

*Schoenfish & Co., Inc.*

CERTIFIED PUBLIC ACCOUNTANTS

Phone: 605-928-7241

FAX No.: 605-928-6241

P.O. Box 247

105 EAST MAIN, PARKSTON, SOUTH DAKOTA 57366

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Governing Board  
Municipality of Montrose  
Montrose, South Dakota

Management is responsible for the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, and each major fund, of the Municipality of Montrose, South Dakota, (Municipality) as of December 31, 2023 and for the year then ended, which collectively comprise the Municipality's basic financial statements as listed in the table of contents, the required supplementary information which is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board as listed in the table of contents and the supplementary information as listed in the table of contents, which is presented only for supplementary analysis purposes. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying financial statements, the required supplementary information or the supplementary information nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements, the required supplementary information or the supplementary information.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the municipality's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has not presented the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



Schoenfish & Co., Inc.  
Certified Public Accountants  
March 19, 2024

Municipality of Montrose  
Table of Contents

**Government-Wide Financial Statements**

Exhibit I – Statement of Net Position – Modified Cash Basis

Exhibit II – Statement of Activities – Modified Cash Basis

**Fund Financial Statements**

**Governmental Funds**

Exhibit III – Balance Sheet – Modified Cash Basis

Exhibit IV – Statement of Revenues, Expenditures, and Changes in  
Fund Balance - Modified Cash Basis

**Proprietary Funds**

Exhibit V – Statement of Net Position - Modified Cash Basis

Exhibit VI – Statement of Revenues, Expenses, and Changes in Fund  
Net Position - Modified Cash Basis

**Required Supplementary Information**

**Budgetary Comparison Schedules**

General Fund – Modified Cash Basis

**Supplementary Information**

Schedule of Changes in Long-Term Debt

Published Annual Report Statement

# **Government-Wide Financial Statements**

**MUNICIPALITY OF MONTROSE**  
**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
 December 31, 2023

	Primary Government		Component Units
	Governmental Activities	Business-Type Activities	
<b>ASSETS:</b>			
Cash and Cash Equivalents	870,560.94	379,325.38	1,249,886.32
Cash with Fiscal Agent	0.00	0.00	0.00
Investments	200,000.00	0.00	200,000.00
<b>Restricted Assets:</b>			
Cash and cash equivalents	0.00	0.00	0.00
Investments	0.00	0.00	0.00
<b>TOTAL ASSETS</b>	<b>1,070,560.94</b>	<b>379,325.38</b>	<b>1,449,886.32</b>
<b>NET POSITION:</b>			
Restricted For: (See Note ___)			
Capital Projects Purposes	0.00	0.00	0.00
Debt Service Purposes	0.00	0.00	0.00
<b>Permanently Restricted Purposes:</b>			
Expendable	0.00	0.00	0.00
Non-Expendable	0.00	0.00	0.00
Other Purposes	0.00	0.00	0.00
Unrestricted (Deficit)	1,070,560.94	379,325.38	1,449,886.32
<b>TOTAL NET POSITION</b>	<b>1,070,560.94</b>	<b>379,325.38</b>	<b>1,449,886.32</b>

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

**MUNICIPALITY OF MONTROSE**  
**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**  
 For the Year Ended December 31, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Primary Government:</b>								
Governmental Activities:								
General Government	108,400.56	5,311.14	0.00	822.00	(102,267.42)		(102,267.42)	
Public Safety	27,305.68	625.95	0.00	0.00	(26,679.73)		(26,679.73)	
Public Works	205,935.44	41,666.80	26,443.10	26,661.52	(111,164.02)		(111,164.02)	
Health and Welfare	16,123.12	0.00	1,350.99	0.00	(14,772.13)		(14,772.13)	
Culture and Recreation	102,550.92	45,462.70	462.00	0.00	(56,626.22)		(56,626.22)	
Conservation and Development	0.00	0.00	0.00	0.00	0.00		0.00	
Intergovernmental	0.00	0.00	0.00	0.00	0.00		0.00	
Miscellaneous	150.00	9,240.00	0.00	0.00	9,090.00		9,090.00	
*Capital Outlay - Unallocated	0.00	0.00	0.00	0.00	0.00		0.00	
**Interest on Long-Term Debt	0.00	0.00	0.00	0.00	0.00		0.00	
<b>Total Governmental Activities</b>	<b>460,465.72</b>	<b>102,306.59</b>	<b>28,256.09</b>	<b>27,483.52</b>	<b>(302,419.52)</b>		<b>(302,419.52)</b>	
<b>Business-Type Activities:</b>								
Water	107,505.23	130,531.10	0.00	0.00		23,025.87	23,025.87	
Sewer	180,762.91	101,998.45	0.00	0.00		(78,764.46)	(78,764.46)	
	0.00	0.00	0.00	0.00		0.00	0.00	
	0.00	0.00	0.00	0.00		0.00	0.00	
	0.00	0.00	0.00	0.00		0.00	0.00	
<b>Total Business-Type Activities</b>	<b>288,268.14</b>	<b>232,529.55</b>	<b>0.00</b>	<b>0.00</b>	<b>(302,419.52)</b>	<b>(55,738.59)</b>	<b>(55,738.59)</b>	
<b>Total Primary Government</b>	<b>748,733.86</b>	<b>334,836.14</b>	<b>28,256.09</b>	<b>27,483.52</b>	<b>(302,419.52)</b>	<b>(55,738.59)</b>	<b>(358,158.11)</b>	

Component Units: \_\_\_\_\_ 0.00

General Revenues:

Taxes:

Property Taxes 133,296.99  
 Sales Taxes 114,013.88  
 State Shared Revenues 4,184.32

Grants and Contributions not Restricted to Specific Programs 0.00

Unrestricted Investment Earnings 6,946.87

Debt Issued 0.00

Miscellaneous Revenue 9,380.81

Special Items 0.00

Extraordinary Items 0.00

Transfers 0.00

Total General Revenues, Special Items, Extraordinary Items and Transfers 267,822.87

Change in Net Position (34,596.65)

Net Position-Beginning 1,105,157.59

Adjustments: 0.00

Adjusted Net Position-Beginning 1,105,157.59

NET POSITION-ENDING 1,070,560.94

Yes Yes Yes

\*This amount excludes the capital purchases that are included in the direct expenses of the various functions. See Note \_\_\_\_.

\*\* The Municipality does not have interest expense related to the functions presented above. This amount includes indirect interest expense on general long-term debt.

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

## **Fund Financial Statements**

MUNICIPALITY OF MONTROSE  
 BALANCE SHEET - MODIFIED CASH BASIS  
 GOVERNMENTAL FUNDS  
 December 31, 2023

	General Fund	Fund	Fund	Fund	Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:							
101 Cash and Cash Equivalents	870,560.94					0.00	870,560.94
106 Cash with Fiscal Agent						0.00	0.00
151 Investments	200,000.00					0.00	200,000.00
107.1 Restricted Cash and Cash Equivalents						0.00	0.00
107.2 Restricted Investments						0.00	0.00
TOTAL ASSETS	1,070,560.94	0.00	0.00	0.00	0.00	0.00	1,070,560.94
FUND BALANCES: (See Note ___)							
263 Nonspendable						0.00	0.00
264 Restricted						0.00	0.00
265 Committed						0.00	0.00
266 Assigned	766,494.05					0.00	766,494.05
267 Unassigned	304,066.89					0.00	304,066.89
TOTAL FUND BALANCES	1,070,560.94	0.00	0.00	0.00	0.00	0.00	1,070,560.94

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

MUNICIPALITY OF MONTROSE  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
 GOVERNMENTAL FUNDS  
 For the Year Ended December 31, 2023

	General Fund	Fund	Fund	Fund	Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>							
310 Taxes:							
311 General Property Taxes	132,886.37					0.00	132,886.37
312 Airflight Property Tax						0.00	0.00
313 General Sales and Use Taxes	114,013.88					0.00	114,013.88
314 Gross Receipts Business Taxes						0.00	0.00
315 Amusement Taxes						0.00	0.00
317 Excise Tax						0.00	0.00
318 Tax Deed Revenue						0.00	0.00
319 Penalties and Interest on Delinquent Taxes	410.62					0.00	410.62
<b>Total Taxes</b>	<b>247,310.87</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>247,310.87</b>
320 Licenses and Permits	1,222.00					0.00	1,222.00
330 Intergovernmental Revenue:							
331 Federal Grants						0.00	0.00
332 Federal Shared Revenue						0.00	0.00
333 Federal Payments in Lieu of Taxes						0.00	0.00
334 State Grants	1,350.99					0.00	1,350.99
335 State Shared Revenue:							
335.01 Bank Franchise Tax	967.42					0.00	967.42
335.02 Prorate License Fees	1,674.84					0.00	1,674.84
335.03 Liquor Tax Reversion (25%)	3,216.90					0.00	3,216.90
335.04 Motor Vehicle Licenses	7,991.06					0.00	7,991.06
335.06 Fire Insurance Premiums Reversion						0.00	0.00
335.08 Local Government Highway and Bridge Fund	13,062.10					0.00	13,062.10
335.09 911 Remittances						0.00	0.00
335.20 Other						0.00	0.00
336 State Payments in Lieu of Taxes						0.00	0.00
338 County Shared Revenue:							
338.01 County Road Tax (25%)	454.53					0.00	454.53
338.02 County Road and Bridge Tax (25%)	2,960.57					0.00	2,960.57
338.03 County Wheel Tax						0.00	0.00
338.99 Other						0.00	0.00
339 Other Intergovernmental Revenues						0.00	0.00
<b>Total Intergovernmental Revenue</b>	<b>31,678.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>31,678.41</b>
340 Charges for Goods and Services:							
341 General Government	139.14					0.00	139.14
342 Public Safety						0.00	0.00
343 Highways and Streets						0.00	0.00
344 Sanitation	41,666.80					0.00	41,666.80
345 Health						0.00	0.00
346 Culture and Recreation	45,462.70					0.00	45,462.70
347 Ambulance						0.00	0.00
348 Cemetery						0.00	0.00
349 Other						0.00	0.00
<b>Total Charges for Goods and Services</b>	<b>87,268.64</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>87,268.64</b>
350 Fines and Forfeits:							
351 Court Fines and Costs						0.00	0.00



MUNICIPALITY OF MONTROSE  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2023

	General Fund	Fund	Fund	Fund	Fund	Other Governmental Funds	Total Governmental Funds
352 Animal Control Fines	625.95					0.00	625.95
353 Parking Meter Fines						0.00	0.00
354 Library	200.00					0.00	200.00
359 Other						0.00	0.00
<b>Total Fines and Forfeits</b>	<b>825.95</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>825.95</b>
<b>360 Miscellaneous Revenue:</b>							
361 Investment Earnings	6,946.87					0.00	6,946.87
362 Rentals	12,590.00					0.00	12,590.00
363 Special Assessments	26,661.52					0.00	26,661.52
364 Maintenance Assessments						0.00	0.00
367 Contributions and Donations from Private Sources	762.00					0.00	762.00
368 Liquor Operating Agreement Income	600.00					0.00	600.00
369 Other	4,796.15					0.00	4,796.15
<b>Total Miscellaneous Revenue</b>	<b>52,356.54</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>52,356.54</b>
<b>Total Revenue</b>	<b>420,662.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>420,662.41</b>
<b>Expenditures:</b>							
<b>410 General Government:</b>							
411 Legislative	24,695.33					0.00	24,695.33
412 Executive						0.00	0.00
413 Elections	34.85					0.00	34.85
414 Financial Administration	29,424.12					0.00	29,424.12
419 Other	54,246.26					0.00	54,246.26
<b>Total General Government</b>	<b>108,400.56</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>108,400.56</b>
<b>420 Public Safety:</b>							
421 Police	16,900.08					0.00	16,900.08
422 Fire	10,405.60					0.00	10,405.60
423 Protective Inspection						0.00	0.00
429 Other Protection						0.00	0.00
<b>Total Public Safety</b>	<b>27,305.68</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>27,305.68</b>
<b>430 Public Works:</b>							
431 Highways and Streets	166,808.18					0.00	166,808.18
432 Sanitation	39,127.26					0.00	39,127.26
433 Water						0.00	0.00
434 Electricity						0.00	0.00
435 Airport						0.00	0.00
436 Parking Facilities						0.00	0.00
437 Cemeteries						0.00	0.00
438 Natural Gas						0.00	0.00
439 Transit						0.00	0.00
<b>Total Public Works</b>	<b>205,935.44</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>205,935.44</b>
<b>440 Health and Welfare:</b>							
441 Health	16,123.12					0.00	16,123.12
442 Home Health						0.00	0.00
443 Mental Health Centers						0.00	0.00
444 Humane Society						0.00	0.00
445 Drug Education						0.00	0.00

MUNICIPALITY OF MONTRÖSE  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2023

	General Fund	Fund	Fund	Fund	Fund	Other Governmental Funds	Total Governmental Funds
446 Ambulance						0.00	0.00
447 Hospitals, Nursing Homes and Rest Homes						0.00	0.00
449 Other						0.00	0.00
Total Health and Welfare	16,123.12	0.00	0.00	0.00	0.00	0.00	16,123.12
450 Culture and Recreation:							
451 Recreation	102,550.92					0.00	102,550.92
452 Parks						0.00	0.00
455 Libraries						0.00	0.00
456 Auditorium						0.00	0.00
457 Historical Preservation						0.00	0.00
458 Museums						0.00	0.00
Total Culture and Recreation	102,550.92	0.00	0.00	0.00	0.00	0.00	102,550.92
460 Conservation and Development:							
463 Urban Redevelopment and Housing						0.00	0.00
465 Economic Development and Assistance						0.00	0.00
466 Economic Opportunity						0.00	0.00
Total Conservation and Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00
470 Debt Service						0.00	0.00
480 Intergovernmental Expenditures						0.00	0.00
485 Capital Outlay						0.00	0.00
490 Miscellaneous:							
491 Judgements and Losses						0.00	0.00
492 Other Expenditures						0.00	0.00
499 Liquor Operating Agreements	150.00					0.00	150.00
Total Miscellaneous	150.00	0.00	0.00	0.00	0.00	0.00	150.00
Total Expenditures	460,465.72	0.00	0.00	0.00	0.00	0.00	460,465.72
Excess of Revenues Over (Under) Expenditures	(39,803.31)	0.00	0.00	0.00	0.00	0.00	(39,803.31)
Other Financing Sources (Uses):							
391.01 Transfers In						0.00	0.00
511 Transfers Out						0.00	0.00
512 Discount on Bonds Issued						0.00	0.00
513 Payments to Refunded Debt Escrow Agent						0.00	0.00
391.03 Sale of Municipal Property	4,384.66					0.00	4,384.66
391.04 Compensation for Loss or Damage to Capital Assets	822.00					0.00	822.00
391.20 Long-Term Debt Issued						0.00	0.00
Total Other Financing Sources (Uses)	5,206.66	0.00	0.00	0.00	0.00	0.00	5,206.66
391.06 (514) Special Items						0.00	0.00
391.05 (515) Extraordinary Items						0.00	0.00
Net Change in Fund Balances	(34,596.65)	0.00	0.00	0.00	0.00	0.00	(34,596.65)
Fund Balance - Beginning	1,105,157.59					0.00	1,105,157.59
Adjustments:						0.00	0.00

MUNICIPALITY OF MONTROSE  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
 GOVERNMENTAL FUNDS  
 For the Year Ended December 31, 2023

	General Fund	Fund	Fund	Fund	Fund	Fund	Other Governmental Funds	Total Governmental Funds
Adjusted Fund Balance - Beginning	1,105,157.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FUND BALANCE - ENDING	1,070,560.94	0.00	0.00	0.00	0.00	0.00	0.00	1,105,157.59
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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

MUNICIPALITY OF MONTROSE  
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
 PROPRIETARY FUNDS  
 December 31, 2023

	Enterprise Funds					Internal Service Funds
	Water Fund	Sewer Fund	Fund	Fund	Totals	
<b>ASSETS:</b>						
Current Assets:						
101 Cash and Cash Equivalents	81,376.37	297,949.01			379,325.38	
106 Cash with Fiscal Agent					0.00	
151 Investments					0.00	
Total Current Assets	81,376.37	297,949.01	0.00	0.00	379,325.38	0.00
Noncurrent Assets:						
107.1 Restricted Cash and Cash Equivalents					0.00	
107.2 Restricted Investments					0.00	
Total Noncurrent Assets	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL ASSETS</b>	<b>81,376.37</b>	<b>297,949.01</b>	<b>0.00</b>	<b>0.00</b>	<b>379,325.38</b>	<b>0.00</b>
<b>NET POSITION:</b>						
253.20 Restricted for:						
253.21 Revenue Bond Debt Service					0.00	
253.22 Revenue Bond Retirement					0.00	
253.23 Revenue Bond Contingency					0.00	
253.24 Special Assessment Bond Guarantee					0.00	
253.25 Special Assessment Bond Sinking					0.00	
253.26 Equipment Repair and/or Replacement					0.00	
253.27 Landfill Closure and Post Closure Costs					0.00	
253.28 Permanently Restricted Purposes					0.00	
253.29 Other purposes					0.00	
253.90 Unrestricted	81,376.37	297,949.01	0.00	0.00	379,325.38	0.00
<b>TOTAL NET POSITION</b>	<b>81,376.37</b>	<b>297,949.01</b>	<b>0.00</b>	<b>0.00</b>	<b>379,325.38</b>	<b>0.00</b>

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

MUNICIPALITY OF MONTROSE  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2023

	Enterprise Funds					Internal Service Funds
	Water Fund	Sewer Fund	Fund	Fund	Fund	
<b>Operating Revenue:</b>						
370/380 Charges for Goods and Services	120,839.27	43,288.64				164,127.91
371 Surchage as Security for Debt	9,691.83	58,709.81				68,401.64
380.05 Lottery Sales						0.00
369 Miscellaneous						0.00
<b>Total Operating Revenue</b>	<b>130,531.10</b>	<b>101,998.45</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>232,529.55</b>
<b>Operating Expenses:</b>						
410 Personal Services	20,335.06	22,083.13				42,418.19
420 Other Current Expense	9,683.75	8,332.18				18,015.93
426.2 Materials	54,251.46					54,251.46
<b>Total Operating Expenses</b>	<b>84,270.27</b>	<b>30,415.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>114,685.58</b>
<b>Operating Income (Loss)</b>	<b>46,260.83</b>	<b>71,583.14</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>117,843.97</b>
<b>Nonoperating Revenue (Expense):</b>						
330 Operating Grants						0.00
361 Investment Earnings	200.34	559.62				759.96
362 Rental Revenue						0.00
430 Capital Assets		(99,497.03)				(99,497.03)
441 Debt Service (Principal)	(12,570.34)	(23,425.87)				(35,996.21)
442 Debt Service (Interest)	(10,664.62)	(27,424.70)				(38,089.32)
391.03 Sale of Municipal Property						0.00
512 Discounts on Bonds Issued						0.00
513 Payments to Refunded Debt Escrow Agent						0.00
391.20 Long-Term Debt Issued		126,784.43				126,784.43
369.01 (429) Other						0.00
<b>Total Nonoperating Revenue (Expense)</b>	<b>(23,034.62)</b>	<b>(23,003.55)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(46,038.17)</b>
<b>Income (Loss) Before Contributions, Special Items, Extraordinary Items and Transfers</b>	<b>23,226.21</b>	<b>48,579.59</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>71,805.80</b>
391.07 Capital Contributions						0.00
391.10 Transfers In						0.00
511 Transfers Out						0.00
391.06 (514) Special Items						0.00
391.05 (515) Extraordinary Items						0.00
<b>Change in Net Position</b>	<b>23,226.21</b>	<b>48,579.59</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>71,805.80</b>
<b>Net Position - Beginning</b>	<b>58,150.16</b>	<b>249,369.42</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>307,519.58</b>
<b>Adjustments:</b>						
Adjusted Net Position - Beginning	58,150.16	249,369.42	0.00	0.00	0.00	307,519.58
<b>NET POSITION - ENDING</b>	<b>81,376.37</b>	<b>297,949.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>379,325.38</b>
Yes	Yes	Yes	Yes	Yes	Yes	Yes

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

## **Required Supplementary Information**

SUPPLEMENTARY INFORMATION  
MUNICIPALITY OF MONTROSE  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
310 Taxes:				
311 General Property Taxes	135,072.00	135,072.00	132,886.37	(2,185.63)
312 Airflight Property Tax			0.00	0.00
313 General Sales and Use Taxes	90,000.00	90,000.00	114,013.88	24,013.88
314 Gross Receipts Business Taxes			0.00	0.00
315 Amusement Taxes			0.00	0.00
317 Excise Tax			0.00	0.00
318 Tax Deed Revenue	700.00	700.00	0.00	0.00
319 Penalties and Interest on Delinquent Taxes			410.62	(289.38)
Total Taxes	225,772.00	225,772.00	247,310.87	21,538.87
320 Licenses and Permits	735.00	735.00	1,222.00	487.00
330 Intergovernmental Revenue:				
331 Federal Grants	79,667.38	79,667.38	0.00	(79,667.38)
332 Federal Shared Revenue			0.00	0.00
333 Federal Payments in Lieu of Taxes			0.00	0.00
334 State Grants	1,040.00	1,040.00	1,350.99	310.99
335 State Shared Revenue:				
335.01 Bank Franchise Tax	950.00	950.00	967.42	17.42
335.02 Prorate License Fees	1,400.00	1,400.00	1,674.84	274.84
335.03 Liquor Tax Reversion (25%)	2,800.00	2,800.00	3,216.90	416.90
335.04 Motor Vehicle Licenses	7,500.00	7,500.00	7,991.06	491.06
335.06 Fire Insurance Premiums Reversion			0.00	0.00
335.08 Local Government Highway and Bridge Fund	11,000.00	11,000.00	13,062.10	2,062.10
335.09 911 Remittances			0.00	0.00
335.20 Other			0.00	0.00
336 State Payments in Lieu of Taxes			0.00	0.00

SUPPLEMENTARY INFORMATION  
MUNICIPALITY OF MONTROSE  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
338 County Shared Revenue:				
338.01 County Road Tax (25%)	454.53	454.53	454.53	0.00
338.02 County Road and Bridge Tax (25%)	2,800.00	2,800.00	2,960.57	160.57
338.03 County Wheel Tax			0.00	0.00
338.99 Other			0.00	0.00
339 Other Intergovernmental Revenues			0.00	0.00
Total Intergovernmental Revenue	107,611.91	107,611.91	31,678.41	(75,933.50)
340 Charges for Goods and Services:				
341 General Government	0.00	0.00	139.14	139.14
342 Public Safety			0.00	0.00
343 Highways and Streets			0.00	0.00
344 Sanitation	39,100.00	39,100.00	41,666.80	2,566.80
345 Health			0.00	0.00
346 Culture and Recreation	51,780.00	51,780.00	45,462.70	(6,317.30)
347 Ambulance			0.00	0.00
348 Cemetery			0.00	0.00
349 Other			0.00	0.00
Total Charges for Goods and Services	90,880.00	90,880.00	87,268.64	(3,611.36)
350 Fines and Forfeits:				
351 Court Fines and Costs			0.00	0.00
352 Animal Control Fines	0.00	0.00	625.95	625.95
353 Parking Meter Fines			0.00	0.00
354 Library			0.00	0.00
359 Other	0.00	0.00	200.00	200.00
Total Fines and Forfeits	0.00	0.00	825.95	825.95
360 Miscellaneous Revenue:				



SUPPLEMENTARY INFORMATION  
MUNICIPALITY OF MONTROSE  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
361 Investment Earnings	2,684.00	2,684.00	6,946.87	4,262.87
362 Rentals	12,300.00	12,300.00	12,590.00	290.00
363 Special Assessments	27,490.00	27,490.00	26,661.52	(828.48)
364 Maintenance Assessments			0.00	0.00
367 Contributions and Donations from Private Sources	0.00	0.00	762.00	762.00
368 Liquor Operating Agreement Income	600.00	600.00	600.00	0.00
369 Other	16,324.00	16,324.00	4,796.15	(11,527.85)
Total Miscellaneous Revenue	59,398.00	59,398.00	52,356.54	(7,041.46)
Total Revenue	484,396.91	484,396.91	420,662.41	(63,734.50)
Expenditures:				
410 General Government:				
411 Legislative	14,020.00	36,218.08	24,695.33	11,522.75
411.5 Contingency	18,198.08	18,198.08		
Amount Transferred		(18,198.08)		
412 Executive			0.00	0.00
413 Elections	500.00	500.00	34.85	465.15
414 Financial Administration	25,710.00	34,110.00	29,424.12	4,685.88
419 Other	41,759.53	67,259.53	54,246.26	13,013.27
Total General Government	100,187.61	138,087.61	108,400.56	29,687.05
420 Public Safety:				
421 Police	16,901.00	16,901.00	16,900.08	0.92
422 Fire	11,100.00	11,100.00	10,405.60	694.40
423 Protective Inspection	400.00	400.00	0.00	400.00
429 Other Protection			0.00	0.00
Total Public Safety	28,401.00	28,401.00	27,305.68	1,095.32
430 Public Works:				

SUPPLEMENTARY INFORMATION  
MUNICIPALITY OF MONTROSE  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
431 Highways and Streets	180,962.38	209,622.38	166,808.18	42,814.20
432 Sanitation	42,000.00	42,000.00	39,127.26	2,872.74
433 Water			0.00	0.00
434 Electricity			0.00	0.00
435 Airport			0.00	0.00
436 Parking Facilities			0.00	0.00
437 Cemeteries			0.00	0.00
438 Natural Gas			0.00	0.00
439 Transit			0.00	0.00
<b>Total Public Works</b>	<b>222,962.38</b>	<b>251,622.38</b>	<b>205,935.44</b>	<b>45,686.94</b>
440 Health and Welfare:				
441 Health	15,585.00	18,435.00	16,123.12	2,311.88
442 Home Health			0.00	0.00
443 Mental Health Centers			0.00	0.00
444 Humane Society			0.00	0.00
445 Drug Education			0.00	0.00
446 Ambulance			0.00	0.00
447 Hospitals, Nursing Homes and Rest Homes			0.00	0.00
449 Other			0.00	0.00
<b>Total Health and Welfare</b>	<b>15,585.00</b>	<b>18,435.00</b>	<b>16,123.12</b>	<b>2,311.88</b>
450 Culture and Recreation:				
451 Recreation	164,847.00	197,427.00	102,550.92	94,876.08
452 Parks			0.00	0.00
455 Libraries			0.00	0.00
456 Auditorium			0.00	0.00
457 Historical Preservation			0.00	0.00
458 Museums			0.00	0.00

SUPPLEMENTARY INFORMATION  
MUNICIPALITY OF MONTROSE  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Total Culture and Recreation	164,847.00	197,427.00	102,550.92	94,876.08
460 Conservation and Development:				
463 Urban Redevelopment and Housing			0.00	0.00
465 Economic Development and Assistance			0.00	0.00
466 Economic Opportunity			0.00	0.00
Total Conservation and Development	0.00	0.00	0.00	0.00
470 Debt Service			0.00	0.00
480 Intergovernmental Expenditures			0.00	0.00
485 Capital Outlay			0.00	0.00
490 Miscellaneous:				
491 Judgments and Losses			0.00	0.00
492 Other Expenditures			0.00	0.00
493 Liquor Operating Agreements	0.00	150.00	150.00	0.00
Total Miscellaneous	0.00	150.00	150.00	0.00
Total Expenditures	531,982.99	634,122.99	460,465.72	173,657.27
Excess of Revenues Over (Under) Expenditures	(47,586.08)	(149,726.08)	(39,803.31)	109,922.77
Other Financing Sources (Uses):				
391.01 Transfers In			0.00	0.00
511 Transfers Out			0.00	0.00
512 Discount on Bonds Issued			0.00	0.00
513 Payments to Refunded Debt Escrow Agent			0.00	0.00
391.03 Sale of Municipal Property	0.00	0.00	4,384.66	4,384.66
391.04 Compensation for Loss or Damage to Capital Assets	29,388.00	29,388.00	822.00	(28,566.00)

SUPPLEMENTARY INFORMATION  
MUNICIPALITY OF MONTROSE  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
391.20 Long-Term Debt Issued			0.00	0.00
Total Other Financing Sources (Uses)	29,388.00	29,388.00	5,206.66	(24,181.34)
391.06 (514) Special Items			0.00	0.00
391.05 (515) Extraordinary Items			0.00	0.00
Net Change in Fund Balances	(18,198.08)	(120,338.08)	(34,596.65)	85,741.43
Fund Balance - Beginning	1,105,157.59	1,105,157.59	1,105,157.59	0.00
Adjustments:				
	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00
Adjusted Fund Balance - Beginning	1,105,157.59	1,105,157.59	1,105,157.59	0.00
FUND BALANCE - ENDING	1,086,959.51	984,819.51	1,070,560.94	85,741.43

## **Supplementary Information**

MUNICIPALITY OF MONTROSE  
 SCHEDULE OF CHANGES IN LONG-TERM DEBT  
 For the Year Ended December 31, 2023

Indebtedness	Long-Term Debt		Add New Debt	Less Debt Retired	Long-Term Debt December 31, 2023
	January 1, 2023	December 31, 2023			
<b>Governmental Long-Term Debt:</b>					
231.01 General Obligation Bonds					0.00
231.02 Revenue Bonds					0.00
231.03 Special Assessment Bonds					0.00
234 Lease Liabilities					0.00
236 Advance from Other Funds					0.00
237 Other Long-Term Liabilities					0.00
238 Net OPEB Obligation					0.00
<b>Enterprise Long-Term Debt:</b>					
231.01 General Obligation Bonds					0.00
231.02 Revenue Bonds	1,739,444.16		126,784.43	35,996.22	1,830,232.37
231.03 Special Assessment Bonds					0.00
232 Subscription Liabilities					0.00
234 Lease Liabilities					0.00
235 Accrued Landfill Closure and Postclosure Care Costs					0.00
236 Advance from Other Funds					0.00
237 Other Long-Term Liabilities					0.00
238 Net OPEB Obligation					0.00
<b>Total</b>	<b>1,739,444.16</b>		<b>126,784.43</b>	<b>35,996.22</b>	<b>1,830,232.37</b>

Note 1 - Long-Term Debt:

Debt payable at December 31, 2023 is comprised of the following:

State Revolving Loan Fund Program Clean Water #2, Maturity Date 01-15-2042 Interest Rate 3.25%, Paid by Sewer Fund	441,492.64
State Revolving Fund Loan Program Drinking Water #1, Maturity Date 04-15-2043 Interest Rate 2.5% Paid by Water Fund	215,627.95
State Revolving Fund Loan Program Drinking Water #2, Maturity Date 11-15-52 Interest Rate 2.25%, Paid by Water Fund	176,917.24
State Revolving Fund Loan Program Clean Water #3, Paid by Sewer Fund	996,194.54

[SHOW MATURITY DATES AND INTEREST RATES AND INDICATE THE FUND MAKING THE PAYMENTS TO RETIRE THE DEBT. IF VARIABLE-RATE DEBT EXISTS THE DEBT DESCRIPTIONS MUST DESCRIBE THE TERMS BY WHICH INTEREST RATES ARE ADJUSTED.]

ANNUAL REPORT FOR CITY OF MONTROSE  
AS OF AND FOR THE YEAR ENDED December 31, 2023

GOVERNMENTAL FUNDS--MODIFIED CASH BASIS
---

	General Fund
Beginning Balance	1,105,157.59
<b>Revenues and Other Sources:</b>	
<b>Taxes:</b>	
Property Taxes	132,886.37
General Sales and Use Taxes	114,013.88
Penalties and Interest on Delinquent Taxes	410.62
Licenses and Permits	1,222.00
<b>Intergovernmental Revenues:</b>	
State Grants	1,350.99
State Shared Revenue	26,912.32
County Shared Revenue:	3,415.10
<b>Charges for Goods and Services:</b>	
General Government	139.14
Sanitation	41,666.80
Culture and Recreation	45,462.70
<b>Fines and Forfeits:</b>	
Animal Control Fines	625.95
Other	200.00
<b>Miscellaneous Revenue and Other Sources:</b>	
Investment Earnings	6,946.87
Rentals	12,590.00
Special Assessments	26,661.52
Contributions and Donations from Private Sources	762.00
Liquor Operating Agreement Income	600.00
Other Revenues	4,796.15
Sale of Municipal Property	4,384.66
Compensation for Loss or Damage to Capital Assets	822.00
Total Revenue and Other Sources	425,869.07
<b>Expenditures and Other Uses:</b>	
Legislative	24,695.33
Elections	34.85
Financial Administration	29,424.12
Other General Government	54,246.26
Police	16,900.08
Fire	10,405.60
Highways and Streets	166,808.18
Sanitation	39,127.26
Health	16,123.12
Recreation	102,550.92

ANNUAL REPORT FOR CITY OF MONTROSE  
AS OF AND FOR THE YEAR ENDED December 31, 2023

GOVERNMENTAL FUNDS--MODIFIED CASH BASIS
---

	General Fund
Liquor Operating Agreements	150.00
Total Expenditures and Other Uses	460,465.72
Increase/Decrease in Fund Balance	(34,596.65)
Ending Balance:	
Assigned	766,494.05
Unassigned	304,066.89
Total Ending Fund Balance	1,070,560.94

PROPRIETARY FUNDS--MODIFIED CASH BASIS
--

	Water Fund	Sewer Fund
Beginning Balance	58,150.16	249,369.42
Revenues	130,731.44	229,342.50
Expenses	107,505.23	180,762.91
Ending Balance:		
Restricted for:		
Unrestricted	81,376.37	297,949.01
Enterprise Long-term Debt	392,545.19	1,437,687.18

The preceding financial data does not include fiduciary funds or component units. Information pertaining to those activities may be obtained by contacting the municipal finance officer at 605-363-5065

Municipal funds are deposited as follows:

Depository	Amount
Security State Bank, Montrose SD	2,900,793.31