CITY OF JUNCTION CITY, KANSAS

Annual Comprehensive Financial Report

Year Ended December 31, 2024

Prepared By
Jamel Wilcox – Finance Director
Kim Zimmerman – City Manager

CITY OF JUNCTION CITY, KANSAS
Annual Comprehensive Financial Report
For the Year Ended December 31, 2024

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal ..... i - vi

FINANCIAL SECTION

Independent Auditors' Report 1-4

Management's Discussion and Analysis 5-11

Basic Financial Statements
- Government-Wide Financial Statements
  - Statement of Net Position 12
  - Statement of Activities 13
- Fund Financial Statements
  - Balance Sheet - Governmental Funds 14
  - Reconciliation of the Total Governmental Fund Balances to Net Position of Governmental Activities 15
  - Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 16
  - Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities 17
- Proprietary Funds
  - Statement of Net Position 18
  - Statement of Revenues, Expenses, and Changes in Net Position 19
  - Statement of Cash Flows 20-21
- Fiduciary Funds
  - Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position - Combined Fiduciary Funds 22
- Notes to the Basic Financial Statements 23-53

Required Supplementary Information
- Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget
  - General Fund 54-55
  - Capital Improvement Fund 56
  - Land Bank Fund 57
- KPERS Pension Plan
  - Schedule of the City's Proportionate Share of the Collective Net Pension Liability 58
  - Schedule of the City's Contributions 59
  - Notes to the Required Supplementary Information 60-61
- Other Postemployment Healthcare Benefits
  - Schedule of Changes in the City's Total Other Postemployment Benefits and Related Ratios 62
- Other Postemployment Benefits – Death and Disability
  - Schedule of Changes in the City's Death and Disability Total OPEB Liability and Related Ratios 63

Other Supplementary Information
- Nonmajor Governmental Funds
  - Combining Balance Sheet - Nonmajor Special Revenue Funds 64-66
  - Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds 67-69

TABLE OF CONTENTS (continued)

FINANCIAL SECTION (continued)

Other Supplementary Information (continued)
Schedule of Revenues, Expenditures and Changes in Fund Balance – Actual and Budget
Economic Development Fund 70
Employee Benefits Fund 71
Library Fund 72
Special Highway Fund 73
Fire Equipment Fund 74
Special Parks and Recreation Fund 75
Drug and Alcohol Fund 76
CDBG Revolving Loans Fund 77
Rural Housing District Fund 78
Law Enforcement Trust Fund 79
Law Enforcement Training Fund 80
Federal Equitable Sharing Fund 81
Treasury Forfeiture Fund 82
Debt Service Fund 83
Federal Funds Exchange Fund 84
Opioid Settlement Funds Fund 85
Nonmajor Enterprise Funds
Combining Statement of Net Position 86
Combining Statement of Revenues, Expenses, and Changes in Net Position 87
Combining Statement of Cash Flows 88-89
Custodial Funds
Combining Statement of Fiduciary Net Position and Changes in Fiduciary Net Position 90

STATISTICAL SECTION

Net Position by Component 91
Changes in Net Position 92
Fund Balances - Governmental Funds 93
Changes in Fund Balances, Governmental Funds 94
Water Produced/Consumed and Wastewater Treated 95
Annual Water and Wastewater Tap Sales 96
Number of Water and Wastewater Customers by Type 97
Water and Wastewater Rates 98
Ten Largest Water and Wastewater Utility Customers 99
Assessed and Estimated Actual Value of Taxable Property 100
Direct and Overlapping Property Tax Rates 101
Ten Largest Tax Payers 102
Property Tax Levies and Collections 103
Ratios of Outstanding Debt by Type 104
Legal Debt Margin Information 105
Ratios of Net General Bonded Debt Outstanding 106
Direct and Overlapping Governmental Debt Activities 107
Pledged Revenue Coverage 108
Demographic and Economic Statistics 109
Principal Employers 110
Full-time Employees by Department 111
Operating Indicators by Function/Program 112
Capital Asset Statistics by Function/Program 113
Debt Limit Calculations 114

TABLE OF CONTENTS (continued)

SINGLE AUDIT SECTION

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards 115-116
Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance 117-119
Schedule of Expenditures of Federal Awards 120
Notes to Schedule of Expenditures of Federal Awards 121
Schedule of Findings and Questioned Costs 122-126
Summary Schedule of Prior Audit Findings and Questioned Costs 127-128

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December 12, 2025

To the Citizens of the City of Junction City:

The comprehensive annual financial report ending December 31, 2024, for the City of Junction City, Kansas is hereby submitted. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the city. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of all various funds and account groups of the city. All disclosures necessary to enable the reader to gain an understanding of the city's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the city's organizational chart, and a list of principal officials. The financial section includes the general-purpose financial statements, including the combining statements, individual fund and account group statements and schedules, the independent auditors report on the financial statements and schedules, and a management narrative that provides an introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the section. The City's MD&A can be found immediately following the auditor's report in the financial section. The statistical section includes selected financial and demographic information generally presented on a multi-year basis.

This report includes all the funds of the city. The city provides a full range of services which include law enforcement, fire protection, emergency medical services, animal control, building and codes enforcement, construction and maintenance of streets, airport, recreation, and cultural operations. In addition to general government activities, the city provides water, wastewater, solid waste / sanitation, and storm water utility services.

ECONOMIC CONDITION AND OUTLOOK

Fort Riley, a United States Army base, adjacent to the city, remains the area's top employer, and annually injects approximately $4B into the local economy. The federal government has invested tens of millions of dollars in service and infrastructure upgrades at Fort Riley and is continuing these through 2026 and beyond; these investments position the fort well in the event of a Base Realignment and Closure (BRAC) review. The opening of the new military hospital in the past five years has increased their civilian work-force, and discussions are happening with the possibility of the Veterans Affairs (VA) joining in the use

of the facility. The VA is also posturing to build a multi-million-dollar health care facility in Junction City soon, with a decision expected to be made 2nd quarter CY2026. This complex is expected to be the largest VA facility in the area and will bring in millions of dollars in annual revenue and hundreds of jobs.

Sales tax revenue has shown a continuous growth since 2020 indicating a good, strong local economy. Deployments have a short-term impact on sales tax revenue, but to date this has been manageable, as most family members remain in the area. The city remains conservative in sales tax revenue forecasts and been able to meet projections; but with returning Soldiers there is an expected increase in sales tax, as well. This was very true in the fall of 2019 when Soldiers redeployed to Fort Riley and sales tax receipts increased. With the current world situation, there are continued deployments and we will continue to see this ebb and flow into the future.

Efforts continue in Economic Development. CAMSO / Michelin established a plant to manufacture rubberized tracks for the agriculture industry. This plant has exceeded all projections for growth in the number of employees which began with about 20 in 2020 and has grown to more than 200 employees in 2023. Recently, a major expansion of that firm has been announced, and future employment growth is anticipated.

In conjunction with the Economic Development Commission (EDC) and the Chamber of Commerce, prospects for business and industry are aggressively being sought with several prospects very close to fruition. Also, a new Casey's convenience store and a U-Haul facility are under construction in the city. A new $155 million dollar plus high school complex was constructed and opened in August of 2021. This improvement should help draw more businesses and people to the community, and close to 50% of the enrolled students have a military affiliation.

HOUSING DEVELOPMENT

From 2006 through 2008 the city aggressively approved the creation of subdivisions for housing development to prepare for Fort Riley's expansion. The market crash in 2008, along with a less than expected placement of Soldiers and their families at Fort Riley led to the failure of more than half of the lots not being developed or sold, and ultimately the financial failure of the developments. This equated to approximately 1,000 empty lots that were in a state of flux; some ready for sale, some tied up in bankruptcy proceedings with FDIC, and many in foreclosure or tax sale proceedings.

With this opportunity, the city adopted a resolution to form the Junction City Land Bank and the ownership of the land was transferred from city ownership to the Land Bank to maintain and market the empty lots. In January 2015, the Junction City Land Bank took possession of 940 lots to begin necessary steps to clear title, resize, or restructure the subdivisions to make these lots ready for development. In 2015 the first lots were sold for development. Approximately 300 lots remain in the Land Bank, and these are being carefully managed because of lessons learned from past practice.

TRANSPORTATION

Many of the city's transportation improvement plans were shelved following the financial crisis. However, the financial crisis did force the city to review operations, and it was determined the contracted service, operation, and management of its streets was not functioning well. Therefore, in 2012, the city took back the day-to-day operation and maintenance of streets, traffic control, building maintenance, water treament, and wastewater systems.

The city is now providing street maintenance that has been absent for many years. All streets have been inventoried, evaluated, and programmed in a long-term maintenance program. The commissioners have approved millions of dollars for infrastructure projects for the next few years. The biggest challenge will be providing sufficient funding to meet the expensive maintenance and repair needs of the streets and bridges requiring large capital outlay, while focusing on grants to gather the funds. Each year the city has increased the amount of funds allocated for street maintenance. Even though there is no lack of streets needing improvement, there continues to be an emphasis in aggressively addressing street issues. Also, the city has utilized several KDOT grants to provide funds for street and bridge improvements and transportation enhancements. The city is now emphasizing alley and sidewalks improvements into 2026.

GRANT AWARDS

The city continues to seek grant opportunities through a number of programs such as Community Development Block Grants (CDBG), Defense Community Infrastructure Program (DCIP), and the Kansas Department of Transportation (KDOT). These programs will allow for additional public improvements. The city has also secured low interest loans through Kansas Department of Health and Environment (KDHE) for much needed water and wastewater system improvements. The Covid-19 Pandemic has allowed more grant funds to be available to the city, including funding for Police, Emergency Medical Services, Airport, and Parks and Recreation, as well as using the SPARKS and ARPA programs. The impact of these funds will be positive for many years.

FINANCIAL PICTURE

The city's assessed property valuation remained stable with a major uptick in 2022 and 2023. The city's financial management has stabilized, and its recovery plan is on track. Our bond rating improved from A- to A in 2013 and to A+ in 2014 and the city took advantage of low interest rates and refinanced bonds that could be called for such a purpose and refinanced its Certificate of Participation loan.

We completed an independent analysis of the water, wastewater, and storm water systems to determine the needs of each treatment facility and each utility system. A rate analysis of each utility was completed in 2021 with rate increases adopted for water, wastewater, and solid waste. This analysis has been reviewed twice considering other

needed improvements. We were awarded a KDHE Wastewater Revolving Loan for improvements at the two wastewater treatment plants and the water plant. Phase 2 improvements to all three plants are underway. A rate structure for water and wastewater was implemented in 2014 and provides funds for these projects. In addition, cash balances have increased in water and wastewater funds, and other needs will be addressed. In CY2026 a water rate study is being conducted to review current water / sewer rates, as well as updating related contracts with our water users, to provide a fair and equitable price for the citizens and users, as well as ensuring we can maintain and improve our utility systems.

The city's residential solid waste service was also taken back from contract services in 2012 as the services were operating with a negative balance. By the end of 2013, the solid waste fund had a positive balance, and it continues to be an enterprise fund profit center. Cash balances in this fund have increased and new equipment can be purchased without adding to city debt. However, it has been discussed in the future to amend current city ordinances to abolish sanitation services within city limits by external waste management services. Therefore, all sanitation services within the city will be run by the city with city employees and assets.

DEBT MANAGEMENT

The city suffered a financial crisis in 2010 and 2011, however, we developed a financial recovery plan, fully activated the plan in 2011 and 2012, and reached stability in 2013. However, due to high debt load, the city must continue to budget wisely and carefully monitor revenue sources to prevent any disruption in cash flows and debt management. We continue to meet all debt payments, continue to build cash reserves for future needs, and are on track to meet all debt reduction goals.

Special assessment collections have continued to improve, which reduces the tax burden, resulting in the city continuing to improve debt ratios and debt per capita. In 2010, voters passed a 1% sales tax for debt service, and the voters have already approved the continuation of this sales tax through December 31, 2030. These funds are key in addressing the repayment of city debt and allows more flexibility in addressing this issue.

FINANCIAL INFORMATION

The city adopted a new fiscal policy in 2021, which is a comprehensive policy that provides proper guidelines for fiscal management and reflects needed adjustments and changes. Although we suffered a fiscal crisis in 2010 and 2011, the city has now stabilized with growing cash balances and reserves. However, the city, like many cities across the United States, struggles to find revenue to adequately invest in capital improvements needed for aging infrastructure. Staff and the City Commission continue to review all options for new revenue sources. The city adopted Sunday liquor sales in April 2015 as a new revenue source and is looking at the aforementioned sanitation service issue as another possibility. Providing high quality, dependable, timely, and cost-effective service to our citizens is a primary goal of all city leadership.

One way we did this was by hiring professional financial consultants to develop a business plan for its water, wastewater, and storm water utilities, which was completed in 2014 and 2015. This business plan was readdressed and adjusted in 2020, as well as again in 2025, to provide the long-term capital plans with recommended rate structures to ensure the city can make needed improvements, maintain professional employees, and continue to meet all fiscal obligations.

BUDGETARY CONTROLS

The city adopted new, stricter fiscal policies in 2021, which are utilized daily by staff. This plan has been recently updated. The budgets are reviewed monthly by staff, management, and the City Commission.

CASH MANAGEMENT

We continue to build cash reserves to reinforce financial stability. In the past four years cash reserves have averaged more than $30,000,000 as compared to December 31, 2010 of only $2,924,346. The city hired Columbia Capital Consultants at the end of 2013 to manage its investments and utilize point of sale systems for all revenue generating stations, which provides a good cash management tool for protecting cash intake.

RISK MANAGEMENT

In 2013 we changed general liability coverage from Traveler's Insurance to the Midwest Public Risk (a municipal risk pool) which expanded and improved coverage and lowered the insurance premium. The city continues to participate in the KERIT workers' compensation risk pool for workers' compensation coverage, and all city deposits were insured per standards and code or collateralized. Both companies provide a claim tracking and communications system that has improved claims management, which has improved / mitigated financial losses.

The City of Junction City has stabilized Health Insurance costs by moving to a self-funded program, eliminating the "middleman" to save $80,000 per year, and built a cash reserve to help to stabilize these costs in future years. The city is also seeing a decrease in workers' compensation costs due to various practices being employed by the city.

INDEPENDENT AUDIT

Kansas Statutes Annotated 75-1122 requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the city by independent certified public accountants selected by the City Commission. This requirement has been complied with, and the auditor's opinion has been included in this report.

ACKNOWLEDGEMENTS

The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated services of city employees. The City Commission and City Administration appreciate the hard work of these dedicated team members regarding fiscal responsibility and transparency.



Kim D. Zimmerman
City Manager

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INDEPENDENT AUDITORS' REPORT

To the Mayor and City Commissioners
City of Junction City, Kansas
Junction City, Kansas

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of **City of Junction City, Kansas**, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Unit	Adverse
Each Major Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Adverse Opinion on Aggregate Discretely Presented Component Unit
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component unit of **City of Junction City, Kansas** as of December 31, 2024, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities, Each Major Fund and Aggregate Remaining Fund Information
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of **City of Junction City, Kansas**, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Dorothy Bramlage Public Library (the Library), which represents 100% of the assets, revenues, and expenses of the discretely presented component unit as of December 31, 2024, and the respective changes in financial position. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Library, is based solely on the report of the other auditors.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Unit
The financial statements of the Dorothy Bramlage Public Library, a discretely presented component unit of **City of Junction City, Kansas**, are prepared to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting 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 Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, 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 statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **City of Junction City, Kansas'** basic financial statements. The statements and schedules under the other supplementary information section in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the information as noted above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

February 3, 2026

CITY OF JUNCTION CITY, KANSAS
Management's Discussion and Analysis
(Unaudited)

December 31, 2024

As management of the City of Junction City, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The City continues to lower the amount of debt owed by the City. Refinancing of General Obligation in 2016, 2020, and 2021 has offered a great savings in interest costs and has allowed great financial savings to the City.
- The City remains committed to keeping property taxes steady while maintaining essential services and responsible for managing debt repayment.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions for the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government activities of the City include the general fund, special revenue funds, capital projects fund, and the debt service fund. The business-type activities of the City include Water and Sewer Utility, Solid Waste Utility, and Storm Water Utility.

Fund Financial Statements

A fund is a grouping of related accounts that used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and business-type activity funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental funds and government activities.

Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, and debt service fund. Data from the governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds (special revenues funds and capital projects fund) is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for the various governmental funds that are required to have a budget. This is to demonstrate compliance with the annually adopted budget.

Proprietary Funds

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater operation, storm water operation, and solid waste operation.

Proprietary fund financial statements provide the same type of information as the government wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and wastewater fund, solid waste fund, and storm water fund.

Notes to the Basic Financial Statements

The notes to the basic financial statements begin on page 23. They provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $119,091,063 at the close of 2024. The City's net position increased by $9,681,973. The governmental activities increased by $6,978,559. The business type activities increased by $2,215,942.

City of Junction City
Government-Wide Financial Statements

	Governmental Activities		Business-Type Activities	
	2023	2024	2023	2024
Current Assets	$ 46,380,735	$ 45,558,619	$ 22,185,300	$ 23,146,595
Capital Assets	68,450,223	66,124,708	99,956,083	112,371,086
Deferred Outflows of Resources	5,800,701	4,150,274	440,045	342,814
Total Assets and Deferred Outflows	$ 120,631,659	$ 115,833,601	$ 122,581,428	$ 135,860,495
Current Liabilities	$ 15,447,043	$ 14,086,514	$ 6,493,514	$ 10,175,980
Long-Term Liabilities	69,167,017	58,279,346	30,801,813	38,185,691
Deferred Inflows of Resources	11,398,482	11,870,065	8,656	5,437
Total Liabilities and Deferred Inflows	$ 96,012,542	$ 84,235,925	$ 37,303,983	$ 48,367,108
Net Position				
Net Investment in Capital Assets	$ 11,874,713	$ 19,168,220	$ 65,305,364	$ 67,005,605
Restricted	11,605,670	10,145,266	-	-
Unrestricted	1,138,734	2,284,190	19,972,081	20,487,782
Total Net Position	$ 24,619,117	$ 31,597,676	$ 85,277,445	$ 87,493,387

By far the largest portion of the City's net position reflects its investments in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's total net position of $119,091,063 represents resources that are subject to external restrictions on how they may be used. There was a decrease of $1,460,404 in restricted net assets reported in connection with the City's governmental activities.

City of Junction City
Changes in Net Position

	Governmental Activities		Business-Type Activities	
	2023	2024	2023	2024
Revenues				
Program Revenues				
Charges for Services	4,130,917	3,966,641	17,623,250	19,316,205
Operating Grants and Contributions	2,985,632	4,937,736	-	-
Capital Grants and Contributions	604,286	599,386	-	-
General Revenues				
Property Taxes	10,441,574	11,298,950	-	-
Sales Taxes	14,052,523	14,690,435	-	-
Franchise Taxes	2,047,257	2,006,409	-	-
Other	2,383,830	3,029,273	961,230	910,548
Total Revenue	36,646,019	40,528,830	18,584,480	20,226,753
Expenses				
General Government	5,892,707	5,469,061	-	-
Public Safety	12,861,115	12,879,318	-	-
Public Works	8,014,155	7,172,324	-	-
Culture and Recreation	2,773,443	3,000,437	-	-
Economic Development	797,757	795,617	-	-

Public Health and Sanitation	4,341,241	4,042,667	-	-
Interest on Long-term Debt	1,979,136	1,652,183	-	-
Water	-	-	7,601,000	7,467,475
Sewer	-	-	5,218,832	6,092,176
Stormwater	-	-	1,408,526	988,354
Sanitation	-	-	1,411,304	1,513,998
Total Expenses	36,659,554	35,011,607	15,639,662	16,062,003
Change in Net Position Before Transfers	[13,535]	5,517,223	2,944,818	4,164,750
Transfers	2,870,000	2,070,000	[2,870,000]	[2,070,000]
Change in Net Position	2,856,465	7,587,223	74,818	2,094,750
Net Position, Beginning of Year, As Stated	21,762,652	24,619,117	85,202,627	85,277,445
Prior Period Adjustment	-	[608,664]	-	121,192
Net Position, Beginning of Year, Restated	21,762,652	24,010,453	85,202,627	85,398,637
Net Position, End of Year	$ 24,619,117	$ 31,597,676	$ 85,277,445	$ 87,493,387

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the main operating fund of the City. At the end of 2024 and 2023, unreserved fund balance of the general fund was $6,030,717 and $5,771,507, respectively.

Proprietary Funds

The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

In 2024 and 2023, unrestricted fund balance of the Water Fund amounted to $6,631,635 and $7,440,516, the Sewer Fund amounted to $8,780,748 and $7,637,394, and the Stormwater Fund amounted to $1,437,638 and $1,275,182, respectively. In 2024 and 2023, the non-major proprietary fund balance for Solid Waste Fund amounted to $3,637,761 and $3,740,181, respectively. The total change in net position from 2023 to 2024 for the water fund was a decrease of $92,773. The Sewer Fund increased by $2,051,232 and the Stormwater Fund increased by $178,426. The non-major proprietary fund had an increase of $79,057.

General Fund Budgetary Highlights

The City continues to be influenced by Fort Riley, the nearby military installation that is home to the First Division of the Big Red One. In 2012, the installation reached its full capacity, but it is now at risk of downsizing due to federal reductions in military forces. Recent elections and a Republican-controlled federal government may also lead to changes in military operations. As more troops are deployed overseas, the City's population decreases, which negatively affects City revenues by lowering sales tax income.

The City's revenues have stayed pretty steady over the last three years. In 2024, sales tax brought in $14,573,201, which is $520,678 more than the year before. Franchise fees also went up, and the tax mill value has held steady.

In 2024, we issued 1,551 building permits; this fell well short of the three-year average of 2,033. The establishment of the Junction City Land Bank in 2014 has been pivotal, acquiring 940 undeveloped lots previously unsold at tax sales to reinvigorate our housing market, with an additional 159 lots added in 2018.

The onset of the COVID-19 pandemic in early 2020 presented unprecedented challenges for our City, disrupting daily life and altering economic activity across virtually every sector. Amid these difficulties, we identified a notable silver lining: residents increasingly turned to local businesses for their shopping needs. This shift in consumer behavior not only strengthened community ties but also generated a measurable increase in sales tax revenues, providing the City with a temporary but meaningful fiscal boost. While this surge in revenue has been beneficial, we remain mindful that such growth is unlikely to continue indefinitely. Economic patterns tend to stabilize over time, and as consumer activity normalizes, the pace of revenue expansion may diminish. In anticipation of this eventual plateau, we are committed to exercising prudent financial stewardship—allocating resources responsibly, prioritizing essential services, and maintaining stability in our budgeted revenues to safeguard the City's long-term fiscal health

In a clear demonstration of community confidence and shared responsibility, residents voted in 2020 to renew the 1% sales tax dedicated to debt service for an additional decade. This decisive action underscores the collective commitment of our citizens to maintaining fiscal stability while ensuring the City's ability to meet long-term financial obligations. Beyond its immediate purpose of supporting debt repayment, the renewal provides the City with enhanced flexibility within the general fund. This flexibility allows us to strategically allocate resources toward essential infrastructure improvements, public safety initiatives, and community development projects that directly contribute to the well-being of all residents. By reinforcing our financial foundation, we are better positioned to invest in initiatives that foster economic growth, strengthen neighborhood vitality, and elevate the overall quality of life. This renewed commitment serves as both a testament to our resilience and a catalyst for building a thriving, sustainable future together.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to $178,495,794 (net of accumulated depreciation). This investment in capital assets includes construction in progress, land, buildings, streets, water and sewer lines, storm sewers, equipment and improvements. See detailed capital asset information in Note 5 of the notes to the financial statements.

City of Junction City
Capital Assets

	Governmental Activities		Business-Type Activities	
	2023	2024	2023	2024
Construction in Progress	$ 822,281	$ 48,195	$ 19,383,226	$ 33,903,097
Land	14,007,622	14,007,622	452,563	452,563
Buildings	21,477,589	21,971,900	25,232,113	25,232,113
Infrastructure	107,080,184	107,811,930	109,738,517	109,738,517
Machinery and Equipment	20,557,666	21,215,447	9,705,734	10,281,279
Right-to-Use Leased Equipment	223,270	779,876	44,593	44,593
SBITAs	243,767	243,767	63,373	63,373
Not in Use	331,188	726,242	-	-
Less Accumulated Depreciation	[96,293,344]	[100,680,271]	[64,664,036]	[67,344,449]
Total Capital Assets, Net	$ 68,450,223	$ 66,124,708	$ 99,956,083	$ 112,371,086

Long-Term Debt

At the end of 2024, the City had total bonded debt outstanding of $43,985,504 backed by full faith and credit of the City, $635,000 temporary notes, and $43,200,159 of State of Kansas Revolving Loan fund debt.

In 2010 and 2011, the City encountered a significant cash flow crisis that threatened our ability to meet bond payments in the latter part of 2011. To avert this crisis, we swiftly implemented critical budget cutbacks alongside meaningful revenue boosts. This proactive approach culminated in the development of a Comprehensive Fiscal Transformation Plan, designed to secure our financial recovery. The decisive actions we took to address and overcome this challenge included the following:

Strategic Debt Restructuring for Enhanced Cash Flow

In 2011, we successfully implemented a strategic increase in property taxes by 2.068 mills, which was subsequently reduced the following years 2020 - 48.346 2021 - 48.328 2022 - 48.311 2023 – 46.182 2024 – 47.107

We initiated a one-cent sales tax, exclusively earmarked for debt payments, which was approved by the citizens with a ten-year sunset clause.

Through strategic collaboration with Standard & Poor’s, we not only retained an A bond rating but improved it over time: 2010 - A-; 2012 - A; and 2014 - A+.

A thorough review of all contract services was conducted to ensure viability, leading us to cancel the public works operating contract with a private firm due to identified contract errors. This decisive action underscores our commitment to efficiency and accountability.

We have meticulously analyzed and restructured the entire City staff organization, implementing changes that enhance efficiency and eliminate low-priority services.

We established administration and franchise fees for all utility funds and revised our special assessment practices to ensure project developers bear the costs associated with their developments.

We have confidently halted economic development debt and instituted policy changes for future projects. The Spirit of '76 transactions have been reorganized, instituting strict controls that significantly reduce City liability.

Every organizational expenditure has been rigorously analyzed and limited to our operational priorities. Our City's accounting and fund management practices have been transformed with the adoption of a new fiscal policy, fortified by multiple checks and balances. We have engaged a new audit firm and are diligently working with auditors to optimize our accounting systems to meet GAAP and GASB standards.

Since the 2010 financial crisis, we have consistently made all debt payments in full and on time.

More detailed information about the City's long-term debt is presented in Note 12 to the basic financial statements.

City of Junction City
Outstanding Debt
General Obligation, Revenue and State of Kansas Revolving Loans

	Governmental Activities		Business-Type Activities	
	2023	2024	2023	2024
General Obligation Bonds	$ 41,170,441	$ 34,100,556	$ 3,006,492	$ 2,586,303
Special Assessment Debt	8,280,405	7,298,645	-	-
State of KS Revolving Loans	4,277,483	3,363,247	28,247,999	39,836,912
Temporary Notes	1,265,000	635,000	-	-
Spirit Loans Payable	1,447,606	1,119,471	-	-
Lease Purchases - Direct Borrowing	990,342	662,435	815,462	410,416
Right-to-Use Equipment Liability	422,878	561,623	33,805	24,733
SBITAs Liability	122,109	-	31,612	-
Compensated Absences	1,647,711	1,810,251	46,231	47,671
Net Pension Liability	20,158,604	18,998,094	1,321,012	1,270,258
Total OPEB Liability	294,583	282,551	-	-
Total OPEB Liability - KPERS	95,766	82,650	-	-
Total	$ 80,172,928	$ 68,914,523	$ 33,502,613	$ 44,176,293

The City's total debt decreased by a net amount of $584,725 during 2024.

The State of Kansas statutes limit the amount of general obligation debt a government entity may issue up to 30 percent of its total assessed valuation. Certain types of debt do not count in the State of Kansas calculation. Exemptions exist for water and sewer infrastructure projects.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the City Manager's Office, 700 N. Jefferson, Junction City, Kansas or by email at kim.zimmerman@junctioncity-ks.gov.

CITY OF JUNCTION CITY, KANSAS
Statement of Net Position
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total Primary Government	Dorothy Bramlage Public Library
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and Investments	$ 19,317,129	20,367,097	39,684,226	1,090,495
Receivables, Net of Allowance for Uncollectible				
Accounts	1,205,646	2,311,750	3,517,396	-
Taxes	12,909,257	-	12,909,257	-
Special Assessments	8,112,185	-	8,112,185	-
Interest	334,793	305,402	640,195	-
Leases	56,072	-	56,072	-
Prepaid Expenses	169,717	162,346	332,063	-
Assets Held for Sale	3,453,820	-	3,453,820	-
Capital Assets, Nondepreciable				
Land	14,007,622	452,563	14,460,185	-
Construction in Progress	48,195	33,903,097	33,951,292	-
Equipment Not In Use	726,242	-	726,242	-
Capital Assets, Depreciable	150,999,277	145,251,909	296,251,186	-
Right-to-Use Leased Equipment, Depreciable	779,876	44,593	824,469	-
SBITAs, Depreciable	243,767	63,373	307,140	-
Less: Accumulated Depreciation and Amortization	(100,680,271)	(67,344,449)	(168,024,720)	-
Total Assets	**111,683,327**	**135,517,681**	**247,201,008**	**1,090,495**
Deferred Outflows of Resources				
Pension Liability	4,028,771	313,481	4,342,252	-
KPERS Other Postemployment Benefits Liability	42,928	-	42,928	-
Other Postemployment Benefits Liability	18,504	-	18,504	-
Unamortized Loss on Refunding	60,071	29,333	89,404	-
Total Deferred Outflows of Resources	**4,150,274**	**342,814**	**4,493,088**	**-**
Total Assets and Deferred Outflows of Resources	**115,833,601**	**135,860,495**	**251,694,096**	**1,090,495**
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts Payable	1,148,429	3,259,464	4,407,893	-
Accrued Liabilities	293,579	43,413	336,992	-
Interest Payable	401,246	310,632	711,878	-
Court Bonds Payable	203,153	-	203,153	-
Meter Deposits Payable	-	571,869	571,869	-
Unearned Revenue - Grant Proceeds	1,404,930	-	1,404,930	-
Noncurrent Liabilities				
Due Within One Year	10,635,177	5,996,682	16,631,859	-
Due in More Than One Year	58,279,346	38,179,611	96,458,957	-
Total Liabilities	**72,365,860**	**48,361,671**	**120,727,531**	**-**
Deferred Inflows of Resources				
Unavailable Revenue - Property Taxes	10,121,971	-	10,121,971	-
Leases	55,141	-	55,141	-
KPERS Other Postemployment Benefits Liability	88,152	-	88,152	-
Other Postemployment Benefits Liability	164,643	-	164,643	-
Pension Liability	1,440,158	5,437	1,445,595	-
Total Deferred Inflows of Resources	**11,870,065**	**5,437**	**11,875,502**	**-**
Total Liabilities and Deferred Inflows of Resources	**84,235,925**	**48,367,108**	**132,603,033**	**-**
NET POSITION				
Net Investment in Capital Assets	19,168,220	67,005,605	86,173,825	-
Restricted for Expendable				
Revolving Funds	220,013	-	220,013	-
Equipment	2,214,314	-	2,214,314	-
Debt Service	7,710,939	-	7,710,939	-
Unrestricted	2,284,190	20,487,782	22,771,972	1,090,495
Total Net Position	$ **31,597,676**	**87,493,387**	**119,091,063**	**1,090,495**

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

CITY OF JUNCTION CITY, KANSAS
Statement of Activities
For the Year Ended December 31, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets: Primary Government: Total Governmental Activities	Primary Government: Total Business-Type Activities	Primary Government: Total	Component Unit: Public Library
Primary Government								
Governmental Activities								
General Government	$ 5,469,061	1,115,768	2,868,372	-	(1,484,921)	-	**(1,484,921)**	-
Public Safety	12,879,318	586,306	65,853	-	(12,227,159)	-	**(12,227,159)**	-
Public Works	7,172,324	115,497	22,476	599,386	(6,434,965)	-	**(6,434,965)**	-
Culture and Recreation	3,000,437	968,686	-	-	(2,031,751)	-	**(2,031,751)**	-
Economic Development	795,617	-	-	-	(795,617)	-	**(795,617)**	-
Public Health and Sanitation	4,042,667	1,180,384	1,981,035	-	(881,248)	-	**(881,248)**	-
Interest on Long-Term Debt	1,652,183	-	-	-	(1,652,183)	-	**(1,652,183)**	-
Total Governmental Activities	35,011,607	3,966,641	4,937,736	599,386	(25,507,844)	-	**(25,507,844)**	**-**
Business-Type Activities								
Water	7,467,475	7,335,853	-	-	-	(131,622)	**(131,622)**	-
Sewer	6,092,176	8,754,881	-	-	-	2,662,705	**2,662,705**	-
Stormwater	988,354	1,082,449	-	-	-	94,095	**94,095**	-
Sanitation	1,513,998	2,143,022	-	-	-	629,024	**629,024**	-
Total Business-Type Activities	16,062,003	19,316,205	-	-	-	3,254,202	**3,254,202**	-
Total Primary Government	$ 51,073,610	23,282,846	4,937,736	599,386	(25,507,844)	3,254,202	**(22,253,642)**	-
Component Unit								
Dorothy Bramlage Public Library	$ 1,086,226	-	42,563	-	-	-	**-**	(1,043,663)
General Revenues and Transfers								
Property Tax					$ 11,298,950	-	**11,298,950**	1,055,000
In Lieu of Tax					88,001	-	**88,001**	
Sales Tax					14,690,435	-	**14,690,435**	-
Franchise Tax					2,006,409	-	**2,006,409**	-
Special Assessments					97,246	-	**97,246**	-
Use of Money or Property					2,273,303	878,867	**3,152,170**	34,563
Miscellaneous					570,723	31,681	**602,404**	-
Transfers, Net					2,070,000	(2,070,000)	**-**	-
Total General Revenues and Transfers					33,095,067	(1,159,452)	**31,935,615**	1,089,563
Change in Net Position					7,587,223	2,094,750	**9,681,973**	45,900
Net Position - Beginning of Year, As Stated					24,619,117	85,277,445	**109,896,562**	1,044,595
Prior Period Adjustment					(608,664)	121,192	**(487,472)**	-
Net Position - Beginning of Year, Restated					24,010,453	85,398,637	**109,409,090**	1,044,595
Net Position - End of Year					$ **31,597,676**	**87,493,387**	**119,091,063**	**1,090,495**

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

CITY OF JUNCTION CITY, KANSAS
Balance Sheet
Governmental Funds
December 31, 2024

	General	Capital Improvement	Debt Service	Land Bank	Spirit of '76	ARPA	Other Governmental Funds	Total Governmental Funds
ASSETS								
Assets								
Cash and Investments	$ 5,238,136	344,717	3,684,255	727,500	2,996	1,721,809	7,597,716	**19,317,129**
Receivables, Net								
Accounts	900,258	-	-	-	-	-	305,388	**1,205,646**
Taxes	10,938,588	-	428,623	-	-	-	1,542,046	**12,909,257**
Special Assessments	-	-	8,112,185	-	-	-	-	**8,112,185**
Leases	56,072	-	-	-	-	-	-	**56,072**
Due From Other Funds	182,583	-	-	-	-	-	-	**182,583**
Prepaid Expenses	169,717	-	-	-	-	-	-	**169,717**
Accrued Interest	167,124	6,938	77,142	-	-	-	83,588	**334,792**
Total Assets	$ 17,652,478	351,655	12,302,205	727,500	2,996	1,721,809	9,528,738	**42,287,381**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE								
Liabilities								
Accounts Payable	$ 402,145	10	-	-	-	409,381	141,911	**953,447**
Court Bonds Payable	203,153	-	-	-	-	-	-	**203,153**
Accrued Liabilities	472,754	-	-	-	-	-	15,806	**488,560**
Due to Other Funds	-	-	-	-	-	-	182,583	**182,583**
Unearned Revenue - Grant Proceeds	-	-	-	-	-	1,312,428	92,502	**1,404,930**
Total Liabilities	1,078,052	10	-	-	-	1,721,809	432,802	**3,232,673**
Deferred Inflows of Resources								
Unavailable Revenue - Property Taxes	8,151,302	-	428,623	-	-	-	1,542,046	**10,121,971**
Unavailable Revenue - Special Assessments	-	-	8,112,185	-	-	-	-	**8,112,185**
Leases	55,141	-	-	-	-	-	-	**55,141**
Total Deferred Inflows of Resources	8,206,443	-	8,540,808	-	-	-	1,542,046	**18,289,297**
Total Liabilities and Deferred Inflows of Resources	9,284,495	10	8,540,808	-	-	1,721,809	1,974,848	**21,521,970**
Fund Balance								
Restricted	-	-	3,761,397	-	-	-	6,575,914	**10,337,311**
Committed	-	-	-	727,500	2,996	-	940,400	**1,670,896**
Assigned	2,337,266	351,645	-	-	-	-	37,576	**2,726,487**
Unassigned	6,030,717	-	-	-	-	-	-	**6,030,717**
Total Fund Balance	8,367,983	351,645	3,761,397	727,500	2,996	-	7,553,890	**20,765,411**
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 17,652,478	351,655	12,302,205	727,500	2,996	1,721,809	9,528,738	**42,287,381**

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

CITY OF JUNCTION CITY, KANSAS

Reconciliation of the Total Governmental Fund Balances
to Net Position of Governmental Activities
December 31, 2024

Total Governmental Fund Balances		$	20,765,411
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			
The cost of capital assets is	166,804,979		
Accumulated depreciation is	(100,680,271)		66,124,708
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			11,566,005
Unamortized early retirement on debt, which results in a consumption of net position applicable to a future reporting period is recognized as deferred outflows in the governmental activities in the statement of net position.			60,071
Pension and OPEB contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position.			4,090,203
Pension and OPEB fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position.			(1,692,953)
The following assets and liabilities are not due and payable in the current period and therefore are not reported as assets and liabilities in the funds.			
Compensated absences	(1,810,252)		
Net pension liability	(18,998,094)		
Net OPEB obligation	(282,551)		
Net KPERS OPEB obligation	(82,650)		
Loans payable	(3,363,247)		
General obligation bonds payable	(34,735,556)		
Special assessment bonds payable	(7,298,644)		
Spirit loans payable	(1,119,471)		
Right-to-use leased equipment liability	(561,623)		
Lease purchase payable	(662,435)		
Interest payable	(401,246)		(69,315,769)
Net Position of Governmental Activities		**$**	**31,597,676**

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

CITY OF JUNCTION CITY, KANSAS

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2024

	General	Capital Improvement	Debt Service	Land Bank	Spirit of '76	ARPA	Other Governmental Funds	Total Governmental Funds
Revenues								
Taxes								
Property	$ 7,417,194	49	2,150,980	-	-	-	1,730,727	**11,298,950**
Sales	9,138,600	-	5,551,835	-	-	-	-	**14,690,435**
Franchise	2,006,409	-	-	-	-	-	-	**2,006,409**
In Lieu of Taxes	88,001	-	-	-	-	-	-	**88,001**
Charges for Services	2,672,766	-	-	-	-	-	-	**2,672,766**
Intergovernmental	2,404,319	-	-	-	408,345	1,314,672	1,928,461	**6,055,797**
Licenses and Permits	444,932	-	-	-	-	-	-	**444,932**
Fines and Fees	738,818	-	-	-	-	-	-	**738,818**
Special Assessments	9,349	-	2,284,629	-	-	-	-	**2,293,978**
Use of Money and Property	1,197,865	20,063	263,366	-	14	-	791,997	**2,273,305**
Miscellaneous	675,686	-	-	236,500	-	-	193,855	**1,106,041**
Total Revenues	26,793,939	20,112	10,250,810	236,500	408,359	1,314,672	4,645,040	**43,669,432**
Expenditures								
General Government	2,357,342	-	-	227,351	-	1,314,672	1,598,003	**5,497,368**
Public Safety	11,662,781	-	-	-	-	-	323,448	**11,986,229**
Public Works	4,425,935	-	-	-	-	-	29,433	**4,455,368**
Public Health and Sanitation	3,834,094	-	-	-	-	-	-	**3,834,094**
Culture and Recreation	2,914,191	-	-	-	-	-	48,053	**2,962,244**
Economic Development	569,319	-	-	-	-	-	637,146	**1,206,465**
Miscellaneous	-	310,236	150,000	-	-	-	-	**460,236**
Debt Service								
Principal	521,535	-	8,998,152	-	328,135	-	-	**9,847,822**
Interest and Other Charges	32,645	-	1,512,313	-	80,210	-	-	**1,625,168**
Total Expenditures	26,317,842	310,236	10,660,465	227,351	408,345	1,314,672	2,636,083	**41,874,994**
Excess (Deficit) of Revenues Over Expenditures	476,097	(290,124)	(409,655)	9,149	14	-	2,008,957	**1,794,438**
Other Financing Sources (Uses)								
Lease Reimbursement	200,379	-	-	-	-	-	-	**200,379**
Transfers In	2,070,000	150,000	-	-	-	-	-	**2,220,000**
Transfers Out	(150,000)	-	-	-	-	-	-	**(150,000)**
Net Other Financing Sources (Uses)	2,120,379	150,000	-	-	-	-	-	**2,270,379**
Net Change in Fund Balance	2,596,476	(140,124)	(409,655)	9,149	14	-	2,008,957	**4,064,817**
Fund Balance - Beginning of Year, As Stated	5,644,813	491,769	4,171,052	718,351	2,982	-	5,544,933	**16,573,900**
Prior Period Adjustment	126,694	-	-	-	-	-	-	**126,694**
Fund Balance - Beginning of Year, Restated	5,771,507	491,769	4,171,052	718,351	2,982	-	5,544,933	**16,700,594**
Fund Balance - End of Year	$ 8,367,983	351,645	3,761,397	727,500	2,996	-	7,553,890	**20,765,411**

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

CITY OF JUNCTION CITY, KANSAS
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Governmental Activities in the Statement of Activities
For the Year Ended December 31, 2024

Total Net Change in Fund Balances - Governmental Funds		$	4,064,817
Amounts reported for governmental activities in the statement of activities are different because capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.			
Capital outlays	940,426		
Depreciation expense	(4,372,110)		(3,431,684)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which interest decreased.			110,828
Revenues for long-term special assessment receivables are recorded in the statement of activities that do not provide current financial resources are not recorded in the governmental funds.			(2,196,731)
Some expenses reported in the statement of activities, such as compensated absences and other post employment benefits, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Compensated absences			(162,541)
Prepaid expense			(54,997)
Net OPEB liability			5,563
Net KPERS OPEB liability			9,963
Pension payments are reported as expenditures in the governmental funds and do not affect the statement of net activities.			(977,305)
Repayment of bond principal and amortization of bond premium is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.			
General obligation debt			7,699,884
Special assessment debt			981,760
Spirit loan			328,135
Loans			914,237
Lease purchase			327,906
Right-to-use leased equipment			(138,745)
SBITAs			122,109
Unamortized loss on refunding			(15,976)
Change in Net Position of Governmental Activities		$	**7,587,223**

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

CITY OF JUNCTION CITY, KANSAS
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-Type Activities				
	Water	Sewer	Stormwater	Nonmajor Enterprise Funds	**Total**
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Current Assets					
Cash and Investments	$ 7,012,867	8,390,076	1,348,744	3,615,410	**20,367,097**
Receivables, Net of Allowances for Uncollectible					
Accounts	831,477	1,037,961	163,916	278,396	**2,311,750**
Accrued Interest	148,337	37,487	26,412	93,166	**305,402**
Prepaid Expenses	65,483	96,863	-	-	**162,346**
Total Current Assets	8,058,164	9,562,387	1,539,072	3,986,972	**23,146,595**
Noncurrent Assets					
Capital Assets					
Nondepreciable Capital Assets					
Land	438,683	13,880	-	-	**452,563**
Construction in Progress	14,881,016	19,022,081	-	-	**33,903,097**
Depreciable Capital Assets					
Capital Assets	60,949,673	68,625,216	13,641,775	2,035,245	**145,251,909**
Right-to-Use Leased Equipment	18,824	18,607	-	7,162	**44,593**
SBITAs	21,547	20,913	-	20,913	**63,373**
Accumulated Depreciation	(27,684,497)	(33,979,874)	(4,133,753)	(1,546,325)	**(67,344,449)**
Total Noncurrent Assets	48,625,246	53,720,823	9,508,022	516,995	**112,371,086**
Total Assets	56,683,410	63,283,210	11,047,094	4,503,967	**135,517,681**
Deferred Outflows of Resources					
Pension Liability	100,410	102,866	29,191	81,014	**313,481**
Unamortized Loss on Refunding	14,848	14,485	-	-	**29,333**
Total Deferred Outflows of Resources	115,258	117,351	29,191	81,014	**342,814**
Total Assets and Deferred Outflows of Resources	56,798,668	63,400,561	11,076,285	4,584,981	**135,860,495**
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Current Liabilities					
Accounts Payable	630,940	2,556,983	7,446	64,095	**3,259,464**
Accrued Liabilities	16,595	13,108	4,383	9,327	**43,413**
Interest Payable	160,861	149,771	-	-	**310,632**
Meter Deposits Payable	571,869	-	-	-	**571,869**
Current Portion of Loans Payable	1,041,902	4,090,896	-	-	**5,132,798**
Current Portion of Lease Purchase Payable	410,416	-	-	-	**410,416**
Current Portion of General Obligation Bonds Payable	162,759	241,639	-	-	**404,398**
Current Portion of Right-to-Use Leased Equipment Payable	4,157	4,201	-	1,339	**9,697**
Current Portion of Compensated Absences Payable	16,970	-	-	22,403	**39,373**
Total Current Liabilities	3,016,469	7,056,598	11,829	97,164	**10,182,060**
Noncurrent Liabilities					
Net Pension Liability	406,875	416,821	118,289	328,273	**1,270,258**
Loans Payable	18,215,282	16,488,831	-	-	**34,704,113**
General Obligation Bonds Payable	871,762	1,310,143	-	-	**2,181,905**
Right-to-Use Leased Equipment Payable	6,173	5,826	-	3,038	**15,037**
Compensated Absences Payable	3,576	-	-	4,722	**8,298**
Total Noncurrent Liabilities	19,503,668	18,221,621	118,289	336,033	**38,179,611**
Total Liabilities	22,520,137	25,278,219	130,118	433,197	**48,361,671**
Deferred Inflows of Resources					
Pension Liability	1,742	1,783	507	1,405	**5,437**
Total Liabilities and Deferred Inflows of Resources	22,521,879	25,280,002	130,625	434,602	**48,367,108**
NET POSITION					
Net Position					
Net Investment in Capital Assets	27,645,154	29,339,811	9,508,022	512,618	**67,005,605**
Unrestricted	6,631,635	8,780,748	1,437,638	3,637,761	**20,487,782**
Total Net Position	$ 34,276,789	38,120,559	10,945,660	4,150,379	**87,493,387**

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

CITY OF JUNCTION CITY, KANSAS
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities				
	Water	Sewer	Stormwater	Nonmajor Enterprise Funds	**Total**
Operating Revenues					
Charges for Services	$ 7,315,140	8,754,821	1,082,449	2,143,022	**19,295,432**
Fines and Fees	20,713	60	-	-	**20,773**
Miscellaneous	8,227	20,669	1,724	1,061	**31,681**
Total Operating Revenues	7,344,080	8,775,550	1,084,173	2,144,083	**19,347,886**
Operating Expenses					
Personnel Services	586,739	589,940	177,663	500,134	**1,854,476**
Contractual Services	5,267,472	3,919,251	462,447	748,476	**10,397,646**
Commodities	315,864	81,634	28,027	168,814	**594,339**
Depreciation and Amortization	1,063,080	1,201,421	320,217	95,695	**2,680,413**
Total Operating Expense	7,233,155	5,792,246	988,354	1,513,119	**15,526,874**
Net Operating Income	110,925	2,983,304	95,819	630,964	**3,821,012**
Nonoperating Revenue (Expense)					
Interest Income	466,739	30,549	82,607	298,972	**878,867**
Interest Expense	(234,320)	(299,930)	-	(879)	**(535,129)**
Net Nonoperating Revenue (Expense)	232,419	(269,381)	82,607	298,093	**343,738**
Net Income Before Transfers	343,344	2,713,923	178,426	929,057	**4,164,750**
Transfers Out	(485,000)	(735,000)	-	(850,000)	**(2,070,000)**
Change in Net Position	(141,656)	1,978,923	178,426	79,057	**2,094,750**
Net Position - Beginning of Year, As Stated	34,369,562	36,069,327	10,767,234	4,071,322	**85,277,445**
Prior Period Adjustment	48,883	72,309	-	-	**121,192**
Net Position - Beginning of Year, As Restated	34,418,445	36,141,636	10,767,234	4,071,322	**85,398,637**
Net Position - End of Year	$ 34,276,789	38,120,559	10,945,660	4,150,379	**87,493,387**

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

CITY OF JUNCTION CITY, KANSAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

		Business-Type Activities				
		Water	Sewer	Stormwater	Nonmajor Enterprise Funds	**Total**
Cash Flows From Operating Activities						
Cash Received From Customers and Users	$	7,284,068	8,709,305	1,066,274	2,128,035	**19,187,682**
Cash Paid to Suppliers of Goods and Services		(6,228,220)	(5,590,353)	(529,139)	(902,460)	**(13,250,172)**
Cash Paid to Employees		(577,467)	(583,752)	(160,259)	(477,416)	**(1,798,894)**
Other Operating and Non Operating Receipts		8,227	20,669	1,724	1,061	**31,681**
Net Cash Provided by Operating Activities		486,608	2,555,869	378,600	749,220	**4,170,297**
Cash Flows From Investing Activities						
Interest Received		414,464	104,742	73,798	260,312	**853,316**
Cash Flows From Capital and Related Financing Activities						
Purchase and Construction of Capital Assets		(2,028,339)	(9,955,081)	(310,000)	(265,546)	**(12,558,966)**
Principal Payments - Lease Purchase		(405,046)	-	-	-	**(405,046)**
Principal Payments - General Obligation Bonds		(168,075)	(252,113)	-	-	**(420,188)**
Interest Payments		(216,860)	(237,379)	-	(879)	**(455,118)**
Principal Payments - Loans Payable		(1,069,630)	(842,734)	-	-	**(1,912,364)**
Proceeds - Loans Payable		2,725,188	10,776,089	-	-	**13,501,277**
Principal Payments - Right to Use		(3,915)	(3,962)	-	(1,194)	**(9,071)**
Principal Payments - SBITAs		(10,748)	(10,432)	-	(10,432)	**(31,612)**
Net Cash Used for Capital and Related Financing Activities		(1,177,425)	(525,612)	(310,000)	(278,051)	**(2,291,088)**
Cash Flows From Noncapital Financing Activities						
Transfers Out		(485,000)	(735,000)	-	(850,000)	**(2,070,000)**
Net Change in Cash and Investments		(761,353)	1,399,999	142,398	(118,519)	**662,525**
Cash and Investments - Beginning of Year		7,774,220	6,990,077	1,206,346	3,733,929	**19,704,572**
Cash and Investments - End of Year	$	7,012,867	8,390,076	1,348,744	3,615,410	**20,367,097**

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

CITY OF JUNCTION CITY, KANSAS
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2024

		Business-Type Activities				
		Water	Sewer	Stormwater	Nonmajor Enterprise Funds	**Total**
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities						
Net Operating Income	$	110,925	2,983,304	95,819	630,964	**3,821,012**
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities						
Depreciation and Bond Amortization Expense		1,063,080	1,201,421	320,217	95,695	**2,680,413**
(Increase) Decrease in Accounts Receivable		(34,135)	(45,576)	(16,175)	(14,987)	**(110,873)**
(Increase) Decrease in Prepaid Expenses		(16,600)	(24,554)	-	-	**(41,154)**
(Increase) Decrease in Deferred Outflows		35,081	35,110	3,390	18,760	**92,341**
Increase (Decrease) in Meter Deposits Payable		(17,650)	-	-	-	**(17,650)**
Increase (Decrease) in Accounts Payable		(628,284)	(1,564,914)	(38,665)	15,553	**(2,216,310)**
Increase (Decrease) in Accrued Liabilities		5,146	2,132	1,973	(723)	**8,528**
Increase (Decrease) in Accrued Compensated Absences		1,889	-	-	(449)	**1,440**
Increase (Decrease) in Net Pension Liability		(34,171)	(32,309)	12,230	3,495	**(50,755)**
Increase (Decrease) in Deferred Inflows		1,327	1,255	(189)	912	**3,305**
Net Cash Provided by Operating Activities	$	486,608	2,555,869	378,600	749,220	**4,170,297**
Schedule of Noncash Capital and Related Financing Activities						
Fixed Assets Purchased Through Accounts Payable	$	282,489	2,253,961	-	-	**2,536,450**

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

CITY OF JUNCTION CITY, KANSAS
Statement of Fiduciary Net Position
Combined Fiduciary Funds
December 31, 2024

	Custodial Funds
ASSETS	
Cash	$ 12,222
LIABILITIES	
Due To Others	$ 12,222

CITY OF JUNCTION CITY, KANSAS
Statement of Changes in Fiduciary Net Position
Combined Fiduciary Funds
For the Year Ended December 31, 2024

	Custodial Funds
Revenues	$ -
Expenditures	-
Excess (Deficit) of Revenues Over Expenditures	-
Fund Balance - Beginning of Year	-
Fund Balance - End of Year	$ -

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of **City of Junction City, Kansas,** relating to the funds included in the accompanying financial statements, conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governments (GASB 34 Edition), and by the Financial Accounting Standards Board, when applicable. The following is a summary of such significant policies.

Reporting Entity

City of Junction City, Kansas (the City) was incorporated in 1859 and became a City of the first class on January 1, 1962. The City operates under a City Commission–Manager form of government. The accompanying basic financial statements present the City (the primary government) and its component units, Dorothy Bramlage Public Library and Spirit of ’76, entities for which the City is considered to be financially accountable. The Public Library is a discretely presented component unit that is reported in a separate column in the government-wide financial statements to emphasize that the Public Library is legally separate from the City. Spirit of ’76 is a blended component unit that is reported as a governmental fund of the City to emphasize that Spirit of ’76 is part of the City.

Discretely Presented Component Unit

The Dorothy Bramlage Public Library (the Library) is operated by a Library Board which is appointed by the City Commission. The City levies and collects a special library tax to subsidize the Library's operations. The Library's mill levy can be capped by charter ordinance of the City Commission. Bond issuances must also be approved by the City. Separately issued financial statements for the Library are available at the Library.

Blended Component Unit

Spirit of '76, a Kansas not-for-profit 501(c)(4) corporation, is operated by an eleven-member Board appointed by the Mayor and the Chairman of the Board of County Commissioners. The City has issued several series of Industrial Revenue Bonds (IRB's) for economic development projects within the City for which Spirit of '76 is the tenant under separate financing leases. In relation to these IRB's the City and Spirit of '76 have entered into economic development grant agreements whereby the City agrees to provide Spirit with an economic development grant in an amount necessary for Spirit of '76 to make basic rental payments required by the leases. Spirit of '76 is presented as a governmental fund type. Separately issued financial statements for Spirit of '76 are not available.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water/sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water/sewer and stormwater funds are charges to customers for sales and services. Operating expenses for the water/sewer and stormwater funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary funds are used to account for assets held on behalf of outside parties. The City uses custodial funds to report resources held by the City in a custodial capacity for remittance of fiduciary resources to individuals, private organizations or other governments.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation
The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are generally considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. A 90-day availability period is used for revenue recognition for all governmental fund revenues except property taxes. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the

City. While property taxes receivable are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year end because statutory provisions prohibit their use until the year for which they were raised and budgeted. Instead, they are offset by unavailable revenue accounts.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The City reports the following major governmental funds:

General Fund - The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund accounts for the general operating transactions of the City including public safety, public works, parks, recreation, and administration.

Capital Improvement Fund - The capital improvement fund was established to provide a financing mechanism for the repair, restoration and rehabilitation of existing public facilities.

Debt Service Fund - The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Land Bank Fund - The land bank fund accounts for proceeds received from the sale of land bank properties.

Spirit of ’76 Fund - The Spirit of ’76 fund accounts for several economic development projects of the City.

ARPA Fund - The ARPA fund accounts for federal aid received from Coronavirus State and Local Fiscal Recover Funds and the associated expenditures.

The City reports the following major proprietary funds:

Water Fund - The water fund accounts for the operation and maintenance activities of the City's water distribution systems.

Sewer Fund - The sewer fund accounts for the operation and maintenance activities of the City's wastewater collection and treatment systems.

Stormwater Fund - The stormwater fund accounts for the operation and maintenance activities of the City's stormwater collection and treatment systems.

The City also reports the following fund types:

Custodial Funds – The Trust and Agency Fund and Insurance Disaster Fund are used to account for resources held by the City as custodian or fiscal agent.

Statement of Cash Flows
For purposes of the statement of cash flows, the City considers deposits and highly liquid investments with an original maturity of three months or less to be cash equivalents.

Receivables and Payables
Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund

loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade accounts receivable are shown net of an allowance for uncollectible. Management records a trade accounts receivable allowance based on percentages of collection estimated from the aging of the accounts receivable.

Property Taxes and Receivable
Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the Geary County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City and therefore, are not susceptible to accrual. At December 31, such taxes are recorded as taxes receivable, net of anticipated delinquencies with a corresponding amount recorded as deferred inflows of resources on the balance sheet of the appropriate funds. It is not practicable to apportion delinquent taxes at the end of the year and, further, the amounts are not material in relationship to the primary government financial statements.

Recognized state-shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the State on behalf of the City at year end are not due and receivable until the ensuing year.

Special Assessment Receivable
Kansas statutes require that projects financed in part by special assessments to be financed through the issuance of general obligation bonds or temporary notes that are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as revenue in the appropriate capital project. Special assessments received after the issuance of general obligation bonds are recorded as revenue in the Debt Service Fund. Further, Kansas statutes require levying additional general and ad valorem property taxes in the City's Debt Service Fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable are accounted for within the City's Debt Service Fund. Special assessments as levied over a 15 to 20-year period, and annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. At December 31, 2024, the special assessment taxes levied are a lien on the property are recorded as special assessments receivable in the Debt Service Fund with a corresponding amount recorded as a deferred inflow of resources. Special assessments receivable, net of allowance at December 31, 2024, was $8,112,185.

Capital Assets
Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, sidewalks and similar items) and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost greater than $5,000 an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings and systems	50 years
Improvements	7 - 50 years
Machinery and equipment	3 - 15 years
Infrastructure	15 - 50 years

Leased Assets
Leased assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset in service. Leased assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets
Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying asset.

Prepaid Expenses
Payments made to vendors for goods or services that will benefit periods beyond the date of this report are recorded as prepaid expenses.

Compensated Absences
Under the terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. Employees are allowed to accumulate vacation leave not to exceed 240 hours. Fire department employees may accumulate up to 480 hours. The policy prohibits payment for vacation in lieu of time off. Upon termination or retirement, vacation is paid to employees up to the maximum accumulations noted above.

All regular full-time employees employed by the City on or before December 31, 1994 who have an accumulation of more than 1,040 sick leave hours, or more than 1,452 sick leave hours for Fire department shift captains, may accumulate up to the accrued balance of the sick leave hours as of December 31, 1994 which then will become their accumulated maximum. All regular full-time employees employed by the City after December 31, 1994 may accumulate up to 1,040 sick leave hours, with no maximum sick leave hours for Fire department shift captains. Upon retirement from the City, employees are paid one quarter of their accumulated sick leave up to a maximum amount of 240 hours for employees and 480 hours for fire department shift captains. To be eligible for the sick leave payout, the retiring employee must be eligible to receive retirement benefits for service with the City through the Kansas Public Employees Retirement System (KPERS) or Kansas Police and Firemen's Retirement System (KP&F).

All vacation pay is accrued when incurred and the varying amounts of accumulated sick leave are accrued upon employees becoming KPERS or KP&F retirement eligible in the government-wide and proprietary financial statements. In the governmental fund financial statements, a liability is accrued when it has matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations
In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows and Inflows of Resources
In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a collective deferred outflow of resources related to pensions, OPEB and unamortized loss on refunding of debt, which is described in more detail in Note 6 – Defined Benefit Pension Plan, Note 7 – Other Post Employment Healthcare Benefits and Note 8 – Other Post Employment Benefits (KPERS).

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from three sources: property taxes, special assessments, and deferred inflows of resources related to the City's leasing activities as a lessor. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred revenues are reported in both the government-wide statement of net position and the governmental funds balance sheet for property taxes and leasing activities. Additionally, the City reports collective deferred inflow of resources related to pensions and OPEB, which is described in more detail in Note 6 – Defined Benefit Pension Plan, Note 7 – Other Post Employment Healthcare Benefits and Note 8 - Other Post Employment Benefits (KPERS).

Net Position and Fund Balance
In the government-wide and proprietary fund financial statements, net position is classified into three components:

- Net investment in capital assets - consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted net position - consisting of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities.

- Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

In the governmental fund financial statements, fund balance is comprised of five different classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The fund balance is classified as follows:

- Non-spendable – Assets legally or contractually required to be maintained or are not in spendable form. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.

- Restricted – Assets with externally imposed constraints, such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws, or regulations.

- Committed – Assets with a purpose formally imposed by resolution by the City Commission, binding unless modified or rescinded by the City Commission.

- Assigned – Comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City Commission or (2) a body or official to whom the City Commission has delegated the authority to assign amounts to be used for specific purposes as prescribed by the City's fund balance and cash policy. Encumbrances are included in assigned fund balances. Additional information on encumbrance balances is provided in Note 11 – Encumbrances.

- Unassigned – All amounts not included in the other fund balance classifications. The general fund shall be the only fund required to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

In circumstances when an expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

The following is the detail for fund balance classifications in the financial statements:

	Major Governmental Funds						
	General	Capital Improvement	Debt Service	Land Bank	Spirit of '76	Other Governmental Funds	**Total Governmental Funds**
Fund Balances							
Restricted for							
Economic Development	$ -	-	-	-	-	297,417	**297,417**
Public Works	-	-	-	-	-	1,749,785	**1,749,785**
Public Safety	-	-	-	-	-	3,661,049	**3,661,049**
Debt Service	-	-	3,761,397	-	-	653,740	**4,415,137**
Culture and Recreation	-	-	-	-	-	213,923	**213,923**
Committed for							
Employee Benefits	-	-	-	-	-	940,298	**940,298**
Economic Development	-	-	-	-	2,996	-	**2,996**
Capital Improvements	-	-	-	727,500	-	-	**727,500**
Culture and Recreation	-	-	-	-	-	102	**102**
Assigned for							
General Government	2,337,266	-	-	-	-	-	**2,337,266**
Public Safety	-	-	-	-	-	-	**-**
Capital Improvements	-	351,645	-	-	-	37,576	**389,221**
Unassigned	6,030,717	-	-	-	-	-	**6,030,717**
Total Fund Balances	$ 8,367,983	351,645	3,761,397	727,500	2,996	7,553,890	**20,765,411**

Concentrations of Credit Risk
Loans are extended and secured with a lien on the property and a personal guaranty to local industries under the revolving loan program. Unsecured credit is extended to customers for water and sewer fees and charges for services. Intergovernmental receivables include unsecured amounts due from federal, state and county agencies for various grant programs. Credit is extended to citizens for special assessments levied by the City for capital improvements. These assessments are secured by liens on the related properties.

Budgetary Information
Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

2. Publication in local newspaper 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 10 days after publication of notice of hearing.

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year ended December 31, 2024.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each governmental 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 revenues 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 City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, fiduciary funds and the following special revenue funds: Spirit of '76 Fund, Sundown Salute Fund, Grants Fund, Special Projects Fund, PSAP 911 Fund, Freedom Fest Fund, and ARPA Fund.

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

Adoption of New Governmental Accounting Standards Board Statements
GASB Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62,* enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The adoption of this statement was applied to the current year restatement.

GASB Statement No. 101, *Compensated Absences*, aims to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The adoption of this statement resulted in a prior period adjustment detailed in Note 16 – Prior Period Adjustment.

Pending Governmental Accounting Standards Board Statements
GASB Statement No. 102, *Certain Risk Disclosures*, aims to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements for this statement are effective for periods beginning after June 15, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*, aims to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements for this statement are effective for periods beginning after June 15, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets,* aims to provide users with essential information about capital assets and requires certain types of capital assets to be disclosed separately in the note disclosures required by Statement 34. The requirements for this statement are effective for periods beginning after June 15, 2025.

NOTE 2 – DEPOSITS AND INVESTMENTS

The City follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund type in the balance sheet.

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

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

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

Investment Type		Fair Value	Investment Maturities (Less Than 1 Year)	Moody Rating
U.S. Agency Securities	$	22,780,212	22,780,212	Aaa
Treasury Notes and Bills		3,012,222	3,012,222	Aaa
Kansas Municipal Investment Pool		66,518	66,518	N/A

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles (GAAP). The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The U.S. Agency Securities are valued using quoted matrix pricing models (Level 2 inputs) and the Treasury Notes are valued based on quoted market prices in active markets (Level 1 inputs).

Several of the above investments are measured at the net asset value, have an ongoing redemption frequency and liquidity fees or redemption gates are not imposed on any of the investments.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Kansas statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City did not use "peak periods" during 2024. All deposits were legally secured at December 31, 2024.

At December 31, 2024, the City's and Fiduciary's carrying amount of deposits were $13,837,496 and $12,222, respectively. The bank balance was $15,185,156. The bank balance was held by four banks, resulting in a concentration of credit risk. Of the bank balance, $696,952 was covered by federal depository insurance, $7,808,345 was secured by a letter of credit in the City's name, and $6,679,859 was collateralized with securities held by the pledging financial institutions' agents in the City'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 City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Kansas statutes require investments to be adequately secured.

At December 31, 2024, the City had invested $66,518 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 3 – LEASES RECEIVABLE

On July 17, 2012, the City entered into a 66 month lease as the lessor for the use of a water tower. An initial lease receivable was recorded in the amount of $119,592. As of December 31, 2024, the value of the lease receivable is $56,072. The lessee is required to make monthly fixed payments of $1,650. The lease has an interest rate of 0.258%. The value of the deferred inflow of resources as of December 31, 2024 was $55,141, and the City recognized lease revenue of $21,484 during the fiscal year. The lessee has 4 extension options, each for 60 months. The lessee had a termination period of 3 months as of the lease commencement.

On November 4, 2014, the City entered into a 34 month lease as the lessor for the use of a water tower. An initial lease receivable was recorded in the amount of $52,316. As of December 31, 2024, the value of the lease receivable is $0. The lessee is required to make monthly fixed payments of $1,549. The lease has an interest rate of 0.476%. The value of the deferred inflow of resources as of December 31, 2024 was $0, and the City recognized lease revenue of $15,495 during the fiscal year.

Future minimum lease payments are as follows:

		Principal	Interest	Total
Governmental Activities				
2025	$	21,661	119	21,780
2026		21,717	63	21,780
2027		12,694	11	12,705
	$	**56,072**	**193**	**56,265**

NOTE 4 – LAND HELD FOR SALE

During 2015, the City took possession of 942 lots of land that failed to sell at tax-foreclosure auctions. These lots include infrastructure improvements (streets, water and sewer lines, etc.) paid for by special assessments levied by the City. In 2018, the City took possession of an additional 159 lots. These lots were then placed in the City's Land Bank and will be listed for sale. Kansas statutes allow the re-amortization of the special assessments levied on each property over a twenty-year period starting when a lot is sold. Proceeds from the sale of the properties will be used to retire the outstanding special assessment bonds, as authorized by Kansas statutes. At December 31, 2024, the value of the land held for sale totaled $3,453,820.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Prior Period Adjustment	Ending Balance
Governmental Activities					
Capital Assets Not Being Depreciated					
Land	$ 14,007,622	-	-	-	**14,007,622**
Equipment Not in Use	331,188	395,054	-	-	**726,242**
Construction in Progress	822,281	126,127	900,213	-	**48,195**
Total Capital Assets Not Being Depreciated	15,161,091	521,181	900,213	-	**14,782,059**
Capital Assets Being Depreciated					
Buildings and Improvements	21,477,589	494,311	-	-	**21,971,900**
Infrastructure	107,080,184	731,746	-	-	**107,811,930**
Machinery and Equipment	20,557,666	657,781	-	-	**21,215,447**
Right To Use Equipment	223,270	289,361	-	(267,245)	**779,876**
SBITAs	243,767	-	-	-	**243,767**
Total Capital Assets Being Depreciated	149,582,476	2,173,199	-	(267,245)	**152,022,920**
Less Accumulated Depreciation for					
Buildings and Improvements	13,362,333	465,841	-	-	**13,828,174**
Infrastructure	66,162,968	2,805,105	-	-	**68,968,073**
Machinery and Equipment	16,652,833	840,135	-	-	**17,492,968**
Right To Use Equipment	13,653	168,941	-	(14,816)	**197,410**
SBITAs	101,557	92,089	-	-	**193,646**
Total Accumulated Depreciation	96,293,344	4,372,111	-	(14,816)	**100,680,271**
Total Capital Assets Being Depreciated, Net	53,289,132	(2,198,912)	-	(252,429)	**51,342,649**
Governmental Activities Capital Assets, Net	$ 68,450,223	(1,677,731)	900,213	(252,429)	**66,124,708**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets Not Being Depreciated				
Land	$ 452,563	-	-	**452,563**
Construction in Progress	19,383,226	14,519,871	-	**33,903,097**
Total Capital Assets Not Being Depreciated	19,835,789	14,519,871	-	**34,355,660**
Capital Assets Being Depreciated				
Buildings and Improvements	25,232,113	-	-	**25,232,113**
Machinery and Equipment	9,705,734	575,545	-	**10,281,279**
Infrastructure	109,738,517	-	-	**109,738,517**
Right To Use Equipment	44,593	-	-	**44,593**
SBITAs	63,373	-	-	**63,373**
Total Capital Assets Being Depreciated	144,784,330	575,545	-	**145,359,875**
Less Accumulated Depreciation for				
Buildings and Improvements	12,423,103	411,969	-	**12,835,072**
Machinery and Equipment	7,711,897	309,597	-	**8,021,494**
Infrastructure	44,490,842	1,922,754	-	**46,413,596**
Right To Use Equipment	11,970	9,869	-	**21,839**
SBITAs	26,224	26,224	-	**52,448**
Total Accumulated Depreciation	64,664,036	2,680,413	-	**67,344,449**
Total Capital Assets Being Depreciated, Net	80,120,294	(2,104,868)	-	**78,015,426**
Business-type Activities Capital Assets, Net	$ 99,956,083	12,415,003	-	**112,371,086**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities		**Business-type Activities**	
General government	$ 846,484	Water	$ 1,063,080
Public safety	494,979	Sewer	1,201,421
Public works	2,797,397	Stormwater	320,217
Parks and recreation	233,251	Nonmajor	95,695
Total	**$ 4,372,111**	**Total**	**$ 2,680,413**

NOTE 6 – DEFINED BENEFIT PENSION PLAN

Plan Description

City of Junction City, Kansas participates in a cost-sharing multiple-employer defined benefit pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS

provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public Employees, which includes
  - State/School employees
  - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the Local and Police and Firemen employees' groups.

KPERS issues a stand-alone annual comprehensive financial report, which is available on the KPERS website at www.kpers.org.

Benefits
Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 "points". Police and firemen's normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, member employees may withdraw their contributions from their individual accounts, including interest. Member employees who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Member employees choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump sum payment of up to 50% of the actuarial present value of the member employee's lifetime benefit. The monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members, and employers. A new KPERS 3 cash balance retirement plan for new hires starting after January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with 5 years of service or 60 with 30 years of service. Early retirement is available at age 55 with 10 years of service with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions
Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll for the fiscal year ended June 30, 2024.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory employer capped contribution rate for local government employees are both 9.26%. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory employer capped contribution rate for police and firemen employees are both 23.10%. The member contribution rates as a percentage of eligible compensation for the fiscal year ended June 30, 2024 was 6.00% for local government employees and 7.15% for police and firemen.

Contributions to the pension plan for the City were $448,813 for local government and $1,668,341 for police and firemen for the year ended December 31, 2024.

Employer Allocations
Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the ollowing groups of the plan:

- State/School
- Local
- Police and Fireman
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identity additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of December 31, 2024 were based on the ratio of each employer's contributions to the total employer and nonemployer contributions of the group for the fiscal year ended June 30, 2024.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments.

Net Pension Liability
Net pension liability activity for the year ended December 31, 2024 was as follows:

	Local Government	Police and Firemen
Net Pension Liability	$4,467,680	$15,800,672
Measurement Date	June 30, 2024	June 30, 2024
Valuation Date	December 31, 2023	December 31, 2023
City's Proportion	0.210%	.991%
Change in Proportion	0.000%	-0.078%

Pension Plan Fiduciary Net Position. Detailed information about the Pension Plan's fiduciary net position is available in the separately issued KPERS financial report.

Actuarial Assumptions

The actuarial valuation used the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Cost Method	Entry age normal
Price inflation	2.75%
Salary increase	3.50 to 15.50%, including inflation
Investment rate of return net of investment expense, including price inflation	7.00%

Mortality rates were based on the Pub-2010 Mortality Tables, with age setbacks and age set forwards based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study conducted for the four year period January 1, 2019 through December 31, 2022. The experience study is dated January 29, 2024.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class of the most recent experience study, dated January 29, 2024, as provided by KPERS' investment consultant, are summarized in the following table:

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
Non-U.S. Equities	43.00	8.20
Core Fixed Income	13.00	2.20
Yield Driven	12.00	5.30
Infrastructure	3.00	6.80
Real Estate	15.00	5.70
Alternatives	11.00	12.00
Short-term Investments	3.00	0.30
Total	**100.00**	**%**

Discount Rate

The discount rate used to measure the total pension liability for the year ended December 31, 2024 was 7.00%.

The projection of cash flows used to determine the discount rate was based on member and employer contributions. The local groups are contributing at the full actuarial contribution rate. Based on legislation first passed in 1993 and subsequent legislation, the employer contribution rates certified by the Board may not increase by more than the statutory cap. The statutory cap was 1.2%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Local Employees	$ 6,467,978	$ 4,467,680	$ 2,795,976
Police and Firemen	21,617,832	15,800,672	10,935,882

Pension Expense

For the year ended December 31, 2024, the City recognized pension expense of $3,090,243, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for local employees and police and firemen:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$	1,909,409	-
Net differences between projected and actual earnings on investments		102,678	-
Changes in assumptions		1,111,616	-
Changes in proportion		147,615	1,445,595
City contributions subsequent to measurement date		1,070,934	-
Total	$	**4,342,252**	**1,445,595**

The $1,070,934 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending		
2025	$	548,788
2026		1,433,758
2027		12,118
2028		(168,941)
Thereafter		-

NOTE 7 – OTHER POST EMPLOYMENT HEALTHCARE BENEFITS

Plan Description

The City offers postemployment health insurance to retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan administered by the City. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The medical insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. The benefit is available for selection at retirement and is extended to early retirees with at least ten years of service and their dependents until the individuals become eligible for Medicare at 65. The plan does not issue a stand-alone financial report.

Funding Policy

The City provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statutes, which may be amended by the state legislature, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125 percent of the premium cost for other similarly situated employees. The City requires participating retirees to contribute 100 percent of the composite premium cost of active employees to maintain coverage. The City appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. In 2024, the City did not contribute to the plan. As of the January 1, 2023 census, the following employees were covered by the benefit terms:

Active Employees	159
Retirees and Covered Spouses	8
Total	**167**

Total OPEB Liability

At December 31, 2024, the total OPEB liability was $282,551. The OPEB liability was measured as of December 31, 2024 and was determined by an actuarial valuation performed as of January 1, 2023 using the participant census as of January 1, 2023.

Actuarial Assumptions

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Valuation Date	January 1, 2023
Actuarial Cost Method	Individual Entry Age Normal as a level % of payroll
Inflation	2.50%
Salary Increases	3.50%
Discount Rate	4.28%
Healthcare Cost Trend Rates	Medical & Pharmacy: 7.25% decreasing .25% per year to an ultimate rate of 4.5%
Retiree's Share of Benefit Related Costs	100% of premium equivalent rates

The discount rate was based on an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

Changes in the total OPEB liability are as follows:

Total OPEB Liability – Beginning of Year	$	**294,583**
Service Cost		**8,340**
Interest Cost		**11,965**
Net Benefits Paid by Employer		**(7,600)**
Ad Hoc Postemployment Benefit Changes		**-**
Differences Between Expected and Actual Experience		**(29,088)**
Changes in Assumptions		**4,351**
Net Changes		**(12,032)**
Total OPEB Liability – End of Year	$	**282,551**

Sensitivity of the City's OPEB Liability to Changes in the Discount Rates
The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.28%) or one percentage point higher (5.28%) than the current discount rate:

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
Total OPEB Liability	$ 301,681	282,551	265,164

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Health Cost Trend Rates	1% Increase
Total OPEB Liability	$ 256,645	282,551	313,129

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB
For the year ended December 31, 2024, the City recognized OPEB income of $480. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$	-	88,130
Changes in assumptions		18,504	76,513
Total	$	**18,504**	**164,643**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending		
2025	$	(20,785)
2026		(20,785)
2027		(20,785)
2028		(20,785)

2029	$ (20,160)
Thereafter	(42,839)

NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (KPERS)

Plan Description

The City participates in a single-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-4925. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Benefits

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability and life insurance benefits to eligible disabled members. Benefits provided are self-funded, and the full cost of the benefits is covered by the OPEB Plan. The monthly benefit is 60% of the member's monthly rate of compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, worker's compensation benefits, other disability benefits from any other source by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while disability continues until the member's 65th birthday or retirement date, whichever first occurs. If the disability occurs at or after age 60, benefits are payable while disability continues, for a period of five years or until the date of the member's retirement, whichever first occurs. Upon the death of a member who is receiving monthly disability benefits, the plan will pay a lump sum benefit to eligible beneficiaries. The benefit amount will be 150% of the greater of (a) the member's annual rate of compensation at the time of disability, or (b) the member's previous 12 months of compensation at the time of the last date on payroll. If the member had been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed before the life insurance benefit is computed. The indexing is based on the consumer price index, less one percentage point. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, he or she may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary.

Employer contributions are established and may be amended by state statute. Members are not required to contribute. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2024 totaled $48,454.

Employees Covered by Benefit Terms

As of the valuation date of December 31, 2023, the following employees were covered by the benefit terms:

Active Employees	105
Disabled Employees	2
Total	**107**

Total OPEB Liability

The total KPERS OPEB liability of $82,650 reported as of December 31, 2024, was measured as of June 30, 2024, and was determined by an actuarial valuation performed as of December 31, 2023.

Actuarial Assumptions and Other Inputs
The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all period included in the measurement, unless otherwise noted:

Discount Rate	3.93%
Implicit Inflation Rate	2.75%
Mortality Rates	Local Males: General below median employees +0 Local Females: General below median employees +1 Generational mortality improvements were projected for future years using MP-2021 Post-disability mortality rates are included in long-term disability claim termination rates.
Salary Increases	3.50% to 10.00% based on years of service
Payroll Growth	3.00%
Actuarial Cost Method	Entry Age Normal

The discount rate was based on the bond buyer general obligation 20-bond municipal bond index as of the measurement date.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2019 through December 31, 2022.

There were no significant changes between the valuation date and the fiscal year end.

Changes in the Total OPEB Liability
The following table shows the changes of the City's total OPEB liability:

Total OPEB Liability – Beginning of Year	$	95,766
Service Cost		10,177
Interest Cost		3,562
Effect on Economic/Demographic Gains or Losses		(10,547)
Effect of Assumptions Changes or Inputs		517
Benefit Payments		(16,825)
Net Changes		(13,116)
Total OPEB Liability – End of Year	$	**82,650**

Sensitivity of the Total KPERS OPEB Liability to Changes in the Discount Rate
The following presented the total KPERS OPEB liability of the City, as well as what the City's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 86,078	82,650	79,219

Sensitivity of the Total KPERS OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following presents the total KPERS OPEB liability of the City, as well as what the City's total KPERS OPEB liability would be if it were calculated using trend rates that are one percentage point lower or one percentage point higher than the current trend rates:

	1% Decrease	Health Cost Trend Rates	1% Increase
Total OPEB Liability	$ 82,650	82,650	82,650

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB
For the year ended December 31, 2024, the City recognized OPEB expense of $6,862. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$	37,925	71,418
Changes in assumptions		5,003	16,734
Total	$	**42,928**	**88,152**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending		
2025	$	(6,877)
2026		(6,757)
2027		(6,118)
2028		(4,819)
2029		(3,797)
Thereafter		(16,856)

NOTE 9 - RISK MANAGEMENT

City of Junction City, Kansas is exposed to various risks of loss related to torts; damage to and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits.

The City has been unable to obtain commercial insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other public entities in the State of Kansas and Missouri to participate in the Midwest Public Risk Pool (MPR), a public entity risk pool currently operating as a common risk management and insurance program for 162 participating members. The agreement to participate provides that MPR will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $500,000 for each insured event. During 2024, the City contributed $664,126 to the fund for this insurance coverage. Additional premiums may be due if total claims for the pool are different than what has been anticipated by MPR management.

The City has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Eastern Region Insurance Trust (KERIT), a public entity risk pool currently operating as a common risk management and insurance program for 17 participating members. The agreement to participate provides that KERIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $1,000,000 for each insured event. During 2024, the City contributed $381,785 to the fund for this insurance coverage. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERIT management.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three calendar years.

Health Reimbursement Arrangement
The City entered into a Health Reimbursement Arrangement (HRA) during 2016 and continued this arrangement through 2024. The full-time employee benefit is an HRA as defined by Section 105 of the Internal Revenue Code. The HRA plan is funded solely by the employer. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription drug costs incurred by the employee, their spouse or their dependents. The maximum allowance per year through BCBS is $6,350 for employee only, $12,700 for employee and spouse, employee and children and employee and family. Of this amount the employee is responsible for $4,000 for employee only and $8,000 for employee and spouse, employee and children and employee and family on the $2,500 deductible plan. For employees who choose the $1,000 deductible plan, the maximum out-of-pocket expense is $2,500 for employee only and $5,000 for employee and spouse, employee and children and employee and family. The City is responsible for the difference. The amount the City paid in HRA reimbursements was $179,511 for the year ended December 31, 2024.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Litigation
There are a number of claims and/or lawsuits to which the City is a party as a result of the ordinary course of City activities. The City management and legal counsel anticipate that the potential claims against the City not covered by insurance; if any, resulting from such matters would not materially affect the financial position of the City.

Conduit Debt – Industrial Revenue Bonds
The City has issued industrial revenue bonds to finance the purchase of land and construction of facilities leased to local businesses. The lease agreements provide for rentals sufficient to service the related bonds. The debt service on these issues is paid solely from lease agreements; these issues do not constitute a debt of the City. The lessees have the option of purchasing the leased properties at any time during the lease periods for amounts sufficient to retire the related outstanding bonds. At the end of the lease periods, which conform to bond maturity schedules, the lessees may either purchase the property for a nominal amount or renew the leases annually at nominal amounts. As of December 31, 2024, industrial revenue bonds of $44,951,952 are outstanding.

The City has issued several series of industrial revenue bonds (IRB's) for economic development projects within the City for which Spirit of '76, Inc, a Kansas not-for-profit 501(c)(41) corporation, is the tenant under separate financing leases that provide for basic rental payments in amounts sufficient to pay debt service on the IRB's. For each of the projects, Spirit of '76 has entered into a sublease agreement with an entity that occupies and operates the project. The entities occupying and operating the projects are Capgemini, Inc. and the Junction City Opera House. The City has guaranteed IRB’s in the form of grant payments with outstanding balances as of December 31, 2024, of $1,119,471 and is recorded as Spirit loans payable in the government-wide statements of the City, as Spirit of ’76 is blended with the City financial statements.

In relation to these IRB's, the City and Spirit of '76 have entered into economic development grant agreements whereby the City agrees to provide Spirit with an economic development grant in an amount necessary for Spirit of '76 to make the basic rental payments required by the leases. Pursuant to its home rule powers, the City has adopted an ordinance authorizing the issuance of general obligation bonds in amounts necessary to fulfill the City's obligations under each of the grant agreements, thus making the City's obligations to Spirit of '76 pursuant to the grant agreements binding obligations not subject to appropriation. The City does not intend to issue such general

obligation bonds, but to make the payments on the dates necessary for Spirit of '76 to make the basic rent payments.

		Governmental Activities	
		Principal	**Interest**
2025	$	349,576	58,769
2026		371,581	36,764
2027		398,314	13,375
Total Industrial Revenue Bonds	$	**1,119,471**	**108,908**

NOTE 11 – ENCUMBRANCES

Encumbrances included in fund balances as of December 31, 2024 are reported in the accompanying table:

Fund		**Encumbrances**
Major Funds		
General Fund	$	2,337,266
Capital Improvement Fund		75,276
ARPA Fund		1,312,428
Water Fund		1,834,167
Sewer Fund		1,307,618
Stormwater Fund		167,048
Nonmajor Proprietary Funds		477,209
Total Reporting Entity	$	**7,511,012**

NOTE 12 – LONG-TERM DEBT

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds payable at December 31, 2024 are comprised of the following issues:

	Interest Rates	Original Issue	Final Maturity Date	Outstanding December 31, 2024
Governmental Activities				
Series 2008-DS	4.125%	$ 382,000	9/15/2028	$ 103,007
Series 2015A	2.25% to 3.00%	3,815,000	9/1/2025	430,000
Series 2016A	2.125% to 5.00%	35,407,218	9/1/2029	16,475,346
Series 2016B	2.00% to 3.00%	7,460,000	9/1/2028	3,155,000
Series 2020A	3.00%	8,937,306	9/1/2031	5,861,619
Series 2020B	1.20% to 2.10%	3,401,691	9/1/2031	2,289,807
Series 2021A	1.5% to 2.00%	4,530,000	9/1/2034	2,505,000
Series 2021-1 Temporary Notes	0.71%	2,500,000	3/1/2025	635,000
Total Governmental Activities				**31,454,779**
Business-Type Activities				
Series 2016A	2.125% to 5.00%	3,552,784	9/1/2029	1,519,664
Series 2020A	3.00%	34,339	9/1/2031	14,930
Series 2020B	1.20% to 2.10%	905,000	9/1/2036	885,000
Total Business-Type Activities				**2,419,594**
Total General Obligation Bonds Payable				$ **33,874,373**

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

Year Ending December 31,	Governmental Activities	Business-Type Activities	Total
2025	$ 7,710,893	461,267	8,172,160
2026	6,676,000	461,130	7,137,130
2027	6,540,687	465,860	7,006,547
2028	4,923,849	165,474	5,089,323
2029	3,767,053	180,462	3,947,515
2030-2034	4,546,415	194,445	4,740,860
2035-2036	-	773,029	773,029
Total Principal and Interest	34,164,897	2,701,667	36,866,564
Less Total Interest	2,710,118	282,073	2,992,191
Total Principal	$ **31,454,779**	**2,419,594**	**33,874,373**

Special Assessment Bonds
The City's special assessment debt was issued to provide funds for the construction of infrastructure in new commercial and residential developments. These bonds will be repaid from amounts levied against the property owners benefitted by this construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time the debt service payment is due, the government must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received.

Special assessment bonds at December 31, 2024 are comprised of the following issues:

	Interest Rates	Original Issue	Final Maturity Date	Outstanding December 31, 2024
Governmental Activities				
Series 2020A	3.00%	$ 10,318,355	9/1/2031	$ 6,818,452
Series 2020B	1.20% to 2.10%	728,309	9/1/2031	480,193
				$ **7,298,645**

Annual debt service requirements to maturity for special assessment bonds are as follows:

	Governmental Activities	
	Principal	Interest
2025	$ 1,013,421	212,714
2026	1,040,489	182,972
2027	1,072,151	152,418
2028	1,102,869	120,933
2029	1,133,588	88,535
2030-2031	1,936,127	77,763
Total Special Assessments	$ **7,298,645**	**835,335**

Lease Purchase Agreements – Direct Borrowing
The City has entered into lease agreements as lessee for financing the acquisition of equipment. These lease agreements qualify as lease purchases and therefore have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through purchase agreements are as follows:

Equipment	$ 6,511,407
Less Accumulated Depreciation	(1,538,238)
Net Book Value	**$ 4,973,169**

The following is a schedule of future minimum lease payments for lease purchase agreements as of December 31, 2024:

Year Ending December 31,		Governmental Activities		Business-Type Activities	
		Principal	Interest	Principal	Interest
2025	$	287,706	15,529	410,416	3,974
2026		248,175	8,962	-	-
2027		126,554	4,561	-	-
Total	$	**662,435**	**29,052**	**410,416**	**3,974**

Revolving Loans Payable – Direct Borrowing
The City has engaged in loans with the Kansas Public Water Supply Revolving Fund, the Kansas Water Pollution Control Revolving Fund, and the Kansas Department of Transportation. The following displays annual debt service requirements to maturity for the loans outstanding at December 31, 2024:

Year Ending December 31,		Governmental Activities		Business-Type Activities	
		Principal	Interest	Principal	Interest
2025	$	950,499	134,202	5,132,798	508,406
2026		988,206	96,496	5,235,857	470,745
2027		1,011,520	57,288	4,950,435	471,246
2028		344,804	17,122	5,052,035	475,873
2029		68,218	2,532	5,155,769	1,507,016
2030-2034		-	-	27,334,746	6,121,994
2035-2039		-	-	27,956,587	3,620,783
2040-2044		-	-	26,029,918	1,270,729
Total	$	**3,363,247**	**307,640**	**106,848,145**	**14,446,792**

* $67,011,233 in the business-type activities has not been drawn down, but is included in this schedule.

Right to Use Leased Equipment Liabilities
On August 10, 2022, the City entered into a 63 month lease as lessee for the use of a folder inserter. An initial lease liability was recorded in the amount of $21,704. As of December 31, 2024, the value of the lease liability is $13,263. The City is required to make monthly fixed payments of $598. The lease has an interest rate of 11.53%. The value of the right to use asset as of December 31, 2024 of $21,704 with accumulated amortization of $9,919 is included with Right to Use Equipment in Note 5 – Capital Assets.

On December 1, 2022, the City entered into a 48 month lease as lessee for the use of Bobcat E-50 R2 Series. An initial lease liability was recorded in the amount of $34,162. As of December 31, 2024, the value of the lease liability is $17,120. The City is required to make annual fixed payments of $9,000. The lease has an interest rate of 3.409%. The value of the right to use asset as of December 31, 2024 of $34,162 with accumulated amortization of $17,793 is included with Right to Use Equipment in Note 5 – Capital Assets.

On October 1, 2023, the City entered into a 60 month lease as lessee for the use of golf carts. An initial lease liability was recorded in the amount of $211,997. As of December 31, 2024, the value of the lease liability is $168,549. The City is required to make annual fixed payments of $51,196. The lease has an interest rate of 6.96%. The value of the right to use asset as of December 31, 2024 of $211,997 with accumulated amortization of $53,000 is included with Right to Use Equipment in Note 5 – Capital Assets.

On October 10, 2023, the City entered into a 48 month lease as lessee for the use of body cameras. An initial lease liability was recorded in the amount of $267,245. As of December 31, 2024, the value of the lease liability is $158,785. The City is required to make annual fixed payments of $59,315. The lease has an interest rate of 5.92%. The value of the right to use asset as of December 31, 2024 of $267,245 with accumulated amortization of $80,667 is included with Right to Use Equipment in Note 5 – Capital Assets.

On December 26, 2023, the City entered into a 60 month lease as lessee for the use of street cameras. An initial lease liability was recorded in the amount of $289,360. As of December 31, 2024, the value of the lease liability is $228,639. The City is required to make annual fixed payments of $62,500. The lease has an interest rate of 5.92%. The value of the right to use asset as of December 31, 2024 of $289,360 with accumulated amortization of $57,872 is included with Right to Use Equipment in Note 5 – Capital Assets.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	$ 146,036	29,945	9,697	1,713
2026	155,128	20,853	10,382	1,027
2027	161,823	11,189	4,654	265
2028	98,636	2,262	-	-
Total	**$ 561,623**	**64,249**	**24,733**	**3,005**

Subscription Obligations – Direct Borrowing

The City has various subscription based information technology arrangements (SBITAs), the terms of which expire in various years through 2024. Subscription obligations are measured at the present value of subscription payments expected to be made during the subscription term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance. SBITA activity for the year ended December 31, 2024 was as follows:

On January 31, 2022, the City entered into a 29 month subscription for the use of Tyler Software. An initial subscription liability was recorded in the amount of $218,394. As of December 31, 2024, the value of the subscription liability is $0. The City is required to make annual fixed payments of $112,043. The subscription has an interest rate of 2.8470%. The value of the right to use asset as of December 31, 2024 of $218,394 with accumulated amortization of $180,740 is included with SBITAs in Note 5 – Capital Assets.

On January 1, 2023, the City entered into a 35 month subscription for the use of Blumira Software. An initial subscription liability was recorded in the amount of $74,436. As of December 31, 2024, the value of the subscription liability is $0. The City is required to make annual fixed payments of $38,786. The subscription has an interest rate of 2.7960%. The value of the right to use asset as of December 31, 2024 of $74,436 with accumulated amortization of $51,042 is included with SBITAs in Note 5 – Capital Assets.

On February 7, 2023, the City entered into a 13 month subscription for the use of M365 E3 - Promo. An initial subscription liability was recorded in the amount of $14,312. As of December 31, 2024, the value of the subscription liability is $0. The City is required to make annual fixed payments of $7,262. The subscription has an interest rate of 3.0043%. The value of the right to use asset as of December 31, 2024 of $14,312 with accumulated amortization of $14,312 is included with SBITAs in Note 5 – Capital Assets.

Changes in long-term debt outstanding are as follows:

	Beginning Balance	Restatement	Beginning Balance Restated	Additions	Reductions	Ending Balance	Amounts Due Due Within One Year
Governmental Activities							
General Obligation Bonds	$ 37,291,935	-	37,291,935	-	6,472,156	30,819,779	6,241,352
Temporary Notes	1,265,000	-	1,265,000	-	630,000	635,000	630,000
Plus: Unamortized Bond Premium	3,878,506	-	3,878,506	-	597,729	3,280,777	-
Special Assessment Debt with City Commitment	8,280,405	-	8,280,405	-	981,760	7,298,645	1,013,421
KDOT Loans Payable - Direct Borrowing	4,277,483	-	4,277,483	-	914,236	3,363,247	950,499
Spirit Loans Payable	1,447,606	-	1,447,606	-	328,135	1,119,471	349,576
Lease Purchases - Direct Borrowing	990,342	-	990,342	-	327,907	662,435	287,706
Right-to-Use Equipment Liability	214,901	207,977	422,878	289,360	150,615	561,623	146,036
SBITAs Liability	122,109	-	122,109	-	122,109	-	-
Compensated Absences (net change)	867,902	779,809	1,647,711	162,540	-	1,810,251	1,016,587
Net Pension Liability	20,158,604	-	20,158,604	-	1,160,510	18,998,094	-
Total OPEB Liability	294,583	-	294,583	-	12,032	282,551	-
Total OPEB Liability - KPERS	95,766	-	95,766	-	13,116	82,650	-
Total Long-Term Debt	$ **79,185,142**	**987,786**	**80,172,928**	**451,900**	**11,710,305**	**68,914,523**	**10,635,177**
Business-Type Activities							
General Obligation Bonds	$ 2,805,329	-	2,805,329	-	385,735	2,419,594	404,398
Plus: Unamortized Bond Premium	201,163	-	201,163	-	34,454	166,709	-
KDHE Loans Payable - Direct Borrowing	28,247,999	-	28,247,999	13,501,277	1,912,364	39,836,912	5,132,798
Lease Purchases - Direct Borrowing	815,462	-	815,462	-	405,046	410,416	410,416
Right-to-Use Equipment Liability	33,805	-	33,805	-	9,072	24,733	9,697
SBITAs Liability	31,612	-	31,612	-	31,612	-	-
Compensated Absences (net change)	46,231	-	46,231	1,440	-	47,671	39,373
Net Pension Liability	1,321,012	-	1,321,012	-	50,754	1,270,258	-
Total Long-Term Debt	$ **33,502,613**	**-**	**33,502,613**	**13,502,717**	**2,829,037**	**44,176,293**	**5,996,682**

For the governmental activities, compensated absences are generally liquidated by the general fund.

NOTE 13 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas statutes. The City's operating transfers and statutory authority for the year ended December 31, 2024 were as follows:

From Fund	To Fund	Amount	Regulatory Authority
General	Capital Improvement	$ 150,000	K.S.A. 12-1,118
Sewer	General	735,000	K.S.A. 12-825d
Water	General	485,000	K.S.A. 12-825d
Sanitation	General	850,000	K.S.A. 12-825d

In the governmental fund financial statements, net transfers in of $2,070,000 tie to the total transfers out of $2,070,000 from the proprietary funds.

NOTE 14 – TAX ABATEMENTS

Neighborhood Revitalization Areas. The City has an established neighborhood revitalization plan as of December 31, 2024. NRAs are established under K.S.A. 12-17,114 and are subject to City policy. NRAs are provided to assist with spurring investment and revitalization of properties which can benefit a neighborhood and the general public. The program works by rebating a portion of the incremental increase in property taxes resulting from improvements back to the property owner. To qualify for an NRA rebate, property owners must submit an application to be reviewed by City staff and approved by the City Commission. Applicants must also provide verification that they are current on all real or personal property taxes.

The percentage of the increase in property taxes rebated back to the property owners depends on the type and location of the property. Commercial and industrial properties receive a 95% rebate for a maximum of 10 years. Multi-family residential properties receive a 95% rebate for a maximum of five years. Single-family residential properties receive a 95% rebate for the first two years, 75% rebate in year three, 50% rebate in year four and 25% rebate in the fifth and final year.

During the year ended December 31, 2024, the City paid $84,316 to various property owners under the Neighborhood Revitalization Program.

No other governments have entered into tax abatement agreements that reduce the City's tax revenues.

NOTE 15 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

City of Junction City, Kansas did not meet the 30-day publishing requirement for the financial statement for the quarter ended December 2024, which is a violation of K.S.A. 12-1608.

NOTE 16 – PRIOR PERIOD ADJUSTMENT

For 2024, the City identified multiple prior period adjustments: (1) management reviewed the right-of-use leased equipment and determined a lease was unrecorded for 2023; (2) the City implemented GASB 101 and retrospectively applied to December 31, 2023 balances; and (3) prepaid insurance was identified as a material asset and was retrospectively recorded for 2023. These changes were incorporated in the City's 2024 financial statements and had an effect on the following beginning net position.

		As Previously Stated	Prior Period Adjustment	Restated
Government-Wide Financial Statements				
Governmental Activities	$	24,619,117	(608,664)	24,010,453
Business-Type Activities		85,277,445	121,192	85,398,637
Individual Fund Financial Statements				
Major Funds				
General Fund	$	5,644,813	126,694	5,771,507
Proprietary Funds				
Water Fund		34,369,562	48,883	34,418,445
Sewer Fund		36,069,327	72,309	36,141,636

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 3, 2026, which is the date the financial statements were available to be issued.

In February 2025, the City was awarded a supplemental amount from the Kansas Public Water Supply Loan Fund in the amount of $2,700,000, which brings the total loan to $17,700,000.

In February 2025, the City approved the sale of a building in the amount of $3,250,000.

CITY OF JUNCTION CITY, KANSAS

Required Supplementary Information

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

General Fund

For the Year Ended December 31, 2024

	Actual	Budgeted Amounts		Variance Over (Under)
		Original	Final	
Revenues				
Taxes	$ **18,412,275**	16,757,340	16,757,340	1,654,935
Charges for Services	**2,672,766**	4,166,213	4,166,213	(1,493,447)
Special Assessments	**9,349**	-	-	9,349
Intergovernmental	**2,581,096**	767,693	767,693	1,813,403
Licenses and Permits	**444,932**	245,000	245,000	199,932
Fines and Fees	**738,818**	625,000	625,000	113,818
Use of Money and Property	**1,095,533**	75,000	75,000	1,020,533
Prior Year Cancelled Encumbrances	**407,625**	-	-	407,625
Lease Proceeds	**200,379**	-	-	200,379
Miscellaneous	**675,584**	-	-	675,584
Total Revenues	**27,238,357**	22,636,246	22,636,246	4,602,111
Expenditures				
Administration	**1,528,204**	1,193,448	1,193,448	334,756
Building Maintenance	**180,666**	245,056	245,056	(64,390)
Information Technology	**518,502**	386,202	386,202	132,300
Airport	**208,166**	260,710	260,710	(52,544)
Court	**500,730**	506,296	506,296	(5,566)
Legal	**307,576**	323,547	323,547	(15,971)
Ambulance	**4,088,852**	4,701,090	4,701,090	(612,238)
Animal Shelter	**468,578**	475,560	475,560	(6,982)
Building and Codes	**524,969**	742,496	742,496	(217,527)
Planning and Zoning	**850**	50,000	50,000	(49,150)
Police	**7,124,154**	7,615,023	7,615,023	(490,869)
Fire	**3,218,542**	3,660,530	3,660,530	(441,988)
Parks	**1,237,868**	1,192,645	1,192,645	45,223
Recreation and Golf Course	**1,290,054**	1,249,930	1,249,930	40,124
Spin City	**53,048**	7,368	7,368	45,680
Streets	**5,842,306**	3,862,652	3,862,652	1,979,654
Opera House	**205,338**	172,000	172,000	33,338
Swimming Pool	**154,411**	242,521	242,521	(88,110)
Budgeted Reserve	**-**	500,000	500,000	(500,000)
Debt Service				
Principal	**481,490**	657,458	657,458	(175,968)
Interest and Other Charges	**32,645**	-	-	32,645
Total Expenditures	**27,966,949**	28,044,532	28,044,532	(77,583)
Excess (Deficit) of Revenues Over (Under) Expenditures	$ **(728,592)**	(5,408,286)	(5,408,286)	4,679,694

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

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

General Fund (Continued)

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Other Financing Sources (Uses)				
Transfer In	$ **2,070,000**	2,070,000	2,070,000	-
Transfer Out	**(150,000)**	(150,000)	(150,000)	-
Net Other Financing Sources (Uses)	**1,920,000**	1,920,000	1,920,000	-
Excess Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	**1,191,408**	(3,488,286)	(3,488,286)	4,679,694
Budgetary Basis Fund Balance - Beginning of Year	**813,993**			
Budgetary Basis Fund Balance - End of Year	**2,005,401**			
GAAP Adjustments				
Encumbrances	**2,337,266**			
Accounts Receivable	**900,258**			
Taxes Receivable	**2,787,286**			
Leases, Net	**931**			
Prepaid Exepenses	**169,717**			
Accrued Interest Receivable	**167,124**			
Fund Balance - End of Year	$ **8,367,983**			

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

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Capital Improvement Fund

For the Year Ended December 31, 2024

	Actual	Budgeted Amounts		Variance Over (Under)
		Original	Final	
Revenues				
Delinquent Taxes	$ **49**	-	-	49
Prior Year Cancelled Encumbrances	**104,605**	-	-	104,605
Use of Money and Property	**19,386**	-	-	19,386
Total Revenues	**124,040**	-	-	124,040
Expenditures				
Capital Outlay	**214,397**	780,000	780,000	565,603
Excess (Deficit) of Revenues Over (Under) Expenditures	**(90,357)**	(780,000)	(780,000)	(441,563)
Other Financing Sources				
Transfers In	**150,000**	150,000	150,000	-
Excess Revenues and Other Financing Sources Over (Under) Expenditures	**59,643**	(630,000)	(630,000)	(441,563)
Budgetary Basis Fund Balance - Beginning of Year	**169,783**			
Budgetary Basis Fund Balance - End of Year	**229,426**			
GAAP Adjustments				
Encumbrances	**58,500**			
Accrued Interest Receivable	**6,938**			
Fund Balance - End of Year - Capital Improvement Fund Only	**294,864**			
Fund Balances for Budgeted Funds Included with the Capital Improvement Fund on GAAP Basis Financials				
Temporary Notes Fund	**56,781**			
Fund Balance - End of Year	$ **351,645**			

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

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Land Bank Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Intergovernmental	$ **236,500**	100,000	100,000	136,500
Expenditures				
Commodities	**9,730**	400,000	400,000	(390,270)
Contractual	**217,621**	310,804	310,804	(93,183)
Total Expenditures	**227,351**	710,804	710,804	(483,453)
Excess Revenues Over (Under) Expenditures	**9,149**	(610,804)	(610,804)	619,953
Fund Balance - Beginning of Year	**718,351**			
Fund Balance - End of Year	**$ 727,500**			

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

CITY OF JUNCTION CITY, KANSAS
Required Supplementary Information
December 31, 2024

KPERS PENSION PLAN

Schedule of the City's Proportionate Share of the Collective Net Pension Liability
Last Ten Fiscal Years

Fiscal Year-End Measurement Date	December 31, 2024 June 30, 2024	December 31, 2023 June 30, 2023	December 31, 2022 June 30, 2022	December 31, 2021 June 30, 2021	December 31, 2020 June 30, 2020	December 31, 2019 June 30, 2019	December 31, 2018 June 30, 2018	December 31, 2017 June 30, 2017	December 31, 2016 June 30, 2016	December 31, 2015 June 30, 2015
KPERS										
City's proportion of the net pension liability	0.210%	0.210%	0.212%	0.207%	0.206%	0.200%	0.211%	0.205%	0.210%	0.217%
City's proportionate share of the net pension liability	$ 4,467,680	$ 4,397,062	$ 4,210,917	$ 2,489,670	$ 3,575,263	$ 2,795,639	$ 2,934,890	$ 2,968,813	$ 3,249,381	$ 2,853,521
City's covered-employee payroll	$ 4,605,466	$ 4,674,566	$ 3,861,885	$ 4,011,516	$ 3,885,874	$ 3,672,092	$ 3,673,329	$ 3,590,968	$ 3,654,639	$ 3,570,008
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	97.01%	94.06%	109.04%	62.06%	92.01%	76.13%	79.90%	82.67%	88.91%	79.93%
KP&F										
City's proportion of the net pension liability	0.991%	1.069%	1.157%	1.132%	1.163%	1.158%	1.218%	1.158%	1.207%	1.233%
City's proportionate share of the net pension liability	$ 15,800,672	$ 17,082,554	$ 16,685,960	$ 10,797,391	$ 14,338,472	$ 11,724,303	$ 11,717,817	$ 10,861,684	$ 11,209,981	$ 8,951,992
City's covered-employee payroll	$ 6,974,687	$ 7,396,011	$ 6,318,276	$ 6,339,858	$ 6,384,551	$ 6,228,404	$ 5,955,667	$ 5,788,214	$ 5,686,971	$ 5,367,327
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	226.54%	230.97%	264.09%	170.31%	224.58%	188.24%	196.75%	187.65%	197.12%	166.79%
Plan fiduciary net position as a percentage of the total pension liability	72.75%	70.70%	69.75%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%

CITY OF JUNCTION CITY, KANSAS
Required Supplementary Information
December 31, 2024

KPERS PENSION PLAN

Schedule of the City's Contributions
Last Nine Fiscal Years

		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
KPERS											
Contractually required contribution	$	**429,881**	394,142	378,246	349,580	340,751	319,579	308,192	309,735	329,651	346,460
Contributions in relation to the contractually required contribution		**429,881**	394,142	378,246	349,580	340,751	319,579	308,192	309,735	329,651	346,460
Contribution deficiency (excess)	$	**-**	-	-	-	-	-	-	-	-	-
City's covered payroll	$	**4,846,063**	4,747,908	4,260,749	4,056,019	4,049,332	3,834,349	3,673,329	3,661,174	3,590,968	3,654,639
Contributions as a percentage of covered payroll		**8.87%**	8.30%	8.88%	8.62%	8.41%	8.33%	8.39%	8.46%	9.18%	9.48%
KP&F											
Contractually required contribution	$	**1,632,803**	1,633,605	1,573,158	1,417,586	1,407,286	1,309,322	1,252,715	1,133,364	1,181,953	1,214,737
Contributions in relation to the contractually required contribution		**1,632,803**	1,633,605	1,573,158	1,417,586	1,407,286	1,309,322	1,252,715	1,133,364	1,181,953	1,214,737
Contribution deficiency (excess)	$	**-**	-	-	-	-	-	-	-	-	-
City's covered payroll	$	**7,221,692**	7,115,895	6,890,360	6,387,209	6,650,840	6,369,466	6,235,516	5,955,667	5,788,214	5,686,971
Contributions as a percentage of covered payroll		**22.61%**	22.96%	22.83%	22.19%	21.16%	20.56%	20.09%	19.03%	20.42%	21.36%

Changes in assumptions.

As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation.

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.

Changes from the November 2016 experience study that impacted individual groups are listed below:

KPERS

- The post-retirement health mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERS groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERS 3 members was lowered from 6.50% to 6.25%.

KP&F

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table with 1-year age set forward and the MP-2016, is used to anticipate future mortality improvements.
- The mortality assumption for disabled members was changed to the RP-2014 Disabled Lives Table (generational using MP-2016) with a 1-year age set forward.
- The active member mortality assumption was modified to the RP-2014 Employee Mortality Table with a 1- year age set forward with a 90% scaling factor.
- The retirement rates for Tier 1 were lowered and the ultimate assumed retirement age was changed from 63 to 65 for Tier 2.
- The termination of employment rates for Tier 2 were increased to better match the observed experience.

As a result of the experience study completed in January 2020, there were several changes made to the actuarial assumptions and methods since the prior valuation.

- The investment return assumption was lowered from 7.75% to 7.00%.
- The general wage growth assumption was lowered from 3.50% to 3.25%.
- The payroll growth assumption was lowered from 3.00% to 2.75%.

Changes from the January 2020 experience study that impacted individual groups are listed below:

KPERS

- Retirement rates were adjusted to partially reflect observed experience.
- Termination rates were increased for most KPERS groups.
- Disability rates were reduced.
- Factors for the State group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.

- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

KP&F

- Retirement rates were adjusted to partially reflect observed experience.
- Factors for the KP&F group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%

As a result of the experience study completed in January 2024, there were several changes made to the actuarial assumptions and methods since the prior valuation.

- The general wage growth assumption was increased from 12.00% to 15.50%.
- The active member mortality assumption was modified to also be based on the Pub 2010 Mortality Table with adjustments.

Changes from the January 2024 experience study that impacted the individual groups are listed below:

KPERS

- Retirement rates for the C60 group were adjusted to partially reflect observed experience.
- The probability of KPERS 1 members leaving their contributions with the System were modified to better reflect observed experience.
- Disability rates were reduced.
- Factors that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense component of the actuarial required contribution rate was increased from 0.18% to 0.23%.
- The merit salary increase assumption was increased.

KP&F

- Retirement rates were adjusted to partially reflect observed experience.
- Disability rates were reduced.
- Termination rates were increased.
- The administrative expense component of the actuarial required contribution rate was increased from 0.18% to 0.23%.
- The merit salary increase assumption was increased.

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Schedule of Changes in the City's Total Other Postemployment Benefits and Related Ratios
Last Eight Fiscal Years*

Total OPEB Liability		**2024**	2023	2022	2021	2020	2019	2018	2017
Service Cost	$	**8,340**	7,559	12,165	12,526	10,324	9,263	5,684	4,986
Interest Cost		**11,965**	13,474	8,998	8,369	12,260	12,342	11,265	11,897
Differences Between Expected and Actual Experience		**(29,088)**	(27,470)	(42,739)	(5,714)	-	(16,579)	-	-
Changes in Assumptions		**4,351**	(41,573)	(19,368)	(49,978)	27,566	(1,232)	-	8,425
Employer Contributions (Benefit Payments)		**(7,600)**	(2,083)	(4,194)	6,039	5,374	8,012	(35,494)	45,896
Net Changes in Total OPEB Liability		**(12,032)**	(50,093)	(45,138)	(28,758)	55,524	11,806	(18,545)	71,204
Total OPEB Liability - Beginning of Year		**294,583**	344,676	389,814	418,572	363,048	351,242	369,787	298,583
Total OPEB Liability - End of Year	$	**282,551**	294,583	344,676	389,814	418,572	363,048	351,242	369,787
Covered Payroll	$	**11,027,465**	10,294,257	9,796,068	9,106,181	11,232,627	7,649,954	6,640,607	6,416,045
Total OPEB Liability as a Percentage of Covered Payroll		**2.56%**	2.86%	3.52%	4.28%	3.73%	4.75%	5.29%	5.76%

Notes to Schedule

Changes of assumptions and other inputs
Changes in assumptions and other inputs reflect a change in the discount rate from 3.70% in 2017, 3.20% in 2018, 3.64% in 2019, 3.26% in 2020, 2.25% in 2021, 4.31% in 2022, 4.00% in 2023, and 4.28% in 2024.

*GASB 75 requires presentation of ten years. Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS - DEATH AND DISABILITY

Schedule of Changes in the City's Death and Disability Total OPEB Liability and Related Ratios
Last Seven Fiscal Years*

Total OPEB Liability		**2024**	2023	2022	2021	2020	2019	2018
Service Cost	$	**10,177**	9,529	15,515	15,009	11,975	12,671	12,554
Interest Cost		**3,562**	3,784	4,146	2,751	4,144	4,803	4,591
Effect of Economic/Demographic Gains or Losses		**(10,547)**	(6,062)	(63,047)	62,961	(7,610)	(15,333)	(11,359)
Effect of Assumptions Changes or Inputs		**517**	(376)	(22,029)	273	7,643	1,542	(1,332)
Employer Contributions (Benefit Payments)		**(16,825)**	(16,825)	(10,472)	(17,566)	(8,712)	(8,712)	(8,712)
Net Changes in Total OPEB Liability		**(13,116)**	(9,950)	(75,887)	63,428	7,440	(5,029)	(4,258)
Total OPEB Liability - Beginning of Year		**95,766**	105,716	181,603	118,175	110,735	115,764	120,022
Total OPEB Liability - End of Year	$	**82,650**	95,766	105,716	181,603	118,175	110,735	115,764
Covered Payroll	$	**4,666,287**	4,176,376	3,847,495	3,830,010	3,741,420	3,299,627	3,577,688
Total OPEB Liability as a Percentage of Covered Payroll		**1.77%**	2.29%	2.75%	4.74%	3.16%	3.36%	3.24%

Notes to Schedule

Changes of assumptions and other inputs
Changes in assumptions and other inputs reflect a change in the discount rate from 3.87% in 2018, 3.50% in 2019, 2.21% in 2020, 2.16% in 2021, 3.54% in 2022, 3.65% in 2023, and 3.93% in 2024.

*GASB 75 requires presentation of ten years. Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The special revenue funds used by the City of Junction City, Kansas are:

Economic Development Fund – To account for the joint City/County department that promotes retail and industrial development within or near Junction City and Geary County.

Employee Benefits Fund - To account for all payroll-related benefit expenses including the City's costs of workers' compensation, social security, retirement, unemployment and health insurance.

Library Fund - To account for the levying of ad valorem property tax on behalf of the Dorothy Bramlage Library Board.

Special Highway Fund - To account for monies levied by the State of Kansas which produces revenues the City can use to defray, in whole or in part, the cost of constructing, altering, reconstructing, maintaining and repairing streets and highways.

Fire Equipment Fund - To account for revenues and expenses for the purchase of rolling stock equipment for the fire department.

Special Parks and Recreation Fund - to account for the state shared tax and park land development fees for parks and recreation.

Drug and Alcohol Fund - To account for the monies provided by as state liquor tax on private clubs which are to be expended for the purchase, establishment, maintenance or expansion of services or programs for alcoholism prevention and education. The City used this fund to support the D.A.R.E. program in the public school system.

Sundown Salute Fund - To account for the collection of donations used for the City's annual 4th of July community celebration.

CDBG Revolving Loans Fund – To account for CDBG grant proceeds received.

Grants Fund – To account for grant proceeds received from various funding sources.

Rural Housing District Fund – To account for the taxes received to pay the debt on the Bluffs Park.

Law Enforcement Trust Fund – To account for funds collected through drug forfeitures. The funds can only be used for additional technical equipment or expertise, matching funds for federal grants or to defray the costs of protracted or complex investigation for local police.

Law Enforcement Training Fund – To account for funds collected through tickets issued by the police department. The funds can only be used for training of law enforcement personnel.

Federal Equitable Sharing Fund – To account for forfeiture of assets received by the City in connection with criminal prosecutions under federal law.

Treasury Forfeiture Fund – To account for forfeiture of assets received by the City in connection with other criminal prosecutions.

Special Projects Fund – To account for special projects including donation contributions and related expenses.

PSAP 911 Fund – To account for 911 fees including costs associated with 911 services.

Federal Funds Exchange Fund – To account for monies received from the Federal Funds Exchange.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (continued)

Freedom Fest Fund – to account for monies set aside for Freedom Fest.

Opioid Settlement Funds Fund – to account for monies received from the opioid settlement.

CITY OF JUNCTION CITY, KANSAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Economic Development	Employee Benefits	Library	Special Highway	Fire Equipment	Special Parks and Recreation	Drug and Alcohol
ASSETS							
Assets							
Cash and Investments	$ 94,794	1,018,313	7,684	828,523	2,164,859	205,523	215,240
Receivables							
Property Tax	218,858	-	887,303	-	435,885	-	-
Accounts	-	20,546	-	-	-	-	-
Accrued Interest	3,249	-	-	4,663	49,455	-	5,187
Total Assets	$ **316,901**	**1,038,859**	**894,987**	**833,186**	**2,650,199**	**205,523**	**220,427**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts Payable	$ 20,639	98,561	-	7,614	-	-	-
Accrued Liabilities	-	-	-	-	-	-	334
Unearned Revenue - Grant Proceeds	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-
Total Liabilities	20,639	98,561	-	7,614	-	-	334
Deferred Inflows of Resources							
Unavailable Revenue - Property Taxes	218,858	-	887,303	-	435,885	-	-
Total Liabilities and Deferred Inflows of Resources	239,497	98,561	887,303	7,614	435,885	-	334
Fund Balance							
Restricted	77,404	-	7,684	825,572	2,214,314	205,523	220,093
Committed	-	940,298	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Total Fund Balance	77,404	940,298	7,684	825,572	2,214,314	205,523	220,093
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ **316,901**	**1,038,859**	**894,987**	**833,186**	**2,650,199**	**205,523**	**220,427**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2024

	Sundown Salute	CDBG Revolving Loans	Grants	Rural Housing District	Law Enforcement Trust	Law Enforcement Training	Federal Equitable Sharing
ASSETS							
Assets							
Cash and Investments	$ 72	233,893	-	653,740	831,942	3,305	110,645
Receivables							
Property Tax	-	-	-	-	-	-	-
Accounts	30	-	284,790	-	-	-	-
Accrued Interest	-	-	-	-	20,047	-	-
Total Assets	$ **102**	**233,893**	**284,790**	**653,740**	**851,989**	**3,305**	**110,645**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts Payable	$ -	-	8,377	-	2,342	-	-
Accrued Liabilities	-	13,880	1,328	-	-	-	-
Unearned Revenue - Grant Proceeds	-	-	92,502	-	-	-	-
Due to Other Funds	-	-	182,583	-	-	-	-
Total Liabilities	-	13,880	284,790	-	2,342	-	-
Deferred Inflows of Resources							
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	-	13,880	284,790	-	2,342	-	-
Fund Balance							
Restricted	-	220,013	-	653,740	849,647	3,305	110,645
Committed	102	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Total Fund Balance	102	220,013	-	653,740	849,647	3,305	110,645
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ **102**	**233,893**	**284,790**	**653,740**	**851,989**	**3,305**	**110,645**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2024

	Treasury Forfeiture	Special Projects	PSAP 911	Federal Funds Exchange	Freedom Fest	Opioid Settlement Funds	Totals
ASSETS							
Assets							
Cash and Investments	$ 128,698	40,967	-	924,213	958	134,347	**7,597,716**
Receivables							
Property Tax	-	-	-	-	-	-	**1,542,046**
Accounts	-	-	-	-	22	-	**305,388**
Accrued Interest	-	987	-	-	-	-	**83,588**
Total Assets	$ **128,698**	**41,954**	**-**	**924,213**	**980**	**134,347**	**9,528,738**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts Payable	$ -	4,378	-	-	-	-	**141,911**
Accrued Liabilities	-	-	-	-	264	-	**15,806**
Unearned Revenue - Grant Proceeds	-	-	-	-	-	-	**92,502**
Due to Other Funds	-	-	-	-	-	-	**182,583**
Total Liabilities	-	4,378	-	-	264	-	**432,802**
Deferred Inflows of Resources							
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	**1,542,046**
Total Liabilities and Deferred Inflows of Resources	-	4,378	-	-	264	-	**1,974,848**
Fund Balance							
Restricted	128,698	-	-	924,213	716	134,347	**6,575,914**
Committed	-	-	-	-	-	-	**940,400**
Assigned	-	37,576	-	-	-	-	**37,576**
Total Fund Balance	128,698	37,576	-	924,213	716	134,347	**7,553,890**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ **128,698**	**41,954**	**-**	**924,213**	**980**	**134,347**	**9,528,738**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Economic Development	Employee Benefits	Library	Special Highway	Fire Equipment	Special Parks and Recreation	Drug and Alcohol
Revenues							
Taxes	$ 232,888	46	952,684	-	466,288	-	78,821
Intergovernmental	-	-	-	599,386	-	-	-
Use of Money and Property	165,699	-	-	3,144	164,804	78,821	17,869
Miscellaneous	-	121,802	-	-	1,550	-	-
Total Revenues	398,587	121,848	952,684	602,530	632,642	78,821	96,690
Expenditures							
General Government	-	259,583	945,000	-	-	-	-
Public Safety	-	-	-	-	4,639	-	1,959
Public Works	-	-	-	29,433	-	-	-
Recreation	-	-	-	-	-	48,053	-
Economic Development	634,642	-	-	-	-	-	-
Total Expenditures	634,642	259,583	945,000	29,433	4,639	48,053	1,959
Excess (Deficit) of Revenues Over (Under) Expenditures	(236,055)	(137,735)	7,684	573,097	628,003	30,768	94,731
Fund Balance - Beginning of the Year	313,459	1,078,033	-	252,475	1,586,311	174,755	125,362
Fund Balance - End of Year	$ **77,404**	**940,298**	**7,684**	**825,572**	**2,214,314**	**205,523**	**220,093**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds (Continued)

For the Year Ended December 31, 2024

	Sundown Salute	CDBG Revolving Loans	Grants	Rural Housing District	Law Enforcement Trust	Law Enforcement Training	Federal Equitable Sharing
Revenues							
Taxes	$ -	-	-	-	-	-	-
Intergovernmental	-	-	345,419	-	799,999	-	-
Use of Money and Property	-	-	-	-	71,861	-	-
Miscellaneous	17	-	30,950	-	-	7,123	-
Total Revenues	17	-	376,369	-	871,860	7,123	-
Expenditures							
General Government	-	-	376,369	-	-	-	-
Public Safety	-	-	-	-	297,387	3,463	16,000
Public Works	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-
Economic Development	-	2,504	-	-	-	-	-
Total Expenditures	-	2,504	376,369	-	297,387	3,463	16,000
Excess (Deficit) of Revenues Over (Under) Expenditures	17	(2,504)	-	-	574,473	3,660	(16,000)
Fund Balance - Beginning of the Year	85	222,517	-	653,740	275,174	(355)	126,645
Fund Balance - End of Year	$ **102**	**220,013**	**-**	**653,740**	**849,647**	**3,305**	**110,645**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds (Continued)

For the Year Ended December 31, 2024

	Treasury Forfeiture	Special Projects	PSAP 911	Federal Funds Exchange	Freedom Fest	Opioid Settlement Funds	**Totals**
Revenues							
Taxes	$ -	-	-	-	-	-	**1,730,727**
Intergovernmental	110,331	-	-	-	-	73,326	**1,928,461**
Use of Money and Property	1,073	3,179	-	285,547	-	-	**791,997**
Miscellaneous	-	31,982	-	-	431	-	**193,855**
Total Revenues	111,404	35,161	-	285,547	431	73,326	**4,645,040**
Expenditures							
General Government	-	17,001	-	50	-	-	**1,598,003**
Public Safety	-	-	-	-	-	-	**323,448**
Public Works	-	-	-	-	-	-	**29,433**
Recreation	-	-	-	-	-	-	**48,053**
Economic Development	-	-	-	-	-	-	**637,146**
Total Expenditures	-	17,001	-	50	-	-	**2,636,083**
Excess (Deficit) of Revenues Over (Under) Expenditures	111,404	18,160	-	285,497	431	73,326	**2,008,957**
Fund Balance - Beginning of the Year	17,294	19,416	-	638,716	285	61,021	**5,544,933**
Fund Balance - End of Year	$ **128,698**	**37,576**	**-**	**924,213**	**716**	**134,347**	**7,553,890**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Economic Development Fund

For the Year Ended December 31, 2024

		Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance Over (Under)
Revenues					
Taxes	$	**232,888**	234,440	234,440	(1,552)
Use of Money and Property		**169,265**	461,469	461,469	(292,204)
Total Revenues		**402,153**	695,909	695,909	(293,756)
Expenditures					
Commodities		**-**	10,000	10,000	(10,000)
Contractual Services		**226,298**	553,759	553,759	(327,461)
Debt Service					
Principal		**328,135**	328,135	328,135	-
Interest and Other Charges		**80,210**	80,210	80,210	-
Total Expenditures		**634,643**	972,104	972,104	(337,461)
Excess (Deficit) of Revenues Over Expenditures		**(232,490)**	(276,195)	(276,195)	43,705
Budgetary Basis Fund Balance - Beginning of Year		**306,645**			
Budgetary Basis Fund Balance - End of Year		**74,155**			
GAAP Adjustments					
Accrued Interest Receivable		**3,249**			
Fund Balance - End of Year	$	**77,404**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Employee Benefits Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Delinquent Taxes	$ **46**	-	-	46
Miscellaneous	**108,803**	150,000	150,000	(41,197)
Total Revenues	**108,849**	150,000	150,000	(41,151)
Expenditures				
Personnel Services	**8,679**	500,000	500,000	(491,321)
Contractual Services	**250,905**	569,028	569,028	(318,123)
Total Expenditures	**259,584**	1,069,028	1,069,028	(809,444)
Excess (Deficit) of Revenues Over Expenditures	**(150,735)**	(919,028)	(919,028)	768,293
Budgetary Basis Fund Balance - Beginning of Year	**1,070,487**			
Budgetary Basis Fund Balance - End of Year	**919,752**			
GAAP Adjustments				
Accounts Receivable	**20,546**			
Fund Balance - End of Year	$ **940,298**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Library Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **952,684**	957,219	957,219	(4,535)
Expenditures				
Contractual Services	**945,000**	945,000	945,000	-
Excess (Deficit) of Revenues Over Expenditures	**7,684**	12,219	12,219	(4,535)
Budgetary Basis Fund Balance - Beginning of Year	**-**			
Budgetary Basis Fund Balance - End of Year	$ **7,684**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Special Highway Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Intergovernmental	$ **599,386**	581,260	581,260	18,126
Expenditures				
Contractual Services	**29,432**	1,000,000	1,000,000	(970,568)
Capital Outlay	**-**	750,000	750,000	(750,000)
Total Expenditures	**29,432**	1,750,000	1,750,000	(1,720,568)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**582,984**	(1,168,740)	(1,168,740)	1,751,724
Budgetary Basis Fund Balance - Beginning of Year	**237,925**			
Budgetary Basis Fund Balance - End of Year	**820,909**			
GAAP Adjustments				
Accrued Interest Receivable	**4,663**			
Fund Balance - End of Year	$ **825,572**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Fire Equipment Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **466,287**	468,567	468,567	(2,280)
Miscellaneous	**1,550**	-	-	1,550
Total Revenues	**606,019**	468,567	468,567	137,452
Expenditures				
Commodities	**4,638**	220,000	220,000	(215,362)
Contractual	**-**	50,000	50,000	(50,000)
Capital Outlay	**-**	1,670,788	1,670,788	(1,670,788)
Total Expenditures	**4,638**	1,940,788	1,940,788	(1,936,150)
Excess (Deficit) of Revenues Over Expenditures	**601,381**	(1,472,221)	(1,472,221)	2,073,602
Budgetary Basis Fund Balance - Beginning of Year	**1,563,478**			
Budgetary Basis Fund Balance - End of Year	**2,164,859**			
GAAP Adjustments				
Accrued Interest Receivable	**49,455**			
Fund Balance - End of Year	$ **2,214,314**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Special Parks and Recreation Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Liquor Taxes	$ **78,821**	50,000	50,000	28,821
Expenditures				
Commodities	**-**	206,479	206,479	(206,479)
Capital Outlay	**48,053**	-	-	48,053
Total Expenditures	**48,053**	206,479	206,479	(158,426)
Excess (Deficit) of Revenues Over Expenditures	**30,768**	(156,479)	(156,479)	187,247
Budgetary Basis Fund Balance - Beginning of Year	**174,755**			
Budgetary Basis Fund Balance - End of Year	$ **205,523**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Drug and Alcohol Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **78,821**	53,905	53,905	24,916
Expenditures				
Personnel Services	**-**	40,000	40,000	(40,000)
Commodities	**-**	68,069	68,069	(68,069)
Contractual Services	**1,964**	-	-	1,964
Total Expenditures	**1,964**	108,069	108,069	(106,105)
Excess (Deficit) of Revenues Over Expenditures	**91,349**	(54,164)	(54,164)	145,513
Budgetary Basis Fund Balance - Beginning of Year	**123,557**			
Budgetary Basis Fund Balance - End of Year	**214,906**			
GAAP Adjustments				
Accrued Interest Receivable	**5,187**			
Fund Balance - End of Year	$ **220,093**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

CDBG Revolving Loans Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Miscellaneous	$ **5,824**	15,000	15,000	(9,176)
Expenditures				
Contractual Services	**-**	192,190	192,190	(192,190)
Excess (Deficit) of Revenues Over Expenditures	**5,824**	(177,190)	(177,190)	183,014
Budgetary Basis Fund Balance - Beginning of Year	**214,189**			
Budgetary Basis Fund Balance - End of Year	$ **220,013**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Rural Housing District Fund

For the Year Ended December 31, 2024

	Actual	Budgeted Amounts		Variance Over (Under)
		Original	Final	
Revenues				
Taxes	$ -	290,578	290,578	(290,578)
Expenditures				
Debt Service				
Principal	-	270,300	270,300	(270,300)
Excess (Deficit) of Revenues Over Expenditures	-	20,278	20,278	(20,278)
Budgetary Basis Fund Balance - Beginning of Year	**653,740**			
Budgetary Basis Fund Balance - End of Year	$ **653,740**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Law Enforcement Trust Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Intergovernmental	$ **799,999**	500,000	500,000	299,999
Use of Money and Property	**56,012**	-	-	56,012
Prior Year Cancelled Encumbrances	**99,730**	-	-	99,730
Total Revenues	**955,741**	500,000	500,000	455,741
Expenditures				
Commodities	**165,992**	640,035	640,035	(474,043)
Contractual Services	**131,395**	50,000	50,000	81,395
Total Expenditures	**297,387**	690,035	690,035	(392,648)
Excess (Deficit) of Revenues Over (Under) Expenditures	**658,354**	(190,035)	(190,035)	848,389
Budgetary Basis Fund Balance - Beginning of Year	**171,246**			
Budgetary Basis Fund Balance - End of Year	**829,600**			
GAAP Adjustments				
Accrued Interest Receivable	**20,047**			
Fund Balance - End of Year	$ **849,647**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Law Enforcement Training Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Miscellaneous	$ **7,123**	100,000	100,000	(92,877)
Expenditures				
Contractual Services	**3,463**	195,000	195,000	(191,537)
Excess (Deficit) of Revenues Over Expenditures	**3,660**	(95,000)	(95,000)	98,660
Budgetary Basis Fund Balance - Beginning of Year	**(355)**			
Budgetary Basis Fund Balance - End of Year	$ **3,305**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Federal Equitable Sharing Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Miscellaneous	$ **-**	200,000	200,000	(200,000)
Expenditures				
Commodities	**-**	200,000	200,000	(200,000)
Contractual Services	**16,000**	200,000	200,000	(184,000)
Total Expenditures	**16,000**	400,000	400,000	(384,000)
Excess (Deficit) of Revenues Over Expenditures	**(16,000)**	(200,000)	(200,000)	184,000
Budgetary Basis Fund Balance - Beginning of Year	**126,645**			
Budgetary Basis Fund Balance - End of Year	$ **110,645**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Treasury Forfeiture Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Miscellaneous	$ **1,073**	50,000	50,000	(48,927)
Forfeitures	**110,331**	-	-	110,331
Total Revenues	**111,404**	50,000	50,000	61,404
Expenditures				
Contractual Services	**-**	106,303	106,303	(106,303)
Excess (Deficit) of Revenues Over Expenditures	**111,404**	(56,303)	(56,303)	167,707
Budgetary Basis Fund Balance - Beginning of Year	**17,294**			
Budgetary Basis Fund Balance - End of Year	$ **128,698**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Debt Service Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **2,150,980**	2,095,361	2,095,361	55,619
Special Assessments	**2,284,629**	2,000,000	2,000,000	284,629
Sales Tax	**5,551,835**	4,200,000	4,200,000	1,351,835
Total Revenues	**10,231,391**	8,295,361	8,295,361	1,936,030
Expenditures				
Debt Service				
Principal	**8,998,152**	9,026,372	9,026,372	(28,220)
Interest and Other Charges	**1,512,313**	1,507,088	1,507,088	5,225
Total Expenditures	**10,510,465**	10,533,460	10,533,460	(22,995)
Excess (Deficit) of Revenues Over (Under) Expenditures	**(279,074)**	(2,238,099)	(2,238,099)	1,959,025
Budgetary Basis Fund Balance - Beginning of Year	**3,963,329**			
Budgetary Basis Fund Balance - End of Year	**3,684,255**			
GAAP Adjustments				
Accrued Interest Receivable	**77,142**			
Fund Balance - End of Year	$ **3,761,397**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Federal Funds Exchange Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Miscellaneous	$ **285,547**	290,000	290,000	(4,453)
Expenditures				
Capital Outlay	**50**	1,346,711	1,346,711	(1,346,661)
Excess (Deficit) of Revenues Over Expenditures	**285,497**	(1,056,711)	(1,056,711)	1,342,208
Budgetary Basis Fund Balance - Beginning of Year	**638,716**			
Budgetary Basis Fund Balance - End of Year	$ **924,213**			

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Opioid Settlement Funds Fund

For the Year Ended December 31, 2024

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Miscellaneous	$ **73,326**	50,001	50,001	23,325
Expenditures				
Contractual Services	**-**	56,040	56,040	(56,040)
Commodities	**-**	50,000	50,000	(50,000)
Total Expenditures	**-**	106,040	106,040	(106,040)
Excess (Deficit) of Revenues Over Expenditures	**73,326**	(56,039)	(56,039)	129,365
Budgetary Basis Fund Balance - Beginning of Year	**61,021**			
Budgetary Basis Fund Balance - End of Year	$ **134,347**			

See Independent Auditor's Report.

NONMAJOR ENTERPRISE FUNDS

Sanitation Fund – To account for the operation and maintenance of the sanitation system operated within the City.

CITY OF JUNCTION CITY, KANSAS
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2024

		Sanitation	**Total**
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current Assets			
Cash and Investments	$	3,615,410	**3,615,410**
Receivables, Net of Allowance for Uncollectibles			
Accounts		278,396	**278,396**
Accrued Interest		93,166	**93,166**
Total Current Assets		3,986,972	**3,986,972**
Noncurrent Assets			
Capital Assets			
Depreciable Capital Assets		2,035,245	**2,035,245**
Right to Use Equipment		7,162	**7,162**
SBITAs		20,913	**20,913**
Accumulated Depreciation and Amortization		(1,546,325)	**(1,546,325)**
Total Noncurrent Assets		516,995	**516,995**
Total Assets		4,503,967	**4,503,967**
Deferred Outflows of Resources			
Pension Liability		81,014	**81,014**
Total Assets and Deferred Outflows of Resources		4,584,981	**4,584,981**
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current Liabilities			
Accounts Payable		64,095	**64,095**
Accrued Liabilities		9,327	**9,327**
Current Portion of Right-to-Use Leased Equipment Payable		1,339	**1,339**
Current Portion of Compensated Absences Payable		22,403	**22,403**
Total Current Liabilities		97,164	**97,164**
Noncurrent Liabilities			
Net Pension Liability		328,273	**328,273**
Right-to-Use Leased Equipment Payable		3,038	**3,038**
Compensated Absences Payable		4,722	**4,722**
Total Noncurrent Liabilities		336,033	**336,033**
Total Liabilities		433,197	**433,197**
Deferred Inflows of Resources			
Pension Liability		1,405	**1,405**
Total Liabilities and Deferred Inflows of Resources		434,602	**434,602**
NET POSITION			
Net Position			
Net Investment in Capital Assets		512,618	**512,618**
Unrestricted		3,637,761	**3,637,761**
Total Net Position	$	4,150,379	**4,150,379**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS

Combining Statement of Revenues, Expenses, and Changes in Net Position

Nonmajor Enterprise Funds

For the Year Ended December 31, 2024

	Sanitation	**Total**
Operating Revenues		
Charges for Services	$ 2,143,022	**2,143,022**
Miscellaneous	1,061	**1,061**
Total Operating Revenues	2,144,083	**2,144,083**
Operating Expenses		
Personal Services	500,134	**500,134**
Commodities	168,814	**168,814**
Contractual Services	748,476	**748,476**
Depreciation	95,695	**95,695**
Total Operating Expenses	1,513,119	**1,513,119**
Net Operating Income	630,964	**630,964**
Nonoperating Revenue (Expense)		
Interest Expense	(879)	**(879)**
Interest Income	298,972	**298,972**
Net Nonoperating Revenue (Expense)	298,093	**298,093**
Net Income Before Transfers	929,057	**929,057**
Transfers Out	(850,000)	**(850,000)**
Change in Net Position	79,057	**79,057**
Net Position - Beginning of Year	4,071,322	**4,071,322**
Net Position - End of Year	$ 4,150,379	**4,150,379**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2024

		Sanitation	**Total Nonmajor Enterprise Funds**
Cash Flows From Operating Activities			
Cash Received From Customers and Users	$	2,128,035	**2,128,035**
Cash Paid to Suppliers of Goods and Services		(900,825)	**(900,825)**
Cash Paid to Employees		(479,051)	**(479,051)**
Other Operating Receipts		1,061	**1,061**
Net Cash Provided by Operating Activities		749,220	**749,220**
Cash Flows From Capital and Related Financing Activities			
Purchase of Capital Assets		(265,546)	**(265,546)**
Interest Payments		(879)	**(879)**
Principal Payments - Right to Use		(1,194)	**(1,194)**
Principal Payments - SBITAs		(10,432)	**(10,432)**
Net Cash Used by Capital and Related Financing Activities		(278,051)	**(278,051)**
Cash Flows From Noncapital Financing Activities			
Transfer Out		(850,000)	**(850,000)**
Cash Flows From Investing Activities			
Interest Received		260,312	**260,312**
Net Change in Cash and Investments		(118,519)	**(118,519)**
Cash and Investments - Beginning of Year		3,733,929	**3,733,929**
Cash and Investments - End of Year	$	3,615,410	**3,615,410**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Year Ended December 31, 2024

		Sanitation	**Total Nonmajor Enterprise Funds**
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities			
Net Operating Income	$	630,964	**630,964**
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities			
Depreciation Expense		95,695	**95,695**
(Increase) Decrease in Accounts Receivable		(14,987)	**(14,987)**
(Increase) Decrease in Deferred Outflows		18,760	**18,760**
Increase (Decrease) in Accounts Payable		15,553	**15,553**
Increase (Decrease) in Accrued Compensated Absences		(449)	**(449)**
Increase (Decrease) in Net Pension Liability		3,495	**3,495**
Increase (Decrease) in Accrued Liabilities		912	**912**
Increase (Decrease) in Deferred Inflows		(723)	**(723)**
Net Cash Provided by Operating Activities	$	749,220	**749,220**

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2024

		Trust and Agency Fund	Insurance Disaster Fund	**Total Custodial Funds**
ASSETS				
Cash	$	2,409	9,813	**12,222**
LIABILITIES				
Due to Others	$	2,409	9,813	**12,222**

CITY OF JUNCTION CITY, KANSAS
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
December 31, 2024

		Trust and Agency Fund	Insurance Disaster Fund	**Total Custodial Funds**
Revenues	$	-	-	-
Expenditures		-	-	-
Excess (Deficit) of Revenues Over Expenditures		-	-	-
Fund Balance - Beginning of Year		-	-	-
Fund Balance - Ending of Year	$	-	-	-

See Independent Auditor's Report.

CITY OF JUNCTION CITY, KANSAS
Statistical Section (Unaudited)
December 31, 2024

This part of **City of Junction City, Kansas**' financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its most significant local revenue source, water and wastewater revenues, as well as its property tax.

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economical Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.

Operating Information
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Financial Report for the relevant year.

City of Junction City, Kansas
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	$ (26,982,525)	$ (34,673,724)	$ (28,929,834)	$ (31,384,052)	$ (10,002,423)	$ (4,240,100)	$ 1,855,384	$ 3,601,578	$ 11,874,713	$ 19,168,220
Restricted	45,298,451	47,262,307	51,094,342	19,572,461	17,469,658	16,972,073	15,197,503	13,294,631	11,605,670	10,145,266
Unrestricted	1,503,427	6,880,515	15,598,864	11,883,804	(5,930,212)	(4,695,504)	(1,950,365)	5,518,890	1,138,734	2,284,190
Total governmental activities net position	$ 19,819,353	$ 19,469,098	$ 37,763,372	$ 72,213	$ 1,537,023	$ 8,036,469	$ 15,102,522	$ 22,415,099	$ 24,619,117	$ 31,597,676
Business-type activities										
Net investment in capital assets	$ 50,335,663	$ 49,098,164	$ 38,852,077	$ 34,217,403	$ 55,971,316	$ 60,116,146	$ 64,523,334	$ 69,992,097	$ 65,305,364	$ 67,005,605
Unrestricted	9,005,441	15,544,505	28,927,670	36,015,248	18,721,968	19,082,062	19,739,227	15,210,530	19,972,081	20,487,782
Total business-type activities net position	$ 59,341,104	$ 64,642,669	$67,779,747	$ 70,232,651	$ 74,693,284	$ 79,198,208	$ 84,262,561	$ 85,202,627	$ 85,277,445	$ 87,493,387
Primary government										
Net investment in capital assets	$ 23,353,138	$ 14,424,440	$ 9,922,243	$ 2,833,351	$ 45,968,893	$ 55,876,046	$ 66,378,718	$ 73,593,675	$ 77,180,077	$ 86,173,825
Restricted	45,298,451	47,262,307	51,094,342	19,572,461	17,469,658	16,972,073	15,197,503	13,294,631	11,605,670	10,145,266
Unrestricted	10,508,868	22,425,020	44,526,534	47,899,052	12,791,756	14,386,558	17,788,862	20,729,420	21,110,815	22,771,972
Total primary government net position	$ 79,160,457	$ 84,111,767	$ 105,543,119	$ 70,304,864	$ 76,230,307	$ 87,234,677	$ 99,365,083	$ 107,617,726	$ 109,896,562	$ 119,091,063

City of Junction City, Kansas

Changes in Net Position

Last Ten Fiscal Years

(Accrual basis accounting)

Expenses	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
General government	$ 2,583,982	$ 5,233,594	$ 2,831,910	$ 5,087,215	$ 2,985,520	$ 4,367,013	$ 3,367,670	$ 4,449,278	$ 5,892,707	$ 5,469,061
Public safety	$ 8,543,841	$ 10,445,544	$ 10,628,985	$ 11,099,497	$ 11,875,862	$ 11,094,025	$ 10,444,315	$ 13,101,924	$ 12,861,115	$ 12,879,318
Public works	$ 6,522,980	$ 7,602,497	$ 6,072,476	$ 5,820,618	$ 6,310,351	$ 6,038,726	$ 6,720,426	$ 6,474,142	$ 8,014,155	$ 7,172,324
Culture and recreation	$ 1,895,285	$ 1,895,645	$ 1,821,822	$ 2,458,268	$ 2,440,722	$ 2,292,080	$ 2,391,099	$ 2,964,967	$ 2,773,443	$ 3,000,437
Economic Development	$ 1,257,753	$ 589,757	$ 1,260,150	$ 881,207	$ 1,372,758	$ 1,049,502	$ 1,330,034	$ 882,476	$ 797,757	$ 795,617
Public health and sanitation	$ 2,560,853	$ 2,871,981	$ 2,996,894	$ 3,485,194	$ 3,576,872	$ 3,339,863	$ 3,587,360	$ 4,110,952	$ 4,341,241	$ 4,042,667
Payments on other obligations (see note)	$ 98,382	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest long term debt	$ 4,629,537	$ 8,748,963	$ 4,423,563	$ 4,094,142	$ 3,732,873	$ 3,750,985	$ 2,802,849	$ 2,642,841	$ 1,979,136	$ 1,652,183
Total governmental expenses	$ 28,092,613	$ 37,387,981	$ 30,035,800	$ 32,926,141	$ 32,294,958	$ 31,932,194	$ 30,643,753	$ 34,626,580	$ 36,659,554	$ 35,011,607
Business-type activities										
Water/sewer	$ 7,596,112	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Water	$ -	$ 3,211,650	$ 3,330,993	$ 4,577,366	$ 3,299,778	$ 3,483,605	$ 3,887,776	$ 6,104,910	$ 7,601,000	$ 7,467,475
Sewer	$ -	$ 4,022,608	$ 4,216,058	$ 4,616,729	$ 4,616,295	$ 4,664,618	$ 4,048,592	$ 5,079,911	$ 5,218,832	$ 6,092,176
Sanitation	$ 1,072,567	$ 1,402,381	$ 1,096,946	$ 1,210,990	$ 1,166,632	$ 1,198,087	$ 1,196,465	$ 1,272,990	$ 1,408,526	$ 1,513,998
Stormwater	$ 545,779	$ 438,112	$ 452,520	$ 570,214	$ 462,706	$ 493,853	$ 593,597	$ 1,241,884	$ 1,411,304	$ 988,354
Total business-type activities expenses	$ 9,214,458	$ 9,074,751	$ 9,096,517	$ 10,975,299	$ 9,545,411	$ 9,840,163	$ 9,726,430	$ 13,699,695	$ 15,639,662	$ 16,062,003
Total primary government expenses	$ 37,307,071	$ 46,462,732	$ 39,132,317	$ 43,901,440	$ 41,840,369	$ 41,772,357	$ 40,370,183	$ 48,326,275	$ 52,299,216	$ 51,073,610
Program Revenues										
Governmental activities:										
Charges for services	$ 3,841,165	$ 3,492,201	$ 3,504,359	$ 3,269,321	$ 3,662,968	$ 3,514,456	$ 4,053,054	$ 4,399,164	$ 4,130,917	$ 3,966,641
Operating grants and contributions	$ 11,265,285	$ 1,943,858	$ 3,018,944	$ 3,899,360	$ 2,537,153	$ 5,576,117	$ 3,434,135	$ 5,612,846	$ 2,985,632	$ 4,937,736
Capital grants and contributions	$ 982,671	$ 2,343,810	$ 1,778,195	$ 641,136	$ 617,458	$ 567,565	$ 628,878	$ 599,062	$ 604,286	$ 599,386
Total govern'tal activities program revenue	$ 16,089,121	$ 7,779,869	$ 8,301,498	$ 7,809,817	$ 6,817,579	$ 9,658,138	$ 8,116,067	$ 10,611,072	$ 7,720,835	$ 9,503,763
Business-type activities										
Charges for services										
Water/sewer	$ 10,375,233	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Water	$ -	$ 5,324,962	$ 5,570,696	$ 5,575,484	$ 5,800,617	$ 6,044,835	$ 6,549,530	$ 6,313,524	$ 6,779,542	$ 7,335,853
Sewer	$ -	$ 5,513,814	$ 5,581,828	$ 5,971,026	$ 6,193,996	$ 6,539,606	$ 6,811,401	$ 7,072,457	$ 7,846,850	$ 8,754,881
Sanitation	$ 1,534,395	$ 1,526,242	$ 1,537,200	$ 1,577,636	$ 1,624,144	$ 1,701,232	$ 1,781,682	$ 1,845,391	$ 1,026,108	$ 1,082,449
Stormwater	$ 771,705	$ 773,532	$ 766,720	$ 919,900	$ 1,062,066	$ 1,080,559	$ 1,070,963	$ 1,033,220	$ 1,970,750	$ 2,143,022
Spin City	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total business-type activities prgrm revenue	$ 12,681,333	$ 13,138,550	$ 13,456,444	$ 14,044,046	$ 14,680,823	$ 15,366,232	$ 16,213,576	$ 16,264,592	$ 17,623,250	$ 19,316,205
Total primary government program revenue	$ 28,770,454	$ 20,918,419	$ 21,757,942	$ 21,853,863	$ 21,498,402	$ 25,024,370	$ 24,329,643	$ 26,875,664	$ 25,344,085	$ 28,819,968
Net (Expense) Revenue										
Governmental activities	$ (12,003,492)	$(29,608,112)	$ (21,734,302)	$ (25,116,324)	$ (25,477,379)	$ (22,274,056)	$ (22,527,686)	$ (24,015,508)	$ (28,938,719)	$ (25,507,844)
Business-type activities	$ 3,466,875	$ 4,063,799	$ 4,359,927	$ 3,068,747	$ 5,135,412	$ 5,526,069	$ 6,487,146	$ 2,564,897	$ 1,983,588	$ 3,254,202
Total primary government net expenses	$ (8,536,617)	$(25,544,313)	$ (17,374,375)	$ (22,047,577)	$ (20,341,967)	$ (16,747,987)	$ (16,040,540)	$ (21,450,611)	$ (26,955,131)	$ (22,253,642)
Gen Revenues & Other Changes Net position										
Governmental activities										
Taxes										
Property taxes	$ 9,641,838	$ 9,566,983	$ 9,974,398	$ 9,259,840	$ 9,475,876	$ 9,387,669	$ 9,864,739	$ 9,577,484	$ 10,441,574	$ 11,298,950
Sales taxes	$ 10,746,724	$ 10,611,641	$ 10,345,095	$ 10,905,654	$ 10,822,585	$ 12,141,567	$ 13,218,727	$ 13,828,670	$ 14,052,523	$ 14,690,435
Franchise taxes	$ 1,829,821	$ 1,834,814	$ 1,820,583	$ 1,903,630	$ 1,750,282	$ 1,803,278	$ 1,799,530	$ 2,138,190	$ 2,047,257	$ 2,006,409
Special assessments	$ -	$ 4,113,971	$ 6,861,942	$ 739,550	$ 29,630	$ 1,244,685	$ 218,050	$ 74,028	$ 150,397	$ 97,246
Payment in lieu of property tax	$ 14,335	$ 21,232	$ 22,852	$ -	$ 17,810	$ 28,798	$ 48,340	$ 45,750	$ -	$ 88,001
Investment earnings	$ 770,359	$ 728,903	$ 1,131,277	$ 1,424,232	$ 755,298	$ 674,094	$ 944,656	$ 900,162	$ 1,790,940	$ 2,273,303
Miscellaneous	$ 1,849,293	$ 1,298,313	$ 1,187,479	$ 2,936,420	$ 2,060,094	$ 1,590,959	$ 1,606,769	$ 2,143,801	$ 442,493	$ 570,723
Transfers	$ 1,505,000	$ 1,530,000	$ 1,630,000	$ 1,630,000	$ 2,030,614	$ 1,902,452	$ 1,892,928	$ 2,620,000	$ 2,870,000	$ 2,070,000
Total governmental activities	$ 26,357,370	$ 29,705,857	$ 32,973,626	$ 28,799,326	$ 26,942,189	$ 28,773,502	$ 29,593,739	$ 31,328,085	$ 31,795,184	$ 33,095,067
Business-type activities				$ 83						
Investment earnings	$ 23,177	$ 47,293	$ 106,590	$ 141,136	$ 494,801	$ 238,524	$ 20,579	$ 254,616	$ 817,467	$ 878,867
Miscellaneous	$ 387,675	$ 2,720,473	$ 300,561	$ 873,021	$ 200,355	$ 642,783	$ 449,556	$ 740,553	$ 143,763	$ 31,681
Transfers	$ (1,505,000)	$ (1,530,000)	$ (1,630,000)	$ (1,630,000)	$ (2,030,614)	$ (1,902,452)	$ (1,892,928)	$ (2,620,000)	$ (2,870,000)	$ (2,070,000)
Total business-type activities	$ (1,094,148)	$ 1,237,766	$ (1,222,849)	$ (615,843)	$ (1,335,458)	$ (1,021,145)	$ (1,422,793)	$ (1,624,831)	$ (1,908,770)	$ (1,159,452)
Total primary government	$ 25,263,222	$ 30,943,623	$ 31,750,777	$ 28,183,483	$ 25,606,731	$ 27,752,357	$ 28,170,946	$ 29,703,254	$ 29,886,414	$ 31,935,615
Change in Net position										
Governmental activities	$ 14,353,878	$ 97,745	$ 11,239,324	$ 3,683,002	$ 1,464,810	$ 6,499,446	$ 7,066,053	$ 7,312,577	$ 2,856,465	$ 7,587,223
Business-type activities	$ 2,372,727	$ 5,301,565	$ 3,137,078	$ 2,452,904	$ 3,799,954	$ 4,504,924	$ 5,064,353	$ 940,066	$ 74,818	$ 2,094,750
Total primary government	$ 16,726,605	$ 5,399,310	$ 14,376,402	$ 6,135,906	$ 5,264,764	$ 11,004,370	$ 12,130,406	$ 8,252,643	$ 2,931,283	$ 9,681,973

Note: The Water and Sewer Fund was split to two separate funds during the year ended December 31, 2016.

City of Junction City, Kansas

Fund Balances - Governmental Funds

Last Ten Fiscal Years

(Modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Unassigned	$ 5,728,814	$ 5,661,462	$ 5,971,682	$ 4,975,366	$ 3,946,045	$ 3,870,092	$ 5,082,060	$ 4,943,112	$ 4,769,482	$ 6,030,717
Restricted	-	-	-	-	743,706	1,482,152	948,501	-	-	-
Assigned	-	-	-	-	-	-	-	827,813	875,331	2,337,266
Prior Period Adjustment	-	-	-	218,800	-	-	-	-	-	-
Total general fund	$ 5,728,814	$ 5,661,462	$ 5,971,682	$ 5,194,166	$ 4,689,751	$ 5,352,244	$ 6,030,561	$ 5,770,925	$ 5,644,813	$ 8,367,983
All Other Governmental Funds										
Restricted	$ 8,387,112	$ 6,703,683	$ 5,865,885	$ 6,381,528	$ 4,167,708	$ 4,849,752	$ 6,093,907	$ 8,368,246	$ 8,618,451	$10,337,311
Committed	184,473	453,959	4,285,376	5,032,260	1,156,015	1,553,167	1,644,859	1,762,846	1,799,451	1,670,882
Assigned	-	-	-	-	-	467,582	1,274,769	1,065,838	511,185	389,221
Unassigned	(46,123)	(1,282,276)	(317,356)	(972,663)	378,007	-	-	-	-	-
Prior Period Adjustment	-	-	-	(4,179,024)	-	-	-	-	-	-
Total all other governmental funds	$ 8,525,462	$ 5,875,366	$ 9,833,905	$ 6,262,101	$ 5,701,730	$ 6,870,501	$ 9,013,535	$11,196,930	$10,929,087	$12,397,414

CITY OF JUNCTION CITY, KANSAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	$ 22,232,718	$ 22,034,670	$ 22,162,928	$ 22,069,124	$ 22,066,553	$ 23,361,312	$ 24,931,336	$ 25,590,097	$ 26,541,355	$ 28,083,795
Licenses and permits	345,903	246,051	233,077	229,139	462,924	368,162	316,192	421,027	429,784	444,932
Intergovernmental	11,265,285	4,287,668	4,797,139	4,540,496	3,057,261	614,368	4,063,013	6,211,909	3,902,449	6,055,797
Charges for service	2,545,381	2,517,489	2,533,361	2,355,640	2,564,346	2,671,503	2,822,956	2,929,413	2,949,127	2,672,766
Fines and fees	949,881	728,661	737,921	684,542	635,698	574,791	913,906	1,048,724	752,005	738,818
Special assessments	2,339,693	2,336,794	2,382,986	2,362,387	2,376,885	2,357,111	2,464,135	2,320,113	2,375,429	2,293,978
Use of money & property	770,359	728,903	1,131,277	1,424,232	755,298	674,862	945,643	900,181	1,790,938	2,273,305
Miscellaneous	2,085,289	1,214,613	1,174,440	2,084,079	1960487	2,246,795	1,594,248	2,155,954	2,111,188	1,106,041
Total revenues	$ 42,534,509	$ 34,094,849	$ 35,153,129	$ 35,749,639	$ 33,879,452	$ 32,868,904	$ 38,051,429	$ 41,577,418	$ 40,852,275	$ 43,669,432
Expenditures										
General government	$ 11,154,437	$ 5,459,427	$ 2,842,479	$ 4,429,097	$ 2,425,802	$ 6,189,890	$ 4,537,397	$ 5,538,223	$ 5,737,276	$ 5,497,368
Pubic safety	10,126,551	10,781,855	10,787,374	10,208,068	11,049,870	9,925,070	10,087,868	12,582,960	11,490,852	11,986,229
Public works	3,554,234	3,528,336	3,052,776	3,024,850	3,692,611	4,202,489	5,759,941	4,117,341	6,049,775	4,455,368
Public health & sanitation	2,854,895	2,816,623	2,909,230	3,379,405	3,402,441	3,137,964	3,587,434	4,300,079	4,164,392	3,834,094
Culture & recreation	1,830,773	1,920,453	1,974,825	2,634,463	2,460,181	2,286,194	2,598,486	3,103,286	2,604,277	2,962,244
Economic development	1,257,753	589,757	1,260,150	881,207	985,931	814,527	1,068,885	882,988	1,111,003	1,206,465
Debt service principal	12,618,600	7,291,695	8,095,728	8,899,570	9,023,955	33,775,199	13,721,980	10,003,819	9,972,729	9,847,822
Debt service interest & fees	5,688,196	5,605,844	4,533,302	4,181,089	3,912,820	3,750,985	2,802,849	2,636,764	1,979,953	1,625,168
Payment contractual obligations	98,382	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	118,614	630	-	-
Miscellaneous	337,606	883,890	194,432	130,986	21211	177321	100,969	32,549	405,199	460,236
Total Expenditures	$ 49,521,427	$ 38,877,880	$ 35,650,296	$ 37,768,735	$ 36,974,822	$ 64,259,639	$ 44,384,423	$ 43,198,639	$ 43,515,456	$ 41,874,994
Excess revenues over (under) expenditures	$ (6,986,918)	$ (4,783,031)	$ (497,167)	$ (2,019,096)	$ (3,095,400)	$ (25,961,421)	$ (6,332,994)	$ (1,621,221)	$ (2,663,181)	$ 1,794,438
Other Financing Sources (Uses)										
Bonds issued	$ 5,667,850	$ 47,446,979	$ -	$ -	$ -	$ 25,862,685	$ 7,261,417	$ 924,980	$ -	$ -
Lease Reimbursement	-	-	-	-	-	-	-	-	51,673	200,379
Payment to Refunded Bond	-	(46,911,396)	-	-	-	-	-	-	-	-
Transfers in	2,105,000	2,164,000	2,080,000	2,080,000	2,480,614	2,380,000	2,210,274	2,770,000	3,672,447	2,220,000
Transfers out	(600,000)	(634,000)	(450,000)	(450,000)	(450,000)	(450,000)	(317,346)	(150,000)	(802,447)	(150,000)
Total other financing sources (uses)	$ 7,172,850	$ 2,065,583	$ 1,630,000	$ 1,630,000	$ 2,030,614	$ 27,792,685	$ 9,154,345	$ 3,544,980	$ 2,921,673	$ 2,270,379
Net change in fund balances	$ 185,932	$ (2,717,448)	$1,132,833	$ (389,096)	$ (1,064,786)	$ 1,831,264	$ 2,821,351	$ 1,923,759	$ 258,492	$ 4,064,817
Debt service as a percentage of noncapital expenditures	36.97%	33.17%	35.42%	35.91%	34.99%	58.40%	37.23%	29.26%	27.47%	27.40%

City of Junction City, Kansas
Water Produced/Consumed and Wastewater Treated
Last Ten Fiscal Years

Fiscal Year	Gallons of Water Produced	Gallons of Water Consumed	Gallons of Water Unbilled	Average Percent Unbilled	Gallons of Wastewater Treated East Plant	Gallons of Wastewater Treated SW Plant	Total Direct Rate Water Base Rate (1)	Water Usage Rate (2)	Water Usage Rate (3)	Sewer Base Rate (4)	Sewer Usage Rate (5)
2015	1,508,578,000	1,053,697,000	454,881,000	30.15%	552,069,000	332,744,000	$ 18.27	$ 2.36	$ 2.72	$ 28.65	$ 2.13
2016	1,583,177,000	1,068,745,000	514,432,000	32.49%	544,693,200	381,866,000	$ 19.36	$ 2.51	$ 2.89	$ 30.37	$ 2.26
2017	1,427,400,400	1,204,712,400	222,688,000	15.60%	529,758,000	291,700,000	$ 20.62	$ 2.68	$ 3.08	$ 32.19	$ 2.40
2018	1,461,342,020	1,035,511,854	425,830,166	29.14%	563,584,000	284,254,000	$ 21.96	$ 2.85	$ 3.28	$ 34.12	$ 2.54
2019	1,487,270,000	935,666,000	551,604,000	37.09%	590,620,000	281,820,000	$ 23.39	$ 3.04	$ 3.49	$ 36.17	$ 2.70
2020*	1,473,169,000	986,521,923	448,792,000	30.46%	568,680,000	301,820,000	$ 18.00	$ 0.42	$ 0.48	$ 32.00	$ 0.40
2021	1,457,335,200	1,403,060,000	387,146,000	26.57%	577,102,000	283,037,000	$ 18.81	$ 0.44	$ 0.50	$ 33.76	$ 0.42
2022	1,534,256,000	1,153,509,646	380,746,354	24.82%	706,185,000	269,428,000	$ 18.81	$ 0.44	$ 0.50	$ 37.64	$ 0.47
2023	1,374,390,000	1,023,744,000	350,646,000	25.51%	67,394,900	380,991,000	$ 18.81	$ 0.44	$ 0.50	$ 37.64	$ 0.47
2024	1,246,475,000	1,089,886,360	156,588,640	12.56%	704,958,000	356,220,000	$ 19.37	$ 0.45	$ 0.52	$ 37.64	$ 0.52

(1) Water rate is for 1" or less size meter and includes 200 cubic feet of water consumption
(2) Water rate for over 200 cubic feet but not more than 1,000 cubic feet of water consumption
(3) Water rate for above 1,000 cubic feet of water consumption and above
(4) Sewer Base Rate includes the first 200 cubic feet of water consumption
(5) Sewer usage rate is for usage over 200 cubic feet - charge per 100 cubic feet
*Rates Changed to Gallons for Unit of Measure, and no product is included in the base.

City of Junction City, Kansas

Annual Water and Wastewater Tap Sales

Last Ten Fiscal Years

Fiscal Year		Water Meter Taps Sold		Wastewater Taps Sold		Total Taps
2015		15		13		28
2016		9		8		17
2017		6		10		16
2018		3		0		3
2019		5		3		8
2020		14		13		27
2021		29		28		57
2022		123		123		246
2023		32		31		63
2024		38		35		73

City of Junction City, Kansas

Number of Water and Wastewater Customers by Type

Last Ten Fiscal Years

Fiscal Year	WATER		WASTEWATER		TOTAL	
	RESIDENTIAL	COMMERCIAL	RESIDENTIAL	COMMERCIAL	WATER	WASTEWATER
2015	10,148	856	8,503	803	11,004	9,306
2016	10,150	849	8,640	810	10,999	9,450
2017	10,140	853	8,532	805	10,993	9,337
2018	10,206	798	8,534	813	11,004	9,347
2019	10,158	850	8,403	807	11,008	9,210
2020	8,835	824	8,576	794	9,659	9,370
2021	8,871	688	8,602	807	9,559	9,409
2022	8,873	669	8,632	794	9,542	9,426
2023	9,023	675	8,777	794	9,698	9,571
2024	9,092	671	8,847	784	9,763	9,631

City of Junction City, Kansas

Water and Wastewater Rates

Last Ten Fiscal Years

WATER - (per month inside or outside city limits (1)	2015	2016	2017	2018	2019	2020**	2021	2022	2023	2024
1. Minimum charge, Not in excess of 200 cubic feet 1" meter or less	$ 18.27	$ 19.36	$ 20.62	$ 21.96	$ 23.39	$ 18.00	$ 18.88	$ 18.88	$ 18.81	$ 19.37
2. Minimum charge, Not in excess of 200 cubic feet Over 1" and up to and including 1.5" meters	$ 114.55	$ 124.42	$ 129.32	$ 137.72	$ 146.67	$ 140.00	$ 140.00	$ 140.00	$ 146.30	$ 150.69
3. Minimum charge, Not in excess of 200 cubic feet Over 1.5" and up to and including 2" meters	$ 226.54	$ 240.14	$ 255.75	$ 272.37	$ 290.08	$ 285.00	$ 285.00	$ 285.00	$ 297.83	$ 306.76
4. Minimum charge, Not in excess of 200 cubic feet Over 2" and up to and including 3" meters	$ 334.97	$ 355.08	$ 378.16	$ 402.74	$ 428.92	$ 425.00	$ 425.00	$ 425.00	$ 444.13	$ 457.45
5. Minimum charge, Not in excess of 200 cubic feet Over 3" and up to and including 4" meters	$ 444.11	$ 470.76	$ 501.36	$ 533.94	$ 568.66	$ 560.00	$ 560.00	$ 560.00	$ 583.20	$ 600.70
6. Minimum charge, Not in excess of 200 cubic feet 4" meter and over	$ 558.54	$ 592.07	$ 630.55	$ 671.54	$ 715.19	$ 700.00	$ 700.00	$ 700.00	$ 731.50	$ 753.45
7. 300 cubic feet to 1,000 cubic feet, per 100 cubic feet / Up to 10,000 Gal. per 100	$ 2.36	$ 2.51	$ 2.68	$ 2.85	$ 3.04	$ 0.42	$ 0.42	$ 0.44	$ 0.44	$ 0.45
8. All above 1,000 cubic feet, per 100 cubic feet / > 10,000 Gal. per 100	$ 2.72	$ 2.89	$ 3.08	$ 3.28	$ 3.49	$ 0.48	$ 0.48	$ 0.50	$ 0.50	$ 0.52
WASTEWATER - rates per month (2)+A14:M22										
1. Minimum charge, not in excess of 200 cubic feet / Not Prod Included in Gals.	$ 28.65	$ 30.37	$ 32.19	$ 34.12	$ 36.17	$ 32.00	$ 32.00	$ 37.64	$ 37.64	$ 37.64
2. 300 cubic feet and above, per 100 cubic feet	$ 2.13	$ 2.26	$ 2.40	$ 2.54	$ 2.70	$ 0.40	$ 0.40	$ 0.47	$ 0.47	$ 0.52
3. For users contributing wastewater which is greater strength than normal domestic sewage,										
the following surcharge is added: $0.16 per pound BOD (biological oxygen demand)										
$0.18 per pound SS (suspended solids)										
Large contributor (over 500,000 gallons) $0.104 per pound BOD (biological oxygen demand)										
$0.117 per pound SS (suspended solids)										
STORM WATER										
1. Developed residential assessment per living unit	$ 5.00	$ 5.00	$ 5.00	$ 7.00	$ 7.00	$ 7.00	$ 7.00	$ 7.00	$ 7.00	$ 7.00
2. For each living unit served by more than one water meter, $3.00 per month per additional mete	$ 3.00	$ 3.00	$ 3.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00
3. Undeveloped residential property per month per lot or tract	$ 3.00	$ 3.00	$ 3.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00	$ 5.00

(1) Residential users are billed based on average monthly water usage during the months of January, February, and March. Commercial users are billed based on water consumption each month.
(2) Storm water utility became effective in 2009

** Changed to Gallons as a unit of measure and no product included in the base

CITY OF JUNCTION CITY, KANSAS

TEN LARGEST WATER AND WASTEWATER UTILITY CUSTOMERS

AS OF DECEMBER 31, 2024

	Water Revenue			Sewer Revenue	
	Amount	Percent		Amount	Percent
Customer					
ARMOUR ECKRICH	$1,239,508.14	20.61%	ARMOUR ECKRICH	$1,223,861.83	20.37%
CITY OF GRANDVIEW PLAZA	$171,018.38	2.84%	PENN ENTERPRISES	$66,824.68	1.11%
PENN ENTERPRISES	$73,497.40	1.08%	STORMONT VAIL-FLINT HILLS LLC	$57,591.37	0.96%
CAMSO/MICHELIN	$65,015.44	1.22%	CAMSO/MICHELIN	$42,477.42	0.71%
STORMONT VAIL- FLINT HILLS	$64,503.98	1.07%	GREEN PARK 2023 LLC	$34,184.76	0.57%
GREEN PARK 2023 LLC	$40,857.48	0.68%	KMC HOLDINGS	$24,493.20	0.41%
RURAL WATER DIST #1	$28,804.28	0.46%	FOOT LOCKER	$20,972.75	0.35%
KMC HOLDINGS	$27,799.75	0.48%	USD 475	$20,662.63	0.34%
FOOT LOCKER	$27,701.12	0.43%	VENTRIA BIOSCIENCE	$16,725.05	0.28%
USD 475	$25,640.55	0.46%	KOZMA HOLDINGS LLC	$16,570.26	0.28%
Subtotal (10 largest)	$1,764,346.52	29.34%		$1,524,363.95	25.37%
Balance from other customers	$4,249,516.75	70.66%	Balance from other customers	$4,484,156.83	74.63%
Grand Total	$6,013,863.27	100.00%	Grand Total	$6,008,520.78	100.00%

City of Junction City, Kansas

Assessed and

Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Utilities	Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed to Total Estimated Actual Value
2015	$ 165,518,313	$ 3,478,915	$ 8,934,896	$ 177,932,124	47.714	$ 1,183,325,319	15.04%
2016	$ 166,521,128	$ 2,961,204	$ 9,248,288	$ 178,730,620	48.089	$ 1,197,845,374	14.92%
2017	$ 163,847,940	$ 2,776,258	$ 9,066,607	$ 175,690,805	48.089	$ 1,168,918,812	15.03%
2018	$ 160,761,225	$ 2,638,894	$ 9,355,482	$ 172,755,601	48.115	$ 1,147,833,059	15.05%
2019	$ 161,891,264	$ 2,489,853	$ 9,877,208	$ 174,258,325	48.345	$ 1,159,514,895	15.03%
2020	$ 163,103,672	$ 2,239,446	$ 9,398,662	$ 174,741,780	48.346	$ 1,162,731,804	15.03%
2021	$ 163,158,089	$ 2,254,320	$ 11,049,351	$ 176,461,760	48.328	$ 1,174,176,551	15.03%
2022	$ 201,453,565	$ 2,306,179	$ 10,338,491	$ 214,098,235	48.311	$ 1,424,609,656	15.03%
2023	$ 207,842,370	$ 2,833,421	$ 10,157,947	$ 220,833,738	46.182	$ 1,469,427,693	15.03%
2024	$ 207,923,774	$ 2,912,602	$ 10,157,497	$ 220,787,083	47.107	$ 1,469,117,250	15.03%

Source: Geary County Clerk
Note: Does not include penalty amounts.

CITY OF JUNCTION CITY, KANSAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

(PER $1,000 OF ASSESSED VALUE)

LAST TEN FISCAL YEARS

Fiscal Year	Basic Rate	Debt Service	Library	Total Direct Rate	USD 475	Geary County	State of Kansas	Total
2015	21.98	21.545	4.189	47.714	43.525	67.478	1.5	160.217
2016	22.258	21.742	4.089	48.089	43.525	73.614	1.5	166.728
2017	17.148	23.651	4.299	48.095	43.525	72.005	1.5	165.125
2018	25.173	16.424	4.162	48.115	43.528	70.470	1.5	162.113
2019	22.98	17.744	4.61	48.345	43.584	70.949	1.5	162.878
2020	26.66	14.357	4.328	48.346	43.524	70.771	1.5	162.641
2021	26.169	14.409	4.751	48.328	43.474	70.416	1.5	163.718
2022	28.712	12.314	4.285	48.311	43.514	60.109	1.5	153.434
2023	33.14	8.908	4.134	46.182	43.715	56.753	1.5	148.150
2024	37.934	1.995	4.13	47.107	43.581	54.803	1.5	146.991

Source: Geary County Clerk

City of Junction City, Kansas

Ten Largest Tax Payers

Ten Year Comparison

2024				2015			
Rank	Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Rank	Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
1	Evergy	$ 7,466,547.00	4.27%	1	Westar Energy	$ 5,863,389	3.30%
2	F.W. Woolworth Co.	$ 3,870,769.00	2.22%	2	Bluffs Apartments	$ 4,388,748	2.47%
3	Bluffs - Capital Solutions	$ 3,453,860.00	1.98%	3	FW Woolworth	$ 3,905,190	2.19%
4	Kansas Gas Service	$ 2,418,008.00	1.38%	4	Armour-Eckrich	$ 2,278,555	1.28%
5	Smithfield Package	$ 2,250,478.00	1.29%	5	Edwards, Richard	$ 2,128,007	1.20%
6	Wal-Mart	$ 2,192,381.00	1.25%	6	Wal Mart Real Estate	$ 2,005,926	1.13%
7	Patriot Pointe	$ 1,170,387.00	0.67%	7	John Q Hammons	$ 1,900,001	1.07%
8	Azd Development	$ 1,162,336.00	0.67%	8	Kansas Gas Service	$ 1,587,058	0.89%
9	Camso	$ 1,031,676.00	0.59%	9	MDV Spartannash	$ 1,385,076	0.78%
10	Bramlage Properties	$ 933,692.00	0.53%	10	Bankers, Bank of	$ 1,331,136	0.75%
	Total Taxable Assessed Value in 2024	$174,741,780			Total Taxable Assessed Value in 2015	$177,932,124	

Source: Geary County Clerk

CITY OF JUNCTION CITY, KANSAS

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Year	*Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	**Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Current Tax Levy	Outstanding Delinquent Tax	Outstanding Delinquent Taxes as a Percent of Current Levy
2015	$ 8,722,531	$ 8,022,142	91.97%	$ 30,979	$ 8,053,121	92.33%	$ 692,484	7.94%
2016	$ 8,802,881	$ 8,233,155	93.53%	$ 86,474	$ 8,319,629	94.51%	$ 483,252	5.49%
2017	$ 8,585,333	$ 8,124,986	94.64%	$ 182,992	$ 8,307,978	96.77%	$ 460,345	5.36%
2018	$ 8,540,150	$ 7,978,511	93.42%	$ 194,170	$ 8,172,681	95.70%	$ 561,639	6.58%
2019	$ 8,593,755	$ 7,741,571	90.08%	$ 195,506	$ 7,937,077	92.36%	$ 852,184	9.92%
2020	$ 8,595,679	$ 7,988,028	92.93%	$ 4,496	$ 7,992,525	92.98%	$ 603,163	7.02%
2021	$ 8,610,988	$ 8,591,270	96.88%	$ 21,608	$ 8,322,696	96.65%	$ 268,574	3.12%
2022	$ 8,709,390	$ 8,676,767	99.63%	$ 39,624	$ 8,464,467	97.19%	$ 212,300	2.44%
2023	$ 10,533,275	$ 4,548,984	43.35%	$ 17,230	$ 4,566,213	43.19%	$ 4,967,062	56.65%
2024	$ 10,268,635	$ 10,050,507	97.04%	$ 31,561	$ 10,082,068	98.18%	$ 307,018	2.96%

Source: Geary County Treasurer

*Total tax levied includes adds and abates. Excludes large trucks and special assessments.

City of Junction City, Kansas

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

	Governmental Activities						Business-Type Activities					
Fiscal Year	General Obligation Bonds	Special Assessment Debt	KDOT Revolving Loans	Capital Lease Obligations	Notes Payable	Temporary Notes	General Obligation Bonds	K.D.H.E. Revolving Loan	Notes Payable	Capital Lease Obligations	Total Primary Government	Per Capita
2015	$ 52,055,296	$ 50,391,760	$ 10,935,283	$ 3,329,844	$ 339,185	$ -	$ 6,748,608	$ 5,333,523	$ -	$ 632,140	$ 129,765,639	$ 5,304
2016	$ 81,521,495	$ 19,358,528	$ 9,956,488	$ 2,701,812	$ 469,011	$ -	$ 5,826,502	$ 8,369,575	$ -	$ 627,904	$ 128,831,315	$ 5,328
2017	$ 77,220,225	$ 17,247,374	$ 9,075,508	$ 2,128,877	$ 148,675	$ -	$ 4,939,712	$ 17,754,391	$ -	$ 469,683	$ 128,984,445	$ 5,611
2018	$ 72,032,950	$ 15,062,463	$ 8,351,491	$ 828,996	$ 1,090,123	$ -	$ 4,612,837	$ 21,052,186	$ -	$ 319,950	$ 123,350,996	$ 5,576
2019	$ 66,440,806	$ 12,791,733	$ 7,598,780	$ 1,763,227	$ 785,000	$ -	$ 4,404,886	$ 19,803,150	$ -	$ 381,492	$ 113,969,074	$ 5,152
2020	$ 62,141,543	$ 11,046,664	$ 6,816,235	$ 1,868,272	$ 525,000	$ -	$ 4,160,295	$ 18,666,993	$ -	$ 1,780,233	$ 107,005,235	$ 4,837
2021	$ 55,391,810	$ 10,162,596	$ 6,002,668	$ 1,391,542	$ 265,000	$ 2,500,000	$ 3,793,118	$ 16,903,802		$ 1,277,605	$ 97,688,141	$ 4,416
2022	$ 48,363,226	$ 9,236,860	$ 5,156,845	$ 1,721,534	$ -	$ 1,885,000	$ 3,408,771	$ 15,822,274	$ -	$ 1,305,103	$ 86,899,613	$ 3,929
2023	$ 41,170,441	$ 8,280,405	$ 4,277,483	$ 1,327,352	$ -	$ 1,265,000	$ 3,006,492	$ 28,247,999	$ -	$ 880,879	$ 88,456,051	$ 3,999
2024	$ 34,100,556	$ 7,298,645	$ 3,363,247	$ 1,224,058	$ -	$ 635,000	$ 2,586,303	$ 39,836,912	$ -	$ 435,149	$ 42,858,364	$ 1,869

Debt listed as of December 31

Estimated population from US Census = 22,932

City of Junction City, Kansas
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed Valuation (1)										
Legal Debt Limit at 30% of AV (2)										
General Obligation Bonds Outstanding										
Outstanding GO Debt Applicable to Debt Limit										
Legal Debt Margin										
Debt Limit	$ 72,017,789	$ 72,522,779	$ 66,781,502	$ 66,642,553	$ 59,247,831	$ 58,000,635	$ 58,809,903	$ 58,809,903	$ 55,531,987	$ 47,962,657
Total Net Debt Applicable to Limit	$ 56,091,866	$ 52,748,992	$ 48,959,557	$ 45,038,304	$ 40,986,855	$ 36,369,361	$ 31,607,112	$ 27,608,648	$ 23,488,649	$ 19,541,872
Legal Debt Margin	$ 15,925,923	$ 19,773,787	$ 17,821,945	$ 21,604,249	$ 18,260,976	$ 21,631,274	$ 27,202,791	$ 31,204,256	$ 32,043,338	$ 28,420,785
Total net debt applicable to the limit as a percentage of debt limit	78%	73%	73%	68%	69%	63%	54%	47%	42%	41%

(1) Includes motor vehicle valuation.
(2) Debt limit is set at 30% of assessed valuation per state
scheduled to decline to 37% in 2011, 34% in 2013 and 30% in 2015. In early 2012, the statute was amended a second time and the decline in limit was revised to remain at 37% until July 1, 2016, 34% until July 1, 2020 and 30% thereafter.

*Numbers courtesy fo Columbia Capital Financial

City of Junction City, Kansas

Ratios of Net General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Less Amount Available in Debt Service Fund (2)	Total	Actual Taxable Value of Property	Percent of Actual Taxable Value of Property	Population (3)	Per Capita
2015	$ 103,967,787	$ 3,131,394	$ 100,836,393	$ 177,932,124	56.67%	24,665	$ 4,088
2016	$ 100,880,023	$ 2,304,121	$ 98,575,902	$ 178,730,620	55.15%	24,180	$ 4,077
2017	$ 94,467,599	$ 2,591,112	$ 91,876,487	$ 175,690,805	52.29%	22,988	$ 3,997
2018	$ 83,801,783	$ 2,021,151	$ 81,780,632	$ 172,755,601	47.34%	22,120	$ 3,697
2019	$ 87,551,117	$ 861,241	$ 86,689,876	$ 174,258,325	49.75%	21,482	$ 4,035
2020	$ 60,326,007	$ 2,106,583	$ 58,219,424	$ 171,741,780	33.90%	21,482	$ 2,710
2021	$ 52,904,839	$ 2,626,937	$ 50,277,902	$ 176,461,760	28.49%	22,616	$ 2,223
2022	$ 56,296,987	$ 9,500,930	$ 46,796,057	$ 214,098,235	21.86%	22,120	$ 2,116
2023	$ 46,620,290	$ 9,125,062	$ 37,495,228	$ 219,445,101	17.09%	22,120	$ 1,695
2024	$ 41,243,007	$ 2,985,865	$ 38,257,142	$ 228,310,235	16.76%	22,932	$ 1,668

(1) Does not include GO bonds that are paid by utility funds.
(2) Cash As of December 31st
(3) As of July 1 prior year from US Census Bureau

City of Junction City, Kansas

Direct and

Overlapping Governmental Debt Activities

As of December 31, 2024

Government Unit:	Debt Outstanding	Estimated Percentage Applicable**	Estimated Share of Direct and Overlapping Debt
Geary County	$ 18,148,753	67.9%	$ 12,323,003
U.S.D. #475 School District	113,650,000	67.9%	77,168,350
Total Estimated Overlapping Debt	$ 131,798,753		$ 89,491,353
DIRECT DEBT			
City of Junction City	$ 71,779,927	100.0%	$ 71,779,927
DIRECT & ESTIMATED OVERLAPPING DEBT	$ 203,578,680		$ 161,271,280

Source: Office of Geary County Clerk
*Numbers provided by County were for June 30, 2018
**Per person within city limits based on July 1, 2018 estimated population.
Junction City = 22120 Geary County = 32,549
(1) Information represents the share of the respective debt which are obligations of the citizens of Junction City.

City of Junction City, Kansas

Pledged Revenue Coverage

Last Ten Fisccal Years

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal & Interest	Coverage
2015	$ 9,939,474	$ 6,763,085	$ 3,176,389	$ 2,034,982	156%
	WATER:				
2016**	$ 5,294,769	$ 3,018,168	$ 2,276,601	$ 640,872	355%
	WASTEWATER				
2016**	$ 5,538,928	$ 3,384,443	$ 2,154,485	$ 1,419,476	152%
	WATER:				
2017	$ 5,636,854	$ 3,228,918	$ 2,407,936	$ 868,562	277%
	WASTEWATER				
2017	$ 5,810,768	$ 3,898,489	$ 1,912,279	$ 883,674	216%
	WATER:				
2018	$ 5,747,108	$ 3,529,185	$ 2,217,923	$ 1,047,617	212%
	WASTEWATER				
2018	$ 6,150,387	$ 3,913,457	$ 2,236,929	$ 1,513,594	148%
	WATER:				
2019	5,543,406	3,676,695	1,866,711	$ 963,691	194%
	WASTEWATER				
2019	5,372,257	3,893,892	1,478,365	$ 1,398,522	106%
	WATER:				
2020	$ 5,745,005	$ 4,044,491	$ 1,700,513	$ 1,002,684	170%
	WASTEWATER:				
2020	6,281,411	$ 5,266,426	1,014,986	$ 1,454,002	70%
	WATER:				
2021	$ 6,427,183	$ 5,003,562	$ 1,423,622	$ 1,017,646	140%
	WASTEWATER				
2021	$ 6,895,350	$ 5,782,078	$ 1,113,272	$ 1,488,797	75%
	WATER:				
2022	$ 6,559,610	$ 5,262,834	$ 1,296,776	$ 1,369,496	95%
	WASTEWATER				
2022	$ 6,854,534	$ 5,252,562	$ 1,601,971	$ 1,226,549	75%
	WATER:				
2023	$ 7,107,733	$ 5,262,834	$ 1,844,900	$ 1,369,496	135%
	WASTEWATER				
2023	$ 6,854,534	$ 5,252,562	$ 1,601,971	$ 1,226,549	75%
	WATER:				
2024	$ 7,270,429	$ 6,458,570	$ 811,859	$ 1,032,807	79%
	WASTEWATER				
2024	$ 8,478,464	$ 5,338,781	$ 3,139,683	$ 1,632,294	192%

**In 2016 water and wastewater utility budget split to form separate utilities.

City of Junction City

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Income (3)	Public School Enrollment (4)	Unemployment Rate (5)	Median Age (6)
2015	24,621	N/A	n/a	7,732	5.5	29
2016	24,180	N/A	$44,203	7,686	5.1	26.8
2017	22,988	N/A	$45,106	7,302	4.9	26.5
2018	22,120	N/A	$47,217	6,834	4.8	27
2019	21,482	N/A	$50,463	7,407	4.7	27.2
2020	21,482	N/A	$53,932	6,745	4.9	26
2021	22,616	N/A	$53,949	6,776	3.8	26
2022	22,264	N/A	$56,410	7,004	2.8	28
2023	22,932	N/A	$60,709	7,004	5.1	29
2024	22,932	N/A	$61,278	7,416	5.1	28

(1) US Census Bureau as of July 1, 2020
(2 & 3) US Census Bureau Fact Finder based on 2020 surveys
(4) Unified School District #475 via phone 12/2025 submission
(5) Home Facts
(6) US Census Bureau Fact Finder based on 2020 surveys

City of Junction City
Principal Employers

Employers	2024 Estimated Number of Employees	Employers	2015 Estimated Number of Employees
Fort Riley Civil Service (1) Civilian employees	5,439	Fort Riley Civil Service Civilian employees	3,543
U.S.D. #475 School District	1,302	U.S.D. #475 School District	1,350
Foot Locker Distribution Center	850	Foot Locker Distribution Center	533
Smithfield Foods	451	Smithfield Foods	412
Walmart Super Center	312	Geary Community Hospital	400
Geary County	265	Advanced Call Center Technology	350
Advanced Call Center	250	City of Junction City	250
City of Junction City	227	Geary County	230
Geary Community Hospital	195	Dillons	230
CAMSO/Michelin	126	Century Link	115

(1) Information Provided by Junction City/Geary County Economic Development
Fort Riley spans two counties (Geary and Riley).

City of Junction City, Kansas

Full-time Employees by Department

Last Ten Fiscal Years

	2015		2016		2017		2018		2019		2020		2021		2022		2023		2024	
Governmental Activities:	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
General Government																				
General Administration	4	2.01	4	2.00	4	2.01	5	2.48	3	1.49	3	1.49	3	1.54	4	2.04	6	2.58	6	2.73
Human Resources	1.5	0.75	1.5	0.75	1.5	0.75	2.5	1.24	3	1.49	3	1.49	3	1.54	3	1.53	3	1.29	2	0.91
Information Services	2	1.00	2	1.00	2	1.01	2	0.99	2	0.99	2	0.99	2	1.03	2	1.02	2	0.86	2	0.91
Economic Development	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.45
Building Maintenance	3	1.50	3	1.50	3	1.51	3	1.49	3	1.49	3	1.49	3	1.54	3	1.53	2	0.86	2	0.91
Public Safety																				
Police Department	76.5	38.35	77	38.40	77	38.69	69	34.24	69	34.24	69	34.24	69	35.38	69	35.20	85	36.48	69	31.36
Fire/EMS Department	53	26.57	53	26.43	53	26.63	47	23.33	47	23.33	47	23.33	47	24.10	47	23.98	61	26.18	52	23.64
Codes/Inspection	5	2.51	5	2.49	5	2.51	5	2.48	5	2.48	5	2.48	5	2.56	5	2.55	9	3.86	8	3.64
Municipal Court	6.5	3.26	6.5	3.24	6.5	3.27	6	2.98	6	2.98	6	2.98	6	3.08	6	3.06	4	1.72	5	2.27
Public Works																				
Engineering	3	1.50	1	0.50	1	1.00	0	1.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Self Help Housing	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Streets **	12	6.02	13	6.48	12	6.03	12	5.96	12	5.96	12	5.96	12	6.15	12	6.12	14	6.01	15	6.82
Culture & Recreation																				
Recreation	1	0.50	1.5	0.75	1.5	0.75	5	2.48	5	2.48	5	2.48	5	2.56	5	2.55	1	0.43	5	2.27
Parks	6	3.01	6	2.99	7	3.52	8	3.97	8.5	4.22	8.5	4.22	9	4.62	9	4.59	14	6.01	15	6.82
Junction City Arts	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Spin City****	1	0.50	1	0.50	1	0.50	7.5	0.50	7.5	3.72	7.5	3.72	0	0.00	0	0.00	0	0.00	0	0.00
Rolling Meadows Golf Course	3	1.50	3	1.50	2.5	1.26	9.5	4.71	10.5	5.21	10.5	5.21	11	5.64	11	5.61	8	3.43	12	5.45
Total for Gov't-type Activities	**177.5**	**88.97**	**177.5**	**88.53**	**177**	**88.94**	**181.5**	**90.07**	**181.5**	**90.07**	**181.5**	**90.07**	**175**	**89.74**	**176**	**89.80**	**209**	**89.70**	**194**	**88.18**
Business-type Activities																				
Solid Waste	6	3.01	6	2.99	6	3.02	4	1.99	4	1.99	4	1.99	4	2.05	4	2.04	7	3.00	4	1.82
Storm Water	1	0.50	1	0.50	1	0.50	1	0.50	1	0.50	1	0.50	1	0.51	1	0.51	1	0.43	1	0.45
Water/Sewer	15	7.52	16	7.98	15	7.54	15	7.44	15	7.44	15	7.44	15	7.69	15	7.65	16	6.87	15	6.82
Total Business-type Activities	**22**	**11.03**	**23**	**11.47**	**22**	**11.06**	**20**	**9.93**	**20**	**9.93**	**20**	**9.93**	**20**	**10.26**	**20**	**10.20**	**24**	**10.30**	**26**	**11.82**
Total Full-time Employees	**199.5**		**200.5**		**199**		**201.5**		**201.5**		**201.5**		**195**		**196**		**233**		**220**	

*2012 to 2016 Full-time equivalent for regularly scheduled employees with 25 hrs/week or more. Regular part-time is designated as .5.
**2012 the city took over public works operations that had been contract services since 1999.
Worksheet revised 2016 to correct historical numbers.
****2021 Close Spin City due to COVID and have not reopened

City of Junction City, Kansas

Operating Indicators by Function / Program

Last Ten Fiscal Years

Function/Program:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government												
Building Permits Issued	994	1,090	1,174	1,304	1,126	824	1,478	2,028	2,181	1,890	1,884	1,551
Building Inspections Conducted	3,637	3,700	4,340	2,195	2,087	826	2,876	1,692	1,483	3,297	965	2,234
Police												
Physical Arrests	1,708	2,431	3,032	2,886	2,994	2,339	1,920	1,939	2,289	2,040	1,963	1,624
Traffic Violations	6,314	6,678	5,743	5,337	6,234	6,127	6,881	4,940	6,879	4,268	3,772	4,584
Fire												
Fire Calls	1,683	1,559	1,691	1,832	1,859	1,704	1,456	3,385	3,694	563	563	581
Emergency Medical Service Calls	2,815	2,921	3,188	3,120	3,115	3,094	3,231	3,165	3,452	3,593	3,479	2,923
Parks & Recreation												
Golf course (Rounds of Golf)	12,952	15,678	17,346	15,359	15,427	12,881	13,274	20,756	22,900	15,978	19,188	19,845
Golf course (Rounds per Special Events)	1,077	571	1,564	1,263	1,506	1,093	880	1,219	1,653	1,393	1,916	2,120
Water												
Average daily consumption (gallons x 1,000)	2,904,667	2,973,000	2,888,000	2,928,000	2,924,000	2,837,019	2,563,468	2,806,595	3,844,000	4,203,000	4,203,000	3,562,000
Peak daily consumption (gallons x 1000)	5,229,000	6,331,000	5,719,000	5,260,000	4,705,000	4,003,677	4,074,712	4,078,787	4,257,000	4,278,448	4,492,370	4,716,989
Wastewater												
East Plant Average daily sewage treatment (gallons)	1,630,000	1,572,000	1,513,000	1,494,000	1,451,000	1,544,066	1,618,137	1,558,027	1,719,500	1,935,000	1,935,000	1,966,000
SW Plant Average daily sewage treatment (gallons)	770,000	816,000	831,000	855,000	799,000	778,778	772,110	826,904	1,130,000	738,000	738,000	745,000

City of Junction City, Kansas

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	7	7	9	9	9	9	9	9	13	13
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Streets (miles)	149	150	150	150	150	150	151.5	151.5	151.5	151.5
Streetlights	1,615	1,615	1,647	502	502	502	586	586	586	586
Traffic Signals	18	18	22	21	21	21	21	21	21	21
Parks & Recreation										
Public Parks	19	19	19	19	19	19	19	19	19	19
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Golf Courses	1	1	1	1	1	1	1	1	1	1
Baseball/Softball Fields	7	7	10	10	10	10	10	10	10	10
Tennis Courts	6	6	6	6	6	6	6	6	6	6
Community Centers	1	1	1	1	1	1	1	1	1	1
Spin City Recreation Complex	1	1	1	1	1	1	1	1	1	1
Rathert Stadium			1	1	1	1	1	1	1	1
Water										
Water mains (miles)	123.3	123.3	123.3	123.3	123.3	123.3	126	159	159	159
Storage capacity (gallons)	2,500,000	2,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Wastewater										
Sanitary sewers (miles)	107	130.9	130.9	130.9	130.9	130.9	131.9	130.5	130.5	130.5
Treatment daily capacity (gallons)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Storm water										
Storm sewers (miles)	14.2	14.2	51.4	51.4	51.4	51.4	53	53	53	53

Source: City of Junction City, Kansas Departments
*Summer Fun Club Building is no longer used.

City of Junction City, Kansas

Debt Limit Calculations

Legal Debt Margin Calculation **As of July 1, 2022**			**Legal Debt Margin Calculation** **As of July 1, 2011**		
Assessed Valuation:	Real Property	$ 179,913,176	Assessed Valuation:	Real Property	$ 159,395,617
	Motor Vehicles	$ 26,953,834		Motor Vehicles	$ 22,474,972
	Total	$ 206,867,010		Total	$ 181,870,589
Legal Debt Limit Percentage		30%	Legal Debt Limit Percentage		40%
Legal Debt Limit Dollar Value		$ 62,060,103	Legal Debt Limit Dollar Value		$ 72,748,236
Outstanding GO Debt Applicable to Debt Limit		$ -	Outstanding GO Debt Applicable to Debt Limit		$ -
Legal Debt Margin		$ 62,060,103	Legal Debt Margin		$ 72,748,236

2015 Information not available

CITY OF JUNCTION CITY, KANSAS

Single Audit Information

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

To the City Commissioners
City of Junction City, Kansas
Junction City, KS

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of **City of Junction City, Kansas**, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise **City of Junction City, Kansas'** basic financial statements, and have issued our report thereon dated February 3, 2026. The report on the audited financial statements of the Dorothy Bramlage Public Library, an aggregate discretely presented component unit, was adverse because the financial statements are prepared to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may

exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002, 2024-003, 2024-004, 2024-005, and 2024-006, that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

City of Junction City, Kansas' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on **City of Junction City, Kansas'** response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. **City of Junction City, Kansas'** response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

February 3, 2026

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the City Commissioners
City of Junction City, Kansas
Junction City, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of **City of Junction City, Kansas** and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **City of Junction City, Kansas'** compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **City of Junction City, Kansas'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-007. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on **City of Junction City, Kansas'** response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. **City of Junction City, Kansas'** response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-007, to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on **City of Junction City, Kansas'** response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. **City of Junction City, Kansas'** response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

February 3, 2026

CITY OF JUNCTION CITY, KANSAS
Schedule of Expenditures of Federal Awards
December 31, 2024

Federal Grantor/ Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Justice			
Direct Aid			
Bulletproof Vest Partnership Program	16.607	N/A	$ 6,638
Equitable Sharing Program	16.922	N/A	16,000
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02854-JAGX	5,716
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03405-JAGX	4,011
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-03532-UHPX	56,762
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-23-GG-01862-TECP	85,008
Total U.S. Department of Justice			174,135
U.S. Department of Transportation			
Direct Aid			
Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs	20.106	3-20-0039-017-2022	107,257
U.S. Department of the Treasury			
Direct Aid			
COVID-19 Funding			
Coronavirus State and Local Fiscal Recovery Funds	21.027	KDNEU 385	1,314,672
U.S. Department of Homeland Security			
Direct Aid			
Assistance to Firefighters Grant	97.044	EMW-2022-FG-00624	41,168
Environmental Protection Agency			
Passed Through Kansas Department of Health and Environment			
Clean Water State Revolving Fund	66.458	C20 1973 02	12,209,042
Total Expenditures of Federal Awards			$ **13,846,274**

Note - There were no awards made to subrecipients for the year ended December 31, 2024.

See accompanying notes to schedule of expenditures of federal awards.

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

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **City of Junction City, Kansas** under programs of the federal government for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are presented in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance cost principles, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 – INDIRECT COST RATE

The City has elected not to use the de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

NOTE 4 – ENVIRONMENTAL PROTECTION AGENCY

City of Junction City, Kansas has received a loan from the Environmental Protection Agency, passed through the Kansas Department of Health and Environment. Expenditures incurred for this project during the period ended December 31, 2024 totaled to $12,209,042. The balance of the loan outstanding at December 31, 2024 consists of:

Federal Assistance Listing Number	Program Name		Outstanding Balance at December 31, 2024
66.458	Clean Water State Revolving Fund	$	12,516,766

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

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:

Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Unit	Adverse
Each Major Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Internal control over financial reporting:

• Material weakness identified?	X	Yes		No
• Significant deficiency identified?		Yes	X	None reported
• Noncompliance material to financial statements noted?		Yes	X	No

FEDERAL AWARDS

Internal control over major programs:

• Material weakness identified?		Yes	X	No
• Significant deficiency identified?	X	Yes		None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance? X Yes ____ No

Identification of major program:

Assistance Listing Number	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
66.458	Clean Water State Revolving Fund

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? ____ Yes X No

SECTION II – FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESSES

2024-001 – GAAP Accrual Adjustments

Criteria or specific requirement
The City keeps its books on the budgetary basis of accounting. The City should calculate and provide all accrual adjustments in order to accurately report the balances in accordance with generally accepted accounting principals (GAAP).

Condition
During the course of our audit, we identified significant adjustments that were not initially identified by the City's internal control structure.

Context
We determined, through audit procedures, that there was a failure to properly record and reconcile account balances for GAAP reporting.

Cause
Inappropriate application of generally accepted accounting principles.

Effect
Adjustments were identified during audit procedures in order to accurately report in accordance with GAAP for receivables and allowances, accrued expenses, OPEB, and net pension liability.

Recommendation
We recommend that the City review its trial balance at year-end to ensure that all adjustments have been made with supporting documentation and review and approval has been provided.

Views of responsible officials
See Corrective Action Plan.

2024-002 – Accounts Payable and Encumbrances

Criteria or specific requirement
Amounts due to vendors or suppliers for goods and services received before year end, but not yet paid for, should be booked as accounts payable. Encumbrances should be recognized when outstanding commitments related to an unperformed contract for goods or services exists.

Condition
Invoices were not recorded as accounts payable at year end and material encumbrances were not recorded in accordance with budgetary laws or GAAP.

Context
During audit procedures, material invoices were identified that should have been recorded as accounts payable. The open purchase order report was not reviewed against the original contract approvals by the Commission and the payments made on said contracts.

Cause
Invoices were not properly reviewed for the date of the goods purchased or services provided. Contracts approved throughout the year were not reviewed against the payment dates.

Effect
Management may not be aware of accurate expenditures for the year, which could result in budget violations, and fund balances may be inaccurately allocated for the GAAP financial statements. In addition, liabilities and expenses were understated.

Recommendation
We recommend that the City employees review the internal controls around accounts payable to ensure all are properly recorded. City employees should also review all contract approvals and reconcile them to the open purchase orders report to ensure they are accurately recorded as encumbrances at year-end.

Views of responsible officials
See Corrective Action Plan.

2024-003 – Cash and Cash Equivalents

Criteria or specific requirement
All activity within the investment accounts maintained by the City need to be recorded within the accounting software and reconciled timely each month.

Condition
Monthly reconciliations of the investment accounts were not completed.

Context
We determined, through confirming investment balances, that there was a failure to properly reconcile the Columbia Capital accounts.

Cause
Monthly statements are received but not reconciled by City staff.

Effect
Assets and revenue were understated.

Recommendation
We recommend the Columbia Capital accounts be reconciled monthly instead of only when an investment matures. In addition, interest and dividends should be recorded when earned, and outstanding adjustments should be resolved before the account reconciliation is signed off on as reviewed.

Views of responsible officials
See Corrective Action Plan.

2024-004 – Capital Assets

Criteria or specific requirement
Control procedures over fixed assets should be in place to prevent, detect, and correct potential misstatement of fixed assets. Fixed asset additions and deletions should be reconciled to the general ledger and construction in progress records by the City staff to ensure they are properly stated on the depreciation listing.

Condition
Transactions affecting the depreciation listing were not properly recorded in accordance with City policy.

Cause
Assets included in accounts payable at year-end were missed during management’s review of capital assets. In addition, capital assets were missed during management’s review of the accounts.

Effect
Failure to properly keep track of fixed asset related transactions resulted in a material adjustment to the financial statements.

Recommendation
We recommend the City review its internal controls to ensure that capital assets are properly tracked and reported on the financial statements. It is imperative that all fixed asset related items be provided by management. We recommend that fixed assets be tracked on a master listing including assets ordered but not yet paid for and that the depreciation schedule be reviewed annually to determine whether the City still has the property listed.

Views of responsible officials
See Corrective Action Plan.

2024-005 – Segregation of Duties

Criteria or specific requirement
Internal controls should be in place to ensure that employees do not have incompatible duties.

Condition
Proper segregation of duties does not exist in the accounting system.

Context
We determined, through inquiry, documentation of the City's internal controls, and detail testing that there is a failure to properly segregate duties for the financial reporting process.

Cause
Turnover at the City resulted in employees having incompatible duties.

Effect
Management may not become aware of problems or irregularities in a timely manner.

Recommendation
Procedures should be established and implemented to segregate duties to strengthen internal controls. Also, proper training should be provided to relevant positions in order to better facilitate segregation of duties.

Views of responsible officials
See Corrective Action Plan.

2024-006 – Fund Balance

Criteria or specific requirement
Fund balances should reflect all prior audit adjustments.

Condition
Prior audit adjustments were not recorded on the books at year-end.

Context
While rolling forward fund balances and tying them to the prior year audit, we determined that there was a failure to properly record prior audit adjustments.

Cause
Personnel did not record the prior audit adjustments.

Effect
The account balances may be misstated within the accounting software throughout the year.

Recommendation
Audit adjustments provided to the City should be posted and the adjusted balances should be reviewed to ensure they are accurate as verified by the audit.

Views of responsible officials
See Corrective Action Plan.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

SIGNIFICANT DEFICIENCY

2024-007

Federal program
Coronavirus State and Local Fiscal Recovery Funds – 21.027

Compliance requirements – Reporting

Criteria or specific requirement
Internal controls should be in place to ensure that reports are completed accurately.

Condition
During review of the annual program reporting, it was noted that cumulative expenditures and current period expenditures were not properly reported.

Context
For the current period expenditures, they were calculated using an incorrect timeframe, which resulted in them being under-reported. In addition, the cumulative expenditures were calculated using the amount reported in the prior reporting period and adding the current period expenditures, which led to them being under-reported, as well.

Cause
Turnover led to a new staff member preparing the reporting, and they did not have any training from the prior staff member regarding its preparation.

Effect
Incorrect current period expenditures and cumulative expenditures were reported to the Treasury.

Recommendation
We recommend that the City review its grant reporting procedures and implement controls to ensure that grant reports are completed accurately. Additionally, we recommend that all staff involved receive proper training in order to understand the information that is being requested.

Views of responsible officials
See Corrective Action Plan.

700 N. Jefferson
Junction City, KS 66441
(785) 238-3103

ADMINISTRATION

Summary Schedule of Prior Audit Findings and Questioned Costs
For the Year Ended December 31, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS

2023-001 – GAAP Accrual Adjustments

Condition
During the course of our audit, we identified significant adjustments that were not initially identified by the City's internal control structure.

Recommendation
We recommend that the City review its trial balance at year-end to ensure that all adjustments have been made with supporting documentation and review and approval has been provided.

Status
Ongoing. See finding 2024-001.

Corrective Actions
Beginning at the end of 2024 and continuing throughout 2025, the City began taking the following steps to address the finding: establish a review schedule, standardize documentation, train staff, create an approval workflow, establish periodic check-ins, and implement a feedback mechanism.

2023-002 – Accounts Payable and Encumbrances

Condition
Invoices were not recorded as accounts payable at year end and material encumbrances were not recorded in accordance with budgetary laws or GAAP.

Recommendation
We recommend that the City employees review the internal controls around accounts payable to ensure all are properly recorded. City employees should also review all contract approvals and reconcile them to the open purchase orders report to ensure they are accurately recorded as encumbrances at year-end.

Status
Ongoing. See finding 2024-002.

Corrective Actions
Beginning in January of 2025, the City began taking the following steps to address the finding:

- Implement cutoff procedures to ensure all invoices are captured and recorded within the proper period.
- Train staff on accounts payable and encumbrance recognition in accordance with budgetary law and GAAP requirements.

700 N. Jefferson
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ADMINISTRATION

Summary Schedule of Prior Audit Findings and Questioned Costs
For the Year Ended December 31, 2024

- Strengthen internal controls over the process by reviewing the current workflow, identifying gaps and addressing them, introducing periodic internal reviews or spot checks, and implementing a year-end encumbrance checklist to prevent any omissions.
- Establish ongoing monitoring by scheduling periodic reviews throughout the year, use exception reports to identify unusual or missing items, and assign responsibilities to a specific role to ensure accountability.
- Improve documentation by maintaining written policies and procedures and keeping evidence of reconciliations, reviews, and approvals.

2023-003 – Cash and Cash Equivalents

Condition
Monthly reconciliations of the investment accounts were not completed.

Recommendation
We recommend the Columbia Capital accounts be reconciled monthly instead of only when an investment matures. In addition, interest and dividends should be recorded when earned, and outstanding adjustments should be resolved before the account reconciliation is signed off on as reviewed.

Status
Ongoing. See finding 2024-003.

Corrective Actions
Effective January 18, 2025, the City began reconciling the Columbia Capital accounts on a monthly basis.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs for the year ended December 31, 2023 are required to be disclosed under the Uniform Guidance.