CITY OF OTTAWA, KANSAS

Financial Statements

For the Year Ended December 31, 2024

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CITY OF OTTAWA, KANSAS
Financial Statements
For the Year Ended December 31, 2024
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INDEPENDENT AUDITOR'S REPORT

Mayor and City Commissioners
City of Ottawa, Kansas

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Ottawa, Kansas, (the City), 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 of Adverse and Unmodified Opinions" section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2024, or the changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 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 1.

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States 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, 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 opinions.

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *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 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; 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, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. We did not audit the financial statements of the Ottawa Library, which is a related municipal entity and 4.01% and 2.94%, respectively, of the assets and regulatory basis receipts of the reporting entity. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Ottawa Library, is based solely on the report of the other auditors. 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 *Government Auditing Standards* 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 *Government Auditing Standards*, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of receipts and disbursements-agency funds and the schedule of regulatory basis receipts and expenditures-related municipal entity (Schedules 1, 2, 3 and 4) as listed in the table of contents) are presented for 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*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. 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 information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated May 12, 2025, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Other Matters

The 2023 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2023 (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.

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 Ottawa, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated April 25, 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 web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipalservices. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget 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 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 12, 2025

CITY OF OTTAWA, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ 3,101,651	$ -	$ 13,457,569	$ 13,078,218	$ 3,481,002	$ 310,844	$ 3,791,846
Special Purpose Funds:							
Community Services Support	69,738	-	184,000	179,455	74,283	-	74,283
Municipal Auditorium	61,900	-	418,775	431,894	48,781	9,577	58,358
Airport	186,318	-	132,696	84,063	234,951	302	235,253
Special Park and Recreation	380,643	-	121,784	257,549	244,878	-	244,878
Special Alcohol Program	14,418	-	39,878	35,000	19,296	-	19,296
Library	-	-	1,205,318	1,205,318	-	-	-
Economic Development	580,811	-	184,543	226,707	538,647	9,932	548,579
Special Streets	878,083	-	601,744	229,845	1,249,982	475	1,250,457
Equipment Reserve	786,409	-	359,927	55,406	1,090,930	20,602	1,111,532
Risk Management	880,810	-	1,188,659	1,139,656	929,813	16,256	946,069
Land Bank	10,303	-	-	-	10,303	-	10,303
Proximity Park Sales Tax	2,786,954	-	2,175,276	1,072,855	3,889,375	-	3,889,375
Golf Course	21,318	-	263,178	147,660	136,836	2,606	139,442
Non-Budgeted Special Purpose Funds	2,890,671	-	1,528,026	958,476	3,460,221	62,989	3,523,210
Governmental Grants Funds	1,806,677	-	2,582,627	2,278,058	2,111,246	19,859	2,131,105
Bond and Interest Funds:							
Bond and Interest	199,585	-	4,084,619	4,172,060	112,144	-	112,144
WWTP Funding	617,782	-	912,820	816,090	714,512	-	714,512
Redemption	-	-	-	-	-	-	-
Capital Project Funds	4,051,619	-	1,897,157	282,730	5,666,046	2,333	5,668,379
Business Funds:							
Storm Water Utility	1,630,401	-	567,195	487,546	1,710,050	11,976	1,722,026
Water Utility	807,760	-	3,518,606	3,400,929	925,437	43,037	968,474
Wastewater Utility	2,484,869	-	3,565,495	3,500,024	2,550,340	109,526	2,659,866
Electric Utility	6,891,333	-	17,425,432	16,990,386	7,326,379	761,637	8,088,016
Utility Credit	133,419	-	-	1,505	131,914	47,205	179,119
Health Insurance	1,432,091	-	2,121,576	2,259,033	1,294,634	4,023	1,298,657
Total primary government	32,705,563	-	58,536,900	53,290,463	37,952,000	1,433,179	39,385,179
Related municipal entities:							
Ottawa Library	1,329,851	-	1,772,766	1,468,280	1,634,337	39,163	1,673,500
Total reporting entity [excluding agency funds]	$ 34,035,414	$ -	$ 60,309,666	$ 54,758,743	$ 39,586,337	$ 1,472,342	$ 41,058,679

Composition of Cash:	
Kansas State Bank	
Checking	$ 3,809,529
Money Market	13,671,786
Kansas Municipal Investment Pool	
OMIP Overnight Pool	2,839,823
Bank Midwest	
Checking	18,315
OakStar Bank	
Money Market	11,254,810
Certificates of Deposit	6,000,000
GSSB Bank	
Certificates of Deposit	2,000,000
Petty Cash	3,648
Ottawa Library - Checking	128,415
Ottawa Library - Money Market	451,611
Ottawa Library - Equity Investments	1,093,334
Ottawa Library - Petty Cash	140
Total Cash	41,271,411
Less: Agency Funds per Schedule 3	[212,732]
Total Reporting Entity [Excluding Agency Funds]	$ 41,058,679

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

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Ottawa, founded in 1864 and incorporated in 1866, is governed by a city manager form of government with an elected five-member commission. The commission annually selects a Mayor from its ranks to serve a one-year term.

These financial statements present the City (the municipality) and its related municipal entity, the Ottawa Library. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and its constituents.

The Ottawa Library provides library services to the area. The seven-member Library board is appointed by the City. The City appropriates and tax monies to the Library. The Library's 2024 financial statements have been included as Schedule 4 of the City's financial statements.

Complete financial statements for the individual related municipal entity may be obtained at the Library's administrative offices located at 101 South Hickory, Ottawa, Kansas.

Basis of Accounting

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.

Regulatory Basis Fund Types

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

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 basis 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 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 Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

Agency Funds - to account for assets held by the City in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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. The original budget was amended for the Library, Golf Course, Special Park and Recreation, Proximity Park Sales Tax and Water Utility funds during the year ended December 31, 2024.

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 the prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project funds, Agency Funds, and the following special purpose and business funds:

- Southerlands CID Fund
- Law Enforcement Trust Fund
- Holiday Inn TIF/CID Fund
- South Highway 59 TIF Fund
- South Highway 59 TDD Fund
- K-68 TIF Fund
- Princeton CID Fund
- AEO Foundation Grant Fund
- ARPA Grant Fund
- Police Department Grants Fund
- BASE Grant Fund
- Opioid Settement Fund
- Utility Credit Fund
- Health Insurance Fund
- Redemption Fund

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 city commission.

NOTE 2 - Deposits and Investments

As of December 31, 2024, the City had the following investments and maturities:

		Investment Maturities (in Years)		
Investment Type	Cost	Less than 1	1 - 2	Rating U.S.
Kansas Municipal Investment Pool	$ 2,839,823	$ 2,839,823	$ -	N/A

Deposits. 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.

Investments. 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. The rating of the City's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2024, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

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 has no designated "peak periods." The City's deposits were fully secured at December 31, 2024.

As of December 31, 2024, the City's carrying amount of deposits was $36,758,088 and the bank balance was $36,967,192. The bank balance was held four banks, which reduces concentration of credit risk. Of the bank balance, $772,797 was covered by federal depository insurance, $35,023,072 was collateralized with securities held by the pledging financial institutions' agents in the City's name and the remaining $1,171,323 was unsecured, which is a violation of K.S.A. 9-1402.

As of December 31, 2024, the carrying amount of the Ottawa Library's deposits was $870,925 (which includes $140 in cash on hand), and the bank balance was $892,340. The bank balance was held by four banks, which reduces concentration of credit risk. Of the bank balance, $892,340 was covered by federal depository insurance. The Library also has investments in mutual funds under a 501(c)3 not for profit organization with a carrying value of $1,093,334 and a market value of $1,256,373.

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

As of December 31, 2024, the City had invested $2,839,823 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 3 - Compensated Absences

The City's policies regarding vacation and sick pay permit employees to accumulate a maximum of 30 days of vacation pay and 120 days of sick pay. Policies prohibit payment of vacation time in lieu of time-off and restricts sick pay compensation to a maximum of 60 days on date of employment termination. Unpaid vacation pay and unpaid sick pay amounts are not accrued in these financial statements. As of December 31, 2024, the City estimates the total accumulated vacation and unpaid sick pay amounted to $770,761 and $833,628, respectively.

NOTE 4 - Flexible Benefit Plan (I.R.C. Section 125)

The City Commission has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All full-time City employees are eligible to participate in the Plan. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. Currently, all benefits offered through the Plan involve insurance coverage, unreimbursed medical care and dependent care assistance.

NOTE 5 - Deferred Compensation Plan

The City offers its employees a deferred compensation plan ("Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the Plan are transferred to a third-party custodial trust.

NOTE 6 - Defined Benefit Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. 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, KPERS 3 and KP&F 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 KPERS and 23.10% for KP&F for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $753,492 for KPERS and $869,747 for KP&F for the year ended December 31, 2024. Contributions to the pension plan from the Library were $63,285.

Net Pension Liability. As of December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $6,530,179 and $8,154,898 for KP&F. The Library's proportionate share of the collective net pension liability was $560,627. 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.

NOTE 6 - Defined Benefit Pension Plan (Continued)

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 KPERS website at www.kpers.org or can be obtained as described above.

NOTE 7 - Other Long-Term Obligations from Operations

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. 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, 2024.

NOTE 8 - Long-Term Debt

The following table summarizes changes in the City's long-term debt for the year ended December 31, 2024:

Type of Issue	Beginning Principal Outstanding	Additions to Principal	Reductions of Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds	$ 20,632,190	$ -	$ 3,601,558	$ 17,030,632	$ 570,500
Finance Leases	1,407,335	-	263,294	1,144,041	61,528
Total	$ 22,039,525	$ -	$ 3,864,852	$ 18,174,673	$ 632,028

General Obligation Bonds. The following table details the City's outstanding general obligation debt at December 31, 2024:

General Obligation Bonds	Interest Rate	Amount Outstanding	Original Amount	Date of Issue	Final Maturity
Series 2009A	3.00 - 4.20%	$ 805,000	$ 2,345,000	11/20/09	10/01/29
Series 2014A	2.00 - 3.50%	785,000	7,855,000	06/19/14	10/01/30
Series 2017A	2.00 - 2.50%	1,210,000	5,000,000	04/19/17	10/01/26
Series 2017B	1.75 - 3.15%	185,000	555,000	04/19/17	10/01/27
Series 2018A	2.375 - 4.00%	1,255,000	1,650,000	10/10/18	10/01/38
Series 2018B	2.75 - 3.375%	295,000	1,050,000	10/10/18	10/01/26
Series 2019A	3.00%	800,000	1,105,000	08/07/19	10/01/27
Series 2020A	2.125%	1,455,632	1,617,000	10/05/20	10/05/50
Series 2021A	1.10 - 3.00%	4,440,000	5,540,000	04/08/21	10/01/39
Series 2021B	2.00%	3,095,000	5,925,000	09/30/21	10/01/28
Series 2022	4.00%	2,705,000	3,280,000	11/16/22	10/01/32
Total		$ 17,030,632			

NOTE 8 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Ending December 31,	Principal	Interest	Total
2025	$ 2,912,529	$ 467,987	$ 3,380,516
2026	2,988,433	386,937	3,375,370
2027	2,079,356	303,160	2,382,516
2028	1,890,221	242,913	2,133,134
2029	1,171,259	188,228	1,359,487
2030 - 2034	3,926,395	493,885	4,420,280
2035 - 2039	1,348,723	167,972	1,516,695
2040 - 2044	304,053	63,252	367,305
2045 - 2049	337,822	29,483	367,305
2050	71,841	1,528	73,369
Total	$ 17,030,632	$ 2,345,345	$ 19,375,977

Finance Leases. The following table details the City's outstanding finance lease obligations at December 31, 2024:

Finance Leases	Interest Rate	Amount Outstanding	Original Amount	Date of Issue	Final Maturity
2017 Pierce Firetruck	3.46%	$ 279,382	$ 633,650	08/23/18	08/15/28
2018 Sewer Van	3.83%	91,134	201,559	10/15/18	10/15/28
2021 Ford SUV	4.38%	31,850	54,373	04/01/22	03/31/27
2021 Ford SUV	4.38%	14,260	52,543	04/01/22	04/01/25
2021 Bucket Truck	4.62%	134,723	166,897	04/01/22	03/29/32
2022 Pierce Pumper Fire Truck	5.00%	592,692	740,116	05/08/23	07/01/32
Total		$ 1,144,041			

Annual debt service requirements to maturity for the finance lease obligations are as follows:

Ending December 31,	Principal	Interest	Total
2025	$ 188,215	$ 52,445	$ 240,660
2026	181,394	43,767	225,161
2027	189,159	36,002	225,161
2028	186,182	27,957	214,139
2029	92,599	19,948	112,547
2030 - 2033	306,492	31,150	337,642
Total	$ 1,144,041	$ 211,269	$ 1,355,310

NOTE 8 - Long-Term Debt (Continued)

Legal Debt Margin. The City is subject to the municipal finance law of the State of Kansas which limits the net bonded debt the City may have outstanding up to 30 percent of the assessed value of all tangible personal property within the City, as certified to the County Clerk on the proceeding August 25. As of December 31, 2024, the statutory limit for the City was approximately $40,225,511, providing a debt margin of $23,194,879.

NOTE 9 - Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with the 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 General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the City as of December 31, 2024.

The City is a party to various claims, none of which is expected to have a material financial impact on the City.

NOTE 10 - 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 risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Employee Health Care. The City has established a program to pay medical claims of covered current and former City employees and additional health insurance premiums. Liabilities are reported when it is probable that claims have been incurred and the amount of the liability can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated by the plan administrator and are expected to be liquidated with expendable available financial resources.

	2024	2023
Unpaid claims, January 1	$ 234,943	$ 87,371
Incurred claims (including IBNRs)	2,093,475	2,395,997
Claim payments	[2,243,457]	[2,248,425]
Unpaid claims, December 31	$ 84,961	$ 234,943

NOTE 11 - Interfund Transfers

Operating transfers were as follows during the year ended December 31, 2024:

From	To	Amount	Regulatory Authority
General Fund	Community Services Support Fund	$ 45,500	K.S.A. 12-197
General Fund	Airport Fund	85,000	K.S.A. 12-197
General Fund	Equipment Reserve Fund	100,000	K.S.A. 12-1,117
General Fund	Risk Management Fund	123,600	K.S.A. 12-2615
General Fund	Capital Improvement Plan Fund	185,000	K.S.A. 12-1,118
General Fund	Sidewalk Capital Project Fund	50,000	K.S.A. 12-1,118
Special Alcohol Program Fund	General Fund	35,000	K.S.A. 79-41a04
Special Streets Fund	Bond and Interest Fund	87,600	K.S.A. 12-1,119
Proximity Park Sales Tax Fund	Bond and Interest Fund	852,750	K.S.A. 12-6a16
WWTP Funding Fund	Bond and Interest Fund	816,090	K.S.A. 12-1,118
South Highway 59 TDD Fund	Capital Improvement Plan Fund	291,418	K.S.A. 12-1,825d
Economic Development Fund	Golf Course Fund	100,000	K.S.A. 12-1,118
Special Park and Recreation Fund	Golf Course Fund	135,322	K.S.A. 12-1,118
Storm Water Utility Fund	Equipment Reserve Fund	25,000	K.S.A. 12-825d
Storm Water Utility Fund	Bond and Interest Fund	217,705	K.S.A. 12-825d
Water Utility Fund	General Fund	400,000	K.S.A. 12-825d
Water Utility Fund	Community Services Support Fund	45,500	K.S.A. 12-825d
Water Utility Fund	Risk Management Fund	337,025	K.S.A. 12-825d
Water Utility Fund	Bond and Interest Fund	321,220	K.S.A. 12-825d
Wastewater Utility Fund	General Fund	382,500	K.S.A. 12-825d
Wastewater Utility Fund	Community Services Support Fund	45,500	K.S.A. 12-825d
Wastewater Utility Fund	Risk Management Fund	280,850	K.S.A. 12-825d
Wastewater Utility Fund	Bond and Interest Fund	120,840	K.S.A. 12-825d
Wastewater Utility Fund	WWTP Funding Fund	510,213	K.S.A. 12-825d
Electric Utility Fund	General Fund	900,000	K.S.A. 12-825d
Electric Utility Fund	Community Services Support Fund	45,500	K.S.A. 12-825d
Electric Utility Fund	Equipment Reserve Fund	150,000	K.S.A. 12-825d
Electric Utility Fund	Risk Management Fund	381,950	K.S.A. 12-825d
Electric Utility Fund	Electric Construction in Progress Fund	600,000	K.S.A. 12-825d
Electric Utility Fund	Bond and Interest Fund	1,175,250	K.S.A. 12-825d
		$ 8,846,333	

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SCHEDULE 1

CITY OF OTTAWA, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance-Over [Under]
General Funds:					
General	$ 15,303,055	$ -	$ 15,303,055	$ 13,078,218	$ [2,224,837]
Special Purpose Funds:					
Community Services Support	186,955	-	186,955	179,455	[7,500]
Municipal Auditorium	440,400	-	440,400	431,894	[8,506]
Airport	282,550	-	282,550	84,063	[198,487]
Special Park and Recreation	501,325	-	501,325	257,549	[243,776]
Special Alcohol Program	35,500	-	35,500	35,000	[500]
Library	1,261,380	-	1,261,380	1,205,318	[56,062]
Economic Development	567,000	-	567,000	226,707	[340,293]
Special Streets	759,600	-	759,600	229,845	[529,755]
Equipment Reserve	605,800	-	605,800	55,406	[550,394]
Risk Management	1,459,395	-	1,459,395	1,139,656	[319,739]
Land Bank	10,000	-	10,000	-	[10,000]
Proximity Park Sales Tax	2,592,750	-	2,592,750	1,072,855	[1,519,895]
Golf Course	283,445	-	283,445	147,660	[135,785]
Bond and Interest Funds:					
Bond and Interest	4,290,065	-	4,290,065	4,172,060	[118,005]
WWTP Funding	916,090	-	916,090	816,090	[100,000]
Business Funds:					
Storm Water Utility	968,655	-	968,655	487,546	[481,109]
Water Utility	4,133,225	-	4,133,225	3,400,929	[732,296]
Wastewater Utility	4,138,785	-	4,138,785	3,500,024	[638,761]
Electric Utility	19,711,560	-	19,711,560	16,990,386	[2,721,174]

See independent auditor's report on the financial statements.

CITY OF OTTAWA, 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	$ 3,832,191	$ 3,959,018	$ 4,211,120	$ [252,102]
Delinquent tax	82,438	84,365	70,000	14,365
Vehicle taxes	321,980	386,664	338,585	48,079
Sales and compensating use tax	5,950,945	6,173,778	5,887,000	286,778
Franchise tax	412,449	312,619	360,000	[47,381]
Liquor tax	41,921	39,878	35,000	4,878
Intergovernmental	54,280	-	54,500	[54,500]
Licenses, permits and fees	523,778	484,268	423,250	61,018
Charges and services	57,445	46,975	44,000	2,975
Interest	83,373	181,560	75,000	106,560
Miscellaneous	43,570	3,616	10,600	[6,984]
Refunds and reimbursements	66,650	67,328	78,800	[11,472]
Operating transfers	1,717,500	1,717,500	1,717,500	-
Total Receipts	13,188,520	13,457,569	$ 13,305,355	$ 152,214
Expenditures				
City commission and manager	217,021	193,555	$ 266,675	$ [73,120]
City administration	297,637	339,546	360,100	[20,554]
Nonoperating	523,559	639,539	774,540	[135,001]
Building maintenance	489,834	564,660	675,600	[110,940]
Fleet management	257,140	189,480	222,400	[32,920]
Neighborhood services	210,200	178,050	246,300	[68,250]
Parks	512,856	513,617	594,350	[80,733]
Police department	3,088,814	3,143,873	3,404,830	[260,957]
Fire department	2,023,743	1,973,398	2,091,805	[118,407]
Streets department	993,249	1,070,033	1,271,400	[201,367]
Highland cemetery	174,358	152,968	210,050	[57,082]
Human resources	130,804	142,275	170,800	[28,525]
Municipal court	168,525	160,899	206,275	[45,376]
Employee benefits	2,552,094	2,837,661	3,362,500	[524,839]
IT department	344,438	389,564	413,750	[24,186]
Operating transfers	581,441	589,100	354,100	235,000
Cash basis reserve	-	-	677,580	[677,580]
Total Expenditures	12,565,713	13,078,218	$ 15,303,055	$ [2,224,837]
Receipts Over [Under] Expenditures	622,807	379,351		
Unencumbered Cash, Beginning	2,478,844	3,101,651		
Unencumbered Cash, Ending	$ 3,101,651	$ 3,481,002		

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Community Services Support 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Donations	$ 2,000	$ 2,000	$ 3,000	$ [1,000]
Operating transfers	182,000	182,000	182,000	-
Total Receipts	184,000	184,000	$ 185,000	$ [1,000]
Expenditures				
Contractual services	176,030	179,455	$ 186,955	$ [7,500]
Total Expenditures	176,030	179,455	$ 186,955	$ [7,500]
Receipts Over [Under] Expenditures	7,970	4,545		
Unencumbered Cash, Beginning	61,768	69,738		
Unencumbered Cash, Ending	$ 69,738	$ 74,283		

CITY OF OTTAWA, KANSAS
Municipal Auditorium 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Taxes				
Ad valorem property tax	$ 179,497	$ 191,999	$ 200,180	$ [8,181]
Delinquent tax	3,936	4,036	5,000	[964]
Vehicle taxes	15,365	18,139	15,745	2,394
Charges for services	132,441	154,420	131,000	23,420
Interest	2,509	4,634	1,500	3,134
Donations	699	18,465	5,000	13,465
Miscellaneous	17,347	27,082	19,200	7,882
Total Receipts	351,794	418,775	$ 377,625	$ 41,150
Expenditures				
Personnel services	174,684	221,195	$ 245,600	$ [24,405]
Contractual services	170,959	157,116	139,350	17,766
Commodities	10,330	13,633	17,500	[3,867]
Capital outlay	29,350	39,950	37,950	2,000
Total Expenditures	385,323	431,894	$ 440,400	$ [8,506]
Receipts Over [Under] Expenditures	[33,529]	[13,119]		
Unencumbered Cash, Beginning	95,429	61,900		
Unencumbered Cash, Ending	$ 61,900	$ 48,781		

CITY OF OTTAWA, KANSAS
Airport 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Fuel sales	$ 2,749	$ 2,472	$ 3,300	$ [828]
Rental income	38,359	33,587	32,950	637
Miscellaneous	2,500	4,100	-	4,100
Interest	3,122	7,537	1,000	6,537
Operating transfers	57,685	85,000	85,000	-
Total Receipts	104,415	132,696	$ 122,250	$ 10,446
Expenditures				
Contractual services	82,443	79,189	$ 88,050	$ [8,861]
Commodities	4,320	2,687	3,500	[813]
Capital outlay	2,264	2,187	11,000	[8,813]
Operating transfers	9,850	-	180,000	[180,000]
Total Expenditures	98,877	84,063	$ 282,550	$ [198,487]
Receipts Over [Under] Expenditures	5,538	48,633		
Unencumbered Cash, Beginning	180,780	186,318		
Unencumbered Cash, Ending	$ 186,318	$ 234,951		

CITY OF OTTAWA, KANSAS
Special Park and Recreation 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Taxes and Shared Revenue:				
Liquor tax	$ 41,921	$ 39,878	$ 38,000	$ 1,878
Donations	16,745	68,120	67,680	440
Interest	8,903	13,786	15,000	[1,214]
Operating transfers	5,762	-	-	-
Total Receipts	73,331	121,784	$ 120,680	$ 1,104
Expenditures				
Contractual services	12,480	518	$ -	$ 518
Commodities	1,345	41,245	-	41,245
Capital improvement	59,028	80,464	300,000	[219,536]
Operating transfers	-	135,322	135,325	[3]
Cash basis reserve	-	-	66,000	[66,000]
Total Expenditures	72,853	257,549	$ 501,325	$ [243,776]
Receipts Over [Under] Expenditures	478	[135,765]		
Unencumbered Cash, Beginning	380,165	380,643		
Unencumbered Cash, Ending	$ 380,643	$ 244,878		

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Special Alcohol Program 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance-Over [Under]
Receipts				
Taxes and Shared Revenue:				
Liquor tax	$ 41,921	$ 39,878	$ 35,000	$ 4,878
Total Receipts	41,921	39,878	$ 35,000	$ 4,878
Expenditures				
Contractual services	-	-	$ 500	$ [500]
Operating transfers	35,000	35,000	35,000	-
Total Expenditures	35,000	35,000	$ 35,500	$ [500]
Receipts Over [Under] Expenditures	6,921	4,878		
Unencumbered Cash, Beginning	7,497	14,418		
Unencumbered Cash, Ending	$ 14,418	$ 19,296		

CITY OF OTTAWA, KANSAS
Library 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	$ 1,013,627	$ 1,078,673	$ 1,126,470	$ [47,797]
Delinquent tax	24,100	23,630	25,000	[1,370]
Vehicle taxes	91,935	103,015	109,910	[6,895]
Total Receipts	1,129,662	1,205,318	$ 1,261,380	$ [56,062]
Expenditures				
Appropriations to Library Board	1,129,662	1,205,318	$ 1,261,380	$ [56,062]
Total Expenditures	1,129,662	1,205,318	$ 1,261,380	$ [56,062]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

CITY OF OTTAWA, KANSAS
Economic Development 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Licenses, permits and fees	$ 19,615	$ 85,576	$ 22,000	$ 63,576
Rental income	19,569	34,069	17,500	16,569
Funding agreements	7,500	10,000	-	10,000
Reimbursements	17,913	28,556	25,000	3,556
Miscellaneous	24,020	-	-	-
Interest	13,772	26,342	2,000	24,342
Total Receipts	102,389	184,543	$ 66,500	$ 118,043
Expenditures				
Contractual services	95,920	125,105	$ 187,000	$ [61,895]
Capital improvement	448	1,602	-	1,602
Operating transfers	-	100,000	-	100,000
Cash basis reserve	-	-	380,000	[380,000]
Total Expenditures	96,368	226,707	$ 567,000	$ [340,293]
Receipts Over [Under] Expenditures	6,021	[42,164]		
Unencumbered Cash, Beginning	574,790	580,811		
Unencumbered Cash, Ending	$ 580,811	$ 538,647		

CITY OF OTTAWA, KANSAS
Special Streets 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Intergovernmental	$ 794,848	$ 555,397	$ 485,000	$ 70,397
Interest	17,084	46,347	3,500	42,847
Total Receipts	811,932	601,744	$ 488,500	$ 113,244
Expenditures				
Contractual services	417,946	27,606	$ 95,000	$ [67,394]
Commodities	5,397	107,413	27,000	80,413
Capital outlay	243,066	7,226	250,000	[242,774]
Operating transfers	84,530	87,600	137,600	[50,000]
Cash basis reserve	-	-	250,000	[250,000]
Total Expenditures	750,939	229,845	$ 759,600	$ [529,755]
Receipts Over [Under] Expenditures	60,993	371,899		
Unencumbered Cash, Beginning	817,090	878,083		
Unencumbered Cash, Ending	$ 878,083	$ 1,249,982		

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Equipment Reserve 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Interest	$ 12,416	$ 36,226	$ 1,000	$ 35,226
Miscellaneous	81,877	48,701	-	48,701
Operating transfers	229,656	275,000	125,000	150,000
Total Receipts	323,949	359,927	$ 126,000	$ 233,927
Expenditures				
Capital outlay	144,810	55,406	$ 200,000	$ [144,594]
Cash basis reserve	-	-	405,800	[405,800]
Total Expenditures	144,810	55,406	$ 605,800	$ [550,394]
Receipts Over [Under] Expenditures	179,139	304,521		
Unencumbered Cash, Beginning	607,270	786,409		
Unencumbered Cash, Ending	$ 786,409	$ 1,090,930		

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Risk Management 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance-Over [Under]
Receipts				
Interest	$ 8,851	$ 10,577	$ 1,700	$ 8,877
Reimbursements	3,078	54,657	65,000	[10,343]
Operating transfers	1,123,425	1,123,425	1,123,425	-
Total Receipts	1,135,354	1,188,659	$ 1,190,125	$ [1,466]
Expenditures				
Personnel services	100,413	127,716	$ 189,205	$ [61,489]
Contractual services	862,300	959,561	1,146,240	[186,679]
Commodities	4,926	3,293	8,000	[4,707]
Capital outlay	517	49,086	-	49,086
Cash basis reserve	-	-	115,950	[115,950]
Total Expenditures	968,156	1,139,656	$ 1,459,395	$ [319,739]
Receipts Over [Under] Expenditures	167,198	49,003		
Unencumbered Cash, Beginning	713,612	880,810		
Unencumbered Cash, Ending	$ 880,810	$ 929,813		

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Land Bank 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Sale of property	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Cash basis reserve	-	-	$ 10,000	$ [10,000]
Total Expenditures	-	-	$ 10,000	$ [10,000]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	10,303	10,303		
Unencumbered Cash, Ending	$ 10,303	$ 10,303		

CITY OF OTTAWA, KANSAS
Proximity Park 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Taxes and Shared Revenue:				
Sales and compensating use tax	$ 1,959,351	$ 2,026,105	$ 2,090,000	$ [63,895]
Reimbursements	[8,000]	-	-	-
Interest	84,165	149,171	120,000	29,171
Total Receipts	2,035,516	2,175,276	$ 2,210,000	$ [34,724]
Expenditures				
Contractual services	120	105	$ 20,000	$ [19,895]
Capital outlay	250	220,000	220,000	-
Operating transfers	2,054,909	852,750	1,352,750	[500,000]
Cash basis reserve	-	-	1,000,000	[1,000,000]
Total Expenditures	2,055,279	1,072,855	$ 2,592,750	$ [1,519,895]
Receipts Over [Under] Expenditures	[19,763]	1,102,421		
Unencumbered Cash, Beginning	2,806,717	2,786,954		
Unencumbered Cash, Ending	$ 2,786,954	$ 3,889,375		

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Golf Course 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Receipts				
Donations	$ 3,521	$ -	$ -	$ -
Interest	27	1,044	-	1,044
Other income	-	26,812	26,800	12
Operating transfers	25,000	235,322	235,325	[3]
Total Receipts	28,548	263,178	$ 262,125	$ 1,053
Expenditures				
Personnel services	-	3,509	$ -	$ 3,509
Contractual services	10,683	7,365	10,000	[2,635]
Commodities	-	1,464	-	1,464
Capital outlay	-	135,322	-	135,322
Debt service	-	-	135,325	[135,325]
Cash basis reserve	-	-	138,120	[138,120]
Total Expenditures	10,683	147,660	$ 283,445	$ [135,785]
Receipts Over [Under] Expenditures	17,865	115,518		
Unencumbered Cash, Beginning	3,453	21,318		
Unencumbered Cash, Ending	$ 21,318	$ 136,836		

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CITY OF OTTAWA, KANSAS
Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	Southerlands CID	Law Enforcement Trust	Holiday Inn TIF/CID	South Highway 59 TIF	South Highway 59 TDD	K-68 TIF	Princeton CID	For the Year Ended December 31, 2024	2023
Receipts									
Taxes	$ 104,397	$ -	$ 299,301	$ 251,528	$ 645	$ 334,480	$ 395,006	$ 1,385,357	$ 1,117,386
Intergovernmental	-	223	-	-	-	-	-	223	1,265
Interest	272	153	1,515	79,153	3,855	35,945	21,553	142,446	62,414
Total Receipts	104,669	376	300,816	330,681	4,500	370,425	416,559	1,528,026	1,181,065
Expenditures									
Contractual services	-	-	5,816	-	-	-	-	5,816	416
Commodities	-	-	-	-	-	-	-	-	2,724
Distribution	104,398	-	262,645	-	-	-	294,199	661,242	628,869
Transfer out	-	-	-	-	291,418	-	-	291,418	-
Total Expenditures	104,398	-	268,461	-	291,418	-	294,199	958,476	632,009
Receipts Over [Under] Expenditures	271	376	32,355	330,681	[286,918]	370,425	122,360	569,550	549,056
Unencumbered Cash, Beginning	254	13,267	22,750	1,563,161	286,918	653,541	350,780	2,890,671	2,341,615
Unencumbered Cash, Ending	$ 525	$ 13,643	$ 55,105	$ 1,893,842	$ -	$ 1,023,966	$ 473,140	$ 3,460,221	$ 2,890,671

* - These fund are not required to be budgeted.

CITY OF OTTAWA, KANSAS
Governmental Grant Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	AEO Foundation Grant	ARPA Grant	Police Department Grants	BASE Grant	Opioid Settlement	For the Year Ended December 31, 2024	2023
Receipts							
Grants	$ -	$ -	$ -	$ 2,500,000	$ 42,586	$ 2,542,586	$ 2,661,594
Miscellaneous	1,274	-	-	-	-	1,274	4,775
Interest	-	-	-	38,070	697	38,767	51,026
Operating transfers	-	-	-	-	-	-	1,200,000
Total Receipts	1,274	-	-	2,538,070	43,283	2,582,627	3,917,395
Expenditures							
Personnel services	-	-	-	-	-	-	21,373
Contractual services	-	2,963	-	1,990,653	-	1,993,616	5,255,536
Commodities	-	-	-	-	-	-	34,469
Capital outlay	-	272,086	12,356	-	-	284,442	1,298,000
Total Expenditures	-	275,049	12,356	1,990,653	-	2,278,058	6,609,378
Receipts Over [Under] Expenditures	1,274	[275,049]	[12,356]	547,417	43,283	304,569	[2,691,983]
Unencumbered Cash, Beginning	20,963	486,063	12,356	1,249,513	37,782	1,806,677	4,498,660
Unencumbered Cash, Ending	$ 22,237	$ 211,014	$ -	$ 1,796,930	$ 81,065	$ 2,111,246	$ 1,806,677

* - These fund are not required to be budgeted.

CITY OF OTTAWA, KANSAS
Bond and Interest 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance-Over [Under]
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	$ 397,427	$ 428,781	$ 443,320	$ [14,539]
Delinquent tax	11,610	10,123	10,000	123
Vehicle taxes	34,566	40,165	34,880	5,285
Special assessments	2,731	2,633	2,600	33
Interest	6,954	11,462	4,600	6,862
Operating transfers	3,599,861	3,591,455	3,591,455	-
Total Receipts	4,053,149	4,084,619	$ 4,086,855	$ [2,236]
Expenditures				
Debt service				
Principal	3,610,779	3,601,559	$ 3,601,560	$ [1]
Interest	651,354	570,501	570,505	[4]
Cash basis reserve	-	-	118,000	[118,000]
Total Expenditures	4,262,133	4,172,060	$ 4,290,065	$ [118,005]
Receipts Over [Under] Expenditures	[208,984]	[87,441]		
Unencumbered Cash, Beginning	408,569	199,585		
Unencumbered Cash, Ending	$ 199,585	$ 112,144		

CITY OF OTTAWA, KANSAS
WWTP Funding 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance-Over [Under]
Receipts				
Taxes and Shared Revenue:				
Sales and compensating use tax	$ 391,870	$ 371,972	$ 395,000	$ [23,028]
Interest	9,641	30,635	1,000	29,635
Operating transfers	590,956	510,213	460,000	50,213
Total Receipts	992,467	912,820	$ 856,000	$ 56,820
Expenditures				
Operating transfers	816,011	816,090	$ 816,090	$ -
Cash basis reserve	-	-	100,000	[100,000]
Total Expenditures	816,011	816,090	$ 916,090	$ [100,000]
Receipts Over [Under] Expenditures	176,456	96,730		
Unencumbered Cash, Beginning	441,326	617,782		
Unencumbered Cash, Ending	$ 617,782	$ 714,512		

CITY OF OTTAWA, KANSAS
Redemption Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts		
Debt proceeds	$ 770,116	$ -
Total Receipts	770,116	-
Expenditures		
Capital outlay	770,116	-
Total Expenditures	770,116	-
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

* - This fund is not required to be budgeted.

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CITY OF OTTAWA, KANSAS
Capital Project Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	Airport Improvement	Electric Construction In Progress	Proximity Park Infrastructure	Fire Department Grants
Receipts				
Interest	$ -	$ 132,850	$ 6,398	$ -
Grants	-	-	-	7,240
Reimbursements & miscellaneous	187,132	250,000	6,000	1,275
Operating transfers	-	600,000	-	-
Total Receipts	187,132	982,850	12,398	8,515
Expenditures				
Contractual services	29,028	31,123	2,004	-
Commodities	-	-	-	9,599
Capital outlay	-	-	-	-
Operating transfers	-	-	-	-
Total Expenditures	29,028	31,123	2,004	9,599
Receipts Over [Under] Expenditures	158,104	951,727	10,394	[1,084]
Unencumbered Cash, Beginning	[123,078]	2,013,587	141,546	10,040
Unencumbered Cash, Ending	$ 35,026	$ 2,965,314	$ 151,940	$ 8,956

* - These funds are not required to be budgeted.

Parks Grants	GO Bond 2022-A	Sidewalk Capital Project	Capital Improvement Plan	For the Year Ended December 31, 2024	2023
$ -	$ 69,447	$ 1,885	$ 43,406	$ 253,986	$ 78,619
50,106	-	-	-	57,346	113,474
15,000	-	-	-	459,407	1,100,449
-	-	50,000	476,418	1,126,418	134,850
65,106	69,447	51,885	519,824	1,897,157	1,427,392
-	8,715	-	-	70,870	550,621
-	1,940	-	-	11,539	41,967
-	153,203	9,422	37,696	200,321	890,092
-	-	-	-	-	5,762
-	163,858	9,422	37,696	282,730	1,488,442
65,106	[94,411]	42,463	482,128	1,614,427	[61,050]
13,880	1,691,471	166,729	137,444	4,051,619	4,112,669
$ 78,986	$ 1,597,060	$ 209,192	$ 619,572	$ 5,666,046	$ 4,051,619

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CITY OF OTTAWA, KANSAS
Storm Water 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Stormwater service charges	$ 491,057	$ 491,371	$ 479,500	$ 11,871
Interest	37,600	75,824	6,500	69,324
Total Receipts	528,657	567,195	$ 486,000	$ 81,195
Expenditures				
Contractual services	120,651	94,588	$ 163,250	$ [68,662]
Commodities	37,890	34,690	62,700	[28,010]
Capital outlay	5,038	115,563	-	115,563
Operating transfers	243,193	242,705	242,705	-
Cash basis reserve	-	-	500,000	[500,000]
Total Expenditures	406,772	487,546	$ 968,655	$ [481,109]
Receipts Over [Under] Expenditures	121,885	79,649		
Unencumbered Cash, Beginning	1,508,516	1,630,401		
Unencumbered Cash, Ending	$ 1,630,401	$ 1,710,050		

CITY OF OTTAWA, KANSAS
Water 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Water sales	$ 3,139,277	$ 3,468,187	$ 3,551,405	$ [83,218]
Lease and rentals	12,520	-	-	-
Reimbursements	2,226	4,680	1,500	3,180
Miscellaneous	5,814	19	30,000	[29,981]
Interest	27,068	45,720	40,000	5,720
Total Receipts	3,186,905	3,518,606	$ 3,622,905	$ [104,299]
Expenditures				
Water Production				
Personnel services	798,591	769,156	$ 801,820	$ [32,664]
Contractual services	138,594	172,917	159,700	13,217
Commodities	275,413	282,863	341,460	[58,597]
Capital outlay	140,533	13,395	28,500	[15,105]
Water Distribution				
Personnel services	451,999	511,467	565,000	[53,533]
Contractual services	148,281	76,069	124,000	[47,931]
Commodities	61,178	70,577	197,500	[126,923]
Capital improvement	165,964	264,254	153,000	111,254
Non-operating				
Contractual services	18,567	8,471	8,500	[29]
Capital outlay	99,504	98,642	135,000	[36,358]
Debt service	23,183	29,373	-	29,373
Operating transfers	1,106,382	1,103,745	1,103,745	-
Cash basis reserve	-	-	515,000	[515,000]
Total Expenditures	3,428,189	3,400,929	$ 4,133,225	$ [732,296]
Receipts Over [Under] Expenditures	[241,284]	117,677		
Unencumbered Cash, Beginning	1,049,044	807,760		
Unencumbered Cash, Ending	$ 807,760	$ 925,437		

CITY OF OTTAWA, KANSAS
Wastewater 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Charges for services	$ 3,308,551	$ 3,427,022	$ 3,459,805	$ [32,783]
Interest	66,148	136,305	12,000	124,305
Refunds and reimbursements	1,208	68	-	68
Miscellaneous	31	2,100	-	2,100
Total Receipts	3,375,938	3,565,495	$ 3,471,805	$ 93,690
Expenditures				
Wastewater Treatment				
Personnel services	547,503	695,883	$ 644,700	$ 51,183
Contractual services	216,255	208,024	335,955	[127,931]
Commodities	97,311	55,897	184,000	[128,103]
Capital outlay	106,603	90,189	60,000	30,189
Sewer Maintenance				
Personnel services	331,866	398,189	436,300	[38,111]
Contractual services	50,789	64,536	68,300	[3,764]
Commodities	74,516	79,699	112,900	[33,201]
Capital outlay	554,464	534,573	576,000	[41,427]
Non-operating				
Contractual services	43,132	33,131	52,440	[19,309]
Operating transfers	1,420,917	1,339,903	1,289,690	50,213
Cash basis reserve	-	-	378,500	[378,500]
Total Expenditures	3,443,356	3,500,024	$ 4,138,785	$ [638,761]
Receipts Over [Under] Expenditures	[67,418]	65,471		
Unencumbered Cash, Beginning	2,552,287	2,484,869		
Unencumbered Cash, Ending	$ 2,484,869	$ 2,550,340		

CITY OF OTTAWA, 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over [Under]
Receipts				
Electric charges	$ 17,623,174	$ 16,382,604	$ 17,492,986	$ [1,110,382]
Broadband charges	150,784	137,905	164,000	[26,095]
Fines and fees	325,335	327,641	275,600	52,041
Reimbursed expenses	28,745	92,701	35,000	57,701
Interest	173,491	357,994	22,000	335,994
Other	48,021	126,587	30,000	96,587
Total Receipts	18,349,550	17,425,432	$ 18,019,586	$ [594,154]
Expenditures				
Electric Production				
Personnel services	916,813	914,514	$ 1,044,950	$ [130,436]
Contractual services	415,771	321,440	652,700	[331,260]
Commodities	8,457,119	8,126,165	9,120,500	[994,335]
Capital outlay	338,396	73,956	332,000	[258,044]
Electric Distribution				
Personnel services	948,702	1,141,972	1,210,500	[68,528]
Contractual services	170,926	395,805	274,685	121,120
Commodities	595,021	525,874	788,500	[262,626]
Capital outlay	270,942	193,651	850,000	[656,349]
Utility Warehouse				
Personnel services	344,095	395,413	415,750	[20,337]
Contractual services	67,118	47,285	94,350	[47,065]
Commodities	15,437	10,685	18,600	[7,915]
Capital outlay	110,825	73,874	260,800	[186,926]
Utility Administration				
Personnel services	706,528	781,014	886,400	[105,386]
Contractual services	435,992	513,015	516,500	[3,485]
Commodities	22,946	22,579	26,100	[3,521]
Capital outlay	1,188	-	1,500	[1,500]
Electric Project				
Contractual services	51,605	51,820	50,000	1,820
Commodities	100,000	-	100,000	[100,000]
Capital outlay	78,025	-	-	-
Broadband				
Personnel services	28,822	33,208	42,225	[9,017]
Contractual services	91,398	87,582	121,500	[33,918]
Commodities	-	-	15,000	[15,000]
Capital outlay	5,144	25,989	53,000	[27,011]
Non-operating				
Contractual services	11,755	1,845	6,000	[4,155]
Operating transfers	2,508,700	3,252,700	2,502,700	750,000
Cash basis reserve	-	-	327,300	[327,300]
Total Expenditures	16,693,268	16,990,386	$ 19,711,560	$ [2,721,174]
Receipts Over [Under] Expenditures	1,656,282	435,046		
Unencumbered Cash, Beginning	5,235,051	6,891,333		
Unencumbered Cash, Ending	$ 6,891,333	$ 7,326,379		

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Utility Credit Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
Year Ended December 31, 2024 and 2023

	2023	2024
Receipts		
Other income	$ 1,209	$ -
Total Receipts	1,209	-
Expenditures		
Refunds	-	1,505
Total Expenditures	-	1,505
Receipts Over [Under] Expenditures	1,209	[1,505]
Unencumbered Cash, Beginning	132,210	133,419
Unencumbered Cash, Ending	$ 133,419	$ 131,914

* - This fund is not required to be budgeted.

CITY OF OTTAWA, KANSAS
Health Insurance Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
Year Ended December 31, 2024 and 2023

	2023	2024
Receipts		
Interest	$ 13,566	$ 31,193
Charges for services	1,807,150	2,090,383
Total Receipts	1,820,716	2,121,576
Expenditures		
Cost of sales and services	2,012,125	2,259,033
Total Expenditures	2,012,125	2,259,033
Receipts Over [Under] Expenditures	[191,409]	[137,457]
Unencumbered Cash, Beginning	1,623,500	1,432,091
Unencumbered Cash, Ending	$ 1,432,091	$ 1,294,634

* - This fund is not required to be budgeted.

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SCHEDULE 3

CITY OF OTTAWA, KANSAS
Agency Funds
Summary of Receipts and Disbursements - Actual*
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	Municipal Court Fines and Credit Card	Municipal Court Bonds	Federal Seized Assets	Escrow Accounts
Receipts				
Fines and court fees	$ 335,974	$ 24,960	$ -	$ -
Miscellaneous	-	-	-	121,725
Interest	5	-	2	286
Total Receipts	335,979	24,960	2	122,011
Expenditures				
Payments to State	18,450	-	-	-
Payments to City	318,518	-	-	-
Bond refunds	-	26,510	-	-
Miscellaneous	902	-	250	10,000
Total Expenditures	337,870	26,510	250	10,000
Receipts Over [Under] Expenditures	[1,891]	[1,550]	[248]	112,011
Unencumbered Cash, Beginning	20,421	25,633	4,914	37,726
Unencumbered Cash, Ending	$ 18,530	$ 24,083	$ 4,666	$ 149,737

* - These funds are not required to be budgeted.

Fire Proceeds	Lincoln Lots	Flex Spending	For the Year Ended December 31, 2024	2023
$ -	$ -	$ -	$ 360,934	$ 394,893
-	-	57,439	179,164	90,479
41	-	-	334	120
41	-	57,439	540,432	485,492
-	-	-	18,450	22,981
-	-	-	318,518	346,012
-	-	-	26,510	28,288
32,047	9,225	60,381	112,805	88,371
32,047	9,225	60,381	476,283	485,652
[32,006]	[9,225]	[2,942]	64,149	[160]
32,015	9,225	18,649	148,583	148,743
$ 9	$ -	$ 15,707	$ 212,732	$ 148,583

See independent auditor's report on the financial statements.

SCHEDULE 4

CITY OF OTTAWA, KANSAS
Schedule of Receipts and Expenditures - Actual*
Related Municipal Entity - Ottawa Library
Regulatory Basis
Year Ended December 31, 2024 and 2023

	2023	2024
Receipts		
Appropriation from the City	$ 1,129,661	$ 1,205,318
Interest	10,575	10,897
State aid	3,977	3,818
Grants	58,393	48,474
Contribution	73,750	287,162
Miscellaneous	85,100	94,189
Gain on investments	68,683	22,908
Operating transfers	72,807	100,000
Total Receipts	1,502,946	1,772,766
Expenditures		
Salaries and benefits	905,671	939,415
Materials, program, and services	253,364	204,113
Operating	170,347	197,442
Capital improvements	15,424	27,310
Miscellaneous	-	-
Operating transfers	72,807	100,000
Total Expenditures	1,417,613	1,468,280
Receipts Over [Under] Expenditures	85,333	304,486
Unencumbered Cash, Beginning	1,244,518	1,329,851
Unencumbered Cash, Ending	$ 1,329,851	$ 1,634,337

* - This fund is not required to be budgeted.

See independent auditor's report on the financial statements.

CITY OF OTTAWA, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Expenditures
U.S. Department of Justice		
Body Worn Camera Policy and Implementation	16.835	$ 12,356
Passed Through Kansas Crime Victim's Compensation Board:		
Crime Victim Compensation	16.576	300
Total U.S. Department of Justice		12,656
U.S. Department of Homeland Security		
Assistance to Firefighters Grant	97.044	3,240
Total U.S. Department of Homeland Security		3,240
U.S. Department of the Treasury		
Passed Through Kansas Governor's Office:		
Coronavirus State & Local Fiscal Recovery Funds Cluster:		
Coronavirus State & Local Fiscal Recovery Funds	21.027	2,239,910
Total Coronavirus State & Local Fiscal Recovery Funds Cluster		2,239,910
Total U.S. Department of the Treasury		2,239,910
U.S. Department of Transportation		
Passed Through Kansas Department of Transportation:		
State and Community Highway Safety Cluster:		
State and Community Highway Safety	20.600	1,144
Total State and Community Highway Safety Cluster		1,144
Airport Improvement Program	20.106	29,028
Total U.S. Department of Transportation		30,172
Total Expenditures of Federal Awards		$ 2,285,978

The accompanying notes are an integral part of this schedule.

CITY OF OTTAWA, KANSAS
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

1. Organization

The City of Ottawa, Kansas, (the City), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. The City elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City. However, management does not believe such audits would result in any disallowed costs that would be material to the City's financial position as of December 31, 2024.

5. Outstanding Loans

The City did not have any outstanding loans under any federal grants as of December 31, 2024.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

CITY OF OTTAWA, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified (Regulatory Basis) Adverse (GAAP)		
Internal control over financial reporting:			
Material weakness(es) identified?		Yes X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes X	None reported
Noncompliance material to financial statements noted?		Yes X	No

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?		Yes X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes X	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Uniform Guidance?		Yes X	No

Identification of major programs:

ALN Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes X No

CITY OF OTTAWA, KANSAS
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2024

Section II - Financial Statement Findings

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

None Noted.

CITY OF OTTAWA, KANSAS
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2024

Section II - Financial Statement Findings

Prior Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None Noted.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

Mayor and City Commission
City of Ottawa, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the financial statements of the City of Ottawa, Kansas (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 12, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 12, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Commission
City of Ottawa, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the City of Ottawa, Kansas (the City), with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirement referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grants agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion of the City's compliance based on our audit. 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, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, 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 Example Entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies, and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the City as of and for the year ended December 31, 2024, and have issued our report thereon dated May 12, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 12, 2025