INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE HASKELL TOWNSHIP FOR THE YEAR ENDED DECEMBER 31, 2025

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

Haskell Township
PO Box 266
Sublette, KS 67877

We have performed the procedures enumerated below solely to assist you with respect to the accounting records of Haskell Township (the Township), for the year ended December 31, 2025. The Township's management is responsible for the Township's accounting records.

The Township has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting management with respect to the accounting records. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows for the year ended December 31, 2025:

1. We tied the Township's total cash per books at year end to source documents. This included a review of the bank reconciliation for the last month of the year to ensure it was reconciled.

   We found no exceptions during our comparison of the Township's total cash per books to source documents for the year ended December 31, 2025. We also found no exceptions during our review of the bank reconciliation for the last month of the year.

2. We reconciled the year-end cash balance as shown on the Statement of Cash Receipts and Cash Disbursements to: 1) demand deposits at the Township's official depository, 2) time deposits at the Township's official depository, 3) investments in U.S. Treasury bills and other cash/investment accounts.

   The year-end cash balance as shown on the Statement of Cash Receipts and Cash Disbursements agreed with the Township's demand and time deposits, and investments per the bank. However, the year-end cash balance as shown on the Statement of Cash Receipts and Cash Disbursements did not agree with the Township Library's demand and time deposits, and investments per the bank as the Statement is not properly maintained by fund.

3. Using the last bank statement of the year, we compared total deposits in excess of FDIC insurance to securities pledged to secure the excess deposits, as evidenced by joint custody receipts.

   We found no exceptions during our comparison of total deposits in excess of FDIC insurance to the securities pledged to secure the excess deposits, as evidenced by joint custody receipts.

4. For the last bank statement of the year, we compared the name of the depository institution to an entry in the official minutes that designated the institution as the Township's official depository.

   The Township's depository institution per the last bank statement of the year agreed with the designated depository approved in the minutes.

5. For a minimum of two months, we traced any interest income from the bank statement to the Township and the Township Library's cash receipts records.

   For the two months selected, we were able to trace the interest income from the bank statement to the Township and the Township Library's cash receipts records.

6. For a minimum of two separate months, we traced non-mail cash receipts from the receipt book to the bookkeeping records to determine if the receipts were properly recorded. Also, for the same two months, we traced bookkeeping entries for cash receipts to the bank statement to determine if receipts were deposited intact and on a timely basis.

   For the two months selected, we were able to determine that receipts were properly recorded and deposited on a timely basis.

7. For approximately ten percent of the non-payroll cash disbursements, we traced disbursements from the bookkeeping records to the related invoice, bank statement, and canceled check.

   For the non-payroll cash disbursements selected for testing, no exceptions were noted.

8. For a minimum of one month, we compared the disbursements as recorded in the check register to an entry in the official minutes that approved the disbursements.

   For the one month selected for comparison, no exceptions were noted.

9. We examined evidence of encumbrances and accounts payable to determine if they were properly stated in the financial statement as of the end of the year. Evidence of encumbrances would include unpaid purchase orders and contracts. Evidence of accounts payable would include unpaid invoices and receiving reports.

   For the evidence we found encumbrances and accounts payable were not properly stated in the financial statement as of the end of the year. Accounts payable were understated by at least $4,535.

10. For a minimum of two months, we verified that all credit cards were issued solely in the Township's name and that credit card transactions comply with internal policies, including proper authorization and accurate expenditure classification.

    The Township does not use a credit card. The Township Library authorized a VISA credit card to be obtained with a limit of $5,000 to be used by the Library Director.

    For the two months selected, the Township Library's credit card transactions complied with internal policies and were properly authorized and classified.

11. We reviewed payroll for a minimum of one month to determine that deductions agree with employee elections and that payroll withholding and taxes were accurately remitted.

    For the one month reviewed, we found no exceptions, and determined that proper deductions and employer contributions were remitted.

12. For the last month of the year, we reviewed the payroll records for each employee to determine if a deduction for KPERS (Kansas Public Employees Retirement System) was made.

    For the last month of the year, a deduction for KPERS for employees at the Township Library was made.

13. We compared the following items in the current year financial statement to the same items in the prior year financial statement to determine if there was a variance of more than twenty-five percent per fund: 1) total cash receipts, 2) total cash disbursements, 3) encumbrances and accounts payable, and 4) ending unencumbered cash balance.

    In comparing the current year financial statement to the prior year, we found the following funds had variances greater than twenty-five percent:

Total cash receipts

Fund	2025	2024	Variance	Circumstance
General	$ 40,064	$ 28,688	28.39%	The General fund received $9,209 more in Ad Valorem tax in 2025 than in 2024.

Total cash disbursements

Fund	2025	2024	Variance	Circumstance
Special Library Capital Outlay	$ 25,609	$ 2,606	89.82%	Capital improvements in 2025 included laptop equipment purchases and new story boards for the Storywalk.

Ending unencumbered cash balance

Fund	2025	2024	Variance	Circumstance
Library Employee Benefits	$ 2,377	$ 17,284	-627.14%	The decrease in cash balance is the result of Library Employee Benefits fund expenditures exceeding revenues. Medical insurance expense was $3,701 more in 2025 than in 2024 and increased wages in 2025 resulted in increased payroll deduction expenses of $2,151.

14. For a minimum of two months, we reviewed the Township's month-end statement of cash receipts and cash disbursements to determine that the ending unencumbered cash balance was greater than or equal to zero.

    For the two months selected, we were able to determine from the accounting system that the ending unencumbered cash balance was greater than or equal to zero.

15. For a minimum of two months, we reviewed the official minutes to determine that the minutes had been signed by the appropriate member of the board.

    For the two months we found the official minutes were signed.

16. We reviewed the Township's surety bonds to determine if all employees and officers entrusted with funds or property were covered by such a bond.

    All employees and officers entrusted with funds or property of the Township were covered by a surety bond. However, the Township Library only had the Board Treasurer bonded as of December 31, 2025, while there are also employees entrusted with funds and property who should have also been bonded.

17. We reviewed the Kansas Regulatory Compliance Checklists for "General - All Municipalities" for compliance.

    The Township failed to comply with the following checklist items:

    - Kansas statute 10-1117 requires records to be maintained to reflect indebtedness by fund. The Township Library is currently not monitoring by fund.

    - The State of Kansas requires surety bonds be considered for all persons handling funds or property. We noted the Township Library had no surety bond covering employees handling cash or holding other positions of trust.

We were engaged by the Township to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records of the Township for the year ended December 31, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of the Township, and is not intended to be and should not be used by anyone other than this specified party.

Lewis, Hooper + Dick, PLLC

LEWIS, HOOPER & DICK, LLC

March 27, 2026