CITY OF SATANTA, KANSAS

REGULATORY BASIS FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council Members
City of Satanta, Kansas

Report on the Audit of the Financial Statement

Opinions

We have audited the regulatory basis fund summary statement of receipts, expenditures and unencumbered cash of the City of Satanta, Kansas, (the City), a municipality, as of and for the year ended December 31, 2025, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement 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 basis of accounting practices prescribed or permitted by the State of Kansas to demonstrate compliance with the *Kansas Municipal Audit and Accounting Guide's (KMAAG)* regulatory basis of accounting and budget laws as described in Note 1.

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 Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the City as of December 31, 2025, or changes in financial position and cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles
As described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of accounting practices prescribed or permitted by the State of Kansas to demonstrate compliance with the *KMAAG*'s regulatory basis of accounting and budget laws, 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 and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the accounting practices prescribed or permitted by the State of Kansas to demonstrate compliance with the *KMAAG*'s regulatory basis of accounting and budget laws. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS and the *KMAAG*, 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 regulatory basis fund summary statement of receipts, expenditures and unencumbered cash (the financial statement) as a whole. The regulatory basis summary of expenditures - actual and budget, and the regulatory basis individual fund schedules of receipts and expenditures (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the financial statement; however, they 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 financial statement. The information has been subjected to the

auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with GAAS and the *KMAAG*. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with GAAS and the *KMAAG*, the financial statement of the City as of and for the year ended December 31, 2024, (not presented herein), and have issued our report thereon dated February 25, 2025, which contained an unmodified opinion on the financial statement. The 2024 financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2025, (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 financial statement or to the 2024 financial statement itself, and other additional procedures in accordance with GAAS and the *KMAAG*. In our opinion, the 2024 comparative information is fairly stated in all material respects in relation to the financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Other Information

Management is responsible for the other information included in the financial statement. The other information comprises the other information section (Graphs as listed in the table of contents) but does not include the financial statement and our auditor's report thereon. Our opinions on the financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Lewis, Hooper + Dick, LLC

LEWIS, HOOPER & DICK, LLC

February 24, 2026

CITY OF SATANTA, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2025

Fund	Unencumbered Cash 1/1/25	Receipts	Expenditures	Unencumbered Cash 12/31/25	Add Payables and Encumbrances	Treasurer's Cash 12/31/25
General	$ 438,584	$ 582,570	$ 594,115	$ 427,039	$ 5,380	$ 432,419
Special Purpose Funds:						
Gas Well	79,488	154	2,965	76,677	51	76,728
Special Highway	74,648	28,360	-	103,008	-	103,008
Employee Benefits	158,502	111,462	119,814	150,150	-	150,150
Fire	15,695	47,323	61,640	1,378	2,538	3,916
Opioid Settlement	-	7,285	-	7,285	-	7,285
Police	18,511	106,184	116,229	8,466	525	8,991
Equipment Reserve	320,006	74,681	-	394,687	-	394,687
Community Trust	156,122	-	-	156,122	-	156,122
Economic Development Trust	84,385	-	15,140	69,245	1,040	70,285
Capital Improvement	179,508	115,000	73,497	221,011	73,497	294,508
Total Special Purpose Funds	1,086,865	490,449	389,285	1,188,029	77,651	1,265,680
Business Funds:						
Water and Sewer Utility:						
General	78,742	201,815	266,962	13,595	9,336	22,931
Depreciation Reserve	671,044	63,454	5,727	728,771	-	728,771
Total Water and Sewer Utility	749,786	265,269	272,689	742,366	9,336	751,702
Refuse Utility	32,213	99,368	96,699	34,882	7,367	42,249
Total Business Funds	781,999	364,637	369,388	777,248	16,703	793,951
Total Reporting Entity (memorandum only)	$ 2,307,448	$ 1,437,656	$ 1,352,788	$ 2,392,316	$ 99,734	$ 2,492,050

Composition of cash:		
Centera Bank	$ 185,184	
Less outstanding warrants	(3,880)	
Total cash in bank		$ 181,304
Certificates of deposit		2,310,646
Cash on hand		100
Total cash		$ 2,492,050

The accompanying Notes to the Financial Statement are an integral part of this statement.

CITY OF SATANTA, KANSAS
Notes to the Financial Statement
For the Year Ended December 31, 2025

1. Summary of significant accounting policies

The City of Satanta, Kansas, (the City), was incorporated under the provisions of the State of Kansas. The City operates under a mayor-council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. Other services include utilities.

A. Financial reporting entity

The City is governed by an elected five-member council and a mayor. This financial statement presents the City of Satanta (the municipality) and its related municipal entities. The related municipal entities are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The City has no organizations, functions or activities which are considered related municipal entities of the City.

B. Regulatory basis of accounting and departure from accounting principles generally accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (*KMAAG*) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The *KMAAG* regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

C. Regulatory basis fund types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types are used by the City:

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

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Business funds – funds financed in whole or in part by fees charged to users of the goods or services (e.g., enterprise and internal service funds, etc.).

1. Summary of significant accounting policies (continued)

D. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the City (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits, time deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments with the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned, unless specifically designated, is allocated to the general fund.

E. Property taxes and special assessments

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas are the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed to the City by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the City by June 5th. The City Treasurer draws available funds from the County Treasurer's office at designated times throughout the year.

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments received prior to or after the issuance of general obligation bonds are recorded as receipts in the appropriate project fund. Further, state statutes require levying additional general ad valorem property taxes in the bond and interest fund to finance delinquent special assessments receivable.

F. Interfund transactions and reimbursements

Quasi-external transactions (i.e., transactions that would be treated as receipts or expenditures if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of the expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

1. Summary of significant accounting policies (continued)

   G. Memorandum totals
   Totals on the financial statement are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. No consolidated financial information is presented nor are all required disclosures presented for these amounts.

2. Stewardship, compliance and accountability

   A. Budgetary information
   Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds and business funds (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

   If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City did hold a revenue neutral rate hearing for this year.

   The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year ended December 31, 2025.

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

   All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

2. Stewardship, compliance and accountability (continued)

A. Budgetary information (continued)
A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose and business funds:

Equipment Reserve
Community Trust
Economic Development Trust
Capital Improvement
Water and Sewer Utility - Depreciation Reserve

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.

B. Noncompliance with finance-related legal and contractual provisions
References made herein to the statutes are not intended as interpretation of law, but are offered for consideration of the Kansas Department of Administration's Chief Financial Officer and interpretation by the County Attorney and the legal representative of the City.

There are no known material violations of finance-related legal and contractual provisions including Kansas statutes, regulations, contracts, debt covenants, or other agreements for the year ended December 31, 2025.

3. Detailed notes on all funds

A. Deposits and investments
A reconciliation of cash and investments as shown in the composition of cash on the summary statement of receipts, expenditures and unencumbered cash on Statement 1 is as follows:

Cash on hand	$	100
Carrying amount of deposits		2,491,950
Total cash	$	2,492,050

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

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 K.S.A. 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 required coverage is 50%. The City does not use designated "peak periods". All deposits were legally secured at December 31, 2025.

At December 31, 2025, the City's carrying amount of deposits was $2,491,950 and the bank balance was $2,495,830. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $435,184 was covered by federal depository insurance and $2,060,646 was collateralized with securities held by the pledging financial institutions' agents in the City's name. The City's cash deposits at year end are as follows:

	Centera Bank
FDIC coverage	$ 435,184
Pledged securities at market value	2,405,499
Total coverage	$ 2,840,683
Funds on deposit	$ 2,495,830
Funds at risk	$ -

Custodial credit risk – investments
Custodial credit risk for an investment is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments of this type at December 31, 2025.

B. Capital projects in process
Capital project authorizations with approved change orders compared to expenditures from inception to December 31, 2025, are as follows:

	Project Authorization	Expenditures to Date	Committed
Piping at sewer lift station	$ 26,800	$ 26,800	$ -
Waterline project	16,575	11,350	5,225
Well nitrate project	29,775	7,517	22,258
Well #5 rehabilitation	73,497	73,497	-

3. Detailed notes on all funds (continued)

C. Long-term debt

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

	Date of Issuance	Maximum Rate	Date of Final Maturity	Amount of Issue	Balance 01/01/25	Additions	Reductions/ Payments	Balance 12/31/25	Interest Paid
Finance lease:									
Copier	01/15/24	5.00%	11/15/26	$ 3,974	$ 2,417	$ -	$ 1,232	$ 1,185	$ 93
Total contractual indebtedness					$ 2,417	$ -	$ 1,232	$ 1,185	$ 93

Current maturities of long-term debt and interest through maturity are as follows:

	2026
Principal:	
Finance lease payable	$ 1,185
Interest:	
Finance lease payable	29
Total principal and interest	$ 1,214

Legal debt margin

The debt limit per K.S.A. 10-308 is thirty percent of the assessed tangible valuation of the City given by the County Assessor to the County Clerk on the preceding August 25th each year. The amount of debt outstanding does not exceed the statutory limit.

D. Interfund transfers

Interfund operating transfers are as follows:

From	To	Regulatory Authority	Amount
General	Equipment Reserve	12-1,117	$ 49,681
General	Capital Improvement	12-1,118	115,000
Fire	Equipment Reserve	12-1,117	25,000
Police	Opioid Settlement		5,644
Water and Sewer Utility - General	General	12-825d	38,273
Water and Sewer Utility - General	Water and Sewer Utility - Depreciation Reserve	12-825d	25,000
Refuse Utility	General	12-825d	10,000
Total			$ 268,598

4. Other information

A. 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 has been unable to obtain workmen's compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other Cities in the State to participate in the Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 175 participating members.

The City pays an annual premium to KMIT for its workmen's compensation insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $5,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT's management.

The City continues to carry commercial insurance for all other risk of loss including torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Post-employment health care benefits

Other Post Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post Employment Benefits

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

C. Compensated absences

The City's policy regarding leave pay permits full-time employees to accumulate leave days at a maximum rate of 47 days per year. No more than 70 days may be accumulated. Leave may be used for vacation, sick leave, bereavement leave and personal leave. The City pays for 50% of unused accumulated leave pay at termination of employment. Upon retirement, an employee is paid all accumulated leave days. The cost of the accrued leave time at December 31, 2025, has not been quantified in this financial statement.

4. Other information (continued)

D. 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kspers.gov or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate is 9.71% for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City are $20,314 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 $166,673. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the local subgroup within KPERS. Since the *KMAAG* regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

E. Related party transactions

The City purchased goods and services from a business operated by a City Council member. The City paid this business $16,203 during the year ended December 31, 2025.

F. Subsequent events

Subsequent to December 31, 2025, the City approved water well repairs in the amount of $14,000.

REGULATORY REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

CITY OF SATANTA, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025

Fund	Certified Budget	Expenditures Chargeable to Current Year Budget	Variance Over (Under)
General	$ 669,457	$ 594,115	$ (75,342)
Special Purpose Funds:			
Gas Well	163,468	2,965	(160,503)
Special Highway	107,347	-	(107,347)
Employee Benefits	200,904	119,814	(81,090)
Fire	63,055	61,640	(1,415)
Opioid Settlement	-	-	-
Police	116,229	116,229	-
Business Funds:			
Water and Sewer Utility:			
General	301,273	266,962	(34,311)
Refuse Utility	110,950	96,699	(14,251)

CITY OF SATANTA, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts:				
Administration:				
Taxes	$ 411,599	$ 418,985	$ 383,473	$ 35,512
Franchises	92,244	95,862	36,760	59,102
Licenses and permits	1,808	2,695	1,200	1,495
Interest on investments	10,611	10,592	2,500	8,092
Refunds and miscellaneous	50,984	3,452	2,000	1,452
Total administration	567,246	531,586	425,933	105,653
Parks and pools	2,617	2,711	3,000	(289)
Transfer from Water and Sewer Utility - General	52,000	38,273	38,273	-
Transfer from Refuse Utility	15,000	10,000	10,000	-
Total receipts	636,863	582,570	$ 477,206	$ 105,364
Expenditures:				
General administration:				
Salaries	276,215	239,636	$ 278,871	$ (39,235)
Contractual	75,419	76,512	77,000	(488)
Commodities	4,237	3,224	4,000	(776)
Capital outlay	2,385	2,500	13,225	(10,725)
Total general administration	358,256	321,872	373,096	(51,224)
Streets:				
Contractual	-	23,000	23,000	-
Commodities	-	4,170	13,000	(8,830)
Capital outlay	-	-	93,641	(93,641)
Total streets	-	27,170	129,641	(102,471)
Parks:				
Salaries	18,133	28,490	36,039	(7,549)
Contractual	74	569	2,000	(1,431)
Commodities	7,734	6,470	10,500	(4,030)
Capital outlay	333	-	1,000	(1,000)
Total parks	26,274	35,529	49,539	(14,010)
Street lighting:				
Contractual	35,670	37,473	45,000	(7,527)

(continued)

CITY OF SATANTA, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

(continued)	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Expenditures (continued):				
Community service:				
Community building capital outlay	$ 548	$ 390	$ 500	$ (110)
Airport:				
Contractual	3,000	3,000	3,000	-
Capital outlay	4,000	4,000	4,000	-
Total airport	7,000	7,000	7,000	-
Transfers:				
Transfer to Equipment Reserve	80,000	49,681	49,681	-
Transfer to Capital Improvement	25,000	115,000	15,000	100,000
Total transfers	105,000	164,681	64,681	100,000
Total expenditures	532,748	594,115	$ 669,457	$ (75,342)
Receipts over (under) expenditures	104,115	(11,545)		
Unencumbered cash, beginning of year	334,469	438,584		
Unencumbered cash, end of year	$ 438,584	$ 427,039		

CITY OF SATANTA, KANSAS
Gas Well Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Royalties	$ 10,609	$ 154	$ 51,000	$ (50,846)
Expenditures:				
Royalties and taxes	674	466	$ 7,000	$ (6,534)
Capital outlay	3,915	2,499	156,468	(153,969)
Total expenditures	4,589	2,965	$ 163,468	$ (160,503)
Receipts over (under) expenditures	6,020	(2,811)		
Unencumbered cash, beginning of year	73,468	79,488		
Unencumbered cash, end of year	$ 79,488	$ 76,677		

CITY OF SATANTA, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State of Kansas - gas tax	$ 28,481	$ 28,360	$ 30,580	$ (2,220)
Expenditures:				
Commodities	-	-	$ 107,347	$ (107,347)
Receipts over expenditures	28,481	28,360		
Unencumbered cash, beginning of year	46,167	74,648		
Unencumbered cash, end of year	$ 74,648	$ 103,008		

CITY OF SATANTA, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes	$ 115,220	$ 111,462	$ 111,825	$ (363)
Expenditures:				
Employer contributions	22,504	20,512	$ 25,000	$ (4,488)
Workmen's compensation	5,724	4,889	13,454	(8,565)
Retirement	22,670	22,406	40,450	(18,044)
Unemployment	289	268	2,000	(1,732)
Medical insurance	75,184	71,739	120,000	(48,261)
Total expenditures	126,371	119,814	$ 200,904	$ (81,090)
Receipts under expenditures	(11,151)	(8,352)		
Unencumbered cash, beginning of year	169,653	158,502		
Unencumbered cash, end of year	$ 158,502	$ 150,150		

CITY OF SATANTA, KANSAS
Fire Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes	$ 52,784	$ 47,323	$ 47,520	$ (197)
Expenditures:				
Salaries	4,762	5,406	$ 7,305	$ (1,899)
Contractual	5,633	-	3,000	(3,000)
Commodities	8,538	14,373	8,500	5,873
Capital outlay	17,902	16,861	19,250	(2,389)
Transfer to Equipment Reserve	15,000	25,000	25,000	-
Total expenditures	51,835	61,640	$ 63,055	$ (1,415)
Receipts over (under) expenditures	949	(14,317)		
Unencumbered cash, beginning of year	14,746	15,695		
Unencumbered cash, end of year	$ 15,695	$ 1,378		

CITY OF SATANTA, KANSAS
Opioid Settlement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Intergovernmental revenue	$ -	$ 1,641	$ -	$ 1,641
Transfer from Police	-	5,644	-	5,644
Total receipts	-	7,285	$ -	$ 7,285
Expenditures:				
Commodities	-	-	$ -	$ -
Receipts over expenditures	-	7,285		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	$ -	$ 7,285		

CITY OF SATANTA, KANSAS
Police Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts:				
Taxes	$ 109,796	$ 104,059	$ 103,868	$ 191
Fees	4,189	2,125	3,800	(1,675)
Miscellaneous	3,484	-	-	-
Total receipts	117,469	106,184	$ 107,668	$ (1,484)
Expenditures:				
Contractual	110,288	110,585	$ 116,229	$ (5,644)
Transfer to Opioid Settlement	-	5,644	-	5,644
Total expenditures	110,288	116,229	$ 116,229	$ -
Receipts over (under) expenditures	7,181	(10,045)		
Unencumbered cash, beginning of year	11,330	18,511		
Unencumbered cash, end of year	$ 18,511	$ 8,466		

CITY OF SATANTA, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts:		
Transfer from General	$ 80,000	$ 49,681
Transfer from Fire	15,000	25,000
Total receipts	95,000	74,681
Expenditures:		
Capital outlay	70,197	-
Receipts over expenditures	24,803	74,681
Unencumbered cash, beginning of year	295,203	320,006
Unencumbered cash, end of year	$ 320,006	$ 394,687

SCHEDULE 2

CITY OF SATANTA, KANSAS
Community Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts:		
Transfer from Gas Well	$ -	$ -
Expenditures:		
Capital outlay	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	156,122	156,122
Unencumbered cash, end of year	$ 156,122	$ 156,122

CITY OF SATANTA, KANSAS
Economic Development Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts:		
Donations	$ 21,116	$ -
Expenditures:		
Capital outlay	23,467	15,140
Receipts under expenditures	(2,351)	(15,140)
Unencumbered cash, beginning of year	86,736	84,385
Unencumbered cash, end of year	$ 84,385	$ 69,245

CITY OF SATANTA, KANSAS
Capital Improvement Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

	Prior Year Actual	Current Year Actual
Receipts:		
Transfer from General	$ 25,000	$ 115,000
Expenditures:		
Capital outlay	-	73,497
Receipts over expenditures	25,000	41,503
Unencumbered cash, beginning of year	154,508	179,508
Unencumbered cash, end of year	$ 179,508	$ 221,011

CITY OF SATANTA, KANSAS
Water and Sewer Utility - General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Charge for services	$ 211,042	$ 186,784	$ 228,350	$ (41,566)
Bulk sales	2,462	966	1,250	(284)
Miscellaneous fees	5,947	14,065	10,000	4,065
Use of money and property	-	-	1,000	(1,000)
Total receipts	219,451	201,815	$ 240,600	$ (38,785)
Expenditures:				
Production	92,132	82,066	$ 106,000	$ (23,934)
Distribution	62,763	105,164	110,000	(4,836)
General	17,147	16,459	22,000	(5,541)
Transfer to General	52,000	38,273	38,273	-
Transfer to Water and Sewer Utility - Depreciation Reserve	25,000	25,000	25,000	-
Total expenditures	249,042	266,962	$ 301,273	$ (34,311)
Receipts under expenditures	(29,591)	(65,147)		
Unencumbered cash, beginning of year	108,333	78,742		
Unencumbered cash, end of year	$ 78,742	$ 13,595		

CITY OF SATANTA, KANSAS
Water and Sewer Utility - Depreciation Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

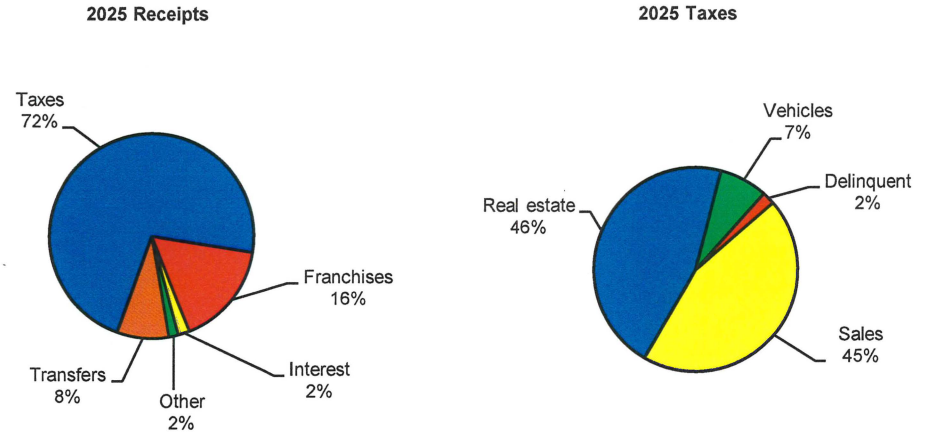
	Prior Year Actual	Current Year Actual
Receipts:		
Charge for services	$ 38,635	$ 38,454
Transfer from Water and Sewer Utility - General	25,000	25,000
Total receipts	63,635	63,454
Expenditures:		
Capital outlay	-	5,727
Receipts over expenditures	63,635	57,727
Unencumbered cash, beginning of year	607,409	671,044
Unencumbered cash, end of year	$ 671,044	$ 728,771

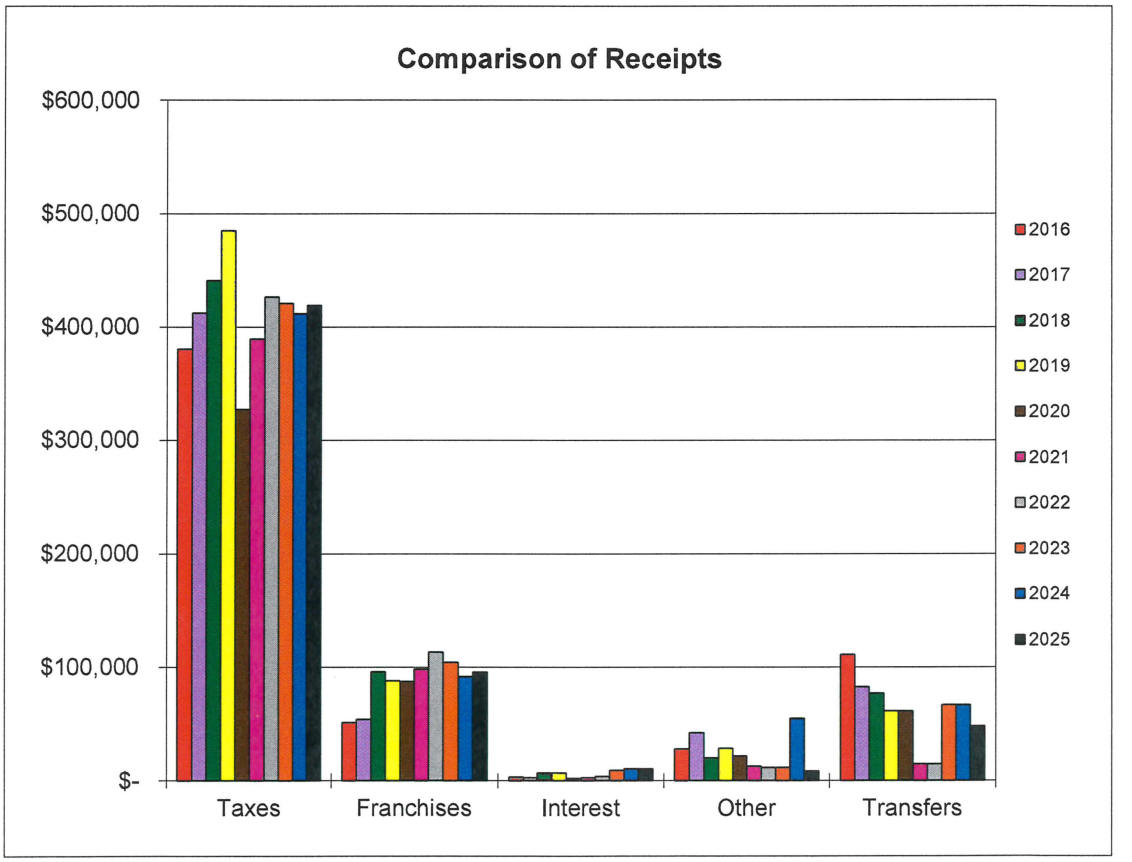
CITY OF SATANTA, KANSAS
Refuse Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2025
(With Comparative Actual Totals for the Prior Year Ended December 31, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Charges for services	$ 95,851	$ 99,368	$ 108,750	$ (9,382)
Expenditures:				
Contractual	84,836	86,699	$ 93,450	$ (6,751)
Commodities	-	-	7,500	(7,500)
Transfer to General	15,000	10,000	10,000	-
Total expenditures	99,836	96,699	$ 110,950	$ (14,251)
Receipts over (under) expenditures	(3,985)	2,669		
Unencumbered cash, beginning of year	36,198	32,213		
Unencumbered cash, end of year	$ 32,213	$ 34,882		

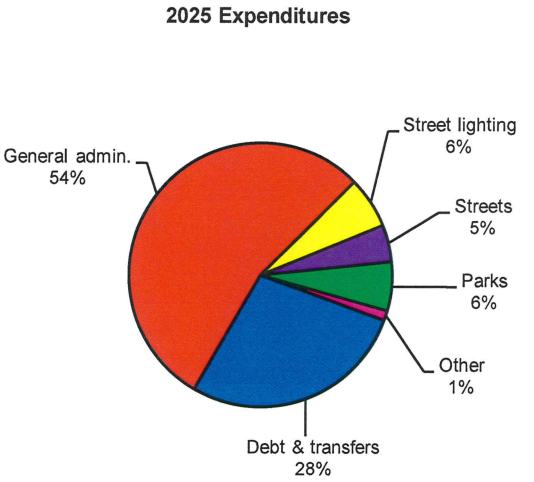
OTHER INFORMATION

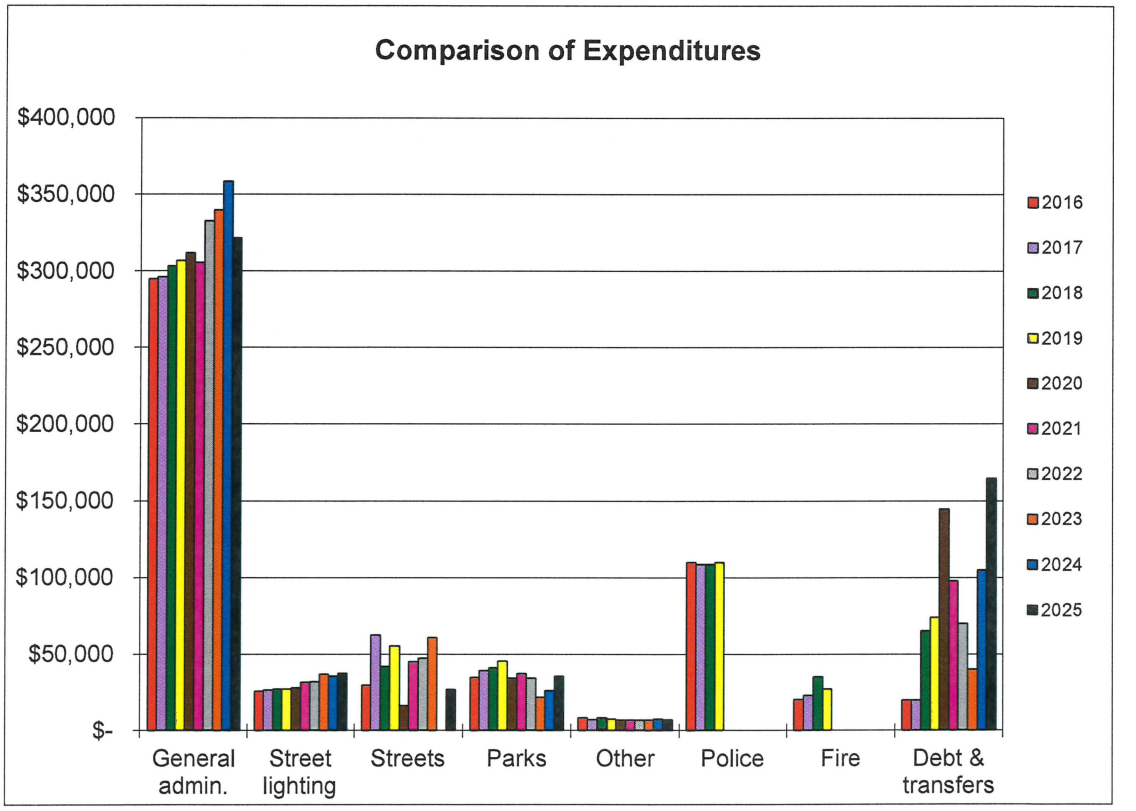
CITY OF SATANTA, KANSAS
Receipts - General Fund
Regulatory Basis
For the Year Ended December 31



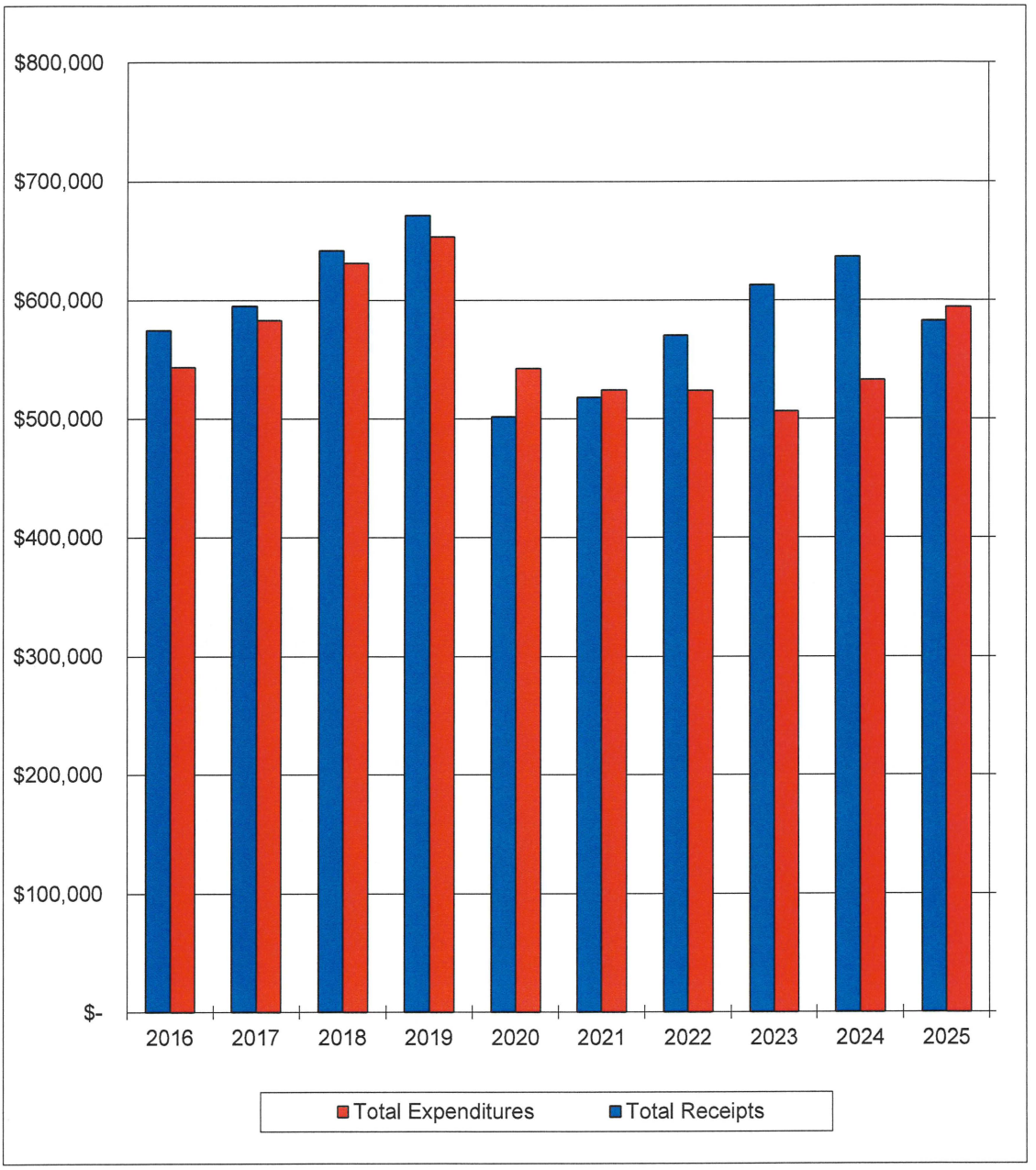


CITY OF SATANTA, KANSAS
Expenditures - General Fund
Regulatory Basis
For the Year Ended December 31





CITY OF SATANTA, KANSAS
Comparison of Receipts and Expenditures - General Fund
Regulatory Basis
For the Year Ended December 31



CITY OF SATANTA, KANSAS
Receipts - Gas Well Fund
Regulatory Basis
For the Year Ended December 31

