CITY OF MONTEZUMA, KANSAS

FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT

YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
Montezuma, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of the City of Montezuma, Kansas, as of and for the year ended December 31, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Montezuma, Kansas, as of December 31, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Montezuma, Kansas, as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Basis for Adverse and Unmodified Opinions

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

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgement 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 of Montezuma, Kansas' 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 of Montezuma, Kansas' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget and individual fund schedules of regulatory basis 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 basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Montezuma, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated August 2, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the website of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2024 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2023, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

July 31, 2025

CITY OF MONTEZUMA, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year Ended December 31, 2024

Fund	Beginning unencumbered cash balance	Prior year canceled encumbrances
General fund:		
General	$ 208,411	$ -
Special purpose funds:		
Special highway	77,459	-
PBC sales tax	724,805	-
Special street equipment	35,137	-
Capital improvement	916,097	-
ARPA	77,047	-
Walking trail	90,306	-
Donations	1,486	-
Fire department donations	830	-
Housing grant	-	-
Total special purpose funds	1,923,167	-
Bond and interest fund:		
PBC bond reserve	315,000	-
Business funds:		
Electric utility	76,339	-
Water - sewer utility	337,684	-
Trash utility	35,493	-
Total business funds	449,516	-
Total City of Montezuma	$ 2,896,094	$ -
Composition of cash:		
Checking account		
Sweep account		
PBC checking account		
PBC sweep account		
Total City of Montezuma		

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

STATEMENT 1

Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
$ 648,592	$ 573,477	$ 283,526	$ 6,159	$ 289,685
26,556	56,000	48,015	-	48,015
579,462	303,022	1,001,245	-	1,001,245
7,308	20,350	22,095	-	22,095
907,954	876,729	947,322	-	947,322
-	77,047	-	-	-
186,400	250,570	26,136	-	26,136
-	-	1,486	-	1,486
2,220	-	3,050	-	3,050
64,700	64,700	-	-	-
1,774,600	1,648,418	2,049,349	-	2,049,349
-	-	315,000	-	315,000
1,250,805	1,255,955	71,189	55,921	127,110
451,885	364,669	424,900	15,890	440,790
193,520	178,649	50,364	12,475	62,839
1,896,210	1,799,273	546,453	84,286	630,739
$ 4,319,402	$ 4,021,168	$ 3,194,328	$ 90,445	$ 3,284,773

	$ 83,943
	2,885,830
	100,000
	215,000
	$ 3,284,773

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement, schedules, and notes are representations of the City's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

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

Public Building Commission. The Commission was authorized by City Ordinance No. 429, pursuant to K.S.A. 12-1757 et. seq., and all amendments thereto, establishing the composition thereof and purpose for which established.

2. Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2024:

REGULATORY BASIS FUND TYPES

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

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

Bond and Interest fund – used to account for the accumulation of resources (including tax levies, transfers from other funds, etc.) and payment of general long-term debt.

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. 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.

4. 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:

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in the official newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.

d. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been meet. 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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. There were no such budget amendments for this year.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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

A legal operating budget is not required for the Special Street Equipment, Capital Improvement, ARPA, Walking Trail, Donations, Fire Department Donations, Housing Grant, and PBC Bond Reserve funds.

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. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds to 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.

Custodial credit risk – deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2024.

At December 31, 2024, the City's carrying amount of deposits was $3,284,773 and the bank balance was $3,222,075, all of which was covered by federal depository insurance.

C. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2024 were as follows:

Issue	Balance beginning of year	Additions	Reductions/ payments	Balance end of year	Interest paid
Revenue bonds:					
Public Building Commission					
Issued January 24, 2019					
In the amount of $3,150,000					
At interest rates of 2.0%-4.4%					
Maturing July 1, 2039	$2,730,000	$ -	$ 125,000	$2,605,000	$ 107,550
Weather event loan:					
Kansas State Treasurer					
Issued March 26, 2021					
In the amount of $200,000					
At interest rates of 0.25%-2.81%					
Maturing January 1, 2031	142,083	-	18,639	123,444	3,863
Total contractual indebtedness	$2,872,083	$ -	$ 143,639	$2,728,444	$ 111,413

Current maturities of revenue bonds and interest for the next five years and through maturity are as follows:

	Principal due	Interest due	Total due
2025	$ 130,000	$ 103,850	$ 233,850
2026	135,000	99,740	234,740
2027	140,000	95,200	235,200
2028	145,000	90,283	235,283
2029	150,000	84,745	234,745
2030-2034	850,000	324,575	1,174,575
2035-2039	1,055,000	120,010	1,175,010
Total	$ 2,605,000	$ 918,403	$ 3,523,403

Current maturities of the weather event loan and interest for the next five years and through maturity are as follows:

	Principal due	Interest due	Total due
2025	$ 19,166	$ 3,335	$ 22,501
2026	19,708	2,793	22,501
2027	20,266	2,235	22,501
2028	20,839	1,662	22,501
2029	21,429	1,072	22,501
2030	22,036	465	22,501
Total	$ 123,444	$ 11,562	$ 135,006

D. INTERFUND TRANSFERS

A summary of interfund transfers by type is as follows:

From	To	Regulatory authority	Amount
Operating transfers:			
Electric Utility	General	K.S.A. 12-825d	$ 150,000
Water-Sewer Utility	General	K.S.A. 12-825d	25,000
Trash Utility	General	K.S.A. 12-825d	25,000
Special Highway	Special Street Equipment	K.S.A. 68-141g	6,528
Water-Sewer Utility	Capital Improvement	K.S.A. 12-825d	50,000
			$ 256,528

E. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. 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 was set at 1% and contributions were $4,703 for the year ended December 31, 2024.

Deferred compensation plan. The City offers employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457.

Compensated absences. The City's compensated absence policy permits employees to earn ten vacation days after one year of service and fifteen days after ten years of service plus one day for each additional year of service after ten years. The City's policy does not allow employees to carryover accumulated vacation past their anniversary date unless approved. Unused vacation is paid upon termination or resignation.

Sick leave is accumulated at the rate of one-half day per month for eligible employees. The maximum number of days eligible to be carried over to a subsequent year is unlimited. Unused sick leave is not paid upon termination or resignation. The City's policy is to recognize the costs of compensated absences when actually paid.

F. DEFINED BENEFIT PENSION PLAN

General Information About the 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.kpers.org or by writing to KPERS (611 S. 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 the City 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 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $43,549 for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $425,016. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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 report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

G. RELATED PARTIES

For the year ended December 31, 2024, the City transacted business with American Implement in the amounts of $22,000. Two Council members are managers at American Implement.

H. 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 workers' 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 participating members.

The City pays an annual premium to KMIT for workers' compensation insurance coverage. The agreement to participate provides that the KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

The City continues to carry commercial insurance for all other risks of loss, including property, liability, and fidelity bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there have been no significant reductions in coverage.

I. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception as of December 31, 2024 are as follows:

	Project authorization	Cash disbursements and accounts payable to date
Airport runway project	$ 955,601	$ 955,601
Community building chair lift	38,500	38,500
Total	$ 994,101	$ 994,101

J. SUBSEQUENT EVENTS

The City has evaluated events subsequent to year end through July 31, 2025 and does not believe any events have occurred which affect the financial statement as presented.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

CITY OF MONTEZUMA, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024

Fund	Certified budget	Adjustment for qualifying budget credits	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General fund:					
General	$ 661,000	$ -	$ 661,000	$ 573,477	$ 87,523
Special purpose funds:					
Special highway	85,000	-	85,000	56,000	29,000
PBC sales tax	633,550	-	633,550	303,022	330,528
Business funds:					
Electric utility	1,428,252	-	1,428,252	1,255,955	172,297
Water - sewer utility	600,000	-	600,000	364,669	235,331
Trash utility	210,000	-	210,000	178,649	31,351
	$ 3,617,802	$ -	$ 3,617,802	$ 2,731,772	$ 886,030

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	$ 172,146	$ 184,897	$ 186,457	$ (1,560)
Delinquent tax	1,398	813	-	813
Motor vehicle tax	21,046	21,218	24,178	(2,960)
Recreational vehicle tax	420	462	643	(181)
16/20M truck tax	89	89	105	(16)
Commercial vehicle tax	967	960	1,280	(320)
Local sales tax	126,481	128,634	90,000	38,634
Airport income	15,477	15,932	6,500	9,432
Fines	3,485	2,770	1,000	1,770
Fire department	12,189	14,800	6,000	8,800
Community building	33,889	37,839	25,000	12,839
Franchise fees	31,253	22,537	18,000	4,537
Licenses and fees	412	1,135	200	935
RV park income	8,297	8,562	5,000	3,562
Miscellaneous	35,493	19,022	-	19,022
Operating transfers in	200,000	200,000	200,000	-
Neighborhood revitalization	(11,443)	(11,078)	(9,683)	(1,395)
Total receipts	651,599	648,592	$ 554,680	$ 93,912
Expenditures:				
General government:				
Personal services	128,728	124,391	$ 140,000	$ 15,609
Contractual services	80,202	71,736	85,000	13,264
Commodities	29,628	29,702	30,000	298
Subtotal	238,558	225,829	255,000	29,171
Employee benefits:				
FICA	31,059	32,588	36,000	3,412
KPERS	42,444	48,438	50,000	1,562
Medicare	7,264	7,622	10,000	2,378
Workmen's compensation	86	16,734	12,000	(4,734)
Subtotal	80,853	105,382	108,000	2,618
Fire department:				
Personal services	3,570	4,050	6,000	1,950
Contractual services	851	821	2,000	1,179
Commodities	1,700	558	2,000	1,442
Capital outlay	6,440	14,521	10,000	(4,521)
Subtotal	12,561	19,950	20,000	50

CITY OF MONTEZUMA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Expenditures (continued):				
Noxious weed department:				
Commodities	$ 12,400	$ 18,533	$ 25,000	$ 6,467
Police department:				
Personal services	22,199	23,155	26,000	2,845
Contractual services	733	647	1,000	353
Commodities	3,133	(2,850)	2,500	5,350
Subtotal	26,065	20,952	29,500	8,548
Street department:				
Contractual services	63,703	41,745	-	(41,745)
Commodities	4,999	13,995	80,000	66,005
Subtotal	68,702	55,740	80,000	24,260
Golf course:				
Personal services	43,898	46,334	50,000	3,666
Contractual services	49,213	66,118	65,000	(1,118)
Subtotal	93,111	112,452	115,000	2,548
Swimming pool	13,190	6,787	7,500	713
Airport	8,820	4,705	10,000	5,295
City beautification	1,453	683	5,000	4,317
RV park expense	1,643	1,904	5,000	3,096
ADA van	-	-	1,000	1,000
Community building	3,185	560	-	(560)
Total expenditures	560,541	573,477	$ 661,000	$ 87,523
Receipts over (under) expenditures	91,058	75,115		
Unencumbered cash, beginning of year	117,353	208,411	$ 106,320	$ 102,091
Unencumbered cash, end of year	$ 208,411	$ 283,526		

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
State of Kansas gas tax	$ 26,093	$ 26,556	$ 26,080	$ 476
Miscellaneous	129	-	-	-
Total receipts	26,222	26,556	$ 26,080	$ 476
Expenditures:				
Street repair and maintenance	10,597	49,472	$ 78,480	$ 29,008
Operating transfers out	6,523	6,528	6,520	(8)
Total expenditures	17,120	56,000	$ 85,000	$ 29,000
Receipts over (under) expenditures	9,102	(29,444)		
Unencumbered cash, beginning of year	68,357	77,459	$ 58,920	$ 18,539
Unencumbered cash, end of year	$ 77,459	$ 48,015		

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

PBC SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Local sales tax	$ 554,675	$ 579,462	$ 450,000	$ 129,462
Expenditures:				
Debt service:				
Principal	125,000	125,000	$ 125,000	$ -
Interest	110,925	107,550	107,550	-
Commissions and postage	1,500	1,500	1,000	(500)
Capital outlay	120,778	68,972	400,000	331,028
Total expenditures	358,203	303,022	$ 633,550	$ 330,528
Receipts over (under) expenditures	196,472	276,440		
Unencumbered cash, beginning of year	528,333	724,805	$ 591,408	$ 133,397
Unencumbered cash, end of year	$ 724,805	$ 1,001,245	$ 407,858	$ 593,387

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

SPECIAL STREET EQUIPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
Sale of equipment	$ -	$ 780
Operating transfers in	6,523	6,528
Total receipts	6,523	7,308
Expenditures:		
Capital outlay	5,050	20,350
Receipts over (under) expenditures	1,473	(13,042)
Unencumbered cash, beginning of year	33,664	35,137
Unencumbered cash, end of year	$ 35,137	$ 22,095

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

CAPITAL IMPROVEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
Interest and assessments	$ 56,947	$ 62,792
Street assessments	3,729	2,462
State aid	-	792,700
Miscellaneous	281	-
Operating transfers in	215,000	50,000
Total receipts	275,957	907,954
Expenditures:		
General government	88,859	850,802
Street improvements	56,000	-
Culture and recreation	27,198	25,927
Total expenditures	172,057	876,729
Receipts over (under) expenditures	103,900	31,225
Unencumbered cash, beginning of year	812,197	916,097
Unencumbered cash, end of year	$ 916,097	$ 947,322

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

ARPA FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts	$ -	$ -
Expenditures:		
Capital outlay	12,609	77,047
Receipts over (under) expenditures	(12,609)	(77,047)
Unencumbered cash, beginning of year	89,656	77,047
Unencumbered cash, end of year	$ 77,047	$ -

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

WALKING TRAIL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
Federal aid	$ 161,054	$ 186,400
Expenditures:		
Capital outlay	402	250,570
Receipts over (under) expenditures	160,652	(64,170)
Unencumbered cash (deficit), beginning of year	(70,346)	90,306
Unencumbered cash, end of year	$ 90,306	$ 26,136

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

DONATIONS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
Donations	$ 11,124	$ -
Expenditures:		
Capital outlay	5,213	-
Receipts over (under) expenditures	5,911	-
Unencumbered cash (deficit), beginning of year	(4,425)	1,486
Unencumbered cash, end of year	$ 1,486	$ 1,486

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

FIRE DEPARTMENT DONATIONS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
Donations	$ 830	$ 2,220
Expenditures	-	-
Receipts over (under) expenditures	830	2,220
Unencumbered cash, beginning of year	-	830
Unencumbered cash, end of year	$ 830	$ 3,050

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

HOUSING GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
State aid	$ 415,300	$ 64,700
Expenditures:		
Capital outlay	415,300	64,700
Receipts over (under) expenditures	-	-
Unencumbered cash, beginning of year	-	-
Unencumbered cash, end of year	$ -	$ -

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

PBC BOND RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts	$ -	$ -
Expenditures	-	-
Receipts over (under) expenditures	-	-
Unencumbered cash, beginning of year	315,000	315,000
Unencumbered cash, end of year	$ 315,000	$ 315,000

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

ELECTRIC UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Charges for services	$ 1,213,546	$ 1,250,540	$ 1,300,000	$ (49,460)
Fees	4,453	-	-	-
Reimbursements	70,946	-	-	-
Miscellaneous	299	265	-	265
Total receipts	1,289,244	1,250,805	$ 1,300,000	$ (49,195)
Expenditures:				
Administrative and general	29,914	25,435	$ 20,000	$ (5,435)
Distribution	82,430	57,248	75,000	17,752
Non-operating	7,558	-	20,000	20,000
Personal services	154,237	164,865	200,000	35,135
Employee benefits	134,842	168,079	150,000	(18,079)
Capital outlay	15,601	-	-	-
Production	598,489	604,757	650,000	45,243
Sales tax	59,382	62,496	68,000	5,504
Miscellaneous	201	573	-	(573)
Operating transfers out	300,000	150,000	225,000	75,000
Debt service:				
Principal	18,221	18,639	19,913	1,274
Interest	4,175	3,863	339	(3,524)
Total expenditures	1,405,050	1,255,955	$ 1,428,252	$ 172,297
Receipts over (under) expenditures	(115,806)	(5,150)		
Unencumbered cash, beginning of year	192,145	76,339	$ 129,171	$ (52,832)
Unencumbered cash, end of year	$ 76,339	$ 71,189	$ 919	$ 70,270

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

WATER - SEWER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Charges for services	$ 424,629	$ 448,747	$ 380,000	$ 68,747
Reimbursements	-	36	-	36
Miscellaneous	-	3,102	-	3,102
Total receipts	424,629	451,885	$ 380,000	$ 71,885
Expenditures:				
Administrative and general	3,606	2,158	$ 5,000	$ 2,842
Production	26,683	27,986	35,000	7,014
Distribution	111,967	94,520	125,000	30,480
Personal services	148,121	162,828	200,000	37,172
Non-operating	2,324	2,177	10,000	7,823
Capital outlay	15,601	-	50,000	50,000
Operating transfers out	50,000	75,000	175,000	100,000
Total expenditures	358,302	364,669	$ 600,000	$ 235,331
Receipts over (under) expenditures	66,327	87,216		
Unencumbered cash, beginning of year	271,357	337,684	$ 220,147	$ 117,537
Unencumbered cash, end of year	$ 337,684	$ 424,900	$ 147	$ 424,753

See Independent Auditor's Report.

CITY OF MONTEZUMA, KANSAS

TRASH UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Charges for services	$ 116,885	$ 127,908	$ 110,000	$ 17,908
County fees	63,579	65,612	70,000	(4,388)
Total receipts	180,464	193,520	$ 180,000	$ 13,520
Expenditures:				
Contractual services	110,141	123,686	$ 120,000	$ (3,686)
County fees	33,466	29,963	37,500	7,537
Other	-	-	2,500	2,500
Operating transfers out	65,000	25,000	50,000	25,000
Total expenditures	208,607	178,649	$ 210,000	$ 31,351
Receipts over (under) expenditures	(28,143)	14,871		
Unencumbered cash, beginning of year	63,636	35,493	$ 30,000	$ 5,493
Unencumbered cash, end of year	$ 35,493	$ 50,364		

See Independent Auditor's Report.