

CITY OF ARKANSAS CITY, KANSAS

Financial Statements

For the Year Ended December 31, 2024

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CITY OF ARKANSAS CITY, KANSAS
 Financial Statements
 For the Year Ended December 31, 2024
 Table of Contents

	<u>Page Number</u>
INTRODUCTORY SECTION	
Table of Contents	i
FINANCIAL SECTION	
Independent Auditor's Report	1 - 3
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to the Financial Statements	5 - 14
REGULATORY REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	15
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget and Actual Only	
General Fund	16 - 18
Special Recreation and Parks Fund	19
Special Street and Highway Fund	20
Tourism Fund	21
Special Alcohol Fund	22
Library Fund	23
Land Bank Fund	24
Healthcare Sales Tax Fund	25
Unpledged Healthcare Sales Tax Fund	26
CID Sales Tax Fund	27
Special Law Enforcement Trust Fund	28
Equipment Reserve Fund	29
Capital Improvements Reserve Fund	30
Municipalities Fighting Addiction Fund	31
Bond and Interest Fund	32
Water Utility Fund	33
Sewer Utility Fund	34
Sanitation Utility Fund	35
Stormwater Utility Fund	36
SCHEDULE 3	
Summary of Receipts and Disbursements - Agency Funds	37

INDEPENDENT AUDITOR'S REPORT

Mayor and City Commissioners
City of Arkansas City, Kansas

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 Arkansas City, 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) 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and the summary of receipts and disbursements-agency (Schedules 1, 2, and 3 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*. 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 Matter

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 Arkansas City, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated May 8, 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

April 4, 2025

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

<u>Funds</u>	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ 2,200,090	\$ -	\$ 12,711,534	\$ 11,685,945	\$ 3,225,679	\$ 528,473	\$ 3,754,152
Special Purpose Funds:							
Special Recreation and Parks	49,083	-	18,780	17,662	50,201	7,134	57,335
Special Street and Highway	560,535	-	826,708	364,749	1,022,494	2,802	1,025,296
Tourism	110,708	-	165,735	132,559	143,884	-	143,884
Special Alcohol	81,601	-	19,906	21,798	79,709	1,767	81,476
Library	-	-	448,915	448,915	-	-	-
Land Bank	16,609	-	1,501	120	17,990	-	17,990
Healthcare Sales Tax	-	-	5,900,563	5,900,563	-	-	-
Unpledged Healthcare Sales Tax	30,403	-	103,909	4,100	130,212	-	130,212
CID Sales Tax	-	-	79,084	79,084	-	6,064	6,064
Special Law Enforcement Trust	2,848	-	-	-	2,848	-	2,848
Equipment Reserve	184,746	-	-	-	184,746	-	184,746
Capital Improvements Reserve	1,547,319	-	108,087	405,855	1,249,551	14,000	1,263,551
Municipalities Fighting Addiction	32,235	-	40,079	-	72,314	-	72,314
Bond and Interest Funds:							
Bond and Interest	160,928	-	2,475,635	2,496,148	140,415	-	140,415
Business Funds:							
Water Utility	3,440,910	-	5,254,870	6,492,950	2,202,830	1,425,471	3,628,301
Sewer Utility	3,961,446	-	4,099,112	2,514,772	5,545,786	81,270	5,627,056
Sanitation Utility	1,313,236	-	2,021,491	1,603,693	1,731,034	77,591	1,808,625
Stormwater Utility	458,654	-	427,458	215,968	670,144	10,388	680,532
Total Reporting Entity [Excluding Agency Funds]	<u>\$ 14,151,351</u>	<u>\$ -</u>	<u>\$ 34,703,367</u>	<u>\$ 32,384,881</u>	<u>\$ 16,469,837</u>	<u>\$ 2,154,960</u>	<u>\$ 18,624,797</u>

Composition of Cash:

RCB Bank	
Checking	\$ 1,513,616
Certificates of Deposit	5,101,412
Union State Bank	
Checking	19,351
Certificates of Deposit	2,500,000
The Stock Exchange Bank	
Certificates of Deposit	2,000,000
Community National Bank	
Certificates of Deposit	7,500,000
Petty Cash	<u>1,625</u>
Total Cash	18,636,004
Less: Agency Funds per Schedule 3	<u>[11,207]</u>
Total Reporting Entity [Excluding Agency Funds]	<u>\$ 18,624,797</u>

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

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 1 - Summary of Significant Accounting Policies

The City of Arkansas City, Kansas, (the City) is incorporated as a City of the second class, under the provisions of K.S.A. 13-101 et seq. The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Arkansas City, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from generally accepted accounting principles.

Financial Reporting Entity

The City of Arkansas City, Kansas (the City) is a municipal corporation governed by an elected five-member commission. This financial statement presents the City of Arkansas City, Kansas.

Related Municipal Entity. A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Arkansas City Public Library - The City of Arkansas City Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate audited financial statements are available at the Library.

South Central Kansas Regional Medical Center - The Medical Center Board of Trustees operates the City's hospital. The hospital can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Separate audited financial statements are available at the Medical Center.

Arkansas City Public Building Commission - The City of Arkansas City Public Building Commission was created to oversee the construction of the Regional Medical Center facility. Acquisition or disposition of real property or bond issuances must be approved by the City. The City is acting as the fiduciary agent for the Commission. Separate financial statements are not prepared by the Commission.

Strother Field Airport and Industrial Park - The City has adopted Ordinance No. 98-11-3793 providing for an interlocal cooperation agreement between the City of Arkansas City, the City of Winfield and Strother Field to provide financing of water systems improvements at Strother Field. The agreement provides for \$500,000 in G.O. bonds to be issued by the City of Winfield to finance the improvements. If Strother Field defaults on the bond issue, the cities of Arkansas City and Winfield would each be responsible for 50% of the remaining liability. The agreement acknowledges that the obligations of Arkansas City are subject to K.S.A. 10-1101 et seq., and as such, Arkansas City is obligated only to the extent that it has funds actually on hand in its treasury at the time for such purpose. In 2022, the City adopted Ordinance No. 2022-04-3476 providing for the issuance of \$4.47 million in G.O. bonds issued by the City for public building improvements at the Airport. The Strother Field Airport and Industrial Park joint venture have had an audit of their financial statements completed separately.

Arkansas City/Winfield Recycling Center - The cities of Arkansas City and Winfield, Kansas entered into an interlocal agreement to jointly purchase and operate a recycling center. Records are maintained by the City of Winfield; both cities share equally in the costs and recycling revenues. Separate financial information can be obtained from the Center.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Basis of Presentation - Regulatory 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.

Reimbursed Expense

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as cash receipts. In the financial statement and budget schedule comparisons presented in this report, reimbursements and refunds are recorded as cash receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. As of December 31 of each year, such taxes become a lien on the property.

Special Assessments

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

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Arkansas City, Kansas, for the year of 2024:

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

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

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

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 Fund - funds used to report assets held by the City in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

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 General, Library, Bond and Interest, Sewer Utility, Municipalities Fighting Addiction, Healthcare Sales Tax and CID Sales Tax 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 the following special purpose and business funds:

- Special Law Enforcement Trust Fund
- Equipment Reserve Fund
- Capital Improvements Reserve Fund

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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.

NOTE 2 - Deposits and Investments

K.S.A 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main branch 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 bank provides an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

Concentration of credit risk. State statutes place no limit on the amount the Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

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

As of December 31, 2024, the City's carrying amount of deposits was \$18,636,004 and the bank balance was \$18,122,029. The bank balance was held by four banks. Of the bank balance, \$1,000,000 was covered by federal depository insurance and the balance of \$17,122,029 was collateralized with pledged securities held by the pledging financial institutions' agents in the City's name.

NOTE 3 - Interfund Transfers

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

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
Water Utility	General	\$ 400,000	K.S.A. 12-825d
Sewer Utility	General	550,000	K.S.A. 12-825d
Sanitation Utility	General	200,000	K.S.A. 12-825d
Sewer Utility	Stormwater Utility	50,000	K.S.A. 12-825d
Water Utility	Bond & Interest	<u>1,489,775</u>	K.S.A. 12-825d
		<u>\$2,689,775</u>	

NOTE 4 - 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.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 4 - Defined Benefit Pension Plan (Continued)

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, 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 \$386,186 for KPERS and \$683,085 for KP&F for the year ended December 31, 2024.

Net Pension Liability. As of December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was \$3,338,248 and \$6,766,690 for KP&F. 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 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 5 - 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.

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.

Compensated Absences. It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation Leave. All employees shall accrue vacation leave each pay period according to their position and months of continuous full-time employment with the City as summarized by the following table:

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 5 - Other Long-Term Obligations from Operations (Continued)

Non - Fire/EMS personnel			Fire/EMS personnel		
Months of Continuous Full-time Employment	Vacation Hours Accrued Per year	Maximum Accrual Hours	Months of Continuous Full-time Employment	Vacation Hours Accrued Per year	Maximum Accrual Hours
0 - 59	80	160	0 - 59	112	224
60 - 119	120	240	60 - 119	168	336
120 - 179	160	320	120 - 179	224	448
180 +	200	400	180 +	280	560

Sick Leave. All full-time employees, except fire/EMS personnel, shall accrue paid sick leave at a rate of 4 hours per pay period. Fire/EMS personnel shall accrue 5.25 hours per pay period.

Employees hired prior to April 1, 2020, may accumulate sick leave to a maximum of 960 hours. Employees hired on or after April 1, 2020, may accumulate sick leave to a maximum of 720 hours.

Accumulated Leave Payout. All regular full-time employees separating from City employment that have given and satisfactorily completed an appropriate 14-day notice period will receive payment for all accumulated accrued and unused vacation, and depending upon the employee's length of service with the City, a percentage of their accrued unused sick leave as follows:

	Months of Continuous Full-time Employment				
	0 - 47	48 - 95	96 - 143	144 - 191	192 +
Sick Leave Payout %	0%	25%	50%	75%	100%

For employees hired prior to April 1, 2020, the maximum sick leave hours any employee can be paid out is 480 hours. For employees hired on or after April 1, 2020, the maximum sick leave hours any employee can be paid out is 360 hours.

Compensatory Time. All employees who are eligible, except firefighters, can elect to receive compensatory time off at a rate of not less than one and one-half hours for each overtime hour worked in lieu of cash overtime compensation. All eligible City employees, except police, may accrue up to twenty-four hours of compensatory time. Police personnel may accumulate up to sixty hours of compensatory time.

Banked Holiday Time. All non-exempt police, wastewater treatment plant, water treatment facility, and fire/emergency medical services personnel may accumulate one hour for every hour worked on an official City holiday, up to eight hours (12 hours for fire/EMS). Police, wastewater treatment plant and water treatment facility personnel shall not accumulate in excess of 24 hours. Fire/EMS personnel shall not accumulate in excess of 48 hours.

Personal Business Day Leave. All full-time employees after two months of continuous employment will accrue 8 hours of personal business day leave, then each January 1st thereafter shall be awarded an additional 8 hours of personal business day leave. Personal business day leave must be used within the calendar year and may not be accumulated.

The City determines a liability for compensated absences when the following conditions are met:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 5 - Other Long-Term Obligations from Operations (Continued)

In accordance with the above criteria, the City has accrued a liability for annual leave, sick time, compensatory time, and banked holiday time, which has been earned, but not taken, by City employees. The estimated liability as of December 31, 2024, was \$493,303 for annual leave, \$484,887 for sick leave and \$12,342 for banked holiday time.

NOTE 6 - Long-Term Debt

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

<u>Type of Issue</u>	Beginning Principal <u>Outstanding</u>	Additions to Principal	Reductions of Principal	Ending Principal <u>Outstanding</u>	<u>Interest Paid</u>
General Obligation Bonds	\$ 21,765,000	\$ -	\$ 1,935,000	\$ 19,830,000	\$ 551,969
Revenue Bonds	15,955,000	-	5,315,000	10,640,000	585,563
Revolving Loans	9,253,853	1,010,312	419,304	9,844,861	122,180
Finance Leases	1,308,172	399,562	493,118	1,214,616	493,117
Total	<u>\$ 48,282,025</u>	<u>\$ 1,409,874</u>	<u>\$ 8,162,422</u>	<u>\$ 41,529,477</u>	<u>\$ 1,752,829</u>

General Obligation Bonds. The following table details the City's outstanding general obligation bonds:

<u>General Obligation Bonds</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes and utility revenues					
Series 2020	1.00% - 3.00%	\$ 15,265,000	\$ 21,840,000	10/13/20	08/01/36
Series 2022	3.59%	4,050,000	4,470,000	05/03/22	09/01/37
Series 2023	5.35% - 6.25%	515,000	515,000	11/02/23	09/01/39
		<u>\$ 19,830,000</u>	<u>\$ 26,825,000</u>		

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

Year ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,445,000	\$ 501,455	\$ 1,946,455
2026	1,475,000	455,943	1,930,943
2027	1,525,000	409,276	1,934,276
2028	1,575,000	361,075	1,936,075
2029	1,610,000	327,490	1,937,490
2030 - 2034	8,610,000	1,077,824	9,687,824
2035 - 2039	3,590,000	170,615	3,760,615
Total	<u>\$ 19,830,000</u>	<u>\$ 3,303,678</u>	<u>\$ 23,133,678</u>

Revenue Bonds. The following table details the City's outstanding revenue bonds:

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 6 - Long-Term Debt (Continued)

<u>Revenue Bonds</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes					
Public Building Commission	3.00% - 5.00%	<u>\$ 10,640,000</u>	<u>\$ 17,630,000</u>	07/23/19	09/01/44

On July 23, 2019, the Arkansas City Public Building Commission issued Refunding Revenue Bonds, Series 2019, in the amount of \$17,630,000. The bonds were issued to refund the Commission's outstanding Series 2009 Revenue Bonds. The refunded bonds were originally issued to finance the costs to construct, furnish and equip an acute care hospital known as the South-Central Kansas Regional Medical Center. The Public Building Commission will continue to lease the land and the medical center constructed thereon to the City and the City will continue to sublease the project to the Board of Trustees of the Medical Center.

As part of the 2019 revenue bond issue, the City approved a 1% sales tax. The City has pledged to appropriate 95% of the revenues derived from the sales tax to the Bond's Trustee for debt service payments. The City has accounted for these transactions in the Healthcare Sales Tax and Unpledged Healthcare Sales Tax funds. Any amount appropriated to the Trustee in excess of the scheduled debt service is held by the Trustee in an escrow account invested in U.S. Government Securities and reserved for future debt service payments. The City does not have control over this escrow account, and therefore, the City's financial statements do not include the escrow balance. As of December 31, 2024, the balance of this escrow account was \$2,901,301.

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

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 505,000	\$ 561,563	\$ 1,066,563
2026	530,000	536,313	1,066,313
2027	560,000	509,813	1,069,813
2028	585,000	481,813	1,066,813
2029	615,000	452,563	1,067,563
2030 - 2034	3,525,000	1,839,063	5,364,063
2035 - 2039	4,225,000	1,158,063	5,383,063
2040 - 2044	95,000	2,968	97,968
Total	<u>\$ 10,640,000</u>	<u>\$ 5,542,159</u>	<u>\$ 16,182,159</u>

Finance Leases. The follow table details the City's outstanding finance lease obligations:

<u>Finance Leases</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes					
2019 Pumper Truck	3.55%	\$ 269,960	\$ 620,775	01/28/19	08/01/28
2021 Street Sweeper	3.55%	43,290	127,500	03/16/22	02/01/25
2022 Copiers	0.00%	24,171	53,714	03/23/22	03/23/27
2022 Body Worn Cameras	0.00%	54,816	150,000	08/16/22	08/16/27
Revolving Enterprise Vehicles	0.00%	822,379	210,496	Various	09/30/27
		<u>\$ 1,214,616</u>	<u>\$ 1,162,485</u>		

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 6 - Long-Term Debt (Continued)

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

<u>Year ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 482,985	\$ 9,907	\$ 492,892
2026	309,195	6,788	315,983
2027	256,569	4,395	260,964
2028	134,749	1,915	136,664
2029	31,118	-	31,118
Total	<u>\$ 1,214,616</u>	<u>\$ 23,005</u>	<u>\$ 1,237,621</u>

Revolving Loan. The following table details the City's outstanding revolving loans:

<u>Revolving Loans</u>	<u>Interest Rate</u>	<u>Amount</u> <u>Outstanding</u>	<u>Original</u> <u>Amount</u>	<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>
Paid with utility revenues					
Water Pollution Loan #C20-1812-01	1.31%	<u>\$ 9,844,861</u>	<u>\$ 10,500,000</u>	12/9/2021	3/1/2043

On December 9, 2021, the City entered into a loan agreement with the Kansas Department of Health and Environment (KDHE) to finance the cost of wastewater treatment plant improvements. The loan is for a maximum principal of \$10,500,000, carries a gross interest rate of 1.31%, and is payable in semi-annual installments. Annual debt service requirements to maturity are not available as the loan was not finalized as of December 31, 2024.

NOTE 7 - Economic Development Bonds

The City has entered into various agreements to induce businesses to locate or expand operations in Arkansas City, Kansas. In connection therewith, the City has issued industrial revenue bonds (IRB's), which require the businesses to make lease payments to trust accounts sufficient to pay debt service on the IRB's. The City is under no obligation to pay the IRB debt, which is to be paid from the lease payments made by the related businesses. As of December 31, 2024, there were two industrial revenue bond issues with principal balances due totaling \$11,785,173.

NOTE 8 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

The City has been unable to obtain workers' compensation insurance at a cost it considers to be economically justifiable. For this reason, the City has joined together with other cities in the State to participate in 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 annual premiums to KMIT for its workers' compensation insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of a stated dollar amount for each insurance event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2024

NOTE 9 - Capital Projects

The following is a summary of capital project authorizations and expenditures to date:

<u>Project Name</u>	<u>Project Authorization</u>	<u>Expenditures Through 12/31/2024</u>	<u>Estimated Completion</u>
Westar Hike/Bike Trail	\$ 1,571,745	\$ 649,005	2025
WWTP Upgrades	13,068,275	13,148,775	2024
Madison Avenue CCLIP Summit to 8th St	482,075	459,748	2024
Central Trails Transportation Alternative Grant	144,732	50,758	2024
Truck Stop	75,400	54,578	2025
CDBG Community Block Grant	300,000	196,825	2025
Offset Well 4 (Well 16)	221,055	85,571	2025
Levee Certification	56,910	48,863	2025
HEAL Grant 204/206 N Summit St	91,000	45,500	2024
Goff Tower Rehab	309,700	248,769	2024
Country Club Estates Lift Station	1,220	1,220	2025
Lovie Watson Park Upgrades	59,758	59,758	2024
East Pressure Zone (EPZ) Improvements	357,000	17,850	2025
Wilson Park - Phase II	9,000	9,000	2025

SCHEDULE 1

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

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over [Under]</u>
General Funds:					
General	\$ 14,115,945	\$ -	\$ 14,115,945	\$ 11,685,945	\$ [2,430,000]
Special Purpose Funds:					
Special Recreation and Parks	70,425	-	70,425	17,662	[52,763]
Special Street and Highway	715,100	-	715,100	364,749	[350,351]
Tourism	272,922	-	272,922	132,559	[140,363]
Special Alcohol	111,739	-	111,739	21,798	[89,941]
Library	454,974	-	454,974	448,915	[6,059]
Land Bank	21,451	-	21,451	120	[21,331]
Healthcare Sales Tax	2,500,000	3,548,811	6,048,811	5,900,563	[148,248]
Unpledged Healthcare Sales Tax	252,800	-	252,800	4,100	[248,700]
CID Sales Tax	85,000	-	85,000	79,084	[5,916]
Municipalities Fighting Addiction	59,253	-	59,253	-	[59,253]
Bond and Interest Funds:					
Bond and Interest	2,611,836	-	2,611,836	2,496,148	[115,688]
Business Funds:					
Water Utility	6,937,448	-	6,937,448	6,492,950	[444,498]
Sewer Utility	2,976,359	-	2,976,359	2,514,772	[461,587]
Sanitation Utility	1,882,780	-	1,882,780	1,603,693	[279,087]
Stormwater Utility	443,070	-	443,070	215,968	[227,102]

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 3,786,577	\$ 3,708,930	\$ 3,928,690	\$ [219,760]
Delinquent tax	155,915	139,219	115,000	24,219
Motor vehicle tax	414,556	423,857	438,875	[15,018]
Recreational vehicle tax	4,225	3,993	3,955	38
16/20M truck tax	7,772	8,896	1,410	7,486
Neighborhood revitalization	[93,256]	[90,030]	[110,000]	19,970
Compensating use tax	471,022	448,607	420,000	28,607
Sales tax	1,985,825	2,003,310	1,825,000	178,310
Franchise tax	1,376,141	1,418,028	1,238,500	179,528
Special assessments	28,410	20,072	30,000	[9,928]
Intergovernmental				
Local alcoholic liquor tax	15,516	18,781	15,145	3,636
Federal grant	239,578	48,323	2,500	45,823
State grant	28,466	35,206	22,575	12,631
Licenses and permits				
Licenses, permits and fees	181,654	211,025	101,600	109,425
Charges and services				
Cemetery permits/deeds	19,795	23,280	18,500	4,780
Rural fire contracts	476,681	500,309	400,000	100,309
County ambulance fees	195,130	485,500	195,000	290,500
Other ambulance fees	609,592	623,818	550,000	73,818
Fines, forfeitures and penalties				
Fines	380,107	397,853	315,000	82,853
Use of money and property				
Interest	89,852	275,257	26,000	249,257
Sale of assets	128,070	170,226	103,400	66,826
Rental income	38,977	49,197	33,500	15,697
Other receipts				
Donations	16,200	17,733	5,000	12,733
Reimbursed expense	158,499	154,114	85,000	69,114
Loan repayment from hospital	-	-	-	-
Lease proceeds	755,153	399,562	880,400	[480,838]
Miscellaneous	78,684	66,468	31,700	34,768
Operating transfers from				
Water Utility Fund	1,325,000	400,000	400,000	-
Sewer Utility Fund	-	550,000	550,000	-
Sanitation Utility Fund	-	200,000	200,000	-
Total Receipts	<u>12,874,141</u>	<u>12,711,534</u>	<u>\$ 11,826,750</u>	<u>\$ 884,784</u>

See independent auditor's report on the financial statements.

SCHEDULE 2 - 1 (Continued)

CITY OF ARKANSAS CITY, KANSAS
 General Fund - Continued
 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 <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Expenditures				
General administrative services				
Personal services	\$ 907,457	\$ 982,644	\$ 997,531	\$ [14,887]
Contractual services	1,525,428	494,837	379,285	115,552
Commodities	42,608	43,799	44,800	[1,001]
Capital outlay	<u>816,577</u>	<u>486,124</u>	<u>60,500</u>	<u>425,624</u>
Total general administrative services	<u>3,292,070</u>	<u>2,007,404</u>	<u>1,482,116</u>	<u>525,288</u>
Municipal court/legal				
Personal services	114,850	67,234	74,627	[7,393]
Contractual services	162,666	191,613	160,775	30,838
Commodities	2,091	520	1,550	[1,030]
Capital outlay	<u>8,585</u>	<u>5,992</u>	<u>7,000</u>	<u>[1,008]</u>
Total municipal court/legal	<u>288,192</u>	<u>265,359</u>	<u>243,952</u>	<u>21,407</u>
Neighborhood services				
Personal services	288,213	270,223	317,186	[46,963]
Contractual services	48,428	65,881	37,960	27,921
Commodities	23,627	26,639	64,830	[38,191]
Capital outlay	16,054	17,665	12,000	5,665
Fleet management lease	<u>10,870</u>	<u>22,036</u>	<u>23,250</u>	<u>[1,214]</u>
Total neighborhood services	<u>387,192</u>	<u>402,444</u>	<u>455,226</u>	<u>[52,782]</u>
Fire/EMT services				
Personal services	2,550,206	2,669,115	2,893,749	[224,634]
Contractual services	86,333	84,163	71,000	13,163
Commodities	175,669	100,215	155,400	[55,185]
Capital outlay	68,956	79,042	1,052,820	[973,778]
Debt service	127,450	70,769	133,753	[62,984]
Fleet management lease	<u>-</u>	<u>21,119</u>	<u>-</u>	<u>21,119</u>
Total fire/EMT services	<u>3,008,614</u>	<u>3,024,423</u>	<u>4,306,722</u>	<u>[1,282,299]</u>
Law enforcement				
Personal services	3,010,884	2,762,909	3,363,191	[600,282]
Contractual services	152,494	151,909	143,500	8,409
Commodities	158,329	123,068	124,000	[932]
Capital outlay	156,908	143,491	150,000	[6,509]
Fleet management lease	<u>53,879</u>	<u>166,797</u>	<u>68,504</u>	<u>98,293</u>
Total law enforcement	<u>3,532,494</u>	<u>3,348,174</u>	<u>3,849,195</u>	<u>[501,021]</u>

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 General Fund - Continued
 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	Current Year		Variance- Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Expenditures - Continued				
Parks and facilities				
Personal services	\$ 654,516	\$ 705,580	\$ 737,358	\$ [31,778]
Contractual services	167,494	179,530	207,600	[28,070]
Commodities	135,226	154,522	224,300	[69,778]
Capital outlay	101,322	38,985	67,500	[28,515]
Fleet management lease	19,096	48,905	106,476	[57,571]
Total parks and facilities	<u>1,077,654</u>	<u>1,127,522</u>	<u>1,343,234</u>	<u>[215,712]</u>
Public works/streets				
Personal services	504,318	489,525	577,645	[88,120]
Contractual services	268,500	261,589	313,800	[52,211]
Commodities	47,732	55,600	63,550	[7,950]
Capital outlay	-	10,874	18,500	[7,626]
Fleet management lease	12,813	20,756	8,017	12,739
Total public works/streets	<u>833,363</u>	<u>838,344</u>	<u>981,512</u>	<u>[143,168]</u>
Northwest Community Center				
Personal services	55,436	58,911	58,465	446
Contractual services	12,239	13,769	20,300	[6,531]
Commodities	14,864	4,881	8,200	[3,319]
Capital outlay	28	200	1,000	[800]
Total Northwest Community Center	<u>82,567</u>	<u>77,761</u>	<u>87,965</u>	<u>[10,204]</u>
Senior center				
Personal services	209,716	221,689	229,923	[8,234]
Contractual services	35,563	37,171	43,300	[6,129]
Commodities	17,412	49,139	18,100	31,039
Capital outlay	-	13,512	-	13,512
Total senior center	<u>262,691</u>	<u>321,511</u>	<u>291,323</u>	<u>30,188</u>
EMS				
Personal services	2,165	5,394	13,000	[7,606]
Contractual services	75,881	71,375	91,400	[20,025]
Commodities	165,133	188,404	499,650	[311,246]
Fleet management lease	5,933	7,830	7,650	180
Total senior center	<u>249,112</u>	<u>273,003</u>	<u>611,700</u>	<u>[338,697]</u>
Emergency reserve	<u>-</u>	<u>-</u>	<u>463,000</u>	<u>[463,000]</u>
Total Expenditures	<u>13,013,949</u>	<u>11,685,945</u>	<u>\$ 14,115,945</u>	<u>\$ [2,430,000]</u>
Receipts Over [Under] Expenditures	[139,808]	1,025,589		
Unencumbered Cash, Beginning	<u>2,339,898</u>	<u>2,200,090</u>		
Unencumbered Cash, Ending	<u>\$ 2,200,090</u>	<u>\$ 3,225,679</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 2

CITY OF ARKANSAS CITY, KANSAS
 Special Recreation and Parks 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Local alcoholic liquor tax	\$ 15,516	\$ 18,780	\$ 15,145	\$ 3,635
Total Receipts	<u>15,516</u>	<u>18,780</u>	<u>\$ 15,145</u>	<u>\$ 3,635</u>
Expenditures				
Culture and recreation				
Commodities	7,585	10,528	\$ 3,500	\$ 7,028
Capital outlay	-	7,134	66,925	[59,791]
Total Expenditures	<u>7,585</u>	<u>17,662</u>	<u>\$ 70,425</u>	<u>\$ [52,763]</u>
Receipts Over [Under] Expenditures	7,931	1,118		
Unencumbered Cash, Beginning	<u>41,152</u>	<u>49,083</u>		
Unencumbered Cash, Ending	<u>\$ 49,083</u>	<u>\$ 50,201</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
Special Street and 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)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Highway gas tax	\$ 322,525	\$ 321,846	\$ 315,740	\$ 6,106
County gas tax	54,365	55,504	47,640	7,864
Intergovernmental				
KDOT federal exchange funds	678,525	449,099	300,000	149,099
Other receipts				
Reimbursed expense	10	259	-	259
Total Receipts	<u>1,055,425</u>	<u>826,708</u>	<u>\$ 663,380</u>	<u>\$ 163,328</u>
Expenditures				
General government				
Contractual services	359,113	96,040	\$ 235,000	\$ [138,960]
Commodities	110,879	190,805	428,000	[237,195]
Capital outlay	470,553	25,855	-	25,855
Fleet management lease	52,049	52,049	52,100	[51]
Total Expenditures	<u>992,594</u>	<u>364,749</u>	<u>\$ 715,100</u>	<u>\$ [350,351]</u>
Receipts Over [Under] Expenditures	62,831	461,959		
Unencumbered Cash, Beginning	<u>497,704</u>	<u>560,535</u>		
Unencumbered Cash, Ending	<u>\$ 560,535</u>	<u>\$ 1,022,494</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 4

CITY OF ARKANSAS CITY, KANSAS
 Tourism 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
State guest tax	\$ 155,516	\$ 153,842	\$ 160,000	\$ [6,158]
Other receipts				
Donations	<u>10,000</u>	<u>11,893</u>	<u>10,000</u>	<u>1,893</u>
Total Receipts	<u>165,516</u>	<u>165,735</u>	<u>\$ 170,000</u>	<u>\$ [4,265]</u>
Expenditures				
Culture and recreation				
Contractual services	<u>113,730</u>	<u>132,559</u>	<u>\$ 272,922</u>	<u>\$ [140,363]</u>
Total Expenditures	<u>113,730</u>	<u>132,559</u>	<u>\$ 272,922</u>	<u>\$ [140,363]</u>
Receipts Over [Under] Expenditures	51,786	33,176		
Unencumbered Cash, Beginning	<u>58,922</u>	<u>110,708</u>		
Unencumbered Cash, Ending	<u>\$ 110,708</u>	<u>\$ 143,884</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Special Alcohol 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Local alcoholic liquor tax	\$ 15,515	\$ 18,781	\$ 15,145	\$ 3,636
Other receipts				
Donations	<u>2,325</u>	<u>1,125</u>	<u>-</u>	<u>1,125</u>
Total Receipts	<u>17,840</u>	<u>19,906</u>	<u>\$ 15,145</u>	<u>\$ 4,761</u>
Expenditures				
Culture and recreation				
Contractual services	1,000	4,300	\$ 8,000	\$ [3,700]
Commodities	<u>16,380</u>	<u>17,498</u>	<u>103,739</u>	<u>[86,241]</u>
Total Expenditures	<u>17,380</u>	<u>21,798</u>	<u>\$ 111,739</u>	<u>\$ [89,941]</u>
Receipts Over [Under] Expenditures	460	[1,892]		
Unencumbered Cash, Beginning	<u>81,141</u>	<u>81,601</u>		
Unencumbered Cash, Ending	<u>\$ 81,601</u>	<u>\$ 79,709</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Ad valorem property tax	\$ 402,476	\$ 397,341	\$ 420,249	\$ [22,908]
Delinquent tax	16,945	14,794	12,000	2,794
Motor vehicle tax	45,020	45,050	46,644	[1,594]
Recreational vehicle tax	459	424	420	4
16/20M truck tax	835	950	150	800
Neighborhood revitalization	<u>[9,913]</u>	<u>[9,644]</u>	<u>[15,000]</u>	<u>5,356</u>
Total Receipts	<u>455,822</u>	<u>448,915</u>	<u>\$ 464,463</u>	<u>\$ [15,548]</u>
Expenditures				
Culture and recreation				
Appropriation to library board	<u>455,822</u>	<u>448,915</u>	<u>\$ 454,974</u>	<u>\$ [6,059]</u>
Total Expenditures	<u>455,822</u>	<u>448,915</u>	<u>\$ 454,974</u>	<u>\$ [6,059]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF ARKANSAS CITY, 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Use of money and property				
Sale of assets	\$ -	\$ 1,501	\$ 5,000	\$ [3,499]
Total Receipts	<u>-</u>	<u>1,501</u>	<u>\$ 5,000</u>	<u>\$ [3,499]</u>
Expenditures				
General government				
Contractual services	<u>342</u>	<u>120</u>	<u>\$ 21,451</u>	<u>\$ [21,331]</u>
Total Expenditures	<u>342</u>	<u>120</u>	<u>\$ 21,451</u>	<u>\$ [21,331]</u>
Receipts Over [Under] Expenditures	[342]	1,381		
Unencumbered Cash, Beginning	<u>16,951</u>	<u>16,609</u>		
Unencumbered Cash, Ending	<u>\$ 16,609</u>	<u>\$ 17,990</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Healthcare 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	Current Year		Variance- Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenue:				
Sales tax	\$ 1,886,534	\$ 1,903,145	\$ 2,000,000	\$ [96,855]
Use tax	376,818	448,607	500,000	[51,393]
Appropriations from trustee	<u>-</u>	<u>3,548,811</u>	<u>-</u>	<u>3,548,811</u>
Total Receipts	<u>2,263,352</u>	<u>5,900,563</u>	<u>\$ 2,500,000</u>	<u>\$ 3,400,563</u>
Expenditures				
Debt Service				
Principal	460,000	5,315,000	\$ -	\$ 5,315,000
Interest	608,563	585,563	-	585,563
Appropriations to trustee	1,194,789	-	2,500,000	[2,500,000]
Adjustment for qualifying budget credits	<u>-</u>	<u>-</u>	<u>3,548,811</u>	<u>[3,548,811]</u>
Total Expenditures	<u>2,263,352</u>	<u>5,900,563</u>	<u>\$ 6,048,811</u>	<u>\$ [148,248]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Unpledged Healthcare 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 <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Sales tax	\$ 99,292	\$ 100,166	\$ 120,000	\$ [19,834]
Use tax	94,204	-	-	-
Use of money and property				
Interest	<u>590</u>	<u>3,743</u>	<u>400</u>	<u>3,343</u>
Total Receipts	<u>194,086</u>	<u>103,909</u>	<u>\$ 120,400</u>	<u>\$ [16,491]</u>
Expenditures				
Healthcare appropriations	159,683	-	\$ 246,800	\$ [246,800]
Miscellaneous	<u>4,000</u>	<u>4,100</u>	<u>6,000</u>	<u>[1,900]</u>
Total Expenditures	<u>163,683</u>	<u>4,100</u>	<u>\$ 252,800</u>	<u>\$ [248,700]</u>
Receipts Over [Under] Expenditures	30,403	99,809		
Unencumbered Cash, Beginning	<u>-</u>	<u>30,403</u>		
Unencumbered Cash, Ending	<u>\$ 30,403</u>	<u>\$ 130,212</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 CID 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Sales tax	\$ 74,819	\$ 79,084	\$ 85,000	\$ [5,916]
Total Receipts	<u>74,819</u>	<u>79,084</u>	<u>\$ 85,000</u>	<u>\$ [5,916]</u>
Expenditures				
Appropriations	<u>74,819</u>	<u>79,084</u>	<u>\$ 85,000</u>	<u>\$ [5,916]</u>
Total Expenditures	<u>74,819</u>	<u>79,084</u>	<u>\$ 85,000</u>	<u>\$ [5,916]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Special Law Enforcement Trust Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2024 and 2023

	<u>2023</u>	<u>2024</u>
Receipts		
Other receipts		
Donations	\$ 2,658	\$ -
Total Receipts	<u>2,658</u>	<u>-</u>
Expenditures		
Capital improvements		
Contractual services	850	-
Capital outlay	<u>2,500</u>	<u>-</u>
Total Expenditures	<u>3,350</u>	<u>-</u>
Receipts Over [Under] Expenditures	[692]	-
Unencumbered Cash, Beginning	<u>3,540</u>	<u>2,848</u>
Unencumbered Cash, Ending	<u>\$ 2,848</u>	<u>\$ 2,848</u>

* - This fund is not required to be budgeted.

SCHEDULE 2 - 12

CITY OF ARKANSAS CITY, KANSAS
 Equipment Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2024 and 2023

	<u>2023</u>	<u>2024</u>
Receipts		
Operating transfers from		
General Fund	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Capital improvements		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	<u>184,746</u>	<u>184,746</u>
Unencumbered Cash, Ending	<u>\$ 184,746</u>	<u>\$ 184,746</u>

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS
 Capital Improvements Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2024 and 2023

	<u>2023</u>	<u>2024</u>
Receipts		
Use of money and property		
Interest	\$ 39,015	\$ 70,704
Other receipts		
Donations	<u>58,875</u>	<u>37,383</u>
Total Receipts	<u>97,890</u>	<u>108,087</u>
Expenditures		
General government		
Contractual services	1,365,417	11,377
Capital outlay	<u>8,280</u>	<u>394,478</u>
Total Expenditures	<u>1,373,697</u>	<u>405,855</u>
Receipts Over [Under] Expenditures	[1,275,807]	[297,768]
Unencumbered Cash, Beginning	<u>2,823,126</u>	<u>1,547,319</u>
Unencumbered Cash, Ending	<u>\$ 1,547,319</u>	<u>\$ 1,249,551</u>

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS
Municipalities Fighting Addiction 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 <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental				
State grant	\$ 32,400	\$ 40,079	\$ 30,000	\$ 10,079
Total Receipts	<u>32,400</u>	<u>40,079</u>	<u>\$ 30,000</u>	<u>\$ 10,079</u>
Expenditures				
Appropriations	<u>3,018</u>	-	\$ 59,253	\$ [59,253]
Total Expenditures	<u>3,018</u>	<u>-</u>	<u>\$ 59,253</u>	<u>\$ [59,253]</u>
Receipts Over [Under] Expenditures	29,382	40,079		
Unencumbered Cash, Beginning	<u>2,853</u>	<u>32,235</u>		
Unencumbered Cash, Ending	<u>\$ 32,235</u>	<u>\$ 72,314</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, 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 <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Ad valorem property tax	\$ 509,447	\$ 527,121	\$ 557,544	\$ [30,423]
Delinquent tax	25,144	18,719	20,000	[1,281]
Motor vehicle tax	67,639	57,011	59,029	[2,018]
Recreational vehicle tax	689	537	532	5
16/20M truck tax	1,164	1,250	190	1,060
Neighborhood revitalization	[12,559]	[12,789]	[20,000]	7,211
Operating transfers from				
Water Utility	1,493,000	1,489,775	1,489,775	-
Other receipts				
Payment from Airport	393,072	394,011	394,011	-
Debt proceeds				
Sale of bonds	516,668	-	-	-
Total Receipts	<u>2,994,264</u>	<u>2,475,635</u>	<u>\$ 2,501,081</u>	<u>\$ [25,446]</u>
Expenditures				
Debt service				
Principal	1,830,000	1,935,000	\$ 1,935,000	\$ -
Interest	635,698	551,969	526,836	25,133
Cost of issuance	15,825	9,179	-	9,179
Capital outlay	460,197	-	-	-
Cash basis reserve	-	-	150,000	[150,000]
Total Expenditures	<u>2,941,720</u>	<u>2,496,148</u>	<u>\$ 2,611,836</u>	<u>\$ [115,688]</u>
Receipts Over [Under] Expenditures	52,544	[20,513]		
Unencumbered Cash, Beginning	<u>108,384</u>	<u>160,928</u>		
Unencumbered Cash, Ending	<u>\$ 160,928</u>	<u>\$ 140,415</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, 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)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Water receipts	\$ 4,703,722	\$ 4,941,801	\$ 5,000,000	\$ [58,199]
Connection fees	68,048	73,937	66,000	7,937
Use of money and property				
Interest	68,276	135,980	130,000	5,980
Other receipts				
Bad debt collection	319	92	-	92
Penalties	37,947	32,197	25,000	7,197
Reimbursed expense	1,273	-	-	-
Sale of assets	18,410	34,321	55,000	[20,679]
Miscellaneous	52,949	36,542	30,000	6,542
Total Receipts	<u>4,950,944</u>	<u>5,254,870</u>	<u>\$ 5,306,000</u>	<u>\$ [51,130]</u>
Expenditures				
Treatment				
Personal services	240,692	258,685	\$ 301,583	\$ [42,898]
Contractual services	696,265	1,293,490	1,445,800	[152,310]
Commodities	657,670	691,149	516,200	174,949
Capital outlay	55,209	366,124	622,850	[256,726]
Fleet management lease	52,799	111,712	132,700	[20,988]
Total treatment	<u>1,702,635</u>	<u>2,721,160</u>	<u>3,019,133</u>	<u>[297,973]</u>
Distribution				
Personal services	649,436	703,151	805,090	[101,939]
Contractual services	99,433	495,900	128,600	367,300
Commodities	238,230	281,500	344,200	[62,700]
Capital outlay	98,415	161,666	550,000	[388,334]
Total distribution	<u>1,085,514</u>	<u>1,642,217</u>	<u>1,827,890</u>	<u>[185,673]</u>
Administration				
Personal services	12,064	13,409	12,350	1,059
Contractual services	91,625	137,726	97,100	40,626
Commodities	30,483	31,887	37,200	[5,313]
Capital outlay	69,148	56,776	54,000	2,776
Total administration	<u>203,320</u>	<u>239,798</u>	<u>200,650</u>	<u>39,148</u>
Operating transfers to				
General Fund	1,993,000	400,000	400,000	-
Bond and Interest Fund	-	1,489,775	1,489,775	-
Total Expenditures	<u>4,984,469</u>	<u>6,492,950</u>	<u>\$ 6,937,448</u>	<u>\$ [444,498]</u>
Receipts Over [Under] Expenditures	[33,525]	[1,238,080]		
Unencumbered Cash, Beginning	3,260,906	3,440,910		
Prior Year Cancelled Encumbrances	<u>213,529</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 3,440,910</u>	<u>\$ 2,202,830</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 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)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Wastewater receipts	\$ 2,511,505	\$ 2,826,002	\$ 2,600,000	\$ 226,002
Use of money and property				
Interest	93,003	225,620	30,000	195,620
Sale of assets	143	6,250	12,000	[5,750]
Other receipts				
Penalties	25,616	27,081	20,000	7,081
Reimbursed expense	59	-	-	-
Miscellaneous	1,360	3,847	2,000	1,847
Loan proceeds	4,888,531	1,010,312	-	1,010,312
Total Receipts	<u>7,520,217</u>	<u>4,099,112</u>	<u>\$ 2,664,000</u>	<u>\$ 1,435,112</u>
Expenditures				
Treatment				
Personal services	503,510	538,367	\$ 578,966	\$ [40,599]
Contractual services	186,482	180,076	249,600	[69,524]
Commodities	133,780	130,191	143,700	[13,509]
Capital outlay	3,419,521	37,655	4,500	33,155
Total treatment	<u>4,243,293</u>	<u>886,289</u>	<u>976,766</u>	<u>[90,477]</u>
Collections				
Personal services	93,130	121,345	146,907	[25,562]
Contractual services	16,281	29,130	42,550	[13,420]
Commodities	62,584	126,399	90,150	36,249
Capital outlay	497,024	120,503	450,000	[329,497]
Total collections	<u>669,019</u>	<u>397,377</u>	<u>729,607</u>	<u>[332,230]</u>
Administration				
Personal services	7,238	7,685	7,500	185
Contractual services	28,493	24,891	63,200	[38,309]
Commodities	18,240	18,959	23,000	[4,041]
Capital outlay	52,188	38,087	34,800	3,287
Total administration	<u>106,159</u>	<u>89,622</u>	<u>128,500</u>	<u>[38,878]</u>
Debt service				
Principal	219,045	419,304	421,141	[1,837]
Interest	79,292	122,180	120,345	1,835
Total debt service	<u>298,337</u>	<u>541,484</u>	<u>541,486</u>	<u>[2]</u>
Operating transfers to				
General Fund	625,000	550,000	550,000	-
Stormwater Utility Fund	50,000	50,000	50,000	-
Total Expenditures	<u>5,991,808</u>	<u>2,514,772</u>	<u>\$ 2,976,359</u>	<u>\$ [461,587]</u>
Receipts Over [Under] Expenditures	1,528,409	1,584,340		
Unencumbered Cash, Beginning	2,250,008	3,961,446		
Prior Year Cancelled Encumbrances	183,029	-		
Unencumbered Cash, Ending	<u>\$ 3,961,446</u>	<u>\$ 5,545,786</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Sanitation 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 <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Sanitation fees	\$ 1,638,382	\$ 1,901,265	\$ 1,750,000	\$ 151,265
Service fees	9,242	13,092	10,000	3,092
Use of money and property				
Interest	31,599	78,276	15,000	63,276
Sale of assets	6,700	11,486	-	11,486
Other receipts				
Penalties	15,610	17,286	13,500	3,786
Miscellaneous	140	86	-	86
Total Receipts	<u>1,701,673</u>	<u>2,021,491</u>	<u>\$ 1,788,500</u>	<u>\$ 232,991</u>
Expenditures				
General utility services				
Personal services	757,764	794,263	\$ 840,130	\$ [45,867]
Contractual services	377,801	385,151	469,550	[84,399]
Commodities	146,745	136,363	186,050	[49,687]
Capital outlay	206,003	12,685	103,500	[90,815]
Debt service	-	10,994	-	10,994
Total general utility services	<u>1,488,313</u>	<u>1,339,456</u>	<u>1,599,230</u>	<u>[259,774]</u>
Administration				
Personal services	4,825	6,361	9,850	[3,489]
Contractual services	30,673	17,754	32,000	[14,246]
Commodities	12,160	12,723	17,000	[4,277]
Capital outlay	31,515	27,399	24,700	2,699
Total administration	<u>79,173</u>	<u>64,237</u>	<u>83,550</u>	<u>[19,313]</u>
Operating transfers to				
General Fund	200,000	200,000	200,000	-
Total Expenditures	<u>1,767,486</u>	<u>1,603,693</u>	<u>\$ 1,882,780</u>	<u>\$ [279,087]</u>
Receipts Over [Under] Expenditures	[65,813]	417,798		
Unencumbered Cash, Beginning	<u>1,379,049</u>	<u>1,313,236</u>		
Unencumbered Cash, Ending	<u>\$ 1,313,236</u>	<u>\$ 1,731,034</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
Stormwater 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 <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Stormwater receipts	\$ 188,049	\$ 348,804	\$ 188,000	\$ 160,804
Use of money and property				
Interest	8,827	25,747	5,000	20,747
Other receipts				
Penalties	1,976	2,904	1,800	1,104
Miscellaneous	-	3	-	3
Operating transfers from				
Sewer Utility Fund	50,000	50,000	50,000	-
Total Receipts	<u>248,852</u>	<u>427,458</u>	<u>\$ 244,800</u>	<u>\$ 182,658</u>
Expenditures				
General utility services				
Personal services	172,552	186,177	\$ 201,870	\$ [15,693]
Contractual services	1,500	6,599	2,000	4,599
Commodities	4,912	8,558	19,200	[10,642]
Capital outlay	44,669	14,634	220,000	[205,366]
Total Expenditures	<u>223,633</u>	<u>215,968</u>	<u>\$ 443,070</u>	<u>\$ [227,102]</u>
Receipts Over [Under] Expenditures	25,219	211,490		
Unencumbered Cash, Beginning	<u>433,435</u>	<u>458,654</u>		
Unencumbered Cash, Ending	<u>\$ 458,654</u>	<u>\$ 670,144</u>		

See independent auditor's report on the financial statements.

SCHEDULE 3

CITY OF ARKANSAS CITY, KANSAS
 Agency Funds
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended December 31, 2024

<u>Fund</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Municipal Court	\$ 9,516	\$ 71,259	\$ 69,568	\$ 11,207
	<u>\$ 9,516</u>	<u>\$ 71,259</u>	<u>\$ 69,568</u>	<u>\$ 11,207</u>

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