CITY OF NORTON, KANSAS

Norton, Kansas
Financial Statement and Regulatory-Required
Supplementary Information with Independent Auditor's Report
For the Year Ended December 31, 2024

MAPES & MILLER LLP
Certified Public Accountants
Norton, Kansas

CITY OF NORTON, KANSAS
Financial Statement and Regulatory-Required
Supplementary Information with Independent Auditor's Report
For the Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Norton
Norton, Kansas 67654

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 Norton, Norton, Kansas, a Municipal Financial Reporting Entity as of and for the year ended December 31, 2024, and the related notes to the financial statement.

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

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Norton, Kansas, as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 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 of Norton, 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 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 of Norton 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 of Norton'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 Generally Accepted Auditing Standards (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

1) Exercise professional judgment and maintain professional skepticism throughout the audit.
2) 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.
3) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Norton's internal control. Accordingly, no such opinion is expressed.
4) 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.
5) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Norton'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, schedule of regulatory basis summary of receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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.

Mapes & Miller LLP

Certified Public Accountants

Norton, Kansas
July 16, 2025

CITY OF NORTON, KANSAS

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds							
General	$ 583,473	0	2,075,535	2,128,700	530,308	10,657	540,965
Special Purpose Funds							
Employee Benefits	12,023	0	206,972	190,833	28,162	0	28,162
Special Highway	139,972	0	81,922	88,607	133,287	0	133,287
Special Parks	6,733	0	8,969	789	14,913	0	14,913
Industrial Development	81,889	0	21,705	76,529	27,065	0	27,065
Tourism and Convention	0	0	61,550	61,550	0	0	0
Library	0	0	116,163	116,163	0	0	0
Library Employee Benefits	0	0	41,604	41,604	0	0	0
Special Health Insurance	33,597	0	593,288	588,073	38,812	0	38,812
Police Donation	176	0	0	0	176	0	176
Animal Pound Donation	59,643	0	0	0	59,643	0	59,643
Cemetery Donation	14,058	0	0	0	14,058	0	14,058
Special Pool Sales Tax	743,601	0	504,326	414,746	833,181	0	833,181
Municipalities Fighting Addiction	8,227	0	8,420	0	16,647	0	16,647
Police Forfeiture	311	0	321	0	632	0	632
City Land Bank	489	0	0	0	489	0	489
Equipment Reserve	41,258	0	30,373	0	71,631	0	71,631
Capital Improvement	154,486	0	0	0	154,486	0	154,486
Bond and Interest Funds							
Bond and Interest	27,131	0	48,815	68,765	7,181	0	7,181
Highway 36 Bond	13,708	0	79,207	79,207	13,708	0	13,708
Water/Wastewater Debt Service	11,554	0	539,008	539,008	11,554	0	11,554
Business Funds							
Electric	634,512	0	3,025,442	3,281,716	378,238	105,360	483,598
Electric Deposits	0	0	22,937	22,937	0	83,654	83,654
Electric Replacement Reserve	526,855	0	105,346	164,041	468,160	0	468,160
Refuse	56,950	0	414,491	459,198	12,243	6,756	18,999
Refuse Replacement Reserve	28,451	0	0	28,451	0	0	0
Water	389,488	0	926,351	1,127,014	188,825	2,538	191,363
Water Deposits	0	0	7,127	7,127	0	25,182	25,182

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

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Business Funds (Continued)							
Water Replacement Reserve	$ 54,586	0	23,105	76,841	850	0	850
Sewer Service	71,015	0	596,479	548,440	119,054	341	119,395
Sewer Replacement Reserve	83,800	0	10,200	88,050	5,950	0	5,950
Trust Funds							
Revolving Loan	78,092	0	632	0	78,724	0	78,724
Total Primary Government	3,856,078	0	9,550,288	10,198,389	3,207,977	234,488	3,442,465
Related Municipal Entities:							
Norton Public Library							
General	262,551	0	203,002	184,172	281,381	0	281,381
NWKLS Grant	5,500	0	6,500	6,500	5,500	0	5,500
State Grant	778	0	0	778	0	0	0
Friends	907	0	46	37	916	0	916
Art Club	12,894	0	0	722	12,172	0	12,172
Special Project and Donation	99,588	0	0	15,312	84,276	0	84,276
Capital Improvement	36,362	0	0	0	36,362	0	36,362
Public Building Commission							
Pool Bond & Interest Reserve	316,900	0	306,719	306,610	317,009	0	317,009
Total Related Municipal Entities	735,480	0	516,267	514,131	737,616	0	737,616
Total Reporting Entity (Excluding Agency Funds)	$ **4,591,558**	**0**	**10,066,555**	**10,712,520**	**3,945,593**	**234,488**	**4,180,081**

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

CITY OF NORTON, KANSAS
Composition of Cash
Regulatory Basis
For the Year Ended December 31, 2024

Primary Government:		
Cash on Hand	$	100
First State Bank, Norton, Kansas		
NOW Accounts		27,316
Money Market Account		78,723
Checking Accounts		2,000
Certificates of Deposit		545,000
Solutions North Bank, Norton, Kansas		
NOW Account		2,640,301
Checking Accounts		52,405
Certificates of Deposit		150,000
The Bank, Norton, Kansas		
Checking Account		2,000
Total Cash and Investments		3,497,845
Less: Agency Funds - Schedule 3		(55,380)
Total Primary Government		3,442,465
Related Municipal Entities:		
Norton Public Library Board		
Solutions North Bank, Norton, Kansas		
NOW Account		177,973
Certificate of Deposit		231,621
First State Bank, Norton, Kansas		
Certificate of Deposit		11,013
Public Building Commission		
First State Bank, Norton, Kansas		
Money Market Account		317,009
Total Related Municipal Entities		737,616
Total Reporting Entity per Statement 1, Page 2	$	**4,180,081**

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

1. **Summary of Significant Accounting Policies**

Municipal Financial Reporting Entity

The City of Norton, Kansas is a municipal corporation governed by an elected seven-member council. It was incorporated on September 12, 1885, and operates as a second-class city in accordance with the laws of the State of Kansas. The City operates under a mayor-council form of government and provides the following services: public safety (police and fire protection), highways and streets, electricity, water, sewer, sanitation, social, culture and recreation, planning and zoning, public improvements, and general administrative services. This financial statement presents the City of Norton, Kansas (the municipality) and its related municipal entities. The related municipal entities are included in the city's reporting entity because they were established to benefit the city and/or its constituents.

Norton Public Library. The Norton Public Library operates a municipal public library for the City of Norton. A seven-member board of trustees is appointed by the City Council to oversee the operation. The City annually levies a tax for the operation of the Library and also provides the facilities. The City can also issue bonded debt for the benefit of the Library. The Library Board must obtain the approval for the acquisition or disposal of real property from the City Council.

Public Building Commission. The City of Norton Public Building Commission Board operates the Public Building Commission for the purpose of providing additional and alternative methods for financing certain public buildings. The City levies taxes for the Public Building Commission. Bond issuances must be approved by the City. Complete financial records for the Public Building Commission may be reviewed at the City offices.

Regulatory Basis Fund Types

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

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

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds 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 municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.)

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.)

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 municipality 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 municipality to use the regulatory basis of accounting.

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 adoption of the legal annual operating budget:

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

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

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

4. Adoption of final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 29th, 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 municipality did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances.

Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

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

Special Purpose Funds:
- Special Parks
- Tourism & Convention
- Special Health Insurance
- Special Pool Sales Tax
- Municipalities Fighting Addiction
- Police Donation
- Animal Pound Donation
- Cemetery Donation
- Police Forfeiture
- City Land Bank
- Equipment Reserve
- Capital Improvement

Bond and Interest Funds:
- Highway 36 Bond
- Water/Wastewater Debt Service

Business Funds:
- Electric Replacement Reserve
- Electric Deposits
- Refuse Replacement Reserve
- Water Replacement Reserve
- Water Deposits
- Sewer Replacement Reserve

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

2. **Stewardship, Compliance and Accountability**

No statute violations were noted during 2024.

3. **Deposits and Investments**

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

K.S.A. 12-1675 limits the City's, Library's, and Public Building Commission'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, Library, and Public Building Commission have no investment policy that would further limit their investment choices.

Concentration of Credit Risk. State statutes place no limit on the amount the City, the Library, and the Public Building Commission 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, Library's, and Public Building Commission's deposits may not be returned to them. State statutes require the City's, Library's, and Public Building Commission's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City, Library, and Public Building Commission have not designated any "peak periods" with eligible depositories. All deposits were legally secured at December 31, 2024.

At December 31, 2024, the City's carrying amount of deposits was $3,497,745 and the bank balance was $3,584,857. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $635,509 was covered by federal depository insurance, and $2,949,348 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2024, the Library's carrying amount of deposits was $420,607 and the bank balance was $441,981. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $260,689 was covered by federal depository insurance, and $181,292 was collateralized with securities held by the pledging financial institutions' agents in the Library's name.

At December 31, 2024, the Public Building Commission's carrying amount of deposits was $317,009 and the bank balance was $317,009. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance, and $67,009 was collateralized with securities held by the pledging financial institutions' agents in the Commission's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Municipality will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At December 31, 2024, the City, Library and Public Building Commission held no investments except for certificates of deposit which are considered as a component of deposits.

4. **Defined Benefit Pension Plan**

Plan Description The City of Norton 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 or by writing to KPERS (611 South Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by 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 and KPERS 2, and 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 of Norton were $154,746 for KPERS and $66,701 for KP&F the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $1,614,436 and $281,518 for KP&F. The Library's proportionate share of the collective net pension liability reported by KPERS was $89,664. 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 these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

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 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, 2023.

Compensated Absences

City of Norton

Vacation Leave. Each full-time City employee with less than five years of service shall earn eight hours of vacation per month; over five years and less than ten years of service shall earn ten hours of vacation per month; over ten years and less than fifteen years of service shall earn twelve hours of vacation per month; over fifteen years and less than twenty years of service shall earn fourteen hours of vacation per month; and over twenty years of service shall earn sixteen hours of vacation per month. Each employee shall be allowed to carry over a vacation leave balance at the end of the calendar year equal to the annualized accrual for the employee's length of service as of the last day of the year. Annualized accrual shall be determined by multiplying the employee's monthly credit for the last month of the current year times twelve. Upon termination, a full time employee shall be compensated for all accumulated unused vacation leave.

Sick Leave. Full-time City employees earn eight hours of sick leave for each calendar month worked. An employee may accumulate unlimited sick leave. Upon retirement, an employee will be paid a maximum of nine hundred sixty (960) hours sick leave. Other employees terminating voluntarily will be paid for one-half of their unused sick leave up to four hundred eighty (480) hours.

Comp Time. The City's employees eligible to receive overtime have the option to be compensated for overtime by accumulating compensatory time, comp time, at a rate of one and one-half times the overtime worked at the discretion of the department head. Non-exempt public safety officers and non exempt employees may accumulate up to 120 hours of comp time.

Parental Leave. An eligible employee is entitled to up to four weeks of paid maternity leave for women who have given birth or one week of paid parental leave for spouse or committed partner to woman who has given birth, adoption or placement. The employee must have worked for the City at least 12 months prior to the event and a minimum of 1,250 hours during the twelve months preceding the leave and must qualify for FMLA.

Norton Public Library

Vacation. All full time Library employees earn vacation of five days after completion of the first calendar year of employment. After three calendar years, ten days of vacation are earned each year. After ten calendar years, fifteen days of vacation are earned each year. After twenty calendar years, twenty days of vacation are earned. Vacation time is not allowed to accumulate and any unused time is forfeited.

Sick Leave. All full time employees earn sick leave at the rate of one day per month and can accumulate to fifteen days. Unused sick leave at the time of termination of employment due to death, retirement, medical disability or to a family transfer out of the community will be paid at one-fourth of the dollar value of the employee's accumulated sick leave days.

6. Interfund Transactions

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Electric	Electric Replacement	K.S.A. 12-825d	102,000
Water	Water/Wastewater Debt Service	K.S.A. 12-825d	341,720
Water	Water Replacement	K.S.A. 12-825d	23,105
Water Replacement	Water/Wastewater Debt Service	K.S.A. 12-825d	58,836
Sewer	Sewer Replacement Reserve	K.S.A. 12-825d	10,200
Sewer	Water/Wastewater Debt Service	K.S.A. 12-825d	54,922
Sewer Replacement Reserve	Water/Wastewater Debt Service	K.S.A. 12-825d	83,530
Refuse Replacement	Refuse	K.S.A. 12-825d	20,901
Special Highway	Highway 36 Bond	K.S.A. 68-416	79,207
General	Refuse	Council Approval	35,000

7. Risk Management

The City, Library, and Public Building Commission are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters for which the City, Library and Public Building Commission purchase commercial insurance. During the year ended December 31, 2024 neither the City, the Library, nor the Public Building Commission reduced insurance coverage from levels in place during the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

8. Claims and Judgments

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, the

grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect of any of the individual government funds or the overall financial position of the City. During the ordinary course of its operations the City is a party to various claims, legal actions, and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

9. **Special Items**

Revolving Loan Fund. The City of Norton received a $106,100 grant from the Kansas Small Cities Program Community Development Block Grant in 1988 for the purpose of establishing a Revolving Loan Fund to provide loans to businesses in and around the City of Norton for which the loan proceeds would result in the creation and/or retention of jobs. Norton Development Corporation administers this fund under the supervision of the City Council. The balance of the outstanding loans as of December 31, 2024 was $0.

10. **Subsequent Events**

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

11. **Long-term Debt**

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2022 Highway Improvement	4.33%	06/30/22	830,000	10/01/37	790,000	0	45,000	745,000	34,207
Series 2019 Street Improvement	2.5-3.75%	04/24/19	815,000	04/01/34	645,000	0	50,000	595,000	18,765
Series 2021 Water/Wastewater Refunding	.75%-3.00%	01/26/21	5,035,000	08/01/48	3,625,000	0	465,000	3,160,000	74,007
Total General Obligation Bonds					5,060,000	0	560,000	4,500,000	126,979
Finance Leases:									
Pumper Truck	4.48%	08/02/19	340,000	03/01/29	217,556	0	32,385	185,171	9,773
Wastewater Equipment	5.00%	03/02/21	185,307	08/15/25	77,519	0	13,523	63,996	3,848
Water Equipment	5.00%	03/02/21	320,129	08/15/25	133,918	0	23,361	110,557	6,648
Police Body Cameras	0.00%	05/31/23	39,999	05/31/27	23,870	0	5,968	17,902	0
Bobcat Compact Excavator	4.95%	07/07/23	37,706	03/08/28	37,706	0	6,827	30,879	1,872
Police Cars	8.84%	06/30/23	92,367	06/30/25	58,936	0	28,221	30,715	5,210
Total Finance Leases					549,505	0	110,285	439,220	27,351
Other									
City Utility Low-Interest Loan	0.25%	3/22/2021	572,741	06/01/24	95,801	0	95,801	0	70
Public Building Commission									
Revenue Refunding Bond, Series 2020	1.30-2.75%	5/27/2020	3,410,000	08/01/33	2,720,000	0	245,000	2,475,000	61,610
Total Contractual Indebtedness					**8,425,306**	**0**	**1,011,086**	**7,414,220**	**216,010**

12. **Long-term Debt - (Continued)**

Current maturities of long-term debt for the City of Norton, Kansas through maturity are as follows:

	2025	2026	2027	2028	2029	2030-2034	2035-2039	2040-2044	2045-2049	Total
PRINCIPAL										
General Obligation Bonds:										
Series 2022 Highway Improvement	45,000	45,000	50,000	50,000	55,000	295,000	205,000	0	0	745,000
Series 2019 Street Improvement	50,000	50,000	55,000	55,000	60,000	325,000	0	0	0	595,000
Series 2021 Water/Wastewater Refunding	470,000	335,000	200,000	140,000	80,000	435,000	490,000	560,000	450,000	3,160,000
Total General Obligation Bonds	565,000	430,000	305,000	245,000	195,000	1,055,000	695,000	560,000	450,000	4,500,000
Finance Leases:										
Pumper Truck	33,863	35,380	36,965	38,611	40,352	0	0	0	0	185,171
Wastewater Equipment	39,977	24,019	0	0	0	0	0	0	0	63,996
Water Equipment	69,063	41,494	0	0	0	0	0	0	0	110,557
Police Body Cameras	5,967	5,968	5,967	0	0	0	0	0	0	17,902
Bobcat Compact Excavator	7,170	7,525	7,897	8,287	0	0	0	0	0	30,879
Police Cars	30,715	0	0	0	0	0	0	0	0	30,715
Total Finance Leases	186,755	114,386	50,829	46,898	40,352	0	0	0	0	439,220
Public Building Commission										
Revenue Refunding Bond, Series 2020	250,000	255,000	260,000	265,000	275,000	1,170,000	0	0	0	2,475,000
TOTAL PRINCIPAL	**1,001,755**	**799,386**	**615,829**	**556,898**	**510,352**	**2,225,000**	**695,000**	**560,000**	**450,000**	**7,414,220**
INTEREST										
General Obligation Bonds:										
Series 2022 Highway Improvement	32,258	30,310	28,362	26,197	24,032	83,786	17,970	0	0	242,915
Series 2019 Street Improvement	17,265	16,015	14,715	13,230	11,690	30,655	0	0	0	103,570
Series 2021 Water/Wastewater Refunding	68,892	63,252	58,898	56,098	53,998	246,518	191,900	118,950	31,350	889,856
Total General Obligation Bonds	118,415	109,577	101,975	95,525	89,720	360,959	209,870	118,950	31,350	1,236,341
Finance Leases:										
Pumper Truck	8,296	6,779	5,194	3,547	1,808	0	0	0	0	25,624
Wastewater Equipment	1,713	300	0	0	0	0	0	0	0	2,013
Water Equipment	2,959	519	0	0	0	0	0	0	0	3,478
Police Body Cameras	0	0	0	0	0	0	0	0	0	0
Bobcat Compact Excavator	1,529	1,174	801	411	0	0	0	0	0	3,915
Police Cars	2,715	0	0	0	0	0	0	0	0	2,715
Total Finance Leases	17,212	8,772	5,995	3,958	1,808	0	0	0	0	37,745
Public Building Commission										
Revenue Refunding Bond, Series 2020	57,445	52,945	48,100	42,900	36,938	79,388	0	0	0	317,716
TOTAL INTEREST	**193,072**	**171,294**	**156,070**	**142,383**	**128,466**	**440,347**	**209,870**	**118,950**	**31,350**	**1,591,802**
TOTAL PRINCIPAL AND INTEREST	**$ 1,194,827**	**970,680**	**771,899**	**699,281**	**638,818**	**2,665,347**	**904,870**	**678,950**	**481,350**	**9,006,022**

CITY OF NORTON, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

CITY OF NORTON, KANSAS SCHEDULE 1

Summary of Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2024

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds					
General	$ 2,143,721	97,259	2,240,980	2,128,700	(112,280)
Special Purpose Funds					
Employee Benefits	212,500	0	212,500	190,833	(21,667)
Special Highway	218,348	0	218,348	88,607	(129,741)
Industrial Development	100,000	0	100,000	76,529	(23,471)
Library	119,030	0	119,030	116,163	(2,867)
Library Employee Benefits	42,153	0	42,153	41,604	(549)
Bond and Interest Funds					
Bond and Interest	78,765	0	78,765	68,765	(10,000)
Business Funds					
Electric	4,176,442	45,921	4,222,363	3,281,716	(940,647)
Electric Deposits	26,000	0	26,000	22,937	*
Refuse	463,330	0	463,330	459,198	(4,132)
Water	1,398,659	0	1,398,659	1,127,014	(271,645)
Water Deposits	8,000	0	8,000	7,127	*
Sewer Service	717,840	0	717,840	548,440	(169,400)

* Exempt from the Budget Law

CITY OF NORTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
Receipts:			
Taxes:			
Ad Valorem Property	$ 664,606	691,105	(26,499)
Delinquent	16,256	0	16,256
Motor Vehicle	104,523	101,503	3,020
Recreational Vehicle	2,393	2,174	219
16/20M Vehicle	699	918	(219)
Watercraft	938	2,769	(1,831)
Commerical Vehicle	3,890	889	3,001
In Lieu of Taxes (IRB)	19,894	7,000	12,894
Intergovernmental:			
County/City Sales Tax	580,331	480,000	100,331
Local Alcoholic Liquor Tax	5,892	5,249	643
Licenses, Fees, Fines and Permits:			
Court Fees and Fines	31,104	32,500	(1,396)
Franchise Fees	187,917	215,000	(27,083)
Licenses and Permits	15,831	6,900	8,931
Charges for Services:			
Cemetery	11,650	10,000	1,650
Kennel Charges	250	200	50
Swimming Pool	45,116	43,000	2,116
Other:			
Interest on Idle Funds	47,297	7,000	40,297
Rent	29,186	23,000	6,186
Miscellaneous	6,567	2,000	4,567
Refunds	33,117	6,000	27,117
Reimbursed Expenses	72,822	40,000	32,822
Photo Copy Receipts	228	100	128
Insurance Proceeds	10,889	0	10,889
County Payment for Inmate Crew	48,112	25,000	23,112
County Payment for Rescue Services	10,000	10,000	0
Sale of City Property	11,590	2,500	9,090
Reimbursement from Special Pool Sales Tax	114,437	50,000	64,437
Total Receipts	2,075,535	**1,764,807**	**310,728**

(Continued)

CITY OF NORTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
(Continued)			
Expenditures:			
Finance and Administration:			
Personal Services	$ 63,020	58,500	4,520
Contractual Services	190,864	261,200	(70,336)
Commodities	6,134	10,500	(4,366)
Capital Outlay	22,325	61,500	(39,175)
Total Finance and Administration	282,343	391,700	(109,357)
Police:			
Personal Services	429,360	442,600	(13,240)
Contractual Services	157,912	175,700	(17,788)
Commodities	27,031	31,300	(4,269)
Capital Outlay	132,658	142,322	(9,664)
Total Police	746,961	791,922	(44,961)
Fire:			
Personal Services	23,474	33,000	(9,526)
Contractual Services	22,047	27,700	(5,653)
Commodities	1,197	5,500	(4,303)
Capital Outlay	48,352	48,359	(7)
Total Fire	95,070	114,559	(19,489)
Rescue:			
Personal Services	10,737	15,000	(4,263)
Contractual Services	2,662	7,450	(4,788)
Commodities	212	400	(188)
Capital Outlay	26,700	27,500	(800)
Total Rescue	40,311	50,350	(10,039)
Street and Alley:			
Personal Services	165,107	136,600	28,507
Contractual Services	37,123	34,500	2,623
Commodities	61,241	44,800	16,441
Capital Outlay	55,985	110,250	(54,265)
Total Street and Alley	319,456	326,150	(6,694)

(Continued)

CITY OF NORTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
(Continued)			
Expenditures:			
Park:			
Personal Services	169,564	178,540	(8,976)
Contractual Services	43,314	31,100	12,214
Commodities	34,163	28,500	5,663
Capital Outlay	42,277	48,000	(5,723)
Total Park	289,318	286,140	3,178
Swimming Pool:			
Personal Services	75,805	68,000	7,805
Contractual Services	8,150	11,100	(2,950)
Commodities	29,918	45,100	(15,182)
Capital Outlay	47,589	2,000	45,589
Total Swimming Pool	161,462	126,200	35,262
Civic Building:			
Contractual Services	38,801	44,700	(5,899)
Commodities	5,178	12,000	(6,822)
Total Civic Building	43,979	56,700	(12,721)
Economic Development Appropriations	58,500	0	58,500
Airport Appropriations	56,300	0	56,300
Transfer to Refuse	35,000	0	35,000
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	0	97,259	(97,259)
Total Expenditures	2,128,700	**2,240,980**	**(112,280)**
Receipts Over (Under) Expenditures	(53,165)		
Unencumbered Cash, Beginning	583,473		
Unencumbered Cash, Ending	$ **530,308**		

CITY OF NORTON, KANSAS
EMPLOYEE BENEFITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	179,386	186,536	(7,150)
Delinquent		3,716	500	3,216
Motor Vehicle		22,189	21,800	389
Recreational Vehicle		508	467	41
16/20M Vehicle		137	197	(60)
Watercraft		201	595	(394)
Commerical Vehicle		835	191	644
Total Receipts		206,972	**210,286**	**(3,314)**
Expenditures:				
Personal Services		190,833	**212,500**	**(21,667)**
Receipts Over (Under) Expenditures		16,139		
Unencumbered Cash, Beginning		12,023		
Unencumbered Cash, Ending	$	**28,162**		

CITY OF NORTON, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	Budget	Variance Over (Under)
Receipts:				
Intergovernmental:				
State Gas Tax	$	72,517	75,650	(3,133)
Reimbursed Expense		9,405	0	9,405
Total Receipts		81,922	**75,650**	**6,272**
Expenditures:				
Personal Services		0	5,500	(5,500)
Commodities		0	68,000	(68,000)
Capital Outlay		9,400	65,641	(56,241)
Transfer to Highway 36 Bond		79,207	79,207	0
Total Expenditures		88,607	**218,348**	**(129,741)**
Receipts Over (Under) Expenditures		(6,685)		
Unencumbered Cash, Beginning		139,972		
Unencumbered Cash, Ending	$	**133,287**		

CITY OF NORTON, KANSAS
INDUSTRIAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	18,504	19,243	(739)
Delinquent		222	100	122
Motor Vehicle		566	557	9
Recreational Vehicle		13	12	1
16/20M Vehicle		4	5	(1)
Watercraft		5	15	(10)
Commerical Vehicle		21	5	16
Reimbursed Expense		1,836	0	1,836
Interest on Idle Funds		534	0	534
Total Receipts		21,705	**19,937**	**1,768**
Expenditures:				
Public Improvements		76,529	**100,000**	**(23,471)**
Receipts Over (Under) Expenditures		(54,824)		
Unencumbered Cash, Beginning		81,889		
Unencumbered Cash, Ending	$	**27,065**		

CITY OF NORTON, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	96,689	100,550	(3,861)
Delinquent		2,423	2,000	423
Motor Vehicle		15,850	15,452	398
Recreational Vehicle		363	331	32
16/20M Vehicle		103	140	(37)
Watercraft		143	422	(279)
Commercial Vehicle		592	135	457
Total Receipts		116,163	**119,030**	**(2,867)**
Expenditures:				
Appropriations		116,163	119,030	(2,867)
Total Expenditures		116,163	**119,030**	**(2,867)**
Receipts Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

CITY OF NORTON, KANSAS
LIBRARY EMPLOYEE BENEFITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	34,983	36,376	(1,393)
Delinquent		841	300	541
Motor Vehicle		5,373	5,220	153
Recreational Vehicle		123	112	11
16/20M Vehicle		36	47	(11)
Watercraft		48	142	(94)
Commercial Vehicle		200	46	154
Total Receipts		41,604	**42,243**	**(639)**
Expenditures:				
Appropriations		41,604	**42,153**	**(549)**
Receipts Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

CITY OF NORTON, KANSAS
BOND AND INTEREST FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	39,384	40,960	(1,576)
Delinquent		1,022	100	922
Motor Vehicle		7,493	7,616	(123)
Recreational Vehicle		171	163	8
16/20M Vehicle		34	69	(35)
Watercraft		70	208	(138)
Commercial Vehicle		291	67	224
Street Assessments		350	0	350
Total Receipts		48,815	**49,183**	**(368)**
Expenditures:				
Principal		50,000	50,000	0
Interest		18,765	18,765	0
Cash Basis Reserve		0	10,000	(10,000)
Total Expenditures		68,765	**78,765**	**(10,000)**
Receipts Over (Under) Expenditures		(19,950)		
Unencumbered Cash, Beginning		27,131		
Unencumbered Cash, Ending	$	**7,181**		

CITY OF NORTON, KANSAS
ELECTRIC FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	$ 2,948,728	3,650,250	(701,522)
Miscellaneous	23,563	7,000	16,563
Refunds	0	3,000	(3,000)
Reimbursed Expenses	50,921	5,000	45,921
Sales of City Property	2,230	4,000	(1,770)
Total Receipts	3,025,442	**3,669,250**	**(643,808)**
Expenditures:			
General and Administrative:			
Personal Services	750,766	701,890	48,876
Contractual Services	179,828	208,452	(28,624)
Commodities	14,835	20,500	(5,665)
Capital Outlay	19,674	55,000	(35,326)
Total General and Administrative	965,103	985,842	(20,739)
Production and Acquisitions:			
Personal Services	70,336	71,500	(1,164)
Contractual Services	32,175	73,200	(41,025)
Commodities	1,449,737	23,200	1,426,537
Capital Outlay	0	2,311,400	(2,311,400)
Total Production and Acquisitions	1,552,248	2,479,300	(927,052)
Transmission and Distribution:			
Personal Services	218,078	345,800	(127,722)
Contractual Services	86,697	45,500	41,197
Commodities	124,181	100,000	24,181
Capital Outlay	233,409	220,000	13,409
Total Transmission and Distribution	662,365	711,300	(48,935)
Transfers:			
To Electric Replacement Reserve	102,000	0	102,000
Total Transfers	102,000	0	102,000
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	0	45,921	(45,921)
Total Expenditures	3,281,716	4,222,363	**(940,647)**
Receipts Over (Under) Expenditures	(256,274)		
Unencumbered Cash, Beginning	634,512		
Unencumbered Cash, Ending	$ **378,238**		

CITY OF NORTON, KANSAS
ELECTRIC DEPOSITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	*Budget	Variance Over (Under)
Receipts:				
Consumer Deposits	$	22,937	**25,000**	**(2,063)**
Expenditures:				
Deposit Refunds		22,937	**26,000**	**(3,063)**
Receipts Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

* Exempt from Budget Law K.S.A. 12-822.

CITY OF NORTON, KANSAS
REFUSE FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	$	356,546	361,000	(4,454)
Miscellaneous		1,525	1,000	525
Reimbursed Expenses		519	500	19
Transfer from General		35,000	0	35,000
Transfer from Refuse Replacement		20,901	0	20,901
Total Receipts		414,491	**362,500**	**51,991**
Expenditures:				
Personal Services		315,392	268,480	46,912
Contractual Services		99,299	106,350	(7,051)
Commodities		10,680	18,500	(7,820)
Capital Outlay		33,827	60,000	(26,173)
Transfers:				
To Refuse Replacement Reserve		0	5,000	(5,000)
To Equipment Reserve		0	5,000	(5,000)
Total Transfers		0	10,000	(10,000)
Total Expenditures		459,198	**463,330**	**(4,132)**
Receipts Over (Under) Expenditures		(44,707)		
Unencumbered Cash, Beginning		56,950		
Unencumbered Cash, Ending	$	**12,243**		

CITY OF NORTON, KANSAS
WATER FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	$ 905,468	961,000	(55,532)
Miscellaneous	18,808	0	18,808
Water Tap	1,000	0	1,000
Reimbursed Expenses	1,075	1,000	75
Rent	0	10,000	(10,000)
Total Receipts	926,351	**972,000**	**(45,649)**
Expenditures:			
General and Administrative:			
Personal Services	113,686	107,480	6,206
Contractual Services	40,821	41,700	(879)
Commodities	2,527	3,000	(473)
Capital Outlay	0	350,355	(350,355)
Total General and Administrative	157,034	502,535	(345,501)
Production and Treatment:			
Personal Services	105,924	107,500	(1,576)
Contractual Services	200,150	128,647	71,503
Commodities	116,145	110,100	6,045
Capital Outlay	0	179,777	(179,777)
Total Production and Treatment	422,219	526,024	(103,805)
Transmission and Distribution:			
Personal Services	106,384	124,500	(18,116)
Contractual Services	11,838	30,900	(19,062)
Commodities	17,307	24,700	(7,393)
Capital Outlay	47,407	90,000	(42,593)
Total Transmission and Distribution	182,936	270,100	(87,164)
Transfers:			
To Water Replacement Reserve	23,105	30,000	(6,895)
To Water/Wastewater Debt Service	341,720	0	341,720
To Equipment Reserve	0	50,000	(50,000)
To Capital Improvement	0	20,000	(20,000)
Total Transfers	364,825	100,000	264,825
Total Expenditures	1,127,014	**1,398,659**	**(271,645)**
Receipts Over (Under) Expenditures	(200,663)		
Unencumbered Cash, Beginning	389,488		
Unencumbered Cash, Ending	$ **188,825**		

CITY OF NORTON, KANSAS
WATER DEPOSITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

		Actual	*Budget	Variance Over (Under)
Receipts:				
Customer Deposits	$	7,127	**8,000**	**(873)**
Expenditures:				
Deposit Refunds		7,127	**8,000**	**(873)**
Revenues Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

* Exempt from Budget Law K.S.A. 12-822.

CITY OF NORTON, KANSAS
SEWER SERVICE FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	$ 591,441	650,500	(59,059)
Miscellaneous	4,755	2,000	2,755
Reimbursed Expenses	283	500	(217)
Total Receipts	596,479	**653,000**	**(56,521)**
Expenditures:			
General and Administrative:			
Personal Services	85,800	81,060	4,740
Contractual Services	6,672	5,300	1,372
Capital Outlay	0	188,653	(188,653)
Total General and Administrative	92,472	275,013	(182,541)
Sewer Plant:			
Personal Services	100,202	98,500	1,702
Contractual Services	109,598	117,800	(8,202)
Commodities	26,284	38,721	(12,437)
Capital Outlay	20,845	30,806	(9,961)
Total Sewer Plant	256,929	285,827	(28,898)
Sewer Collections:			
Personal Services	126,028	119,000	7,028
Contractual Services	3,174	4,000	(826)
Commodities	4,680	13,000	(8,320)
Capital Outlay	35	21,000	(20,965)
Total Sewer Collections	133,917	157,000	(23,083)
Transfers:			
To Sewer Replacement Reserve	10,200	0	10,200
To Water/Wastewater Refunding	54,922	0	54,922
Total Transfers	65,122	0	65,122
Total Expenditures	548,440	**717,840**	**(169,400)**
Receipts Over (Under) Expenditures	48,039		
Unencumbered Cash, Beginning	71,015		
Unencumbered Cash, Ending	$ **119,054**		

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024

	Special Parks	Tourism & Convention	Special Health Insurance	Special Pool Sales Tax	Municipalities Fighting Addiction
Receipts:					
Interest on Idle Funds	$ 0	0	232	0	0
Settlement	0	0	0	0	8,420
Liquor Tax	5,892	0	0	0	0
Head Tax	1,077	0	0	0	0
Transient Guest Tax	0	61,550	0	0	0
Donations	2,000	0	0	0	0
Reimbursed Expenses	0	0	593,056	0	0
Sales Tax	0	0	0	504,326	0
Total Receipts	8,969	61,550	593,288	504,326	8,420
Expenditures:					
Lease Payment	0	0	0	300,309	0
Reimbursement to General	0	0	0	114,437	0
Personal Services	0	0	588,073	0	0
Contractual	789	61,550	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenditures	789	61,550	588,073	414,746	0
Receipts Over (Under) Expenditures	8,180	0	5,215	89,580	8,420
Unencumbered Cash, Beginning	6,733	0	33,597	743,601	8,227
Unencumbered Cash, Ending	$ **14,913**	**0**	**38,812**	**833,181**	**16,647**

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024

	Police Donation	Animal Pound Donation	Cemetery Donation	Electric Replacement Reserve	Refuse Replacement Reserve
Receipts:					
Interest on Idle Funds	$ 0	0	0	3,346	0
Transfer from Electric	0	0	0	102,000	0
Transfer from Refuse	0	0	0	0	0
Total Receipts	0	0	0	105,346	0
Expenditures:					
Capital Outlay	0	0	0	164,041	7,550
Transfer to Refuse	0	0	0	0	20,901
Total Expenditures	0	0	0	164,041	28,451
Receipts Over (Under) Expenditures	0	0	0	(58,695)	(28,451)
Unencumbered Cash, Beginning	176	59,643	14,058	526,855	28,451
Unencumbered Cash, Ending	$ **176**	**59,643**	**14,058**	**468,160**	**0**

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024

	Water Replacement Reserve	Police Forfeiture	Sewer Replacement Reserve	City Land Bank	Highway 36 Bond
Receipts:					
Forfeiture Proceeds	$ 0	321	0	0	0
Transfer from Special Highway	0	0	0	0	79,207
Transfer from Water	23,105	0	0	0	0
Transfer from Sewer	0	0	10,200	0	0
Total Receipts	23,105	321	10,200	0	79,207
Expenditures:					
Contractual	0	0	0	0	0
Capital Outlay	18,005	0	4,520	0	0
Bond Principal	0	0	0	0	45,000
Bond Interest	0	0	0	0	34,207
Transfer to Water/Wastewater Debt Service	58,836	0	83,530	0	0
Total Expenditures	76,841	0	88,050	0	79,207
Receipts Over (Under) Expenditures	(53,736)	321	(77,850)	0	0
Unencumbered Cash, Beginning	54,586	311	83,800	489	13,708
Unencumbered Cash, Ending	**850**	**632**	**5,950**	**489**	**13,708**

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024

	Equipment Reserve	Capital Improvement	Water/ Wastewater Debt Service	Revolving Loan
Receipts:				
Loan Repayments	$ 0	0	0	0
Insurance Proceeds	30,373	0	0	632
Transfer from Sewer Replacement Reserve	0	0	83,530	0
Transfer from Water Replacement Reserve	0	0	58,836	0
Transfer from Water	0	0	341,720	0
Transfer from Sewer	0	0	54,922	0
Total Receipts	30,373	0	539,008	632
Expenditures:				
Capital Outlay	0	0	0	0
Bond Principal	0	0	465,000	0
Bond Interest	0	0	74,008	0
Transfer to Highway 36 Bond	0	0	0	0
Total Expenditures	0	0	539,008	0
Receipts Over (Under) Expenditures	30,373	0	0	632
Unencumbered Cash, Beginning	41,258	154,486	11,554	78,092
Unencumbered Cash, Ending	$ **71,631**	**154,486**	**11,554**	**78,724**

CITY OF NORTON, KANSAS
Related Municipal Entitie
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024

	Norton Public Library						
	General	**NWKLS Grant**	**State Grant**	**Friends**	**Art Club**	**Special Project and Donation**	**Capital Improvement**
Receipts:							
Appropriation from City	$ 157,767	0	0	0	0	0	0
Memorials and Donations	32,155	0	0	46	0	0	0
Fines and Fees	5,586	0	0	0	0	0	0
Interest on Idle Funds	5,837	0	0	0	0	0	0
Grants	0	6,500	0	0	0	0	0
Miscellaneous	879	0	0	0	0	0	0
State Aid	778	0	0	0	0	0	0
Total Receipts	203,002	6,500	0	46	0	0	0
Expenditures							
Personal Services	150,370	0	0	0	0	0	0
Books and Periodicals	8,469	6,500	778	0	0	0	0
Contractual Services	6,814	0	0	0	0	0	0
Facilities and Equipment	2,777	0	0	0	163	15,312	0
Miscellaneous	2,816	0	0	0	244	0	0
Printing & Copying	4,560	0	0	0	0	0	0
Supplies	5,596	0	0	37	315	0	0
Technology	1,832	0	0	0	0	0	0
Utilities	938	0	0	0	0	0	0
Total Expenditures	184,172	6,500	778	37	722	15,312	0
Receipts Over (Under) Expenditures	18,830	0	(778)	9	(722)	(15,312)	0
Unencumbered Cash, Beginning	262,551	5,500	778	907	12,894	99,588	36,362
Unencumbered Cash, Ending	$ **281,381**	**5,500**	**0**	**916**	**12,172**	**84,276**	**36,362**

CITY OF NORTON, KANSAS
Related Municipal Entitie
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024

	PBC
	Pool Bond & Interest
Receipts:	
Lease Income	300,309
Interest on Idle Funds	6,410
Total Receipts	306,719
Expenditures	
Principal	245,000
Interest	61,610
Total Expenditures	306,610
Receipts Over (Under) Expenditures	109
Unencumbered Cash, Beginning	316,900
Unencumbered Cash, Ending	**317,009**

CITY OF NORTON, KANSAS SCHEDULE 3

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

	Beginning Cash Balance	Receipts	Disburse-ments	Ending Cash Balance
Payroll Clearing	$ 13,795	2,309,950	2,302,922	20,823
Court Bonds	19,398	2,611	2,311	19,698
Utility Trust	18,800	23,963	27,904	14,859
Total Agency Funds	$ **51,993**	**2,336,524**	**2,333,137**	**55,380**