CITY OF BUCKLIN, KANSAS
MUNICIPALITY

REGULATORY BASIS FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025

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MUNICIPALITY

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FOR THE YEAR ENDED DECEMBER 31, 2025

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LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council Members
City of Bucklin, 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 Bucklin, 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 March 28, 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, (Schedules 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

March 25, 2026

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

Funds	Unencumbered Cash (deficit) 1/1/25	Receipts	Expenditures	Unencumbered Cash 12/31/25	Add Payables and Encumbrances	Treasurer's Cash 12/31/25
General	$ 369,383	$ 867,191	$ 782,370	$ 454,204	$ 20,926	$ 475,130
Special Purpose Funds:						
Special Highway	43,219	19,768	-	62,987	-	62,987
Library	4,637	75,645	80,282	-	-	-
Library Employee Benefit	-	9,293	9,293	-	-	-
Equipment Reserve	5,395	81,000	5,440	80,955	-	80,955
Capital Improvement Reserve	63,096	-	-	63,096	-	63,096
Fire	24,870	18,418	16,314	26,974	3	26,977
Fire Equipment Reserve	42,016	10,000	-	52,016	-	52,016
Total Special Purpose Funds	183,233	214,124	111,329	286,028	3	286,031
Bond and Interest	37,046	224,226	116,862	144,410	-	144,410
Capital Project	(79,383)	115,654	36,271	-	-	-
Business Funds:						
Water Utility:						
General	73,264	242,440	305,412	10,292	9,237	19,529
Customer Deposits	1,350	2,100	1,050	2,400	-	2,400
Water Depreciation Reserve	50,991	2,161	41,918	11,234	-	11,234
Sewer Utility:						
General	89,249	89,583	64,941	113,891	763	114,654
Sewer Depreciation Reserve	184,808	15,890	-	200,698	-	200,698
Total Business Funds	399,662	352,174	413,321	338,515	10,000	348,515
Total Reporting Entity (memorandum only)	$ 909,941	$ 1,773,369	$ 1,460,153	$ 1,223,157	$ 30,929	$ 1,254,086

Composition of cash:		
The Farmers State Bank	$ 152,590	
GNBank	659,189	
Deposits in transit	1,951	
Outstanding checks	(13,141)	
Total cash in bank		$ 800,589
Certificates of deposit		453,347
Petty cash		150
Total cash		$ 1,254,086

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

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

1. Summary of significant accounting policies

The City of Bucklin, 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 Bucklin (the municipality) only. The organizations, functions or activities discussed below are related municipal entities of the City's reporting entity because of the significance of their operational or financial relationships with the City; however, they are not included in the City's financial statement.

The Bucklin Public Library has its own Board of Directors, which operates independently from the City even though appointed by the City Council. The Library is a separate, legal municipality that prepares its own budget. The taxes budgeted by the Library are appropriated by the City and are required to be distributed to the Library. The Board of Directors is responsible for the management and fiscal accountability of the Library. The financial statements of the Bucklin Public Library are available through the Library.

The Bucklin Housing Authority has its own Board of Directors, which operates independently from the City even though appointed by the City Council. The Board of Directors is responsible for the management and fiscal accountability of the Housing Authority. The financial statements of the Bucklin Housing Authority are available through the Housing Authority's Board of Directors.

In addition to the above related municipal entities, the City is a participating member in a jointly-governed organization that operates the Bucklin Cemetery District. The District is an independent taxing entity with a Board consisting of members from each participating municipality. No one municipality has control of the District's Board.

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.

1. Summary of significant accounting policies (continued)

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 revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest funds – 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 – 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 – 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.).

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 is 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.

1. Summary of significant accounting policies (continued)

E. Property taxes and special assessments (continued)
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 expenditures in the fund that is reimbursed.

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

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. 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.

2. Stewardship, compliance and accountability (continued)

A. Budgetary information (continued)
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.

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

Equipment Reserve
Capital Improvement Reserve
Fire Equipment Reserve
Water Depreciation Reserve
Sewer Depreciation Reserve

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

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	$ 150
Carrying amount of deposits	1,253,936
Total cash	$ 1,254,086

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

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

Concentration of credit risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 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.

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3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

Custodial credit risk – deposits (continued)
At December 31, 2025, the City's carrying amount of deposits was $1,253,936 and the bank balance was $1,265,126. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $612,044 was covered by federal depository insurance and $653,082 was collateralized with securities held by the pledging financial institutions' agents in the City's name. The City's cash deposits by financial institution and category of coverage at year end are as follows:

	The Farmers State Bank	GNBank
FDIC coverage	$ 250,000	$ 362,044
Pledged securities at market value	388,736	614,365
Total coverage	$ 638,736	$ 976,409
Funds on deposit	$ 521,817	$ 743,309
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
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
Pool pump house upgrade	$ 9,317	$ 4,567	$ 4,750
Water system mapping	15,000	9,517	-
Pool repair	45,000	45,000	-
Demolition of 122 W Elm house	7,425	-	7,425

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3. Detailed notes on all funds (continued)

C. Long-term contractual indebtedness

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

	Date of Issue	Maximum Rate	Date of Final Maturity	Amount of Issue	Balance 01/01/25	Additions	Reductions/ Payments	Balance 12/31/25	Interest Paid
General obligation bonds:									
Series A, 2018	05/09/18	4.000%	10/04/43	$ 1,630,000	$ 1,335,000	$ -	$ 50,000	$ 1,285,000	$ 46,553
Series B, 2018	05/09/18	4.250%	10/01/37	105,000	70,000	-	5,000	65,000	2,975
Total general obligation bonds				1,735,000	1,405,000	-	55,000	1,350,000	49,528
Temporary note:									
Main Street Project	12/01/23	4.75%	06/02/25	750,000	522,396	107,768	630,164	-	12,334
Finance leases:									
MSP software	02/26/24	4.13%	03/31/27	48,607	36,886	-	15,972	20,914	1,223
Cummins generator	03/28/24	5.28%	03/28/28	47,181	36,784	-	8,490	28,294	1,955
Vermeer trailer	09/16/24	5.48%	09/19/30	63,651	53,067	-	7,685	45,382	2,947
Police camera kit	10/21/24	4.18%	12/01/29	15,384	14,520	-	1,994	12,526	612
Main Street Project	06/11/25	4.95%	06/11/32	597,964	-	597,964	-	597,964	-
John Deere gator	06/23/25	6.35%	06/23/29	24,057	-	24,057	5,439	18,618	-
Total finance leases				796,844	141,257	622,021	39,580	723,698	6,737
Total long-term contractual indebtedness				$ 3,281,844	$ 2,068,653	$ 729,789	$ 724,744	$ 2,073,698	$ 68,599

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

	Year							
	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2043	Total
Principal:									
General obligation bonds	$ 60,000	$ 60,000	$ 5,000	$ 120,000	$ 5,000	$ 415,000	$ 325,000	$ 360,000	$ 1,350,000
Finance leases	49,887	39,300	36,916	28,457	21,275	547,863	-	-	723,698
Total principal	109,887	99,300	41,916	148,457	26,275	962,863	325,000	360,000	2,073,698
Interest:									
General obligation bonds	47,733	45,953	44,118	42,180	40,108	165,611	94,322	16,655	496,680
Finance leases	35,981	33,673	31,757	29,771	28,048	53,738	-	-	212,968
Total interest	83,714	79,626	75,875	71,951	68,156	219,349	94,322	16,655	709,648
Total principal and interest	$ 193,601	$ 178,926	$ 117,791	$ 220,408	$ 94,431	$ 1,182,212	$ 419,322	$ 376,655	$ 2,783,346

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	$ 81,000
Fire	Fire Equipment Reserve	12-1,117	10,000
Water Utility	Bond and Interest	12-825d	174,482
Water Depreciation Reserve	Bond and Interest	12-825d	41,918
Sewer Utility	Sewer Depreciation Reserve	12-825d	15,000
Total			$ 322,400

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 carries commercial insurance for all risks of loss including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three 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 is to recognize the costs of compensated absences when actually paid.

The City's policy regarding sick leave pay permits employees to accumulate leave days at a maximum rate of 12 days per year, with accumulation up to 30 days. Accumulated sick leave pay is paid at termination of employment.

The City's policy regarding vacation leave pay permits full-time employees to accumulate vacation days at the maximum rate of 15 days per year. On January of each year, vacation days will restart. Accumulated vacation leave pay is paid at termination of employment.

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.

4. Other information (continued)

D. Defined benefit pension plan (continued)

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. 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.

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 was 9.71% for KPERS and 24.67% for KP&F for the fiscal year ended December 31, 2025. Contributions to the pension plan from the City were $10,172 for KPERS and $11,466 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 was $111,436 for KPERS and $84,510 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 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. Commitments and contingencies

Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state passthrough aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the City at December 31, 2025.

REGULATORY REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

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

Funds	Total Budget for Comparison	Expenditures Chargeable to Current Year Budget	Variance Over (Under)
General	$ 883,020	$ 782,370	$ (100,650)
Special Purpose Funds:			
Special Highway	75,193	-	(75,193)
Library	80,000	80,282	282
Library Employee Benefits	9,451	9,293	(158)
Fire	31,000	16,314	(14,686)
Bond and Interest	293,133	116,862	(176,271)
Business Funds:			
Water Utility:			
General	361,823	305,412	(56,411)
Customer Deposits	3,350	1,050	(2,300)
Sewer Utility:			
General	183,459	64,941	(118,518)

CITY OF BUCKLIN, 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	Current Year Variance Over (Under)
Receipts:				
Administration:				
Taxes	$ 530,609	$ 663,016	$ 500,486	$ 162,530
Franchises	48,878	52,102	29,000	23,102
Licenses and permits	2,195	1,282	600	682
Interest on investments	13,935	16,955	3,000	13,955
Miscellaneous	9,061	16,192	3,500	12,692
Total administration	604,678	749,547	536,586	212,961
Parks and pool	2,573	1,706	220	1,486
Refuse fees	84,982	86,041	120,000	(33,959)
Police and police court	50,990	29,897	5,000	24,897
Transfer from Police	50,464	-	-	-
Total receipts	793,687	867,191	$ 661,806	$ 205,385
Expenditures:				
General administration:				
Salaries	102,396	121,561	$ 112,500	$ 9,061
Contractual	158,176	176,666	140,000	36,666
Commodities	22,834	50,624	50,000	624
Capital outlay	17,250	27	2,500	(2,473)
Total general administration	300,656	348,878	305,000	43,878
Streets:				
Salaries	42,713	44,059	44,000	59
Contractual	1,752	1,827	1,500	327
Commodities	29,983	24,231	35,000	(10,769)
Capital outlay	-	-	5,000	(5,000)
Total streets	74,448	70,117	85,500	(15,383)
Parks:				
Salaries	74,403	65,237	78,500	(13,263)
Contractual	5,866	3,661	7,500	(3,839)
Commodities	18,852	8,939	20,000	(11,061)
Capital outlay	-	-	5,000	(5,000)
Total parks	99,121	77,837	111,000	(33,163)
Street lighting:				
Contractual	21,570	30,238	33,220	(2,982)

(continued)

CITY OF BUCKLIN, 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	Current Year Variance Over (Under)
(continued)				
Expenditures (continued):				
Refuse utility:				
Contractual	$ 78,301	$ 87,487	$ 120,000	$ (32,513)
Police:				
Salaries	111,862	76,684	107,000	(30,316)
Contractual	8,759	7,039	10,000	(2,961)
Commodities	7,523	3,090	7,750	(4,660)
Total police	128,144	86,813	124,750	(37,937)
Capital outlay:				
Capital outlay	-	-	72,550	(72,550)
Operating transfers out:				
Equipment Reserve	30,270	81,000	31,000	50,000
Capital Project	4,750	-	-	-
Total operating transfers out	35,020	81,000	31,000	50,000
Total expenditures	737,260	782,370	$ 883,020	$ (100,650)
Receipts over expenditures	56,427	84,821		
Unencumbered cash, beginning of year	312,956	369,383		
Unencumbered cash, end of year	$ 369,383	$ 454,204		

CITY OF BUCKLIN, 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	$ 19,190	$ 18,960	$ 20,860	$ (1,900)
Other receipts	-	808	-	808
Total cash receipts	19,190	19,768	$ 20,860	$ (1,092)
Expenditures:				
Commodities	9,424	-	$ 75,193	$ (75,193)
Receipts over expenditures	9,766	19,768		
Unencumbered cash, beginning of year	33,453	43,219		
Unencumbered cash, end of year	$ 43,219	$ 62,987		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes	$ 74,553	$ 75,645	$ 76,475	$ (830)
Expenditures:				
Distribution to treasurer	78,240	80,282	$ 80,000	$ 282
Receipts under expenditures	(3,687)	(4,637)		
Unencumbered cash, beginning of year	8,324	4,637		
Unencumbered cash, end of year	$ 4,637	$ -		

CITY OF BUCKLIN, KANSAS
Library Employee Benefit 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	$ 3,620	$ 9,293	$ 9,715	$ (422)
Expenditures:				
Distribution to treasurer	4,159	9,293	$ 9,451	$ (158)
Receipts over (under) expenditures	(539)	-		
Unencumbered cash, beginning of year	539	-		
Unencumbered cash, end of year	$ -	$ -		

CITY OF BUCKLIN, 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	$ 30,270	$ 81,000
Expenditures:		
Equipment	24,875	5,440
Receipts over expenditures	5,395	75,560
Unencumbered cash, beginning of year	-	5,395
Unencumbered cash, end of year	$ 5,395	$ 80,955

CITY OF BUCKLIN, KANSAS
Capital Improvement 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:		
Miscellaneous	$ -	$ -
Expenditures:		
Capital outlay	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	63,096	63,096
Unencumbered cash, end of year	$ 63,096	$ 63,096

CITY OF BUCKLIN, 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	$ 23,417	$ 18,418	$ 18,609	$ (191)
Expenditures:				
Salaries	3,526	2,074	$ 3,000	$ (926)
Contractual	-	-	2,500	(2,500)
Commodities	1,739	1,951	5,000	(3,049)
Capital outlay	3,427	2,289	10,500	(8,211)
Transfer to Fire Equipment Reserve	10,000	10,000	10,000	-
Total expenditures	18,692	16,314	$ 31,000	$ (14,686)
Receipts over expenditures	4,725	2,104		
Unencumbered cash, beginning of year	20,145	24,870		
Unencumbered cash, end of year	$ 24,870	$ 26,974		

CITY OF BUCKLIN, KANSAS
Fire 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 Fire	$ 10,000	$ 10,000
Expenditures:		
Commodities	-	-
Receipts over expenditures	10,000	10,000
Unencumbered cash, beginning of year	32,016	42,016
Unencumbered cash, end of year	$ 42,016	$ 52,016

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Special assessment	$ 7,571	$ 7,826	$ 6,679	$ 1,147
Transfer from Water Utility	82,500	174,482	216,400	(41,918)
Transfer from Water Depreciation Reserve	27,500	41,918	-	41,918
Total receipts	117,571	224,226	$ 223,079	$ 1,147
Expenditures:				
Principal	55,000	55,000	$ 55,000	$ -
Interest	51,366	49,528	49,528	-
Fiscal fees	-	-	100	(100)
Main Street Project	-	12,334	28,646	(16,312)
Cash basis reserve	-	-	159,859	(159,859)
Total expenditures	106,366	116,862	$ 293,133	$ (176,271)
Receipts over expenditures	11,205	107,364		
Unencumbered cash, beginning of year	25,841	37,046		
Unencumbered cash, end of year	$ 37,046	$ 144,410		

CITY OF BUCKLIN, KANSAS
Capital Project 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:		
Intergovernmental revenue	$ 720,739	$ 4,680
Temporary note proceeds	1,118,116	107,768
Miscellaneous	-	3,206
Transfer from General	4,750	-
Total receipts	1,843,605	115,654
Expenditures:		
Capital outlay	1,992,607	36,271
Receipts over (under) expenditures	(149,002)	79,383
Unencumbered cash (deficit), beginning of year	69,619	(79,383)
Unencumbered cash (deficit), end of year	$ (79,383)	$ -

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Charges for services	$ 249,888	$ 242,440	$ 280,200	$ (37,760)
Expenditures:				
Production and transmission	126,062	115,169	$ 145,423	$ (30,254)
Capital outlay	5,316	15,761	-	15,761
Transfer to Bond and Interest	82,500	174,482	216,400	(41,918)
Total expenditures	213,878	305,412	$ 361,823	$ (56,411)
Receipts over (under) expenditures	36,010	(62,972)		
Unencumbered cash, beginning of year	37,254	73,264		
Unencumbered cash, end of year	$ 73,264	$ 10,292		

CITY OF BUCKLIN, KANSAS
Customer Deposits 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:				
Customer deposits	$ 1,550	$ 2,100	$ 1,500	$ 600
Expenditures:				
Customer deposit refunds	2,050	1,050	$ 3,350	$ (2,300)
Receipts over (under) expenditures	(500)	1,050		
Unencumbered cash, beginning of year	1,850	1,350		
Unencumbered cash, end of year	$ 1,350	$ 2,400		

CITY OF BUCKLIN, KANSAS
Water 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:		
Interest on investments	$ 1,488	$ 2,161
Expenditures:		
Transfer to Bond and Interest	27,500	41,918
Receipts under expenditures	(26,012)	(39,757)
Unencumbered cash, beginning of year	77,003	50,991
Unencumbered cash, end of year	$ 50,991	$ 11,234

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

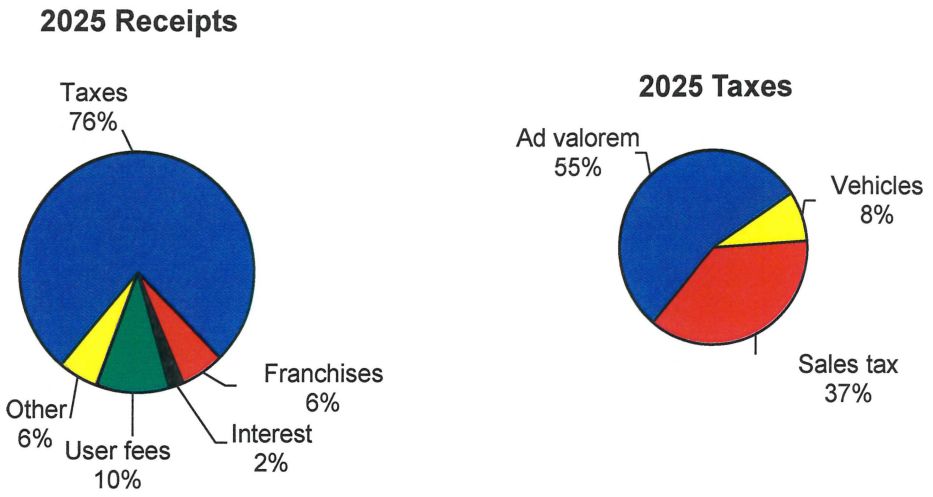
		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Charges for services	$ 87,716	$ 89,583	$ 90,000	$ (417)
Expenditures:				
Operations	54,293	44,625	$ 168,459	$ (123,834)
Capital outlay	5,316	5,316	-	5,316
Transfer to Sewer Depreciation Reserve	15,000	15,000	15,000	-
Total expenditures	74,609	64,941	$ 183,459	$ (118,518)
Receipts over expenditures	13,107	24,642		
Unencumbered cash, beginning of year	76,142	89,249		
Unencumbered cash, end of year	$ 89,249	$ 113,891		

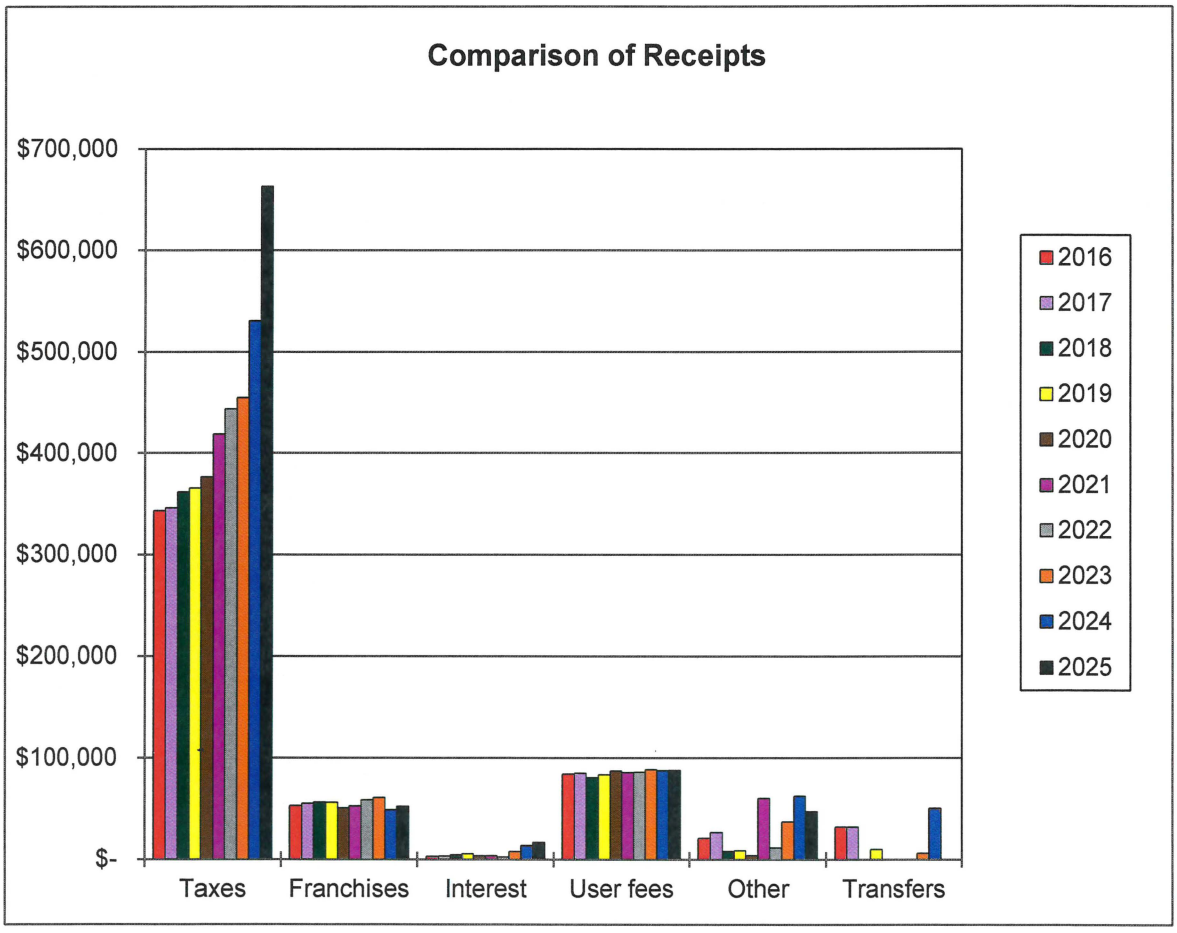
CITY OF BUCKLIN, KANSAS
Sewer Depreciation Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2025
With Comparative Actual Totals for the Prior Year Ended December 31, 2024

	Prior Year Actual	Current Year Actual
Receipts:		
Interest on investments	$ 661	$ 890
Transfer from Sewer Utility	15,000	15,000
Total receipts	15,661	15,890
Expenditures:		
Capital outlay	-	-
Receipts over expenditures	15,661	15,890
Unencumbered cash, beginning of year	169,147	184,808
Unencumbered cash, end of year	$ 184,808	$ 200,698

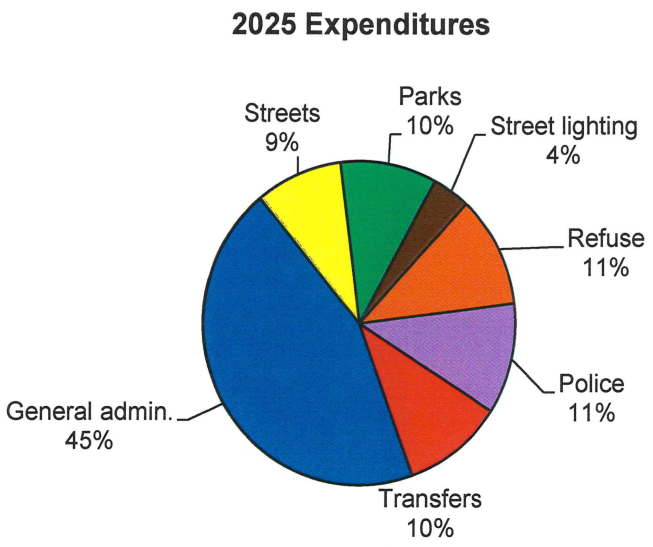
OTHER INFORMATION

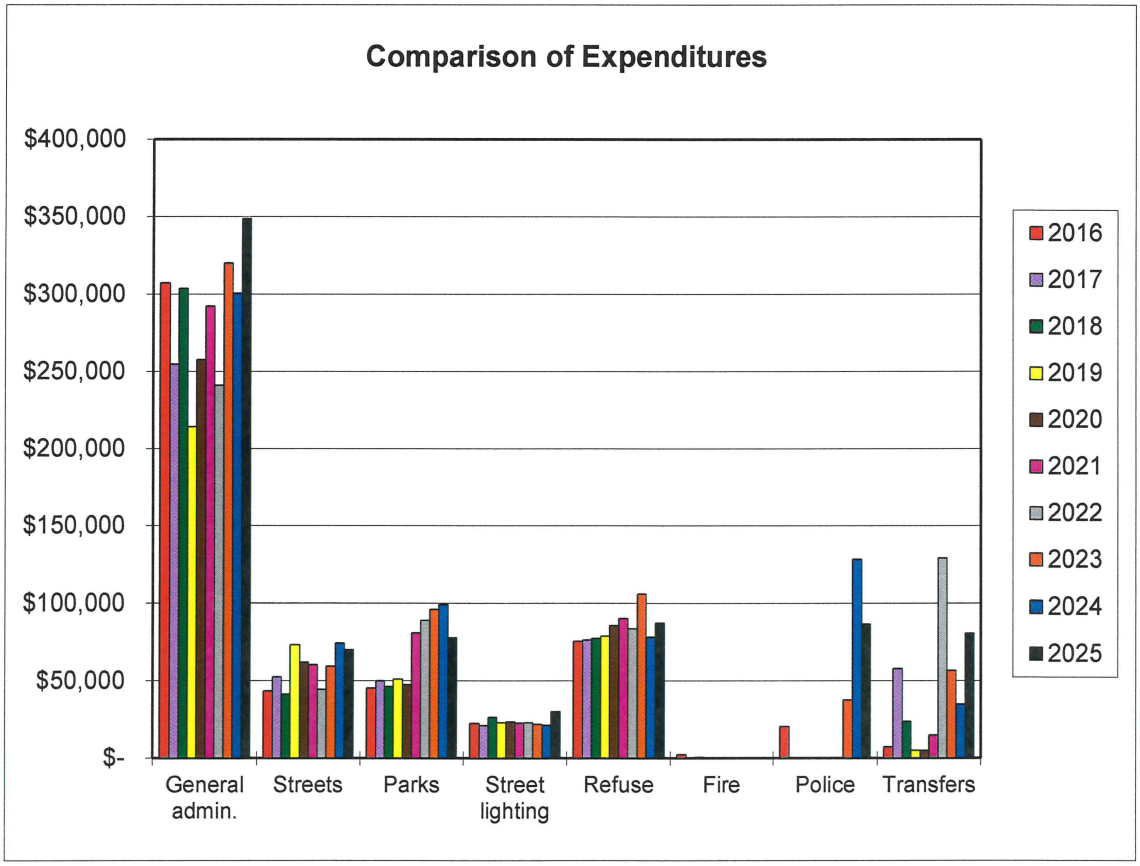
CITY OF BUCKLIN, KANSAS
Receipts - General Fund
Regulatory Basis
For the Year Ended December 31





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





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

