CITY OF HIAWATHA, KANSAS

FINANCIAL STATEMENT

December 31, 2025

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

CITY OF HIAWATHA, KANSAS
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September 17, 2026

Mayor and Council Members
City of Hiawatha, Kansas

Independent Auditor's Report

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 Hiawatha, Kansas (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statement.

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

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

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Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. 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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

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

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Funds							
General Fund	$ 1,213,707	$ -	$ 1,756,232	$ 1,563,495	$ 1,406,444	$ (5,878)	$ 1,400,566
Special Purpose Funds							
Library	620	-	222,342	218,579	4,383	-	4,383
Industrial	84,093	-	220,070	196,051	108,112	-	108,112
Parks and Recreation	309,162	-	608,446	537,327	380,281	6,562	386,843
Employee Benefit	337,895	-	788,155	764,930	361,120	(23,898)	337,222
Special Highway	569,620	-	546,263	545,671	570,212	5,623	575,835
Special Parks	8,028	-	5,472	1,779	11,721	-	11,721
MVE Inspection	25,848	-	6,500	-	32,348	878	33,226
Special Streets	1,299,788	-	472,259	277,200	1,494,847	-	1,494,847
History Center	47,912	-	31,250	19,779	59,383	467	59,850
Hotel Economic Development	43,482	-	42,400	29,213	56,669	-	56,669
Safety Dividends	7,281	-	-	537	6,744	7,618	14,362
Land Bank	5,261	-	-	-	5,261	300	5,561
ARPA	142,389	-	-	126,742	15,647	-	15,647
OPIOID Settlement	16,207	-	4,826	2,132	18,901	-	18,901
Bond and Interest	607,841	-	1,071,173	1,241,432	437,582	-	437,582
Capital Project Funds							
Post Lantern Street Light Project	91,742	-	3,004	-	94,746	-	94,746
Other Capital Projects	795,711	-	2,022,490	1,833,346	984,855	1,000	985,855
Business Funds							
Water	598,112	-	968,541	1,083,985	482,668	15,662	498,330
Sewer	291,688	-	1,204,611	1,144,411	351,888	(3,723)	348,165
Storm Water Utility	106,160	-	84,013	58,382	131,791	(20)	131,771
Pool	104,410	-	117,741	139,152	82,999	(40)	82,959
Airport	11,688	-	29,353	23,918	17,123	-	17,123

(Continued)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

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

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Trust Funds	$ 13,130	$ -	$ -	$ -	$ 13,130	$ -	$ 13,130
Total Primary Government	$ 6,731,775	$ -	$ 10,205,141	$ 9,808,061	$ 7,128,855	$ 4,551	$ 7,133,406
Related Municipal Entity							
Morrill Public Library	$ 284,485	$ -	$ 382,606	$ 412,167	$ 254,924	$ 4,055	$ 258,979
Total Reporting Entity (Excluding Agency Funds)	$ 7,016,260	$ -	$ 10,587,747	$ 10,220,228	$ 7,383,779	$ 8,606	$ 7,392,385

Composition of Cash	
Checking accounts	$ 7,136,999
Petty cash	2,437
Total Primary Government	$ 7,139,436
Related Municipal Entity	258,979
Total Reporting Entity	$ 7,398,415
Less: Agency Funds	(6,030)
	$ 7,392,385

STATEMENT 1 (CONTINUED)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

Note 1: Summary of Significant Accounting Policies

The City of Hiawatha, Kansas (the City), is a municipal corporation governed by a five-member Commission. This financial statement includes only the primary government of the City and the Morrill Public Library (the Library), related municipal entity. The 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. The financial statement excludes one of the related municipal entities for which the City is considered financially accountable:

The Housing Authority of the City of Hiawatha (the Housing Authority)

A separate related municipal entity financial statement may be obtained directly from the Housing Authority.

Regulatory Basis Fund Types

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. In the financial statement in this report, the various funds are grouped into generic fund types and broad fund categories as follows:

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

Special Purpose Funds - Special purpose funds are used to account for the proceeds of specific tax levies and other specific revenue sources 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.

Trust Fund – funds used to report assets held in trust for the benefit of the City.

Agency Fund – funds used to report assets held by the City in a purely custodial capacity.

Basis of Accounting

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 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 revenues 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.

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information

The City Charter establishes the fiscal year as the twelve-month period beginning January 1. The Mayor and City Commission prepare a budget of estimated expenditures and receipts for the ensuing fiscal year in accordance with State of Kansas Statutes. These statutes require that an annual operating budget be adopted for the general fund, special purpose funds (unless specifically exempted by statue), bond and interest funds, and business funds. Although directory rather than mandatory, the statues 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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The budget was amended for the following funds: Bond and Interest and Water.

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 revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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 lapses at year end.

Hotel Economic Development
Safety Dividends
Land Bank
ARPA
Opioid Settlement

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

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the County Clerk certifies the tax roll to the City Treasurer, who prepares tax statements and receives payment.

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the City after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20th of the ensuing year. Additional amounts are distributed on four subsequent dates through the calendar year.

Subsequent Events

Management has evaluated the effects on the financial statement of subsequent events occurring through September 17, 2026, which is the date at which the financial statement was available to be issued.

Note 2: Annual Personal and Sick Leave Benefits

Under the terms of the City's personnel policy, City employees are granted annual personal and sick leave in varying amounts.

Full-time employees accrue vacation each year at a rate of eighty hours beginning after six months of employment. After five full years of consecutive service, employees accrue vacation each year at a rate of eighty hours plus eight additional hours for each consecutive year of service in excess of five years, to a maximum of two-hundred hours per year.

Upon termination or resignation, employees are compensated for unused vacation time, up to a maximum of the yearly amount of vacation time earned.

Note 3: Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

Note 4: Deposits and Investments

As of December 31, 2025, the Library had the following investments and maturities:

		Investment Maturities (in Years)	
Investment Type	**Cost Value**	**Less than 1**	**1 - 2**
Cash	$ 53,836	$ 53,836	$ -
Mutual Funds	207,919	207,919	-
Stocks	100	100	-
Other	901	901	-
	$ 262,756	$ 262,756	$ -

Note 4: Deposits and Investments (Continued)

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.

K.S.A. 12-1225(h) authorizes library boards to invest or reinvest gifts and donations and any dividends, interest, rent, or income derived from the gifts in the manner the Board deems will best serve the interest of the Library. The Library's investments are recorded at fair value.

Fair value measurement. The Library categorizes its fair value measurements within the fair value hierarchy. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For the year ended December 31, 2025, all Library investments are considered Level 1, except for $ 1,000 which is considered Level 3.

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.

Investment Type	Percentage of Investments
Cash and cash equivalents	20.49%
Stocks and mutual funds	79.17%
Other investments	34.00%

At December 31, 2025, the City's carrying amounts of deposits was $7,136,999 and the bank balance was $7,422,816. The City's bank balances were held by two banks resulting in a concentration of credit risk. Of the City's bank balance, $6,800,089 was covered by federal depository insurance and the remainder was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2025, the Library's carrying amounts of deposits was ($3,957) and the bank balance was $11,350. The Library's bank balances were held by one bank resulting in a concentration of credit risk. The Library's bank balance was fully covered by federal depository insurance.

Custodial Credit Risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Note 5: Defined Benefit Pension Plan

Plan Description

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

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limited on annual increases in the employer contribution rates. The actuarially determined employee contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.71% for fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $214,287 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 $1,473,522. 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 assumption and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at KSPERS.gov or can be obtained as described above.

Note 6: 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; and natural disasters 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. There have not been significant reductions in coverage from prior years.

Note 7: Commitments and Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The 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 statement as of December 31, 2025.

Note 8: Interfund Transfers

Interfund transfers for the year were as follows:

From	To	Regulatory Authority	Amount
General	Capital Reserve	K.S.A. 12-1, 117	$ 20,000
Industrial	Bond and Interest	Debt Service	196,051
Special Streets	Bond and Interest	Debt Service	277,200
Parks and Recreation	Capital Reserve	K.S.A. 12-1, 117	10,000
Parks and Recreation	Pool	K.S.A. 12-1932	35,000
Parks and Recreation	Employee Benefit	K.S.A. 12-825d	76,633
Special Highway	Employee Benefit	K.S.A. 12-825d	72,820
Pool	Employee Benefit	K.S.A. 12-825d	14,948
Water	Employee Benefit	K.S.A. 12-825d	134,929
Water	Bond and Interest	Debt Service	122,833
Water	Pool	K.S.A. 12-825d	40,000
Sewer	Employee Benefit	K.S.A. 12-825d	105,911
Sewer	Bond and Interest	Debt Service	366,923
			$ 1,473,248

Note 9: Other Long-Term Obligations from Operations

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

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

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

Note 10: Compliance with Finance-Related Legal and Contractual Provisions

There were no material violations of state statutes during 2025.

Note 11: Changes in Long-Term Debt

Changes in long-term debt for the City for the year were as follows:

ISSUE	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds*										
Series 2011	2.75 - 3.75%	8/15/2011	$ 400,000	10/1/2026	$ 65,000	$ -	$ 65,000	$ (65,000)	$ -	$ 1,991
Series 2012	2.00 - 2.75%	3/15/2012	1,265,000	8/1/2026	165,000	-	165,000	(165,000)	-	3,930
Series 2012-B	2.25 - 4.00%	10/1/2012	6,530,000	10/1/2043	3,270,000	-	290,000	(290,000)	2,980,000	116,390
Series 2014-A	2.75%	1/28/2014	998,000	1/28/2054	839,301	-	18,368	(18,368)	820,933	23,081
Series 2016-A	1.75%	6/15/2016	1,373,000	6/15/2056	1,168,911	-	27,561	(27,561)	1,141,350	20,456
Series 2016-B	1.75%	6/15/2016	93,000	6/15/2056	79,176	-	1,867	(1,867)	77,309	1,386
Series 2019	1.75%	2/14/2019	1,885,000	2/14/2059	1,714,460	-	35,919	(35,919)	1,678,541	30,085
Series 2021	2.25%	7/28/2021	6,000,000	7/28/2051	5,564,081	-	152,008	(152,008)	5,412,073	125,192
Series 2025	3.50 - 5.00%	3/6/2025	1,075,000	10/1/2045	-	1,075,000	-	1,075,000	1,075,000	25,732
Total General Obligation Bonds					$ 12,865,929	$ 1,075,000	$ 755,723	$ 319,277	$ 13,185,206	$ 348,243
Revolving Loan Payable										
Kansas Water Pollution Control - C20 2072 01	1.50%	4/16/2020	$ 309,177	9/1/2026	$ 126,224	$ -	$ 62,641	$ (62,641)	$ 63,583	$ 1,660
Kansas Water Pollution Control - C20 3042 01	2.20%	2/6/2023	2,862,200	9/1/2044	1,534,886	742,056	143,813	598,243	2,133,129	33,855
					$ 1,661,110	$ 742,056	$ 206,454	$ 535,602	$ 2,196,712	$ 35,515
Finance Leases										
Tractor - Water Department	0.00%	7/26/2022	75,387	8/1/2025	$ 43,418	$ -	$ 43,418	$ (43,418)	$ -	$ 754
TOTAL LONG-TERM DEBT					$ 14,570,457	$ 1,817,056	$ 1,005,595	$ 811,461	$ 15,381,918	$ 384,512

* Portions of the above general obligation bonds were used to finance projects related to the Water, Sewer, and Post Lantern Street Light Project Funds or were used to refund debt previously incurred by those funds. Transfers are made each year from these funds to the Debt Service fund to pay for the portions of the debt related to their respective projects.

Note 11: Changes in Long-Term Debt (Continued)

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

	2026	2027	2028	2029	2030	2031 - 2035	2036 - 2040	2041 - 2045	2046 - 2050	2051 - 2055	2056 - 2060	Total
Principal												
General Obligation Bonds												
Series 2012-B	$ 105,000	$ 110,000	$ 115,000	$ 115,000	$ 120,000	$ 650,000	$ 990,000	$ 775,000	$ -	$ -	$ -	$ 2,980,000
Series 2014-A	18,873	19,392	19,925	20,473	21,036	114,182	130,769	149,766	171,524	154,993	-	820,933
Series 2016-A	28,043	28,534	29,033	29,541	30,058	158,367	172,719	188,370	205,439	224,055	47,191	1,141,350
Series 2016-B	1,899	1,933	1,967	2,001	2,036	10,727	11,699	12,760	13,915	15,175	3,197	77,309
Series 2019	36,548	37,188	37,838	38,500	39,174	206,397	225,101	245,499	267,745	292,007	252,544	1,678,541
Series 2021	155,428	158,925	162,187	166,151	169,889	908,239	1,014,984	1,134,725	1,268,317	273,228	-	5,412,073
Series 2025	35,000	35,000	35,000	40,000	45,000	885,000	-	-	-	-	-	1,075,000
Total General Obligation Bonds	$ 380,791	$ 390,972	$ 400,950	$ 411,666	$ 427,193	$ 2,932,912	$ 2,545,272	$ 2,506,120	$ 1,926,940	$ 959,458	$ 302,932	$ 13,185,206
Revolving Loans												
Kansas Water Pollution Control - C20 3042 01	$ 63,583	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 63,583
Kansas Water Pollution Control - C20 3042 01*	-	-	-	-	-	-	-	-	-	-	-	-
Total Revolving Loans	$ 63,583	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 63,583
Total Principal	$ 444,374	$390,972	$ 400,950	$ 411,666	$427,193	$ 2,932,912	$ 2,545,272	$ 2,506,120	$ 1,926,940	$ 959,458	$ 302,932	$ 13,248,789

* As of year-end, the City drew down only a portion of this KDHE loan. No future maturities will be shown until the full loan amount is disbursed.

Note 11: Changes in Long-Term Debt (Continued)

	2026	2027	2028	2029	2030	2031 - 2035	2036 - 2040	2041 - 2045	2046 - 2050	2051 - 2055	2056 - 2060	Total
Interest												
General Obligation Bonds												
Series 2012-B	$ 109,865	$ 107,503	$ 104,642	$ 101,652	$ 98,663	$ 430,225	$ 284,400	$ 62,800	$ -	$ -	$ -	$ 1,299,750
Series 2014-A	22,576	22,057	21,523	20,975	20,413	93,061	76,473	57,475	35,718	10,800	-	381,071
Series 2016-A	19,974	19,483	19,036	18,475	17,958	81,763	67,438	51,740	34,663	16,039	828	347,397
Series 2016-B	1,353	1,320	1,289	1,251	1,216	5,539	4,568	3,504	2,347	1,087	56	23,530
Series 2019	29,374	28,735	28,007	27,497	26,748	123,213	104,456	84,163	61,865	37,602	11,141	562,801
Series 2021	121,722	118,275	115,013	111,050	107,311	477,761	371,017	251,275	117,684	6,148	-	1,797,256
Series 2025	45,188	43,437	41,688	39,937	37,938	157,438	107,938	45,901	-	-	-	519,465
Total General Obligation Bonds	$ 350,052	$ 340,810	$ 331,198	$ 320,837	$ 310,247	$ 1,369,000	$ 1,016,290	$ 556,858	$ 252,277	$ 71,676	$ 12,025	$ 4,931,270
Revolving Loans												
Kansas Water Pollution Control - C20 2072 01	$ 718	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 718
Kansas Water Pollution Control - C20 3042 01*	-	-	-	-	-	-	-	-	-	-	-	-
Total Revolving Loans	$ 718	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 718
Total Interest	$350,052	$340,810	$331,198	$ 320,837	$310,247	$ 1,369,000	$ 1,016,290	$ 556,858	$ 252,277	$ 71,676	$ 12,025	$ 4,931,270
Total Principal and Interest	$794,426	$731,782	$732,148	$ 732,503	$737,440	$ 4,301,912	$ 3,561,562	$3,062,978	$2,179,217	$ 71,676	$ 12,025	$18,180,059

* As of year-end, the City drew down only a portion of this KDHE loan. No future maturities will be shown until the full loan amount is disbursed.

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

CITY OF HIAWATHA, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (under)
Governmental Funds					
General	$ 1,999,469	$ -	$ 1,999,469	$ 1,563,495	$ (435,974)
Special Purpose Funds					
Library	226,000	-	226,000	218,579	(7,421)
Industrial	199,351	-	199,351	196,051	(3,300)
Parks and Recreation	712,830	-	712,830	537,327	(175,503)
Employee Benefit	1,035,083	-	1,035,083	764,930	(270,153)
Special Highway	564,359	-	564,359	545,671	(18,688)
Special Parks	2,000	-	2,000	1,779	(221)
MVE Inspection	6,500	-	6,500	-	(6,500)
Special Streets	277,200	-	277,200	277,200	-
History Center	33,790	-	33,790	19,779	(14,011)
Bond and Interest	1,362,417	-	1,362,417	1,241,432	(120,985)
Business					
Water	1,095,613	-	1,095,613	1,083,985	(11,628)
Sewer	1,167,213	-	1,167,213	1,144,411	(22,802)
Storm Water Utility	79,000	-	79,000	58,382	(20,618)
Pool	137,112	-	137,112	139,152	2,040
Airport	27,585	-	27,585	23,918	(3,667)
Totals	$ 8,925,522	$ -	$ 8,925,522	$ 7,816,091	$ (1,109,431)

The accompanying notes are an integral part of this financial statement.
See Independent Auditors' Report.

CITY OF HIAWATHA, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 469,339	$ 493,213	$ (23,874)
Delinquent tax	840	-	840
Motor vehicle tax	39,961	40,204	(243)
Recreational vehicle tax	778	788	(10)
Commercial vehicle tax	2,815	3,463	(648)
Redemption distribution	11,992	10,000	1,992
Franchise tax	256,375	250,000	6,375
Fire contracts	-	30,882	(30,882)
Fines and fees	40,145	40,000	145
Licenses and permits	22,692	16,000	6,692
Animal tags	4,400	650	3,750
Animal pick-ups	10	750	(740)
Accident reports	538	400	138
Reimbursements	40,397	20,000	20,397
Charges for services	3,445	1,000	2,445
Land/Tower space rent	16,415	17,000	(585)
County sales tax	406,436	330,000	76,436
Local sales tax	351,384	310,000	41,384
Guest tax	24,069	12,000	12,069
Hotel admin fees	-	1,250	(1,250)
Local alcoholic liquor	4,782	5,369	(587)
Interest	59,280	50,000	9,280
Miscellaneous	139	100	39
Transfers In	-	65,000	(65,000)
Total Cash Receipts	$ 1,756,232	$ 1,698,069	$ 58,163
EXPENDITURES			
Administration	$ 512,193	$ 868,335	$ (356,142)
Police	747,530	804,720	(57,190)
Municipal Court	81,071	85,106	(4,035)
Fire	92,099	101,030	(8,931)
Lights	62,429	72,926	(10,497)
Ambulance	8,645	-	8,645
Code enforcement	59,528	67,352	(7,824)
Total Expenditures	$ 1,563,495	$ 1,999,469	$ (435,974)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 192,737		
UNENCUMBERED CASH - JANUARY 1	1,213,707		
UNENCUMBERED CASH - DECEMBER 31	$ 1,406,444		

CITY OF HIAWATHA, KANSAS
LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 200,191	$ 206,745	$ (6,554)
Delinquent tax	355	-	355
Motor vehicle tax	15,377	18,193	(2,816)
Recreational vehicle tax	361	357	4
Commercial vehicle tax	1,275	1,567	(292)
Redemption distributions	4,783	-	4,783
Total Cash Receipts	$ 222,342	$ 226,862	$ (4,520)
EXPENDITURES			
Library Board	$ 218,579	$ 226,000	$ (7,421)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 3,763		
UNENCUMBERED CASH - JANUARY 1	620		
UNENCUMBERED CASH - DECEMBER 31	$ 4,383		

CITY OF HIAWATHA, KANSAS
INDUSTRIAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
City sales tax	$ 220,070	$ 200,000	$ 20,070
EXPENDITURES			
Contractual services	$ -	$ 3,300	$ (3,300)
Transfers out	196,051	196,051	-
Total Expenditures	$ 196,051	$ 199,351	$ (3,300)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 24,019		
UNENCUMBERED CASH - JANUARY 1	84,093		
UNENCUMBERED CASH - DECEMBER 31	$ 108,112		

CITY OF HIAWATHA, KANSAS
PARKS AND RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 270,391	$ 283,993	$ (13,602)
Delinquent tax	491	-	491
Motor vehicle tax	33,329	33,920	(591)
Recreational vehicle tax	652	665	(13)
Commercial vehicle tax	2,391	2,922	(531)
Redemption distributions	6,656	-	6,656
Charges for services	65,742	87,200	(21,458)
Local sales tax	220,070	200,000	20,070
Interest	8,074	-	8,074
Reimbursements	650	-	650
Miscellaneous	-	3,000	(3,000)
Total Cash Receipts	$ 608,446	$ 611,700	$ (3,254)
EXPENDITURES			
Recreation	$ 215,870	$ 437,045	$ (221,175)
Parks	138,711	70,947	67,764
Fisher Center	61,113	71,523	(10,410)
Transfers out	121,633	-	121,633
Cash reserve	-	133,315	(133,315)
Total Expenditures	$ 537,327	$ 712,830	$ (175,503)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 71,119		
UNENCUMBERED CASH - JANUARY 1	309,162		
UNENCUMBERED CASH - DECEMBER 31	$ 380,281		

CITY OF HIAWATHA, KANSAS
EMPLOYEE BENEFIT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 314,182	$ 329,873	$ (15,691)
Delinquent tax	576	521	55
Motor vehicle tax	34,958	32,278	2,680
Recreational vehicle tax	662	633	29
Commercial vehicle tax	2,266	2,780	(514)
Redemption distributions	10,478	8,000	2,478
Interest	15,370	-	15,370
Reimbursements	4,422	35,729	(31,307)
Transfers in	405,241	409,870	(4,629)
Total Cash Receipts	$ 788,155	$ 819,684	$ (31,529)
EXPENDITURES			
Employee benefits	$ 764,930	$ 1,035,083	$ (270,153)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 23,225		
UNENCUMBERED CASH - JANUARY 1	337,895		
UNENCUMBERED CASH - DECEMBER 31	$ 361,120		

CITY OF HIAWATHA, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
City sales tax	$ 440,139	$ 390,000	$ 50,139
Special county city/Hwy	85,558	168,740	(83,182)
Interest	17,860	-	17,860
Reimbursements	1,240	-	1,240
Miscellaneous	1,466	-	1,466
Total Cash Receipts	$ 546,263	$ 558,740	$ (12,477)
EXPENDITURES			
Personnel services	$ 221,130	$ 233,351	$ (12,221)
Contractual services	119,514	52,145	67,369
Commodities	113,348	79,360	33,988
Capital outlay	18,859	15,855	3,004
Transfers out	72,820	183,648	(110,828)
Total Expenditures	$ 545,671	$ 564,359	$ (18,688)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 592		
UNENCUMBERED CASH - JANUARY 1	569,620		
UNENCUMBERED CASH - DECEMBER 31	$ 570,212		

CITY OF HIAWATHA, KANSAS
SPECIAL PARKS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Liquor tax	$ 4,782	$ 5,369	$ (587)
Interest	690	-	-
Total Cash Receipts	$ 5,472	$ 5,369	$ (587)
EXPENDITURES			
Commodities	$ 1,779	$ 2,000	$ (221)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 3,693		
UNENCUMBERED CASH - JANUARY 1	8,028		
UNENCUMBERED CASH - DECEMBER 31	$ 11,721		

CITY OF HIAWATHA, KANSAS
MVE INSPECTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Charges for services	$ 6,500	$ 6,500	$ -
EXPENDITURES			
Capital outlay	$ -	$ 6,500	$ (6,500)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 6,500		
UNENCUMBERED CASH - JANUARY 1	25,848		
UNENCUMBERED CASH - DECEMBER 31	$ 32,348		

CITY OF HIAWATHA, KANSAS
SPECIAL STREETS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
City sales tax	$ 440,139	$ 390,000	$ 50,139
Interest	32,120	-	32,120
Total Cash Receipts	$ 472,259	$ 390,000	$ 82,259
EXPENDITURES			
Transfers out	$ 277,200	$ 277,200	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ 195,059		
UNENCUMBERED CASH - JANUARY 1	1,299,788		
UNENCUMBERED CASH - DECEMBER 31	$ 1,494,847		

CITY OF HIAWATHA, KANSAS
HISTORY CENTER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Trust revenue	$ 31,250	$ 27,548	$ 3,702
EXPENDITURES			
Contractual services	$ 19,779	$ 33,790	$ (14,011)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 11,471		
UNENCUMBERED CASH - JANUARY 1	47,912		
UNENCUMBERED CASH - DECEMBER 31	$ 59,383		

CITY OF HIAWATHA, KANSAS
HOTEL ECONOMIC DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS		
Sales tax	$	42,400
EXPENDITURES		
Contractual services	$	29,213
RECEIPTS OVER (UNDER) EXPENDITURES	$	13,187
UNENCUMBERED CASH - JANUARY 1		43,482
UNENCUMBERED CASH - DECEMBER 31	$	56,669

CITY OF HIAWATHA, KANSAS
SAFETY DIVIDENDS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS		
Reimbursed expenses	$	-
EXPENDITURES		
Capital outlay	$	537
RECEIPTS OVER (UNDER) EXPENDITURES	$	(537)
UNENCUMBERED CASH - JANUARY 1		7,281
UNENCUMBERED CASH - DECEMBER 31	$	6,744

CITY OF HIAWATHA, KANSAS
LAND BANK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS	
Miscellaneous	$ -
EXPENDITURES	
Contractual	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -
UNENCUMBERED CASH - JANUARY 1	5,261
UNENCUMBERED CASH - DECEMBER 31	$ 5,261

CITY OF HIAWATHA, KANSAS
ARPA FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS	
Grant proceeds	$ -
EXPENDITURES	
Capital outlay	$ 126,742
RECEIPTS OVER (UNDER) EXPENDITURES	$ (126,742)
UNENCUMBERED CASH - JANUARY 1	142,389
UNENCUMBERED CASH - DECEMBER 31	$ 15,647

CITY OF HIAWATHA, KANSAS
OPIOID SETTLEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS		
Miscellaneous	$	4,826
EXPENDITURES		
Contractual services	$	2,132
RECEIPTS OVER (UNDER) EXPENDITURES	$	2,694
UNENCUMBERED CASH - JANUARY 1		16,207
UNENCUMBERED CASH - DECEMBER 31	$	18,901

CITY OF HIAWATHA, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 56	$ -	$ 56
Redemption distributions	616	-	616
Bond proceeds	73,031	-	73,031
Interest	34,463	-	-
Transfers in	963,007	1,078,991	(115,984)
Total Cash Receipts	$ 1,071,173	$ 1,078,991	$ (42,281)
EXPENDITURES			
Debt service	$ 1,241,432	$ 1,362,417	$ (120,985)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (170,259)		
UNENCUMBERED CASH - JANUARY 1	607,841		
UNENCUMBERED CASH - DECEMBER 31	$ 437,582		

CITY OF HIAWATHA, KANSAS
POST LANTERN STREET LIGHT PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS	
Interest	$ 3,004
EXPENDITURES	
Capital outlay	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ 3,004
UNENCUMBERED CASH - JANUARY 1	91,742
UNENCUMBERED CASH - DECEMBER 31	$ 94,746

CITY OF HIAWATHA, KANSAS
OTHER CAPITAL PROJECTS FUNDS - ACTUAL
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
December 31, 2025

	Capital Reserve	Fisher Building	Skate Park	Grant/ Donation	Water Improvement	Sewer Improvement	Water Meters	Traffic Signals	Total
Receipts									
Reimbursements	$ -	$ -	$ -	$ -	$ -	$ 959,954	$ -	$ -	$ 959,954
Bond proceeds	-	-	-	-	-	-	670,681	325,000	995,681
Grant proceeds	-	-	-	17,818	-	-	-	-	17,818
Donations	-	-	-	10,650	-	-	-	-	10,650
Use of money and property	-	-	-	-	-	8,387	-	-	8,387
Transfers in	30,000	-	-	-	-	-	-	-	30,000
Total Receipts	$ 30,000	$ -	$ -	$ 28,468	$ -	$ 968,341	$ 670,681	$ 325,000	$ 2,022,490
Expenditures									
Contractual services	$ -	$ -	$ -	$ -	$ -	$ 105,750	$ 692,717	$ 20,350	$ 818,817
Capital outlay	177,565	-	-	10,543	-	824,184	-	-	1,012,292
Commodities	-	-	-	2,237	-	-	-	-	2,237
Total Expenditures	$ 177,565	$ -	$ -	$ 12,780	$ -	$ 929,934	$ 692,717	$ 20,350	$ 1,833,346
RECEIPTS OVER (UNDER) EXPENDITURES	$ (147,565)	$ -	$ -	$ 15,688	$ -	$ 38,407	$ (22,036)	$ 304,650	$ 189,144
UNENCUMBERED CASH - JANUARY 1	519,074	202	(607)	68,047	2,099	206,896	-	-	795,711
UNENCUMBERED CASH - DECEMBER 31	$ 371,509	$ 202	$ (607)	$ 83,735	$ 2,099	$ 245,303	$ (22,036)	$ 304,650	$ 984,855

CITY OF HIAWATHA, KANSAS
WATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Charges for services	$ 940,789	$ 1,002,900	$ (62,111)
Interest	27,419	-	27,419
Reimbursements	259	-	259
Miscellaneous	74	-	74
Total Cash Receipts	$ 968,541	$ 1,002,900	$ (34,359)
EXPENDITURES			
Personnel services	$ 338,253	$ 342,583	$ (4,330)
Contractual services	229,502	263,868	(34,366)
Commodities	171,389	124,900	46,489
Capital outlay	2,079	1,000	1,079
Debt service	45,000	-	45,000
Transfers out	297,762	363,262	(65,500)
Total Expenditures	$ 1,083,985	$ 1,095,613	$ (11,628)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (115,444)		
UNENCUMBERED CASH - JANUARY 1	598,112		
UNENCUMBERED CASH - DECEMBER 31	$ 482,668		

CITY OF HIAWATHA, KANSAS
SEWER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Charges for services	$ 1,200,166	$ 1,166,262	$ 33,904
Reimbursements	698	-	698
Interest	3,747	1,000	2,747
Total Cash Receipts	$ 1,204,611	$ 1,167,262	$ 37,349
EXPENDITURES			
Personnel services	$ 285,797	$ 253,913	$ 31,884
Contractual services	231,052	258,000	(26,948)
Commodities	32,990	28,000	4,990
Capital outlay	121,738	1,300	120,438
Transfers out	472,834	626,000	(153,166)
Total Expenditures	$ 1,144,411	$ 1,167,213	$ (22,802)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 60,200		
UNENCUMBERED CASH - JANUARY 1	291,688		
UNENCUMBERED CASH - DECEMBER 31	$ 351,888		

CITY OF HIAWATHA, KANSAS
STORM WATER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Charges for services	$ 80,196	$ 79,000	$ 1,196
Interest	3,817	-	3,817
Total Cash Receipts	$ 84,013	$ 79,000	$ 5,013
EXPENDITURES			
Personnel services	$ 9	$ -	$ 9
Contractual services	-	1,000	(1,000)
Commodities	41,859	67,146	(25,287)
Capital outlay	16,514	10,854	5,660
Total Expenditures	$ 58,382	$ 79,000	$ (20,618)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 25,631		
UNENCUMBERED CASH - JANUARY 1	106,160		
UNENCUMBERED CASH - DECEMBER 31	$ 131,791		

CITY OF HIAWATHA, KANSAS
POOL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Charges for services	$ 38,791	$ 49,750	$ (10,959)
Reimbursed expenses	450	-	450
Interest on idle funds	3,261	1,500	1,761
Miscellaneous	239	500	(261)
Transfers in	75,000	75,000	-
Total Cash Receipts	$ 117,741	$ 126,750	$ (9,009)
EXPENDITURES			
Personnel services	$ 72,425	$ 73,465	$ (1,040)
Contractual services	30,717	32,299	(1,582)
Commodities	21,062	16,400	4,662
Transfers out	14,948	14,948	-
Total Expenditures	$ 139,152	$ 137,112	$ 2,040
RECEIPTS OVER (UNDER) EXPENDITURES	$ (21,411)		
UNENCUMBERED CASH - JANUARY 1	104,410		
UNENCUMBERED CASH - DECEMBER 31	$ 82,999		

CITY OF HIAWATHA, KANSAS
AIRPORT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Interest	$ 2,908	$ -	$ 2,908
Hangar rental	3,030	5,400	-
Land rent	23,415	23,415	-
Total Cash Receipts	$ 29,353	$ 28,815	$ 2,908
EXPENDITURES			
Contractual	$ 9,445	$ 5,876	$ 3,569
Capital outlay	14,473	21,709	(7,236)
Total Expenditures	$ 23,918	$ 27,585	$ (3,667)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 5,435		
UNENCUMBERED CASH - JANUARY 1	11,688		
UNENCUMBERED CASH - DECEMBER 31	$ 17,123		

CITY OF HIAWATHA, KANSAS
TRUST FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH - ACTUAL
Regulatory Basis
December 31, 2025

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Permanent Funds							
C.H. Janes Poor Memorial	$ 4,749	$ -	$ -	$ -	$ 4,749	$ -	$ 4,749
G.A.R. Memorial	1,946	-	-	-	1,946	-	1,946
Morrissee Memorial	2,835	-	-	-	2,835	-	2,835
Daisy Hassenpflug Memorial	1,303	-	-	-	1,303	-	1,303
Private Purpose Trust Funds							
Kiwanis	56	-	-	-	56	-	56
Bruning Memorial	541	-	-	-	541	-	541
Widman Memorial	1,700	-	-	-	1,700	-	1,700
Total Trust Funds	$ 13,130	$ -	$ -	$ -	$ 13,130	$ -	$ 13,130

CITY OF HIAWATHA, KANSAS
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
December 31, 2025

Fund	Beginning Unencumbered Cash Balance	Receipts	Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Sales tax	$ (10,018)	$ 17,497	$ 18,825	$ (11,346)	$ 2,552	$ (8,794)
Municipal Court Bond	8,785	21,787	15,912	14,660	67	14,727
Insurance Proceeds	97	63,360	63,360	97	-	97
Total Agency Funds	$ (1,136)	$ 102,644	$ 98,097	$ 3,411	$ 2,619	$ 6,030

CITY OF HIAWATHA, KANSAS
MORRILL PUBLIC LIBRARY - RELATED MUNICIPAL ENTITY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS		
Grants and state appropriations	$	41,423
City Appropriation		218,579
Fines and Fees		6,093
Gifts and donations		18,785
Interest and interest earnings		28,857
Farm income		49,916
Trust distributions		18,936
Miscellaneous		17
Total Cash Receipts	$	382,606
EXPENDITURES AND ENCUMBRANCES		
Salary and benefits	$	238,548
Books, periodical, videos and film		40,754
Building maintenance		41,718
Continuing education - Fees and mileage		1,711
Professional fees		20,520
Equipment and maintenance		5,073
Insurance		20,417
Utilities		15,719
Special projects		6,106
Grant expenditures		11,280
Supplies		5,921
Miscellaneous		4,400
Total Expenditures	$	412,167
RECEIPTS OVER (UNDER) EXPENDITURES	$	(29,561)
UNENCUMBERED CASH - JANUARY 1		284,485
UNENCUMBERED CASH - DECEMBER 31	$	254,924