

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 6, 2026

NEW ISSUE
BOOK-ENTRY ONLY

RATING on the Bonds: S&P “___”

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”): (1) the interest on the Series 2026A Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; (2) the interest on the Series 2026A Bonds is exempt from income taxation by the State of Kansas; and (3) the Series 2026A Bonds have **not** been designated as “qualified tax-exempt obligations” within the meaning of Code § 265(b)(3). Bond Counsel notes that interest on the Series 2026A Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS” in this Official Statement.*

\$7,120,000*
CITY OF MAIZE, KANSAS
WATER UTILITY SYSTEM REVENUE BONDS
SERIES 2026A

Dated: As of the Delivery Date shown below

Due: As shown on the inside cover

The Water Utility System Revenue Bonds, Series 2026A (the “Series 2026A Bonds”) will be issued by City of Maize, Kansas (the “Issuer”) as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Series 2026A Bonds. Purchases of the Series 2026A Bonds will be made in book-entry form, in the denominations of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). Purchasers will not receive certificates representing their interests in Series 2026A Bonds purchased. So long as Cede & Co. is the registered owner of the Series 2026A Bonds, as nominee of DTC, references herein to the Series 2026A Bond owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as herein defined) of the Series 2026A Bonds. Principal will be payable upon presentation and surrender of the Series 2026A Bonds by the registered owners thereof at the office of the Treasurer of the State of Kansas, as bond registrar and paying agent (the “Paying Agent” and “Bond Registrar”). Interest payable on each Series 2026A Bond shall be paid to the persons who are the registered owners of the Series 2026A Bonds as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date by check or draft of the Paying Agent mailed to such registered owner or, in the case of an interest payment to a registered owner of \$500,000 or more in aggregate principal amount of Series 2026A Bonds, by electronic transfer. So long as DTC or its nominee, Cede & Co., is the Owner of the Series 2026A Bonds, such payments will be made directly to DTC. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners. Principal of the Series 2026A Bonds will be payable on each October 1, beginning in 2030, and semiannual interest will be payable on April 1 and October 1, beginning on April 1, 2027 (the “Interest Payment Dates”).

The Series 2026A Bonds shall be special obligations of the Issuer payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues derived by the Issuer from the operation of its Water Utility System (the “System”). **THE SERIES 2026A BONDS SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER, NOR SHALL THEY CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION, LIMITATION OR RESTRICTION, AND THE TAXING POWER OF THE ISSUER IS NOT PLEDGED TO THE PAYMENT OF THE SERIES 2026A BONDS, EITHER AS TO PRINCIPAL OR INTEREST.** See “THE SERIES 2026A BONDS-Security for the Series 2026A Bonds” herein. Under the Bond Resolution, Additional Bonds and Additional Obligations may be issued by the Issuer on a parity with the Series 2026A Bonds (The Series 2026A Bonds and any Additional Bonds shall hereinafter be referred collectively as the “Bonds”).

MATURITY SCHEDULE

(See inside cover)

The Series 2026A Bonds maturing October 1, 2034 and thereafter are subject to optional redemption beginning October 1, 2033 or thereafter, in whole or in part, at any time, at a price equal to 100% of the principal amount plus accrued interest to the redemption date. See “THE SERIES 2026A BONDS - Redemption Provisions” herein.

The payment of the principal of, redemption premium, if any, and interest on the Series 2026A Bonds is subject to certain risk factors and investment considerations as described under the caption “RISK FACTORS AND INVESTMENT CONSIDERATIONS” herein.

The Series 2026A Bonds are offered when, as and if issued by the Issuer, subject to the approval of legality by Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel. Certain other legal matters will be passed upon by Thomas R. Powell, Esq., counsel for the Issuer. It is expected that the Series 2026A Bonds will be available for delivery at DTC in New York, New York, on or about December 2, 2026.

BIDS WILL BE ACCEPTED ON BEHALF OF:
THE CITY OF MAIZE, KANSAS
ON NOVEMBER 12, 2026 UNTIL 11:00 A.M. CT
BY RANSON FINANCIAL GROUP, LLC
200 W. DOUGLAS, SUITE 110
WICHITA, KANSAS 67202
PHONE:(316) 264-3400 ~ FAX: (316) 265-5403 ~ EMAIL: bids@ransonfinancial.com

*Subject to change

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$7,120,000*
CITY OF MAIZE, KANSAS
WATER UTILITY SYSTEM REVENUE BONDS
SERIES 2026A

MATURITY SCHEDULE*

Stated Maturity	Principal	Interest		CUSIP⁽¹⁾
<u>October 1</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	<u>Base: 56068R</u>
2030	\$285,000	____%	____%	
2031	295,000	____%	____%	
2032	310,000	____%	____%	
2033	320,000	____%	____%	
2034	335,000	____%	____%	
2035	350,000	____%	____%	
2036	365,000	____%	____%	
2037	385,000	____%	____%	
2038	400,000	____%	____%	
2039	420,000	____%	____%	
2040	445,000	____%	____%	
2041	470,000	____%	____%	
2042	490,000	____%	____%	
2043	520,000	____%	____%	
2044	545,000	____%	____%	
2045	575,000	____%	____%	
2046	610,000	____%	____%	

(all plus accrued interest, if any)

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¹ CUSIP data is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc., and is included solely for the convenience of the Owners of the Series 2026A Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

* Subject to change.

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

THE SERIES 2026A BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE SERIES 2026A BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SECURITIES IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SERIES 2026A BONDS HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE SERIES 2026A BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS PRELIMINARY OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE ISSUER FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

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

CITY OF MAIZE, KANSAS

GOVERNING BODY

Patrick Stivers, Mayor
Jennifer Herington, Council President and Councilmember
Jeff Hohnbaum, Council Member
Dr. David Guo, Council Member
Alex McCreath, Council Member
Kevin Reid, Council Member

CITY STAFF

Nick Gregory, City Manager
Tristin Terhune, Assistant City Manager
Elizabeth Eck, City Treasurer/Finance Officer
Martha Pennington, City Clerk

CITY ATTORNEY

Thomas R. Powell, Esq.
Wichita, Kansas

BOND COUNSEL

Gilmore & Bell, P.C.
Wichita, Kansas

PAYING AGENT/BOND REGISTRAR

Office of State Treasurer
Topeka, Kansas

FINANCIAL ADVISOR

Ranson Financial Group, LLC
Wichita, Kansas

UNDERWRITER

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations with respect to the Series 2026A Bonds other than those contained in this Preliminary Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the Series 2026A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein concerning the Issuer has been furnished by the Issuer and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Preliminary Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof. This Preliminary Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Series 2026A Bonds.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
THE SERIES 2026A BONDS	2
THE DEPOSITORY TRUST COMPANY.....	6
THE PROJECT.....	8
SOURCES AND USES OF FUNDS.....	8
RISK FACTORS AND INVESTMENT CONSIDERATIONS.....	8
BOND RATING	11
ABSENCE OF LITIGATION	11
LEGAL MATTERS.....	11
TAX MATTERS.....	12
FINANCIAL ADVISOR	13
UNDERWRITING.....	13
AUTHORIZATION OF PRELIMINARY OFFICIAL STATEMENT	13
<i>Appendix A: INFORMATION CONCERNING THE ISSUER</i>	<i>A-1</i>
<i>Appendix B. INFORMATION CONCERNING THE SYSTEM.....</i>	<i>B-1</i>
<i>Appendix C FINANCIAL STATEMENTS AND REPORT OF</i> <i>INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.....</i>	<i>C-1</i>
<i>Appendix D SUMMARY OF FINANCING DOCUMENTS</i>	<i>D-1</i>
<i>Appendix E FORM OF DISCLOSURE UNDERTAKING</i>	<i>E-1</i>

\$7,120,000*
CITY OF MAIZE, KANSAS
WATER UTILITY SYSTEM REVENUE BONDS
SERIES 2026A

INTRODUCTION

General Matters

The purpose of this Preliminary Official Statement is to furnish information relating to City of Maize, Kansas (the "Issuer" or the "City"), the Issuer's Water Utility System (the "System") and the Water Utility System Revenue Bonds, Series 2026A (the "Series 2026A Bonds"), of the Issuer, dated December 2, 2026 (the "Dated Date").

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

The materials contained on the cover page, in the body and in the Appendices to this Official Statement are to be read in their entirety. All financial and other information presented herein has been compiled by Ranson Financial Group, LLC financial advisor to the Issuer. Except for the information expressly attributed to other sources deemed to be reliable, all information has been provided by the Issuer. The presentation of information herein, including tables of receipts from various taxes, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the Issuer. No representation is made that past experience, as might be shown by such financial or other information, will necessarily continue or be repeated in the future. Except to the extent described under the section captioned "LEGAL MATTERS," Bond Counsel expresses no opinion as to the accuracy or sufficiency of any other information contained herein.

Definitions

Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in "**APPENDIX D – SUMMARY OF FINANCING DOCUMENTS.**"

Continuing Disclosure

The Securities and Exchange Commission (the "SEC") has promulgated amendments to Rule 15c2-12 (the "Rule"), requiring continuous secondary market disclosure. In connection with the issuance of the Series 2026A Bonds, the Issuer will enter into a continuing disclosure undertaking (the "Disclosure Undertaking") wherein the Issuer covenants to annually provide certain financial information and operating data (collectively the "Annual Report") and other information necessary to comply with the Rule, and to transmit the same to the MSRB. Pursuant to the Disclosure Undertaking, the Issuer has agreed to file its Annual Report with the national repository ("EMMA") not later than August 1 of each year, commencing August 1, 2027. In the Bond Resolution, hereinafter defined, the Issuer covenants with the Underwriter and the Beneficial Owners to apply the provisions of the Disclosure Undertaking to the Series 2026A Bonds. This covenant is for the benefit of and is enforceable by the Beneficial Owners of the Series 2026A Bonds.

The Issuer's Annual Report filings for recent years are set forth on the table below, supplemented by additional filings as needed.

Fiscal Year	Required	Financial Information	Operating Data
<u>Ending December 31</u>	<u>Filing Date</u>	<u>Filing Date</u>	<u>Filing Date</u>
2021	06/29/2022	06/23/2022	06/23/2022
2022	06/29/2023	07/20/2023 ⁽¹⁾	07/20/2023 ⁽¹⁾
2023	06/29/2024	06/20/2024	06/20/2024
2024	06/29/2025	06/04/2025	06/04/2025
2025	06/29/2026	06/24/2026	06/24/2026

⁽¹⁾ A notice of failure to file on time was submitted June 28, 2023; such notice included the Issuer's draft audited financial statements; however, operating data was not included.

During the past five years, the City has made filings of event notices on EMMA with respect to bond calls, defeasances, and incurrences of financial obligations, however, during said time period, the City may not have made timely filings of event notices on EMMA relating to all bond calls, defeasances, ratings changes, or incurrences of financial obligations. The City believes this information was disseminated or available through other publicly available sources.

For more information regarding the Issuer's continuing disclosure undertaking, see "**APPENDIX E – FORM OF DISCLOSURE UNDERTAKING.**"

*Subject to change.

Additional Information

All of the summaries of statutes, opinions, financial and statistical data, and other related reports and documents described in this Preliminary Official Statement are subject to the actual provisions of such documents. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available for inspection during normal business hours at the City Hall, 10100 Grady Ave., P.O. Box 245, Maize, Kansas 67101. Additional information regarding the Issuer, the City or the Series 2026A Bonds may be obtained from the City's Financial Advisor, Ranson Financial Group, LLC, 200 W. Douglas, Suite 110, Wichita, Kansas 67202, Attention: Larry Kleeman, by phone ((316) 264-3400) or e-mail (larry@citycode.com).

THE SERIES 2026A BONDS

Authority for the Series 2026A Bonds

The Series 2026A Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State of Kansas (the "State"), including K.S.A. 10-101 to 10-125, inclusive, and K.S.A. 10-1201 *et seq.*, as amended by Charter Ordinance No. 26-14, all as amended and supplemented from time to time (collectively, the "Act"), an ordinance passed by the governing body of the Issuer and a resolution adopted by the governing body of the Issuer on November 16, 2026 (jointly the "Bond Resolution"). The Series 2026A Bonds are being issued for the purpose of providing funds for certain System improvements and related costs as further described in the section herein entitled "THE PROJECT."

Security for the Series 2026A Bonds

The Series 2026A Bonds shall be special obligations of the Issuer payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues derived by the Issuer from the operation of the System. **THE SERIES 2026A BONDS SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER, NOR SHALL THEY CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION, LIMITATION OR RESTRICTION, AND THE TAXING POWER OF THE ISSUER IS NOT PLEDGED TO THE PAYMENT OF THE SERIES 2026A BONDS, EITHER AS TO PRINCIPAL OR INTEREST.**

The Series 2026A Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal and interest from the Net Revenues derived from the operation of the System and in all other respects with the Parity Bonds any subsequent Parity Bonds or Parity Obligations. Under the Bond Resolution, Additional Bonds and Additional Obligations may be issued by the Issuer on a parity with the Series 2026A Bonds (the Series 2026A Bonds and any Additional Bonds shall hereinafter be referred to collectively as the "Bonds").

The Issuer, in accordance with and subject to applicable legal requirements, will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce Revenues sufficient to: (a) pay the Expenses of the System; (b) pay the Debt Service Requirements on the Bonds as and when the same become due at the Maturity thereof or on any Interest Payment Date; (c) enable the Issuer to have in each Fiscal Year, a Debt Service Coverage Ratio of not less than 1.25 on all Parity Bonds and Parity Obligations at the time Outstanding; 1.00 on any Subordinate Lien Obligations at the time Outstanding; and 1.00 on all Junior Lien Bonds at the time Outstanding; and (d) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in the Bond Resolution. **Prior** to the issuance of the Series 2026A Bonds, the Issuer had covenanted to maintain a Debt Service Coverage Ratio of not less than 1.10 on all Parity Bonds and Parity Obligations. See "**APPENDIX D – SUMMARY OF FINANCING DOCUMENTS.**"

Description of the Series 2026A Bonds

The Series 2026A Bonds shall consist of fully registered book-entry-only bonds in the denomination of \$5,000 or any integral multiples thereof (the "Authorized Denomination") and shall be numbered in such manner as the Bond Registrar shall determine. All of the Series 2026A Bonds shall be dated as of the Dated Date, shall become due in the amounts on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities, and shall bear interest at the rates per annum set forth on the inside cover page of this Preliminary Official Statement. The Series 2026A Bonds shall bear interest (computed on the basis of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner hereinafter set forth.

Designation of Paying Agent and Bond Registrar

The Issuer will at all times maintain a paying agent and bond registrar meeting the qualifications set forth in the Bond Resolution. The Issuer reserves the right to appoint a successor paying agent or bond registrar. No resignation or removal of the paying agent or bond

registrar shall become effective until a successor has been appointed and has accepted the duties of paying agent or bond registrar. Every paying agent or bond registrar appointed by the Issuer shall at all times meet the requirements of Kansas law.

The Treasurer of the State of Kansas (the "Bond Registrar" and "Paying Agent") has been designated by the Issuer as paying agent for the payment of principal of and interest on the Series 2026A Bonds and bond registrar with respect to the registration, transfer and exchange of Series 2026A Bonds.

Method and Place of Payment of the Series 2026A Bonds

The principal of, or Redemption Price, and interest on the Series 2026A Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Series 2026A Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing, any Defaulted Interest with respect to any Series 2026A Bond shall cease to be payable to the Owner of such Series 2026A Bond on the relevant Record Date and shall be payable to the Owner in whose name such Series 2026A Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Series 2026A Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall notify the Issuer of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Series 2026A Bond entitled to such notice not less than 10 days prior to such Special Record Date.

SO LONG AS CEDE & CO., REMAINS THE REGISTERED OWNER OF THE BONDS, THE PAYING AGENT SHALL TRANSMIT PAYMENTS TO THE SECURITIES DEPOSITORY, WHICH SHALL REMIT SUCH PAYMENTS IN ACCORDANCE WITH ITS NORMAL PROCEDURES. See "THE SERIES 2026A BONDS – Book-Entry Bonds; Securities Depository."

Book-Entry Bonds: Securities Depository

The Series 2026A Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Series 2026A Bonds, except in the event the Bond Registrar issues Replacement Bonds. It is anticipated that during the term of the Series 2026A Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Series 2026A Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraphs.

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

- (a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Series 2026A Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Series 2026A Bonds; or
- (b) if the Bond Registrar receives written notice from Participants having interest in not less than 50% of the Series 2026A Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository),

that the continuation of a book-entry system to the exclusion of any Series 2026A Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Series 2026A Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Series 2026A Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Series 2026A Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Series 2026A Bond or Series 2026A Bonds for cancellation shall cause the delivery of the Series 2026A Bonds to the successor Securities Depository in appropriate denominations and form as provided in the Bond Resolution.

Registration, Transfer and Exchange of Bonds

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

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

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

Mutilated, Lost, Stolen or Destroyed Bonds

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

sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Nonpresentment of Bonds

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

Payments Due on Saturdays, Sundays and Holidays

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

Redemption Provisions

Optional Redemption. At the option of the Issuer, Series 2026A Bonds maturing on October 1 in the years 2034, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on October 1, 2033, and thereafter, as a whole or in part (selection of maturities and the amount of Series 2026A Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

Mandatory Redemption. [(a) [] Term Bonds.]The [] Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on October 1 in each year, the following principal amounts of such [] Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$	
	*

*Final Maturity

[(b) 2046 Term Bonds.]The 2046 Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on October 1 in each year, the following principal amounts of such 2046 Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$	
	2046*

*Final Maturity

Selection of Bonds to be Redeemed. Series 2026A Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Series 2026A Bonds are to be redeemed and paid prior to their Stated Maturity, such Series 2026A Bonds shall be redeemed in

such manner as the Issuer shall determine, Series 2026A Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in minimum Authorized Denomination in such equitable manner as the Bond Registrar may determine. In the case of a partial redemption of Series 2026A Bonds by lot when Series 2026A Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it were a separate Series 2026A Bond of a minimum Authorized Denomination. If it is determined that one or more, but not all, of the minimum Authorized Denomination value represented by any Series 2026A Bond is selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Series 2026A Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of such minimum Authorized Denomination value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Series 2026A Bond or Series 2026A Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Series 2026A Bond. If the Owner of any such Series 2026A Bond fails to present such Series 2026A Bond to the Paying Agent for payment and exchange as aforesaid, such Series 2026A Bond shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination value called for redemption (and to that extent only).

Notice and Effect of Call for Redemption. Unless waived by any Owner of Series 2026A Bonds to be redeemed, if the Issuer shall call any Series 2026A Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Series 2026A Bonds to the Bond Registrar and the Underwriter. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Series 2026A Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information: (a) the Redemption Date; (b) the Redemption Price; (c) if less than all Outstanding Series 2026A Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Series 2026A Bonds, the respective principal amounts) of the Series 2026A Bonds to be redeemed; (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Series 2026A Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and (e) the place where such Series 2026A Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent. The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Series 2026A Bonds that are to be redeemed on such Redemption Date. Official notice of redemption having been given as aforesaid, the Series 2026A Bonds or portions of Series 2026A Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Series 2026A Bonds or portion of Bonds shall cease to bear interest.

For so long as the Securities Depository is effecting book-entry transfers of the Series 2026A Bonds, the Bond Registrar shall provide the notices specified to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Series 2026A Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Series 2026A Bond so affected, shall not affect the validity of the redemption of such Series 2026A Bond.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. The Paying Agent is also directed to comply with any mandatory or voluntary standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Series 2026 Bond.

THE DEPOSITORY TRUST COMPANY

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2026A Bonds. The Series 2026A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each scheduled maturity of the Series 2026A Bonds and will be deposited with DTC.

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

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

3. Purchases of Series 2026A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026A Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2026A Bonds, except in the event that use of the book-entry system for the Series 2026A Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2026A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026A Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2026A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2026A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2026A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Series 2026A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Series 2026A Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Series 2026A Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2026A Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of the Series 2026A Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2026A Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2026A Bonds to the Paying Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Series 2026A Bonds at any time by giving reasonable notice to the Issuer or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2026A Bond certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2026A Bond certificates will be printed and delivered to DTC.

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

THE PROJECT

Proceeds of the Series 2026A Bonds will be used to (a) pay the costs to construct an elevated water tower and all related improvements (collectively the "Project") in the estimated amount of \$6,500,000; and (b) to pay the associated costs of issuance and provide financing reserves.

SOURCES AND USES OF FUNDS

The following table itemizes the sources and uses of funds, including the proceeds from the sale of the Series 2026A Bonds.

Sources of Funds:

Principal Amount*	\$7,120,000.00
Total	

Uses of Funds:

Deposit to the Project Fund	\$
Deposit to Debt Service Reserve Account	
Costs of Issuance	
Underwriter's Discount	
Total	<hr/> \$

*Subject to change.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

A PROSPECTIVE PURCHASER OF THE SERIES 2026A BONDS DESCRIBED HEREIN SHOULD BE AWARE THAT THERE ARE CERTAIN RISKS ASSOCIATED WITH THE SERIES 2026A BONDS WHICH MUST BE RECOGNIZED. THE FOLLOWING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE SERIES 2026A BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2026A BONDS SHOULD ANALYZE CAREFULLY THE INFORMATION CONTAINED IN THIS PRELIMINARY OFFICIAL STATEMENT AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AND MAY BE OBTAINED FROM THE UNDERWRITER.

Legal Matters

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Series 2026A Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the Issuer or the System.

Special Obligations

The Series 2026A Bonds are special, limited obligations of the Issuer. Neither the Series 2026A Bonds nor the interest thereon constitute a general obligation or indebtedness of, nor is the payment thereof guaranteed by the Issuer, or any governmental subdivision, agency or instrumentality. The Series 2026A Bonds are not payable in any manner from tax revenues.

Debt Service Source

The Series 2026A Bonds are payable solely from the Net Revenues. While the future ability of the Issuer to meet its obligations under the Bond Resolution is based upon assumptions and business judgments which the Issuer believes are reasonable and appropriate, they are subject to conditions which may change in the future to an extent that presently cannot be determined. Thus, no assurance can be given that revenues will be realized by the Issuer in amounts sufficient to pay the principal of and interest on the Series 2026A Bonds as they become due. For more information, See “History of Debt Service Coverage” and “Forecasted System Financials and Debt Service Coverage” in *APPENDIX B* hereto.

Debt Service Reserve Account

Pursuant to the Bond Resolution, an amount equal to the Debt Service Reserve Requirement will be deposited in the Debt Service Reserve Account. Moneys in the Debt Service Reserve Account may be invested in Permitted Investments. Moneys, including such Permitted Investments, may be applied by the Issuer to prevent default in payment of the principal of and interest on the Parity Bonds in accordance with the Bond Resolution in the event funds on hand in the Debt Service Account are insufficient to provide funds for payments due on any Payment Date. In the event the Issuer is required to sell such Permitted Investments for such purpose, the price realized upon such sale may not equal the Debt Service Reserve Requirement.

In the event of a default by the Issuer under the Bond Resolution, moneys deposited in the Debt Service Reserve Account may, under certain circumstances and, ordinarily under the supervision of and under order of the courts, be applied for purposes other than payment of the Parity Bonds. Such purposes may include preservation of and security for the System, maintenance of insurance, payment of expenses incurred in attempting to operate the System and payment of other similar costs.

State and Federal Regulation

The rates, fees and charges for water service through the System as currently constructed and operated will be exempt from rate regulation by the Kansas Corporation Commission. The precise nature and extent future governmental regulation and the resulting impact of such regulation on the operation and profitability of the System cannot now be determined. The Issuer has covenanted in the Bond Resolution to comply with all such governmental regulation.

Taxation of Interest on the Series 2026A Bonds

An opinion of Bond Counsel will be obtained to the effect that interest earned on the Series 2026A Bonds is excludable from gross income for federal income tax purposes under current provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and applicable rulings and regulations under the Code; however, an application for a ruling has not been made and an opinion of counsel is not binding upon the Internal Revenue Service. There can be no assurance that the present provisions of the Code, or the rules and regulations thereunder, will not be adversely amended or modified, thereby rendering the interest earned on the Series 2026A Bonds includable in gross income for federal income tax purposes.

The Issuer has covenanted in the Bond Resolution and in other documents and certificates to be delivered in connection with the issuance of the Series 2026A Bonds to comply with the provisions of the Code, including those which require the Issuer to take or omit to take certain actions after the issuance of the Series 2026A Bonds. Because the existence and continuation of the excludability of the interest on the Series 2026A Bonds depends upon events occurring after the date of issuance of the Series 2026A Bonds, the opinion of Bond Counsel described under “TAX MATTERS” assumes the compliance by the Issuer with the provisions of the Code described above and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Series 2026A Bonds in the event of noncompliance with such provisions. The failure of the Issuer to comply with the provisions described above may cause the interest on the Series 2026A Bonds to become includable in gross income as of the date of issuance.

Premium on Series 2026A Bonds

[The initial offering prices of certain maturities of the Series 2026A Bonds that are subject to optional redemption are in excess of the respective principal amounts thereof.]Any person who purchases a Series 2026A Bond in excess of its principal amount, whether during the initial offering or in a secondary market transaction, should consider that the Series 2026A Bonds are subject to redemption at par under the various circumstances described under “THE SERIES 2026A BONDS – Redemption Provisions.”

No Additional Interest or Mandatory Redemption upon Event of Taxability

The Bond Resolution does not provide for the payment of additional interest or penalty on the Series 2026A Bonds or the mandatory redemption thereof if the interest thereon becomes includable in gross income for federal income tax purposes. Likewise, the Bond

Resolution does not provide for the payment of any additional interest or penalty on the Series 2026A Bonds if the interest thereon becomes subject to income taxation by the State.

Market for the Series 2026A Bonds

Bond Rating. The Series 2026A Bonds have been assigned the financial rating set forth in the section hereof entitled “BOND RATINGS.” There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Series 2026A Bonds.

Secondary Market. There is no assurance that a secondary market will develop for the purchase and sale of the Series 2026A Bonds. Prices of bonds traded in the secondary market, though, are subject to adjustment upward and downward in response to changes in the credit markets. From time to time it may be necessary to suspend indefinitely secondary market trading in the Series 2026A Bonds as a result of financial condition or market position of broker-dealers, prevailing market conditions, lack of adequate current financial information about the Issuer, or a material adverse change in the financial condition of the Issuer, whether or not the Series 2026A Bonds are in default as to principal and interest payments, and other factors which may give rise to uncertainty concerning prudent secondary market practices.

Limitations on Remedies Available to Owners of Series 2026A Bonds

The enforceability of the rights and remedies of the owners of Series 2026A Bonds, and the obligations incurred by the Issuer in issuing the Series 2026A Bonds, are subject to the following: the federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the United States Constitution; and the reasonable and necessary exercise, in certain unusual situations, of the police power inherent in the State of Kansas and its governmental subdivisions in the interest of serving a legitimate and significant public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the owners of the Series 2026A Bonds to judicial discretion and interpretation of their rights in bankruptcy and otherwise, and consequently may involve risks of delay, limitation or modification of their rights.

Kansas Public Employees Retirement System

As described in “**APPENDIX A – FINANCIAL INFORMATION – Pension and Employee Retirement Plans**,” the Issuer participates in the Kansas Public Employees Retirement System (“KPERS”), as an instrumentality of the State to provide retirement and related benefits to public employees in Kansas. KPERS administers three statewide defined benefit retirement plans for public employees which are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Issuer participates in the Public Employees Retirement System – Local Group (the “Plan”). Under existing law, employees make contributions and the Issuer makes all employer contributions to the Plan; neither the employees nor the Issuer are directly responsible for any unfunded accrued actuarial liability (“UAAL”). However, the Plan contribution rates may be adjusted by legislative action over time to address any UAAL. According to KPERS’ Valuation Reports, the Local Group had an UAAL of approximately \$2.173 billion in calendar year 2025.

Suitability of Investment

An investment in the Series 2026A Bonds involves a certain degree of risk. The interest rate borne by the Series 2026A Bonds (as compared to prevailing interest rates on more secure tax exempt bonds such as those which constitute general obligations of fiscally sound municipalities) is intended to compensate the investor for assuming this element of risk. Furthermore, the tax exempt feature of the Series 2026A Bonds is more valuable to high tax bracket investors than to investors who are in low tax brackets, and so the value of the interest compensation to any particular investor will vary with individual tax rates. Each prospective investor should carefully examine this Preliminary Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Series 2026A Bonds are an appropriate investment.

NO REPRESENTATION OR ASSURANCE CAN BE MADE OR GIVEN THAT REVENUES WILL BE REALIZED BY THE ISSUER IN AMOUNTS SUFFICIENT TO PAY THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2026A BONDS. THE FOREGOING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE SERIES 2026A BONDS.

Cybersecurity Risks

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

Natural Disasters or Terrorist Attacks

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

Potential Impacts Resulting from Epidemics or Pandemics

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

Prospective Purchasers of the Series 2026A Bonds should analyze carefully the information contained in this Preliminary Official Statement and additional information in the form of the complete documents summarized herein, copies of which are available and may be obtained from the Issuer prior to the sale of the Series 2026A Bonds, and thereafter, from the Underwriter.

BOND RATING

An application has been made to S&P Global Ratings, a division of S&P Global Inc. for ratings on the Series 2026A Bonds. Such ratings, if given, reflect only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. [S&P Global Ratings has assigned an independent rating of "[]" to the Series 2026A Bonds.] No such rating constitutes a recommendation to buy, sell, or hold any bonds, including the Series 2026A Bonds, or as to the market price or suitability thereof for a particular investor. The Issuer furnished such rating agency with certain information and materials relating to the that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Series 2026A Bonds.

ABSENCE OF LITIGATION

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

The Issuer certifies that there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the Issuer or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act or the constitutionality or validity of the indebtedness represented by the Series 2026A Bonds or the validity of said Series 2026A Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof.

LEGAL MATTERS

Approval of Series 2026A Bonds

All matters incident to the authorization and issuance of the Series 2026A Bonds are subject to the approval of Gilmore & Bell, P.C., Wichita, Kansas ("Bond Counsel"). The factual and financial information appearing herein has been supplied or reviewed by certain officials of the City and its certified public accountants, as referred to herein. Bond Counsel has participated in the preparation of the matters appearing in the sections of this Preliminary Official Statement captioned "THE SERIES 2026A BONDS," "LEGAL MATTERS," "TAX MATTERS," and "*APPENDIX D* - SUMMARY OF FINANCING DOCUMENTS." Payment of the legal fee of

Bond Counsel is contingent upon the delivery of the Series 2026A Bonds. Certain legal matters have been passed on for the Issuer by Thomas R. Powell, Esq.

TAX MATTERS

The following is a summary of the material federal and State of Kansas income tax consequences of holding and disposing of the Series 2026A Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of holders subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2026A Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Kansas, does not discuss the consequences to an owner under state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2026A Bonds in the secondary market at a premium or a discount. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2026A Bonds.

Opinion of Bond Counsel

In the opinion of Bond Counsel, under the law existing as of the issue date of the Series 2026A Bonds:

Federal Tax Exemption. The interest on the Series 2026A Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Series 2026A Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Series 2026A Bonds have **not** been “qualified tax-exempt obligations” within the meaning of Code § 265(b)(3).

Kansas Tax Exemption. The interest on the Series 2026A Bonds is exempt from income taxation by the State.

No Other Opinions. Bond Counsel’s opinions are provided as of the date of the original issue of the Series 2026A Bonds, subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2026A Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2026A Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026A Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2026A Bonds.

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2026A Bond over its issue price. The stated redemption price at maturity of a Series 2026A Bond is the sum of all payments on the Series 2026A Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026A Bond is generally the first price at which a substantial amount of the Series 2026A Bonds of that maturity have been sold to the public. Under Code § 1288, original issue discount on tax-exempt obligations accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2026A Bond during any accrual period generally equals (1) the issue price of that Series 2026A Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2026A Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2026A Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Series 2026A Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2026A Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2026A Bond is the sum of all payments on the Series 2026A Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026A Bond is generally the first price at which a substantial amount of the Series 2026A Bonds of that maturity have been sold to the public. Under Code § 171, premium on tax-exempt obligations amortizes over the term of the Series

2026A Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2026A Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2026A Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Series 2026A Bond, an owner of the Series 2026A Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Series 2026A Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2026A Bond. To the extent the Series 2026A Bonds are held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2026A Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on Series 2026A Bonds, and to the proceeds paid on the sale of Series 2026A Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2026A Bonds should be aware that ownership of the Series 2026A Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2026A Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2026A Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2026A Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Series 2026A Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

FINANCIAL ADVISOR

Ranson Financial Group, LLC serves as financial advisor (the "Financial Advisor") to the City. The Financial Advisor is a "municipal advisor" as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The Financial Advisor has participated in the preparation of this Preliminary Official Statement, but has not verified all of the factual information contained herein, nor has it conducted a detailed investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of this Preliminary Official Statement. The Financial Advisor's fee is contingent upon the actual issuance and delivery of the Series 2026A Bonds.

UNDERWRITING

The Series 2026A Bonds have been sold by the Issuer to [] (the "Underwriter") at the purchase price of 100% of the principal amount of the Series 2026A Bonds plus a reoffering premium of \$[], less an original issue discount of \$[], less an underwriter's discount of \$[], plus accrued interest to the date of closing.

The Series 2026A Bonds will be offered to the public initially at the prices determined to produce the yield to maturity set forth on the inside cover page of this Official Statement. The Underwriter may offer and sell the Series 2026A Bonds to certain dealers (including dealers depositing the Series 2026A Bonds into investment trusts) at prices other than the price stated on the inside cover page hereof and may change the initial offering price from time to time subsequent to the date hereof. In connection with the offering, the Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Series 2026A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

AUTHORIZATION OF PRELIMINARY OFFICIAL STATEMENT

The preparation of this Preliminary Official Statement and its distribution has been authorized by the Issuer. This Preliminary Official Statement has been duly approved by the governing body of the Issuer and "deemed final" in accordance with the Rule as of the date of the cover hereof. This Preliminary Official Statement is submitted in connection with the issuance of the Series 2026A Bonds and may

not be reproduced or used as a whole or in part for any other purpose. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Series 2026A Bonds

CITY OF MAIZE, KANSAS

APPENDIX A

INFORMATION CONCERNING THE ISSUER

GENERAL

Size and Location

The City of Maize (the “City” or “Issuer”) is located in south central Kansas in Sedgwick County (the “County”). The City is situated to the northwest of Wichita, Kansas, adjacent to the neighboring city.

Between 2010 and 2025, the City has increased from 3,420 residents to approximately 8,000 residents, an increase of over 133%. The estimated population in 2025 is 8,000. This continued growth can in part be attributed to the Maize School District (USD No. 266), which is the fastest growing district in the State of Kansas. The Maize School District covers large portions of northwest Sedgwick County, which has experienced rapid residential growth and development.

Government and Organization of the City

The City is a municipal corporation incorporated in 1915, and is organized and existing under and pursuant to the Constitution and laws of the State of Kansas. The City has a Mayor-Council form of government. The Mayor and five Councilmembers are elected at large to staggered four (4) year terms.

The principal officials and officers of the Issuer are as follows:

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Mayor	Patrick Stivers	01/2030
Council President and Councilmember:	Jennifer Herington	01/2030
Council Members:	Dr. David Guo	01/2028
	Jeff Hohnbaum	01/2030
	Alex McCreath	01/2028
	Kevin Reid	01/2028
City Manager	Nick Gregory	N/A
Assistant City Manager	Tristin Terhune	N/A
City Clerk	Martha Pennington	N/A
City Treasurer / Finance Officer	Elizabeth Eck	N/A
City Attorney	Tom Powell, Esq.	N/A

Management Personnel

The City Manager is appointed by the Council and is charged with the efficient and effective administration of the City. The City Council conducts all legislative functions for the City and establishes general policies which are executed by its staff, which serves at its pleasure.

Public Safety

The City has 14 full-time police officers, a police chief, deputy police chief, two sergeants, and one detective. Fire protection for the City is provided by the Sedgwick County Fire Department. The County provides emergency medical services (EMS) to the City.

Municipal Services and Other Utilities

The City provides a full range of services, which include construction and maintenance of infrastructure, community development and planning and cultural activities. The City operates the water and wastewater systems. Electric and natural gas services are provided to the City by Evergy Energy and Black Hills Energy, respectively. Cable TV service is provided by Direct TV and Cox Communications. Telephone and internet service is provided by AT&T and IdeaTek TelcomLLC. Additional services in the City are provided by private companies.

Transportation Facilities

The City is served by a major highway, rail line, and two local airports. Kansas Highway 96 is a limited access freeway that runs through the northeastern portions of the community. The Kansas and Oklahoma railroad transverses through eastern Maize on trackage leased from Union Pacific Corporation, running nearly parallel to Kansas Highway 96. The Maize Airport is located to the east of town on West 45th Street. The Maize Airport has a 2,100-foot runway and is open for public use. The Wichita Dwight D. Eisenhower National Airport offers passenger service and is located eleven miles south of the City.

Educational Institutions and Facilities

The City is served by the Maize Unified School District No. 266. The Maize Unified School District is an independent taxing unit with boundaries that are separate from the jurisdictional boundaries of the City of Maize. The schools continue to absorb the increasing number of students from western Wichita and have the potential to absorb future Maize growth. The district currently operates two high schools, two middle schools, five elementary schools, one alternative high school, a transport facility, a maintenance building and an administrative center, most of which are in the City area. The full-time equivalent number of students in the Maize Unified School District is approximately 7,720 for the 2025-26 school year. A majority of students and staff come from Wichita. This influx of students and staff increases the daytime population of Maize impacting Maize and its service and utility capacity.

The following universities or colleges offering bachelor's or advanced degrees are also located in the region:

<u>Name</u>	<u>Location</u>	<u>Estimated Distance from City (in Miles)</u>	<u>Estimated Enrollment (FTE)</u>
Newman University	Wichita, KS	9	1,203
Friends University	Wichita, KS	9	2,024
Wichita State University	Wichita, KS	11	12,075
Wichita State University Tech	Wichita, KS	14	4,028
Hutchinson Community College	Hutchinson, KS	33	3,310
Butler Community College	El Dorado, KS	33	4,639

Medical and Health Facilities

Major medical service is available at HCA Wesley Medical Center, Ascension Via Christi Riverside Medical Center, Ascension Via Christi St. Francis Campus and Ascension Via Christi St. Joseph Campus, located within 10 miles of the City.

Recreational, Cultural and Religious Facilities

The Jeeps Motorcycle Club Racing facility and 81 Speedway located in the immediate vicinity of the City provide motor sports activities. The City completed construction on the Maize Clair Donnelley Amphitheater in Maize City Park for future performances. Other amenities in the park includes free splashpad and playground facilities.

The County offers a wide variety of cultural and entertainment options, including: Botanica – The Wichita Gardens, Wurlitzer Organ Pops Concerts, Metropolitan Ballet Company, Wichita Community Theater, Wichita Children's Theater, Music Theater of Wichita, Mid-America Dance Theater, Inc., Wichita Symphony and Choral Society, Wichita Art Association Galleries, Wichita Omnisphere Earth-Space Center, Lake Afton Public Observatory, Wichita Art Museum, Whittier Fine Arts Gallery, The Mid America All Indian Center Museum, and The Wichita Exploration Place.

Some of the major cultural events held annually are: St. Patrick's Day Parade, Kansas Junior Livestock Show, Wichita Jazz Festival, Renaissance Fair, Wichita River Festival, Victorian Garden Festival, National Baseball Congress Tournament, Wichita Arts Festival, the Old Sedgwick County Fair, Park City Bluegrass Festival, and Salute to Freedom 4th of July Celebration. In addition to the recreational and cultural facilities offered by the cities in the County, the County operates the Kansas Coliseum, the Sedgwick County Zoo and Botanical Gardens, Lake Afton Park, and the Sedgwick County Park.

The Sedgwick County Zoo and Botanical Gardens are considered world-class facilities. The zoo provides an environment where animals roam in spacious areas that simulate their natural habitats, while the Botanical Gardens offers a wide variety of species of native American and foreign plants, trees, and shrubs in a natural setting.

The City has eight churches that serve the community.

FINANCIAL INFORMATION CONCERNING THE CITY

Accounting, Budgeting and Auditing Procedures

The City follows a statutory basis of accounting which is designed to show compliance with cash basis and budget laws of Kansas. The City has received a GAAP Waiver from the State of Kansas.

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

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

The Revenue Neutral Tax Act provides that by June 15 of every year, each county clerk shall calculate the revenue neutral rate for each taxing subdivision in their respective county. If a taxing subdivision desires to levy a tax rate in excess of its revenue neutral rate, it must first publish notice of a public hearing and notify, by July 20, the county clerk of the taxing subdivision's intent to exceed the revenue neutral rate. The county clerk is required to provide notice of the public hearing to each taxpayer with property in the taxing subdivision, along with following information concerning the taxing subdivision: (1) the revenue neutral rate, (2) the proposed property tax revenue needed to fund the proposed budget, (3) the proposed tax rate based on the proposed budget, (4) the tax rate and property tax of each taxing subdivision on the taxpayer's property from the previous year's tax statement, (5) the appraised value and assessed value of the taxpayer's property, (6) estimates of the tax for the current tax year on the taxpayer's property based on the revenue neutral rate of each taxing subdivision and any proposed tax rates that exceed the revenue neutral rates, (7) the difference between the estimates of tax based on the proposed tax rate and the revenue neutral rate. The public hearing regarding exceeding the revenue neutral rate is to be held between August 20 and September 20, and can be held in conjunction with the taxing subdivision's budget hearing. If multiple taxing subdivisions within the county are required to hold a public hearing, the county clerk's notices to the taxpayer can be combined into a single notice. After the public hearing, the taxing subdivision can approve exceeding the revenue neutral rate by governing body approval of a resolution or ordinance, and thereafter the taxing subdivisions will hold the public hearing and adopt the budget by majority vote of its governing body. The amount of tax to be levied and the adopted budget must be certified to the county clerk by October 1. The taxing subdivision's adopted budget shall not result in a tax rate in excess of its proposed rate stated in the notice provided to the taxpayers. If a taxing subdivision fails to comply with the requirements of the Revenue Neutral Tax Act, it shall refund to the taxpayers any property taxes over-collected based on the amount of the levy that was in excess of the revenue neutral rate.

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

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

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. For 2025, the annual audit was performed by Varney & Associates, CPAs, LLC in Manhattan, Kansas. Copies of the audit reports for the past five (5) years are on file in the Clerk's office and are available for review.

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

Property Valuations

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

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

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

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

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

Sources of Revenue

The City finances its general fund operations through the local property tax levy, various other taxes, a variety of license and permit fees, and other miscellaneous sources as estimated below for the current fiscal year:

<u>Source</u>	<u>Percent</u>
Ad Valorem Tax	46.56%
Sales Tax	20.82%
Miscellaneous	9.97%
Franchise Tax	8.42%
Motor Vehicle Tax	4.93%
Permits and Licenses	4.33%
Interest	2.01%
Municipal Court	1.74%
Delinquent Tax	0.72%
Fireworks Permit	0.22%
Community Building Rental	0.12%
Planning & Zoning Revenue	0.08%
911 camp revenue	0.05%
Liquor Tax	0.03%
Amphitheater rental	0.00%
Transfers In	0.00%
Total	100.00%

Source: City's 2025 audited financial statements

Assessed Valuation

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

<u>Levy Year</u>	<u>Budget Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Utilities</u>	<u>Motor Vehicles</u>	<u>Total Valuation</u>
2026	2027	\$136,045,751 ⁽¹⁾	\$479,917 ⁽¹⁾	\$3,372,008 ⁽¹⁾	\$13,784,094 ⁽²⁾	\$153,681,770
2025	2026	115,968,350 ⁽³⁾	647,678 ⁽³⁾	2,835,142 ⁽³⁾	13,784,094	133,235,264
2024	2025	95,906,407	525,710	2,562,405	12,693,062	111,687,584
2023	2024	82,552,536	556,724	2,602,709	10,661,645	96,373,614
2022	2023	70,516,508	413,642	2,438,956	9,996,469	83,365,575
2021	2022	62,292,534	380,871	2,290,498	9,423,442	74,387,345

⁽¹⁾ Preliminary valuation figures as of July 15, 2026, used for budgeting purposes.

⁽²⁾ Motor vehicle valuation for 2026 is not yet available. Motor vehicle valuation for 2025 was used for estimation purposes.

⁽³⁾ Final valuation figures as of November 1, 2025.

Source: County Clerk

Property Tax Levies and Collections

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

Personal taxes are due and may be paid in the same manner as real estate taxes, with the same interest applying to delinquencies. If personal taxes are not paid when due, and after written notice, warrants are issued and placed in the hands of the Sheriff for collection. If not paid on or before October 1, legal judgment is entered and the delinquent tax becomes a lien on the property. Unless renewed, a non-enforced lien expires five years after it is entered.

Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

Tax Rates. The City may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the County appraiser.

The following table shows the City's mill levies by fund (per \$1000 of assessed valuation) for each of the years indicated and the current year:

<u>Levy Year</u>	<u>Budget Year</u>	<u>General</u>	<u>Bond & Interest</u>	<u>Total Levy</u>
2025	2026	36.269	6.621	42.890
2024	2025	39.531	3.483	43.014
2023	2024	41.848	1.132	42.980
2022	2023	42.057	0.951	43.008
2021	2022	42.352	0.937	43.289

Source: County Clerk

Aggregate Tax Levies. The aggregate tax levies (per \$1000 assessed valuation) of the City and overlapping jurisdictions for the years indicated are included in the following table:

<u>Tax Year</u>	<u>Budget Year</u>	<u>City</u>	<u>Sedgwick County</u>	<u>USD No. 266⁽¹⁾</u>	<u>State</u>	<u>Township</u>	<u>Fire District</u>	<u>Regional Library</u>	<u>Cemetery District</u>	<u>Total</u>
2025	2026	42.890	27.567	60.681	1.500	0.000	16.754	1.160	0.543	151.095
2024	2025	43.014	28.701	61.099	1.500	0.133	17.000	1.160	0.543	153.150
2023	2024	42.980	28.988	61.120	1.500	0.158	17.883	1.161	0.543	154.333
2022	2023	43.008	29.368	61.155	1.500	0.179	17.912	1.229	0.543	154.894
2021	2022	43.289	29.370	59.850	1.500	0.496	17.817	1.229	0.542	154.093

⁽¹⁾ Includes levy for recreation commission.

Source: County Clerk

Tax Collection Record. The following table sets forth tax collection information (not including special assessments) for the City for the years indicated:

<u>Levy Year</u>	<u>Collection Year</u>	<u>Total Levy</u>	<u>Total Taxes Levied (\$)</u>	<u>Current Taxes Collected (\$)</u>	<u>Current Taxes Collected (%)</u>	<u>Delinquent Taxes Collected (\$)</u>	<u>Delinquent & Current Taxes Collected (%)</u>
2025	2026	42.890	\$5,126,764	\$4,967,048 ⁽¹⁾	96.88%	\$61,295	98.08%
2024	2025	43.014	4,265,398	4,200,397	98.48%	29,882	99.18%
2023	2024	42.980	3,690,629	3,577,455	96.93%	38,303	97.97%
2022	2023	43.008	3,157,812	3,113,264	98.59%	25,655	99.40%
2021	2022	43.289	2,815,249	2,768,414	98.34%	26,441	99.28%

⁽¹⁾ Collections as of June 15, 2026.

Source: County Clerk & Treasurer

Major Taxpayers. The following table sets forth the ten largest taxpayers in the City based on total assessed valuation and total taxes levied in the most recent tax collection period (2025/26):

	<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Taxes Levied</u>
1.	Edward Rose Development Co	\$3,289,277	\$141,077
2.	Watercress Apartments	3,163,674	135,689
3.	Charlotte Pipe & Foundry Co	2,248,950	96,457
4.	Evergy Kansas South Inc.	1,766,812	75,778
5.	Blue Sky Ventures LLC	1,659,448	71,173
6.	HL Villas Investment Group LLC	1,300,492	55,778
7.	Heartland Credit Union	1,190,745	51,071
8.	Carlson Products LLC	901,957	38,684
9.	J&K Investments of Wichita LLC	851,903	36,538
10.	Maize Hotel LLC	843,425	36,174

Source: County Clerk

Special Assessments

The City has pursued a policy of utilizing special benefit districts to pay the cost of certain improvement projects that directly benefit property from the construction thereof. Kansas statutes allow for the creation of special benefit districts to pay for the cost of a variety of improvements, including street construction, storm water drains, sanitary sewer system improvements, street lighting, water system improvements, recreational facilities, flood control projects, bridges, and parking facilities. The City has typically utilized special benefit districts to pay for the costs associated with constructing certain street, sewer, and water improvements within the newly developing subdivisions in the City.

The creation of special benefit districts, the determination of property benefited, and the method of allocating the cost of the improvement is at the discretion of the City. Property owners have the ability to suggest improvements to be made through a petition process and to comment on the final amounts of their assessments. The City may or may not be included as part of the special benefit district. All property owners have the option to pay their portions of the improvement cost with a one-time payment during an assessment prepayment period or in annual installments with interest over a certain number of years.

Upon completion of the special benefit district improvement projects and the prepayment period, the City issues general obligation bonds to provide for permanent project financing. The payment of the principal of and interest on such bonds is paid from the special assessments levied annually on the benefitted property owners. Special assessments are paid at the same time and in the same manner as ad valorem property taxes. If at any time the special assessments received from the property owners are insufficient to provide for the payment of the principal of and interest on the bonds, the City is obligated to provide for the balance of such payments through its ability to levy unlimited ad valorem property taxes. Pursuant to Kansas law, unpaid special assessments are collected in the same manner as property taxes and result in a lien on the property. Kansas statutes authorize the judicial sale of property in order to recover the unpaid taxes and special assessments.

The City has adopted Resolution No. 259-96 establishing a policy for the financing of certain public improvements and the levying of special assessments. Pursuant to the resolution, developers that utilize special assessment financing must provide a financial commitment in the form of either (a) funding (cash, cashier's check or escrow account) equal to 20% of the estimated principal costs of the project; or (b) financial guarantee (irrevocable letter of credit, corporate completion bond) equal to 35% of the estimated principal costs of the project. The financial guarantee is to be applied to satisfy unpaid principal and interest costs of bonded public improvements, should any applicable special assessments not be paid when due. The financial guarantee is released when certificates of occupancy are issued for at least 35% of the benefitting properties, or five years from the issuance date of the guarantee, whichever occurs sooner.

Special Assessment Collection Record. The following table shows the amount of special assessments levied and collected for each of the years indicated. Special assessments are spread on benefited real estate with the general property tax levy in November of each year.

<u>Tax Year</u>	<u>Total Assessment</u>	Total Collections (Including Prior Years' Delinquencies)	
		<u>Amount</u>	<u>Percentage</u>
2025	\$2,557,437	\$ 135,154 ⁽¹⁾	5.28%
2024	1,621,644	1,605,724	99.02%
2023	1,563,866	1,539,921	98.47%
2022	1,637,805	1,644,966	100.44%
2021	1,737,253	1,770,799	101.93%

⁽¹⁾ Collections as of December 5, 2025.

Source: County Clerk

Pension and Employee Retirement Plans

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

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

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

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

- (a) *State/School Group* - includes members employed by the State, school districts, community colleges, vocational-technical schools and educational cooperatives. The State of Kansas makes all employer contributions for this group, the majority of which comes from the State General Fund.
- (b) *Local Group* - all participating cities, counties, library boards, water districts and political subdivisions are included in this group. Local employers contribute at a different rate than the State/School Group rate.

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

The City's contribution varies from year to year based upon the annual actuarial valuation and appraisal made by KPERS, subject to legislative caps on percentage increases. The City's contribution is 9.26% of the employee's gross salary for calendar year 2024, and is projected to change to 9.71% of the employee's gross salary for calendar year 2025. In addition, the City contributes 1% of the employee's gross salary for Death and Disability Insurance for covered employees.

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

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

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

History of Employment

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

<u>Year</u>	<u>Total Full- Time Employees</u>	<u>Total Part- Time Employees</u>	<u>Total</u>
2025	53	4	57
2024	52	3	55
2023	47	10	57
2022	43	11	54
2021	35	12	47

Source: City Clerk

Risk Management

The City is insured against the risks arising from general liability by Employer’s Mutual Company and employee medical coverage by Blue Cross & Blue Shield of Kansas.

ISSUER'S AUTHORITY TO INCUR DEBT

Equalized Assessed Valuation of Tangible Valuation for Computation of Bonded Debt Limitations ⁽¹⁾	\$153,681,770
Legal limitation of Bonded Debt ⁽²⁾	\$46,104,531
Outstanding general obligation debt anticipated as of December 2, 2026 ⁽³⁾	\$87,535,000
Exempt Debt	\$61,342,115
Net Debt against Statutory Debt limit capacity	\$26,192,885
Additional debt capacity	\$19,911,646
Direct debt per capita (population 7,853)	\$11,147
Overlapping Indebtedness	\$18,353,098
Direct and overlapping debt	\$105,888,098
Direct and overlapping debt per capita	\$13,484
Direct debt as a percentage of Equalized Assessed Valuation	56.96%
Direct and overlapping debt as a percentage of Equalized Assessed Valuation	68.90%
Statutory direct debt as a percentage of Equalized Assessed Valuation	17.04%

⁽¹⁾ The preliminary assessed value of all tangible taxable property within the City. Also includes the taxable value of motor vehicles within the City. See K.S.A. 10-301 *et seq.*

⁽²⁾ See K.S.A. 10-301 *et seq.*

DEBT STRUCTURE OF THE ISSUER

Overlapping Indebtedness

The following table sets forth overlapping indebtedness as of December 2, 2026 and the percent attributable (on the basis of assessed valuation not including motor vehicle valuation) to the City:

<u>Taxing Jurisdiction</u>	<u>2025 Assessed Valuation</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Percent Applicable to The City</u>	<u>Amount Applicable to The City</u>
Sedgwick County	\$7,546,656,630	\$57,250,000	1.85%	\$ 1,061,283
U.S.D. No. 266	801,556,269	99,075,000	17.45%	<u>17,291,814</u>
TOTAL				\$18,353,098

Source: County Clerk

Current Indebtedness of the City

The following tables sets forth as of the issue date of the Bonds all of the outstanding obligations of the City:

GENERAL OBLIGATION BONDS (As of December 2, 2026)

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>	<u>Amount Included In Debt Limitation</u>
General Obligation Refunding & Improvement Bonds	2018A	10/01/2038	\$ 5,545,000	\$ 2,405,000	\$ 848,243
General Obligation Refunding & Improvement Bonds	2019A	10/01/2034	6,275,000	2,845,000	887,218
General Obligation Refunding Bonds	2020A	10/01/2035	2,640,000	1,635,000	470,390
General Obligation Bonds	2021A	10/01/2041	4,240,000	3,335,000	1,470,818
General Obligation Refunding Bonds	2021B	10/01/2036	3,375,000	1,825,000	447,490
General Obligation Bonds	2023A	10/01/2044	2,740,000	2,560,000	786,194
General Obligation Bonds	2024A	10/01/2045	15,095,000	14,615,000	3,285,017
General Obligation Bonds	2025A	10/01/2046	13,810,000	13,810,000	2,694,987
General Obligation Bonds	2026A	10/01/2046	16,980,000	<u>16,980,000</u>	<u>7,049,528</u>
TOTAL				\$60,010,000	\$17,939,885

TEMPORARY NOTES
(As of December 2, 2026)

Description of Indebtedness	Series	Maturity Date	Original Amount	Amount Outstanding	Amount Included In Debt Limitation
General Obligation Temporary Notes	2024A	10/01/2027	10,680,000	\$ 5,175,000	\$1,631,563
General Obligation Temporary Notes	2025A	10/01/2028	7,130,000	6,065,000	1,979,856
General Obligation Temporary Notes	2026A	10/01/2028	12,070,000	11,770,000	3,656,583
General Obligation Temporary Notes	2026B	10/01/2029	4,515,000	4,515,000	984,998
TOTAL				\$27,525,000	\$8,253,000

CERTIFICATES OF PARTICIPATION

As of December 2, 2026, the City had no certificates of participation outstanding.

REVENUE BONDS OUTSTANDING
(As of December 2, 2026)

Description of Indebtedness	Series	Maturity Date	Original Amount	Amount Outstanding
Water Utility System Revenue Bonds	2014A	10/01/2038	\$ 285,000	\$ 200,000
Wastewater Utility System Revenue Bonds	2014A	10/01/2038	995,000	670,000
Water Utility System Refunding Revenue Bonds	2016A	08/01/2031	4,125,000	1,545,000
Water Utility System Revenue Bonds	2026A	10/01/2046	7,120,000	7,120,000
TOTAL				\$9,535,000

CAPITAL LEASE OBLIGATIONS

As of December 2, 2026, the City had no capital lease obligations outstanding.

LOAN OBLIGATIONS
(As of December 2, 2026)

Description	Year	Maturity Date	Original Amount	Amount Outstanding
KDHE Sewer Loan	2016	03/01/2038	\$6,100,000	\$3,816,442
KDHE Sewer Loan	2020	03/01/2042	2,500,000	1,994,238
TOTAL				\$5,810,680

PUBLIC BUILDING COMMISSION REVENUE BONDS OUTSTANDING
(As of December 2, 2026)

Description of Indebtedness	Series	Maturity Date	Original Amount	Amount Outstanding
Public Building Commission Refunding Revenue Bonds	2021A	05/01/2031	3,460,000	\$1,945,000

Debt Payment Record

The City has never been delinquent in any payments of its debt agreements.

Future Indebtedness

The City has applied for funding through KDHE's Kansas Water Pollution Control Revolving Fund for a wastewater treatment plant improvements project. The application is for a loan in the amount of \$9,600,000. The exact timing and scope of this project is still being discussed.

The City plans to periodically incur indebtedness in the form of temporary notes and general obligation bonds to finance at-large public improvements in accordance with its Capital Improvement Plan and to finance residential infrastructure projects which are anticipated to be repaid from special assessments upon benefitting property owners. Additionally, the City may complete issues to: 1) finance utility infrastructure needs with revenue bonds or other debt; 2) lease small equipment; and 3) refinance or refund outstanding debt as needed when sufficient savings can be achieved.

ECONOMIC INFORMATION CONCERNING THE CITY

Population Trends

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

<u>Year</u>	<u>County Population</u>	<u>City Population</u>
2025	538,433	7,853
2024	536,081	7,059
2023	528,469	6,802
2022	525,525	6,405
2020	523,824	5,735
2010	498,365	3,420

Source: State of Kansas – Division of Budget (2021-2024 data); U.S. Census Bureau (2010, 2020 data)

Labor Force

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

SEDGWICK COUNTY

<u>Average For Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
2025	277,374	265,967	11,407	4.1%
2024	273,618	262,880	10,738	3.9%
2023	258,378	250,768	7,613	2.9%
2022	255,813	247,806	8,007	3.1%
2021	255,086	243,391	11,695	4.6%

STATE OF KANSAS

<u>Average For Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
2025	1,572,150	1,512,600	59,550	3.8%
2024	1,545,790	1,490,553	55,237	3.6%
2023	1,510,988	1,470,936	40,052	2.7%
2022	1,504,932	1,464,834	40,098	2.7%
2021	1,495,665	1,447,323	48,342	3.2%

Currently, the Kansas Department of Labor estimates an unemployment rate of 4.7% for the County and 4.4% for the State of Kansas for the month of August 2026.

Source: Kansas Department of Labor

Retail Sales and Use Tax Collections

The following table lists the County's state sales and use tax collections for the years indicated:

<u>Year</u>	<u>Sales and Use Tax Collections</u>	<u>Per Capita Sales and Use Tax</u>
2025	\$824,258,433	\$1,508.75
2024	820,206,303	1,534.22
2023	833,909,688	1,607.64
2022	846,942,027	1,531.27
2021	762,214,079	1,360.99

Source: Kansas Statistical Abstract

Building Permits

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

<u>Year</u>	<u>Number of Permits Issued</u>		<u>Total Valuation of Permits</u>	
	<u>Residential</u>	<u>Non-Residential</u>	<u>Residential</u>	<u>Non-Residential</u>
2025	193	12	N/A	N/A
2024	229	6	\$73,179,611	\$10,655,595
2023	104	4	40,681,207	6,799,283
2022	240	15	54,038,967	8,214,504 ⁽¹⁾
2021	193	14	29,538,218	16,867,884

⁽¹⁾ Includes one permit for expansion of the City's Wastewater treatment plant totaling \$2,079,000.

Source: City Clerk

Oil Production

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

<u>Year</u>	<u>Oil Production</u>
2025	80,028
2024	79,237
2023	84,322
2022	91,176
2021	94,739

Source: Kansas Geological Survey

Financial and Banking Institutions

There are currently 38 banks, with 151 different branch locations, located in the County. During a five-year period, bank deposits of the County's banks are as follows:

<u>Year</u>	<u>Total Bank Deposits</u> (thousands of dollars)
2026	\$19,795,603
2025	19,104,000
2024	18,679,979
2023	19,077,135
2022	17,990,588

Source: FDIC

Personal Income Trends

The following table lists the County personal and per capita income and State of Kansas per capita income for the years indicated:

<u>Year</u>	<u>Sedgwick County Personal Income (\$000)</u>	<u>Sedgwick County Per Capita Income</u>	<u>State Per Capita Income</u>
2024	\$33,935,586	\$63,303	\$65,856
2023	32,480,499	61,642	66,115
2022	31,411,750	59,772	60,424
2021	30,231,865	57,173	58,924
2020	29,400,927	56,550	56,099

Source: U.S. Bureau of Economic Analysis

APPENDIX B

INFORMATION CONCERNING THE SYSTEM

GENERAL INFORMATION CONCERNING THE WATER UTILITY SYSTEM

General Information

The City's water system (the "Water System") consists of a water supply, storage tower and distribution network. The City has two production wells that supply water from the Equus Bed Aquifer. The City utilizes a 500,000-gallon elevated water tower as its primary water storage facility. Currently there are approximately 2,351 service connections and 415 fire hydrants supplied by the System. In anticipation of growth, the City is actively planning the addition of a third well and a 750,000 gallon elevated water tower.

Water Rate Structure

In anticipation of increasing demands and future upgrades to the Water System, the City implemented a new water rate structure, which became effective January 1, 2026. Customers will pay a Base Rate charge per Billing Period. Customers will also pay an additional charge for water usage that exceeds 2,999 gallons per Billing Period, and will be adjusted on an annual basis as set forth in **Table 1**.

Table 1: Water User Rates

Effective Date	Base Rate ⁽¹⁾		Rate per 1,000 gal. for 3,000 to 5,999 gal.	Rate per 1,000 gal. for 6,000 to 70,999 gal.	Rate per 1,000 gal. for 71,000 & more gal. used
January 1, 2026	3/4-inch & 5/8-inch meters	\$27.56	\$5.89	\$8.91	\$6.67
	1-inch meter	\$35.88			
	1 ½-inch meter	\$44.20			
	2-inch up to 3-inch mete	\$53.56			
	3-inch up to 4-inch meter	\$63.96			
	4-inch up to 6-inch meter	\$74.36			
	6-inch meter and above	\$84.76			
January 1, 2027	3/4-inch & 5/8-inch meters	\$28.66	\$6.12	\$9.27	\$6.93
	1-inch meter	\$37.32			
	1 ½-inch meter	\$45.97			
	2-inch up to 3-inch mete	\$55.70			
	3-inch up to 4-inch meter	\$66.52			
	4-inch up to 6-inch meter	\$77.33			
	6-inch meter and above	\$88.15			
January 1, 2028	3/4-inch & 5/8-inch meters	\$29.81	\$6.37	\$9.64	\$7.21
	1-inch meter	\$38.81			
	1 ½-inch meter	\$47.81			
	2-inch up to 3-inch mete	\$57.93			
	3-inch up to 4-inch meter	\$69.18			
	4-inch up to 6-inch meter	\$80.43			
	6-inch meter and above	\$91.68			
January 1, 2029	3/4-inch & 5/8-inch meters	\$31.00	\$6.62	\$10.03	\$7.50
	1-inch meter	\$40.36			
	1 ½-inch meter	\$49.72			
	2-inch up to 3-inch mete	\$60.25			
	3-inch up to 4-inch meter	\$71.95			
	4-inch up to 6-inch meter	\$83.64			
	6-inch meter and above	\$95.34			
January 1, 2030	3/4-inch & 5/8-inch meters	\$32.24	\$6.89	\$10.43	\$7.80
	1-inch meter	\$41.97			
	1 ½-inch meter	\$51.71			
	2-inch up to 3-inch mete	\$62.66			
	3-inch up to 4-inch meter	\$74.82			
	4-inch up to 6-inch meter	\$86.99			

	6-inch meter and above	\$99.16			
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⁽¹⁾ Includes 2,999 gallons of usage.

WATER SYSTEM'S DEBT STRUCTURE, FINANCIAL SUMMARY AND DEBT SERVICE COVERAGE

Current Revenue Obligations of the Water System

The following table lists the outstanding debt of the Water System as of December 2, 2026, all of which indebtedness constitute Parity Bonds:

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
Water Utility System Revenue Bonds	2014A	10/01/2038	\$ 285,000	\$ 200,000
Water Utility System Refunding Revenue Bonds	2016A	08/01/2031	4,125,000	1,545,000
Water Utility System Revenue Bonds*	2026A	10/01/2046	7,120,000	<u>7,120,000</u>
TOTAL				\$8,865,000

*subject to change

Financial Audit

The City operates the Water System on the accrual basis of accounting. The financial records of the Water System are reviewed annually by a firm of independent certified public accountants as part of the City's annual audit.

The financial information in the following table is derived from the annual financial statements of the Water System. No assurance can be given that operating results for future years will be comparable to operating results for the last five fiscal years.

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Cash Receipts					
Fees collected	\$1,419,250	\$1,659,427	\$1,717,113	\$1,946,658	\$1,880,056
Other Revenue	40,992	99,956	158,141	168,141	117,946
Total Cash Receipts	<u>\$1,460,242</u>	<u>\$1,759,383</u>	<u>\$1,875,254</u>	<u>\$2,114,799</u>	<u>\$1,998,002</u>
Expenditures					
Personnel services	\$ -	\$336,926	\$419,505	\$531,601	\$539,185
Operating expenses	489,432	258,341	281,477	351,211	344,612
Transfers out	542,814	997,966	1,105,000	755,000	763,639
Total Expenditures (excluding Debt Service)	<u>\$1,032,246</u>	<u>\$1,593,233</u>	<u>\$1,805,982</u>	<u>\$1,637,812</u>	<u>\$1,647,436</u>
Receipts Over (Under) Expenditures	\$427,996	\$166,150	\$69,272	\$476,987	\$350,566
Unencumbered Cash, Beginning	\$1,319,850	\$1,747,846	\$1,913,996	\$1,983,268	\$2,460,255
Unencumbered Cash, Ending	\$1,747,846	\$1,913,996	\$1,983,268	\$2,460,255	\$2,810,821

History of Debt Service Coverage

The following table summarizes information provided by the financial audits for the years indicated:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Net Revenues Available for Debt Service ⁽¹⁾	\$970,810	\$1,164,116	\$1,174,272	\$1,231,987	\$1,114,205
Annual Debt Service	\$350,894	\$ 347,994	\$ 349,944	\$ 347,944	\$ 347,144
Debt Service Coverage Ratio	2.77	3.35	3.36	3.54	3.21

⁽¹⁾ Transfers out are added back in for purposes of determining Net Revenues Available for Debt Service.

Forecasted System Financials and Debt Service Coverage

The Issuer forecasts the following financial projections and associated debt service coverage ratios for the Water System.

	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Cash Receipts				
Fees collected	\$1,755,025	\$1,887,075	\$2,025,506	\$2,174,930
Other Revenue	359,000	359,000	359,000	359,000
Total Cash Receipts	\$2,114,025	\$2,246,075	\$2,384,506	\$2,533,930
Expenditures				
Operating expenses	\$1,092,922	\$1,125,709	\$1,159,481	\$1,194,265
Total Expenditures (excluding Debt Service)	\$1,092,922	\$1,125,709	\$1,159,481	\$1,194,265
Receipts Over (Under) Expenditures	\$1,021,103	\$1,120,366	\$1,225,025	\$1,339,665
Net Revenues Available for Debt Service	\$1,021,103	\$1,120,366	\$1,225,025	\$1,339,665
Annual Debt Service	\$ 652,983	\$ 711,764	\$ 714,489	\$ 996,601
Debt Service Coverage Ratio	1.56	1.57	1.71	1.34

Debt Service Requirements of the System

The following table shows the debt service requirements for all Parity Bonds as of the Dated Date of the Series 2026A Bonds.

		<u>Series 2026A Bonds</u>		
<u>Year</u>	<u>Existing Parity Bonds⁽¹⁾</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
2027	\$354,631	\$ --	\$298,352	\$652,983
2028	352,544	--	359,220	711,764
2029	355,269	--	359,220	714,489
2030	352,381	285,000	359,220	996,601
2031	353,981	295,000	347,621	996,602
2032	19,925	310,000	335,231	665,156
2033	19,400	320,000	321,870	661,270
2034	18,800	335,000	307,790	661,590
2035	23,200	350,000	292,782	665,982
2036	22,400	365,000	276,752	664,152
2037	21,600	385,000	259,597	666,197
2038	20,800	400,000	240,886	661,686
2039	--	420,000	220,766	640,766
2040	--	445,000	199,094	644,094
2041	--	470,000	175,642	645,642
2042	--	490,000	150,544	640,544
2043	--	520,000	124,035	644,035
2044	--	545,000	95,695	640,695
2045	--	575,000	65,775	640,775
2046	--	610,000	33,977	643,977

⁽¹⁾ Represents total principal and interest of the Series 2014A and Series 2016A Water Revenue Bonds; does not take into account amounts in the respective bond reserve funds for each of the City's outstanding Parity Bonds. Per each respective Parity Bond Resolution, bond reserve funds are expected to pay the last outstanding bonds of the respective bonds for which the bond reserve fund was created, whether at maturity or earlier redemption.

Rate Covenants

The City has covenanted in the Bond Resolution to charge rates sufficient to assure profitable operation and timely repayment of debt.

Specifically, the City, in accordance with and subject to applicable legal requirements, will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce Revenues sufficient to: (a) pay the Expenses; (b) pay the Debt Service Requirements on the Bonds as and when the same become due at the Maturity thereof or on any Interest Payment

Date; (c) enable the Water System to have in each Fiscal Year, a Debt Service Coverage Ratio of not less than 1.25 on all Parity Bonds and Parity Obligations at the time Outstanding; and (d) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in the Bond Resolution. The Water System will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The Water System will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations under the provisions of the Bond Resolution. If in any Fiscal Year, Net Revenues are an amount less than as hereinbefore provided, the Water System will immediately employ a Consultant to make recommendations with respect to such rates and charges. The Water System shall, to the extent feasible, follow the recommendations of the Consultant.

APPENDIX C

FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

CITY OF MAIZE, KANSAS

FINANCIAL STATEMENT

December 31, 2025

CITY OF MAIZE, KANSAS
TABLE OF CONTENTS
December 31, 2025

	<u>Page Number</u>
Independent Auditor's Report	1 - 2
Statement 1	
Summary Statement of Cash Receipts, Expenditures and Unencumbered Cash Regulatory Basis	3
Notes to Financial Statement	4 - 11
Schedule 1	
Summary of Expenditures - Actual and Budget - Regulatory Basis	13
Schedule 2	
Schedule of Receipts and Expenditures - Actual and Budget - Actual	
General Fund	14
Special Highway	15
Capital Improvement	16
Maize Park Cemetery District	17
Equipment Reserve	18
Law Enforcement Training	19
Fight Addiction	20
Wastewater Reserve	21
Water Reserve	22
Water Bond Reserve	23
Wastewater Bond Reserve	24
Asset Forfeiture	25
Maize Public Building Commission	26
Convention and Tourism	27
Bond and Interest	28
Wastewater Treatment	29
Water	30
Capital Projects	31
Schedule 3	
Agency Funds	32



May 11, 2026

Mayor and Council Members
City of Maize, 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 Maize, 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 the 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.

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 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 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 MAIZE, 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	\$ 2,792,712	\$ -	\$ 8,282,221	\$ 6,917,304	\$ 4,157,629	\$ 30,896	\$ 4,188,525
Special Purpose Funds							
Special Highway	322,773	-	774,029	616,113	480,689	2,208	482,897
Capital Improvement	979,423	-	691,241	513,413	1,157,251	112,941	1,270,192
Maize Park Cemetery District	277,321	-	197,336	90,868	383,789	351	384,140
Equipment Reserve	541,459	-	690,651	493,841	738,269	-	738,269
Law Enforcement Training	20,110	-	11,339	14,667	16,782	-	16,782
Fight Addiction	20,644	-	9,954	4,069	26,529	-	26,529
Wastewater Reserve	392,733	-	173,728	134,556	431,905	-	431,905
Water Reserve	542,529	-	9,776	184,555	367,750	-	367,750
Water Bond Reserve	282,189	-	6,134	-	288,323	-	288,323
Wastewater Bond Reserve	76,458	-	1,662	-	78,120	-	78,120
Asset Forfeiture	5,353	-	-	4,716	637	-	637
Maize Public Building Commission	26	-	-	-	26	-	26
Convention and Tourism	284,927	-	136,725	84,051	337,601	-	337,601
Bond and Interest Fund	1,726,523	-	3,654,846	3,929,730	1,451,639	-	1,451,639
Capital Projects	10,833,191	-	6,579,283	10,562,154	6,850,320	-	6,850,320
Business Funds							
Wastewater Treatment Fund	2,092,715	-	1,741,775	1,472,834	2,361,656	4,482	2,366,138
Water	2,460,255	-	1,998,002	1,647,436	2,810,821	4,414	2,815,235
Total Reporting Entity	\$ 23,651,341	\$ -	\$ 24,958,702	\$ 26,670,307	\$ 21,939,736	\$ 155,292	\$ 22,095,028

Composition of Cash

Checking	\$ 2,034,029
Money Market	20,191,422
Total Primary Government	\$ 22,225,451
Agency Funds	(130,423)
Total Reporting Entity	\$ 22,095,028

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2025

Note 1: Summary of Significant Accounting Policies

The City of Maize, Kansas (the City), is a municipal corporation governed by an elected five-member Council and Mayor. The financial statement presents the City 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.

Maize Public Building Commission

The Maize Public Building Commission performs functions related to the issuance and repayment of debt for the City. The governing body of the related municipal entity is appointed by the governing body of the City. During the year ended December 31, 2025, the City made payments to the Maize Public Building Commission for the purpose of debt service, for which a portion of the payment was paid by the Maize Recreation Commission according to the agreement.

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 - Bond and interest fund is used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Funds – Capital Project Funds are 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 Funds - Business funds are used to account for funds financed in whole or in part by fees charged to users of the goods or services.

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

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.

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2025

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 Council 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 statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget.

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the City is holding a revenue neutral rate hearing, the public hearing shall be 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 fund: Capital Improvements.

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 City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Water Bond Reserve
Asset Forfeiture

Wastewater Bond Reserve
Maize Public Building Commission

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.

Special Assessments

Projects financed in part by special assessments are financed through the issuance of general obligation bonds which are secured in full by the City and are retired from the City's bond and interest fund. Further, state statutes permit the levying of additional general ad valorem property taxes in the City's bond and interest fund to finance delinquent special assessments. Special assessment taxes are levied over a fifteen or twenty year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears.

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2025

Note 2: Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all City employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or beneficiary) the property and rights of the plan (without being restricted to the provision of benefits under the plan), subject only to the claims of the plan's general creditors. Participants' rights under the plan are equal to those of general creditors of the plan in an amount equal to the fair market value of the deferred account for each participant.

Note 3: Compensated Absences

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the City to record vacation and sick leave benefits as expenditures when paid.

Note 4: 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. Effective January 1, 2026, K.S.A. 9-1402 authorizes financial institutions to secure deposits of public moneys of governmental units through the Kansas Collateral Pool (public moneys pooled method as defined by 2025 Senate Substitute for House Bill 2152). 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, except during designated "peak periods" when coverage is 50%. The City does not utilize "peak periods". All deposits were legally secured at December 31, 2025.

As of December 31, 2025, the City's carrying amount of the deposits was \$22,225,451 and the bank balance was \$22,398,405. The bank balance was held by one bank. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining balance was collateralized with a line of credit and securities held by the pledging financial institutions' agents in the City's name.

Note 5: Maize Public Building Commission

As described in Note 1, the Maize Public Building Commission (MPBC) is a related municipal entity of the City. As of December 31, 2025, all funds of the MPBC were held in trust by Security Bank of Kansas City in a money market bank account. All funds are received by Security Bank of Kansas City and disbursed as appropriate in accordance with a Trust Agreement between the MPBC and Security Bank of Kansas City.

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2025

Note 6: Reimbursed Expenditures

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

Note 7: Contingencies

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; injuries to employees; and natural disasters. The City carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Grant Programs

The City participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Note 8: 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 the 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. The City did not provide any significant postemployment benefits for former employees at December 31, 2025.

Note 9: Interfund Transactions

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General	Special Highway	12-1,119	\$ 470,000
General	Equipment Reserve	12-1,117	525,000
General	Capital Improvements	12-1, 118	450,000
Wastewater Treatment	Bond and Interest	12-825d	201,728
Wastewater Treatment	Equipment Reserve	12-825d	58,192
Water	Bond and Interest	12-825d	705,445
Water	Equipment Reserve	12-825d	58,194
Wastewater Reserve	Bond and Interest	12-825d	100,000
Capital Projects	Bond and Interest	12-825d	60,926
			<u>\$ 2,629,485</u>

Note 10: Compliance with Statutes

We noted no material violations of Kansas Statutes during the period under examination.

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2025

Note 11: Subsequent Events

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

Note 12: Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
Nicks 3rd Addition Ph1	\$ 1,934,000	\$ 2,800,881
P&R 2nd Addition	3,900,000	2,663,091
Arvada Addition Ph 1	1,817,000	2,023,453
Woodard Property Purchase	375,000	355,967
Fox Creek Addition	2,495,000	1,961,252
Eagles Nest 2nd Ph3	1,352,875	1,049,640
Cranor	4,617,000	2,874,294
Woodard Addition Ph 4	302,000	344,985
Nicks 3rd Addition Ph 2	1,412,000	1,046,729
Heights at Maize	2,859,000	2,248,707
Nicks 3rd Addition - Sewer Main	390,000	353,540
Coves Add Ph 2	2,778,000	2,477,717
119th Addition	4,052,000	3,433,623
Hampton Lakes 3rd	350,000	43,991
Woodard 2nd Add Ph 1	2,236,000	1,882,721
Eagles Nest 2nd Ph 4	842,000	723,238
Charlotte Pipe	1,569,772	1,359,023
Woodard 2nd Add Ph 2	651,000	525,643
Skycrest 2nd Addition	120,400	112,228
Eagleview Garage Condo	185,000	175,022
Ark Church	812,400	64,709
Stoneridge	270,092	19,611
Addis Woods	4,198,000	852,844
Eagle View Estates 2	2,644,000	69,252
Arvada Addition Ph 2	2,078,000	-
	<u>\$ 44,240,539</u>	<u>\$ 29,462,161</u>

Note 13: 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.kspers.gov or by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, KS 66503) or by calling 1-888-275-5737.

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2025

Note 13: Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

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 KPERS and 24.67% for KP&F for fiscal year ended December 31, 2025. Contributions to the pension plan from the City were \$204,005 for KPERS and \$362,606 for KP&F 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 \$1,496,310 and \$2,956,990 for KP&F. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report, including all actuarial assumption 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.kspers.gov or can be obtained as described above.

Note 14: Sublease Agreement

The City has entered into a sublease agreement with the Maize Recreation Commission for use of a portion of the City Hall building. Terms of the sublease agreement provide for payments by the Maize Recreation Commission based on the debt service schedule related to the Maize Public Building Commission Improvement Bonds. Future minimum payments under this agreement are as follows:

<u>Year Ending December 31</u>		
2026	\$	161,856
2027		167,451
2028		174,261
2029		181,208
2030		187,401
Thereafter		95,402
	<u>\$</u>	<u>967,579</u>

Note 15: Revenue Bond Reserve Requirements

The City issued revenue bonds for the purpose of constructing a water distribution system and a wastewater treatment system.

Provisions of the bond ordinance make the following requirement for the Wastewater Treatment and Water Funds to assure profitable operation and timely repayment of debt by the establishment of rates that will produce revenues sufficient to:

- a. Pay the cost of the operation and maintenance of the System.
- b. Pay the principal and interest on the revenue bonds as and when the same become due.
- c. Enable the City to have in each fiscal year net revenues in an amount that will be not less than 110% of the debt service requirements required to be paid by the City for the current fiscal year on all Wastewater Fund and Water Fund revenue bonds at the time outstanding. For 2025, 110% of the debt service payments for the current fiscal year were \$381,858 for the water system and \$77,633 for the wastewater treatment system, while net revenues as calculated per the covenant were \$1,114,205 and \$528,861, respectively.
- d. Provide reasonable and adequate reserves for the payment of the bonds and the interest thereon.

Note 16: Compliance with Revenue Bond Ordinance

The financial statement, together with the description of the revenue bond requirements in Note 15, indicate the Water Fund and the Wastewater Treatment Fund did meet all requirements for reserves and debt service, and the current rate structure does appear to have been adequate in 2025, to meet the requirements of K.S.A. 12-866 and K.S.A. 10-1208, as applicable.

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2025

Note 17: Changes in Long-Term Debt

Following is a summary of long-term debt transactions of the City for the year:

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 2018-A	2.00 - 3.40%	09/25/18	\$ 5,545,000	10/01/38	\$ 3,110,000	\$ -	\$ 355,000	\$ (355,000)	\$ 2,755,000	\$ 90,205
Series 2019-A	2.00 - 2.50%	09/30/19	6,275,000	10/01/34	3,935,000	-	535,000	(535,000)	3,400,000	84,050
Series 2020-A	1.00 - 1.40%	09/01/20	2,640,000	10/01/35	1,980,000	-	170,000	(170,000)	1,810,000	21,670
Series 2021-A	1.00 - 3.00%	08/04/21	4,240,000	10/01/41	3,720,000	-	190,000	(190,000)	3,530,000	68,685
Series 2021-B	1.00 - 2.00%	08/04/21	3,375,000	10/01/36	2,480,000	-	325,000	(325,000)	2,155,000	37,058
Series 2023-A	4.00 - 5.00%	09/28/23	2,740,000	12/31/44	2,740,000	-	90,000	(90,000)	2,650,000	116,668
Series 2024-A	5.000%	08/28/24	15,095,000	10/01/45	15,095,000	-	-	-	15,095,000	695,951
Series 2025-A	4.00 - 5.00%	08/26/25	13,810,000	10/01/46	-	13,810,000	-	13,810,000	13,810,000	-
Total General Obligation Bonds					<u>\$ 33,060,000</u>	<u>\$ 13,810,000</u>	<u>\$ 1,665,000</u>	<u>\$ 12,145,000</u>	<u>\$ 45,205,000</u>	<u>\$ 1,114,287</u>
Revenue Bonds										
Water System Series 2014A	2.50 - 4.00%	10/29/14	\$ 285,000	10/1/38	\$ 225,000	\$ -	\$ 10,000	\$ (10,000)	\$ 215,000	\$ 8,225
Wastewater System Series 2014A	2.50 - 4.00%	10/29/14	995,000	10/1/38	755,000	-	40,000	(40,000)	715,000	26,675
Water System Refunding Series 2016A	2.00 - 3.00%	07/01/16	4,125,000	8/1/31	2,115,000	-	280,000	(280,000)	1,835,000	48,919
Total Revenue Bonds					<u>\$ 3,095,000</u>	<u>\$ -</u>	<u>\$ 330,000</u>	<u>\$ (330,000)</u>	<u>\$ 2,765,000</u>	<u>\$ 83,819</u>
Revolving Loan										
Wastewater Treatment Plant	1.74%	09/01/16	\$ 6,065,906	3/1/38	\$ 4,405,974	\$ -	\$ 292,213	\$ (292,213)	\$ 4,113,761	\$ 75,398
KDHE Revolving Loan	1.34%	09/01/22	2,500,000	3/1/42	2,092,038	-	103,504	(103,504)	1,988,534	27,688
					<u>\$ 6,498,012</u>	<u>\$ -</u>	<u>\$ 395,717</u>	<u>\$ (395,717)</u>	<u>\$ 6,102,295</u>	<u>\$ 103,086</u>
Maize Public Building Commission										
2015-A Improvement Revenue Bonds	1.00 - 2.125%	10/01/15	\$ 1,050,000	10/01/25	\$ 115,000	\$ -	\$ 115,000	\$ (115,000)	\$ -	\$ 2,444
2021-A Refunding Bonds	1.00 - 1.25%	07/08/21	3,405,000	05/01/31	2,585,000	-	310,000	(310,000)	2,275,000	15,286
Total Maize Public Building Commission					<u>\$ 2,700,000</u>	<u>\$ -</u>	<u>\$ 425,000</u>	<u>\$ (425,000)</u>	<u>\$ 2,275,000</u>	<u>\$ 17,730</u>
Temporary Notes										
Series 2022-B	2.13%	04/05/22	\$ 9,210,000	09/01/25	\$ 8,830,000	\$ -	\$ 8,830,000	\$ (8,830,000)	\$ -	\$ 187,638
Series 2023-A	4.19%	04/06/23	9,635,000	12/31/26	9,635,000	-	5,095,000	(5,095,000)	4,540,000	385,916
Series 2023-B	4.00%	11/28/23	11,830,000	12/31/26	11,830,000	-	430,000	(430,000)	11,400,000	470,238
Series 2024-A	4.00%	06/20/24	10,680,000	10/01/27	10,680,000	-	-	-	10,680,000	427,200
Series 2025-A	3.00%	07/29/25	7,130,000	10/01/28	-	7,130,000	-	7,130,000	7,130,000	-
Total Temporary Notes					<u>\$ 40,975,000</u>	<u>\$ 7,130,000</u>	<u>\$ 14,355,000</u>	<u>\$ (7,225,000)</u>	<u>\$ 33,750,000</u>	<u>\$ 1,470,992</u>
Total Long-Term Debt					<u>\$ 86,328,012</u>	<u>\$ 20,940,000</u>	<u>\$ 17,170,717</u>	<u>\$ 3,769,283</u>	<u>\$ 90,097,295</u>	<u>\$ 2,789,914</u>

CITY OF MAIZE, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2025

Note 17: 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	Total
Principal										
General Obligation Bonds	\$ 2,175,000	\$ 2,685,000	\$ 2,655,000	\$ 2,275,000	\$ 2,380,000	\$ 11,700,000	\$ 9,920,000	\$ 10,405,000	\$ 1,010,000	\$ 45,205,000
Revenue Bonds	350,000	355,000	360,000	375,000	380,000	685,000	260,000	-	-	2,765,000
Revolving Loan	402,214	408,820	415,536	422,364	429,305	2,254,745	1,511,264	258,047	-	6,102,295
Maize Public Building Commission	330,000	345,000	370,000	390,000	410,000	430,000	-	-	-	2,275,000
Temporary Notes	15,940,000	10,680,000	7,130,000	-	-	-	-	-	-	33,750,000
Total Principal	\$ 19,197,214	\$ 14,473,820	\$ 10,930,536	\$ 3,462,364	\$ 3,599,305	\$ 15,069,745	\$ 11,691,264	\$ 10,663,047	\$ 1,010,000	\$ 90,097,295
Interest and Service Fees										
General Obligation Bonds	\$ 1,706,447	\$ 1,583,297	\$ 1,494,945	\$ 1,412,348	\$ 1,336,696	\$ 5,428,652	\$ 3,485,826	\$ 1,528,855	\$ 45,450	\$ 18,022,516
Revenue Bonds	76,819	68,967	60,531	51,906	42,395	103,095	21,000	-	-	424,713
Revolving Loan	96,589	89,982	83,266	76,438	69,498	239,263	63,718	4,337	-	723,091
Maize Public Building Commission	23,385	20,010	16,435	12,440	7,835	2,688	-	-	-	82,793
Temporary Notes	1,554,844	641,100	213,900	-	-	-	-	-	-	2,409,844
Total Interest and Service Fees	\$ 3,458,084	\$ 2,403,356	\$ 1,869,077	\$ 1,553,132	\$ 1,456,424	\$ 5,773,698	\$ 3,570,544	\$ 1,533,192	\$ 45,450	\$ 21,662,957
Total Principal and Interest	\$ 22,655,298	\$ 16,877,176	\$ 12,799,613	\$ 5,015,496	\$ 5,055,729	\$ 20,843,443	\$ 15,261,808	\$ 12,196,239	\$ 1,055,450	\$ 111,760,252

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

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

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (under)</u>
Governmental Funds					
General	\$ 8,782,218	\$ -	\$ 8,782,218	\$ 6,917,304	\$ (1,864,914)
Special Purpose Funds					
Special Highway	666,980	-	666,980	616,113	(50,867)
Capital Improvement	975,000	-	975,000	513,413	(461,587)
Maize Park Cemetery District	341,514	-	341,514	90,868	(250,646)
Equipment Reserve	651,907	-	651,907	493,841	(158,066)
Law Enforcement Training	18,000	-	18,000	14,667	(3,333)
Fight Addiction	10,750	-	10,750	4,069	(6,681)
Wastewater Reserve	100,000	34,556	134,556	134,556	-
Water Reserve	150,000	34,555	184,555	184,555	-
Convention and Tourism	100,000	-	100,000	84,051	(15,949)
Bond and Interest	4,098,582	-	4,098,582	3,929,730	(168,852)
Business					
Wastewater Treatment	1,538,987	-	1,538,987	1,472,834	(66,153)
Water	1,674,688	-	1,674,688	1,647,436	(27,252)
Totals	<u>\$ 19,108,626</u>	<u>\$ 69,111</u>	<u>\$ 19,177,737</u>	<u>\$ 16,103,437</u>	<u>\$ (3,074,300)</u>

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

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem tax	\$ 3,855,940	\$ 3,913,344	\$ (57,404)
Motor vehicle tax	408,167	346,831	61,336
Delinquent tax	59,822	25,000	34,822
Sales tax	1,724,385	1,500,000	224,385
Liquor tax	2,866	2,551	315
Franchise tax	697,354	657,000	40,354
Municipal court	143,953	136,500	7,453
Permits and licenses	358,362	214,500	143,862
Community building rental	10,050	7,500	2,550
Amphitheater rental	-	500	(500)
911 camp revenue	3,755	-	3,755
Planning and zoning revenue	6,975	5,000	1,975
Fireworks permit	18,000	20,000	(2,000)
Interest	166,624	5,000	161,624
Miscellaneous	825,968	7,500	818,468
Total Cash Receipts	<u><u>\$ 8,282,221</u></u>	<u><u>\$ 6,841,226</u></u>	<u><u>\$ 1,440,995</u></u>
EXPENDITURES			
City Council	\$ 57,813	\$ 75,112	\$ (17,299)
Administration	1,190,308	1,190,340	(32)
Police Department	2,308,103	2,419,509	(111,406)
Municipal Court	217,948	230,498	(12,550)
Community Facilities	194,223	215,859	(21,636)
Planning Commission	90,545	95,236	(4,691)
Non-Departmental			
Employee benefits	420	3,750	(3,330)
Utilities	33,768	40,000	(6,232)
Building inspections	159,776	140,200	19,576
Audit	16,800	25,000	(8,200)
Economic development	48,000	20,000	28,000
City Hall and Public Works lease payments	322,699	321,044	1,655
Housing grant	120,526	280,000	(159,474)
Commercial grant	-	50,000	(50,000)
Tech support	198,240	230,120	(31,880)
Miscellaneous	513,135	-	513,135
Transfers out	1,445,000	1,445,000	-
Cash reserve	-	2,000,550	(2,000,550)
Total Expenditures	<u><u>\$ 6,917,304</u></u>	<u><u>\$ 8,782,218</u></u>	<u><u>\$ (1,864,914)</u></u>
RECEIPTS OVER (UNDER) EXPENDITURES	<u><u>\$ 1,364,917</u></u>		
UNENCUMBERED CASH - JANUARY 1	<u><u>2,792,712</u></u>		
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 4,157,629</u></u>		

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

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
State gas tax	\$ 187,686	\$ 133,500	\$ 54,186
County gas tax	83,024	58,910	24,114
Interest	8,054	-	8,054
Miscellaneous	25,265	-	25,265
Transfers in	470,000	470,000	-
Total Cash Receipts	<u>\$ 774,029</u>	<u>\$ 662,410</u>	<u>\$ 111,619</u>
EXPENDITURES			
Personnel services	\$ 319,560	\$ 386,406	\$ (66,846)
Operating expenses	296,553	280,574	15,979
Total Expenditures	<u>\$ 616,113</u>	<u>\$ 666,980</u>	<u>\$ (50,867)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 157,916		
UNENCUMBERED CASH - JANUARY 1	<u>322,773</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 480,689</u>		

CITY OF MAIZE, KANSAS
CAPITAL IMPROVEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
CASH RECEIPTS			
Interest	\$ 48,051	\$ 6,000	\$ 42,051
Miscellaneous	193,190	125,000	68,190
Transfers in	450,000	450,000	-
Total Cash Receipts	<u>\$ 691,241</u>	<u>\$ 581,000</u>	<u>\$ 110,241</u>
EXPENDITURES			
Street improvements	\$ 219,701	\$ 450,000	\$ (230,299)
Sidewalks	26,655	50,000	(23,345)
Park improvements	20,825	75,000	(54,175)
Academy arts district improvements	246,232	400,000	(153,768)
Total Expenditures	<u>\$ 513,413</u>	<u>\$ 975,000</u>	<u>\$ (461,587)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 177,828		
UNENCUMBERED CASH - JANUARY 1	<u>979,423</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 1,157,251</u>		

CITY OF MAIZE, KANSAS
MAIZE PARK CEMETERY DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Ad valorem tax	\$ 86,901	\$ 87,836	\$ (935)
Delinquent taxes	754	-	754
Motor vehicle taxes	9,514	8,072	1,442
Plot fees	72,705	15,000	57,705
Internments	10,600	8,000	2,600
Memorial permit fees	1,675	1,000	675
Interest	14,828	5,000	9,828
Miscellaneous	359	200	159
Total Cash Receipts	<u>\$ 197,336</u>	<u>\$ 125,108</u>	<u>\$ 72,228</u>
EXPENDITURES			
Personnel services	\$ 23,670	\$ 38,927	\$ (15,257)
Operating expenses	56,235	40,745	15,490
Capital outlay	10,963	70,000	(59,037)
Cash forward	-	191,842	(191,842)
Total Expenditures	<u>\$ 90,868</u>	<u>\$ 341,514</u>	<u>\$ (250,646)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 106,468		
UNENCUMBERED CASH - JANUARY 1	<u>277,321</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 383,789</u>		

CITY OF MAIZE, KANSAS
EQUIPMENT RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Interest	\$ 27,445	\$ -	\$ 27,445
Reimbursements	21,820	35,000	(13,180)
Transfers in	641,386	641,386	-
Total Cash Receipts	<u>\$ 690,651</u>	<u>\$ 676,386</u>	<u>\$ 14,265</u>
EXPENDITURES			
Contractual services	\$ 62,088	\$ -	\$ 62,088
Capital outlay	431,753	651,907	(220,154)
Total Expenditures	<u>\$ 493,841</u>	<u>\$ 651,907</u>	<u>\$ (158,066)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 196,810		
UNENCUMBERED CASH - JANUARY 1	<u>541,459</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 738,269</u>		

CITY OF MAIZE, KANSAS
LAW ENFORCEMENT TRAINING
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Training receipts	\$ 10,922	\$ 12,000	\$ (1,078)
Interest	417	300	117
Total Cash Receipts	<u>\$ 11,339</u>	<u>\$ 12,300</u>	<u>\$ (961)</u>
 EXPENDITURES			
Training expenses	<u>\$ 14,667</u>	<u>\$ 18,000</u>	<u>\$ (3,333)</u>
 RECEIPTS OVER (UNDER) EXPENDITURES	 \$ (3,328)		
 UNENCUMBERED CASH - JANUARY 1	 <u>20,110</u>		
 UNENCUMBERED CASH - DECEMBER 31	 <u>\$ 16,782</u>		

CITY OF MAIZE, KANSAS
FIGHT ADDICTION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Settlement distributions	\$ 9,488	\$ 3,500	\$ 5,988
Interest	466	25	441
Total Cash Receipts	<u>\$ 9,954</u>	<u>\$ 3,525</u>	<u>\$ 6,429</u>
EXPENDITURES			
D.A.R.E. program	<u>\$ 4,069</u>	<u>\$ 10,750</u>	<u>\$ (6,681)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 5,885		
UNENCUMBERED CASH - JANUARY 1	<u>20,644</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 26,529</u>		

CITY OF MAIZE, KANSAS
WASTEWATER RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Fees	\$ 165,248	\$ 140,000	\$ 25,248
Interest	8,480	-	8,480
Total Cash Receipts	<u>\$ 173,728</u>	<u>\$ 140,000</u>	<u>\$ 33,728</u>
EXPENDITURES			
Contractual services	\$ 2,262	\$ -	\$ 2,262
Capital outlay	32,294	-	32,294
Transfers out	100,000	100,000	-
Total Expenditures	<u>\$ 134,556</u>	<u>\$ 100,000</u>	<u>\$ 34,556</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 39,172		
UNENCUMBERED CASH - JANUARY 1	<u>392,733</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 431,905</u>		

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

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Interest	\$ 9,776	\$ -	\$ 9,776
EXPENDITURES			
Contractual services	\$ 10,108	\$ -	\$ 10,108
Commodities	142,154	-	142,154
Capital outlay	32,293	150,000	(117,707)
Total Expenditures	<u>\$ 184,555</u>	<u>\$ 150,000</u>	<u>\$ 34,555</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (174,779)		
UNENCUMBERED CASH - JANUARY 1	<u>542,529</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 367,750</u>		

CITY OF MAIZE, KANSAS
WATER BOND RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS	
Interest	<u>\$ 6,134</u>
EXPENDITURES	<u>\$ -</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 6,134
UNENCUMBERED CASH - JANUARY 1	<u>282,189</u>
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 288,323</u></u>

CITY OF MAIZE, KANSAS
WASTEWATER BOND RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS	
Interest	<u>\$ 1,662</u>
EXPENDITURES	<u>\$ -</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 1,662
UNENCUMBERED CASH - JANUARY 1	<u>76,458</u>
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 78,120</u></u>

CITY OF MAIZE, KANSAS
ASSET FORFEITURE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS	
Miscellaneous	\$ -
EXPENDITURES	
Commodities	\$ 4,716
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (4,716)
UNENCUMBERED CASH - JANUARY 1	5,353
UNENCUMBERED CASH - DECEMBER 31	\$ 637

CITY OF MAIZE, KANSAS
MAIZE PUBLIC BUILDING COMMISSION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS	
Investment income	\$ -
EXPENDITURES	
Debt service	\$ -
RECEIPTS OVER (UNDER) EXPENDITURES	\$ -
UNENCUMBERED CASH - JANUARY 1	<u>26</u>
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 26</u></u>

CITY OF MAIZE, KANSAS
CONVENTION AND TOURISM
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Transient guest tax	\$ 129,676	\$ 100,000	\$ 29,676
Interest	7,049	-	7,049
Total Cash Receipts	<u>\$ 136,725</u>	<u>\$ 100,000</u>	<u>\$ 36,725</u>
 EXPENDITURES			
Contractual services	\$ 46,651	\$ -	\$ 46,651
Capital outlay	37,400	100,000	(62,600)
Total Expenditures	<u>\$ 84,051</u>	<u>\$ 100,000</u>	<u>\$ (15,949)</u>
 RECEIPTS OVER (UNDER) EXPENDITURES	\$ 52,674		
 UNENCUMBERED CASH - JANUARY 1	<u>284,927</u>		
 UNENCUMBERED CASH - DECEMBER 31	<u>\$ 337,601</u>		

CITY OF MAIZE, KANSAS
BOND AND INTEREST
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	\$ 339,719	\$ 344,788	\$ (5,069)
Delinquent taxes	1,474	-	1,474
Motor vehicle taxes	10,993	9,379	1,614
Special assessments	1,617,393	1,620,908	(3,515)
Interest	79,492	40,000	39,492
Bond proceeds	537,676	-	537,676
Transfers in	1,068,099	1,007,173	60,926
Total Cash Receipts	<u>\$ 3,654,846</u>	<u>\$ 3,022,248</u>	<u>\$ 632,598</u>
EXPENDITURES			
Debt service - Principal	\$ 2,390,716	\$ 2,400,720	\$ (10,004)
Debt service - Interest	1,539,014	606,962	932,052
Cash basis reserve	-	1,090,900	(1,090,900)
Total Expenditures	<u>\$ 3,929,730</u>	<u>\$ 4,098,582</u>	<u>\$ (168,852)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (274,884)		
UNENCUMBERED CASH - JANUARY 1	<u>1,726,523</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 1,451,639</u>		

CITY OF MAIZE, KANSAS
WASTEWATER TREATMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
User fees	\$ 1,314,064	\$ 1,200,000	\$ 114,064
Tap fees	170,400	115,000	55,400
Plant equity fees	175,200	110,000	65,200
Interest	47,584	30,000	17,584
Miscellaneous	34,527	18,000	16,527
Total Cash Receipts	<u>\$ 1,741,775</u>	<u>\$ 1,473,000</u>	<u>\$ 268,775</u>
EXPENDITURES			
Personnel services	\$ 551,322	\$ 566,422	\$ (15,100)
Operating expenses	661,592	712,645	(51,053)
Transfers out	259,920	259,920	-
Total Expenditures	<u>\$ 1,472,834</u>	<u>\$ 1,538,987</u>	<u>\$ (66,153)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 268,941		
UNENCUMBERED CASH - JANUARY 1	<u>2,092,715</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 2,361,656</u>		

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

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
User fees	\$ 1,539,276	\$ 1,400,000	\$ 139,276
Tap fees	164,000	108,000	56,000
Plant equity fees	163,380	108,000	55,380
Connection fees	13,400	7,500	5,900
Tower rent	35,847	33,000	2,847
Water tax	14,781	13,000	1,781
Interest	55,039	40,000	15,039
Miscellaneous	12,279	-	12,279
Total Cash Receipts	<u>\$ 1,998,002</u>	<u>\$ 1,709,500</u>	<u>\$ 288,502</u>
EXPENDITURES			
Personnel services	\$ 539,185	\$ 563,422	\$ (24,237)
Operating expenses	344,612	347,627	(3,015)
Transfers out	763,639	763,639	-
Total Expenditures	<u>\$ 1,647,436</u>	<u>\$ 1,674,688</u>	<u>\$ (27,252)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 350,566		
UNENCUMBERED CASH - JANUARY 1	<u>2,460,255</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 2,810,821</u>		

CITY OF MAIZE, KANSAS
CAPITAL PROJECTS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2025

CASH RECEIPTS

Special assessments	\$ 178,403
Debt proceeds	6,399,441
Miscellaneous	1,439
Total Cash Receipts	<u>\$ 6,579,283</u>

EXPENDITURES

Construction/engineering costs	\$ 9,449,605
Debt service	1,051,623
Transfers out	60,926
Total Expenditures	<u>\$ 10,562,154</u>

RECEIPTS OVER (UNDER) EXPENDITURES	\$ (3,982,871)
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UNENCUMBERED CASH - JANUARY 1	<u>10,833,191</u>
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UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 6,850,320</u></u>
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CITY OF MAIZE, KANSAS
 AGENCY FUNDS
 SCHEDULE OF RECEIPTS AND EXPENDITURES
 Regulatory Basis
 For the Year Ended December 31, 2025

Fund	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Municipal Court	\$ 126,369	\$ 51,370	\$ 34,634	\$ 143,105
Mayor Donnelly Memorial	2,127	51	-	2,178
Cafeteria Plan	(6,265)	53,579	62,174	(14,860)
Total Cash Receipts	<u>\$ 122,231</u>	<u>\$ 105,000</u>	<u>\$ 96,808</u>	<u>\$ 130,423</u>

APPENDIX D

SUMMARY OF FINANCING DOCUMENTS

APPENDIX D

SUMMARY OF FINANCING DOCUMENTS

The following is a summary of certain provisions and covenants contained in the Ordinance and Bond Resolution authorizing the Series 2026A Bonds. In certain situations, the summary also summarizes the provisions of the Parity Resolutions. Such summary does not purport to be complete and is qualified in its entirety by reference to the foregoing documents.

THE BOND RESOLUTION

DEFINITIONS

In addition to words and terms defined elsewhere in this Official Statement, the following words and terms as used herein shall have the following meanings:

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, K.S.A. 10-1201 *et seq.*, as amended by Charter Ordinance No. 26-14, and K.S.A. 10-620 *et seq.*, all as amended and supplemented from time to time.

“Additional Bonds” means any bonds secured by the Revenues hereafter issued pursuant to the Bond Resolution.

“Additional Obligations” means any leases or other obligations of the Issuer payable from the Revenues, other than the Bonds.

“Authorized Denomination” means \$5,000 or any integral multiples thereof.

“Balloon Indebtedness” means Long-Term Indebtedness, 25% or more of the original principal amount of which becomes due (either by maturity or mandatory redemption) during any consecutive twelve-month period, if such principal amount becoming due is not required to be amortized below such percentage by mandatory redemption or prepayment prior to such twelve-month period.

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

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

“Bond Insurer” means with respect to Additional Bonds, the entity set forth in the supplemental resolution authorizing the Additional Bonds.

“Bond Insurance Policy” means with respect to Additional Bonds, the municipal bond insurance policy issued by the Bond Insurer concurrently with the delivery of such Additional Bonds guaranteeing the scheduled payment when due of the principal of and interest on such Additional Bonds.

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

“Bond Registrar” means: (a) with respect to the Series 2014A Bonds, Series 2016A Bonds, and Series 2026A Bonds, the State Treasurer, and its successors and assigns; and (b) with respect to Additional Bonds, the entity designated as Bond Registrar in the supplemental resolution authorizing such Additional Bonds.

“Bond Resolution” means the Bond Resolution relating to the Series 2014A Bonds, Series 2016A Bonds, Series 2026A Bonds, and any supplemental resolution authorizing any Additional Bonds.

“Bonds” means collectively the Series 2014A Bonds, Series 2016A Bonds, Series 2026A Bonds and any Additional Bonds.

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

“Cede & Co.” means Cede & Co., as nominee of DTC and any successor nominee of DTC with respect to the Bonds.

“City” means the City of Maize, Kansas.

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

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury or applicable thereto.

“Compliance Account” means the Compliance Account for Water Utility System Revenue Bonds, Series 2026A.

“Consultant” means the Consulting Engineer, or the Independent Accountant, or an independent consultant qualified and having a favorable reputation for skill and experience in financial affairs selected by the Issuer for the purpose of carrying out the duties imposed on the Consultant by the Bond Resolution.

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

“Costs of Issuance” means all costs of issuing any series of Bonds, including all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving financial ratings on any series of Bonds, and any premiums or expenses incurred in obtaining any credit enhancement.

“Costs of Issuance Account” means the Costs of Issuance Account for Water Utility System Revenue Bonds, Series 2026A.

“Debt Service Account” means the Water System Debt Service Account, including the Debt Service Account for the Series 2026A Bonds.

“Debt Service Coverage Ratio” means, for any Fiscal Year: (a) with respect to the rate covenants, the ratio determined by dividing (i) a numerator equal to the Net Revenues for such Fiscal Year by (ii) a denominator equal to the Debt Service Requirements for such Fiscal Year; and (b) with respect to Additional Bonds and Additional Obligations, the ratio determined by dividing (i) a numerator equal to the Net Revenues for such Fiscal Year by (ii) a denominator equal to the average annual Debt Service Requirements on all System Indebtedness that does not constitute Subordinate Lien Bonds.

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

“Debt Service Reserve Account” means the Water System Debt Service Reserve Account, including the Debt Service Reserve Account for the Series 2026A Bonds.

“Debt Service Reserve Requirement” means an amount equal to the least of (a) the aggregate of 10% of the original stated principal amount of each Series of Parity Bonds, (b) the Maximum Annual Debt Service for all Parity Bonds during any Fiscal Year, or (c) 125% of the average annual Debt Service Requirements for all Parity Bonds over the term of all Parity Bonds. If the aggregate initial offering price of any series of Bonds to the public is less than 98% or more than 102% of par, such offering price shall be used in clause (a) in lieu of the stated principal amount. When calculating the Debt Service Reserve Requirement in conjunction with the issuance of the Refunding Bonds, the principal amount of the refunded bonds shall be deducted from said calculations.

“Defaulted Interest” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“Defeasance Obligations” means any of the following obligations:

- (a) Cash; or
- (b) United States Government Obligations that are not subject to redemption in advance of their maturity dates;
or
- (c) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:
 - (1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;
 - (2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;
 - (3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;
 - (4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;
 - (5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and
 - (6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Depreciation and Replacement Account” means the Water System Depreciation and Replacement Account.

“Depreciation and Replacement Requirement” means an amount equal to 5% of the Revenues for the prior Fiscal Year.

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

“Disclosure Undertaking” means the Continuing Disclosure Undertaking Relating to the Series 2026A Bonds, relating to certain obligations contained in the SEC Rule.

“Discount Indebtedness” means Long-Term Indebtedness that is originally sold at a price (excluding accrued interest, but without deduction of any underwriters' discount) of less than 75% of the maturity amount including the amount of principal and interest to accrete at maturity of such Long-Term Indebtedness.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“Event of Default” means each of the following occurrences or events:

- (a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise; or
- (b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or
- (c) The Issuer shall for any reason be rendered incapable of fulfilling its obligations hereunder; or
- (d) Any substantial part of the System shall be destroyed or damaged to the extent of impairing its efficient operation or adversely affecting its Net Revenues and the Issuer shall not within a reasonable time commence the repair,

replacement or reconstruction thereof and proceed thereafter to complete with reasonable dispatch the repair, replacement or reconstruction thereof; or

(e) Final judgment for the payment of money shall be rendered against the Issuer as a result of the ownership, control or operation of the System and any such judgment shall not be discharged within one hundred twenty (120) days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof; or

(f) An order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or receivers of the System or any part thereof or of the revenues thereof, or if such order or decree, having been entered without the consent or acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within sixty (60) days after the entry thereof; or

(g) Any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Net Revenues; or

(h) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Bond Resolution on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding; or

(i) A monetary default shall have occurred on any System Indebtedness.

“Expenses” means all reasonable and necessary expenses of operation, maintenance and repair of the System and keeping the System in good repair and working order (other than interest paid on System Indebtedness and depreciation and amortization charges during the period of determination), determined in accordance with generally accepted accounting principles, including without limiting the generality of the foregoing, current maintenance charges, expenses of reasonable upkeep and repairs, salaries, wages, costs of materials and supplies, paying agent fees and expenses, annual audits, periodic Consultant's reports, properly allocated share of charges for insurance, the cost of purchased water, gas and power, if any, for System operation, obligations (other than for borrowed money or for rents payable under capital leases) incurred in the ordinary course of business, liabilities incurred by endorsement for collection or deposit of checks or drafts received in the ordinary course of business, short-term obligations incurred and payable within a particular Fiscal Year, other obligations or indebtedness incurred for the purpose of leasing (pursuant to a true or operating lease) equipment, fixtures, inventory or other personal property, and all other expenses incident to the operation of the System, but shall exclude all general administrative expenses of the Issuer not related to the operation of the System and transfers into the Debt Service Reserve Account and Depreciation and Replacement Account provided for in the Bond Resolution.

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

“Financeable Costs” means the amount of expenditure for a Project which has been duly authorized by action of the governing body of the Issuer to be financed by System Indebtedness, less: (a) the amount of any System Indebtedness of the Issuer which is currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

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

“Funds and Accounts” means funds and accounts created pursuant to or referred to in the Bond Resolution.

“Improvement Account” means the Water System Improvement Account.

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

“Index Rate” means the rate of interest set forth in *The Bond Buyer* Revenue Bond Index (or, in the event that *The Bond Buyer* does not compile such index or ceases publication, another comparable publication recognized in the municipal bond market) published for the week immediately preceding the date of determination.

“Insurance Consultant” means an individual or firm selected by the Issuer qualified to survey risks and to recommend insurance coverage for entities engaged in operations similar to those of the System and having a favorable reputation for skill and experience in making such surveys and recommendations.

“Insured Bonds” means Bonds of which the scheduled payment of principal and interest is guaranteed by the Bond Insurance Policy.

“Interest Payment Date(s)” means: (a) with respect to the Series 2026A Bonds, the Stated Maturity of an installment of interest on the Series 2026A Bonds which shall be April 1 and October 1 of each year, commencing April 1, 2027; and (b) with respect to Additional Bonds, the Stated Maturity of an installment of interest on such Additional Bonds, as set forth in the supplemental resolution authorizing such Additional Bonds.

“Interim Indebtedness” means System Indebtedness having a term not less than one year, and not in excess of five years, incurred or assumed in anticipation of being refinanced or refunded with Long-Term Indebtedness.

“Issue Date” means the date when the Issuer delivers any series of Bonds to the Purchaser in exchange for the Purchase Price.

“Issuer” means the City and any successors or assigns.

“Junior Lien Obligations” means any Additional Bonds or Additional Obligations payable from, and secured by a lien on, the Revenues, which lien is junior to that of any Parity Bonds, but senior to that of the Subordinate Lien Bonds.

“Long-Term Indebtedness” means System Indebtedness having an original stated maturity or term greater than one year, or renewable or extendible at the option of the debtor for a period greater than one year from the date of original issuance or incurrence thereof.

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

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

“Maximum Annual Debt Service” means the maximum amount of Debt Service Requirements as computed for the then current or any future Fiscal Year; provided that the Debt Service Requirements in the final Stated Maturity of any series of Bonds shall be reduced by the value of cash and Permitted Investments on deposit in the Debt Service Reserve Account, so long as the Debt Service Reserve Account is maintained at the Debt Service Reserve Requirement.

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

“Net Revenues” means, for the period of determination, all Revenues less all Expenses.

“Official Statement” means Issuer's Official Statement relating to the Series 2026A Bonds.

“Operation and Maintenance Account” means the Water Utility System Operation and Maintenance Account.

“Ordinance” means the Ordinance of the Issuer authorizing the issuance of the Series 2026A Bonds, as amended from time to time.

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

(a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation pursuant to the Bond Resolution;

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

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under the Bond Resolution.

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

“Parity Bonds” means the Outstanding Series 2014A Bonds, Outstanding Series 2016A Bonds, Series 2026A Bonds and any Additional Bonds hereafter issued or incurred pursuant to the Bond Resolution and standing on a parity and equality with the Series 2026A Bonds with respect to the Net Revenues.

“Parity Obligations” means any Additional Obligations hereafter issued or incurred pursuant to the Bond Resolution and standing on a parity and equality with the Parity Bonds with respect to the lien on the Net Revenues.

“Parity Resolution” means collectively the Series 2014A Resolution, the Series 2016A Resolution, the Series 2026A Resolution and the ordinances and/or resolutions under which any Additional Bonds which constitute Parity Bonds are hereafter issued.

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

“Paying Agent” means: (a) with respect to the Series 2014A Bonds, the Series 2016A Bonds, and the Series 2026A Bonds, the State Treasurer, and its successors and assigns; and (b) with respect to Additional Bonds, the entity designated as Paying Agent in the supplemental resolution authorizing such Additional Bonds.

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

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

“Project” shall mean the repairs, alterations, extensions, reconstructions, enlargements or improvements to the System referred to in the preamble to the Ordinance.

“Project Fund” means the Project Fund for Water Utility System Revenue Bonds, Series 2026A.

“Purchaser” means the financial institution or investment banking firm that is original purchaser of any series of Bonds.

“Put Indebtedness” means Long-Term Indebtedness which is (a) payable or required to be purchased or redeemed from the holder by or on behalf of the underlying obligor, at the option of the holder thereof, prior to its stated maturity date, or (b) payable or required to be purchased or redeemed from the holder by or on behalf of the underlying obligor, other than at the option of the holder, prior to its stated maturity date, other than pursuant to any mandatory sinking fund or other similar fund, or other than by reason of acceleration upon the occurrence of an Event of Default under the Bond Resolution.

“Rating Agency” means any company, agency or entity that provides financial ratings for the Bonds.

“Rebate Fund” means the Rebate Fund for Water Utility System Revenue Bonds, Series 2026A.

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

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

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

“Refunding Bonds” means System Indebtedness issued for the purpose of refunding any Outstanding System Indebtedness.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with the Bond Resolution.

“Revenue Fund” means the Water System Revenue Fund.

“Revenues” means all income and revenues derived and collected by the Issuer from the operation and ownership of the System, including investment and rental income, net proceeds from business interruption insurance, transfers from the Improvement Account to the Revenue Fund of Net Revenues derived in a prior Fiscal Year and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of facilities to be applied during the period of determination to pay interest on System Indebtedness, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets.

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

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Series 2014A Bonds” means the Issuer's Water Utility System Revenue Bonds, Series 2014A, dated October 29, 2014.

“Series 2014A Resolution” means collectively the Issuer's Ordinance No. 692 and Resolution No. 561-14, which authorized the Series 2014A Bonds.

“Series 2016A Bonds” means the Issuer's Water Utility System Refunding Revenue Bonds, Series 2016A, dated July 7, 2016.

“Series 2016A Resolution” means collectively the Issuer's Ordinance No. 914 and Resolution No. 582-16, which authorized the Series 2016A Bonds.

“Series 2026A Bonds” means the Issuer's Water Utility System Revenue Bonds, Series 2026A, dated as of December 2, 2026.

“Short-Term Indebtedness” means System Indebtedness having an original maturity less than or equal to one year from the date of original incurrence thereof, and not renewable or extendible at the option of the obligor thereon for a term greater than one year beyond the date of original issuance.

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

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

“State” means the state of Kansas.

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

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

“Subordinate Lien Bonds” means any Additional Bonds or Additional Obligations payable from the Revenues, and issued on a subordinate lien basis to any Parity Bonds and Junior Lien Obligations, and which constitute general obligations of the Issuer.

“System” means the entire waterworks plant and system owned and operated by the Issuer for the production, storage, treatment and distribution of water, to serve the needs of the Issuer and its inhabitants and others, including all appurtenances and facilities connected therewith or relating thereto, together with all extensions, improvements, additions and enlargements thereto hereafter made or acquired by the Issuer.

“System Indebtedness” means collectively the Bonds and any Additional Obligations which are payable out of, or secured by an interest in, the Revenues.

“Term Bonds” means any Bonds designated as Term Bonds in the Bond Resolution or in any supplemental resolution authorizing the issuance of Additional Bonds.

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

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

“Variable Rate Indebtedness” means any System Indebtedness which provides for interest to be payable thereon at a rate per annum that may vary from time to time over the term thereof in accordance with procedures provided in the instrument creating such System Indebtedness.

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

Creation of Funds and Accounts. The Bond Resolution establishes within the treasury of the Issuer the following Funds and Accounts:

- (a) Project Fund for Water Utility System Revenue Bonds, Series 2026A
- (b) Costs of Issuance Account for Water Utility System Revenue Bonds, Series 2026A.
- (c) Rebate Fund for Water Utility System Revenue Bonds, Series 2026A.
- (d) Compliance Account for Water Utility System Revenue Bonds, Series 2026A.

The above Funds and Accounts established herein shall be administered in accordance with the provisions of the Bond Resolution so long as the Series 2026A Bonds are Outstanding.

Simultaneously with the issuance of the Series 2026A Bonds, the following separate Funds and Accounts heretofore created and established in the treasury of the Issuer are ratified and confirmed:

- (a) Water System Revenue Fund.
- (b) Water System Debt Service Reserve Account.
- (c) Water System Improvement Account.
- (d) Water Utility System Operation and Maintenance Account.
- (e) Water System Depreciation and Replacement Account.
- (f) Water System Debt Service Account.
- (g) Water System Revenue Bonds, Series 2014A Rebate Fund.
- (h) Water System Revenue Bonds, Series 2016A Rebate Fund.

The Funds and Accounts referred to above shall be administered in accordance with the Bond Resolution.

Deposit of Series 2026A Bond Proceeds. The net proceeds received from the sale of the Series 2026A Bonds shall be deposited simultaneously with the delivery of the Series 2026A Bonds as follows:

- (a) An amount necessary to pay Costs of Issuance shall be deposited in the Costs of Issuance Account.
- (b) An amount necessary to bring the amount in the Water System Debt Service Reserve Account to the Debt Service Reserve Requirement shall be deposited to the Debt Service Reserve Account.
- (c) The remaining balance of the proceeds derived from the sale of the Series 2026A Bonds shall be deposited in the Project Fund.

Application of Moneys in the Project Fund. Moneys in the Project Fund shall be used for the sole purpose of: (a) paying the costs of the Project, as approved by the governing body of the Issuer; (b) for paying Costs of Issuance; (c) paying interest on the Series 2026A Bonds during construction of the Project; and (d) transferring any amounts required to be deposited into the Rebate Fund.

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

Substitute Project; Reallocation of Proceeds. The Issuer may elect for any reason to substitute or add other System improvements to be financed with proceeds of the Series 2026A Bonds provided the following conditions are met: (a) the substitute Project and the issuance of Bonds to pay the cost of the substitute Project has been duly authorized by the governing body of the Issuer in accordance with the laws of the State; (b) a resolution authorizing the use of the proceeds of the Series 2026A Bonds to pay the Financeable Costs of the substitute Project has been duly adopted by the governing body of the Issuer pursuant to this Section; and (c) the use of the proceeds of the Series 2026A Bonds to pay the Financeable Costs of the substitute Project will not adversely affect the tax status of the Series 2026A Bonds under State or federal law.

The Issuer may reallocate expenditure of Series 2026A Bond proceeds among all Projects financed by the Series 2026A Bonds; provided the following conditions are met: (a) the reallocation is approved by the governing body of the Issuer; (b) the reallocation shall not cause the proceeds of the Series 2026A Bonds allocated to any Project to exceed the Financeable Costs of the Project; and (c) the reallocation will not adversely affect the tax-exempt status of the Series 2026A Bonds under State or federal law.

Application of Moneys in the Rebate Fund. There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Bonds shall have any rights in or claim to such money.

Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Series 2026A Bonds, shall be transferred to the Compliance Account.

Application of Moneys in the Compliance Account. Moneys in the Compliance Account shall be used by the Issuer to pay fees and expenses relating to compliance with federal arbitrage law, state or federal securities laws, and other costs or expenses of carrying or repaying the Series 2026A Bonds as set forth in the Federal Tax Certificate. Any funds remaining in the Compliance Account on the sixth anniversary of the Issue Date shall be transferred to the Debt Service Account.

COLLECTION AND APPLICATION OF REVENUES

Revenue Fund. The Issuer covenants and agrees that from and after the delivery of the Series 2026A Bonds, and continuing as long as any of the Bonds remain Outstanding, all of the Revenues shall as and when received be paid and deposited into the Revenue Fund. Said Revenues shall be segregated and kept separate and apart from all other moneys, revenues, Funds and Accounts of the Issuer and shall not be commingled with any other moneys, revenues, Funds and Accounts of the Issuer. On the first day of each month the Issuer shall administer and allocate all of the moneys then held in the Revenue Fund as follows:

(a) **Operation and Maintenance.** There shall first be paid and credited from month to month as a first charge against the Revenue Fund the Expenses as the same become due and payable. Such amount as may be necessary in the opinion of the Issuer's governing body to pay the reasonable and proper expenses of operation and maintenance for the ensuing sixty (60) days may be retained and accumulated in the Revenue Fund before making transfers to other Funds and Accounts.

Parity Resolutions. The following transfers shall be made on a parity of lien basis with the transfers and requirements of the Parity Resolutions.

(b) **Debt Service Account.** There shall next be paid and credited monthly to the Debt Service Account a proportionate amount necessary to meet on each Bond Payment Date the payment of all interest on and principal of the Series 2026A Bonds. The amounts required to be paid and credited to the Debt Service Account shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to the Debt Service Account for the payment of the Debt Service Requirements on Parity Bonds and Parity Obligations under the provisions of the Parity Resolution(s). All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the Debt Service Requirements of the Series 2026A Bonds and other Parity Bonds and Parity Obligations as and when the same become due.

If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Account to pay the principal of and interest on the Series 2026A Bonds and any Parity Bonds or Parity Obligations, the available moneys in the Revenue Fund shall be divided in proportion to the respective principal amounts of Parity Bonds and Parity Obligations at the time Outstanding which are payable from the moneys in the Debt Service Account.

(c) **Debt Service Reserve Account.** Except as hereinafter provided, all amounts paid and credited to the Debt Service Reserve Account shall be expended and used by the Issuer solely to prevent any default in the payment of interest on or principal of the Parity Bonds on any Maturity date or Interest Payment Date if the moneys in the respective debt service accounts are insufficient to pay the Debt Service Requirements of said Parity Bonds as they become due. So long as the Debt Service Reserve Account aggregates the Debt Service Reserve Requirement, no further payments into said Account shall be required, but if the Issuer is ever required to expend and use a part of the moneys in said Account for the purpose herein authorized and such expenditure reduces the amount of the Debt Service Reserve Account below the Debt Service Reserve Requirement, or if the valuation of the Debt Service Reserve Account establishes that the value of the Debt Service Reserve Account is below the Debt Service Reserve Requirement, the Issuer shall make monthly payments into the Debt Service Reserve Account sufficient to restore the amount in the Debt Service Reserve Account to the Debt Service Reserve Requirement within 24 months.

Moneys in the Debt Service Reserve Account may be used to call the Parity Bonds for redemption and payment prior to their Stated Maturity or may be used to pay and retire the Parity Bonds and interest thereon; provided that after such redemption or payment there shall remain in the Debt Service Reserve Account an amount equal to the Debt Service Reserve Requirement. Any amounts in the Debt Service Reserve Account in excess of the Debt Service Reserve Requirement on any valuation date shall be transferred to the Debt Service Account.

(d) **Debt Service Accounts-Junior Lien Obligations.** There shall next be paid and credited monthly to the debt service account(s) for any Junior Lien Obligations, to the extent necessary to meet on each Bond Payment Date an amount equal to the payment of all interest on and principal of any Junior Lien Obligations. The amounts required to be paid and credited to the debt service account(s) for any Junior Lien Obligations shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to other debt service accounts established for the payment of the Debt Service Requirements on any Junior Lien Obligations.

(e) **Debt Service Accounts-Subordinate Lien Bonds.** There shall next be paid and credited monthly to the debt service account(s) for any Subordinate Lien Bonds, to the extent necessary to meet on each Bond Payment Date an amount equal to the payment of all interest on and principal of any Subordinate Lien Bonds. The amounts required to be paid and credited to the debt service account(s) for any Subordinate Lien Bonds shall be made at the same time and on a parity

with the amounts at the time required to be paid and credited to other debt service accounts established for the payment of the Debt Service Requirements on any Subordinate Lien Bonds.

(f) ***Depreciation and Replacement Account.*** Except as hereinafter provided, moneys in the Depreciation and Replacement Account shall be expended and used by the Issuer, if no other funds are available therefor, solely for the purpose of making emergency replacements and repairs in and to the System as may be necessary to keep the System in good repair and working order and to assure the continued effective and efficient operation thereof. If the Issuer is ever required to expend a part of the moneys in the Depreciation and Replacement Account for its authorized purposes and such expenditure reduces the amount of the Depreciation and Replacement Account below the Depreciation and Replacement Requirement, then the Issuer shall make monthly deposits into the Depreciation and Replacement Account sufficient to restore the Depreciation and Replacement Account to the Depreciation and Replacement Requirement within 18 months.

(g) ***Improvement Account.*** After all payments and credits required at the time to be made under the provisions of the preceding subsections have been made, all moneys remaining in the Revenue Fund shall be paid and credited to the Improvement Account. Moneys in the Improvement Account may be expended and used for the following purposes as determined by the governing body of the Issuer:

(1) Paying the cost of the operation, maintenance and repair of the System to the extent that may be necessary after the application of the moneys held in the Operation and Maintenance Account under the provisions of paragraph (a) of this Section.

(2) Paying the cost of extending, enlarging or improving the System.

(3) Preventing default in, anticipating payments into or increasing the amounts in the Debt Service Account, any debt service account for Parity Bonds or Parity Obligations, the Debt Service Reserve Account, or the Depreciation and Replacement Account referred to in this Section, or any one of them, or establishing or increasing the amount of any debt service account or debt service reserve account created by the Issuer for the payment of any Parity Bonds or Parity Obligations.

(4) Calling, redeeming and paying prior to Stated Maturity, or, at the option of the Issuer, purchasing in the open market at the best price obtainable not exceeding the redemption price (if any bonds are callable), any Bonds, including principal, interest and redemption premium, if any.

(5) Any other lawful purpose in connection with the operation of the System and benefiting the System.

(6) To make transfers to the Revenue Fund.

(7) To make lawful transfers to any fund of the Issuer.

(h) ***Deficiency of Payments into Funds and Accounts.*** If at any time the Revenues are insufficient to make any payment on the date or dates hereinbefore specified, the Issuer will make good the amount of such deficiency by making additional payments or credits out of the first available Revenues, such payments and credits being made and applied in the order hereinbefore specified in this Section.

Transfer of Funds to Paying Agent. The Treasurer of the Issuer shall withdraw from the Debt Service Account, and, to the extent necessary to prevent a default in the payment of either principal of or interest on the Bonds, from the Debt Service Reserve Account, the Depreciation and Replacement Account and the Improvement Account, sums sufficient to pay the principal of and interest on the Bonds as and when the same become due on any Bond Payment Date, and to forward such sums to the Paying Agent in a manner which ensures the Paying Agent will have available funds in such amounts on or before the Business Day immediately preceding each Bond Payment Date.

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

Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within six years following

the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

DEPOSIT AND INVESTMENT OF MONEYS

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

Investments. Moneys held in any Fund or Account may be invested in accordance with the Bond Resolution and the Federal Tax Certificate, in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account. All earnings on investments held in the Debt Service Reserve Account shall accrue to and become a part of the Debt Service Reserve Account until the amount on deposit in the Debt Service Reserve Account shall aggregate the Debt Service Reserve Requirement; thereafter, all such earnings shall be credited to the Debt Service Account. All earnings on investments held in the Depreciation and Replacement Account shall accrue to and become a part of the Depreciation and Replacement Account until the amount on deposit in the Depreciation and Replacement Account shall aggregate the Depreciation and Replacement Requirement; thereafter, all such earnings shall be credited to the Improvement Account.

Valuation of Investments. The value of any Fund or Account shall be determined as of the final Stated Maturity of each Fiscal Year that the Bonds remain Outstanding. In determining the amount held in any Fund or Account, Permitted Investments shall be valued at their market value. Such valuation may be made in conjunction with redemption of any Bonds.

GENERAL COVENANTS AND PROVISIONS

Efficient and Economical Operation. The Issuer will continuously own and will operate the System as a revenue producing facility in an efficient and economical manner and will keep and maintain the same in good repair and working order.

Rate Covenant. The Issuer, in accordance with and subject to applicable legal requirements, will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce Revenues sufficient to: (a) pay the Expenses; (b) pay the Debt Service Requirements on the Bonds as and when the same become due at the Maturity thereof or on any Interest Payment Date; (c) enable the Issuer to have in each Fiscal Year, a Debt Service Coverage Ratio of not less than **1.25** on all Parity Bonds and Parity Obligations at the time Outstanding; and (d) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in the Bond Resolution. The Issuer will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The Issuer will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations under the provisions of the Bond Resolution. If in any Fiscal Year, Net Revenues are an amount less than as hereinbefore provided, the Issuer will immediately employ a Consultant to make recommendations with respect to such rates and charges. The Issuer shall, to the extent feasible, follow the recommendations of the Consultant.

Restrictions on Mortgage or Sale of System. The Issuer will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the Issuer may dispose of certain assets in accordance with the Bond Resolution.

Insurance. The Issuer will carry and maintain insurance with respect to the System and its operations against such casualties, contingencies and risks (including but not limited to property and casualty, fire and extended coverage insurance upon all of the properties forming a part of the System insofar as the same are of an insurable nature, public liability, workers' compensation and employee dishonesty insurance), such insurance to be of the character and coverage and in such amounts as would normally be carried by other enterprises engaged in similar activities of comparable size and similarly situated; provided the amount of such liability insurance shall be in amounts not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence, as provided by the State's tort claims act or other similar future law (currently \$500,000 per occurrence). The Issuer may elect to be self-insured for all or any part of the foregoing

requirements if (a) the Issuer annually obtains a written evaluation with respect to such self-insurance program from an Insurance Consultant, (b) the evaluation is to the effect that the self-insurance program is actuarially sound, (c) unless the evaluation states that such reserves are not necessary, the Issuer deposits and maintains adequate reserves for the self-insurance program with a corporate trustee, who may also be the Paying Agent, and (d) in the case of workers' compensation, adequate reserves created by the Issuer for such self-insurance program are deposited and maintained in such amount and manner as are acceptable to the State.

Books, Records and Accounts. The Issuer will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the Issuer) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System. Such accounts shall show the amount of Revenues, the application of such funds, and all financial transactions in connection therewith.

Annual Budget. Prior to the commencement of each Fiscal Year, the Issuer will cause to be prepared and filed with the Clerk a budget setting forth the estimated receipts and expenditures of the System for the next succeeding Fiscal Year. Said annual budget shall be prepared in accordance with the requirements of the laws of the State and shall contain all information that is required by such laws.

Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the System for the preceding Fiscal Year by an Independent Accountant to be employed for that purpose and paid from the Revenues. Said annual audit shall cover in reasonable detail the operation of the System during such Fiscal Year. As soon as possible after the completion of the annual audit, the governing body of the Issuer shall review the report of such audit, and if the audit report discloses that proper provision has not been made for all of the requirements of the Bond Resolution and the Act, the Issuer will promptly cure such deficiency and will promptly proceed to modify the rates and charges to be charged for the use and services furnished by the System or take such other action as may be necessary to adequately provide for such requirements.

Right of Inspection. The Purchaser of the Bonds and any Owner or Owners of 10% of the principal amount of the Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which the Purchaser or such Owner or Owners may reasonably request.

Report on System Condition. The Issuer shall annually cause a qualified employee of the Issuer to make an examination of and report on the condition and operations of the System.

ADDITIONAL BONDS AND OBLIGATIONS

Senior Lien Bonds. So long as any of the Parity Bonds remain Outstanding, the Issuer will not issue any System Indebtedness payable out of the Revenues which is superior to the Parity Bonds with respect to the lien on the Revenues.

Parity Bonds and Parity Obligations. The Issuer will not issue any System Indebtedness which stands on a parity or equality of lien against the Net Revenues with the Parity Bonds unless the following conditions are met:

(a) The Issuer shall not be in default in the payment of principal of or interest on any Parity Bonds or Parity Obligations at the time Outstanding or in making any payment at the time required to be made into the respective Funds and Accounts created by and referred to in the Bond Resolution or any Parity Resolution (unless such System Indebtedness is being issued to provide funds to cure such default) nor shall any other Event of Default have occurred and be continuing;

(b) The Issuer shall deliver the following:

(1) *Long-Term Indebtedness.* A certificate signed by the Issuer evidencing *either* of the following:

(i) The Debt Service Coverage Ratio for the Fiscal Year immediately preceding the issuance of such System Indebtedness, as reflected by information provided by the Independent Accountant, shall be not less than 1.25, including the System Indebtedness proposed to be issued. In the event that the Issuer has instituted any increase in rates for the use and services of the System and such increase shall not have been in effect during the full Fiscal Year immediately preceding the issuance of such proposed System Indebtedness, the additional Net Revenues which would have resulted from the operation of the System during said preceding Fiscal Year had such rate increase been in effect for the entire period may be added to the stated Net Revenues for the calculation of the Debt Service Coverage Ratio, provided that such estimated additional Net Revenues shall be determined by a Consultant.

(ii) The estimated Debt Service Coverage Ratio (as determined by a Consultant), for the Fiscal Year immediately following the Fiscal Year in which the project, the cost of which is being financed by such System Indebtedness, is to be in commercial operation, shall be not less than 1.25, including the System Indebtedness proposed to be issued. In the event that the Issuer anticipates additional Revenues as a result of expansion or modification of the System by such System Indebtedness, the Issuer may adjust the estimated Net Revenues in determining the Debt Service Coverage Ratio, by adding thereto any estimated increase in Net Revenues resulting from any increase in Revenues for the use and services of the System, which, in the opinion of the Consultant, are reasonable based on projected operations of the System for such Fiscal Year.

(2) *Short-Term Indebtedness.* A certificate signed by the Issuer evidencing any *one* of the following:

(i) The principal amount of all Outstanding Short-Term Indebtedness does not exceed 15% of the Revenues for the most recently ended Fiscal Year for which financial information is available from the Independent Accountant;

(ii) The Short-Term Indebtedness could be incurred assuming it was Long-Term Indebtedness.

(iii) There is delivered to the Issuer a certificate of a Consultant to the effect that it is such Consultant's opinion that it is reasonable to assume that the Issuer will be able to refinance such Short-Term Indebtedness prior to its Stated Maturity and the conditions are met with respect to such Short-Term Indebtedness when it is assumed that such Short-Term Indebtedness is Long-Term Indebtedness maturing over 20 years (or such shorter period as such Consultant indicates is reasonable to assume in such statement) from the date of issuance of the Short-Term Indebtedness and bears interest on the unpaid principal balance at the Index Rate and is payable on a level annual debt service basis over a 20-year period (or such shorter period as such Consultant indicates is reasonable to assume in such statement).

(3) *Interim Indebtedness.* A certificate signed by the Issuer evidencing *either* of the following:

(i) The Interim Indebtedness could be incurred assuming it was Long-Term Indebtedness.

(ii) There is delivered to the Issuer a certificate of a Consultant to the effect that it is such Consultant's opinion that it is reasonable to assume that the Issuer will be able to refinance such Interim Indebtedness prior to its Stated Maturity and the conditions are met with respect to such Interim Indebtedness when it is assumed that such Interim Indebtedness is Long-Term Indebtedness maturing over 20 years (or such shorter period as such Consultant indicates is reasonable to assume in such statement) from the date of issuance of the Interim Indebtedness and bears interest on the unpaid principal balance at the Index Rate and is payable on a level annual debt service basis over a 20-year period (or such shorter period as such Consultant indicates is reasonable to assume in such statement).

(c) When the issuance of System Indebtedness of equal stature and priority is permitted by the Statutes of the State.

(d) With respect to the issuance of Additional Bonds, an additional deposit to the Debt Service Reserve Account shall be made to bring the Debt Service Reserve Account to an amount equal to the Debt Service Reserve Requirement.

(e) The ordinance and/or resolution authorizing such System Indebtedness shall contain or provide for substantially the same terms, conditions, covenants and procedures as established in the Bond Resolution.

Notwithstanding the foregoing restrictions, additional System Indebtedness may be issued if it is necessary: (1) in the opinion of the Consulting Engineer to do so to repair the System if damaged or destroyed by disaster to such extent necessary to keep it in good operating condition; or (2) in the opinion of the Issuer's legal counsel to remedy any deficiency of the System relating to environmental pollution matters or to comply with the requirements of any governmental agency having jurisdiction over the Issuer with respect thereto.

Additional System Indebtedness issued under the conditions hereinbefore set forth shall stand on a parity with the Parity Bonds and Parity Obligations and shall enjoy complete equality of lien on and claim against the Net Revenues, and the Issuer may make equal provision for paying the Debt Service Requirements on such System Indebtedness out of the Revenue Fund and may likewise provide for the creation of reasonable debt service accounts and debt service reserve accounts for the payment of the Debt Service Requirements on such System Indebtedness and the interest thereon out of moneys in the Revenue Fund.

Junior Lien Obligations. Nothing shall prohibit or restrict the right of the Issuer to issue Junior Lien Obligations for any lawful purpose in connection with the operation of and benefiting the System and to provide that the Debt Service Requirements on such Junior Lien Obligations shall be payable out of the Net Revenues, provided at the time of the issuance of such Junior Lien Obligations the Issuer is not in default in the performance of any covenant or agreement contained in the Bond Resolution (unless such System Indebtedness shall be issued to cure such default and shall be junior and subordinate to the Parity Bonds and Parity Obligations) so that if at any time the Issuer shall be in default in paying either interest on or principal of the Parity Bonds or Parity Obligations, or if the Issuer is in default in making debt service, operation and maintenance or debt service reserve deposits or payments required to be made by it under the Bond Resolution, the Issuer shall make no payments of either principal of or interest on said Junior Lien Obligations until said default or defaults be cured.

Subordinate Lien Bonds. Nothing shall prohibit or restrict the right of the Issuer to issue Subordinate Lien Bonds for any lawful purpose in connection with the operation of and benefiting the System and to provide that the Debt Service Requirements on such Subordinate Lien Bonds shall be payable out of the Net Revenues, provided at the time of the issuance of such Subordinate Lien Bonds the Issuer is not in default in the performance of any covenant or agreement contained in the Bond Resolution (unless such System Indebtedness shall be issued to cure such default and shall be junior and subordinate to the Parity Bonds, Parity Obligations and Junior Lien Obligations) so that if at any time the Issuer shall be in default in paying either interest on or principal of the Parity Bonds, Parity Obligations and Junior Lien Obligations, or if the Issuer is in default in making debt service, operation and maintenance or debt service reserve deposits or payments required to be made by it under the Bond Resolution, the Issuer shall make no payments of either principal of or interest on said Subordinate Lien Bonds until said default or defaults be cured. Such Subordinate Lien Bonds may also constitute general obligations of the Issuer.

Refunding Bonds. The Issuer shall have the right, without complying with the provisions relating to Parity Bonds above, to refund any System Indebtedness under the provisions of any law then available, and the Refunding Bonds so issued shall enjoy complete equality of pledge as did the System Indebtedness being refunded; provided, however, that if only a portion of any series of System Indebtedness is refunded and if said System Indebtedness is refunded in such manner that the Refunding Bonds bear a higher average rate of interest or become due on a date earlier than that of the System Indebtedness which is refunded, then said System Indebtedness may be refunded without complying with the provisions relating to Parity Bonds and Parity Obligations above only by and with the written consent of the Owners of a majority in principal amount of the System Indebtedness that is not refunded; provided that such consent is not needed from Owners of Junior Lien Obligations or Subordinate Lien Bonds, nor is such consent needed if the System Indebtedness to be refunded constitutes Junior Lien Obligations or Subordinate Lien Bonds.

CALCULATION OF DEBT SERVICE REQUIREMENTS

(a) *Debt Service Requirements on Balloon, Put, Short-Term and Interim Indebtedness.*

(1) The principal of Balloon Indebtedness, Put Indebtedness or Short-Term Indebtedness being treated as Long-Term Indebtedness, or Interim Indebtedness shall be deemed due and payable at its Stated Maturity; provided, however, that at the election of the Issuer for the purpose of any computation of Debt Service Requirements, whether historical or projected, the principal deemed payable on Balloon Indebtedness, Put Indebtedness or Short-Term Indebtedness being treated as Long-Term Indebtedness, or Interim Indebtedness, shall be deemed to be payable as set forth below:

(A) If the Issuer has obtained a binding commitment of a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are then rated “A” or better by any Rating Agency) to refinance such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, or a portion thereof, including without limitation, a letter of credit or a line of credit, the Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, or portion thereof to be refinanced, may be deemed to be payable in accordance with the terms of the refinancing arrangement;

(B) If the Issuer has entered into a binding agreement providing for the deposit by the Issuer with a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are then rated “A” or better by any Rating Agency), in trust (herein called a “Special Redemption Fund”) of amounts, less investment earnings realized and retained in the Special Redemption Fund, equal in aggregate to the principal amount of such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, or a portion thereof, when due from the sums so deposited and investment earnings realized thereon, then the principal amount of the Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness

or Interim Indebtedness, or portion thereof, may be deemed to be payable in accordance with the terms of such agreement;

(C) If the Issuer has entered into arrangements or agreements with respect to the principal amount of such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, other than those referred to in subsections (A) and (B) above, which a Consultant in a certificate filed with the Issuer determines, taking into account the interests of the Owners of System Indebtedness, provides adequate assurances that the Issuer will be able to meet the Debt Service Requirements due on such Indebtedness, the Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness may be deemed to be payable in accordance with the terms of such arrangement or agreement; or

(D) Such Balloon Indebtedness, Put Indebtedness, Interim Indebtedness or Short-Term Indebtedness may be deemed to be System Indebtedness which, at the date of its original incurrence, was payable over a term not to exceed twenty (20) years in equal annual installments of principal and interest at the Index Rate.

A Consultant shall deliver to the Issuer a certificate stating that it is reasonable to assume that installment obligations of such term of the Issuer can be incurred and stating the interest rate then applicable to installment obligations of such term of comparable quality. Interim Indebtedness may be deemed to be System Indebtedness which, at the date of its original incurrence, would meet the conditions specified in the statement of the Consultant; provided that the Consultant shall for each annual period that the Debt Service Requirement is computed, provide a supplemental statement that at such period, the certifications contained in the statement are reasonable.

(2) Interest that is payable prior to the Stated Maturity of any Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness shall be taken into account for such appropriate period in computation of Debt Service Requirements. Interest payable at maturity or early redemption on Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness may either be amortized over the anticipated maturity or such longer period as is permitted or may be treated as principal payable on the principal maturity date of such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness.

(3) In measuring compliance with the applicable tests hereunder in connection with incurring Put Indebtedness and generally for purposes of determining the Debt Service Requirements relating thereto, Put Indebtedness shall be deemed to mature based upon the actual amortization requirements for the Put Indebtedness, only to the extent that the Issuer has a commitment to refinance such Put Indebtedness.

(b) Debt Service Requirements on Discount Indebtedness. At the election of the Issuer for the purpose of any computation of Debt Service Requirements, whether historical or projected, the principal and interest deemed payable on Discount Indebtedness shall be deemed to be payable as set forth below:

(1) If the Issuer has obtained a binding commitment of a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are then rated "A" or better by any Rating Agency) to refinance such Discount Indebtedness, or a portion thereof, including without limitation, a letter of credit or a line of credit, the Discount Indebtedness, or portion thereof to be refinanced, may be deemed to be payable in accordance with the terms of the refinancing arrangement;

(2) If the Issuer has entered into a binding agreement providing for the deposit with a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are then rated "A" or better by any Rating Agency), in trust (herein called a "Special Redemption Fund") of amounts, less investment earnings realized and retained in the Special Redemption Fund, equal in aggregate to the principal amount of such Discount Indebtedness, or a portion thereof, and providing for the payment of such principal amount when due from the sums so deposited, and investment earnings realized thereon, then the Discount Indebtedness, or portion thereof, may be deemed to be payable in accordance with the terms of such agreement;

(3) If the Issuer has entered into arrangements or agreements with respect to the principal amount of such Discount Indebtedness, other than those referred to in subsections (1) and (2) above, which a Consultant in a certificate filed with the Issuer determines, taking into account the interests of the Owners of System Indebtedness, provides adequate assurances that the Issuer will be able to meet the Debt Service Requirements due on such Indebtedness, the Discount Indebtedness may be deemed to be payable in accordance with the terms of such arrangement or agreement; or

(4) As of any time the maturity amount represented by Discount Indebtedness shall be deemed to be the accreted value of such Indebtedness computed on the basis of a constant yield to maturity.

(c) ***Debt Service Requirements on Variable Rate Indebtedness.*** When calculating interest requirements on Variable Rate Indebtedness which bears a variable rate of interest for periods as to which the rate of interest has not been determined, the rate of interest on Outstanding Variable Rate Indebtedness shall be the average annual rate of interest which was payable on such Variable Rate Indebtedness during the twelve (12) months immediately preceding the date as of which the calculation is made; and the rate of interest on Variable Rate Indebtedness to be incurred (or incurred less than twelve (12) months preceding such date) shall be the average annual rate of interest which would have been payable on such Variable Rate Indebtedness had it been outstanding for a period of twelve (12) months immediately preceding the date as of which the calculation is made, as evidenced in a certificate of a Consultant, delivered to the Issuer.

DEFAULT AND REMEDIES

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

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

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

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

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

Remedies Cumulative. No remedy conferred upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be restored to their former positions and rights, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

DEFEASANCE

When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Bond Resolution and the pledge of the Revenues hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until: (a)

the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with the Bond Resolution. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of the Bond Resolution. The Issuer shall notify the Bond Insurer of any defeasance of any Insured Bonds insured by the Bond Insurer.

Notwithstanding anything in the Bond Resolution to the contrary, in the event that the principal and/or interest due on the Insured Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Insured Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer and the covenants, agreements and other obligations of the Issuer to the Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such Owners.

TAX COVENANTS

General Covenants. The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Series 2026A Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Issuer will adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Series 2026A Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Survival of Covenants. The tax covenants contained in the Bond Resolution and Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Series 2026A Bonds pursuant to the Bond Resolution until such time as is set forth in the Federal Tax Certificate.

CONTINUING DISCLOSURE REQUIREMENTS

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

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

MISCELLANEOUS PROVISIONS

Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Series 2026A Bonds or of the Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding. No such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond;
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Bond Resolution; or
- (e) permit the creation of a lien on the Revenues prior or equal to the lien of the Parity Bonds or Additional Obligations.

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

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

Every amendment or modification of the provisions of the Bonds or of the Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the governing body of the Issuer amending or supplementing the provisions of the Bond Resolution and shall be deemed to be a part of the Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of the Bond Resolution shall always be kept on file in the office of the Clerk, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by the Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of the Bond Resolution will be sent by the Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or the Bond Resolution which affects the duties or obligations of the Paying Agent under the Bond Resolution.

Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing.

Inconsistent Provisions. In case any one or more of the provisions of the Bond Resolution or of the Bonds issued thereunder shall for any reason be inconsistent with the provisions of the Parity Resolution or the Parity Bonds: (a) the provisions of any Parity Resolution adopted prior to the Bond Resolution shall prevail with respect to Parity Bonds issued prior in time, so long as such Parity Bonds are Outstanding; and (b) the provisions of the Bond Resolution shall prevail with respect to any Parity Resolution adopted subsequent to the Bond Resolution, so long as any Parity Bonds issued under the Bond Resolution are Outstanding.

Electronic Transactions. The issuance of the Series 2026A Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

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

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APPENDIX E

FORM OF DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

DATED AS OF DECEMBER 2, 2026

BY

THE CITY OF MAIZE, KANSAS

\$7,120,000*

**CITY OF MAIZE, KANSAS
WATER UTILITY SYSTEM REVENUE BONDS
SERIES 2026A
DATED DECEMBER 2, 2026**

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of December 2, 2026 (the “Continuing Disclosure Undertaking”), is executed and delivered by **THE CITY OF MAIZE, KANSAS** (the “Issuer”).

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of its Water Utility System Revenue Bonds, Series 2026A (the “Bonds”), pursuant to an Ordinance and Resolution adopted by the governing body of the Issuer (collectively the “Bond Resolution”).

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

The Issuer covenants and agrees as follows:

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

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Undertaking.

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

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

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

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

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

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

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

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

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

“System” means the entire waterworks plant and system owned and operated by the Issuer for the production, storage, treatment and distribution of water, to serve the needs of the Issuer and its inhabitants and others, including all appurtenances and facilities connected therewith or relating thereto, together with all extensions, improvements, additions and enlargements thereto hereafter made or acquired by the Issuer.

Section 2. Provision of Annual Reports.

(a) The Issuer shall, not later than August 1 of each year, commencing August 1, 2027, file with the MSRB, through EMMA, the following financial information and operating data (the “Annual Report”):

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

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

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

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s Fiscal Year changes, it shall give notice of such change in the same manner as

for a Material Event under **Section 3**, and the Annual Report deadline provided above shall automatically become the last day of the seventh month after the end of the Issuer's new fiscal year.

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

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

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

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

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

the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

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

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

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

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

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

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

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

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

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

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

CITY OF MAIZE, KANSAS

(SEAL)

Mayor

Clerk

EXHIBIT A

FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

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

- General Information – number of service connections
- Water Rate Structure
- Financial Audit
- Current Revenue Obligations of the Water System
- History of Debt Service Coverage

* This Operating Data is also available in the Issuer's financial information portion of its Annual Report.