described above may cause the interest on the Notes to become includable in gross income as of the date of issuance.

Market for the Notes

Bond Rating. The Notes have been assigned the financial rating set forth in the section hereof entitled "BOND RATING." There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Notes.

Secondary Market. There is no assurance that a secondary market will develop for the purchase and sale of the Notes. The absence of continuing disclosure of financial or other information pertaining to the Issuer may impair the development of a secondary market for the Notes and could impair the ability of an owner to sell the Notes in the secondary market. Prices of Notes traded in the secondary market, though, are subject to adjustment upward and downward in response to changes in the credit markets. From time to time it may be necessary to suspend indefinitely secondary market trading in the Notes as a result of financial condition or market position of broker-dealers, prevailing market conditions, lack of adequate current financial information about the Issuer, or a material adverse change in the financial condition of the Issuer, whether or not the Notes are in default as to principal and interest payments, and other factors which may give rise to uncertainty concerning prudent secondary market practices.

Premium on Notes

The initial offering prices of certain maturities of the Notes that are subject to optional redemption are in excess of the respective principal amounts thereof. Any person who purchases a Note in excess of its principal amount, whether during the initial offering or in a secondary market transaction, should consider that the Notes are subject to redemption at par under the various circumstances described under "THE NOTES - Redemption of Notes".

Legal Matters

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Notes. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the Issuer or the taxing authority of the Issuer.

Limitations on Remedies Available to Owners of the Notes

The enforceability of the rights and remedies of the owners of Notes, and the obligations incurred by the Issuer in issuing the Notes, are subject to the following: the federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the United States Constitution; and the reasonable and necessary exercise, in certain unusual situations, of the police power inherent in the State of Kansas and its governmental subdivisions in the interest of serving a legitimate and significant public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the owners of the Notes to judicial discretion and interpretation of their rights in bankruptcy and otherwise, and consequently may involve risks of delay, limitation or modification of their rights.

Debt Service Source

The Notes are general obligations of the Issuer payable as to both principal and interest, if necessary, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. In 2026, the Kansas legislature passed a bill that, among other things, would have restricted the ability of taxing subdivisions, including the Issuer, to levy unlimited ad valorem taxes to pay the debt service requirements on general obligation debt. Although the bill was vetoed by the Governor and did not become law, the Issuer cannot predict whether similar bills will be introduced in the future or what effect such bills may have on the Issuer's general obligation debt. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the Issuer's property tax collections. If a taxpayer valuation challenge is successful, the liability of the Issuer to refund property taxes previously paid under protest may have a material impact on the Issuer's financial situation. See "***APPENDIX A*** – FINANCIAL INFORMATION – Property Valuations and Property Tax Levies and Collections."

No Additional Interest or Mandatory Redemption upon Event of Taxability

The Note Resolution does not provide for the payment of additional interest or penalty on the Notes or the mandatory redemption thereof if the interest thereon becomes includable in gross income for federal income tax purposes. Likewise, the Note Resolution does not provide for the payment of any additional interest or penalty on the Notes if the interest thereon becomes includable in gross income for Kansas income tax purposes.

Suitability of Investment

The tax exempt feature of the Notes is more valuable to high tax bracket investors than to investors who are in low tax brackets, and so the value of the interest compensation to any particular investor will vary with individual tax rates. Each prospective investor should carefully examine this Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Notes are an appropriate investment.

Kansas Public Employees Retirement System

As described in "***APPENDIX A*** – FINANCIAL INFORMATION – Pension and Employee Retirement Plans," the Issuer participates in the Kansas Public Employees Retirement System ("KPERS"), as an instrumentality of the State to provide retirement and related benefits to public employees in Kansas. KPERS administers three statewide defined benefit retirement plans for public employees which are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Issuer participates in the Police and Firemen's Retirement System ("KP&F") and the Public Employees Retirement System – Local Group (the "Plan"). Under existing law, employees make contributions and the Issuer makes all employer contributions to the Plan; neither the employees nor the Issuer are directly responsible for any unfunded accrued actuarial liability ("UAAL"). However, the Plan contribution rates may be adjusted by legislative action over time to address any UAAL. According to KPERS' Valuation Reports, the Local Group had an UAAL of approximately $2.173 billion in calendar year 2024 and KP&F had an UAAL of approximately $1.521 billion.

Potential Impacts Resulting from Epidemics or Pandemics

The Issuer's finances may be materially adversely affected by unforeseen impacts of future epidemics and pandemics, such as the Coronavirus (COVID-19) pandemic. The Issuer cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the local, State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the Issuer, including but not limited to the payment of debt service on any of its outstanding debt obligations.

Cybersecurity Risks

Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches could create disruptions or shutdowns of the Issuer and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If a security breach occurs, the Issuer may incur significant costs to remediate possible injury to the affected persons, and the Issuer may be subject to sanctions and civil penalties. Any failure to maintain proper functionality and security of information systems could interrupt the Issuer's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

Natural Disasters or Terrorist Attacks

The occurrence of a terrorist attack in the Issuer, or natural disasters, such as fires, tornados, earthquakes, floods or droughts, could damage the Issuer and its systems and infrastructure, and interrupt services or otherwise impair operations of the Issuer.

RATINGS

S&P Global Ratings, a division of the S&P Global, Inc. has assigned an independent rating of "SP-1+" to the Notes. Such rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. No such rating constitutes a recommendation to buy, sell, or hold any securities, including the Notes, or as to the market price or suitability thereof for a particular investor. The Issuer furnished such rating agency with certain information and materials relating to the Notes that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse effect on the market price of the Notes.

ABSENCE OF LITIGATION

The Issuer, in the ordinary course of business, is a party to various legal proceedings. In the opinion of management of the Issuer, any judgment rendered against the Issuer in such proceedings would not materially adversely affect the financial position of the Issuer.

The Issuer certifies that there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the Issuer or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act or the constitutionality or validity of the indebtedness represented by the Notes or the validity of said Notes, or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof.

LEGAL MATTERS

Approval of Notes

All matters incident to the authorization and issuance of the Notes are subject to the approval of Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel to the Issuer. The factual and financial information appearing herein has been supplied or reviewed by certain officials of the Issuer and its certified public accountants, as referred to herein. Bond Counsel has participated in the preparation of the Official Statement but expresses no opinion as to the accuracy or sufficiency thereof, except for the matters appearing in the sections of this Official Statement captioned "THE NOTES," "LEGAL MATTERS," "TAX MATTERS" and "***APPENDIX C*** – SUMMARY OF FINANCING DOCUMENTS." Payment of the legal fee of Bond Counsel is contingent upon the delivery of the Notes. Certain legal matters have been passed on for the Issuer by Gibson Watson Marino LLC, Wichita, Kansas.

Certain Relationships

Bond Counsel has represented the Financial Advisor in transactions unrelated to the issuance of the Notes, but is not representing the Financial Advisor in connection with the issuance of the Notes.

TAX MATTERS

General

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Notes. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of holders subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Notes as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Kansas, does not discuss the consequences to an owner under state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Notes in the secondary market at a premium or a discount. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Notes.

Opinion of Bond Counsel

In the opinion of Bond Counsel, under the law existing as of the issue date of the Notes:

Federal Tax Exemption. The interest on the Notes (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Notes is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Notes are "qualified tax-exempt obligations" for purposes of Code § 265(b)(3).

Kansas Tax Exemption. The interest on the Notes is exempt from income taxation by the State.

No Other Opinions. Bond Counsel's opinions are provided as of the date of the original issue of the Notes, subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Notes in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Notes.

Other Tax Consequences

Original Issue Discount. For Federal income tax purposes, original issue discount ("OID") is the excess of the stated redemption price at maturity of a Note over its issue price. The issue price of a Note is the first price at which a substantial amount of the Notes of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Code § 1288, OID on tax-exempt Notes accrues on a compound basis. The amount of OID that accrues to an owner of a Bond during any accrual period generally equals: (a) the issue price of that Note, plus the amount of OID accrued in all prior accrual periods; multiplied by (b) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period); minus (c) any interest payable on that Note during that accrual period. The amount of OID accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for Federal income tax purposes, and will increase the owner's tax basis in that Note. Prospective investors should consult their own tax advisors concerning the calculation and accrual of OID.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Note over its stated redemption price at maturity. The stated redemption price at maturity of a Note is the sum of all payments on the Note other than "qualified stated interest" (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Note is generally the first price at which a substantial amount of the Notes of that maturity have been sold to the public. Under Section 171 of the Code, the owner of a Note having premium may elect to amortize the premium over the term of the Note using constant yield principles, based on the purchaser's yield to maturity. An owner of a Note amortizes premium by offsetting the qualified stated interest allocable to an accrual period with the premium allocable to that accrual period. This offset occurs when the owner takes the qualified stated interest into income under the owner's regular method of accounting. If the premium allocable to an accrual period exceeds the qualified stated interest for that period, the excess is treated by the owner as a deduction under Section 171(a)(1) of the Code. As premium is amortized, the owner's basis in the Note will be reduced by the amount of amortizable premium properly allocable to the owner. Prospective investors should consult their own tax advisors concerning the calculation and accrual of premium, if any.

Sale, Exchange or Retirement of Notes. Upon the sale, exchange or retirement (including redemption) of a Note, an owner of the Note generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Note (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Note. To the extent the Notes are held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Note has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on Notes, and to the proceeds paid on the sale of Notes, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Notes. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Notes should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Notes, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Notes may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

FINANCIAL ADVISOR

Piper Sandler & Co. serves as financial advisor (the "Financial Advisor") to the City. The Financial Advisor is a "municipal advisor" as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The Financial Advisor has participated in the preparation of this Official Statement, but has not verified all of the factual information contained herein, nor has it conducted a detailed investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of this Official Statement. The Financial Advisor's fee is contingent upon the actual issuance and delivery of the Notes. The Financial Advisor will not submit a bid for the Notes.

UNDERWRITING

The Notes have been sold at public sale by the Issuer to Northland Securities, Milwaukee, Wisconsin (the "Underwriter") on the basis of lowest true interest cost. Four bids were received by the Issuer. The Underwriter has agreed, subject to certain conditions, to purchase the Notes at a price equal to the principal amount of the Notes, plus accrued interest from the Dated Date to the Issue Date, plus a premium of $26,654.10, less an underwriting discount of $9,132.75.

The Notes will be offered to the public initially at the prices determined to produce the yields set forth on the inside cover page of this Official Statement. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) at prices other than the price stated on the inside cover page hereof and may change the initial offering price from time to time subsequent to the date hereof. In connection with the offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

AUTHORIZATION OF OFFICIAL STATEMENT

The preparation of this Official Statement and its distribution has been authorized by the governing body of the Issuer as of the date on the cover page hereof. This Official Statement is submitted in connection with the issuance of the Notes and may not be reproduced or used as a whole or in part for any other purpose. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Notes.

CITY OF AUGUSTA, KANSAS

By __________________________
Mayor

APPENDIX A

INFORMATION CONCERNING THE ISSUER

GENERAL

Size and Location

The City of Augusta (the "Issuer" or the "City") is a city of the second class in Butler County, Kansas, and is located approximately 12 miles east of Wichita. The City encompasses approximately 4.4 square miles and has a current estimated population of 9,103 persons.

Government and Organization of the Issuer

The City was incorporated in 1871.

The City operates under the Mayor-Council-Manager form of government. The Council members, elected by ward, serve four-year terms. The Mayor, elected at large, for four-year terms, has veto power over certain Council action, presides over Council meetings and appoints board and committee positions, subject to Council approval. The City Manager is appointed by the Council and is charged with the efficient and effective administration of the City.

Municipal Services and Utilities

The City owns and operates its own water and sewer utility systems and electric power plant. Kansas Gas Service supplies natural gas. Cox Communications operates a cable television system under franchise with the City.

The City has 25 sworn police officers and 30 volunteer firefighters who provide continuous full-time protection to the City.

Transportation and Communication Facilities

The City completed a municipal airport in 1967 on Highway 54 between Augusta and Wichita. The City is located on the Santa Fe-Burlington Northern Railroad, U.S. Highways 54 and 77 and U.S. Highway 400 and has a four-lane divided roadbed to Wichita industrial markets.

Educational Institutions and Facilities

Unified School District No. 402 of Butler County has its offices in the City. The District serves grades K through 12 and has an approximate enrollment of 2,009. Additionally, a parochial institution operates an elementary school in the City.

Butler County Community College, with an enrollment of approximately 7,000 students, is located nine miles northeast of the City in El Dorado, Kansas. Additionally, a state university and four private colleges are located within a 30-mile radius of Augusta.

Medical and Health Facilities

Three medical clinics operate in the City. Approximately five doctors and four dentists practice in the City.

Recreational, Cultural and Religious Facilities

Public recreation facilities include parks, a nine-hole golf course, an eighteen-hole disc golf course, a public swimming pool, splash pad, numerous ball parks and playing fields, and tennis courts. Augusta Lake, Santa Fe Lake, and El Dorado Reservoir provide swimming, boating, fishing, camping and water-skiing activities.

Additional recreational and cultural activities are available throughout the entire Wichita metropolitan area.

ECONOMIC INFORMATION

The City is located in one of the richest agricultural and petroleum-producing areas in the nation. The City's economy is diversified among agricultural production, oil production and industrial development of the greater Wichita area.

Major Employers

Listed below are the major employers located in or around the City and the number employed by each:

Major Employers	Product/Service	Number of Full- & Part-time Employees
Butler Community College	Education	410
Butler County	Government	400
Susan B. Allen Memorial Hospital	Medical Services	400
Unified School District No. 402	Education	375
D J Engineering	Manufacturing	254
LakePoint Nursing	Medical	135
City of Augusta	Government	114
Dillons	Grocery	100
ProKleen	Industrial Services	100
Wal-Mart	Retail	85

Source: City Clerk

Labor Force

The following table sets forth labor force figures for Butler County and the State of Kansas:

BUTLER COUNTY

Average For Year	Total Labor Force	Employed	Unemployed	Unemployed Rate
2016	32,197	30,854	1,343	4.2%
2017	31,668	30,470	1,198	3.8%
2018	31,938	30,833	1,105	3.5%
2019	32,491	31,442	1,049	3.2%
2020	32,562	30,435	2,127	6.5%
2021	33,196	31,980	1,216	3.7%
2022	33,551	32,585	966	2.9%
2023	34,055	33,079	976	2.9%
2024	34,510	33,259	1,251	3.6%
2025	34,971	33,629	1,342	3.8%

STATE OF KANSAS

Average For Year	Total Labor Force	Employed	Unemployed	Unemployed Rate
2016	1,483,633	1,423,730	59,903	4.0%
2017	1,476,110	1,422,274	53,836	3.6%
2018	1,477,847	1,429,229	48,618	3.3%
2019	1,504,415	1,456,662	47,753	3.2%
2020	1,501,827	1,414,596	87,231	5.8%
2021	1,502,391	1,450,948	51,443	3.4%
2022	1,510,916	1,468,686	42,230	2.8%
2023	1,527,042	1,483,017	44,025	2.9%
2024	1,548,387	1,493,815	54,572	3.5%
2025	1,572,150	1,512,600	59,550	3.8%

Source: Kansas Department of Labor

Retail Sales Tax Collections

The following table lists State of Kansas sales tax collections for the years indicated for sales occurring in Butler County, Kansas:

Year*	Sales Tax Collections	Per Capita Sales Tax
2015	$44,641,136	$646.59
2016	44,760,378	678.25
2017	44,284,365	661.50
2018	45,999,427	684.61
2019	56,093,888	820.06
2020	58,892,474	861.99
2021	66,363,084	928.18
2022	74,850,689	1,033.90
2023	75,398,813	1,093.61
2024	77,405,081	1,100.87

** Use tax collections included beginning in 2019*

The State sales and use tax was 6.15% effective July 1, 2013, and increased to 6.50%, effective July 1, 2015. For sales of food and food ingredients, beginning January 1, 2023, the State sales and use tax rate was reduced to 4%, beginning January 1, 2024, such rate was reduced to 2%, and beginning January 1, 2025, such rate was reduced to 0%. During such times, the State sales and use tax rate on non-food and non-food ingredients sales is scheduled to remain at 6.50%.

Source: Kansas Statistical Abstract

Local Option Sales Tax

The following table provides the amount of local sales tax collected and received by the City during the years indicated. The City implemented a 1% City-wide sales tax on April 1, 2013, which sales tax has no set termination date, and the proceeds of which are dedicated to paying the costs of public water supply system improvements and funding General Fund expenditures. The City further has implemented a 1% City-wide sales tax (the "Sales Tax"), which Sales Tax is to terminate on September 30, 2036, and the proceeds of which are to be used as follows: 50% of such Sales Tax to be applied to pay the costs of maintenance, repair and improvements to streets and sidewalks in the City, 20% of such Sales Tax to be applied to pay the costs of other capital improvement projects in the City, 20% of such Sales Tax to be applied to reduce ad valorem property taxes in the City and 10% of such Sales Tax to be applied to enhance the General Fund of the City. Since April 2013, the City has collected local sales taxes totaling 2%.

Year	Receipts
2015	$2,425,087
2016	2,379,598
2017	2,518,722
2018	2,498,393
2019	2,541,638
2020	2,677,087
2021	2,994,889
2022	3,292,741
2023	3,397,589
2024	3,524,438

Source: City Clerk

Oil Production

The oil production (in number of barrels) for Butler County for the years listed is indicated in the following table:

Year	Oil Production	Year	Oil Production
2015	922,182	2020	684,681
2016	842,187	2021	689,731
2017	802,997	2022	699,285
2018	791,619	2023	704,109
2019	744,542	2024	740,046

Source: Kansas Geological Survey

Financial and Banking Institutions

There are currently 12 banks located in Butler County. For the years listed, bank deposits of the County's banks are as follows:

Year	Total Bank Deposits	Year	Total Bank Deposits
2015	$1,063,154,000	2020	$1,421,981,000
2016	1,054,891,000	2021	1,607,612,000
2017	1,114,909,000	2022	1,647,074,000
2018	1,105,301,000	2023	1,739,535,000
2019	1,166,789,000	2024	1,722,206,000

Source: FDIC

Building Permits

The following table indicates the number of building permits and total valuation of these permits issued within the City for the years indicated. These numbers reflect permits issued either for new construction or for major renovation.

	Number of Permits Issued		Total Valuation	
Year	Residential	Non-Residential	Residential	Non-Residential
2015	29	3	$1,302,778	$2,172,758
2016	40	7	1,227,083	252,400
2017	14	4	569,360	726,938
2018	42	4	1,401,449	706,366
2019	38	3	832,724	910,794
2020	34	4	909,929	1,534,355
2021	35	3	583,493	240,348
2022	29	0	685,741	0
2023	27	2	1,155,000	750,000
2024	38	3	1,901,000	3,310,000

Source: City Clerk

Population Trends

The following table shows the approximate population of the City and Butler County in the years indicated:

Year	City of Augusta Population	Butler County Population
2000	8,324	59,681
2005	8,507	61,606
2010	9,274	64,073
2020	9,256	67,380
2024	9,103	69,158

The median age of persons in Butler County and the State of Kansas is 38.3 and 37.4, respectively, per the 2020 Census.

Source: Kansas Statistical Abstract

Personal Income Trends

Butler County personal and per capita income and the State of Kansas per capita income are listed for the years indicated, in the following table.

Year	Butler County Personal Income	Butler County Per Capita Income	State of Kansas Per Capita Income
2015	$2,823,186,000	$42,301	$47,161
2016	2,880,122,000	43,214	47,496
2017	2,940,192,000	43,964	48,559
2018	3,081,694,000	46,157	51,471
2019	3,226,195,000	48,216	53,426
2020	3,402,425,000	50,789	56,099
2021	3,550,635,000	52,247	58,569
2022	3,710,339,000	54,333	62,326
2023	3,963,352,000	57,748	63,513
2024	4,143,197,000	59,909	65,856

Source: Bureau of Economic Analysis

FINANCIAL INFORMATION

Accounting, Budgeting and Auditing Procedures

The City has received a waiver from GAAP and follows a statutory basis of accounting which demonstrates compliance with the cash-basis and budget laws of the State of Kansas for all tax supported funds of the City, including the General Fund.

An annual budget of estimated receipts and disbursements for the coming calendar year is required by statute to be prepared for all funds (unless specifically exempted). The budget is prepared utilizing the modified accrual basis which is further modified by the encumbrance method of accounting. For example, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes. The proposed budget is presented to the governing body of the City prior to August 1, with a public hearing required to be held prior to August 15, with the final budget to be adopted by a majority vote of the governing body of the City prior to August 25 of each year (or September 20 if the City must conduct a public hearing to levy taxes in excess of its revenue neutral rate described below). Budgets may be amended upon action of the governing body after notice and public hearing, provided that no additional tax revenues may be raised after the original budget is adopted.

The City may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the County appraiser. In 2021, the Kansas Legislature passed legislation (the "Revenue Neutral Tax Act") that repeals the "tax lid" (formerly K.S.A. 79-2925c) and provides that, beginning January 1, 2021, a taxing subdivision (which includes any political subdivision of the State that levies an ad valorem property tax, including the City) is not authorized to levy a property tax rate in excess of its revenue neutral rate without first providing notice, holding a public hearing, and authorizing such property tax rate by majority vote of its governing body. The revenue neutral rate means the tax rate for the current tax year that would generate the same property tax revenue as levied the previous tax year using the current tax year's total assessed valuation.

The Revenue Neutral Tax Act provides that by June 15 of every year (or by July 1 for tax year 2024), each county clerk shall calculate the revenue neutral rate for each taxing subdivision in their respective county. If a taxing subdivision desires to levy a tax rate in excess of its revenue neutral rate, it must notify the county clerk by July 20 of the taxing subdivision's intent to exceed the revenue neutral rate and provide to the county clerk the date, time and location of the related public hearing and the taxing subdivision's proposed tax rate. The county clerk is required to provide notice of such intent to exceed the revenue neutral rate to each taxpayer with property in the taxing subdivision at least 10 days in advance of the public hearing. The notice must include the following information: (1) the heading "NOTICE OF PROPOSED PROPERTY TAX INCREASE AND PUBLIC HEARINGS"; (2) a statement that the notice contains estimates of the property tax and proposed property tax increases, actual taxes may increase or decrease from the estimates provided, the governing body will vote at a public hearing to exceed the revenue neutral rate, taxpayers may attend and comment at the hearing, and property tax statements will be issued after mill rates are finalized and taxes are calculated; (3) the appraised value and assessed value of the taxpayer's property for the current year and the previous year; (4) the amount of property tax of the taxing subdivision on the taxpayer's property from the previous year's tax statement; (5) the estimated amount of property tax for the current year of the taxing subdivision on the taxpayer's property based on the revenue neutral rate of the taxing subdivision; (6) the estimated amount of property tax for the current year of the taxing subdivision on the taxpayer's property based on the proposed tax rate provided by the taxing subdivision; (7) the difference between the amount of the current year's maximum tax and the previous year's tax, reflected in dollars and a percentage, for the taxing subdivision; (8) the date, time and location of the public hearing of the taxing subdivision; and (9) the difference between the current year's maximum tax and the estimated amount of property tax based on the revenue neutral rate of the taxing subdivision.

The public hearing regarding exceeding the revenue neutral rate is to be held between August 20 and September 20, and can be held in conjunction with the taxing subdivision's budget hearing. If multiple taxing subdivisions within the county are required to hold a public hearing, the county clerk's notices to the taxpayer will be combined into a single notice. After the public hearing, the taxing subdivision can approve exceeding the revenue neutral rate by governing body approval of a resolution or ordinance, and thereafter the taxing subdivisions will adopt the budget by majority vote of its governing body. The amount of tax to be levied and the adopted budget must be certified to the county clerk by October 1. The taxing subdivision's adopted budget shall not result in a tax rate in excess of its proposed rate stated in the notice provided to the taxpayers. If a taxing subdivision fails to comply with the requirements of the Revenue Neutral Tax Act, it shall refund to the taxpayers any property taxes over-collected based on the amount of the levy that was in excess of the revenue neutral rate. However, if a taxing subdivision does not comply with the notice and hearing requirements of the Revenue Neutral Tax Act because it did not intend to exceed its revenue neutral rate, but the final assessed valuation of such taxing subdivision used to calculate the actual levy is less than the estimated assessed valuation used to calculate the revenue neutral rate, such taxing subdivision is permitted to levy a tax rate that generates the same amount of property tax revenue as levied the prior year or less.

The City cannot predict the impact of the Revenue Neutral Tax Act on the ratings on the Bonds, or the general rating of the City. A change in the rating on the Bonds or a change in the general rating of the City may adversely impact the market price of the Bonds in the secondary market.

Kansas law prohibits governmental units from creating indebtedness unless there are funds on hand in the proper accounts and unencumbered by previous action with which to pay such indebtedness. An exception to this cash-basis operation is made where provision has been made for payment of obligations by bonds or other specific debt obligations authorized by law.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. In recent years, the annual audit has been performed by Gordon CPA, LLC, Lawrence, Kansas. Copies of the audit reports for the past five (5) years are on file in the Clerk's office and are available for review. The audit for the Fiscal Year ended December 31, 2024 is attached hereto as ***APPENDIX B***.

The financial information contained in the Appendices to this Official Statement is an integral part of this document and is intended to be read in conjunction herewith.

Property Valuations

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties under the direction of state statutes. The Butler County Appraiser's office determines the fair market value of all taxable property within Butler County and the assessed valuation thereof that is to be used as a basis for the mill levy on property located in the Issuer.

Property subject to ad valorem taxation is divided into two classes, real property and personal property. Real property is divided into seven subclasses; there are six subclasses of personal property. The real property (Class 1) subclasses are: (i) real property used for residential purposes including multi-family mobile or manufactured homes and the real property on which such homes are located, assessed at 11.5%, (ii) agricultural land, valued on the basis of agricultural income or productivity, assessed at 30%, (iii) vacant lots, assessed at 12%, (iv) real property, owned and operated by a not-for-profit organization not subject to federal income taxation, pursuant to Code §501, assessed at 12%, (v) public utility real property, except railroad real property, assessed at the average rate that all other commercial and industrial property is assessed, assessed at 33%, (vi) real property used for commercial and industrial purposes and buildings and other improvements located on land devoted to agricultural use, assessed at 25%, and (vii) all other urban and real property not otherwise specifically classified, assessed at 30%. Tangible personal property (Class 2) subclasses are: (i) mobile homes used for residential purposes, assessed at 11.5%, (ii) mineral leasehold interests, except oil leasehold interests, the average daily production from which is 5 barrels or less, and natural gas leasehold interests, the average daily production from which is 100 mcf or less, which shall be assessed at 25%, assessed at 30%, (iii) public utility tangible personal property, including inventories thereof, except railroad personal property, including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed, assessed at 33%, (iv) all categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985, assessed at 30%, (v) commercial and industrial machinery and equipment which if its economic life is 7 years or more, shall be valued at its retail cost, when new, less seven-year straight-line depreciation, or which, if its economic life is less than 7 years, shall be valued at its retail cost when new, less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property, assessed at 25%, and (vi) all other tangible personal property not otherwise specifically classified, assessed at 30%. All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

The Kansas Legislature (the "Legislature") reduced the applicable assessment rates on motor vehicles from 30% of market value to 20% of market value as of January 1, 2000.

The 2006 Legislature exempted from all property or ad valorem property taxes levied under the laws of the State all commercial, industrial, telecommunications and railroad machinery and equipment acquired by qualified purchase or lease after June 30, 2006 or transported into the State after June 30, 2006 for the purpose of expanding an existing business or creation of a new business.

The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the Issuer's property tax collections. If a taxpayer valuation challenge is successful, the liability of the Issuer to refund property taxes previously paid under protest may have a material impact on the Issuer's financial situation.

Assessed Valuation

The following table shows the assessed valuation of the taxable tangible property within the City for the following years:

Year	Real Property	Personal Property	Utilities	Motor Vehicles	Total Valuation
2016	$52,674,893	$1,931,579	$1,612,766	$9,594,543	$65,813,781
2017	54,154,620	1,971,972	1,591,432	9,763,443	67,481,467
2018	55,683,452	2,050,701	1,703,063	10,067,238	69,504,454
2019	57,595,727	1,835,693	1,802,904	10,143,016	71,377,340
2020	59,315,791	1,811,217	1,873,846	9,903,428	72,904,282
2021	61,593,221	2,032,037	1,870,561	10,229,150	75,724,969
2022	67,454,670	2,070,245	1,972,806	9,493,107	80,990,828
2023	75,659,903	2,124,901	2,015,172	9,574,522	89,374,498
2024	80,679,614	2,029,787	2,105,980	9,941,516	94,756,897
2025	83,740,086	1,899,977	2,162,176	11,052,902	98,855,141

Source: County Clerk

Estimated Actual Valuation

The following table shows the estimated actual valuation for the taxable property within the City assuming an average assessment ratio of 16%:

Year	Estimated Actual Valuation
2016	$411,336,131
2017	421,759,169
2018	434,402,838
2019	446,108,375
2020	455,651,763
2021	473,281,056
2022	506,192,675
2023	558,590,613
2024	592,230,606
2025	617,844,631

Property Tax Levies and Collections

***Tax Collections*:**

Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are considered delinquent and accrue interest at a per annum rate established by State law until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale on or before August 1 of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal taxes are due and may be paid in the same manner as real estate taxes, with the same interest applying to delinquencies. If personal taxes are not paid when due, and after written notice, warrants are issued and placed in the hands of the Sheriff for collection. If not paid on or before October 1, legal judgment is entered and the delinquent tax becomes a lien on the property. Unless renewed, a non-enforced lien expires five years after it is entered. Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

***Tax Rates*:**

The City may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the County appraiser. The following table shows the City's mill levies by fund (per $1,000 of assessed valuation) for each of the years indicated and the current year:

Year	General Fund	Library Fund	Library Emp. Fund	Employee Benefit	G.O. Bond and Interest	Total Levy
2016/17	25.407	4.209	1.321	16.694	4.347	51.978
2017/18	27.049	4.099	1.286	17.534	5.432	55.400
2018/19	21.625	4.452	1.283	22.175	5.551	55.086
2019/20	25.170	4.610	1.352	20.600	4.576	56.308
2020/21	26.177	4.481	1.314	19.524	4.286	55.782
2021/22	27.911	4.397	1.264	20.073	4.016	57.661
2022/23	27.427	4.764	1.092	22.184	4.126	59.593
2023/24	28.418	4.365	1.297	19.950	3.925	57.955
2024/25	29.992	4.460	1.252	17.853	2.898	56.455
2025/26	31.027	4.718	1.271	17.538	3.844	58.398

Source: County Clerk

Aggregate Tax Levies:

The aggregate tax levies (per $1,000 assessed valuation) of the City and overlapping jurisdictions for the years indicated are included in the following table:

Year	City	Butler County	School District	State	Other	Total Levy
2016/17	51.978	34.747	63.414	1.500	20.074	171.713
2017/18	55.400	34.263	63.401	1.500	20.075	174.639
2018/19	55.086	34.274	63.240	1.500	20.068	174.168
2019/20	56.308	34.280	63.225	1.500	19.336	174.649
2020/21	55.782	34.013	62.253	1.500	18.007	171.555
2021/22	57.661	32.766	60.767	1.500	15.262	167.956
2022/23	59.593	32.093	60.975	1.500	13.855	168.016
2023/24	57.955	30.088	60.570	1.500	12.269	162.382
2024/25	56.455	29.880	61.362	1.500	13.239	162.436
2025/26	58.398	29.625	61.379	1.500	13.239	164.141

Source: County Clerk

Tax Collection Record:

The following table sets forth tax collection information for the City for the years indicated:

Year	Total Taxes Levied	Current Taxes Collected Amount	Current Taxes Collected Percentage
2016/17	$3,341,694.96	$3,260,996.66	97.58%
2017/18	3,608,891.38	3,482,296.01	96.64%
2018/19	3,625,969.55	3,511,625.89	96.85%
2019/20	3,679,009.20	3,618,302.43	98.35%
2020/21	3,708,726.89	3,650,039.26	98.42%
2021/22	3,855,025.93	3,781,676.91	98.10%
2022/23	4,277,906.58	4,182,164.08	97.76%
2023/24	4,643,564.03	4,497,073.41	96.85%
2024/25	4,842,362.45	4,731,806.24	97.72%
2025/26*	5,169,575.07	4,906,416.10	94.91%

**Partial collections through 5/28/26*
Source: County Treasurer

Major Taxpayers:

The following table sets forth the largest taxpayers in the City for taxes levied in 2024:

Taxpayer	Assessed Valuation	Taxes Due
Wal-Mart Real Estate Business Trust	$1,953,018	$320,570.34
D-J Engineering Inc	1,436,399	235,772.00
Kansas Gas Service	964,746	158,354.38
Sago Augusta Industrial LLC	958,441	157,319.48
Lakepoint Augusta, LLC	811,259	132,988.36
D-J Engineering Inc	709,824	116,511.24
BNSF	632,257	103,779.30
D-J Engineering Inc	523,416	85,914.04
Vista View LLC	516,121	84,716.62
White Eagle Credit Union	436,445	71,638.52

Source: County Clerk / Treasurer

History of Employment

The following table indicates the history of the Issuer's employment for the years indicated.

Year	Total Full-Time Employees	Total Part-Time Employees	Total
2015	97	8	105
2016	104	6	110
2017	95	15	110
2018	96	4	100
2019	99	12	111
2020	95	9	104
2021	98	12	110
2022	100	12	112
2023	104	13	117
2024	101	13	114

Source: City Clerk

Pension and Employee Retirement Plans

The Issuer participates in the Kansas Public Employees Retirement System ("KPERS") established in 1962, as an instrumentality of the State, pursuant to K.S.A. 74-4901 *et seq.*, to provide retirement and related benefits to public employees in Kansas. KPERS is governed by a board of trustees consisting of nine members each of whom serve four-year terms. The board of trustees appoints an executive director to serve as the managing officer of KPERS and manage a staff to carry out daily operations of the system.

As of June 30, 2024, KPERS serves approximately 346,000 members and approximately 1,500 participating employers, including the State, school districts, counties, cities, public libraries, hospitals and other governmental units. KPERS administers the following three statewide, defined benefit retirement plans for public employees:

(a) Kansas Public Employees Retirement System;
(b) Kansas Police and Firemen's Retirement System; and
(c) Kansas Retirement System for Judges.

These three plans are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Kansas Public Employees Retirement System is the largest of the three plans, accounting for approximately 95% of the members. The Kansas Public Employees Retirement System is further divided into two separate groups, as follows:

(a) *State/School Group* - includes members employed by the State, school districts, community colleges, vocational-technical schools and educational cooperatives. The State of Kansas makes all employer contributions for this group, the majority of which comes from the State General Fund.

(b) *Local Group* - all participating cities, counties, library boards, water districts and political subdivisions are included in this group. Local employers contribute at a different rate than the State/School Group rate.

KPERS is currently a qualified, governmental, § 401(a) defined benefit pension plan, and has received IRS determination letters attesting to the plan's qualified status dated October 14, 1999 and March 5, 2001. KPERS is also a "contributory" defined benefit plan, meaning that employees make contributions to the plan. This contrasts it from noncontributory pension plans, which are funded solely by employer contributions. The Issuer's employees currently annually contribute 6% of their gross salary to the plan if such employees are KPERS Tier 1 members (covered employment prior to July 1, 2009), KPERS Tier 2 members (covered employment on or after July 1, 2009), or KPERS Tier 3 members (covered employment on or after January 1, 2015).

In 2004, 2015 and 2021, the Kansas Development Finance Authority, on behalf of the State, issued pension obligation bonds and contributed the proceeds thereof to KPERS to assist with improving the status of the unfunded actuarial pension liability. In 2022 the Legislature provided for additional contributions totaling $1.125 billion in four payments to be deposited into the KPERS trust fund for the School Group. For more information about the Legislature's actions related to KPERS, please see the 2023 Valuation Report referenced below.

The Issuer's contribution varies from year to year based upon the annual actuarial valuation and appraisal made by KPERS, subject to legislative caps on percentage increases. The Issuer's contribution is 9.71% of the employee's gross salary for calendar year 2025, and is projected to change to 9.59% of the employee's gross salary for calendar year 2026. In addition, the Issuer contributes 1% of the employee's gross salary for Death and Disability Insurance for covered employees.

According to the Valuation Report as of December 31, 2024 (the "2024 Valuation Report"), the KPERS Local Group, of which the Issuer is a member, carried an unfunded accrued actuarial liability ("UAAL") of approximately $2.173 billion at the end of 2024. The amount of the UAAL in 2024 changed from the previous year's amount due to the factors discussed in the 2024 Valuation Report; such report also includes additional information relating to the funded status of the KPERS Local Group, including recent trends in the funded status of the KPERS Local Group. A copy of the 2024 Valuation Report is available on the KPERS website at www.kspers.gov/about/reports. The Issuer has no means to independently verify any of the information set forth on the KPERS website or in the 2024 Valuation Report, which is the most recent financial and actuarial information available on the KPERS website relating to the funded status of the KPERS Local Group. The 2024 Valuation Report sets the employer contribution rate for the period beginning January 1, 2027, for the KPERS Local Group, and KPERS' actuaries identified that an employer contribution rate of 9.44% of covered payroll would be necessary, in addition to statutory contributions by covered employees, to eliminate the UAAL by the end of the actuarial period set forth in the 2024 Valuation Report. The statutory contribution rate of employers currently equals the 2024 Valuation Report's actuarial rate. As a result, members of the Local Group are adequately funding their projected actuarial liabilities and the UAAL can be expected to diminish over time. The required employer contribution rate may increase up to the maximum statutorily allowed rate, which is 1.2% in fiscal year 2017 and thereafter.

The Issuer has established membership in the Kansas Police and Fire Retirement System ("KP&F") for its police and fire personnel. KP&F is a division of and is administered by KPERS. Annual contributions are adjusted annually based on actuarial studies, subject to legislative caps on percentage increases. According to the 2023 Valuation Report, KP&F carried an UAAL of approximately $1.521 billion at the end of 2024. For KP&F, the Issuer's employees currently annually contribute 7.15% of their gross salary to the plan. For the year beginning January 1, 2025, the Issuer contributes 24.67% of employees' gross salary.

The Issuer has not implemented GASB 68 – Accounting and Financial Reporting for Pensions – An Amendment of GASB 27, because the Issuer's financial statements are prepared on a regulatory basis of accounting which is a comprehensive basis of accounting different from accounting principles generally accepted in the United States of America. KPERS, however, has implemented GASB 67 – Financial Reporting for Pension Plans – An Amendment of GASB Statement 25, and is required annually to provide its participants the proportional share of the net pension liability of KPERS allocated to each participant as of the end of the prior fiscal year. The KPERS' Schedule of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer (the "GASB 68 Report") provides the net pension liability allocated to each KPERS participant, including the Issuer. The GASB 68 Report is available on the KPERS website at kpers.org/about/reports.html. Because the Issuer has not implemented GASB 68, the net pension liability calculated by KPERS for the Issuer is not reflected as a liability on the Issuer's financial statements. The Issuer has no means to independently verify any of the information set forth on the KPERS website or in the GASB 68 Report. It is important to note that under existing State law, the Issuer has no legal obligation for the UAAL or the net pension liability calculated by KPERS, and such figures are for informational purposes only.

DEBT STRUCTURE

Debt Summary

The following table summarizes certain key statistics with respect to the Issuer's general obligation debt, including the Notes:

Equalized Assessed Valuation of Tangible Valuation for Computation of Bonded Debt Limitations	$98,855,141
Estimated Actual Valuation	$617,844,631
Legal limitation of Bonded Debt[2]	$29,656,542
Outstanding General Obligation Debt[3]	$24,040,000
Statutory Exempt Debt	$15,017,712
Net Debt against Debt Limit Capacity	$9,022,288
Self-Supporting debt[4]	$14,019,248
Additional Debt Capacity	$20,634,254
Net Overlapping Indebtedness	$35,084,686
Direct Debt Per Capita (Population = 9,103)	$2,640.89
Direct and Net Overlapping Debt Per Capita	$6,495.08
Direct Debt as a Percentage of Assessed Valuation	24.32%
Direct Debt as a Percentage of Estimated Actual Valuation	3.89%
Direct and Net Overlapping Debt as a Percentage of Assessed Valuation	59.81%
Direct and Net Overlapping Debt as a Percentage of Estimated Actual Valuation	9.57%

[1]See **"Property Valuations"** *supra*
[2] K.S.A. 10-301 *et seq*.
[3] Includes the Notes.
[4] A portion of the Series 2019 Bonds are payable primarily from the water utility system, the Series 2022-A Bonds are payable primarily from a portion of a 1% City-wide sales tax and also from the water utility system; the Series 2016-A Bonds are paid primarily from a portion of a separate 1% City-wide sales tax; and Series 2020-1 Notes and 2022-B Bonds are to be paid primarily from a portion of a 1% City-wide sales tax.

Current Indebtedness of the Issuer

The following tables summarize certain key statistics with respect to the Issuer's general obligation debt, including the Notes:

GENERAL OBLIGATION BONDS

Category of Indebtedness	Series	Dated Date	Final Maturity Date	Original Principal Amount	Amount Outstanding	Exempt from Debt Limit
General Obligation Bonds	2012-B	8/1/2012	9/1/2032	$455,000	$190,000	$50,502 (26.58%)
General Obligation Bonds	2013	4/18/2013	9/1/2033	970,000	450,000	450,000 (100%)
General Obligation Bonds	2014-A	9/10/2014	9/1/2034	3,090,000	1,585,000	1,585,000 (100%)
General Obligation Bonds	2016-A	8/17/2016	9/1/2026	4,305,000	470,000	-0- (0%)
General Obligation Refunding and Improvement Bonds	2019	6/06/2019	9/1/2034	2,415,000	915,000	915,000 (100%)
Taxable General Obligation Refunding Bonds	2022-A	3/02/2022	9/1/2044	5,765,000	5,050,000	5,050,000 (100%)
General Obligation Sales Tax Bonds	2022-B	5/05/2022	9/1/2026	2,325,000	730,000	202,210 (27.7%)
General Obligation Bonds	2025	11/06/2025	9/1/2050	7,885,000	7,885,000	-0- (0%)
				Total	$17,275,000	$8,252,712

GENERAL OBLIGATION TEMPORARY NOTES

Category of Indebtedness	Series	Dated Date	Final Maturity Date	Original Principal Amount	Amount Outstanding	Exempt from Debt Limit
General Obligation Temp Notes[(1)]	2026-1	8/27/2026	9/1/2029	$6,765,000	$6,765,000	6,765,000 (100%)
				Total	$6,765,000	$6,765,000

[(1)] *This Issue.*

STATE LOANS

In addition to the foregoing debt obligations, the City has entered into the following state loan obligations.

Purpose of Indebtedness	Dated Date	Final Payment Date	Original Principal Amount	Amount Outstanding*
Wastewater Treatment Plant	11/25/2016	3/1/2038	$1,290,871	$929,078
Public Water Supply	02/01/2021	2/1/2042	1,221,000	652,401
			Total	$1,581,479

**Balance as of 12/31/24*

History of General Obligation Indebtedness

The City has never in its history defaulted on the payment of any of its debt obligations.

Overlapping Indebtedness

The following table sets forth overlapping indebtedness as of the dated date and the percent attributable (on the basis of assessed valuation) to the City:

Taxing Jurisdiction	Assessed Valuation	Gross Outstanding General Obligation Indebtedness	Percent Applicable to Issuer		Gross Amount Applicable to Issuer	Net Amount Applicable to Issuer [1]
Butler County	$1,156,518,226	$-0-	7.59%		$-0-	$-0-
U.S.D. No. 402[1]	150,730,651	75,935,000	58.25%		44,232,961	35,084,686
				Total	$44,232,961	$35,084,686

[1] *For bonds approved by voters prior to July 1, 2015, the State of Kansas will pay 54% of debt service for the School District's bonds; for bonds approved by voters between July 1, 2015 and July 1, 2022, the State of Kansas will pay 0% of debt service for the School District's bonds; for bonds approved by voters after July 1, 2022, the State of Kansas will pay 8% of debt service for the School District's bonds.*

Future Indebtedness

The City does not anticipate issuing bonds/notes in the near future for City improvements.

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APPENDIX B

FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS (FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024)

CITY OF AUGUSTA, KANSAS

Financial Statements

For the Year Ended December 31, 2024

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CITY OF AUGUSTA, KANSAS
Financial Statements
For the Year Ended December 31, 2024

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Financial Statements
For the Year Ended December 31, 2024
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GORDONCPA
AUDITING
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Lawrence, KS 66049

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Augusta, Kansas

Report on the Audit of the Financial Statement

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 Augusta, Kansas, (the City), as of and for the year ended December 31, 2024 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 of 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, 2024, or the 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, 2024, 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), the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States 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 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 and *Government Auditing Standards*, 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 receipts and disbursements-agency funds (Schedules 1, 2 and 3 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*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and is not a required part of the basic financial statement. 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated June 18, 2025, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Other Matters

The 2023 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2023 (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.

We previously audited, in accordance with auditing standards generally accepted in the United State of America, the basic financial statement of the City for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated June 25, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link http://www.admin.ks.gov/offices/chief financial-officer/municipal-services. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2024 (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 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 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 2023 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, 2023, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 18, 2025

CITY OF AUGUSTA, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ 1,284,272	$ -	$ 8,086,641	$ 8,064,599	$ 1,306,314	$ 33,266	$ 1,339,580
Special Purpose Funds:							
Industrial Development	291,721	-	-	291,721	-	-	-
Library Employee Benefits	9,657	-	107,737	107,737	9,657	-	9,657
Library	11,696	-	372,515	372,515	11,696	-	11,696
Cemetery Endowment	60,320	-	8,160	20,638	47,842	-	47,842
Employee Benefits	12,467	-	1,831,060	1,829,921	13,606	8,291	21,897
Special City-County Highway	287,901	-	458,594	405,462	341,033	1,818	342,851
Special Alcohol	9,680	-	18,453	9,676	18,457	-	18,457
Convention and Visitors Bureau	88,232	-	21,139	40,068	69,303	-	69,303
Emergency Communications	16,047	-	-	-	16,047	-	16,047
Emergency Communications 2012	125,164	-	60,855	49,078	136,941	-	136,941
Special Park	114,531	-	70,040	38,921	145,650	-	145,650
Street Sales Tax	1,276,841	-	949,013	1,446,306	779,548	-	779,548
Water Sales Tax	8,601,040	-	1,585,997	354,502	9,832,535	-	9,832,535
Capital Improvements	666,595	-	782,444	919,106	529,933	-	529,933
Equipment Reserve	172,340	-	97,050	41,341	228,049	-	228,049
Vehicle Reserve	88,015	-	138,787	118,330	108,472	-	108,472
Employee Insurance	11,118	-	47,876	48,924	10,070	-	10,070
Health Insurance Reserve	1,402,725	-	1,630,102	1,384,254	1,648,573	-	1,648,573
Drug Reimbursement	-	-	750	-	750	-	750
E-Comm/Augusta Progress Inc. Loan	305	-	18,521	18,373	453	-	453
Dalton Palmer Park	72	-	-	-	72	-	72
ARPA	390,238	-	1,913	297,005	95,146	-	95,146
Skate Park	[104,461]	-	104,490	1	28	-	28
Opioid Settlement	25,023	-	26,957	22,347	29,633	-	29,633
CDBG Grant	[260,000]	-	260,000	-	-	-	-
Interest	-	-	699,662	699,662	-	-	-
2019 Bonds	-	-	50,000	-	50,000	-	50,000
Bond Interest Fund:							
Bond and Interest	23,335	-	369,597	382,452	10,480	-	10,480
Capital Project Funds:							
Dam Spillway	62,512	-	-	-	62,512	-	62,512
Marsh Donation - ADOPS	2,462	-	-	-	2,462	-	2,462
FAA Land Acquisitions	[111,745]	-	5,677,353	6,224,022	[658,414]	-	[658,414]
Sales Tax Waterline Improvements	3,581,132	-	-	-	3,581,132	-	3,581,132
Disc Golf Project	645	-	-	-	645	-	645
Pride and Progress	953,936	-	477,600	815,220	616,316	-	616,316
Sewer CDBG Project	3,500	-	-	-	3,500	-	3,500
Scattering Garden Project	7,500	-	-	-	7,500	-	7,500
Wayfinding Signs Project	12,058	-	-	-	12,058	-	12,058
Storm Water Project	24,392	-	-	1,133	23,259	-	23,259
APPCON Temporary Note Project	740	-	-	-	740	-	740
SPARKS Funding Project	1,368,352	-	4,868	1,055,289	317,931	-	317,931
KDHE Water Loan	[544,213]	-	87,587	238,944	[695,570]	-	[695,570]
Downtown Projects	400	-	-	-	400	-	400
Redbud Trail Project	[33,864]	-	115,255	432,833	[351,442]	-	[351,442]
Castle Park Project	201,152	-	567,359	748,606	19,905	-	19,905

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

CITY OF AUGUSTA, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash (Continued)
Regulatory Basis
For the Year Ended December 31, 2024

	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
Business Funds:							
Electric Utility	$ 3,830,024	$ -	$ 11,343,868	$ 10,506,822	$ 4,667,070	$ 21,134	$ 4,688,204
Water Utility	961,469	-	2,324,840	2,117,953	1,168,356	1,015	1,169,371
Refuse	989,663	-	1,159,132	1,423,309	725,486	11,635	737,121
Wastewater Treatment	701,730	-	1,479,762	1,410,827	770,665	9,274	779,939
Wastewater Treatment Plant	197,613	-	16,209	202,644	11,178	-	11,178
Airport	328,723	-	313,014	412,222	229,515	1,735	231,250
Electric Principal & Interest	19,018	-	155,000	170,540	3,478	-	3,478
Electric Reserve	1,701,693	-	400,000	759,460	1,342,233	-	1,342,233
Water Bonds Principal & Interest	70,835	-	591,501	625,024	37,312	-	37,312
Water Revenue Bond Depreciation & Replacement Reserve	25,000	-	-	-	25,000	-	25,000
Wastewater Reserve	198,305	-	702,644	110,123	790,826	-	790,826
Sanitation Bond & Interest	13,705	-	130,000	127,200	16,505	-	16,505
Total Reporting Entity (Excluding Agency Funds)	$ 29,171,611	$ -	$ 43,344,345	$ 44,345,110	$ 28,170,846	$ 88,168	$ 28,259,014

COMPOSITION OF CASH:

Emprise Bank	
Checking	$ 11,635,778
Checking - Court	51,997
Kansas Municipal Investment Pool	16,672,907
Cash on Hand	700
Total Cash	28,361,382
Agency Funds per Schedule 3	[102,368]
Total Reporting Entity (Excluding Agency Funds)	$ 28,259,014

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Augusta (the City) is a municipal corporation governed by a mayor, eight-member council and manager. These financial statements present the City (the primary government) and any related municipal entities of which the City is considered to be financially accountable. However, the City's financial statement does not include the following related municipal entities:

1. Augusta Public Library, 1609 State Street, Augusta, Kansas 67010
2. Augusta Housing Authority, 620 Osage Street, Augusta, Kansas 67010
3. Augusta Public Building Commissions, 113 E 6th Avenue, Augusta, Kansas 67010

Financial statements of the related municipal entities can be obtained by contacting management at the address listed above.

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, 2024:

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 regulatory receipt 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.

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

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

Agency Fund - funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

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 on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the City is holding a revenue neutral rate hearing, the 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 Convention & Tourism, Capital Improvements, Vehicle Reserve, Wastewater Treatment Plant, Solid Waste and Water funds were amended for the year ended December 31, 2024.

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 project funds, utility reserve funds and the following special purpose funds: Employee Insurance, Health Insurance Reserve, Drug Reimbursement, E-Comm/Augusta Progress Inc Loan, Dalton Palmer Park, ARPA, Skate Park, Opioid Settlement, CDBG Grant, Interest and 2019 Bonds.

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 City Council.

NOTE 2 - Deposits and Investments (Continued)

As of December 31, 2024, the City has the following investments:

Investment Type	Cost	Investment Maturities (In Years) Less than 1	Rating
Kansas Municipal Investment Pool	$ 16,672,907	$ 16,672,907	N/A
Total Cost	$ 16,672,907	$ 16,672,907	

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.

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

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2024, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

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." The City's deposits were fully secured at December 31, 2024.

As of December 31, 2024, the City's carrying amount of deposits was $11,688,475 and the bank balance was $13,097,423. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by federal depository insurance and $12,597,423 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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.

As of December 31, 2024, the City had invested $16,672,907 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 3 - Defined Benefit Pension Plan

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org 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.

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 9.26% for KPERS and 23.10% for KP&F for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City of Augusta were $501,159 for KPERS and $388,370 for KP&F for the year ended December 31, 2024.

Net Pension Liability. As of December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $4,478,726 and $3,590,574 for KP&F. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 4 - Long-Term Debt

Changes in Long-term Debt. During the year ended December 31, 2024, the following changes occurred in long-term debt:

	Beginning Principal Outstanding	Additions to Principal	Subtractions from Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds	$ 13,325,000	$ -	$ 1,985,000	$ 11,340,000	$ 354,181
Revolving Loans	1,581,928	90,682	91,131	1,581,478	25,364
Totals	$ 14,906,928	$ 90,682	$ 2,076,131	$ 12,921,478	$ 379,546

NOTE 4 - Long-Term Debt (Continued)

General Obligation Bonds. Following is a detailed listing of the City's outstanding general obligation debt:

Issue	Interest Rate	Original Amount	Amount Outstanding at December 31, 2024	Date of Issue	Final Maturity
Series 2012B	1.35 - 3.30%	$ 455,000	$ 215,000	08/01/12	09/01/32
Series 2013	1.63 - 3.13%	970,000	500,000	04/18/13	09/01/33
Series 2014A	2.00 - 3.75%	3,090,000	1,735,000	09/10/14	09/01/34
Series 2016A	2.00%	4,305,000	930,000	08/17/16	09/01/26
Series 2019	2.00 - 3.00%	2,415,000	1,125,000	06/06/19	09/01/34
Series 2022A	2.25 - 3.05%	5,765,000	5,380,000	03/02/22	09/01/44
Series 2022B	2.00 - 2.25%	2,325,000	1,455,000	05/05/22	09/01/26
			$ 11,340,000		

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

Year Ending December 31,	Principal	Interest	Total
2025	1,950,000	309,549	2,259,549
2026	1,860,000	264,836	2,124,836
2027	675,000	221,536	896,536
2028	700,000	202,561	902,561
2029	720,000	182,311	902,311
2030 - 2034	2,565,000	653,984	3,218,984
2035 - 2039	1,440,000	344,995	1,784,995
2040 - 2044	1,430,000	118,428	1,548,428
	$11,340,000	$ 2,298,200	$13,638,200

Revolving Loans. Following is a detailed listing of the City's outstanding revolving loan debt:

Issue	Interest Rate	Original Amount	Amount Outstanding at December 31, 2024	Date of Issue	Final Maturity
Water Pollution Control	1.81%	$ 1,290,871	$ 929,078	11/25/16	03/01/38
Public Water Supply	1.30%	1,221,000	652,401	02/01/21	02/01/42
			$ 1,581,478		

NOTE 4 - Long-Term Debt (Continued)

On February 1, 2021, the City entered into an agreement with the Kansas Department of Health and Environment for a Public Water Supply Loan up to the amount of $1,221,000 with a gross interest rate of 1.30%. As of December 31, 2024, the City has drawn $561,719 on the loan. The purpose of the loan is to fund improvements to the City's drinking water supply system, including the rehabilitation of a water tower and installation of 3,500 automated water meters. Annual debt service requirements to maturity are not yet available as the loan has not been finalized.

Annual debt service requirements to maturity for the water pollution control revolving loan is as follows:

Year Ending December 31,	Principal	Interest	Total
2025	$ 61,340	$ 14,255	$ 75,596
2026	62,456	13,294	75,750
2027	63,591	12,316	75,907
2028	64,747	11,319	76,066
2029	65,925	10,304	76,229
2030 - 2034	348,044	35,645	383,689
2035 - 2039	262,975	8,279	271,254
	$ 929,078	$ 105,412	$ 1,034,490

NOTE 5 - Compensated Absences

The City does not permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation - Employees earn vacation leave at the rate of 3.08 hours for each bi-weekly pay period during the first five years of service. 4.62 hours after five years of continuous service and 6.16 hours after fifteen years of continuous service. Accumulated vacation hours may not exceed 200 hours; 260 hours for those with over ten years of continuous service. At termination, employees are compensated for accumulated vacation pay.

Sick Leave - Employees earn 4.62 hours of sick leave for each bi-weekly pay period employed. Each employee may accumulate a maximum of 960 hours. Any hours above 960 shall be compensated at the rate of one hour of regular pay for every four hours above the maximum. No sick leave is paid upon termination of employment unless the employee qualifies upon retirement.

It is the City's policy to recognize the costs of compensated absences when actually paid.

NOTE 6 - Medical Self Insurance Plan

The City has established a program to pay medical claims of covered current and former City employees and additional health insurance premiums. Liabilities are reported when it is probable that claims have been incurred and the amount of the liability can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated by the plan administrator and are expected to be liquidated with expendable available financial resources.

NOTE 6 - Medical Self Insurance Plan (Continued)

The below table summarizes activity for the years ended December 31, 2023 and 2024, respectively:

	2023	2024
Unpaid claims, January 1	$ 60,782	$ 25,201
Incurred claims (including IBNRs)	1,110,671	730,007
Claim payments	[1,146,252]	[701,145]
Unpaid claims, December 31	$ 25,201	$ 54,063

Unpaid claims at year-end are expensed in the following fiscal year.

NOTE 7 - Interfund Transfers

Operating transfers during the year ended December 31, 2024, were as follows:

From	To	Amount	Regulatory Authority
General	Equipment Reserve	$ 70,000	KSA 12-1,117
General	Airport	93,000	KSA 3-113
General	Vehicle Reserve	115,000	KSA 12-1,117
General	Street Sales Tax	881,110	KSA 12-197
General	Water Sales Tax	1,585,997	KSA 12-197
General	Capital Improvements	352,444	KSA 12-1,118
Capital Improvements	Pride & Progress	477,600	KSA 12-1,118
Refuse	General	36,800	KSA 12-825d
Water	Water Bonds Principal & Interest	240,000	KSA 12-825d
Refuse	Sanitation Bond & Interest	130,000	KSA 12-825d
Water Sales Tax	Water Bonds Principal & Interest	350,000	KSA 12-197
Employee Benefit	Health Insurance Reserve	40,000	KSA 12-16,102
Electric Utility	General	650,000	KSA 12-825d
Electric Utility	Electric Principal & Interest	155,000	KSA 12-825d
Electric Utility	Electric Reserve	400,000	KSA 12-825d
Electric Utility	Capital Improvements	280,000	KSA 12-825d
Electric Utility	Water	35,000	KSA 12-825d
Wastewater Treatment Plant	Wastewater Reserve	202,644	KSA 12-825d
Street Sales Tax	2019 Bonds	50,000	Council motion
Wastewater Treatment	Wastewater Reserve	500,000	KSA 12-825d
ARPA	Capital Improvements	75,000	Grant agreement
ARPA	General	150,000	Grant agreement
Pride & Progress	Castle Park Project	330,000	Council motion
Airport	Special Park	4,500	Council motion
		$ 7,204,095	

NOTE 8 - Capital Projects

	Project Authorization	Expenditures To Date
Scattering Garden Project	$ 7,500	$ 1,895,931
North Ohio Street Project	2,211,736.00	509,200.00
Pavement Preservation Project	518,921.00	4,502.00
Dam Inspection	6,000.00	808,187.00
KDHE Water Loan	1,221,000.00	2,494,442.00
Sales Tax Waterline Improv	20,000,000.00	-
Water Division Building	493,573.00	-
Mulvane Waterline Repair	213,190.00	115,796.00
KDHE Sewer Loan	1,290,871.00	1,337,005.00
ARPA	1,426,237.00	3,686,937.00
BASE Grant	4,002,621.00	122,677.00
Public Works Bldg Proj	480,000.00	5,389,867.00
Pride & Progress	6,104,327.00	235,489.00
Skate Park	275,000.00	311,082.00
Castle Park (Donations 23/24)	350,000.00	242.00
Wayfinding Signs Project	12,300.00	351,442.00
Redbud Trail	610,960.00	-
Redbud Trail - Phase 2	5,060,000.00	1,322,867.00
Dam Spillway	1,882,582.00	2,413.00
Marsh Donations - ADOPS	4,875.00	1,868,804.00
A/P Runway Reconstruction	7,933,739.00	1,322,137.00

NOTE 9 - Contractual Obligations

The City purchases its water supply from the City of El Dorado, Kansas. A forty-year contract, effective January 1, 1990, obliges the City of Augusta to purchase a minimum of five hundred million gallons annually from the City of El Dorado at a specified price. The contract allows the two cities to review and modify the price per thousand gallons every five years, under a specified formula set out in the contract.

NOTE 10 - Commitments and Contingencies

The City receives significant financial assistance from numerous deferral and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are 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 will not have a material effect on the financial statements of the City as of December 31, 2024.

NOTE 11 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the City carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12 - 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, 2024.

CITY OF AUGUSTA, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over [Under]
Governmental Type Funds:					
General Funds:					
General	$ 8,285,679	$ -	$ 8,285,679	$ 8,064,599	$ [221,080]
Special Purpose Funds:					
Industrial Development	291,721	-	291,721	291,721	-
Library Employee Benefits	113,326	-	113,326	107,737	[5,589]
Library	395,477	-	395,477	372,515	[22,962]
Cemetery Endowment	25,000	-	25,000	20,638	[4,362]
Employee Benefits	1,864,462	-	1,864,462	1,829,921	[34,541]
Special City-County Highway	455,675	-	455,675	405,462	[50,213]
Special Alcohol	15,091	-	15,091	9,676	[5,415]
Convention and Visitors Bureau	54,500	-	54,500	40,068	[14,432]
Emergency Communications	18,035	-	18,035	-	[18,035]
Emergency Communications 2012	51,500	-	51,500	49,078	[2,422]
Special Park	65,000	-	65,000	38,921	[26,079]
Street Sales Tax	1,642,100	-	1,642,100	1,446,306	[195,794]
Water Sales Tax	3,550,000	-	3,550,000	354,502	[3,195,498]
Capital Improvements	1,006,000	-	1,006,000	919,106	[86,894]
Equipment Reserve	71,000	-	71,000	41,341	[29,659]
Vehicle Reserve	155,000	-	155,000	118,330	[36,670]
Bond and Interest Fund:					
Bond and Interest	388,349	-	388,349	382,452	[5,897]
Business Funds:					
Electric Utility	11,392,240	-	11,392,240	10,506,822	[885,418]
Water Utility	2,912,615	-	2,912,615	2,117,953	[794,662]
Refuse	1,560,350	-	1,560,350	1,423,309	[137,041]
Wastewater Treatment	1,660,730	-	1,660,730	1,410,827	[249,903]
Wastewater Treatment Plant	205,000	-	205,000	202,644	[2,356]
Airport	534,180	-	534,180	412,222	[121,958]

CITY OF AUGUSTA, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 1,857,126	$ 2,121,175	$ 2,280,000	$ [158,825]
Delinquent property taxes	50,914	38,714	35,000	3,714
Motor vehicle taxes	263,257	231,799	224,600	7,199
Franchise fees	280,877	224,467	238,200	[13,733]
Airport sales	1,095	3,580	-	3,580
Alcoholic beverages	19,024	22,753	-	22,753
Licenses and permits	91,004	98,572	80,700	17,872
Highway-streets	35,840	35,895	35,000	895
Fines and forfeitures	194,701	197,992	165,000	32,992
Reimbursed expenditures	1,144	6,424	-	6,424
County fire contribution	77,104	44,956	65,000	[20,044]
Local sales tax	3,397,589	3,524,438	2,800,000	724,438
Cemetery sales and services	58,510	47,175	47,000	175
Lakes, boating and camping	194,298	275,819	200,000	75,819
Swimming pool	41,625	40,152	35,000	5,152
COPS FAST grant	69,599	50,661	50,000	661
Animal control	1,017	1,107	-	1,107
Miscellaneous	11,695	36,162	5,500	30,662
Interest income	42,000	248,000	25,000	223,000
Transfers from other funds	686,800	836,800	686,800	150,000
Total Receipts	7,375,219	8,086,641	$ 6,972,800	$ 1,113,841
Expenditures				
Administration	540,352	543,724	$ 1,525,059	$ [981,335]
City clerk	156,259	175,533	180,390	[4,857]
Police and fire	2,134,680	2,367,094	2,377,300	[10,206]
Community development	341,533	385,568	435,760	[50,192]
Public works	198,669	254,192	270,000	[15,808]
Court	141,025	148,972	152,400	[3,428]
Parks	327,203	332,945	375,805	[42,860]
Santa Fe lake	264,931	316,962	313,050	3,912
Swimming pool	142,094	166,534	147,600	18,934
Cemetery	143,412	183,440	175,230	8,210
Animal control	79,420	87,585	88,585	[1,000]
Other	4,500	4,500	4,500	-
Transfers to other funds	2,953,071	3,097,550	2,240,000	857,550
Total Expenditures	7,427,149	8,064,599	$ 8,285,679	$ [221,080]
Receipts Over [Under] Expenditures	[51,930]	22,042		
Unencumbered Cash, Beginning	1,336,202	1,284,272		
Unencumbered Cash, Ending	$ 1,284,272	$ 1,306,314		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Industrial Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
CDBG loan repayments	$ 3,191	$ -	$ -	$ -
Total Receipts	3,191	-	$ -	$ -
Expenditures				
CDBG loans	-	291,721	$ 291,721	$ -
Total Expenditures	-	291,721	$ 291,721	$ -
Receipts Over [Under] Expenditures	3,191	[291,721]		
Unencumbered Cash, Beginning	288,531	291,721		
Unencumbered Cash, Ending	$ 291,722	$ -		

CITY OF AUGUSTA, KANSAS
Library Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 73,943	$ 96,812	$ -	$ 96,812
Delinquent property taxes	2,370	1,656	1,000	656
Motor vehicle taxes	12,080	9,269	8,896	373
Total Receipts	88,393	107,737	$ 9,896	$ 97,841
Expenditures				
Appropriations	88,393	107,737	$ 113,326	$ [5,589]
Total Expenditures	88,393	107,737	$ 113,326	$ [5,589]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	9,657	9,657		
Unencumbered Cash, Ending	$ 9,657	$ 9,657		

CITY OF AUGUSTA, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 322,573	$ 325,814	$ -	$ 325,814
Delinquent property taxes	8,482	6,556	3,000	3,556
Motor vehicle taxes	41,913	40,145	39,000	1,145
Total Receipts	372,968	372,515	$ 42,000	$ 330,515
Expenditures				
Appropriations	372,968	372,515	$ 395,477	$ [22,962]
Total Expenditures	372,968	372,515	$ 395,477	$ [22,962]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	11,696	11,696		
Unencumbered Cash, Ending	$ 11,696	$ 11,696		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Cemetery Endowment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Endowment	$ 6,800	$ 7,200	$ 12,000	$ [4,800]
Interest income	3,447	960	-	960
Total Receipts	10,247	8,160	$ 12,000	$ [3,840]
Expenditures				
Contractual services	-	-	$ 5,000	$ [5,000]
Capital outlay	37,210	20,638	20,000	638
Total Expenditures	37,210	20,638	$ 25,000	$ [4,362]
Receipts Over [Under] Expenditures	[26,963]	[12,478]		
Unencumbered Cash, Beginning	87,283	60,320		
Unencumbered Cash, Ending	$ 60,320	$ 47,842		

CITY OF AUGUSTA, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Property taxes	$ 1,502,085	$ 1,489,107	$ -	$ 1,489,107
Delinquent property taxes	38,678	30,121	30,000	121
Motor vehicle taxes	190,190	186,835	181,650	5,185
Interest income	-	58,000	-	58,000
Grants	38,342	26,977	23,000	3,977
Refund of expenditures	-	20	-	20
Transfers from other funds	-	40,000	-	40,000
Total Receipts	1,769,295	1,831,060	$ 234,650	$ 1,596,410
Expenditures				
Employee benefits paid	1,727,910	1,829,921	$ 1,864,462	$ [34,541]
Total Expenditures	1,727,910	1,829,921	$ 1,864,462	$ [34,541]
Receipts Over [Under] Expenditures	41,385	1,139		
Unencumbered Cash, Beginning	[28,918]	12,467		
Unencumbered Cash, Ending	$ 12,467	$ 13,606		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Special City - County Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Special gasoline tax	$ 249,994	$ 250,994	$ 252,860	$ [1,866]
Gasoline tax - county	39,592	37,911	38,470	[559]
Interest income	5,000	157,824	5,000	152,824
Reimbursed expenditures	19,137	8,865	2,000	6,865
Miscellaneous	-	3,000	-	3,000
Total Receipts	313,723	458,594	$ 298,330	$ 160,264
Expenditures				
Personnel services	174,986	163,423	$ 187,925	$ [24,502]
Contractual services	30,936	57,754	40,750	17,004
Commodities	90,898	68,705	97,000	[28,295]
Capital outlay	3,406	115,580	130,000	[14,420]
Total Expenditures	300,226	405,462	$ 455,675	$ [50,213]
Receipts Over [Under] Expenditures	13,497	53,132		
Unencumbered Cash, Beginning	274,404	287,901		
Unencumbered Cash, Ending	$ 287,901	$ 341,033		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Special Alcohol Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Liquor tax	$ 13,799	$ 18,453	$ 12,000	$ 6,453
Total Receipts	13,799	18,453	$ 12,000	$ 6,453
Expenditures				
Contractual services	4,500	-	$ -	$ -
Commodities	12,000	9,676	15,091	[5,415]
Total Expenditures	16,500	9,676	$ 15,091	$ [5,415]
Receipts Over [Under] Expenditures	[2,701]	8,777		
Unencumbered Cash, Beginning	12,381	9,680		
Unencumbered Cash, Ending	$ 9,680	$ 18,457		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Convention and Visitors Bureau Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Guest tax	$ 12,291	$ 12,224	$ 14,000	$ [1,776]
Building rent	10,950	8,915	6,000	2,915
Total Receipts	23,241	21,139	$ 20,000	$ 1,139
Expenditures				
Contractual services	12,694	40,068	$ 52,300	$ [12,232]
Commodities	-	-	2,200	[2,200]
Capital outlay	7,170	-	-	-
Total Expenditures	19,864	40,068	$ 54,500	$ [14,432]
Receipts Over [Under] Expenditures	3,377	[18,929]		
Unencumbered Cash, Beginning	84,855	88,232		
Unencumbered Cash, Ending	$ 88,232	$ 69,303		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Emergency Communications Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
911 wireless	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Capital outlay	2,808	-	$ 18,035	$ [18,035]
Total Expenditures	2,808	-	$ 18,035	$ [18,035]
Receipts Over [Under] Expenditures	[2,808]	-		
Unencumbered Cash, Beginning	18,855	16,047		
Unencumbered Cash, Ending	$ 16,047	$ 16,047		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Emergency Communications 2012 Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
E-911	$ 58,820	$ 60,855	$ 57,000	$ 3,855
Total Receipts	58,820	60,855	$ 57,000	$ 3,855
Expenditures				
Contractual services	41,344	49,078	$ 51,500	$ [2,422]
Total Expenditures	41,344	49,078	$ 51,500	$ [2,422]
Receipts Over [Under] Expenditures	17,476	11,777		
Unencumbered Cash, Beginning	107,688	125,164		
Unencumbered Cash, Ending	$ 125,164	$ 136,941		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Special Park Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Liquor tax	$ 14,323	$ 19,626	$ 13,000	$ 6,626
Donations	252	2,184	-	2,184
Concessions	8,309	14,009	5,000	9,009
Fishing permits	3,510	3,410	12,000	[8,590]
Dividends	15,000	10,000	10,000	-
Interest	-	15,000	-	15,000
Building rent	1,410	105	-	105
Charges for services	420	530	4,400	[3,870]
Miscellaneous	5,584	-	-	-
Reimbursed expenditures	-	676	-	676
Transfers from other funds	-	4,500	-	4,500
Total Receipts	48,808	70,040	$ 44,400	$ 25,640
Expenditures				
Contractual	33,315	24,656	$ 32,500	$ [7,844]
Commodities	40,773	12,366	22,500	[10,134]
Capital outlay	12,426	1,899	10,000	[8,101]
Total Expenditures	86,514	38,921	$ 65,000	$ [26,079]
Receipts Over [Under] Expenditures	[37,706]	31,119		
Unencumbered Cash, Beginning	152,237	114,531		
Unencumbered Cash, Ending	$ 114,531	$ 145,650		

CITY OF AUGUSTA, KANSAS
Street Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Grants	$ 300,000	$ -	$ -	$ -
Reimbursed expenditures	-	67,903	-	67,903
Transfers from other funds	849,397	881,110	700,000	181,110
Total Receipts	1,149,397	949,013	$ 700,000	$ 249,013
Expenditures				
Cost of issuance	91	91	$ -	$ 91
Engineering fees	83,327	47,600	-	47,600
Construction	1,176,886	528,157	1,050,000	[521,843]
Street maintenance	58,203	229,328	-	229,328
Debt service:				
Principal	415,000	555,000	555,970	[970]
Interest	22,215	36,130	36,130	-
Transfers to other funds	-	50,000	-	50,000
Total Expenditures	1,755,722	1,446,306	$ 1,642,100	$ [195,794]
Receipts Over [Under] Expenditures	[606,325]	[497,293]		
Unencumbered Cash, Beginning	1,883,166	1,276,841		
Unencumbered Cash, Ending	$ 1,276,841	$ 779,548		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Water Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Transfers from other funds	$ 1,528,915	$ 1,585,997	$ 1,260,000	$ 325,997
Total Receipts	1,528,915	1,585,997	$ 1,260,000	$ 325,997
Expenditures				
Contractual services	121,306	4,502	$ 700,000	$ [695,498]
Capital outlay	340,504	-	2,500,000	[2,500,000]
Transfers to other funds	350,000	350,000	350,000	-
Total Expenditures	811,810	354,502	$ 3,550,000	$ [3,195,498]
Receipts Over [Under] Expenditures	717,105	1,231,495		
Unencumbered Cash, Beginning	7,883,935	8,601,040		
Unencumbered Cash, Ending	$ 8,601,040	$ 9,832,535		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Capital Improvements Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Dividends	$ 17,232	$ -	$ -	$ -
Interest	261,691	75,000	-	75,000
Transfers from other funds	619,759	707,444	630,000	77,444
Total Receipts	898,682	782,444	$ 630,000	$ 152,444
Expenditures				
Capital outlay	211,710	441,506	$ 527,400	$ [85,894]
Transfers to other funds	481,500	477,600	478,600	[1,000]
Total Expenditures	693,210	919,106	$ 1,006,000	$ [86,894]
Receipts Over [Under] Expenditures	205,472	[136,662]		
Unencumbered Cash, Beginning	461,123	666,595		
Unencumbered Cash, Ending	$ 666,595	$ 529,933		

CITY OF AUGUSTA, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Miscellaneous	$ 10,755	$ 12,050	$ 8,000	$ 4,050
Interest income	-	15,000	-	15,000
Grants	32,100	-	-	-
Transfers from other funds	110,000	70,000	70,000	-
Total Receipts	152,855	97,050	$ 78,000	$ 19,050
Expenditures				
Commodities	76,360	38,841	$ -	$ 38,841
Capital outlay	268,514	2,500	71,000	[68,500]
Total Expenditures	344,874	41,341	$ 71,000	$ [29,659]
Receipts Over [Under] Expenditures	[192,019]	55,709		
Unencumbered Cash, Beginning	364,359	172,340		
Unencumbered Cash, Ending	$ 172,340	$ 228,049		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Vehicle Reserve Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Sale of property	$ 19,795	$ 3,820	$ 15,000	$ [11,180]
Reimbursed expenses	-	4,967	4,966	1
Interest income	-	15,000	-	15,000
Transfers from other funds	90,000	115,000	115,000	-
Total Receipts	109,795	138,787	$ 134,966	$ 3,821
Expenditures				
Capital outlay	21,780	118,330	$ 155,000	$ [36,670]
Total Expenditures	21,780	118,330	$ 155,000	$ [36,670]
Receipts Over [Under] Expenditures	88,015	20,457		
Unencumbered Cash, Beginning	-	88,015		
Unencumbered Cash, Ending	$ 88,015	$ 108,472		

See independent auditor's report on the financial statements.

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CITY OF AUGUSTA, KANSAS
Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Employee Insurance	Health Insurance Reserve	Drug Reimbursement	E-Comm/Augusta Progress Inc Loan	Dalton Palmer Park
Receipts					
Flex plan	$ 47,876	$ -	$ -	$ -	$ -
Employee premiums	-	152,155	-	-	-
Employer premiums	-	1,358,776	-	-	-
Miscellaneous	-	-	750	-	-
Donations	-	-	-	-	-
Grants	-	-	-	-	-
Interest	-	119,171	-	-	-
Loan payments	-	-	-	18,521	-
Transfers from other funds	-	-	-	-	-
Total Receipts	47,876	1,630,102	750	18,521	-
Expenditures					
Health insurance	48,769	1,344,254	-	-	-
Health insurance administration fee	155	-	-	-	-
Contractual	-	-	-	-	-
Capital outlay	-	-	-	-	-
Distribution	-	-	-	18,373	-
Interest transfer	-	-	-	-	-
Transfers to other funds	-	40,000	-	-	-
Total Expenditures	48,924	1,384,254	-	18,373	-
Receipts Over [Under] Expenditures	[1,048]	245,848	750	148	-
Unencumbered Cash, Beginning	11,118	1,402,725	-	305	72
Unencumbered Cash, Ending	$ 10,070	$ 1,648,573	$ 750	$ 453	$ 72

* These funds are not required to be budgeted.

						For the Year Ended December 31,	
ARPA	Skate Park	Opioid Settlement	CDBG Grant	Interest	2019 Bonds	2024	2023
$ -	$ -	$ -	$ -	$ -	$ -	$ 47,876	$ 43,621
-	-	-	-	-	-	152,155	146,103
-	-	-	-	-	-	1,358,776	1,484,761
1,913	-	26,957	-	-	-	29,620	29,526
-	-	-	-	-	-	-	1,577
-	104,490	-	260,000	-	-	364,490	-
-	-	-	-	699,662	-	818,833	288,820
-	-	-	-	-	-	18,521	19,614
-	-	-	-	-	50,000	50,000	95,000
1,913	104,490	26,957	260,000	699,662	50,000	2,840,271	2,109,022
-	-	-	-	-	-	1,393,023	1,566,477
-	-	-	-	-	-	155	-
-	-	-	-	-	-	-	649
72,005	1	22,347	-	-	-	94,353	498,709
-	-	-	-	-	-	18,373	19,614
-	-	-	-	699,662	-	699,662	288,730
225,000	-	-	-	-	-	265,000	1,040,000
297,005	1	22,347	-	699,662	-	2,470,566	3,414,179
[295,092]	104,489	4,610	260,000	-	50,000	369,705	[1,305,157]
390,238	[104,461]	25,023	[260,000]	-	-	1,465,020	2,770,177
$ 95,146	$ 28	$ 29,633	$ -	$ -	$ 50,000	$ 1,834,725	$ 1,465,020

CITY OF AUGUSTA, KANSAS
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 279,376	$ 292,973	$ -	$ 292,973
Delinquent taxes	7,947	5,832	3,000	2,832
Motor vehicle taxes	38,519	34,823	33,800	1,023
Special assessments	66,445	30,969	27,500	3,469
Interest income	-	5,000	-	5,000
Bond proceeds	-	-	-	-
Total Receipts	392,287	369,597	$ 64,300	$ 305,297
Expenditures				
Contractual services	[1]	1	$ 5,349	$ [5,348]
Debt service:				
Principal	315,000	295,000	383,000	[88,000]
Interest	95,623	87,451	-	87,451
Total Expenditures	410,622	382,452	$ 388,349	$ [5,897]
Receipts Over [Under] Expenditures	[18,335]	[12,855]		
Unencumbered Cash, Beginning	41,670	23,335		
Unencumbered Cash, Ending	$ 23,335	$ 10,480		

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CITY OF AUGUSTA, KANSAS
Non-Budgeted Capital Project Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Dam Spillway	Marsh Donations ADOPS	FAA Land Acquisitions	Sales Tax Waterline Improvement	Disc Golf Project	Pride and Progress	Sewer CDBG Project	Scattering Garden Project	Wayfinding Signs Project
Receipts									
Grants	$ -	$ -	$ 5,677,353	$ -	$ -	$ -	$ -	$ -	$ -
KDHE water loan	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	477,600	-	-	-
Total Receipts	-	-	5,677,353	-	-	477,600	-	-	-
Expenditures									
Professional services	-	-	6,224,022	-	-	-	-	-	-
Contractual services	-	-	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	7,620	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	450,000	-	-	-
Interest	-	-	-	-	-	27,600	-	-	-
Transfers to other funds	-	-	-	-	-	330,000	-	-	-
Total Expenditures	-	-	6,224,022	-	-	815,220	-	-	-
Receipts Over [Under] Expenditures	-	-	[546,669]	-	-	[337,620]	-	-	-
Unencumbered Cash, Beginning	62,512	2,462	[111,745]	3,581,132	645	953,936	3,500	7,500	12,058
Unencumbered Cash, Ending	$ 62,512	$ 2,462	$ [658,414]	$ 3,581,132	$ 645	$ 616,316	$ 3,500	$ 7,500	$ 12,058

* These funds are not required to be budgeted.

Storm Water Project	Appcon Temp Note Project	SPARKS Funding Project	KDHE Water Loan	Downtown Projects	Redbud Trail Project	Castle Park Project	For the Year Ended December 31, 2024	2023
$ -	$ -	$ 4,868	$ -	$ -	$ 115,255	$ 9,000	$ 5,806,476	$ 2,689,588
-	-	-	86,830	-	-	-	86,830	7,603
-	-	-	-	-	-	227,469	227,469	202,182
-	-	-	-	-	-	890	890	97
-	-	-	757	-	-	-	757	-
-	-	-	-	-	-	330,000	807,600	481,500
-	-	4,868	87,587	-	115,255	567,359	6,930,022	3,380,970
-	-	-	-	-	-	-	6,224,022	700,730
-	-	-	-	-	432,833	-	432,833	117,037
-	-	-	-	-	-	-	-	12,283
1,133	-	-	238,944	-	-	748,606	996,303	795,408
-	-	1,055,289	-	-	-	-	1,055,289	1,648,990
-	-	-	-	-	-	-	450,000	445,000
-	-	-	-	-	-	-	27,600	44,103
-	-	-	-	-	-	-	330,000	95,000
1,133	-	1,055,289	238,944	-	432,833	748,606	9,516,047	3,858,551
[1,133]	-	[1,050,421]	[151,357]	-	[317,578]	[181,247]	[2,586,025]	[477,581]
24,392	740	1,368,352	[544,213]	400	[33,864]	201,152	5,528,959	6,006,540
$ 23,259	$ 740	$ 317,931	$ [695,570]	$ 400	$ [351,442]	$ 19,905	$ 2,942,934	$ 5,528,959

CITY OF AUGUSTA, KANSAS
Electric Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Sales and fees	$ 10,245,661	$ 10,857,885	$ 10,847,000	$ 10,885
Refunds and miscellaneous	459,148	477,583	508,300	[30,717]
Electric fuel adjustment	652,258	2,380	-	2,380
Sale of property	-	6,020	-	6,020
Transfers from other funds	1,000,000	-	-	-
Total Receipts	12,357,067	11,343,868	$ 11,355,300	$ [11,432]
Expenditures				
Personnel services	1,765,482	1,980,814	$ 2,190,840	$ [210,026]
Contractual services	5,731,743	6,338,131	7,123,150	[785,019]
Commodities	311,361	604,058	586,250	17,808
Capital outlay	92,513	63,819	7,000	56,819
Transfers to other fund	1,251,000	1,520,000	1,485,000	35,000
Total Expenditures	9,152,099	10,506,822	$ 11,392,240	$ [885,418]
Receipts Over [Under] Expenditures	3,204,968	837,046		
Unencumbered Cash, Beginning	625,056	3,830,024		
Unencumbered Cash, Ending	$ 3,830,024	$ 4,667,070		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Water sales	$ 2,246,580	$ 2,142,439	$ 2,287,250	$ [144,811]
Installation fees	8,337	18,350	24,100	[5,750]
Reimbursed expenditures	5	100,020	-	100,020
Sale of property	-	20,350	-	20,350
Dividends	-	-	2,000	[2,000]
Miscellaneous	17,082	8,681	35,000	[26,319]
Transfer from other funds	-	35,000	-	35,000
Total Receipts	2,272,004	2,324,840	$ 2,348,350	$ [23,510]
Expenditures				
Personnel services	775,225	730,339	$ 810,740	$ [80,401]
Contractual services	642,267	656,777	750,975	[94,198]
Commodities	264,467	265,785	286,650	[20,865]
Capital outlay	246,655	225,052	792,250	[567,198]
Debt service	-	-	32,000	[32,000]
Transfers to other fund	240,000	240,000	240,000	-
Total Expenditures	2,168,614	2,117,953	$ 2,912,615	$ [794,662]
Receipts Over [Under] Expenditures	103,390	206,887		
Unencumbered Cash, Beginning	858,079	961,469		
Unencumbered Cash, Ending	$ 961,469	$ 1,168,356		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Refuse Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Service fees	$ 763,574	$ 797,483	$ 778,000	$ 19,483
Dumpster rental	291,330	310,101	302,000	8,101
Refuse trash bags	1,165	767	1,000	[233]
Reimbursed expenditures	21,377	3,998	4,130	[132]
Commercial compost payment	589	889	600	289
Sale of scrap	5,858	45,829	46,000	[171]
Sale of property	-	-	2,000	[2,000]
Sales tax	99	65	85	[20]
Total Receipts	1,083,992	1,159,132	$ 1,133,815	$ 25,317
Expenditures				
Personnel services	499,947	526,373	$ 609,350	$ [82,977]
Contractual services	287,779	280,315	278,800	1,515
Commodities	74,392	81,872	108,400	[26,528]
Capital outlay	34,486	367,949	397,000	[29,051]
Transfers to other fund	166,800	166,800	166,800	-
Total Expenditures	1,063,404	1,423,309	$ 1,560,350	$ [137,041]
Receipts Over [Under] Expenditures	20,588	[264,177]		
Unencumbered Cash, Beginning	969,075	989,663		
Unencumbered Cash, Ending	$ 989,663	$ 725,486		

CITY OF AUGUSTA, KANSAS
Wastewater Treatment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Service fees	$ 1,083,692	$ 1,478,762	$ 1,405,000	$ 73,762
Reimbursed expenditures	15,354	-	8,500	[8,500]
Interest	1,000	1,000	1,000	-
Miscellaneous	-	-	100	[100]
Total Receipts	1,100,046	1,479,762	$ 1,414,600	$ 65,162
Expenditures				
Personnel services	463,697	442,233	$ 578,030	$ [135,797]
Contractual services	414,993	368,343	488,100	[119,757]
Debt Services	-	-	500,000	[500,000]
Commodities	73,715	94,791	94,600	191
Capital outlay	4,369	5,460	-	5,460
Transfer from other funds	-	500,000	-	500,000
Total Expenditures	956,774	1,410,827	$ 1,660,730	$ [249,903]
Receipts Over [Under] Expenditures	143,272	68,935		
Unencumbered Cash, Beginning	558,458	701,730		
Unencumbered Cash, Ending	$ 701,730	$ 770,665		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Wastewater Treatment Plant Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Service fees	$ 350,957	$ 16,209	$ -	$ 16,209
Total Receipts	350,957	16,209	$ -	$ 16,209
Expenditures				
Contractual services	75,489	-	$ -	$ -
Capital outlay	623,841	-	-	-
Debt service:				
Principal	59,169	-	-	-
Interest	18,711	-	-	-
Transfers to other funds	150,000	202,644	205,000	[2,356]
Total Expenditures	927,210	202,644	$ 205,000	$ [2,356]
Receipts Over [Under] Expenditures	[576,253]	[186,435]		
Unencumbered Cash, Beginning	773,866	197,613		
Unencumbered Cash, Ending	$ 197,613	$ 11,178		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Airport Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Fuel sales	$ 250,975	$ 58,231	$ 109,500	$ [51,269]
Rental fees	220,913	138,084	172,100	[34,016]
Dividends	-	23,022	5,000	18,022
Miscellaneous	17,150	677	1,500	[823]
Transfers from other funds	75,000	93,000	93,000	-
Total Receipts	564,038	313,014	$ 381,100	$ [68,086]
Expenditures				
Personnel services	171,906	145,734	$ 261,430	$ [115,696]
Contractual services	130,963	128,499	130,900	[2,401]
Commodities	201,115	92,803	109,850	[17,047]
Capital outlay	2,662	40,686	32,000	8,686
Transfer from other funds	-	4,500	-	4,500
Total Expenditures	506,646	412,222	$ 534,180	$ [121,958]
Receipts Over [Under] Expenditures	57,392	[99,208]		
Unencumbered Cash, Beginning	271,331	328,723		
Unencumbered Cash, Ending	$ 328,723	$ 229,515		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Non-Budgeted Business Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts For the Year Ended December 31, 2023)

	Electric Principal and Interest	Electric Reserve	Water Bonds Principal and Interest	Water Revenue Bond Depreciation Replacement Reserve	Wastewater Reserve	Sanitation Bond and Interest	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Receipts								
Interest	$ -	$ -	$ 1,501	$ -	$ -	$ -	$ 1,501	$ 1,500
Transfers from other funds	155,000	400,000	590,000	-	702,644	130,000	1,977,644	1,191,000
Total Receipts	155,000	400,000	591,501	-	702,644	130,000	1,979,145	1,192,500
Expenditures								
Contractual services	-	34,640	-	-	-	-	34,640	-
Capital outlay	-	724,820	-	-	32,242	-	757,062	331,674
Debt Service:								
Principal	160,000	-	435,887	-	61,482	120,000	777,369	675,000
Interest	10,540	-	189,137	-	16,399	7,200	223,276	250,952
Total Expenditures	170,540	759,460	625,024	-	110,123	127,200	1,792,347	1,257,626
Receipts Over [Under] Expenditures	[15,540]	[359,460]	[33,523]	-	592,521	2,800	186,798	[65,126]
Unencumbered Cash, Beginning	19,018	1,701,693	70,835	25,000	198,305	13,705	1,748,348	1,813,474
Unencumbered Cash, Ending	$ 3,478	$ 1,342,233	$ 37,312	$ 25,000	$ 790,826	$ 16,505	$ 1,935,146	$ 1,748,348

* These funds are not required to be budgeted.

CITY OF AUGUSTA, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Sales tax	$ 39,644	$ 350,211	346,933	$ 42,922
CID guest tax	6,047	150,750	149,350	7,447
Donations	-	168	168	-
Payroll clearing	-	1,579,112	1,579,112	-
Mausoleum	-	2	-	2
Court bond	51,306	228,371	227,680	51,997
Total Agency Funds	$ 96,997	$ 2,308,614	$ 2,303,243	$ 102,368

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Expenditures
U.S. Department of Justice		
Crime Victims Compensation	16.576	$ 300
Total U.S. Department of Justice		300
U.S. Department of the Treasury		
Passed Through Kansas Department of Commerce:		
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	1,055,289
Total U.S. Department of the Treasury		1,055,289
U.S. Department of Transportation		
COVID-19 - Airport Improvement Program and COVID-19 Airports Programs	20.106	694,022
Passed Through Kansas Department of Wildlife and Parks:		
Recreational Trails Program	20.219	11,896
Total U.S. Department of Transportation		705,918
Total Expenditures of Federal Awards		$ 1,761,507

The accompanying notes are an integral part of this schedule.

CITY OF AUGUSTA, KANSAS
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

1. Organization

The City of Augusta, Kansas, (the City), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. The City elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City. However, management does not believe such audits would result in any disallowed costs that would be material to the City's financial position as of December 31, 2024.

5. Outstanding Loans

The City did not have any outstanding loans under any federal grants as of December 31, 2024.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

CITY OF AUGUSTA, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified (Regulatory Basis) Adverse (GAAP)

Internal control over financial reporting:

Material weakness(es) identified? ______ Yes __X__ No

Significant deficiency(ies) identified that are not considered to be material weaknesses? ______ Yes __X__ None reported

Noncompliance material to financial statements noted? ______ Yes __X__ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ______ Yes __X__ No

Significant deficiency(ies) identified that are not considered to be material weaknesses? ______ Yes __X__ None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Uniform Guidance? ______ Yes __X__ No

Identification of major programs:

ALN Number(s)	Name of Federal Program or Cluster
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee? ______ Yes __X__ No

Section II - Financial Statement Findings

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

None Noted.

CITY OF AUGUSTA, KANSAS
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2024

Section II - Financial Statement Findings

Prior Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None Noted.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

Mayor and City Council
City of Augusta, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the financial statements of the City of Augusta, Kansas (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 18, 2025.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 18, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Council
City of Augusta, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the City of Augusta, Kansas (the City), with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirement referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grants agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion of the City's compliance based on our audit. 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, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

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

- identify and assess the risks of material noncompliance, 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 Example Entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies, and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters
The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Report on Internal Control Over Compliance
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance
We have audited the financial statements of the City as of and for the year ended December 31, 2024, and have issued our report thereon dated June 18, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 18, 2025

APPENDIX C

SUMMARY OF FINANCING DOCUMENTS

APPENDIX C-1

SUMMARY OF FINANCING DOCUMENTS

The following is a summary of certain provisions contained in the Note Resolution authorizing the issuance of the Notes. This summary does not purport to be complete and is qualified by reference to the entirety of the foregoing document.

THE SERIES 2026-1 NOTE RESOLUTION

DEFINITIONS

In addition to words and terms defined elsewhere in this Official Statement, the following words and terms as used herein shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

"Act" means the Constitution and statutes of the State, including K.S.A. 10-101 to 10-125, inclusive (specifically including K.S.A. 10-123), K.S.A. 10-620 *et seq*., and Charter Ordinance No. 22 of the City, all as amended and supplemented.

"Authorized Denomination" means $5,000 or any integral multiples thereof.

"Beneficial Owner" of the Notes includes any Owner of the Notes and any other Person who, directly or indirectly has the investment power with respect to such Notes.

"Bond and Interest Fund" means the Bond and Interest Fund of the Issuer for its general obligation bonds.

"Bond Counsel" means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

"Business Day" means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

"Cede & Co." means Cede & Co., as nominee of DTC and any successor nominee of DTC with respect to the Notes.

"City" means the City of Augusta, Kansas.

"Clerk" means the duly appointed and acting Clerk of the Issuer or, in the Clerk's absence, the duly appointed Deputy, Assistant or Acting Clerk of the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder of the United States Department of the Treasury.

"Consulting Engineer" means an independent engineer or engineering firm, or architect or architectural firm, having a favorable reputation for skill and experience in the construction, financing and operation of public facilities, at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Consulting Engineer by the Note Resolution.

"Costs of Issuance" means all costs of issuing the Notes, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, and all expenses incurred in connection with receiving ratings on the Notes.

"Costs of Issuance Account" means the account by that name created by the Note Resolution.

"Dated Date" means August 27, 2026.

"Debt Service Account" means the account by that name (within the Bond and Interest Fund) created by the Note Resolution.

"Debt Service Requirements" means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Notes for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

"Defaulted Interest" means interest on any Note which is payable but not paid on any Interest Payment Date.

"Defeasance Obligations" means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

"Derivative" means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

"Disclosure Undertaking" means the Continuing Disclosure Undertaking, dated as of the Dated Date, relating to certain obligations contained in the SEC Rule.

"DTC" means The Depository Trust Company.

"Event of Default" means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Notes shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Notes shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Notes or in the Note Resolution (other than the covenants relating to continuing disclosure contained in the Note Resolution or the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Notes then Outstanding.

"Federal Tax Certificate" means the Issuer's Federal Tax Certificate for the Notes, dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

"Fiscal Year" means the twelve month period ending on December 31.

"Financeable Costs" means the amount of expenditure for an Improvement which has been duly authorized by action of the governing body of the Issuer to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

"Fitch" means Fitch Ratings, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Funds and Accounts" means funds and accounts created by or referred to in the Note Resolution.

"Improvement Fund" means the fund by that name created in the Note Resolution.

"Improvements" means the improvements referred to in the preamble to the Note Resolution and any Substitute Improvements.

"Independent Accountant" means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by the Note Resolution.

"Interest Payment Date(s)" means the Stated Maturity of an installment of interest on any Note which shall be March 1 and September 1 of each year, commencing March 1, 2027.

"Issue Date" means the date when the Issuer delivers the Notes to the Purchaser in exchange for the Purchase Price.

"Issuer" means the City and any successors or assigns.

"Kroll" means Kroll Bond Rating Agency, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Kroll" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Maturity" when used with respect to any Note means the date on which the principal of such Note becomes due and payable as therein and in the Note Resolution provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

"Mayor" means the duly elected and acting Mayor, or in the Mayor's absence, the duly appointed and/or elected Vice Mayor or Acting Mayor of the Issuer.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Note Payment Date" means any date on which principal of or interest on any Note is payable.

"Note Register" means the books for the registration, transfer and exchange of Notes kept at the office of the Note Registrar.

"Note Registrar" means the State Treasurer, and its successors and assigns.

"Note Resolution" means the resolution adopted by the governing body of the Issuer authorizing the issuance of the Notes, as amended from time to time.

"Notes" means the General Obligation Temporary Notes, Series 2026-1, authorized and issued by the Issuer pursuant to the Note Resolution.

"Official Statement" means the Issuer's Official Statement relating to the Notes.

"Outstanding" means, when used with reference to the Notes, as of a particular date of determination, all Notes theretofore, authenticated and delivered, except the following Notes:

(a) Notes theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Notes deemed to be paid in accordance with the provisions of the Note Resolution; and

(c) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered hereunder.

"Owner" when used with respect to any Note means the Person in whose name such Note is registered on the Note Register. Whenever consent of the Owners is required pursuant to the terms of this Note Resolution, and the Owner of the Notes, as set forth on the Note Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Notes.

"Participants" means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

"Paying Agent" means the State Treasurer, and any successors and assigns.

"Permitted Investments" shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

"Person" means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Purchaser" means the financial institution or investment banking firm that is original purchaser of the Notes.

"Rating Agency" means any company, agency or entity that provides ratings for the Notes.

"Record Dates" for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

"Redemption Date" when used with respect to any Note to be redeemed means the date fixed for the redemption of such Note pursuant to the terms of the Note Resolution.

"Redemption Price" when used with respect to any Note to be redeemed means the price at which such Note is to be redeemed pursuant to the terms of the Note Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Replacement Notes" means Notes issued to the Beneficial Owners of the Notes in accordance with the Note Resolution.

"SEC Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

"**Securities Depository"** means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

"Special Record Date" means the date fixed by the Paying Agent for the payment of Defaulted Interest.

"Standard & Poor's" means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"State" means the state of Kansas.

"State Treasurer" means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

"Stated Maturity" when used with respect to any Note or any installment of interest thereon means the date specified in such Note and the Note Resolution as the fixed date on which the principal of such Note or such installment of interest is due and payable.

"**Substitute Improvements**" means the substitute or additional improvements of the Issuer described in the Note Resolution.

"Treasurer" means the duly appointed and/or elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

"United States Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ESTABLISHMENT OF FUNDS AND ACCOUNTS; DEPOSIT AND APPLICATION OF NOTE PROCEEDS

Creation of Funds and Accounts. Simultaneously with the issuance of the Notes, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

(a) Improvement Fund.
(b) Debt Service Account.
(c) Costs of Issuance Account.

The above Funds and Accounts shall be administered in accordance with the provisions of the Note Resolution so long as the Notes are Outstanding.

Deposit of Note Proceeds. The net proceeds received from the sale of the Notes shall be deposited simultaneously with the delivery of the Notes as follows:

(a) All accrued interest and excess proceeds, if any, received from the sale of the Notes shall be deposited in the Debt Service Account.

(b) An amount necessary to pay the Costs of Issuance shall be deposited in the Costs of Issuance Account.

(c) The remaining balance of the proceeds derived from the sale of the Notes shall be deposited in the Improvement Fund.

Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of paying the costs of the Improvements.

Withdrawals from the Improvement Fund shall be made only when authorized by the governing body of the Issuer. Each authorization for costs of the Improvements shall be supported by a certificate executed by the Mayor (or designate) stating that such payment is being made for a purpose within the scope of the Note Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Authorizations for withdrawals for other authorized purposes shall be supported by a certificate executed by the Mayor (or designate) stating that such payment is being made for a purpose within the scope of the Note Resolution. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Substitution of Improvements; Reallocation of Proceeds. The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Notes provided the following conditions are met: (a) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the governing body of the Issuer in accordance with the laws of the State; (b) a resolution authorizing the use of the proceeds of the Notes to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the governing body of the Issuer pursuant to this Section; and (c) the use of the proceeds of the Notes to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Notes under State or federal law.

The Issuer may reallocate expenditure of Note proceeds among all Improvements financed by the Notes; provided the following conditions are met: (a) the reallocation is approved by the governing body of the Issuer; (b) the reallocation shall not cause the proceeds of the Notes allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (c) the reallocation will not adversely affect the tax-exempt status of the Notes under State or federal law.

Application of Moneys in the Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Notes as and when the same become due and the usual and customary fees and expenses of the Note Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Notes and the fees and expenses of the Note Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Notes are no longer entitled to enforce payment of the Notes or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Note Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Notes entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the indebtedness for which the Notes were issued shall be transferred and paid into the Bond and Interest Fund.

Payments Due on Saturdays, Sundays and Holidays. In any case where a Note Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Note Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Note Payment Date, and no interest shall accrue for the period after such Note Payment Date.

Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance.

DEPOSIT AND INVESTMENT OF MONEYS

Deposits. Moneys in each of the Funds and Accounts shall be deposited in a bank, savings and loan association or savings bank which are members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law, and which meet certain guidelines of State law. All such deposits shall be held in cash or invested in Permitted Investments or shall be adequately secured as provided by the laws of the State.

Investments. Moneys held in any Fund or Account may be invested in accordance with the Note Resolution and the Federal Tax Certificate, in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds shall be credited to the Debt Service Account.

DEFAULT AND REMEDIES

Remedies. The provisions of the Note Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Notes. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Notes at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Notes similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Note Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Notes.

Limitation on Rights of Owners. The covenants and agreements of the Issuer contained in the Note Resolution and in the Notes shall be for the equal benefit, protection, and security of the Owners of any or all of the Notes, all of which Notes of any series shall be of equal rank and without preference or priority of one Note over any other Note in the application of the Funds and Accounts pledged to the payment of the principal of and the interest on the Notes, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in the Note Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for in the Note Resolution, or to enforce any right, except in the manner provided in the Note Resolution, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Notes.

Remedies Cumulative. No remedy conferred upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred. No waiver of any default or breach of duty or contract by the Owner of any Note shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon.

DEFEASANCE

When any or all of the Notes, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Note Resolution and all other rights granted thereby shall terminate with respect to the Notes or scheduled interest payments thereon so paid and discharged. Notes, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Note Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Notes or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal or Redemption Price of said Notes and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Notes, no such satisfaction shall occur until: (a) the Issuer has elected to redeem such Notes, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Note Registrar to give such notice of redemption.

TAX COVENANTS

General Covenants. The Issuer covenants and agrees that: it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Notes; and (b) all provisions and requirements of the Federal Tax Certificate. The Issuer will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Notes will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Survival of Covenants. The covenants contained in the Note Resolution and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Notes pursuant to the Note Resolution or any other provision thereof until such time as is set forth in the Federal Tax Certificate.

CONTINUING DISCLOSURE REQUIREMENTS

Disclosure Requirements. The Issuer covenants in the Note Resolution with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking and to make the provisions of the Disclosure Undertaking applicable to the Notes. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the Note Resolution, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section.

MISCELLANEOUS PROVISIONS

Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such annual audit, a copy thereof shall be filed in the office of the Clerk, and a duplicate copy of the audit shall be mailed to the Purchaser of the Notes. Such audits shall at all times during the usual business hours be open to the examination and inspection by any Owner of any of the Notes, or by anyone acting for or on behalf of such user or Owner.

Levy and Collection of Annual Tax. The governing body of the Issuer shall annually make provision for the payment of Debt Service Requirements on the Notes as the same become due by levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be deposited in the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Notes as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Notes when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Notes or of the Note Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Notes then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

(a) extend the maturity of any payment of principal or interest due upon any Note;

(b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Note;

(c) permit preference or priority of any Note over any other Note; or

(d) reduce the percentage in principal amount of Notes required for the written consent to any modification or alteration of the provisions of the Note Resolution.

Any provision of the Notes or of the Note Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Issuer at any time in any legal respect with the written consent of the Owners of all of the Notes at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement the Note Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Notes among Improvements, to provide for Substitute Improvements, to conform the Note Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Notices, Consents and Other Instruments by Owners. Any notice, request, complaint, demand or other communication required or desired to be given or filed under the Note Resolution shall be in writing and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Electronic Transaction. The issuance of the Notes and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Severability. If any section or other part of the Note Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of the Note Resolution.

Governing Law. The Notes and the Note Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

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APPENDIX D

FORM OF DISCLOSURE UNDERTAKING

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of August 27, 2026 (the "Continuing Disclosure Undertaking"), is executed and delivered by **THE CITY OF AUGUSTA, KANSAS** (the "Issuer").

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of its General Obligation Temporary Notes, Series 2026-1 (the "Notes"), pursuant to a Resolution adopted by the governing body of the Issuer (the "Note Resolution").

2. The Issuer is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Notes and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). The Issuer is the only "obligated person" with responsibility for continuing disclosure hereunder.

The Issuer covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Note Resolution, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"ACFR" means the Issuer's Annual Comprehensive Financial Report, if any.

"Annual Report" means any Annual Report provided by the Issuer pursuant to, and as described in, ***Section 2*** of this Continuing Disclosure Undertaking, which may include the Issuer's ACFR, so long as the ACFR contains the financial information and operating data described in ***Section 2(a)(1)*** and ***(2)***.

"Beneficial Owner" means any registered owner of any Notes and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

"Business Day" means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

"Dissemination Agent" means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Financial Obligation" means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

"Material Events" means any of the events listed in ***Section 3*** of this Continuing Disclosure Undertaking.

"**MSRB"** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriter(s) of the Notes required to comply with the Rule in connection with the offering of the Notes.

Section 2. Provision of Annual Reports.

(a) The Issuer shall, not later than the last day of the tenth month after the end of the Issuer's Fiscal Year, commencing with the year ending December 31, 2026, file with the MSRB, through EMMA, the following financial information and operating data (the "Annual Report"):

(1) The audited financial statements of the Issuer for the prior Fiscal Year, in substantially the format contained in the Official Statement relating to the Notes. A more detailed explanation of the accounting basis and method of preparation of the financial statements is contained in the Official Statement relating to the Notes. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Notes, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Notes, as described in ***Exhibit A*****,** in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under ***Section 3***, and the Annual Report deadline provided above shall automatically become the last day of the tenth month after the end of the Issuer's new fiscal year.

(b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events. Not later than 10 Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Notes ("Material Events"):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;
(7) modifications to rights of bondholders, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;
(10) release, substitution or sale of property securing repayment of the Notes, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the obligated person;
(13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
(15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in ***Section 2(a)***, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this ***Section 3***.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Notes. If the Issuer's obligations under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Notes, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under ***Section 3***.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Undertaking, the Issuer may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under ***Section 3***, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the Issuer shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Note Resolution or the Notes, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the Issuer to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Continuing Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and the Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Undertaking, the Note Resolution or the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Kansas.

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IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

CITY OF AUGUSTA, KANSAS

(SEAL)

Mayor

Clerk

EXHIBIT A

FINANCIAL INFORMATION AND OPERATING DATA
TO BE INCLUDED IN ANNUAL REPORT

The financial information and operating data contained in tables in the following sections contained in ***Appendix A*** of the final Official Statement relating to the Notes:

FINANCIAL INFORMATION
- ·Assessed Valuation
- ·Property Tax Levies and Collections
  - Tax Collection Record
  - Major Taxpayers

DEBT STRUCTURE
- ·Current Indebtedness of the Issuer*
- ·Overlapping Indebtedness

* This Operating Data is also available in the Issuer's financial information portion of its Annual Report, and includes General Obligation Bonds, General Obligation Temporary Notes, Lease Obligations and State Loans.