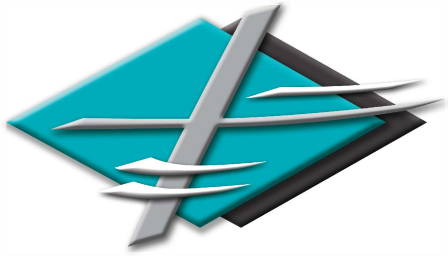
CITY OF TOWANDA, KANSAS

FINANCIAL STATEMENT

FOR THE YEAR ENDED
DECEMBER 31, 2025



LOYD GROUP, LLC

Certified Public Accountants

CITY OF TOWANDA, KANSAS
CITY OF THE THIRD CLASS
For the Year Ended December 31, 2025

Jennifer Shaults, Mayor

CITY COUNCIL

Mike Hayes, President

Jennifer Watkins

Chris Hunt

Tom Pyle

Kit Williams

CITY OFFICERS

Andy Newbrey, Administrator/Clerk

Lisa Long, Zoning/Code Enforcement

Cami Jones, Deputy City Clerk

Emelia Toney, Court Clerk

Stetson Diveley, City Treasurer

CITY OF TOWANDA, KANSAS

For the Year Ended December 31, 2025

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CITY OF TOWANDA, KANSAS

For the Year Ended December 31, 2025

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LOYD GROUP, LLC

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Galva, KS 67443
620-654-7565
www.loyd-group.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Towanda, Kansas 67144

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 Towanda, Kansas (City), a Municipal Financial Reporting Entity, as of and for the year ended December 31, 2025 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse and Unmodified Opinions

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

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts, expenditures-actual and budget, schedule of regulatory basis receipts and disbursements-agency funds and schedules of regulatory basis receipts and expenditures-actual-related municipal entity (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Towanda, Kansas as of and for the year ended December 31, 2024 (not presented herein), and have issued their report thereon dated June 5, 2025, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and their accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2025 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 basic financial statement or to the 2024 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
July 31, 2026

CITY OF TOWANDA, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2025

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND:						
General Fund	$ 99,554	$ 734,983	$ 828,175	$ 6,362	$ 6,379	$ 12,741
SPECIAL PURPOSE FUNDS:						
Library Fund	1,610	55,104	56,714	-	-	-
Fire Rescue Fund	56,522	-	56,522	-	-	-
Special Parks/Recreation Fund	-	-	-	-	-	-
Consolidated Street Fund	14,250	44,719	45,245	13,724	-	13,724
Community Center Fund	40,412	14,500	20,860	34,052	-	34,052
Fire Rescue Reserve Fund	-	-	-	-	-	-
Equipment Reserve Fund	17,608	25,643	15,303	27,948	-	27,948
Street Reserve Fund	231,980	28,006	30,449	229,537	-	229,537
Capital Improvement Fund	78,239	27,000	20,435	84,804	-	84,804
Township Cemetery Fund	1,060	8,220	9,280	-	1,430	1,430
Mayor/Council Fund	2,576	924	514	2,986	-	2,986
ARPA Fund	-	-	-	-	-	-
Total Special Purpose Funds	444,257	204,116	255,322	393,051	1,430	394,481
CAPITAL PROJCET FUND:						
KWO Grant Fund	-	112,560	230,600	(118,040)	118,040	-
BOND AND INTEREST FUND:						
Bond and Interest Fund	22,190	137	16,739	5,588	-	5,588
BUSINESS FUNDS:						
Water Reserve Fund	28,639	5,000	23,479	10,160	-	10,160
Water Utility Fund	(502)	368,647	382,306	(14,161)	21,273	7,112
Refuse Utility Fund	31,454	156,426	137,127	50,753	-	50,753
Sewer Utility Fund	32,620	155,376	154,469	33,527	-	33,527
Sewer Utility Reserve Fund	179,374	94,012	107,025	166,361	-	166,361
Sewer Debt Service Fund	-	-	-	-	-	-
Water Tower Fund	76,739	27,946	20,391	84,294	-	84,294
Water Meter Replacement Fund	-	19,707	5,027	14,680	-	14,680
Water Debt Service Fund	-	20,451	-	20,451	-	20,451
Total Business Funds	348,324	847,565	829,824	366,065	21,273	387,338
RELATED MUNICIPAL ENTITY:						
Library Board	89,391	78,193	71,359	96,225	-	96,225
Total Related Municipal Entities	89,391	78,193	71,359	96,225	-	96,225
Total Reporting Entity (Excluding Agency Funds)	$ 1,003,716	$ 1,977,554	$ 2,232,019	$ 749,251	$ 147,122	$ 896,373

COMPOSITION OF CASH:	
Cash on hand	$ 450
Cash in bank, Vintage Bank, Checking	799,698
Related Municipal Entity	96,225
Total Reporting Entity (Excluding Agency Funds)	$ 896,373

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

CITY OF TOWANDA, KANSAS

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

The City of Towanda is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Towanda (the municipal financial reporting entity) and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

Library Board. The City of Towanda Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Complete financial records for the Library Board may be reviewed at the administrative offices of the entity at 110 S. 3rd St, Towanda, Kansas 67144.

(b) Regulatory Basis Fund Types

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific 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 – 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.).

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

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

(c) 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) 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 municipality 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 municipality 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 City did amend the budget in 2025.

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

All legal annual operating budgets are prepared using the 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 prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority

A legal operating budget is not required for Capital Project Funds, Agency Funds, Trust Funds and certain Special Purpose Funds as noted in the presentation of the appropriate Schedule 2.

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

At December 31, 2024, a cash-basis violation occurred in the Water Utility Fund of $502. At December 31, 2025, a cash-basis violation occurred in the Water Utility Fund of $14,161, contrary to K.S.A. 10-1113.

At December 31, 2025, there were checks outstanding for more than two years. This violates K.S.A. 10-815 and 10-816, which states that checks outstanding for two years or more should be canceled and restored to the fund originally charged.

At December 31, 2025, a cash-basis violation occurred in the Capital Project KWO Grant Fund, contrary to K.S.A. 10-1113. The Fund is waiting on reimbursement.

At December 31, 2025, there was not a budget violation in the Fire Rescue Fund per K.S.A. 79-258. The Fund was closed and all excess funds transferred to the County.

3. DEPOSITS AND INVESTMENTS

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.

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. All deposits were legally secured at December 31, 2025.

At December 31, 2025, the City's carrying amount of deposits was $896,373 and the bank balance was $907,127. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance corporation (FDIC) and the remaining $657,127 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.

4. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series B 2009	3.50 to 5.25%	11/4/2009	66,400	09/1/2025	$ 5,000	$ -	$ 5,000	$ -	$ 262
Spencer Pumper Truck Lease	6%	5/15/2024	413,771	5/15/2033	360,030	-	30,880	329,150	22,612
Kansas Revolving Loan Fund:									
Water Pollution Control	2.52%	3/1/2007	1,700,000	09/1/2028	298,689	-	71,891	226,798	7,077
Total Contractual Indebtedness					$ 663,719	$ -	$ 107,771	$ 555,948	$ 29,951

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

	Year						
	2026	2027	2028	2029	2030	2031 to 2033	Total
Principal:							
Spencer Pumper Truck Lease	$ 32,840	$ 34,926	$ 37,144	$ 39,502	$ 42,011	$ 142,727	$ 329,150
Kansas Revolving Loan Fund:							
Water Pollution Control	73,714	75,584	77,500	-	-	-	226,798
Total Principal	106,554	110,510	114,644	39,502	42,011	142,727	555,948
Interest:							
Spencer Pumper Truck Lease	20,901	18,816	16,598	14,239	11,731	18,498	100,783
Kansas Revolving Loan Fund:							
Water Pollution Control	4,733	3,049	1,327	-	-	-	9,109
Total Interest	$ 25,634	$ 21,865	$ 17,925	$ 14,239	$ 11,731	$ 18,498	$ 109,892
Total Principal and Interest	132,188	132,375	132,569	53,741	53,742	161,225	665,840

5. 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 or 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. 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 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.71% for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $31,956 for the year ended December 31, 2025.

Net Pension Liability. At December 31, 2025, the City's proportionate share of the collective net pension liability reported by KPERS was $258,548. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. The City pays 50% of the premium until age 62 to retirees with 10 or more years of service and each retiree is responsible for the balance. During the year ended December 31, 2025, there were no retirees participating in this plan.

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.

(b) Death and Disability Other Post Employment Benefits

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

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

(c) Other Employee Benefits

Vacation leave shall be earned beginning with the date of employment under the following conditions. An employee who works fewer than 12 days in any month shall not accrue vacation credit for such month of service; provided, this restriction of 12 days shall not apply if the employee has worked fewer that 12 days due to authorized vacation or sick leave. No employee shall be permitted to used vacation time for any period spent on unauthorized leave.

Full-time employees are entitled to paid vacation leave time as follows:

Year of Service	Per Year
1st year	Accrued at 1.538 hours per pay period
2nd - 4th year	80 hours
5th - 9th year	120 hours
10th - 19th year	160 hours
20th & every year thereafter	200 hours

Part-time employees working at least 20 hours are entitled to paid vacation leave time as follows:

Year of Service	Per Year
1st year	Accrued at .7692 hours per pay period
2nd & every year thereafter	40 hours

Amount of sick leave – Exempt and full-time employees earn 8 hours of sick leave for each month of services. Nonexempt part-time employees who are to work not less than 20 hours per week shall receive 4 hours of sick leave for each month of employment.

7. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Equipment Reserve Fund	K.S.A. 12-825d	$ 25,000
General Fund	Capital Improvement Fund	K.S.A. 12-825d	27,000
General Fund	Water Reserve Fund	K.S.A. 12-825d	5,000
General Fund	Mayor/Council Fund	K.S.A. 12-825d	924
General Fund	Sewer Utility Reserve Fund	K.S.A. 12-825d	667
General Fund	Community Center Fund	K.S.A. 12-825d	10,000
General Fund	Street Reserve Fund	K.S.A. 12-825d	27,000
Bond and Interest Fund	General Fund	K.S.A. 10-117a	11,415
			$ 107,006

8. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2024 to 2025 and there were no settlements that exceeded insurance coverage in the past three years.

8. CLAIMS AND JUDGMENTS (CONT.)

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

9. CAPITAL PROJECTS

At December 31, 2025, there were no significant city-funded capital project authorizations outstanding.

10. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

CITY OF TOWANDA, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2025

	Certified Budget	Adjustment for for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)	
GENERAL FUND:						
General Fund	$ 901,600	$ -	$ 901,600	$ 828,175	$ (73,425)	
SPECIAL PURPOSE FUNDS:						
Library Fund	57,190	-	57,190	56,714	(476)	
Fire Rescue Fund	55,420	-	55,420	56,522	1,102	*
Consolidated Street Fund	47,393	-	47,393	45,245	(2,148)	
Community Center Fund	36,604	-	36,604	20,860	(15,744)	
Township Cemetery Fund	10,000	-	10,000	9,280	(720)	
BOND AND INTEREST FUND:						
Bond and Interest Fund	16,739	-	16,739	16,739	-	
BUSINESS FUNDS:						
Water Utility Fund	435,890	-	435,890	382,306	(53,584)	
Refuse Utility Fund	197,060	-	197,060	137,127	(59,933)	
Sewer Utility Fund	201,745	-	201,745	154,469	(47,276)	

* Per K.S.A 79-2958, Fire Rescue Fund is not considered a budget violation as the fund was closed and any excess funds transferred to the County.

CITY OF TOWANDA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes -				
Ad valorem property tax	$ 319,684	$ 307,276	$ 314,484	$ (7,208)
Delinquent tax	10,740	28,981	-	28,981
Motor vehicle tax	67,726	42,339	51,304	(8,965)
Recreational vehicle tax	-	-	1,409	(1,409)
Commercial vehicle tax	-	-	6,995	(6,995)
Local alcoholic liquor tax	150	250	-	250
Other tax	611	1,048	-	1,048
Local sales tax	184,950	168,820	180,000	(11,180)
Total Taxes	583,861	548,714	554,192	(5,478)
Fines, Forfeitures and Penalties -				
Fines, forfeitures and penalties	4,025	3,284	4,500	(1,216)
Licenses and Permits -				
Licenses and permits	14,066	11,036	20,123	(9,087)
Franchise fees	110,010	114,703	118,000	(3,297)
Total Licenses and Permits	124,076	125,739	138,123	(12,384)
Charges for Services -				
Township ambulance reimbursement	5,226	5,667	9,000	(3,333)
Other Income -				
Back the Blue	124	58	-	58
Swimming pool income	7,311	7,189	7,000	189
Interest on idle funds	1,839	20,990	2,100	18,890
Land rental	-	7,898	3,800	4,098
Miscellaneous	19,954	4,029	5,000	(971)
Total Other Income	29,228	40,164	17,900	22,264
Transfers -				
Transfer from Refuse Utility Fund	-	-	28,000	(28,000)
Transfer from Sewer Utility Fund	-	-	3,000	(3,000)
Transfer from Bond and Interest Fund	-	11,415	-	11,415
Total Transfers	-	11,415	31,000	(19,585)
Total Receipts	746,416	734,983	$ 754,715	$ (19,732)

CITY OF TOWANDA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Expenditures				
Administrative -				
Personal services	$ 235,333	$ 294,406	$ 420,750	$ (126,344)
Contractual services	8,837	14,143	-	14,143
Commodities	98,533	71,701	72,500	(799)
Miscellaneous	1,008	244	45,000	(44,756)
Sales tax	695	944	-	944
Total Administrative	344,406	381,438	538,250	(156,812)
Court -				
Personal services	8,830	7,620	2,500	5,120
Contractual services	1,062	968	14,850	(13,882)
Commodities	1,815	69	-	69
Total Court	11,707	8,657	17,350	(8,693)
Legal -				
Personal services	13,400	14,400	-	14,400
Contractual services	25	25	-	25
Total Legal	13,425	14,425	-	14,425
Planning and Zoning -				
Contractual services	8,591	16,221	-	16,221
Commodities	4,698	4,973	27,500	(22,527)
Total Planning and Zoning	13,289	21,194	27,500	(6,306)
Parks, Pool and Recreation -				
Personal services	44,543	29,958	15,700	14,258
Contractual services	2,221	2,490	-	2,490
Commodities	27,332	39,501	4,000	35,501
Total Parks, Pool and Recreation	74,096	71,949	19,700	52,249
Senior Center-				
Commodities	8,703	7,569	8,000	(431)
Library and Museum -				
Contractual services	8,482	15,181	15,200	(19)
Commodities	6,716	16,366	-	16,366
Total Library and Museum	15,198	31,547	15,200	16,347

CITY OF TOWANDA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Expenditures (cont.)				
Police -				
Contractual services	$ 115,840	$ 65,323	$ 120,000	$ (54,677)
Commodities	8,173	7,860	10,000	(2,140)
Total Police	124,013	73,183	130,000	(56,817)
Animal Control -				
Contractual services	285	285	350	(65)
Commodities	564	3,146	-	3,146
Total Animal Control	849	3,431	350	3,081
Public Works -				
Personal services	45,744	63,387	46,250	17,137
Contractual services	-	331	-	331
Commodities	64,265	55,473	-	55,473
Total Public Works	110,009	119,191	46,250	72,941
Transfers -				
Transfer to Fire Rescue Fund	44,181	-	-	-
Transfer to Equipment Reserve Fund	17,500	25,000	25,000	-
Transfer to Street Reserve Fund	17,500	27,000	30,000	(3,000)
Transfer to Sewer Utility Reserve Fund	-	667	2,000	(1,333)
Transfer to Community Center Fund	10,000	10,000	10,000	-
Transfer to Capital Improvement Fund	5,000	27,000	27,000	-
Transfer to Mayor/Council Fund	3,200	924	-	924
Transfer to Water Reserve Fund	-	5,000	5,000	-
Total Transfers	97,381	95,591	99,000	(3,409)
Total Expenditures	813,076	828,175	$ 901,600	$ (73,425)
Receipts Over (Under) Expenditures	(66,660)	(93,192)		
Unencumbered Cash, Beginning	166,214	99,554		
Unencumbered Cash, Ending	$ 99,554	$ 6,362		

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 40,864	$ 46,029	$ 47,112	$ (1,083)
Delinquent tax	1,065	1,491	2,500	(1,009)
Motor vehicle tax	8,708	7,584	7,573	11
Total Receipts	50,637	55,104	$ 57,185	$ (2,081)
Expenditures				
Commodities	-	-	$ 2,000	$ (2,000)
Appropriation to Library Board	49,032	56,714	55,190	1,524
Total Expenditures	49,032	56,714	$ 57,190	$ (476)
Receipts Over (Under) Expenditures	1,605	(1,610)		
Unencumbered Cash, Beginning	5	1,610		
Unencumbered Cash, Ending	$ 1,610	$ -		

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

FIRE RESCUE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Township distributions	$ 200,526	$ -	$ -	$ -
Miscellaneous	13	-	-	-
Interest income	2,161	-	-	-
Transfer from General Fund	44,181	-	-	-
Total Receipts	246,881	-	$ -	$ -
Expenditures				
Personnel services	11,110	-	$ -	$ -
Contractual services	4,456	-	-	-
Commodities	57,886	-	-	-
Utilities	4,055	-	-	-
Insurance	10,612	-	-	-
Fuel	5,111	-	-	-
Equipment repairs	26,713	-	-	-
Capital outlay	6,400	-	-	-
Miscellaneous	6,111	-	-	-
Appropriation to Fire District #11	125,600	56,522	55,420	1,102
Total Expenditures	258,054	56,522	$ 55,420	$ 1,102
Receipts Over (Under) Expenditures	(11,173)	(56,522)		
Unencumbered Cash, Beginning	67,695	56,522		
Unencumbered Cash, Ending	$ 56,522	$ -		

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

SPECIAL PARKS/RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Recreation fees	$ -	$ -
Expenditures		
Commodities	200	-
Receipts Over (Under) Expenditures	(200)	-
Unencumbered Cash, Beginning	200	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

CONSOLIDATED STREETS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
State of Kansas gas tax	$ 39,101	$ 38,722	$ 45,192	$ (6,470)
County transfers gas tax	5,912	5,920	-	5,920
Miscellaneous	997	77	900	(823)
Total Receipts	46,010	44,719	$ 46,092	$ (1,373)
Expenditures				
Personnel services	28,154	19,520	$ 12,600	$ 6,920
Contractual services	2,161	735	5,100	(4,365)
Commodities	12,985	24,990	27,893	(2,903)
Capital outlay	459	-	1,800	(1,800)
Total Expenditures	43,759	45,245	$ 47,393	$ (2,148)
Receipts Over (Under) Expenditures	2,251	(526)		
Unencumbered Cash, Beginning	11,999	14,250		
Unencumbered Cash, Ending	$ 14,250	$ 13,724		

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

COMMUNITY CENTER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Rent	$ 5,763	$ 4,500	$ 4,200	$ 300
Transfer from General Fund	10,000	10,000	10,000	-
Total Receipts	15,763	14,500	$ 14,200	$ 300
Expenditures				
Contractual services	2,861	14,036	$ 4,972	$ 9,064
Commodities	7,095	6,464	31,632	(25,168)
Capital outlay	1,645	360	-	360
Total Expenditures	11,601	20,860	$ 36,604	$ (15,744)
Receipts Over (Under) Expenditures	4,162	(6,360)		
Unencumbered Cash, Beginning	36,250	40,412		
Unencumbered Cash, Ending	$ 40,412	$ 34,052		

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

FIRE RESCUE RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Interest income	$ 6,547	$ -
Expenditures		
Contractual services	1,000	-
Commodities	127,350	-
Appropriation to Fire District #11	309,899	-
Total Expenditures	438,249	-
Receipts Over (Under) Expenditures	(431,702)	-
Unencumbered Cash, Beginning	431,702	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Miscellaneous	$ -	$ 643
Transfer from General Fund	17,500	25,000
Total Receipts	17,500	25,643
Expenditures		
Contractual services	114	173
Capital outlay	23,034	15,130
Total Expenditures	23,148	15,303
Receipts Over (Under) Expenditures	(5,648)	10,340
Unencumbered Cash, Beginning	23,256	17,608
Unencumbered Cash, Ending	$ 17,608	$ 27,948

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

STREET RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Street impact fee	$ 63,621	$ 1,006
Transfer from General Fund	17,500	27,000
Total Receipts	81,121	28,006
Expenditures		
Contractual services	10,830	430
Commodities	10,196	30,019
Total Expenditures	21,026	30,449
Receipts Over (Under) Expenditures	60,095	(2,443)
Unencumbered Cash, Beginning	171,885	231,980
Unencumbered Cash, Ending	$ 231,980	$ 229,537

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

CAPITAL IMPROVEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Transfer from General Fund	$ 5,000	$ 27,000
Expenditures		
Contractual services	752	-
Commodities	7,500	-
Capital outlay	-	18,035
Land	-	2,400
Total Expenditures	8,252	20,435
Receipts Over (Under) Expenditures	(3,252)	6,565
Unencumbered Cash, Beginning	81,491	78,239
Unencumbered Cash, Ending	$ 78,239	$ 84,804

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

TOWANDA TOWNSHIP CEMETERY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Fees	$ 6,210	$ 8,220	$ 10,000	$ (1,780)
Expenditures				
Appropriation to Township	7,440	9,280	$ 10,000	$ (720)
Receipts Over (Under) Expenditures	(1,230)	(1,060)		
Unencumbered Cash, Beginning	2,290	1,060		
Unencumbered Cash, Ending	$ 1,060	$ -		

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

MAYOR/COUNCIL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Transfer from General Fund	$ 3,200	$ 924
Expenditures		
Miscellaneous	624	514
Receipts Over (Under) Expenditures	2,576	410
Unencumbered Cash, Beginning	-	2,576
Unencumbered Cash, Ending	$ 2,576	$ 2,986

CITY OF TOWANDA, KANSAS

SPECIAL PURPOSE FUND

ARPA FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Miscellaneous	$ -	$ -
Expenditures		
Commodities	69,199	-
Receipts Over (Under) Expenditures	(69,199)	-
Unencumbered Cash, Beginning	69,199	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF TOWANDA, KANSAS

CAPITAL PROJECT FUND

KWO GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Grant	$ -	$ 112,560
Expenditures		
Contractual	-	230,600
Receipts Over (Under) Expenditures	-	(118,040)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (118,040)

CITY OF TOWANDA, KANSAS

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Special assessments	$ 12,495	$ 137	$ 2,600	$ (2,463)
Expenditures				
Principal	25,245	5,062	$ 5,000	$ 62
Interest	1,405	262	262	-
Transfer to General Fund	-	11,415	-	11,415
Cash forward	-	-	11,477	(11,477)
Total Expenditures	26,650	16,739	$ 16,739	$ -
Receipts Over (Under) Expenditures	(14,155)	(16,602)		
Unencumbered Cash, Beginning	36,345	22,190		
Unencumbered Cash, Ending	$ 22,190	$ 5,588		

CITY OF TOWANDA, KANSAS

BUSINESS FUND

WATER RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Transfer from General Fund	$ -	$ 5,000
Expenditures		
Contractual services	455	210
Capital outlay	27,484	23,269
Total Expenditures	27,939	23,479
Receipts Over (Under) Expenditures	(27,939)	(18,479)
Unencumbered Cash, Beginning	56,578	28,639
Unencumbered Cash, Ending	$ 28,639	$ 10,160

CITY OF TOWANDA, KANSAS

BUSINESS FUND

WATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2025

(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	Actual 2024	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 361,935	$ 359,107	$ 409,600	$ (50,493)
Penalties	6,485	5,995	9,500	(3,505)
Connection fees	1,206	2,064	2,800	(736)
Fire protection	-	-	6,400	(6,400)
Water protection	985	859	-	859
Other income	726	622	-	622
Total Receipts	371,337	368,647	$ 428,300	$ (59,653)
Expenditures				
Personal services	58,535	40,270	$ 61,800	$ (21,530)
Contractual services	934	6,937	4,000	2,937
Commodities	10,150	(86,500)	23,000	(109,500)
Capital outlay	6	114,445	-	114,445
Fuel	1,243	183	3,500	(3,317)
Insurance	4,407	451	3,500	(3,049)
Permit and fees	2,008	2,710	3,000	(290)
Vehicle/Mobile equipment	1,235	336	29,390	(29,054)
Utilities	1,247	880	2,700	(1,820)
Testing	2,119	1,755	3,000	(1,245)
Water purchase	279,051	300,839	282,000	18,839
Transfer to Water Utility Reserve Fund	-	-	20,000	(20,000)
Total Expenditures	360,935	382,306	$ 435,890	$ (53,584)
Receipts Over (Under) Expenditures	10,402	(13,659)		
Unencumbered Cash, Beginning	(10,904)	(502)		
Unencumbered Cash, Ending	$ (502)	$ (14,161)		

CITY OF TOWANDA, KANSAS

BUSINESS FUND

REFUSE UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 159,405	$ 156,426	$ 166,500	$ (10,074)
Miscellaneous	-	-	30	(30)
Total Receipts	159,405	156,426	$ 166,530	$ (10,104)
Expenditures				
Contractual services	136,000	134,132	$ 136,149	$ (2,017)
Commodities	1,339	1,647	32,911	(31,264)
Capital outlay	767	1,348	-	1,348
Transfer to General Fund	-	-	28,000	(28,000)
Total Expenditures	138,106	137,127	$ 197,060	$ (59,933)
Receipts Over (Under) Expenditures	21,299	19,299		
Unencumbered Cash, Beginning	10,155	31,454		
Unencumbered Cash, Ending	$ 31,454	$ 50,753		

CITY OF TOWANDA, KANSAS

BUSINESS FUND

SEWER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 45,655	$ 70,381	$ 51,000	$ 19,381
Penalties	5,550	3,900	7,500	(3,600)
Sewer lagoon fee	97,914	81,095	98,000	(16,905)
Total Receipts	149,119	155,376	$ 156,500	$ (1,124)
Expenditures				
Personal services	119,248	112,245	$ 85,000	$ 27,245
Contractual services	8,918	8,431	7,825	606
Commodities	37,910	24,608	105,920	(81,312)
Capital outlay	3,267	1,508	-	1,508
Equipment	-	7,677	-	7,677
Transfer to General Fund	-	-	3,000	(3,000)
Total Expenditures	169,343	154,469	$ 201,745	$ (47,276)
Receipts Over (Under) Expenditures	(20,224)	907		
Unencumbered Cash, Beginning	52,844	32,620		
Unencumbered Cash, Ending	$ 32,620	$ 33,527		

CITY OF TOWANDA, KANSAS

BUSINESS FUND

SEWER UTILITY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Lagoon fees	$ 99,633	$ 93,345
Transfer from Sewer Debt Service Fund	1,003	-
Transfer from General Fund	-	667
Total Receipts	100,636	94,012
Expenditures		
Principal	70,113	71,891
Interest	8,855	7,077
Sales tax	41,514	13,536
Contractual services	7,480	11,493
Capital outlay	-	3,028
Total Expenditures	127,962	107,025
Receipts Over (Under) Expenditures	(27,326)	(13,013)
Unencumbered Cash, Beginning	206,700	179,374
Unencumbered Cash, Ending	$ 179,374	$ 166,361

CITY OF TOWANDA, KANSAS

BUSINESS FUND

SEWER DEBT SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Transfer from General Fund	$ -	$ -
Expenditures		
Contractual services	54	-
Transfer to Sewer Utility Reserve Fund	1,003	-
Total Expenditures	1,057	-
Receipts Over (Under) Expenditures	(1,057)	-
Unencumbered Cash, Beginning	1,057	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF TOWANDA, KANSAS

BUSINESS FUND

WATER TOWER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Fees	$ 27,199	$ 27,946
Expenditures		
Contractual services	15,248	15,232
Commodities	1,543	4,660
Capital outlay	-	499
Total Expenditures	16,791	20,391
Receipts Over (Under) Expenditures	10,408	7,555
Unencumbered Cash, Beginning	66,331	76,739
Unencumbered Cash, Ending	$ 76,739	$ 84,294

CITY OF TOWANDA, KANSAS

BUSINESS FUND

WATER METER REPLACEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Fees	$ -	$ 19,707
Expenditures		
Water meter replacement	-	5,027
Receipts Over (Under) Expenditures	-	14,680
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 14,680

CITY OF TOWANDA, KANSAS

BUSINESS FUND

WATER DEBT SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
Fees	$ -	$ 20,451
Expenditures		
Capital outlay	-	-
Receipts Over (Under) Expenditures	-	20,451
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 20,451

CITY OF TOWANDA, KANSAS

RELATED MUNICIPAL ENTITY

LIBRARY BOARD

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	2024 Actual	2025 Actual
Receipts		
State of Kansas	$ 404	$ 200
Federal	803	-
SCKLS	10,613	7,380
City of Towanda	55,967	56,714
Fines and donations	2	44
Interest	109	241
Summer reading	(26)	-
Miscellaneous - voiding old checks	-	12,477
Miscellaneous	122	1,137
Total Receipts	67,994	78,193
Expenditures		
Automation	1,007	-
Circulating materials	5,269	4,188
Communications	2,269	4,405
Maintenance and repairs	68	2,815
Miscellaneous	200	2,214
Operating supplies	2,314	10,016
Payroll	30,906	42,489
Postage	2,009	-
Programming	720	1,520
StoryTime	477	-
Summer reading	326	-
Technology	269	3,712
Total Expenditures	45,834	71,359
Receipts Over (Under) Expenditures	22,160	6,834
Unencumbered Cash, Beginning	67,231	89,391
Unencumbered Cash, Ending	$ 89,391	$ 96,225