ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF NEWTON, KANSAS

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

MAYOR

Rod Kreie

VICE MAYOR

Rich Stinnett

COMMISSIONERS

Kathy Valentine
Leroy Koehn
Melanie Watson

CITY MANAGER

Daniela Rivas

FINANCE DIRECTOR

Donna Pickman

Prepared by the Finance Office

CITY OF NEWTON, KANSAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended December 31, 2023

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Daniela Rivas
City Manager

June 25, 2024

Newton City Commission
City of Newton
201 E. Sixth Street
PO Box 426
Newton, KS 67114-0246

Dear Commissioners,

City of Newton staff is pleased to present to you the City's Annual Comprehensive Financial Report for the period ended December 31, 2023. This Annual Comprehensive Report is a review of what occurred financially over the course of the 2023 fiscal year and serves as an analysis of our ability to manage the City's financial resources.

The Annual Comprehensive Financial Report reflects the continuing progress (through very intentional and committed efforts by the City Commission and City staff) to achieve and maintain a solid municipal financial position. By following sensible financial principles and practices in the management of the taxpayer resources that we are entrusted with, and by willingly facing our challenges head-on, we continue to improve the City's overall financial condition.

The Annual Comprehensive Financial Report is a valuable resource for the community as we continue to evaluate and make decisions regarding allocations of resources among our municipal programs and services, meeting the needs and objectives of our citizens. It is the result of many hours of hard work and dedication by our Finance Department staff. Many of the department heads and other city staff members also dedicate significant time and effort to make this comprehensive report possible. We are fortunate to have a strong and dedicated team and express our appreciation for their efforts and service, and for your trust.

Sincerely,

Daniela Rivas

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Donna Pickman
Finance Director

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201 E. Sixth, P.O. Box 426
Newton, Kansas 67114-0426

June 25, 2024

TO THE CITIZENS OF THE CITY OF NEWTON, KANSAS
HONORABLE MAYOR AND CITY COMMISSIONERS

Good financial management requires that we provide full disclosure of the results of the City's fiscal activities each year, and that we obtain independent verification of the accuracy of our statements. Additionally, Kansas statutes call for an annual audit of all funds of the City by independent certified public accountants. Pursuant to these requirements, we hereby issue the annual comprehensive financial report of the City of Newton for the fiscal year ended December 31, 2023. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data presented is accurate in all material respects. It is presented in a manner designed to fairly set forth the financial position and results of the operations of the City, measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included. The Management Discussion and Analysis section also includes a narrative explanation, through the eyes of management, on how the City has performed. The Management Discussion and Analysis begins on page 4 of this report.

The firm BT & Co, P.A. audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements are free from material misstatements. The independent audit involves examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there is a reasonable basis for rendering unqualified opinions that the statements presented are in conformity with generally accepted accounting principles (GAAP) and fairly present the financial condition of the City.

The Reporting Entity and Its Services

All funds and entities related to the City of Newton are included in our annual financial report. The city provides a full range of services, which include emergency services (police, fire, and emergency medical); environmental services (water supply and distribution, wastewater collection and treatment, and solid waste collection); public works functions (street maintenance, operation of an airport, parks, cemetery, planning, engineering, building inspection), and a variety of supportive administrative services.

The Newton Public Library, a separate legal entity, is reported as a discrete component unit. A Board, the appointees of which are approved by the City, governs the Library. The Library is not a separate taxing entity under State statutes and the City levies taxes for the Library operation, which represents a significant portion of its total revenues.

The Housing Authority of the City of Newton, Kansas, a separate legal entity, is reported as a discrete component unit. The Housing Authority is governed by a Board, the appointees of which are approved by the City. The City also has the ability to remove appointed Board members at will and override or modify decisions of the governing board. The Housing Authority is presented as a proprietary fund type. Separately issued financial statements are available from the Housing Authority.

The finances for the municipal golf course, airport, conference center and water, sewer and sanitation utilities are shown as enterprise funds. In addition, the Newton Public Building Commission is shown as a blended component unit classified as an enterprise fund.

Profile of the City of Newton

Newton is located just 20 minutes north of Wichita, the largest city in Kansas. The city was incorporated in 1872 at the western terminal of the Atchison, Topeka and Santa Fe Railway and the railhead of the Chisholm Trail, a cattle trail that ended in Abilene (current Highway K-15 follows the Chisholm Trail's route). Thus, the history of Newton has always been tied to the railroad.

Newton, the Harvey County seat, offers an ideal family environment with affordable, quiet neighborhoods and an assortment of youth recreational activities. A drive through the heart of the community reveals a city with pride and vision. Historical buildings that have been adapted for modern commercial enterprises are sprinkled throughout the community. Visible signs of steady growth are evidenced by the successful commerce of the community. Newton residents benefit from a lifestyle that values sound education, progressive health care and safe neighborhoods.

Newton area residents have access to full medical, dental, and rehabilitative services close to home. Harvey County enjoys the third highest physician to resident ratio in the state. NMC Health is an award-winning medical care system focused on improving health throughout Newton, Harvey, and surrounding counties. Featuring a 99-bed hospital located at the intersection of I-135 and Highway 50, and nine primary care and specialty clinics, NMC Health's services and specialties include emergency medicine, surgical services, orthopedics, neurology, rehabilitation, occupational medicine, home health and more. The medical center is a major employer in Harvey County with 875 full and part-time employees. NMC Health is a seven-time winner of The Chartis Center for Rural Health's Top 100 Rural and Community Hospitals in the United States.

The Newton school district, USD 373, serves more than 3,172 students in the Newton area. Annually, Newton High School graduation classes average approximately 400. USD 373 is the largest employer in Newton and the second largest employer in Harvey County with a work force of 800 employees and 600 FTE. More than half of USD teachers have a master's degree or above. 100% of the teachers are designated as "highly Qualified" as defined by the Kansas Department of Education.

Economic Condition and Outlook

Newton, with a 2023 US Census bureau population estimate of 18,392 is located in the Wichita, Kansas, Metropolitan Area, approximately 20 miles north of Wichita itself. Newton is the 23rd largest city in Kansas. 522 building permits were issued in 2023 for $44 million compared to $23.5 million in 2022. Thirty-six of these permits were for residential homes with a value of $7.8 million, down from thirty-seven in 2022 with a value of $11.7 million.

The City of Newton is actively involved in economic development through its partnership with Harvey County and six other local cities. These entities fund the Harvey County Economic Development Council, Inc. to provide economic development services for the area. The mission of the organization is:

> To promote the social welfare and economic development of Harvey County; recruit industrial prospects for relocation and expansion in Harvey County; and engage in other programs and projects for promotion of local economic development.

Working as partners has allowed economies of scale in business and industrial development and recruitment, as well as the ability to acquire technical expertise and resources.

Major Initiatives

1st Street Water Storage Tank Replacement
A multi-year project was implemented in 2020 to replace the 3.8-million-gallon water storage tank located on 1st street in Newton. This tank will be replaced with two 1.9-million-gallon tanks. Property had to be purchased from the BNSF Railway which accounted for much of the delay in starting the project. A low interest loan from the Kansas Department of Health and Environment estimated at $8.3 million has been approved to pay for this project. Construction was planned to be completed in 2023, but delays and increased costs have pushed the completion time to 2024.

GAF Materials Corporation
The City Commission approved a letter of intent in July of 2021, to sell approximately 230 acres of land to GAF Materials Corp. for a new manufacturing facility. New Jersey-based GAF is the largest roofing materials manufacturer in North America, with more than two dozen manufacturing plants in the United States. A development agreement was approved in February 2023 and GAF closed on the land in April of 2023. The development agreement also calls for the City to provide rail improvements to the project site. In August 2022, the City was awarded $3.04 million from the Kansas Department of Transportation for rail extension to serve the site. In February 2024, the commission approved issuing up to $350 million in Industrial Revenue Bonds, which will provide GAF with a 10-year, 100% property tax abatement. GAF has to invest $75 million in the project before it can receive this benefit.

K & O Railroad Property Purchase
In April of 2023, the City Commission approved a real estate contract with K & O Railroad's parent company, WATCO, for the sale of about 23 acres of property in the Kansas Logistical Park. WATCO expects to be able to build a rail yard for 120-200 rail cars on the property. The property

is located between SE Ninth and SE 12th streets, just north of the anticipated future site of GAF Materials' new manufacturing facility.

Newton Public Library
Final plans were approved by the City Commission in November 2022 for a new 25,000 square foot library on the east end of Military Park. After construction of the new building, the old library building was demolished. The project cost estimate including design and construction was $10.7 million. The City has committed to fund $4.5 million toward the project. A volunteer fundraising committee has raised $3.2 million in private funds. In December a construction contract was awarded to Dondlinger Construction for $7,805,500. Construction began in February 2023 and was completed in the April 1st, 2024.

Full Vision Expansion
The Newton-based metal fabrication company completed a $7 million expansion that added 35,000 square feet to its main manufacturing facility and will add 15 new jobs over the next five years. Full Vision requested annexation into the City so that it could utilize City sewer service and this was approved in September 2022. Costs for the sewer expansion were $620,546, with the City covering 20% of those costs or approximately $124,109. This project was completed in May of 2024 and will be bonded through special assessments in the fall of 2024.

Public Wetlands Park
The Kansas Alliance for Wetlands and Streams worked with the City, the R. Michael Rhoades Foundation, Ducks Unlimited, Evergy and various other partners to develop a wetlands park. The 7.2-acre park was built adjacent to the City's existing manmade wetlands which are fed by effluent water from the Wastewater Treatment Plant. The new wetlands will be fed by stormwater runoff rather than effluent. The City Commission awarded a contract for construction of the public wetlands for $261,374 in March 2023. Construction was completed in November 2023.

Fox Ridge Golf Course Redevelopment
In the fall of 2022, the Commission approved rezoning of the Fox Ridge Golf Course property to multi-family residential (R-3). The developer, Bryan Legally Homes, plans a mix of large single-family houses and duplex units. The development will be built in two phases. Petitions were approved in January 2023 for water, sewer, streets, and box culvert for phase one of the addition. When completed this will open up over 160 lots.

Autumn Glen 3rd Addition
In May of 2022, the first phase of street improvements to serve Autumn Glen 3rd Addition was approved by Commission. This opened 29 additional lots north of the existing Autumn Glen Residential development. The street improvements were completed in June of 2023.

Sand Creek Station
The Commission also approved plans and authorized improvements for water, sewer, and streets to serve 12 new residential lots at the Sand Creek Station Golf Course. The City paid for the intersection of streets and the remaining costs will be paid via special assessments. Construction was completed in the fall 2023.

QuikTrip Truck Center
The final plat was approved for the QuikTrip development on East First Street between Spencer and I-135. QuikTrip representatives submitted plans for a building permit in early 2023 and broke ground in May 2023. The 5,700 square foot store opened in February 2024 and provides fueling services with nine pumps.

I-135 & 36th Interchange
In the fall of 2023, the Commission approved an agreement with the Kansas Department of Transportation for reconstruction of the I-135 and 36th Street interchange. The project will include a new three-lane bridge with shoulders, guardrail, a sidewalk on the north side of the bridge, updated lighting, improved drainage and new pavement. Construction will be phased so that construction of the new bridge will be completed before removing the existing structure. The City's share is about $319,000 of the total $20 - $25 million project.

Hillsboro Industries
In November of 2023, the Commission approved a development agreement with Hillsboro Industries for a new 56,000-square-foot manufacturing facility on East First Street. The Hillsboro-based truck bed and trailer manufacturer has seen tremendous growth in demand for its products, especially aluminum livestock trailers. The new facility is expected to cost $8.1 million to construct, with $2.8 million in furnishings and equipment. Hillsboro intends to begin construction within the next six months. They intend to create approximately 50 new full-time jobs at the Newton plant, with an average salary of $58,000.

Accounting System and Budgetary Control

The City's accounting records for general government operations are maintained on a modified accrual basis. Revenues are recorded when available and measurable, and expenditures are recorded when the services or goods are received or when the liabilities are incurred.

Accounting records for the City's utilities and other enterprises are maintained on the accrual basis. The City's basis of accounting in its various funds is explained in the notes to financial statements located in the financial section of this report

In developing and altering the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance against loss of assets from unauthorized use or disposition. In addition, the controls maintain reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within this framework. The administration believes that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), debt service funds, and enterprise funds.

Expenditures are authorized by a budget approved by the City Commission as required by Kansas statutes. A public hearing is required on or before August 15th and final budget adoption on or before August 25th. This deadline may be extended to October 1st, if the city commission approves an increase to its "revenue neutral rate", defined as a budget that includes revenue generated by property taxes in excess of the amount produced the preceding year using the current tax year's assessed valuation. This process involves notifying the County Clerk by July 20th of the intent to exceed the revenue neutral rate, publication of a notice of tax rate public hearing, and then holding the hearing between August 20th and September 20th. This hearing can be held in conjunction with the other required budget hearings. A resolution must then be adopted approving the proposed tax rate.

The Kansas Cash Basis and Budget Laws require cash to be on hand before expenditure is authorized, that all expenditures are budgeted, and that the budget not exceed anticipated revenues including carry-forward balances. Supplemental appropriations and transfers among budget categories occasionally modify original appropriations, but in order to exceed the total appropriation of a fund, an amended budget must be approved by City Commission. The proposed amended budget must appear in the official City newspaper at least 10 days prior to a public hearing. After the hearing, the Commission will then vote to amend the budget. Amended budgets are submitted to the Kansas Division of Accounts and Reports for recording the same as the original budget.

General Obligation Bonded Debt

Large capital improvement projects for the City of Newton normally require long term financing through municipal bonds. It has been City policy to divide bond issues into ten, fifteen, and twenty-year final maturities based upon the expected useful life of the financed project. This enables the life of the asset to match the term of financing. The practical application of this policy has resulted in most issues being "front loaded." Therefore, annual principal and interest payments are declining over time. This allows the primary financial burden of a project to be borne in its early years rather than deferring a financial burden to future taxpayers. Table I shows the City's annual debt service requirements as of December 31, 2023, illustrating the concept noted above.

TABLE I
CITY OF NEWTON
GENERAL OBLIGATION BOND DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023

Year	Principal	Interest	Total
2024	$ 4,275,000	$ 1,211,901	$ 5,486,901
2025	$ 4,010,000	$ 1,059,708	$ 5,069,708
2026	$ 4,150,000	$ 924,363	$ 5,074,363
2027	$ 3,430,000	$ 784,950	$ 4,214,950
2028	$ 3,355,000	$ 673,675	$ 4,028,675
2029	$ 2,430,000	$ 565,992	$ 2,995,992
2030	$ 2,040,000	$ 485,765	$ 2,525,765
2031	$ 1,665,000	$ 419,153	$ 2,084,153
2032	$ 1,715,000	$ 372,034	$ 2,087,034
2033	$ 1,775,000	$ 321,714	$ 2,096,714
2034	$ 1,540,000	$ 269,624	$ 1,809,624
2035	$ 1,600,000	$ 221,574	$ 1,821,574
2036	$ 1,495,000	$ 170,466	$ 1,665,466
2037	$ 870,000	$ 124,344	$ 994,344
2038	$ 900,000	$ 97,744	$ 997,744
2039	$ 670,000	$ 70,244	$ 740,244
2040	$ 685,000	$ 52,044	$ 737,044
2041	$ 260,000	$ 32,800	$ 292,800
2042	$ 275,000	$ 22,400	$ 297,400
2043	$ 285,000	$ 11,400	$ 296,400

To provide perspective and monitor trends in indebtedness of the City, various debt ratios are calculated. Table II shows such ratios. It is instructive to note that the growth environment generates additional debt burdens upon the City, but the debt ratios are within a reasonable range. Net bonded debt per capita at $1,211 and net bonded debt represents 14.53% of assessed value. It has been possible to finance improvements without jeopardizing these common indicators.

TABLE II
CITY OF NEWTON
SELECTED DEBT RATIOS

Year End 12-31	Net Direct Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Ratio of Net Bonded Debt to Estimated Actual Market Value	Net Bonded Debt Per Capita
2014	$ 26,437,566	22.57%	3.07%	$ 1,383
2015	$ 25,870,675	21.91%	2.97%	$ 1,346
2016	$ 28,420,839	23.90%	3.23%	$ 1,488
2017	$ 26,681,662	22.23%	3.01%	$ 1,414
2018	$ 28,000,395	23.21%	3.13%	$ 1,494
2019	$ 24,248,566	19.37%	2.62%	$ 1,286
2020	$ 32,443,785	25.34%	3.43%	$ 1,699
2021	$ 29,268,166	22.86%	3.09%	$ 1,532
2022	$ 26,587,247	17.34%	2.38%	$ 1,446
2023	$ 22,272,136	14.53%	1.99%	$ 1,211

Revenue Bonded Debt

Revenue bonds differ from general obligation bonds in that the full taxing power of the City is not pledged to their repayment. The revenue stream of the utility for which bonds are issued secures revenue bonds. In the case of industrial revenue bonds, the City has no direct responsibility for repayment of the bonds.

The City has used revenue-bonded debt for its water and wastewater utilities. A coverage ratio is required and maintained to assure investors of a sound operation.

General Government Services

Newton's general government services include public safety (police, fire, and emergency medical), law, administration, finance, streets, environmental, planning, engineering, building inspection, library, airport, park and cemetery. Such operations are accounted for in various funds shown in the financial report.

General government revenues are comprised of a wide variety of revenue sources that protect the City from a decline in any one element of its revenue stream, as illustrated below. The largest component is taxes, which account for just over half of all revenues. Of these taxes, the predominant components are property taxes, the two-percent countywide sales tax, and motor vehicle taxes. Property tax remains the largest single revenue source.

Charges for Services account for receipts individuals and businesses pay for part or all of City services received. In the General Fund, this is the second largest revenue source and accounts for 13% of revenues. Examples of services the City charges for include ambulance fees, administrative fees, rural fire services and rural ambulance services. Intergovernmental revenue is another significant segment and is comprised of grants and shared revenue from the State of Kansas determined by statutory formulas. The remaining revenue comes from a varied mix of sources. Revenues usually remain quite stable from year to year. The largest concentration of expenditures is Capital Outlay. This is due to several ongoing projects (Street, Water and Sewer additions, and Airport improvements). Sources of revenues and expenditures are graphically illustrated in the Management Discussion and Analysis in the Financial Section.

Utility Operations

Ownership and operation of the Water, Wastewater, and Sanitation departments continue to comprise three essential elements of the City's service component. Newton has been blessed with high quality supplies of groundwater from the Equus Beds aquifer, and the water requires very little treatment. Newton is the sole supplier of potable water to city residents and businesses. In addition, Newton is a partner in Public Wholesale Water Supply District No. 17 along with three other municipalities. Newton treats and distributes water from the District to these neighboring communities under separate contract with each municipality. The City is also the sole provider of residential refuse services.

The entire water production system is modern and generally in sound condition. Work to replace the ground level storage tank on West First Street has started, along with painting two elevated water towers.

Newton owns and operates a wastewater treatment plant permitted by the Kansas Department of Health and Environment. In the summer of 2016, a $20 million upgrade to a Biological Nutrient Removal (BNR) plant was completed. This was funded through a low interest loan from KDHE and annual payments to the state are made from increased sewer rates.

The Newton solid waste department collects refuse from residential customers in the City. Commercial service was abandoned as a separate operation, although commercial customers who can be serviced in the normal residential refuse collection process can opt for City service. Refuse is delivered to the Harvey County transfer station, where it is then hauled to a landfill out of the county.

To provide an example of the current user fee level, Newton residents can receive weekly trash collection, 500 cubic feet sanitary sewer service, and use 500 cubic feet of water for a total of $133.07. This remains competitive with other communities in Kansas. The City Commission approved raising water and sewer rates starting in January of 2024.

Airport

The Newton City-County Airport is a vital asset to the community. Jointly owned by the City of Newton and Harvey County, the Airport is operated by the City. The Newton City-County Airport (designated EWK) is located on approximately 800 acres two miles east of Newton, Kansas. Originally constructed as an auxiliary flight training facility for the U.S. Navy, the airport was converted to a municipal facility following World War II. The facility has a volunteer Aviation Advisory Commission that provides community input regarding the facility's operations to the two local governments.

The airport provides an "all weather" facility with two runways that can accommodate corporate business jets, multi-engine aircraft, and single-engine aircraft. Its primary runway, Runway 17/35, is 7,003 feet long, and its secondary runway, Runway 08/26 is 3,501 feet long. The field has on-site weather reporting, and its primary runway is equipped with an ILS approach, both of which provide access to the airport during most weather conditions.

The airport's primary function is to accommodate corporate/business activity. Companies such as Hawker-Beechcraft, Wells Fargo, Avcon Industries, and Hesston College use the facility daily. Other daily flying activities include pipeline inspections, flight training, and emergency medical flights. Local and State law enforcement use the airport on a weekly basis, as does the military. Other aviation activity at the airport consists of doctor transport, aerial advertising, aerial photography, and surveying. Numerous businesses operate at the airport. Avcon Industries, Midwest Aircraft, and Park Aircraft Technologies provide a variety of products and services. Hesston College provides flight instruction to student pilots. Reconstruction of Taxiway E was completed in 2022. The federal government funded $6,655,440 of the project, with the remaining $657,185 split between the City of Newton and Harvey County.

Cash Management

Effective cash management is recognized as essential to good fiscal management. The City's investments are designed and managed in a manner responsive to the public trust and consistent with statutory requirements. In priority order, the basic cash management philosophy of the City is:

1. Protect investment principal.
2. Maintain liquidity.
3. Maximize interest earnings.

Funds not needed in the short term are invested either in local financial institutions or in the Kansas Municipal Investment Pool. The City may only invest in Treasury bills, certificates of deposits, or the Pool.

The Kansas Municipal Investment Pool was created in 1992 to allow municipalities to invest funds with the Kansas State Treasurer, who subsequently invests in federal securities. The State of Kansas guarantees these funds. Prior to investing funds in the Pool, the City must offer funds to qualified local financial institutions. Rates by local institutions are compared to published rates established by the Pool. If local banks are willing to pay the same rate, funds must be invested locally.

Insurance

The City of Newton carries a wide variety of coverage for its diverse risks. In 1994, the City became a charter member of the Kansas Municipal Insurance Trust (KMIT), a Worker's Compensation insurance pool. Through a continuing affiliation in 2007, KMIT provides to the City extensive risk management services, including memoranda on current issues, training materials, and seminars designed to decrease claims. In addition to substantial premium savings compared to previous policies, the City receives excellent risk prevention services.

Independent Audit

State statutes require an annual audit of the books of accounts, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Commission. The firm of BT & Co, P.A. began performing the City audit for the fiscal year 2015. Their opinion for the December 31, 2023 financial statements is included.

Administrative Officials

Chris Towle, City Attorney, was named Interim City Manager for the City of Newton effective October 13, 2023. Daniela Rivas was named City Manager effective January 8, 2024. Donna Pickman was hired on July 24, 2017, as Finance Director.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Newton for its annual comprehensive financial report for the fiscal year ended December 31, 2022. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Newton has received a Certificate of Achievement for the last thirty-three consecutive years (fiscal years ended 1989-2022). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements

I sincerely appreciate the cooperation and dedicated efforts required of the many City personnel, both inside and outside of the Finance Office, for the presentation of this report. The citizens of the City of Newton are extraordinarily well served by all departments of the City who contributed to this annual financial report in their daily work throughout the year and their individual year-end tasks. I especially want to acknowledge the dedication and hard work of the Assistant Finance Director, Lisa Marshall. Her assistance with managing the Finance department and her help to other departments is invaluable.

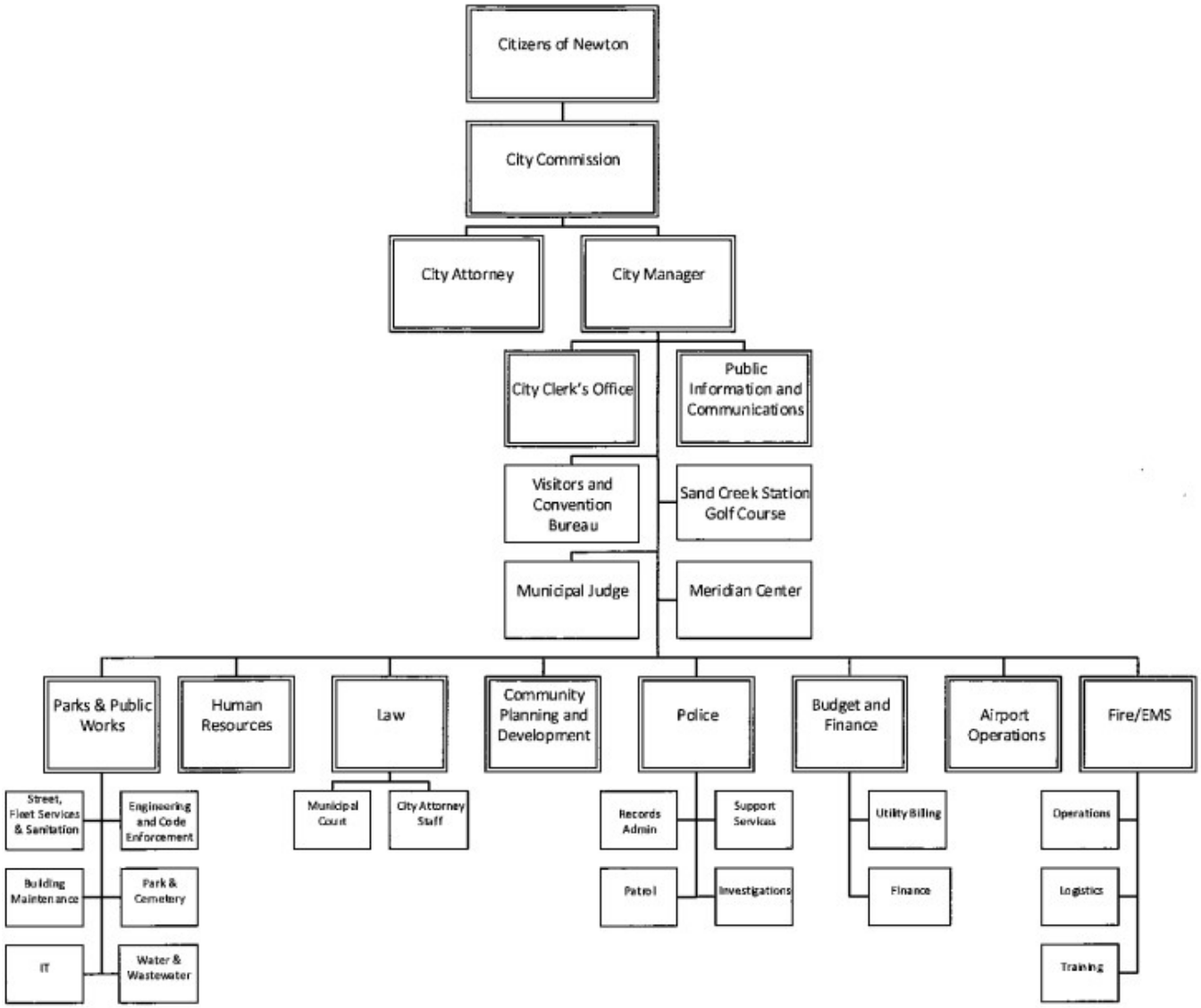
I express special appreciation to the City Commissioners and Interim City Manager Chris Towle, for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Newton's finances.

Respectfully,



Donna Pickman
Finance Director

City of Newton Organization Chart



The Law Dept. is under the supervision of the City Attorney but is under the City Manager's authority
Title VI Coordinator is the Public Works Director and the Civil Rights Coordinator is the HR Director

CITY OF NEWTON, KANSAS
LIST OF PRINCIPAL OFFICIALS

ELECTED CITY OFFICIALS

Name	Position	Term of Office
Rod Kreie	Mayor Commissioner	December 2023 – December 2024 April 2018 – December 2025
Rich Stinnett	Vice Mayor Commissioner	December 2023 – December 2024 April 2019 – December 2027
Kathy Valentine	Commissioner	April 2015 – December 2027
Leroy Koehn	Commissioner	April 2013 – December 2025
Melanie Watson	Commissioner	December 2023 – December 2025

ADMINISTRATIVE OFFICIALS

Name	Office
Daniela Rivas	City Manager
Suzanne Loomis	Director Public Works/City Engineer
Eric McDaniel	Director of Communication/PIO
Brian Palmer	Director of Aviation
Denise R. Duerksen	City Clerk
Donna Pickman	Finance Director
Steve Roberson	Fire/EMS Chief
Craig Dunlavy	Chief of Police
Rebecca Likiardopoulos	Director of Administration
Triniece Roberton	Director of Human Resources
Zach McHatton	Community Development Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Newton
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

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BT & Co. P.A.
Certified Public Accountants

4301 SW Huntoon St. Topeka, KS 66604 | t: 785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandcocpa.com

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Commission
City of Newton, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Newton, Kansas (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our report and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Airport Fund 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 Housing Authority of the City of Newton, Kansas (Housing Authority), which represents 55%, 56% and 58%, respectively, of the assets, net position and revenues of the aggregate discretely presented component units as of and for the year ended December 31, 2023. 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 Housing Authority, is based solely on the report of the other auditors.

Basis for 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 audit opinions.

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 the City's basic financial statements. The statements and schedules listed under supplementary information in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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, the accompanying supplementary information 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.

BT + Co., P.A.

June 25, 2024
Topeka, Kansas

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 for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 within one year after the date that the financial statements are issued or available to be issued.

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial 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 Management's Discussion and Analysis and the other 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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

CITY OF NEWTON, KANSAS

Management's Discussion and Analysis

As management of the City of Newton, Kansas, we offer readers of the City of Newton's financial statements this narrative overview and analysis of the financial activities of the City of Newton for the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-xi of this report, and the City of Newton's financial statements, which follow this section beginning on page 14.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Newton exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $112,817,854. Of this amount $30,802,983 (unrestricted net position) may be used to meet the government's ongoing obligations to the citizens and creditors.

- The City's total net position increased 7.35% to $112.8 million and unrestricted net position increased 0.82% to $30.8 million as a result of this year's operations.

- At the end of 2023, the combined unassigned and assigned fund balance for the General Fund was $18,373,711 or 87.55% of General Fund expenditures net of transfers. This is compared to $15,230,707 or 74.78% of General Fund expenditures in 2022. The increase in the combined unassigned and assigned fund balance is due to the City's conscious effort to keep a tight rein on expenditures. This fund balance is within the Fund Balance Policy limits.

- The City of Newton's General Obligation (GO) Debt decreased $130,000 during 2023 to $37,425,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Newton's annual comprehensive financial report which includes the basic financial statements. The City's basic financial statements comprise three components. 1) Government-wide financial statements - consisting of *The Statement of Net Position* and the *Statement of Activities* which provide information about the activities of the City as a whole and present a more long-term view of the City's finances. 2) Fund financial statements that report the City's operations in more detail than the government-wide statements, by providing information about the City's most significant funds. 3) Notes to the financial statements. This report also contains other supplementary statistical and financial information in addition to the basic financial statements themselves.

Reporting the City as a Whole

The government-wide financial statements (pages 14-15 of this ACFR) are designed to provide readers with a broad overview of the City of Newton's finances, in a format similar to a private-sector business.

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the past year's activities?" The *Statement of Net Position* and the *Statement of Activities* each report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting methods used by most private-sector companies. All the current year's revenues and expenses are taken into account as they are earned or incurred, regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position as the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's roads and other infrastructure, to assess the overall health of Newton.

The *Statement of Net Position* and the *Statement of Activities* distinguish functions of the City of Newton that are principally supported by taxes and intergovernmental revenues (government activities) 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 City's governmental activities include general government, public safety, highways and street, community and economic development, and parks and recreation. Property taxes, transient guest taxes, sales taxes, and franchise fees finance most of these activities. The City's business-type activities include water, sewer, sanitation, golf course and conference center. The City of Newton has three component units, the Newton Public Library (discrete), the Newton Public Building Commission (blended) and The Newton Housing Authority (discrete), which are all separate legal entities. Although legally separate, these "component units" are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the most significant funds-not the City of Newton as a whole. Some funds are required to be established by State Law and by bond covenants. In addition, the City Commission establishes other funds to help control and manage money for particular purposes, or to demonstrate that Newton is complying with legal requirements for using certain taxes, grants, and other money. The City's two kind of funds; governmental and proprietary use different accounting approaches.

Fund Financial Statements

- *Governmental funds*--Most of the City's basic services are reported in its governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for future spending. These funds are reported using an accounting method called the *modified accrual* basis of accounting, which measures cash and other financial assets that can readily be converted to cash. With this method, the governmental fund statements provide a detailed short-term view of the city's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds (reported in the fund financial statements) in a reconciliation document following the fund financial statements, on pages 17 and 19.
- *Proprietary funds*--When the City charges for certain services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported using the *full accrual basis* of accounting, in the same way that all activities are reported in the *Statement of Net Position* and the *Statement of Activities*. The City of Newton maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. We use *internal service funds* to report activities provided through one fund for other City programs and activities--such as the City's Stores and Maintenance and Self Insurance Funds.

THE CITY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Newton, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $112,817,854 at the close of 2023, the most recent fiscal year. This represents an increase of 7.35% as compared to the close of 2022.

By far the largest portion of the City of Newton's net position reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related outstanding debt used to construct or acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment 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.

Table 1
City of Newton
Condensed Statement of Net Position
December 31, 2023

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	$46,559,651	$42,968,361	$26,403,619	$25,540,490	$ 72,963,270	$ 68,508,851
Capital assets, non-depreciable	13,611,794	6,952,676	6,851,097	4,868,677	20,462,891	11,821,353
Capital assets, net of depreciation	56,377,811	58,162,538	60,059,011	60,147,898	116,436,822	118,310,436
Total Assets	116,549,256	108,083,575	93,313,727	90,557,065	209,862,983	198,640,640
Deferred Outflows of Resources	7,008,125	7,144,762	1,592,895	1,759,394	8,601,020	8,904,156
Long-term liabilities outstanding	52,174,919	49,152,587	32,493,020	33,357,188	84,667,939	82,509,775
Other liabilities	3,395,238	3,384,467	692,217	705,432	4,087,455	4,089,899
Total Liabilities	55,570,157	52,537,054	33,185,237	34,062,620	88,755,394	86,599,674
Deferred Inflows of Resources	16,778,342	15,802,777	112,413	45,637	16,890,755	15,848,414
Net Position:						
Net Investment in Capital Assets	40,641,586	36,895,067	37,621,927	34,218,081	78,263,513	71,113,148
Restricted	3,751,358	3,430,486	-	-	3,751,358	3,430,486
Unrestricted	6,815,938	6,562,953	23,987,045	23,990,121	30,802,983	30,553,074
Total Net Position	$51,208,882	$46,888,506	$61,608,972	$58,208,202	$ 112,817,854	$ 105,096,708

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $ $30,802,983 may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position increased by $249,909 or 0.82%.

At the end of the current fiscal year, the city is able to report positive balances in all categories of net position for governmental activities. The City's combined net position from governmental and business-type increased as described previously. This increase is reflected in the *Statement of Net Position* through *Statement of Activities,* on pages 14-15, respectively.

Table 2
City of Newton
Statement of Activities and Changes in Net Position
Year Ended December 31, 2023

	Governmental Activities		Business-Type Activities		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Revenues						
Program Revenues						
Charges for services	$ 5,074,348	$ 4,774,358	$ 17,341,940	$ 17,223,983	$ 22,416,288	$ 21,998,341
Operating grants and contributions	179,632	176,676	-	-	179,632	176,676
Capital grants and contributions	3,402,841	5,258,644	-	-	3,402,841	5,258,644
General Revenues						
Property taxes and special assessments	10,837,322	8,746,742	157,150	149,018	10,994,472	8,895,760
Sales taxes	6,947,498	6,715,797	-	-	6,947,498	6,715,797
Franchise taxes	1,652,552	1,775,707	-	-	1,652,552	1,775,707
Excise Taxes	239,693	337,277	-	-	239,693	337,277
Intergovernmental, not restricted to specific programs	800,000	-	-	-	800,000	-
Interest income	1,475,729	487,475	85,699	32,178	1,561,428	519,653
Other	3,198,515	1,820,415	101,177	6,399	3,299,692	1,826,814
Total Revenues	33,808,130	30,093,091	17,685,966	17,411,578	51,494,096	47,504,669
Expenses						
General government	4,856,842	9,108,702	-	-	4,856,842	9,108,702
Public safety	14,569,876	12,688,665	-	-	14,569,876	12,688,665
Highway and streets	5,234,449	5,459,269	-	-	5,234,449	5,459,269
Culture and recreation	1,582,261	1,463,514	-	-	1,582,261	1,463,514
Airport	1,553,537	1,513,020	-	-	1,553,537	1,513,020
Interest and fiscal charges	978,256	846,320	-	-	978,256	846,320
Sewer	-	-	5,567,243	5,690,790	5,567,243	5,690,790
Sanitation	-	-	2,090,043	1,805,788	2,090,043	1,805,788
Waterworks	-	-	4,254,542	3,968,995	4,254,542	3,968,995
Golf Course	-	-	2,068,699	1,819,318	2,068,699	1,819,318
Public Building Commission	-	-	491,365	498,967	491,365	498,967
Meridian Center	-	-	525,837	576,506.00	525,837	576,506
Total Expenses	28,775,221	31,079,490	14,997,729	14,360,364	43,772,950	45,439,854
Excess (Deficiency) before transfers	5,032,909	(986,399)	2,688,237	3,051,214	7,721,146	2,064,815
Transfers	(712,533)	730,612	712,533	(730,612)	-	-
Change in Net Position	4,320,376	(255,787)	3,400,770	2,320,602	7,721,146	2,064,815
Net Position, Beginning of the Year	46,888,506	47,144,293	58,208,202	55,887,600	105,096,708	103,031,893
Net Position, End of the Year	$ 51,208,882	$ 46,888,506	$ 61,608,972	$ 58,208,202	$ 112,817,854	$ 105,096,708

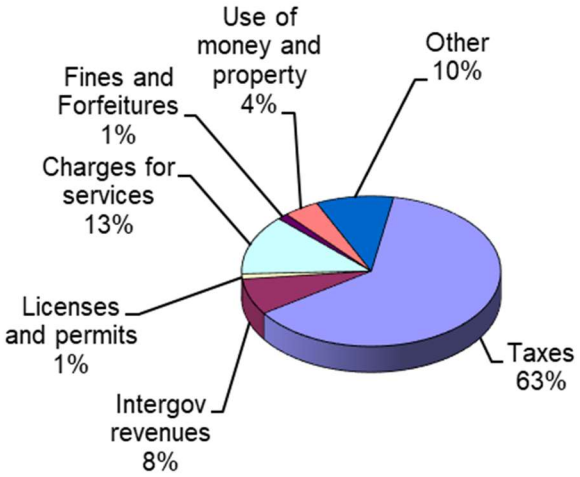
Governmental Activities

Table 3 presents the cost of the City's four largest governmental activities—general government; public safety; highway and streets; and culture and recreation—as well as each activity's net cost (total cost, less revenues generated by the activity). The net cost shows the financial burden that was placed on the City's taxpayers by each of these governmental functions.

Table 3
Net Cost of Governmental Activities

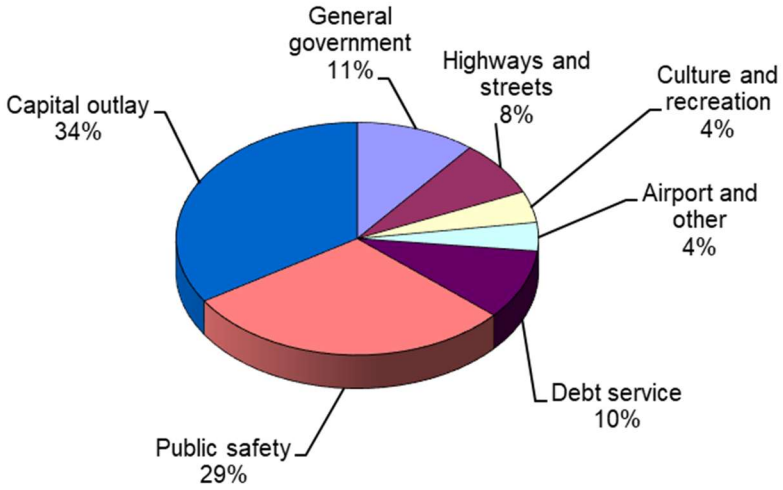
	Total Cost of Services	Net Cost of Services
General government	$ 4,856,842	$ 3,357,492
Public safety	14,569,876	11,463,450
Highway & streets and public works	5,234,449	3,049,362
Culture and recreation	1,582,261	1,155,765
Totals	$ 26,243,428	$ 19,026,069

Source of Revenue



- Property tax revenue increased $2,098,712 or 23.6% for the year 2023 as compared to 2022.
- The City saw an increase in Sales Tax, Charges for Services, Fine and Forfeitures, and Use of Money but a decrease in Intergovernmental.

Functional Expenses



Business-type Activities

Business-type activities increased the City's net position by $3,400,770 to $61,608,972 or 5.84% during 2023. Table 4 presents the cost of the City's five business-type activities and blended component unit--Sewer, Sanitation, Water, Golf Course and Meridian Center and Public Building Commission—as well as each activity's net revenue (revenue generated by the activity less its total cost).

Table 4
Net Revenue from Business-Type Activities

	Total Cost of Activity	Net Revenue from Activity
Sewer	$ 5,567,243	$ 1,960,233
Sanitation	2,090,043	184,824
Waterworks	4,254,542	666,559
Golf Course	2,068,699	(239,798)
Public Building Commission	491,365	18,672
Meridian Center	525,837	(246,279)
Totals	$ 14,997,729	$ 2,344,211

- In 2014 the City began a mandated upgrade of the Wastewater Treatment Plant for estimated cost of $24 million. The City Commission adopted a plant upgrade fee in 2014 to pay for the debt service for the upgrade. This project came in approximately $4 million under budget upon completion. The fee established in 2014 for the City to utilize the excess funds in terms of interest savings and to reduce the debt service requirements in terms of years. As of December 31, 2023, an extra $5,600,000, raised by this upgrade fee, has been paid toward the principal to reduce the debt service. The water and wastewater rates will be updated in January 2024 and this extra fee will no longer be in effect.

- The 2023-2028 Capital Improvement Plan is approximately $66.8 million. The CIP is funded through a combination of City, State and Federal funds.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

On December 31, 2023, the City's governmental funds reported combined fund balance of $16,302,525, a $2,529,207 increase from 2022.

- The General Fund is the major operating and taxing fund for the City of Newton. The beginning total fund balance was $15,631,382. In 2023 the ending balance was $18,889,905, a $3,258,523 or 20.85% increase over 2022. In 2023, revenues exceeded expenditures by $1,511,365, the fund balance in the General Fund increased due to interest earned on the City's investment of idle funds as well as an increase in sales tax receipts and charges for services.
- The Debt Service Fund reflected an increase of $407,872. The Debt Service Fund balance at year end 2023 was $1,952,603. The City took advantage of the low 2020 rates and refunded bonds with high interest rates, this helped lower debt service requirements in 2021 and beyond. This increase in fund balance reflects those savings.
- The Capital Projects Fund accounts for major capital projects in Newton. The fund reflects an ending balance of ($7,248,072). This is compared to the 2022 balance of ($6,081,659), with the negative ending balance being the result of temporary cash reserve funding for ongoing projects. A major portion of these projects will be completed, and bonds issued in September of 2024.
- The Airport Fund is now reported as a major fund. The ending balance at the end of 2023 was $415,541. This is a decrease from $471,247 in 2022 of $55,706. This decrease is partially attributed to the slowdown of aircraft fuel sales; this line item decreased $223,835 from 2022.
- In Other Governmental Funds, the ending fund balance is $2,292,548, an increase of $84,931 or 3.85%.

General Fund Budgetary Highlights

The General Fund actual revenues exceeded budgeted revenues by $1,917,335 for 2023. Higher than anticipated revenue from sales tax, charges for services and interest on idle funds accounted for this increase.

- General Fund tax revenues, actual vs. budget, reflected a positive variance of $1,038,756. This increase was due to higher sales tax and franchise fee collections as well as a 9.5% increase in assessed valuation.

- General Fund expenditures in 2023 were $23,483,105 compared to $21,612,762 in 2022. This reflects a $1,870,343 expenditure increase. The rising costs of goods, due to inflation, that the City needs to maintain services, as well as higher costs for compensation and benefits, are factors increasing overall expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the City had $136,899,713 (net of depreciation) invested in a broad range of capital assets, including police and fire equipment, buildings, improvements, land, park facilities, golf course, and water and wastewater treatment facilities (see Table 5 below). This amount represents a net increase (including additions and deletions) of $6,767,924. Construction in progress increased $8,662,230, this increase is a result of the continued construction of the 1st Street 1.9-million-gallon water storage tank, as well as other projects not yet complete. Building and Improvements decreased ($498,292). Machinery and Equipment decreased ($307,590). Utility Service Lines increased $465,151. General Infrastructure had a net decrease of ($1,527,040). Right-to-use leased assets had a net decrease of ($129,158) and subscription assets had a net increase of $168,316. Additional information on the City of Newton's capital assets can be found in Note 6 of the Notes to Financial Statements, on pages 45-48.

The City's five-year Capital Improvement Plan reflects appropriations for construction, improvements to, or acquisition of an additional $60.8 million worth of capital assets for fiscal 2023 through 2028. Funding is budgeted to come from general obligation bonds, utility revenue bonds, state revolving fund loans and special benefit districts and other sources. The most significant projects include construction or enhancements of various streets, bridges, and traffic-ways, construction and enhancements to parks and athletic fields, airport facilities, water treatment and distribution system improvements, wastewater collection and treatment facilities and storm water drainage improvements.

Table 5
City of Newton's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 5,428,169	$ 5,448,861	$ 1,633,605	$ 1,633,605	$ 7,061,774	$ 7,082,466
Buildings and improvements	10,483,692	10,231,314	33,298,197	34,048,867	43,781,889	44,280,181
Machinery and equipment	3,173,678	3,741,525	2,598,085	2,337,829	5,771,763	6,079,354
General infrastructure	42,534,647	44,106,687	-	-	42,534,647	44,106,687
Utility service lines	-	-	23,811,762	23,346,611	23,811,762	23,346,611
Right-to-use assets	44,348	83,012	324,097	414,591	368,445	497,603
Subscription assets	141,446	-	26,870	-	168,316	-
Construction in progress	8,183,625	1,503,815	5,217,492	3,235,072	13,401,117	4,738,887
Total capital assets	$ 69,989,605	$ 65,115,214	$ 66,910,108	$ 65,016,575	$ 136,899,713	$130,131,789

Debt

On December 31, 2023, the City had total general obligation debt outstanding of $37,425,000 backed by the full faith and credit of the government. The remainder of the City bonded debt represents revenue bonds outstanding of $5,480,000. The City is obligated for $12,840,599 of state revolving fund loans secured solely by specified revenue sources and $519,765 in connection with lease obligations and subscription liabilities. Total City indebtedness as of December 31, 2023, is $56,265,364.

Additional information of the City of Newton's long–term debt can be found in Note 11, of the Notes to Financial Statements, on pages 66-73.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Newton is the seat of Harvey County, within the Wichita Metropolitan Statistical Area (MSA). Wichita is one of 383 Metropolitan Statistical Areas (MSAs) in the nation. The Wichita MSA 2023 population was 652,939. The Harvey County 2023 population of 33,504 had a per capita personal income (PCPI) of $50,772. This PCPI was 80% of the state average, $63,732, and 72% of the national average, $70,328. The 2023 PCPI reflected an increase of 2.2% from 2022. The Harvey County Civilian Labor Force was 17,426 with an unemployment rate of 2.8%.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance office, at the City of Newton, 201 E 6th Street, Newton, Kansas 67114.

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CITY OF NEWTON, KANSAS
STATEMENT OF NET POSITION
December 31, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Public Library	Housing Authority
Assets:					
Cash and investments	$ 19,386,437	$ 22,533,443	$ 41,919,880	$ 2,325,819	$ 661,350
Receivables (net of an allowance for uncollectibles):					
Property tax	10,440,426	-	10,440,426	19,437	-
Special assessment tax	6,956,450	-	6,956,450	-	-
Sales tax	1,500,292	-	1,500,292	-	-
Franchise tax	152,192	-	152,192	-	-
Accounts	654,236	2,174,802	2,829,038	-	4,555
Due from other governments	-	-	-	-	10,736
Loans	339,668	-	339,668	-	-
Leases	5,772,710	60,936	5,833,646	-	-
Other	463,148	-	463,148	-	-
Internal balances	(44,696)	44,696	-	-	-
Prepaid items	587,994	5,363	593,357	-	83,273
Inventory	234,314	288,730	523,044	-	13,596
Restricted assets:					
Cash and investments	116,480	1,295,649	1,412,129	-	45,260
Capital assets:					
Capital assets not being depreciated	13,611,794	6,851,097	20,462,891	-	119,300
Other capital assets, net	56,377,811	60,059,011	116,436,822	149,127	2,108,195
Total assets	116,549,256	93,313,727	209,862,983	2,494,383	3,046,265
Deferred outflows of resources:					
Deferred charge on refunding	313,658	337,343	651,001	-	-
Deferred outflows - OPEB	705,286	63,541	768,827	2,897	-
Deferred outflows - pension	5,989,181	1,192,011	7,181,192	117,081	81,006
Total deferred outflows of resources	7,008,125	1,592,895	8,601,020	119,978	81,006
Liabilities:					
Accounts payable	1,700,308	130,317	1,830,625	3,712	91,350
Accrued expenses	284,694	118,215	402,909	-	10,601
Accrued interest payable	319,870	260,115	579,985	-	-
Claims payable	286,295	-	286,295	-	-
Unearned revenues	804,071	183,570	987,641	-	3,254
Noncurrent liabilities:					
Due within one year	3,890,962	3,313,706	7,204,668	11,126	15,876
Due in more than one year	48,283,957	29,179,314	77,463,271	352,319	243,344
Total liabilities	55,570,157	33,185,237	88,755,394	367,157	364,425
Deferred inflows of resources:					
Deferred receivable - property taxes	10,440,426	-	10,440,426	-	-
Deferred receivable - leases	5,648,932	58,998	5,707,930	-	-
Deferred inflows - OPEB	666,510	51,069	717,579	5,951	-
Deferred inflows - pension	22,474	2,346	24,820	30,170	18,751
Total deferred inflows of resources	16,778,342	112,413	16,890,755	36,121	18,751
Net position:					
Net investment in capital assets	40,641,586	37,621,927	78,263,513	149,127	2,191,523
Restricted for:					
Community development	851,335	-	851,335	-	-
Cemetery perpetual care - nonexpendable	475,168	-	475,168	-	-
Debt service	1,632,733	-	1,632,733	-	-
Airport	315,472	-	315,472	-	-
Law enforcement	268,613	-	268,613	-	-
Other	208,037	-	208,037	-	5,224
Unrestricted	6,815,938	23,987,045	30,802,983	2,061,956	547,348
Total net position	$ 51,208,882	$ 61,608,972	$ 112,817,854	$ 2,211,083	$ 2,744,095

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units: Newton Public Library	Component Units: Housing Authority
Primary government:									
Governmental activities:									
General government	$ 4,856,842	$ 618,460	$ 66,136	$ 814,754	$ (3,357,492)	$ -	$ (3,357,492)	$ -	$ -
Public safety	14,569,876	3,106,426	-	-	(11,463,450)	-	(11,463,450)	-	-
Highway and streets	5,234,449	-	-	2,185,087	(3,049,362)	-	(3,049,362)	-	-
Culture and recreation	1,582,261	-	23,496	403,000	(1,155,765)	-	(1,155,765)	-	-
Airport	1,553,537	1,349,462	90,000	-	(114,075)	-	(114,075)	-	-
Interest and fiscal charges	978,256	-	-	-	(978,256)	-	(978,256)	-	-
Total governmental activities	28,775,221	5,074,348	179,632	3,402,841	(20,118,400)	-	(20,118,400)	-	-
Business-type activities:									
Sewer	5,567,243	7,527,476	-	-	-	1,960,233	1,960,233	-	-
Sanitation	2,090,043	2,274,867	-	-	-	184,824	184,824	-	-
Waterworks	4,254,542	4,921,101	-	-	-	666,559	666,559	-	-
Golf course	2,068,699	1,828,901	-	-	-	(239,798)	(239,798)	-	-
Public building commission	491,365	510,037	-	-	-	18,672	18,672	-	-
Meridian Center	525,837	279,558	-	-	-	(246,279)	(246,279)	-	-
Total business-type activities	14,997,729	17,341,940	-	-	-	2,344,211	2,344,211	-	-
Total primary government	$ 43,772,950	$ 22,416,288	$ 179,632	$ 3,402,841	(20,118,400)	2,344,211	(17,774,189)	-	-
Component units:									
Newton Public Library	$ 951,519	$ 25,199	$ 158,294	$ -				(768,026)	-
Housing Authority	1,348,548	432,560	736,307	252,818				-	73,137
Total component units	$ 2,300,067	$ 457,759	$ 894,601	$ 252,818				(768,026)	73,137
General revenues:									
Taxes:									
Property taxes					10,837,322	157,150	10,994,472	851,260	-
Sales taxes					6,947,498	-	6,947,498	-	-
Franchise taxes					1,652,552	-	1,652,552	-	-
Excise taxes					239,693	-	239,693	-	-
Investment earnings					1,475,729	85,699	1,561,428	66,487	12,032
Grants and contributions not restricted to specific programs					800,000	-	800,000	-	-
Other					3,198,515	-	3,198,515	-	38,380
Gain on disposals of capital assets					-	101,177	101,177	-	-
Transfers					(712,533)	712,533	-	-	-
Total general revenues and transfers					24,438,776	1,056,559	25,495,335	917,747	50,412
Change in net position					4,320,376	3,400,770	7,721,146	149,721	123,549
Net position, beginning of year					46,888,506	58,208,202	105,096,708	2,061,362	2,620,546
Net position, end of year					$ 51,208,882	$ 61,608,972	$ 112,817,854	$ 2,211,083	$ 2,744,095

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023

	Major Funds					Total
	General*	Airport	Bond & Interest	Capital Projects	Total Nonmajor Funds	Governmental Funds
Assets:						
Cash and investments	$ 11,051,744	$ 29,225	$ 1,952,603	$ -	$ 2,412,686	$ 15,446,258
Due from other funds	5,914,748	-	-	-	-	5,914,748
Receivables (net of allowance for uncollectibles):						
Property tax	8,164,153	97,384	1,314,275	-	864,614	10,440,426
Special assessment tax	-	-	6,956,450	-	-	6,956,450
Sales tax	1,500,292	-	-	-	-	1,500,292
Franchise tax	152,192	-	-	-	-	152,192
Accounts	451,576	202,660	-	-	-	654,236
Loans	339,668	-	-	-	-	339,668
Leases	-	5,772,710	-	-	-	5,772,710
Other	20,812	31,657	-	-	410,679	463,148
Prepaid items	516,194	-	-	-	-	516,194
Inventory	-	100,069	-	-	-	100,069
Restricted assets:						
Cash and investments	-	-	-	-	116,480	116,480
Total assets	$ 28,111,379	$ 6,233,705	$ 10,223,328	$ -	$ 3,804,459	$ 48,372,871
Liabilities:						
Accounts payable	$ 343,084	$ 6,337	$ -	$ 1,333,324	$ 2,633	$ 1,685,378
Accrued expenses	269,009	11,664	-	-	-	280,673
Due to other funds	-	-	-	5,914,748	-	5,914,748
Unearned revenues	105,560	53,847	-	-	644,664	804,071
Total liabilities	717,653	71,848	-	7,248,072	647,297	8,684,870
Deferred inflows of resources:						
Unavailable revenue - leases receivable	-	5,648,932	-	-	-	5,648,932
Unavailable revenue - loans receivable	339,668	-	-	-	-	339,668
Unavailable revenue - property and special assessment taxes	8,164,153	97,384	8,270,725	-	864,614	17,396,876
Total deferred inflows of resources	8,503,821	5,746,316	8,270,725	-	864,614	23,385,476
Fund balances (deficits):						
Nonspendable:						
Prepaid items	516,194	-	-	-	-	516,194
Inventory	-	100,069	-	-	-	100,069
Restricted:						
Airport	-	315,472	-	-	-	315,472
Debt service	-	-	1,952,603	-	-	1,952,603
Community development	-	-	-	-	851,335	851,335
Perpetual care	-	-	-	-	475,168	475,168
Law enforcement	-	-	-	-	268,613	268,613
Other purposes	-	-	-	-	208,037	208,037
Assigned:						
Capital asset acquisition	11,268,749	-	-	-	489,395	11,758,144
Other purposes	325,956	-	-	-	-	325,956
Unassigned	6,779,006	-	-	(7,248,072)	-	(469,066)
Total fund balances (deficits)	18,889,905	415,541	1,952,603	(7,248,072)	2,292,548	16,302,525
Total liabilities, deferred inflows of resources, and fund balances	$ 28,111,379	$ 6,233,705	$ 10,223,328	$ -	$ 3,804,459	$ 48,372,871

* See the General Fund Combining Balance Sheet on page 86.

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2023

Total fund balances in Governmental Funds Balance Sheet		$ 16,302,525
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		69,989,605
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.		7,296,118
Deferred outflows represent a consumption of net position that applies to a future period and so will not be recognized as an expenditure of resources until then.		
Deferred charge on refunding	$ 313,658	
Deferred outflows - OPEB	705,286	
Deferred outflows - pension	5,989,181	7,008,125
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, not reported as liabilities in the funds.		(52,494,789)
Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.		
Deferred inflows - OPEB	(666,510)	
Deferred inflows - pension	(22,474)	(688,984)
Internal service funds are used by the City to charge the cost of certain activities such as employee insurance and vehicle operating costs to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.		3,796,282
Net position of governmental activities		$ 51,208,882

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2023

	Major Funds					Total
	General*	Airport	Bond & Interest	Capital Projects	Total Nonmajor Funds	Governmental Funds
Revenues:						
Taxes:						
Property taxes	$ 8,287,370	$ 102,357	$ 1,538,089	$ -	$ 909,506	$ 10,837,322
Sales taxes	6,857,919	-	-	-	89,579	6,947,498
Franchise taxes	1,652,552	-	-	-	-	1,652,552
Excise taxes	-	-	-	-	239,693	239,693
Special assessments	-	-	1,085,051	-	-	1,085,051
Intergovernmental	484,673	90,000	19,144	580,793	1,407,778	2,582,388
Licenses and permits	371,370	-	-	-	-	371,370
Charges for services	2,900,238	1,349,462	-	-	15,656	4,265,356
Fines, forfeitures and penalties	437,622	-	-	-	-	437,622
Interest	1,302,868	115,200	-	1,358	56,303	1,475,729
Other	202,515	-	52,636	2,909,162	41,570	3,205,883
Total revenues	22,497,127	1,657,019	2,694,920	3,491,313	2,760,085	33,100,464
Expenditures:						
Current:						
General government	2,948,413	-	-	184,000	1,061,146	4,193,559
Public safety	11,550,684	-	-	-	48,715	11,599,399
Highway and streets	3,032,020	-	-	-	-	3,032,020
Culture and recreation	1,635,375	-	-	-	71,209	1,706,584
Airport	-	1,554,014	-	-	-	1,554,014
Capital outlay	1,711,720	-	-	11,627,800	11,784	13,351,304
Debt service:						
Principal	104,433	895	2,841,962	-	-	2,947,290
Interest	3,117	49	846,549	11,078	-	860,793
Total expenditures	20,985,762	1,554,958	3,688,511	11,822,878	1,192,854	39,244,963
Excess (deficiency) of revenues over (under) expenditures	1,511,365	102,061	(993,591)	(8,331,565)	1,567,231	(6,144,499)
Other financing sources (uses):						
Transfers in	2,918,876	-	2,872,159	3,174,713	109,450	9,075,198
Transfers out	(2,148,000)	(160,532)	(1,470,696)	(781)	(1,598,350)	(5,378,359)
Issuance of subscription liabilities	185,365	2,765	-	-	-	188,130
Issuance of general obligation bonds	-	-	-	3,735,130	-	3,735,130
Issuance of bond premium	-	-	-	256,090	-	256,090
Sale of capital assets	790,917	-	-	-	6,600	797,517
Total other financing sources (uses)	1,747,158	(157,767)	1,401,463	7,165,152	(1,482,300)	8,673,706
Net change in fund balances	3,258,523	(55,706)	407,872	(1,166,413)	84,931	2,529,207
Fund balances, beginning of year	15,631,382	471,247	1,544,731	(6,081,659)	2,207,617	13,773,318
Fund balances, end of year	$ 18,889,905	$ 415,541	$ 1,952,603	$ (7,248,072)	$ 2,292,548	$ 16,302,525

* See the General Fund Combining Statement of Revenues, Expenditures and Changes in Fund Balances on page 87.

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

Net change in fund balances - total governmental funds	$	2,529,207
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.		10,014,876
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, disposals, donations) is to decrease net position.		(5,106,607)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		304,665
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(1,127,871)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(2,217,855)
Internal service funds are used by the City to charge the cost of certain activities such as employee insurance and vehicle operating costs to individual funds. The net revenue of the internal service funds is reported with governmental activities.		(76,039)
Change in net position of governmental activities	$	4,320,376

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues and other sources:			
Property tax	$ 8,142,384	$ 8,070,669	$ (71,715)
Sales tax	5,800,000	6,857,919	1,057,919
Franchise tax	1,600,000	1,652,552	52,552
PILOT	653,338	633,338	(20,000)
Intergovernmental	873,000	77,901	(795,099)
Licenses and permits	255,300	371,370	116,070
Charges for services	2,338,000	2,900,238	562,238
Fines and fees	431,740	437,622	5,882
Interest	10,000	1,285,683	1,275,683
Other	45,000	217,568	172,568
Transfers in	1,911,829	1,473,066	(438,763)
Total revenues and other sources	22,060,591	23,977,926	1,917,335
Expenditures and other uses:			
Current:			
General government	3,065,639	2,907,205	(158,434)
Public safety	11,787,839	11,570,514	(217,325)
Highway and streets	3,359,049	2,444,998	(914,051)
Parks and cemeteries	1,862,977	1,714,576	(148,401)
Capital outlay	328,000	323,664	(4,336)
Debt service:			
Principal	-	104,433	104,433
Interest	-	3,117	3,117
Transfers out	3,181,394	4,414,598	1,233,204
Total expenditures and other uses	23,584,898	23,483,105	(101,793)
Revenues (expenditures) not subject to budget:			
Transfers in - stormwater reimbursement	-	614,907	614,907
Reimbursed expenditures	-	(614,907)	(614,907)
Total revenues (expenditures) not subject to budget	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,524,307)	494,821	2,019,128
Fund balances, beginning of year	1,524,307	5,800,379	4,276,072
Fund balances, end of year	$ -	6,295,200	$ 6,295,200
Reconciliation to GAAP:			
Plus encumbrances outstanding at December 31, 2023		325,956	
Fund balance on the basis of GAAP - General Fund only		6,621,156	
Fund balances for non-budgeted funds included with the General Fund on GAAP basis financials:			
Capital Improvement Reserve		6,369,591	
Admin Contingency		1,000,000	
Municipal Equipment Reserve		4,899,158	
		$ 18,889,905	

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE FUND
AIRPORT FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 103,763	$ 102,357	$ (1,406)
Intergovernmental	90,000	90,000	-
Fuel sales and rentals	1,576,913	1,349,462	(227,451)
Interest	-	115,200	115,200
Other	26,000	2,765	(23,235)
Total revenues and other sources	1,796,676	1,659,784	(136,892)
Expenditures and other uses:			
Current:			
Personnel services	674,470	635,718	(38,752)
Contractual services	186,998	302,825	115,827
Commodities	756,873	587,812	(169,061)
Vehicle operating	20,500	27,659	7,159
Debt service:			
Principal	-	895	895
Interest	-	49	49
Transfers out	160,532	160,532	-
Total expenditures and other uses	1,799,373	1,715,490	(83,883)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(2,697)	(55,706)	(53,009)
Fund balances, beginning of year	2,697	471,247	468,550
Fund balances, end of year	$ -	$ 415,541	$ 415,541

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2023

	Business-Type Activities					Governmental Activities
	Sewer	Waterworks	Public Building Commission	Nonmajor Enterprise	Total	Internal Service Funds
Assets:						
Current assets:						
Cash and investments	$ 11,283,135	$ 7,544,642	$ -	$ 3,705,666	$ 22,533,443	$ 3,940,179
Accounts receivable (net of allowance for uncollectibles)	1,158,554	630,778	-	385,470	2,174,802	-
Prepaid items	-	-	-	5,363	5,363	71,800
Inventory	-	209,274	-	79,456	288,730	134,245
Total current assets	12,441,689	8,384,694	-	4,175,955	25,002,338	4,146,224
Noncurrent assets:						
Restricted cash and investments	-	-	1,295,649	-	1,295,649	-
Advances from other funds	-	-	938,400	-	938,400	-
Leases receivable	-	-	-	60,936	60,936	-
Capital assets, net	38,108,879	13,808,217	5,854,124	9,138,888	66,910,108	567,435
Total noncurrent assets	38,108,879	13,808,217	8,088,173	9,199,824	69,205,093	567,435
Total assets	50,550,568	22,192,911	8,088,173	13,375,779	94,207,431	4,713,659
Deferred outflows of resources:						
Deferred charge on refunding	220,149	11,274	105,920	-	337,343	-
Deferred outflows - OPEB	3,988	33,717	-	25,836	63,541	-
Deferred outflows - pension	420,228	466,590	-	305,193	1,192,011	-
Total deferred outflows of resources	644,365	511,581	105,920	331,029	1,592,895	-
Liabilities:						
Current liabilities:						
Accounts payable	21,214	48,263	6,870	53,970	130,317	14,930
Accrued expenses	31,599	36,141	-	50,475	118,215	4,021
Compensated absences	22,824	44,812	-	33,477	101,113	6,994
Unreported claims payable	-	-	-	-	-	286,295
Unearned revenues	-	-	-	183,570	183,570	-
Current portion of long-term debt	1,911,794	344,360	865,000	91,439	3,212,593	-
Accrued interest payable	150,466	34,852	74,100	697	260,115	-
Total current liabilities	2,137,897	508,428	945,970	413,628	4,005,923	312,240
Noncurrent liabilities:						
Total OPEB liability	5,096	43,087	-	33,016	81,199	-
Net pension liability	1,275,323	1,416,023	-	926,208	3,617,554	-
State revolving fund loans payable	8,279,072	3,537,577	-	-	11,816,649	-
Advances to other funds	-	-	-	938,400	938,400	-
Bonds payable, net	6,847,925	1,786,133	4,776,467	-	13,410,525	-
Lease obligations	-	3,769	-	237,658	241,427	-
Subscription liabilities	4,306	5,262	-	2,392	11,960	-
Total noncurrent liabilities	16,411,722	6,791,851	4,776,467	2,137,674	30,117,714	-
Total liabilities	18,549,619	7,300,279	5,722,437	2,551,302	34,123,637	312,240
Deferred inflows of resources:						
Deferred inflows - OPEB	3,205	27,099	-	20,765	51,069	-
Deferred inflows - pension	827	918	-	601	2,346	-
Deferred receivable - leases	-	-	-	58,998	58,998	-
Total deferred inflows of resources	4,032	28,017	-	80,364	112,413	-
Net position:						
Net investment in capital assets	21,286,309	8,145,590	318,577	7,871,451	37,621,927	567,435
Unrestricted	11,354,973	7,230,606	2,153,079	3,203,691	23,942,349	3,833,984
Total net position	$ 32,641,282	$ 15,376,196	$ 2,471,656	$ 11,075,142	61,564,276	$ 4,401,419
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time.					44,696	
Net position of business-type activities					$ 61,608,972	

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2023

	Business-Type Activities					Governmental Activities
	Sewer	Waterworks	Public Building Commission	Nonmajor Enterprise	Total	Internal Service Funds
Operating revenues:						
Charges for sales and services	$ 7,487,581	$ 4,869,457	$ 510,037	$ 4,313,722	$ 17,180,797	$ 4,205,967
Miscellaneous	39,895	51,644	-	65,041	156,580	463,543
Total operating revenues	7,527,476	4,921,101	510,037	4,378,763	17,337,377	4,669,510
Operating expenses:						
Personnel services	1,796,279	2,078,311	-	2,208,354	6,082,944	4,197,228
Contractual services	751,884	1,243,170	11,725	853,104	2,859,883	56,685
Commodities	150,152	277,758	-	532,630	960,540	747,977
Capital outlay	29,025	-	-	105,750	134,775	3,609
Vehicle operating	44,675	69,616	-	245,034	359,325	28,272
Depreciation and amortization	2,290,821	465,581	212,266	681,489	3,650,157	70,120
Total operating expenses	5,062,836	4,134,436	223,991	4,626,361	14,047,624	5,103,891
Operating income (loss)	2,464,640	786,665	286,046	(247,598)	3,289,753	(434,381)
Nonoperating revenues (expenses):						
Gain on disposal of property	75,460	217	-	25,500	101,177	-
Lease revenue	-	-	-	4,563	4,563	-
Taxes	-	-	157,150	-	157,150	-
Other	(25,171)	(8,102)	-	-	(33,273)	-
Interest income	-	990	48,755	35,954	85,699	85,658
Interest and fiscal charges	(453,957)	(80,369)	(267,374)	(19,067)	(820,767)	-
Total nonoperating revenues (expenses)	(403,668)	(87,264)	(61,469)	46,950	(505,451)	85,658
Income (loss) before capital contributions and transfers	2,060,972	699,401	224,577	(200,648)	2,784,302	(348,723)
Capital contributions	1,587,755	2,895,699	102,537	-	4,585,991	-
Transfers in	1,228,455	252,741	-	850,000	2,331,196	176,619
Transfers out	(3,177,550)	(2,853,972)	-	(173,132)	(6,204,654)	-
Change in net position	1,699,632	993,869	327,114	476,220	3,496,835	(172,104)
Net position, beginning of year	30,941,650	14,382,327	2,144,542	10,598,922	58,067,441	4,573,523
Net position, end of year	$ 32,641,282	$ 15,376,196	$ 2,471,656	$ 11,075,142	$ 61,564,276	$ 4,401,419
Change in net position					$ 3,496,835	
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.					(96,065)	
Change in net position of business-type activities					$ 3,400,770	

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2023

	Business-Type Activities					Governmental Activities
	Sewer	Waterworks	Public Building Commission	Nonmajor Enterprise	Total	Internal Service Funds
Cash flows from operating activities:						
Receipts from customers	$ 7,573,892	$ 4,934,273	$ 510,037	$ 4,449,977	$ 17,468,179	$ 4,669,510
Payments to suppliers for goods and services	(1,015,932)	(1,774,653)	(4,855)	(1,756,460)	(4,551,900)	(891,946)
Payments on behalf of employees for services and benefits	(1,747,924)	(1,972,028)	-	(2,115,668)	(5,835,620)	(4,076,893)
Net cash from operating activities	4,810,036	1,187,592	505,182	577,849	7,080,659	(299,329)
Cash flows from noncapital financing activities:						
Transfers in	1,228,455	252,741	-	1,050,000	2,531,196	176,619
Transfers out	(3,177,550)	(2,853,972)	-	(373,132)	(6,404,654)	-
Net cash from noncapital financing activities	(1,949,095)	(2,601,231)	-	676,868	(3,873,458)	176,619
Cash flows from capital and related financing activities:						
Proceeds from sales of capital assets	85,000	2,900	-	25,500	113,400	-
Proceeds from leases receivable	-	-	-	2,625	2,625	-
Proceeds from taxes	-	-	157,150	-	157,150	-
Proceeds on advances from other funds	-	-	600,000	-	600,000	-
Payments for capital assets	(622,489)	(312,397)	-	(477)	(935,363)	(36,243)
Principal payments on general obligation bonds	(969,835)	(188,203)	-	-	(1,158,038)	-
Principal payments on NPBC revenue bonds	-	-	(855,000)	-	(855,000)	-
Principal payments on KDHE revolving loans payable	(857,692)	(129,917)	-	-	(987,609)	-
Principal payments on lease obligations	-	(1,413)	-	(83,371)	(84,784)	-
Principal payments on subscription liabilities	(4,027)	(4,922)	-	(2,237)	(11,186)	-
Payments on advances from other funds	-	-	-	(600,000)	(600,000)	-
Interest and fees paid on debt	(536,209)	(104,347)	(210,583)	(23,999)	(875,138)	-
Proceeds from KDHE revolving loans payable	-	2,012,142	-	-	2,012,142	-
Proceeds from general obligation bonds	-	134,870	-	-	134,870	-
Proceeds from bond premiums	-	9,247	-	-	9,247	-
Net cash from capital and related financing activities	(2,905,252)	1,417,960	(308,433)	(681,959)	(2,477,684)	(36,243)
Cash flows from investing activities:						
Interest received	-	990	48,755	35,954	85,699	85,658
Net change in cash and cash equivalents	(44,311)	5,311	245,504	608,712	815,216	(73,295)
Cash and cash equivalents, beginning of year	11,327,446	7,539,331	1,050,145	3,096,954	23,013,876	4,013,474
Cash and cash equivalents, end of year	$ 11,283,135	$ 7,544,642	$ 1,295,649	$ 3,705,666	$ 23,829,092	$ 3,940,179

(Continued)

CITY OF NEWTON, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(Continued)
Year Ended December 31, 2023

	Business-Type Activities					Governmental Activities
	Sewer	Waterworks	Public Building Commission	Nonmajor Enterprise	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash from operating activities:						
Operating income (loss)	$ 2,464,640	$ 786,665	$ 286,046	$ (247,598)	$ 3,289,753	$ (434,381)
Adjustments to reconcile operating income (loss) to net cash from operating activities:						
Depreciation and amortization	2,290,821	465,581	212,266	681,489	3,650,157	70,120
Changes in:						
Accounts receivable (net of allowance for uncollectibles)	46,416	13,173	-	(12,541)	47,048	-
Inventory	-	(116,100)	-	(15,595)	(131,695)	(4,425)
Prepaid items	-	-	-	1,607	1,607	(51,800)
Accounts payable	(40,196)	(68,008)	6,870	(5,954)	(107,288)	(79,888)
Accrued expenses	1,502	2,111	-	23,287	26,900	(563)
Compensated absences	3,312	(1,308)	-	503	2,507	-
Total OPEB liability	(12,995)	(9,068)	-	2,473	(19,590)	-
Net pension liability	24,282	86,361	-	46,893	157,536	-
Deferred outflows - OPEB	16,213	(3,737)	-	(10,982)	1,494	-
Deferred outflows - pension	36,330	18,660	-	15,707	70,697	-
Deferred inflows - OPEB	(14,616)	19,253	-	18,772	23,409	-
Deferred inflows - pension	(5,673)	(5,991)	-	(3,967)	(15,631)	-
Unearned revenues	-	-	-	83,755	83,755	-
Unreported claims payable	-	-	-	-	-	201,608
Net cash from operating activities	$ 4,810,036	$ 1,187,592	$ 505,182	$ 577,849	$ 7,080,659	$ (299,329)

Noncash capital financing activities:

Contributions of capital assets of $ 1,587,755, $ 2,895,699, and $ 102,537 were received in the sewer fund, waterworks fund, and public building commission fund, respectively, from other governmental funds. Subscription assets of $ 12,441, $ 15,206, and $ 6,912 were acquired through subscription liabilities in the sewer fund, waterworks fund, and nonmajor enterprise funds, respectively.

See accompanying notes to basic financial statements.

1 - Summary of Significant Accounting Policies

Reporting Entity

The City of Newton, Kansas (the City) was originally incorporated in 1871 under the laws of the State of Kansas. The City operates under a commission-manager form of government and provides services to its citizens in the areas of public safety, public works, community planning and development, water, wastewater and sanitation utilities, recreation, cultural and social assistance and municipal facilities.

Accounting principles generally accepted in the United States of America require that these financial statements present the City (the primary government) and its component units. The component units described below are included in the City's reporting entity because of their operational significance or financial relationships with the City.

Discretely Presented Component Units. The Newton Public Library (the Library), although a separate legal entity, is reported as a discrete component unit. The Library is governed by a Board, the appointees of which are approved by the City. The Library is not a separate taxing entity under State statutes and the City levies taxes for the Library operation, which represent a significant portion of its total revenues. The Library is presented as a governmental fund type. Separately issued financial statements for the Library are not available.

The Housing Authority of the City of Newton, Kansas, although a separate legal entity, is reported as a discrete component unit. The Housing Authority is governed by a Board, the appointees of which are approved by the City. The City also has the ability to remove appointed Board members at will and override or modify decisions of the governing board. The Housing Authority is presented as a proprietary fund type, and has a June 30 year end. Separately issued financial statements are available from the Housing Authority at 115 W. 9th Street, Newton, Kansas 67114.

Blended Component Unit. The Newton Public Building Commission (NPBC) was formed under Kansas statutes during 2005 to provide debt financing for City facilities. The NPBC is a separate legal entity, governed by a Board which is appointed by the City Commission. The NPBC is included as a blended component unit because the NPBC's debt is repayable almost entirely from the City's resources. The financial statements of the NPBC have been included within the City's reporting entity as a proprietary fund. Separately issued financial statements for the NPBC are not available.

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 of the 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.

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 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) 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.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and the 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 financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds 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 60-day availability period is used for revenue recognition for all governmental funds 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.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

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.

The City reports the following major governmental funds:

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.

The airport fund accounts for the operation and maintenance activities of the airport, which is jointly owned by the City and Harvey County. Its main operations consist of building and ground leases, fuel sales and aircraft storage, while also serving as a general aviation reliever airport for Wichita's Eisenhower Airport.

The bond and interest fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

The capital projects fund accounts for the acquisition and construction of city streets and other significant capital projects through capital grant funding and issuance of general obligation debt.

The City reports the following major proprietary funds:

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

The waterworks fund accounts for the operation and maintenance activities of the City's water distribution system.

The public building commission fund accounts for the activities of the Newton Public Building Commission (NPBC) blended component unit which provides financing for certain public buildings and facilities in the City.

Additionally, the City reports the following fund types:

The internal service funds account for the financing of goods and services provided by one fund to other funds of the City on a cost reimbursement basis and to account for the City's self-insurance activities relating to employee health coverage.

The permanent fund is used to account for the activities of the City's cemetery and mausoleum activities. The resources of this fund are restricted to the extent that only earnings, and not the principal, may be used for purposes that support the cemetery program.

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 enterprise functions 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.

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 enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise 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.

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.

Pooled Cash and Investments

Cash and investments of the individual funds are combined to form a pool that is managed by the Director of Finance. Each fund's equity in the pool is included in "cash and investments" in the financial statements. These pooled deposits and investments consist of operating accounts and non-negotiable certificates of deposit which are recorded at cost because they are not affected by market rate changes. The City also has funds invested in the Kansas Municipal Investment Pool (MIP) which is overseen by the State of Kansas. The fair value of the City's position in the MIP is the same as the pool value of the shares. Investment earnings, including interest income, are allocated based on management discretion and upon their average daily equity balances. If a fund is not required to account for its own earnings by law or regulation, the earnings are allocated to the general fund.

Cash Flows Statement

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 uncollectibles. Management records a trade accounts receivable allowance based on percentages of collection estimated from the aging of the accounts receivable. At December 31, 2023, an allowance for uncollectible receivables of $ 90,612 has been recorded.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds unavailable revenue is reported as follows:

General fund property tax receivable	$	8,164,153
Airport fund property tax receivable		97,384
Bond and interest fund property tax receivable		1,314,275
Bond and interest fund special assessments receivable		6,956,450
Nonmajor governmental funds property tax receivable		864,614
General fund loans receivable		339,668
Airport fund leases receivable		5,648,932
	$	23,385,476

Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities in the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property and are recorded as taxes receivable with a corresponding amount recorded as unavailable revenue on the balance sheet of the appropriate funds. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Special Assessments

In accordance with State statutes, projects financed in part by special assessments are financed through issuance of general obligation bonds of the City and are retired from the bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the bond and interest fund. The special assessments receivable are not recorded as revenue in the fund financial statements when levied against the respective property owners as such amounts are not available as a resource to finance current year operations.

Restricted Assets

Restricted cash is set aside in the community development fund for community development programs and in the public building commission fund for debt service.

Inventories

Inventories that benefit future periods are recorded as expenditures or expenses as consumed. Inventories are stated at cost, as determined by the first-in, first-out method.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items of governmental funds are recorded as expenditures when consumed rather than when purchased.

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. The City capitalizes purchases of assets with a cost of $ 1,000 or more and an estimated useful life in excess of one year. All costs of land are capitalized. 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.

Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Buildings	30 – 50 years
Improvements other than buildings	15 – 30 years
General infrastructure	30 – 50 years
Machinery	5 – 15 years
Office equipment and furniture	5 – 12 years
Water treatment plant	30 years
Water and sewer mains	30 – 50 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has several items that qualify for reporting in this category. One item, deferred charge on refunding, is reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other two items that qualify for reporting in this category are deferred outflows for pension and other postemployment benefits (OPEB) reported in the government-wide and proprietary fund statements of net position. See Notes 7 and 9 for more information on the deferred outflows for the pension and OPEB, respectively.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has several items that qualify for reporting in this

category. Unavailable revenue is reported in the governmental funds from four sources: property taxes, special assessments, leases, and loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government-wide statements report four items: deferred receivable – property taxes, deferred receivable – leases, deferred inflows – OPEB, and deferred inflows – pension. See Notes 7 and 9 for more information on the deferred inflows for the pension and OPEB, respectively. See Note 5 for more information on the deferred receivable for leases.

Leases

Lessee: The City is a lessee for leases pertaining to buildings and structures and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for leases of buildings and land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscriptions

The City has entered into various subscription-based information technology agreements. The City recognizes a subscription payable and an intangible right-to-use subscription asset in the government-wide and proprietary fund financial statements.

At the commencement of a subscription, the City initially measures the subscription payable at the present value of subscription payments expected to be made during the subscription term. Subsequently, the subscription payable is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription payable, adjusted for payments made at commencement, initial implementation costs, and any incentives received. Subsequently, the subscription asset is amortized on a straight-line basis over the subscription term.

Key estimates and judgments related to subscriptions include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) contract terms, and (3) contract payments.

- The City uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The contract term includes the noncancellable period of the subscription. Contract payments included in the measurement of the subscription payable are composed of fixed payments.

The City monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription assets and liabilities if certain changes occur that are expected to significantly affect the amount of the subscription liabilities.

Subscription assets are reported with capital assets and subscriptions payable are reported with liabilities on the statement of net position.

Compensated Absences

The City's policies regarding vacation and sick leave permit employees to accumulate a maximum of 10 to 18 days of vacation leave (depending on the number of years of continuous service) and a maximum accumulation of 90 days sick leave. Policies require the cancellation of accumulated sick leave on the date of employment termination. All vacation leave is accrued when incurred in the government-wide and

proprietary fund 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, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts and refunding differences are 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 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.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of KPERS and additions to/deductions from KPERS's fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. KPERS investments are reported at fair value.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2023, fund balances for governmental funds are made up of the following:

Nonspendable fund balances – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid items, and long-term notes receivable.

Restricted fund balances – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed fund balances – includes amounts that can be used only for specific purposes determined by a formal action of the City Commission. The City Commission is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances approved through a majority vote by a quorum of the Commission.

Assigned fund balances – includes amounts the City intends to use for a specific purpose that is neither restricted nor committed as directed by the City Commission.

Unassigned fund balance – is the residual classification for the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Commission has provided otherwise in its commitment or assignment actions.

The City has established a minimum fund balance policy for maintaining fund balances in governmental funds. The City strives to maintain a minimum unassigned fund balance of at least 15% of budgeted annual expenditures in the general fund.

Concentrations of Credit Risk

Credit is extended to citizens for special assessments levied by the City for capital improvements. These special assessments are secured by liens on the related properties. Unsecured credit is extended to customers for water fees, sewer fees, and charges for certain other services.

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 liabilities 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.

Adoption of New Accounting Standards

During the year, the City implemented the following accounting standard:

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Beginning net position was not impacted by the adoption of this Statement.

Pending Governmental Accounting Standards Board Statements

The following accounting standards have been recently issued and will be adopted as applicable by the City. Unless otherwise noted below, management has not yet determined the impact of these Statements on the City's financial statements.

GASB Statement No. 99, *Omnibus 2022* - The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance by the City. The requirements related to leases, PPPs, and SBITAs will be effective for the City in fiscal year ending December 31, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will become effective for the City in the fiscal year ended December 31, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections* - The primary objective of this statement is to enhance 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. This statement will become effective for the City in the fiscal year ended December 31, 2024.

GASB Statement No. 101, *Compensated Absences* - The objective of this statement is 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. This statement will become effective for the City in the fiscal year ended December 31, 2024.

GASB Statement No. 102, *Certain Risk Disclosures* - The objective of this Statement is to provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The requirements of this statement will become effective for the City in the fiscal year ended December 31, 2025.

2 - Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balances – total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities, including bonds payable,

are not due and payable in the current period and therefore, not reported as liabilities in the funds." The details of this $ (52,494,789) difference are as follows:

General obligation bonds	$	(28,143,431)
Plus: Issuance premiums		(1,351,431)
Accrued interest payable		(319,870)
Compensated absences		(652,323)
Total OPEB liability		(1,030,768)
Net pension liability		(20,830,151)
Lease obligations		(44,937)
Subscription liabilities		(121,878)
Net adjustment to decrease fund balances - total governmental funds to arrive at net position - governmental activities	$	(52,494,789)

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense." The details of this $ 10,014,876 difference are as follows:

Capital outlay	$	13,351,304
Depreciation and amortization expense		(3,336,428)
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	10,014,876

Another element of that reconciliation states that "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds." The details of this $ 304,665 difference are as follows:

Special assessments	$	312,034
Loans		(7,369)
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	304,665

Another element of that reconciliation states that "The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and

similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this $ (1,127,871) difference are as follows:

Principal repayments:		
General obligation bonds	$	2,841,962
Amortization of deferred charge on refunding		(81,712)
Amortization of issuance premiums		185,901
Lease obligations		39,076
Subscription liabilities		66,252
Debt issued or incurred:		
General obligation bonds		(3,735,130)
Issuance premiums		(256,090)
Subscription liabilities		(188,130)
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	(1,127,871)

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this $ (2,217,855) difference are as follows:

Compensated absences	$	(21,741)
Accrued interest payable		(37,653)
Total OPEB liability		(71,338)
Pension contributions		(2,087,123)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	(2,217,855)

3 - Stewardship, Compliance and Accountability

Budgetary Information

Applicable Kansas statutes require an annual operating budget be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), debt service funds, and proprietary funds. A legal operating budget is not prepared for the capital projects fund, capital improvement reserve fund, admin contingency fund, municipal equipment reserve fund, community development fund, grants fund, airport/library capital improvement fund, airport/library municipal equipment reserve fund, ARPA fund, sewer special reserve fund, solid waste special reserve fund, waterworks special reserve fund, golf course special reserve fund, public building commission fund, Meridian Center special reserve fund, health benefits risk management fund, and stores and maintenance special reserve fund. All budgets are prepared utilizing the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments evidenced by documents such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures.

The statutes provide for the following sequence and timetable in adoption of budgets:

a. Preparation of budget for the succeeding calendar year on or before August 1st.
b. Publication in a local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
c. Public hearing on or before August 15 but at least ten days after publication of notice of hearing.
d. Adoption of final budget on or before August 25th.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing for this budget year.

Kansas statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures in an individual fund. The legal level of budgetary control is the fund level. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the City. All unencumbered appropriations lapse at the end of the year. Encumbered appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or cancelled. Kansas statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The City must first publish, in the local newspaper, a notice of public hearing to amend the budget. At least ten days after publication, a public hearing is held and the governing body may amend the budget at that time. There was a budget amendment in the golf course fund in the current year.

Compliance Violations

The capital projects fund had a deficit fund balance of $ 7,248,072 at December 31, 2023, which is in violation of K.S.A. 10-1113. However, per K.S.A. 10-1116, limits of indebtedness may be exceeded when this is due to capital project expenditures incurred prior to the issuance of bonds.

4 - Deposits and Investments

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. 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. Kansas statutes require that deposits of the City be collateralized, and that collateral pledged must have a fair value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the City. At year end, the carrying amount of the City's deposits was $ 9,329,790 and the bank balance totaled $ 9,689,780. Of the bank balance, $ 500,000 was secured by federal deposit insurance and $ 9,189,780 was collateralized by pledged

securities held under joint custody receipts issued by third party banks in the City's name. The Library and the Housing Authority's deposits were not exposed to custodial credit risk.

Investments

As of December 31, 2023, the City had the following investments:

Investment Type	Fair Value	Maturity < 1 year	Rating
Kansas Municipal Investment Pool	$ 34,002,219	$ 34,002,219	Not Rated

Credit 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 MIP. The City has no investment policy that would further limit its investment choices.

Concentrations of Credit Risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. As noted in the schedule above, the City's investments as of December 31, 2023 consisted entirely of amounts held by the MIP.

Custodial Credit Risk

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. At December 31, 2023, the City has invested $ 34,002,219 in the MIP. The City is not exposed to custodial credit risk.

The MIP is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The fair value of the City's position in the MIP is substantially the same as the value of the pool shares. The City's investments in the MIP were not rated by a rating agency as of December 31, 2023.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates, but state statutes do establish

a two-year limitation on investment maturities. In practice, the City generally does not exceed a one-year maturity when investing idle funds. The City is not exposed to significant interest rate risk.

Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs. Fair value measurement hierarchy information is not provided to the City for its deposits in the MIP.

5 - Leases Receivable

On January 1, 2022, the City entered into a 455-month lease as lessor for the use of 1720 North Oliver. An initial lease receivable was recorded in the amount of $ 112,665. The lessee is required to make annual variable principal and interest payments of $ 4,480. The lease has an interest rate of 1.7510%. The City recognized lease revenue of $ 2,967 during the fiscal year. The lessee has 3 extension options, each for 120 months.

On May 15, 2022, the City entered into a 600-month lease as lessor for the use of Avcon Hangar. An initial lease receivable was recorded in the amount of $ 207,817. The lessee is required to make annual fixed payments of $ 7,645. The lease has an interest rate of 2.9070%. The City recognized lease revenue of $ 4,153 during the fiscal year.

On October 1, 2023, the City entered into a 36-month lease as lessor for the use of Cory D. Klaassen Farm. An initial lease receivable was recorded in the amount of $ 23,420. The lessee is required to make annual fixed payments of $ 23,484. The lease has an interest rate of 0.3300%. The City recognized lease revenue of $ 5,692 during the fiscal year. The City had a termination period of four months as of the lease commencement.

On January 1, 2022, the City entered into a 121-month lease as lessor for the use of Ballard Aviation - Building X. An initial lease receivable was recorded in the amount of $ 199,497. The lessee is required to make monthly fixed payments of $ 1,750. The lease has an interest rate of 1.2050%. The City recognized lease revenue of $ 19,785 during the fiscal year. The lessee has one extension option for 60 months.

On January 1, 2022, the City entered into a 135-month lease as lessor for the use of 1108 N. Oliver Road. An initial lease receivable was recorded in the amount of $ 12,379. The lessee is required to make annual fixed payments of $ 1,200. The lease has an interest rate of 1.2450%. The City recognized lease revenue of $ 1,100 during the fiscal year. The lessee has two extension options, each for 60 months.

On January 1, 2022, the City entered into an 85-month lease as lessor for the use of Weatherly Airport Hangar. An initial lease receivable was recorded in the amount of $ 560,613. The lessee is required to make monthly fixed payments of $ 6,068. The lease has an interest rate of 0.9780%. The City recognized lease revenue of $ 79,145 during the fiscal year. The lessee has one extension option for 60 months.

On January 1, 2022, the City entered into a 43-month lease as lessor for the use of Tri-Rotor Crop Airport Hangar. An initial lease receivable was recorded in the amount of $ 88,632. The lessee is required to make monthly fixed payments of $ 2,030. The lease has an interest rate of 0.5520%. The City recognized lease revenue of $ 24,734 during the fiscal year.

On May 1, 2022, the City entered into a 120-month lease as lessor for the use of TAP Hangar. An initial lease receivable was recorded in the amount of $ 14,267. The lessee is required to make annual fixed payments of $ 1,500. The lease has an interest rate of 2.4520%. The City recognized lease revenue of $ 1,415 during the fiscal year.

On January 1, 2022, the City entered into a 364-month lease as lessor for the use of Mid West Electric Transformers. An initial lease receivable was recorded in the amount of $ 92,803. The lessee is required to make monthly fixed payments of $ 328. The lease has an interest rate of 1.7510%. The City recognized lease revenue of $ 3,059 during the fiscal year.

On January 1, 2022, the City entered into a 173-month lease as lessor for the use of Midwest Airport Hangar - E. An initial lease receivable was recorded in the amount of $ 439,968. The lessee is required to make monthly fixed payments of $ 2,511. The lease has an interest rate of 1.3380%. The City recognized lease revenue of $ 30,518 during the fiscal year. The lessee has two extension options, each for 60 months.

On January 1, 2022, the City entered into a 173-month lease as lessor for the use of Midwest Airport Hangar. An initial lease receivable was recorded in the amount of $ 206,842. The lessee is required to make monthly fixed payments of $ 1,180. The lease has an interest rate of 1.3380%. The City recognized lease revenue of $ 14,347 during the fiscal year. The lessee has two extension options, each for 60 months.

On January 1, 2022, the City entered into a 157-month lease as lessor for the use of Hesston College Hangar. An initial lease receivable was recorded in the amount of $ 292,266. The lessee is required to make monthly fixed payments of $ 1,827. The lease has an interest rate of 1.3060%. The City recognized lease revenue of $ 22,339 during the fiscal year. The lessee has two extension options, each for 60 months.

On July 1, 2022, the City entered into a 180-month lease as lessor for the use of Forsythe Airport Hangar. An initial lease receivable was recorded in the amount of $ 284,943. The lessee is required to make monthly fixed payments of $ 1,800. The lease has an interest rate of 3.1590%. The City recognized lease revenue of $ 18,996 during the fiscal year. The lessee has two extension options, each for 60 months.

On September 22, 2022, the City entered into a 600-month lease as lessor for the use of Building V - Parcel A. An initial lease receivable was recorded in the amount of $ 320,737. The lessee is required to make monthly fixed payments of $ 1,127. The lease has an interest rate of 3.4890%. The City recognized lease revenue of $ 6,412 during the fiscal year.

On January 1, 2022, the City entered into a 309-month lease as lessor for the use of Ballard Aviation Hangar R. An initial lease receivable was recorded in the amount of $ 93,406. The lessee is required to make monthly fixed payments of $ 373. The lease has an interest rate of 1.7090%. The City recognized lease revenue of $ 3,627 during the fiscal year.

On January 1, 2022, the City entered into a 270-month lease as lessor for the use of Avcon Hangars C, D, M, Q & F. An initial lease receivable was recorded in the amount of $ 3,297,121. The lessee is required to

make monthly fixed payments of $ 12,386. The lease has an interest rate of 1.6220%. The City recognized lease revenue of $ 146,539 during the fiscal year. The lessee has four extension options, each for 60 months.

On January 1, 2022, the City entered into a 163-month lease as lessor for the use of 810 North Oliver. An initial lease receivable was recorded in the amount of $ 108,520. The lessee is required to make monthly fixed payments of $ 660. The lease has an interest rate of 1.3380%. The City recognized lease revenue of $ 7,989 during the fiscal year. The lessee has two extension options, each for 60 months.

On August 21, 2023, the City entered into a 60-month lease as lessor for the use of Golf Maintenance Equipment Lease #2. An initial lease receivable was recorded in the amount of $ 63,561. The lessee is required to make monthly fixed payments of $ 1,238. The lease has an interest rate of 6.2500%. The City recognized lease revenue of $ 4,563 during the fiscal year. The lessee has the option to purchase the equipment for $ 1.

Lease information is summarized in the table below:

Lease	Lease receivable at December 31, 2023	Deferred inflow at December 31, 2023
Governmental Activities		
Buildings:		
810 North Oliver	$ 95,071	$ 92,542
Avcon Hangars C, D, M, Q & F	3,094,702	3,004,043
Ballard Aviation - Building X	161,668	159,928
Forsythe Airport Hangar	264,668	256,449
Hesston College Hangar	254,324	247,589
Midwest Airport Hangar	183,054	178,147
Midwest Airport Hangar - E	389,351	378,932
Tri-Rotor Crop Airport Hangar	39,928	39,163
Weatherly Airport Hangar	417,922	402,322
Land:		
1108 N. Oliver Road	10,157	10,178
1720 North Oliver	112,665	106,731
Avcon Hangar	198,394	201,058
Ballard Aviation Hangar R	87,405	86,151
Building V - Parcel A	316,726	312,562
Cory D. Klaassen Farm	46,737	74,545
Mid West Electric Transformers	87,955	86,684
TAP Hangar	11,983	11,908
Total governmental activities	$ 5,772,710	$ 5,648,932
Business-Type Activities		
Equipment:		
Golf Maintenance Equipment Lease #2	$ 60,936	$ 58,998

Year	Governmental Activities		
	Principal	Interest	Total
2024	$ 337,977	$ 101,404	$ 439,381
2025	342,186	92,997	435,183
2026	314,767	88,361	403,128
2027	325,908	83,664	409,572
2028	337,361	78,797	416,158
2029 - 2033	1,334,028	326,414	1,660,442
2034 - 2038	1,142,385	216,150	1,358,535
2039 - 2043	1,036,320	127,816	1,164,135
2044 - 2048	199,299	68,573	267,872
2049 - 2053	84,864	56,519	141,384
2054 - 2058	83,158	45,092	128,250
2059 - 2063	72,813	33,037	105,850
2064 - 2068	85,686	20,164	105,850
2069 - 2072	75,958	5,342	81,299
	$ 5,772,710	$ 1,344,330	$ 7,117,039

Year	Business-Type Activities		
	Principal	Interest	Total
2024	$ 11,374	$ 3,486	$ 14,860
2025	12,105	2,755	14,860
2026	12,884	1,976	14,860
2027	13,713	1,147	14,860
2028	10,860	285	11,145
	$ 60,936	$ 9,649	$ 70,585

6 - Capital Assets

Capital asset activity of the primary government for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 5,448,861	$ -	$ (20,692)	$ -	$ 5,428,169
Construction in progress	1,503,815	6,916,850	(237,040)	-	8,183,625
Total capital assets not being depreciated	6,952,676	6,916,850	(257,732)	-	13,611,794
Capital assets being depreciated:					
Buildings and structures	21,280,084	771,437	-	-	22,051,521
General infrastructure	67,512,608	237,040	-	-	67,749,648
Equipment	14,688,019	464,585	(290,233)	15,563	14,877,934
Total capital assets being depreciated	103,480,711	1,473,062	(290,233)	15,563	104,679,103
Less accumulated depreciation for:					
Buildings and structures	(11,048,770)	(519,059)	-	-	(11,567,829)
General infrastructure	(23,405,921)	(1,809,080)	-	-	(25,215,001)
Equipment	(10,946,494)	(982,999)	240,800	(15,563)	(11,704,256)
Total accumulated depreciation	(45,401,185)	(3,311,138)	240,800	(15,563)	(48,487,086)
Total capital assets being depreciated, net	58,079,526	(1,838,076)	(49,433)	-	56,192,017
Capital assets being amortized:					
Right-to-use leased buildings and structures	109,712	-	-	-	109,712
Right-to-use leased equipment	10,464	-	-	-	10,464
Subscription asset	-	198,192	-	-	198,192
Total capital assets being amortized	120,176	198,192	-	-	318,368
Less accumulated amortization for:					
Right-to-use leased buildings and structures	(36,571)	(36,571)	-	-	(73,142)
Right-to-use leased equipment	(593)	(2,093)	-	-	(2,686)
Subscription asset	-	(56,746)	-	-	(56,746)
Total accumulated amortization	(37,164)	(95,410)	-	-	(132,574)
Total capital assets being amortized, net	83,012	102,782	-	-	185,794
Governmental activities capital assets, net	$ 65,115,214	$ 5,181,556	$ (307,165)	$ -	$ 69,989,605

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	$ 1,633,605	$ -	$ -	$ -	$ 1,633,605
Construction in progress	3,235,072	4,585,990	(2,603,570)	-	5,217,492
Total capital assets not being depreciated	4,868,677	4,585,990	(2,603,570)	-	6,851,097
Capital assets being depreciated:					
Buildings and improvements	54,276,807	950,932	(2,638)	-	55,225,101
Equipment	10,471,618	932,978	(552,111)	(15,563)	10,836,922
Utility service lines and infrastructure	51,678,106	1,652,637	-	-	53,330,743
Total capital assets being depreciated	116,426,531	3,536,547	(554,749)	(15,563)	119,392,766
Less accumulated depreciation for:					
Buildings and improvements	(20,227,940)	(1,701,602)	2,638	-	(21,926,904)
Equipment	(8,133,789)	(660,499)	539,888	15,563	(8,238,837)
Utility service lines and infrastructure	(28,331,495)	(1,187,486)	-	-	(29,518,981)
Total accumulated depreciation	(56,693,224)	(3,549,587)	542,526	15,563	(59,684,722)
Total capital assets being depreciated, net	59,733,307	(13,040)	(12,223)	-	59,708,044
Capital assets being amortized:					
Right-to-use leased equipment	452,470	-	-	-	452,470
Subscription asset	-	36,946	-	-	36,946
Total capital assets being amortized	452,470	36,946	-	-	489,416
Less accumulated amortization for:					
Right-to-use leased equipment	(37,879)	(90,494)	-	-	(128,373)
Subscription asset	-	(10,076)	-	-	(10,076)
Total accumulated amortization	(37,879)	(100,570)	-	-	(138,449)
Total capital assets being amortized, net	414,591	(63,624)	-	-	350,967
Business-type activities capital assets, net	$ 65,016,575	$ 4,509,326	$ (2,615,793)	$ -	$ 66,910,108

Capital asset activity of the discretely presented component units for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Newton Public Library:					
Capital assets being depreciated:					
Equipment	$ 555,725	$ 151,670	$ (151,539)	$ -	$ 555,856
Less accumulated depreciation	(445,814)	(112,454)	151,539	-	(406,729)
Library capital assets, net	$ 109,911	$ 39,216	$ -	$ -	$ 149,127
Housing Authority:					
Capital assets not being depreciated:					
Land	$ 119,300	$ -	$ -	$ -	$ 119,300
Construction in progress	372,978	-	(372,978)	-	-
Total capital assets not being depreciated	492,278	-	(372,978)	-	119,300
Capital assets being depreciated:					
Buildings	8,497,698	583,923	-	-	9,081,621
Equipment - dwelling	96,302	33,845	-	-	130,147
Equipment - administration	245,754	1,526	-	-	247,280
Total capital assets being depreciated	8,839,754	619,294	-	-	9,459,048
Less accumulated depreciation for:					
Buildings	(6,902,431)	(176,578)	-	-	(7,079,009)
Equipment - dwelling	(94,605)	(2,743)	-	-	(97,348)
Equipment - administration	(200,455)	(12,945)	-	-	(213,400)
Total accumulated depreciation	(7,197,491)	(192,266)	-	-	(7,389,757)
Total capital assets being depreciated, net	1,642,263	427,028	-	-	2,069,291
Capital assets being amortized:					
Subscription assets	-	59,853	-	-	59,853
Less accumulated amortization	-	(20,949)	-	-	(20,949)
Total capital assets being amortized, net	-	38,904	-	-	38,904
Housing Authority capital assets, net	$ 2,134,541	$ 465,932	$ (372,978)	$ -	$ 2,227,495

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

Governmental activities:		
General government	$	1,068,862
Public safety		709,500
Highway and streets		1,419,298
Culture and recreation		137,962
Airport		806
Internal service fund*		70,120
Total depreciation and amortization expense - governmental activities	$	3,406,548
Business-type activities:		
Sewer	$	2,290,821
Waterworks		465,581
Nonmajor enterprise		681,489
Public building commission		212,266
Total depreciation and amortization expense - business-type activities	$	3,650,157
Component units:		
Newton Public Library	$	112,454
Housing Authority	$	213,215

* Depreciation and amortization of capital assets held by the City's internal service funds are charged to various functions based on the usage of the asset.

7 - Defined Benefit Pension Plan

General Information About the Pension Plan

Description of Pension Plan. The City, the Library, and the Housing Authority participate 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 pension benefits 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 both the Local and Police and Firemen employee groups.

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

Benefits Provided. 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 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 employee may receive a lump-sum payment of up to 50% of the actuarial present value of the member employee's lifetime benefit. His or her 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 was created for new hires starting January 1, 2015. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten 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. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009,

and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes the Police and Firemen (KP&F) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation for each of the three state-wide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. KPERS is funded on an actuarial reserve basis.

For KPERS 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.

The actuarially determined employer contribution rate (not including the 1.0% contribution rate for the Death and Disability Program) and the statutory contribution rate were 8.43% for KPERS and 22.886% for KP&F for the year ended December 31, 2023. Contributions to the Pension Plan from the City were $ 2,230,437 ($ 640,807 for KPERS and $ 1,589,630 for KP&F) for the year ended December 31, 2023. Contributions from the Library for KPERS were $ 31,065 for the year ended December 31, 2023. Contributions from the Housing Authority for KPERS were $ 19,301 for the year ended June 30, 2023.

Summary of Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the City reported a total net pension liability of $ 24,447,705 ($ 7,524,031 for KPERS and $ 16,923,674 for KP&F), and the Library reported a liability of $ 348,084 for their proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2023, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023.

At June 30, 2023, the Housing Authority reported a liability of $ 219,261 for KPERS for its proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2022, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022.

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 following groups of the plan:

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and non-employer allocations are applied to amounts presented in the schedules of pension amounts by employer and non-employer. The City's proportion of the collective net pension liability was based on the ratio of the City's actual contributions to KPERS and KP&F, relative to the total employer and non-employer contributions of the Local group and Police and Firemen group within KPERS for the KPERS fiscal year ended June 30, 2023. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2023, the City's proportion for KPERS was 0.358645%, which was an increase of 0.011742% from its proportion measured as of June 30, 2022. At June 30, 2023, the City's proportion for KP&F was 1.059547%, which was an increase of 0.002399% from its proportion measured as of June 30, 2022. At June 30, 2023, the Library's proportion for KPERS was 0.016592%, which was an increase of 0.001047% from its proportion measured as of June 30, 2022.

At June 30, 2022, the Housing Authority's proportion for KPERS was 0.011029%, which was a decrease of 0.000878% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2023, the City recognized total pension expense of $ 4,532,044 ($ 1,275,695 for KPERS and, $ 3,256,349 for KP&F) and the Library recognized total pension expense of $ 50,284. For the year ended June 30, 2023, the Housing Authority recognized pension expense of $ 18,721. At December 31, 2023, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 2,192,232	$ 1,060
Net difference between projected and actual earnings on pension plan investments	1,201,836	-
Changes of assumptions	2,167,694	-
Changes in proportionate share	487,163	23,760
City contributions subsequent to measurement date	1,132,267	-
Total	$ 7,181,192	$ 24,820

Library

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 28,936	$ 49
Net difference between projected and actual earnings on pension plan investments	20,330	-
Changes of assumptions	36,892	-
Changes in proportionate share	14,761	30,121
Library contributions subsequent to measurement date	16,162	-
Total	$ 117,081	$ 30,170

At June 30, 2023, the Housing Authority reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

Housing Authority

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 8,293	$ 393
Net difference between projected and actual earnings on pension plan investments	18,560	-
Changes of assumptions	35,048	-
Changes in proportionate share	-	18,358
Housing Authority contributions subsequent to measurement date	19,105	-
Total	$ 81,006	$ 18,751

The $ 1,132,267 for the City, the $ 16,162 for the Library, and the $ 19,105 for the Housing Authority reported as deferred outflows of resources related to pensions resulting from the respective entity's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2024 for the City and the Library and the year ended June 30, 2024 for the Housing Authority. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended December 31		Year Ended June 30
	City	Library	Housing Authority
2024	$ 1,982,183	$ 24,220	$ 9,728
2025	1,271,035	10,105	10,783
2026	2,263,594	28,632	4,795
2027	494,282	7,550	17,437
2028	13,011	242	407
	$ 6,024,105	$ 70,749	$ 43,150

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2022 and 2021 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2022	2021
Price inflation	2.75 percent	2.75 percent
Wage inflation	3.00 percent	3.00 percent
Salary increases, including price inflation	3.50 to 12.00 percent	3.50 to 12.00 percent
Long-term rate of return net of investment expense, and including price inflation	7.00 percent	7.00 percent

Mortality rates were based on the RP-2014 Mortality Tables, as appropriate, with adjustments for mortality improvements based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016. Different adjustments apply to pre-retirement versus post-retirement versus post-disability mortality tables.

The actuarial assumptions used in the December 31, 2022 and December 31, 2021 valuations were based on the results of an actuarial experience study conducted for the three-year period ending December 31, 2018.

The long-term expected rate of return on 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 included in the Pension Plan's target asset allocations as of the most recent experience study, dated January 7, 2020 are summarized in the following table:

	December 31, 2022 and 2021	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities	23.50%	5.20%
Non-U.S. Equities	23.50%	6.40%
Private Equity	8.00%	9.50%
Private Real Estate	11.00%	4.45%
Yield Driven	8.00%	4.70%
Real Return	11.00%	3.25%
Fixed Income	11.00%	1.55%
Cash	4.00%	0.25%
Total	100%	

Discount rate. The discount rate used by KPERS to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993 and subsequent legislation, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for KPERS. Future employer contribution rates were also modeled for KP&F assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for KP&F. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the City's and Library's proportionate share of the collective net pension liability calculated using the discount rate of 7.00% as well as what the proportionate share of the collective 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%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's KPERS proportionate share of the collective net pension liability	$ 10,788,657	$ 7,524,031	$ 4,804,257
City's KP&F proportionate share of the collective net pension liability	22,821,690	16,923,674	11,999,328
Library's KPERS proportionate share of the collective net pension liability	499,116	348,084	222,259

The following presents the Housing Authority's proportionate share of the collective net pension liability calculated using the discount rate of 7.00% as well as what the proportionate share of the collective 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%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Housing Authority's KPERS proportionate share of the collective net pension liability	$ 314,976	$ 219,261	$ 139,517

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

8 - Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Assets of the plan, valued at current market prices, are held in trust for the benefit of the participants.

All amounts of compensation deferred under the plan as well as earnings attributable to those amounts, are solely the property of the participant employees. Accordingly, the assets and related liabilities for the plan are not recorded in the accompanying financial statements.

9 - Other Postemployment Benefits

Health Insurance

Plan Description, Benefits Provided and Contributions. The City provides postemployment health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). 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. A retiring employee who waives continuing participation in the City's health insurance program at the time of retirement is not eligible to participate at a later date. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The plan does not issue a stand-alone financial report.

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 blended premium cost of active employees to maintain coverage. In 2023, retired plan members receiving benefits contributed $ 115,761 to the plan and the City contributed $ 68,445.

Employees Covered by Benefit Terms. At December 31, 2023, the following employees were covered by the benefit terms:

Active plan members	209
Inactive employees or beneficiary currently receiving benefits	15
	224

Total OPEB Liability

The City's total OPEB liability of $ 990,118 was measured as of December 31, 2023 and was determined by an actuarial valuation performed as of January 1, 2024.

Actuarial Assumption and Other Inputs. The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.88 percent
Salary increases	3.00 percent per year
Healthcare cost trend rates	6.50 percent for 2024, decreasing 0.5 percent for year 2 through year 4, then decreasing 0.25 for year 5 to an ultimate rate of 4.50 percent for year 6.
Actuarial cost method	Entry Age Normal - Level Percent-of-Pay

The discount rate was based on the average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields.

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality Tables using Scale MP-2021 Full Generational Improvement.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2022	$ 1,197,782
Changes for the year:	
Service cost	79,478
Interest	51,959
Differences between actual and expected experience	24,889
Changes in assumptions or other inputs	(295,545)
Benefit payments	(68,445)
Net changes	(207,664)
Balance at December 31, 2023	$ 990,118

Changes of assumptions and other inputs reflect a change in the discount rate from 4.18 percent in 2022 to 3.88 percent in 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. 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 1-percentage-point lower (2.88 percent) or 1-percentage-point higher (4.88 percent) than the current discount rate:

	1% Decrease (2.88%)	Discount Rate (3.88%)	1% Increase (4.88%)
Total OPEB liability	$ 1,115,164	$ 990,118	$ 880,576

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend 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 healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 852,289	$ 990,118	$ 1,159,087

OPEB Expense and Deferred Inflows/Outflows of Resources Related to OPEB

For the year ended December 31, 2023, the City recognized OPEB expense of $ 146,728. At December 31, 2023, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	$ 439,127	$ 579,668
Differences between expected and actual experience	282,109	-
	$ 721,236	$ 579,668

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

Year Ended December 31,	
2024	$ 15,291
2025	15,291
2026	15,291
2027	15,291
2028	15,291
2029 and Thereafter	65,113
	$ 141,568

Disability Benefits and Life Insurance

Plan Description, Benefits Provided and Contributions. The City and the Library participate in a multiple-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. 74-04927. 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.

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, 2023 totaled $ 76,015 and $ 3,685 for the City and the Library, respectively.

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60 percent (prior to January 1, 2006, 66⅔ percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly 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, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Employees Covered by Benefit Terms. As of the valuation date of December 31, 2022, the following employees were covered by the benefit terms.

City	
Active plan members	120
Inactive employees or beneficiary currently receiving benefits	0
	120
Library	
Active plan members	8
Inactive employees or beneficiary currently receiving benefits	0
	8

Total OPEB Liability

The total OPEB liability for the City and the Library of $ 127,879 and $ 4,235, respectively, was measured as of June 30, 2023 and was determined by an actuarial valuation performed as of December 31, 2022.

	Total OPEB Liability	
	City	Library
Balance at December 31, 2022	$ 132,431	$ 5,093
Changes for the year:		
Service cost	17,618	710
Interest	5,195	205
Differences between actual and expected experience	(20,035)	(1,736)
Changes in assumptions or other inputs	(641)	(37)
Benefit payments	(6,689)	-
Net changes	(4,552)	(858)
Balance at December 31, 2023	$ 127,879	$ 4,235

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.65 percent
Implicit inflation rate	2.75 percent
Mortality rates	Local Males: 90% of RP-2014 M Total Dataset +2 Local Females: 90% of RP-2014 F Total Dataset +1 Generational mortality improvements were projected for future years using MP-2021.
Salary increases	3.50 percent (composed of 2.75 percent inflation and 0.75 percent productivity)
Payroll growth	4.00 percent long-term growth for actuarial valuation 3.00 percent near-term growth for cash flow projections
Actuarial cost method	Entry Age Normal

The discount rate was based on the Bond Buyer General Obligation 20-Year Municipal Bond Index.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2016 through December 31, 2018.

Changes and items of impact relative to the prior valuation were as follows.

1. The discount rate was updated in accordance with the requirements of GASB 75.
2. The disability rates, estimated offsets, waiver mortality rates and claim cost assumption have been updated based on recent experience.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the City and the Library, as well as what the City and the Library's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current discount rate:

	City		
	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	$ 133,500	$ 127,879	$ 121,913

	Library		
	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	$ 4,561	$ 4,235	$ 3,912

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the City and the Library as well as what the City and the Library's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	City		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 127,879	$ 127,879	$ 127,879

	Library		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 4,235	$ 4,235	$ 4,235

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City and the Library recognized OPEB expense of $ 3,323 and $ 162, respectively. At December 31, 2023, the City and the Library reported deferred outflows and inflows of resources related to OPEB from the following sources:

	City	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	$ 8,844	$ 42,510
Differences between expected and actual experience	-	95,401
Contributions after measurement date	38,747	-
	$ 47,591	$ 137,911

	Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	$ 267	$ 2,366
Differences between expected and actual experience	713	3,585
Contributions after measurement date	1,917	-
	$ 2,897	$ 5,951

The $ 38,747 for the City and $ 1,917 for the Library reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ended December 31, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	City
2024	$ (19,490)
2025	(19,490)
2026	(19,321)
2027	(17,842)
2028	(14,593)
2029 and Thereafter	(38,331)
	$ (129,067)

Year Ended December 31,	Library
2024	$ (753)
2025	(753)
2026	(750)
2027	(710)
2028	(597)
2029 and Thereafter	(1,408)
	$ (4,971)

Aggregate OPEB Information

	Balances at December 31, 2023		
	Disability Benefits and Life Insurance	Health Insurance	Total
Total OPEB Liability	$ (127,879)	$ (990,118)	$ (1,117,997)
Deferred outflows of resources	47,591	721,236	768,827
Deferred inflows of resources	(137,911)	(579,668)	(717,579)
OPEB expense	3,323	146,728	150,051

10 - Risk Management and Claims

The City 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; and natural disasters. Losses under these programs are covered by commercial insurance policies, subject to deductibles in some cases. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

Workers' Compensation Coverage

The City is a member of the Kansas Municipal Insurance Trust Workers' Compensation Pool (the Pool) for purposes of workers' compensation coverage. This program is similar to commercial insurance coverage because the Pool is liable for all claims. The City contributes to the Pool at the beginning of each coverage period based on experience and payroll factors. The City records a liability for estimated additional contributions that may be incurred because of adjustments made by the Pool. The cost of this workers' compensation coverage is charged to City funds based on payroll expenditures.

Employee Health Care Benefits

During the year ended December 31, 2023, employees of the City were covered by the City of Newton Medical Benefits Plan (the Plan). Under the Plan, the City retains a significant portion of the risk of loss for employee health benefits. Claims are paid by a third-party administrator acting on behalf of the City.

The administrative contract between the City and the third-party administrator is renewable annually. Administrative fees and stop-loss premiums are included in the contractual provisions.

The City is protected against catastrophic loss by stop-loss coverage carried through a commercial insurance carrier. Stop-loss coverage is in effect for individual claims exceeding $ 75,000 and for aggregate loss, which is based on a factor determined monthly by the insurer.

The risk management activities under the Plan are recorded in the health benefits risk management fund. Using the actuarial method, the City charges the cost of estimated benefits to funds in relation to personal services expenditures. An estimated liability is recorded for claims against the Plan that have been incurred but not yet reported at year end. The following represents the changes in the liability for unreported claims under the Plan for 2023 and 2022:

	2023	2022
Liability balance, beginning	$ 84,686	$ 151,249
Health benefit claims incurred	3,890,056	2,738,342
Add premiums and fees	190,781	199,872
Total costs incurred	4,165,523	3,089,463
Less claims paid	(3,688,447)	(2,804,905)
Less premiums and fees paid	(190,781)	(199,872)
Liability balance, ending	$ 286,295	$ 84,686

11 - Long-Term Debt

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 27,250,263	$ 3,735,130	$ 2,841,962	$ 28,143,431	$ 3,056,951
Plus deferred amounts:					
Issuance premiums	1,281,242	256,090	185,901	1,351,431	-
Lease obligations - direct borrowing	84,013	-	39,076	44,937	39,284
Subscription liabilities	-	188,130	66,252	121,878	73,300
Compensated absences	630,582	652,323	630,582	652,323	652,323
Total OPEB liability	1,223,394	-	192,626	1,030,768	69,104
Net pension liability	18,683,093	2,147,058	-	20,830,151	-
Governmental activities long-term liabilities	$ 49,152,587	$ 6,978,731	$ 3,956,399	$ 52,174,919	$ 3,890,962

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
General obligation bonds	$ 10,304,737	$ 134,870	$ 1,158,038	$ 9,281,569	$ 1,218,049
NPBC revenue bonds - direct borrowing	6,335,000	-	855,000	5,480,000	865,000
Plus deferred amounts:					
Issuance premiums	821,581	9,247	98,822	732,006	-
KDHE revolving loans payable - direct borrowing	11,816,066	2,012,142	987,609	12,840,599	1,023,950
Lease obligations - direct borrowing	414,361		84,784	329,577	88,151
Compensated absences	98,606	101,113	98,606	101,113	101,113
Subscription liabilities	-	34,559	11,186	23,373	11,413
Total OPEB liability	106,819	-	19,590	87,229	6,030
Net pension liability	3,460,018	157,536	-	3,617,554	-
Business-type activities long-term liabilities	$ 33,357,188	$ 2,449,467	$ 3,313,635	$ 32,493,020	$ 3,313,706

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Newton Public Library:					
Compensated absences	$ 13,279	$ -	$ 2,153	$ 11,126	$ 11,126
Net pension liability	309,041	39,043	-	348,084	-
Total OPEB liability	5,093	-	858	4,235	-
Newton Public Library long-term liabilities	$ 327,413	$ 39,043	$ 3,011	$ 363,445	$ 11,126

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Housing Authority:					
Compensated absences	$ 8,191	$ 3,987	$ 8,191	$ 3,987	$ 3,987
Subscription liability	-	48,272	12,300	35,972	11,889
Net pension liability	142,879	76,382	-	219,261	-
Housing Authority long-term liabilities	$ 151,070	$ 128,641	$ 20,491	$ 259,220	$ 15,876

For the governmental activities, compensated absences, net pension liability, and the total OPEB liability are generally liquidated by the general fund and the airport fund.

General Obligation Bonds

At December 31, 2023, the outstanding general obligation bonds consisted of the following:

	Interest Rates	Outstanding December 31, 2023	Original Amount
Airport refunding, 2004-B	5.25-6.00%	$ 45,000	$ 515,000
GO refunding, 2012-A	2.00-2.10	375,000	3,570,000
Internal improvements, 2015-B	2.00-3.10	370,000	1,130,000
Internal improvements, 2015-C	3.00	2,570,000	2,570,000
Internal improvements, 2015-D	2.00-3.00	990,000	2,500,000
GO refunding, 2016-A	1.50-4.00	7,805,000	13,425,000
Internal improvements, 2018-A	3.00-4.00	1,835,000	2,125,000
Taxable GO bonds, 2018-B	3.00-4.10	1,070,000	1,490,000
Taxable GO refunding and improvement, 2020-A	3.00-3.45	5,100,000	6,015,000
GO refunding and improvement, 2020-B	2.00-3.50	7,750,000	9,575,000
GO tax increment financing refunding, 2020-C	2.00-3.00	1,295,000	1,790,000
GO refunding, 2021-A	1.75-4.00	4,350,000	5,965,000
GO bonds, 2023-A	4.00-5.00	3,870,000	3,870,000
		$ 37,425,000	

A portion of the general obligation bond principal represents special assessment debt with government commitment to pay the principal and interest if the special assessments are not paid by the applicable property owners. Annual debt service requirements to maturity for general obligation bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	$ 3,056,951	$ 937,030	$ 1,218,049	$ 274,871
2025	2,811,951	822,614	1,198,049	237,094
2026	2,906,492	727,790	1,243,508	196,573
2027	2,452,060	629,962	977,940	154,988
2028	2,439,448	549,900	915,552	123,775
2029-2033	7,537,900	1,831,614	2,087,100	333,044
2034-2038	5,189,284	758,988	1,215,716	124,764
2039-2043	1,749,345	171,374	425,655	17,514
	$ 28,143,431	$ 6,429,272	$ 9,281,569	$ 1,462,623

Water Fund Revolving Loans

The City has three loans with the Kansas Department of Health and Environment (KDHE) to provide funding for City waterworks improvements.

Terms of the individual loans are as follows:

Year of Inception	Interest Rate	Term	Outstanding December 31, 2023
2007	3.37%	20 years	$ 644,518
2008	3.75%	20 years	214,526
2021	1.26%	20 years	2,812,998
			$ 3,672,042

The City entered into a loan agreement with KDHE on September 8, 2021. According to the agreement, KDHE will loan an amount not to exceed $ 5,200,000 to the City for the purpose of making improvements to the City's public water supply system including replacements of a ground storage tank and rehabilitation of two elevated storage towers. The interest rate on the loan is 1.26%. As of December 31, 2023, there have been a total of $ 2,812,998 draw downs on the loan. Once the project is complete and the loan amount is finalized, the repayment schedule will be finalized.

Future principal payments on the two finalized Waterworks revolving loans are scheduled as follows:

2024	$ 134,465
2025	139,174
2026	144,047
2027	149,091
2028	154,313
2029-2033	137,954
	$ 859,044

Sewer Fund Revolving Loans

The City has two loans with KDHE to provide funding for the City wastewater treatment improvements. Terms of the individual loans are as follows:

Year of Inception	Interest Rate	Term	Outstanding December 31, 2023
2008	2.85%	20 years	$ 2,544,154
2013	2.83%	20 years	6,624,403
			$ 9,168,557

Future principal payments on these loans are scheduled as follows:

2024	$ 889,485
2025	914,916
2026	941,073
2027	967,979
2028	995,653
2029-2033	3,469,290
2034-2037	990,161
	$ 9,168,557

Revenue Bonds

The public building commission fund has issued revenue bonds to finance athletic field improvements and to construct the Sand Creek Station Golf Course. At December 31, 2023, the outstanding NPBC revenue bonds consisted of the following:

	Interest Rates	Outstanding December 31, 2023	Original Amount
Series 2004	4.36%	$ 260,000	$ 2,685,000
2012 refunding	2.00-2.40%	1,220,000	5,915,000
Series 2022	4.00-5.00%	4,000,000	4,000,000
		$ 5,480,000	

Debt service requirement to maturity for revenue bonds are as follows:

	Principal	Interest	Total
2024	$ 865,000	$ 206,842	$ 1,071,842
2025	765,000	186,836	951,836
2026	155,000	171,956	326,956
2027	160,000	164,206	324,206
2028	165,000	156,206	321,206
2029-2033	935,000	649,531	1,584,531
2034-2038	1,110,000	411,431	1,521,431
2039-2043	1,325,000	169,569	1,494,569
	$ 5,480,000	$ 2,116,577	$ 7,596,577

Lease Obligations Payable

On November 15, 2022, 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 $ 232,924. As of December 31, 2023, the value of the lease liability is $ 182,263. The City is required to make monthly fixed payments of $ 4,301. The lease has an interest rate of 4.2510%. The value of the right-to-use asset as of December 31, 2023 is $ 232,924 with accumulated amortization of $ 52,537.

On April 4, 2022, the City entered into a 60-month lease as lessee for the use of golf course maintenance equipment. An initial lease liability was recorded in the amount of $ 212,570. As of December 31, 2023, the value of the lease liability is $ 142,100. The City is required to make monthly fixed payments of $ 3,865. The lease has an interest rate of 3.5820%. The value of the right-to-use asset as of December 31, 2023 is $ 212,570 with accumulated amortization of $ 74,045.

On September 19, 2022, the City entered into a 60-month lease as lessee for the use of a postage meter. An initial lease liability was recorded in the amount of $ 17,440. As of December 31, 2023, the value of the lease liability is $ 13,038. The City is required to make quarterly fixed payments of $ 973. The lease has an interest rate of 2.3660%. The value of the right-to-use asset as of December 31, 2023 is $ 17,440 with accumulated amortization of $ 4,477.

On January 1, 2022, the City entered into a 36-month lease as lessee for the use of a building at 225 South Meridian. An initial lease liability was recorded in the amount of $ 109,712. As of December 31, 2023, the value of the lease liability is $ 37,113. The City is required to make monthly fixed payments of $ 3,100. The lease has an interest rate of 0.4260%. The value of the right-to-use asset as of December 31, 2023 is $ 109,712 with accumulated amortization of $ 73,142. The City has two extension options, each for 12 months.

Future minimum lease payments for lease obligations are as follows:

	Governmental Activities		
	Principal	Interest	Total
2024	$ 39,284	$ 252	$ 39,536
2025	2,221	114	2,335
2026	2,274	61	2,335
2027	1,158	10	1,168
	$ 44,937	$ 437	$ 45,374

	Business-Type Activities		
	Principal	Interest	Total
2024	$ 88,151	$ 11,399	$ 99,550
2025	91,652	7,897	99,549
2026	95,295	4,255	99,550
2027	54,479	902	55,381
	$ 329,577	$ 24,453	$ 354,030

Subscription Liabilities

On January 1, 2023, the City entered into a 44-month subscription for the use of ADP Time and Attendance Services. An initial subscription liability was recorded in the amount of $ 138,234. As of December 31, 2023, the value of the subscription liability is $ 93,490. The City is required to make annual fixed payments of $ 47,210. The subscription has an interest rate of 2.6760%. The value of the right-to-use asset as of December 31, 2023 is $ 147,784 with accumulated amortization of $ 40,305.

On June 8, 2023, the City entered into a 36-month subscription for the use of Financial and Accounting Software. An initial subscription liability was recorded in the amount of $ 36,607. As of December 31,

2023, the value of the subscription liability is $ 25,107. The City is required to make annual fixed payments of $ 11,500. The subscription has an interest rate of 2.3633%. The value of the right-to-use asset as of December 31, 2023 is $ 36,607 with accumulated amortization of $ 6,881.

On January 1, 2023, the City entered into a 26-month subscription for the use of Communications Cloud. An initial subscription liability was recorded in the amount of $ 12,655. As of December 31, 2023, the value of the subscription liability is $ 6,441. The City is required to make annual fixed payments of $6,300. The subscription has an interest rate of 2.7070%. The value of the right-to-use asset as of December 31, 2023 is $ 15,555 with accumulated amortization of $ 7,179.

On January 1, 2023, the City entered into a 33-month subscription for the use of Laserfiche Cloud. An initial subscription liability was recorded in the amount of $ 35,192. As of December 31, 2023, the value of the subscription liability is $ 20,213. The City is required to make annual fixed payments of $ 15,750. The subscription has an interest rate of 2.6560%. The value of the right-to-use asset as of December 31, 2023 is $ 35,192 with accumulated amortization of $ 12,457.

Future minimum payments for subscription liabilities for the City are as follows:

	Governmental Activities		
	Principal	Interest	Total
2024	$ 73,300	$ 3,181	$ 76,481
2025	48,578	1,260	49,838
	$ 121,878	$ 4,441	$ 126,319

	Business-Type Activities		
	Principal	Interest	Total
2024	$ 11,413	$ 625	$ 12,038
2025	11,960	320	12,280
	$ 23,373	$ 945	$ 24,318

In 2023, the Housing Authority entered into a subscription for the use of software through 2026. The total amount of the subscription asset was $ 59,854. The subscription requires annual payments of $ 12,576 and has an effective interest rate of 2.5%.

Future minimum payments for subscription liabilities for the Housing Authority are as follows:

	Housing Authority		
	Principal	Interest	Total
2024	$ 11,889	$ 687	$ 12,576
2025	12,189	387	12,576
2026	11,894	682	12,576
	$ 35,972	$ 1,756	$ 37,728

12 - Commitments and Contingencies

Litigation – The City is a defendant in various lawsuits. Although the outcomes of these lawsuits are not presently determinable, in the opinion of the City Attorney, the resolution of these matters will not have a material adverse effect on the City's financial statements.

Federal Grants – In the normal course of operation, the City receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

Encumbrances – The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for cash expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At December 31, 2023, the City had the following encumbrances:

General	$ 325,956
Sewer	11,920
Waterworks	276,297
	$ 614,173

Capital Projects – In 2021, the City and Library entered into an agreement related to the funding of a new library building. The total estimated project cost was $ 8.5 million, with the City funding $ 4.5 million, the Library funding $ 1.3 million, and the remainder to be paid for by private donation. As of December 31, 2023, total project costs incurred were $ 6,670,601. In 2023, the Library entered into a lease agreement with the City to use the new facilities based on a no rent lease. The term of the lease agreement is 20 years commencing upon completion of construction. The Library anticipates making project cost contributions to the City of $ 65,000 per year for 20 years, with the initial payment due on or before a date 60 days prior to the date the first debt service payment is due from the City for the underlying bonds. Construction was complete in April 2024 and the Library operations were moved to the new building. The City anticipates issuing bonds in 2024 related to this project.

13 - Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2023, one City-issued Industrial Revenue bond was outstanding with a total balance of $ 960,000.

14 - Joint Venture - Public Wholesale Water Supply District No. 17

During 1997, the City of Newton entered into an agreement with the cities of Halstead, North Newton and Sedgwick to form the Public Wholesale Water Supply District No. 17 (the District). The purpose of the District is to secure an additional water supply for sale to member cities and other potential customers. The City of Newton has contributed $ 40,000 in capital to the District. As there is no explicit, measurable equity interest for the City, the City has not recorded an asset related to this joint venture.

Separate financial statements for the District can be obtained from the District's office located at City of Newton administration building (201 East Sixth, Newton, Kansas 67114-0426).

15 - Interfund Transfers

Interfund transfers reflect the flow of resources from one fund to another fund, generally from the fund in which resources are received to the fund where resources will be expended. The City uses transfers from business activities to provide support for general government, and to provide funding from government activities for specific capital needs, and to provide funds for debt service. Transfers for the year were as follows:

	Transfers in			
Transfers out	General	Bond & Interest	Capital Projects	Nonmajor Governmental
General	$ -	$ 1,298,000	$ -	$ -
Airport	-	91,032	-	62,500
Bond & Interest	-	-	-	-
Capital Projects	781	-	-	-
Nonmajor Governmental	1,594,850	-	-	-
Sewer	920,740	1,221,358	950,932	15,000
Waterworks	273,902	261,769	2,223,781	25,000
Nonmajor Enterprise	128,603	-	-	6,950
Total	$ 2,918,876	$ 2,872,159	$ 3,174,713	$ 109,450

	Transfers in				
Transfers out	Sewer	Waterworks	Nonmajor Enterprise	Internal Service Funds	Total
General	$ -	$ -	$ 850,000	$ -	$ 2,148,000
Airport	7,000	-	-	-	160,532
Bond & Interest	1,221,455	249,241	-	-	1,470,696
Capital Projects	-	-	-	-	781
Nonmajor Governmental	-	3,500	-	-	1,598,350
Sewer	-	-	-	69,520	3,177,550
Waterworks	-	-	-	69,520	2,853,972
Nonmajor Enterprise	-	-	-	37,579	173,132
Total	$ 1,228,455	$ 252,741	$ 850,000	$ 176,619	$ 11,583,013

16 - Interfund Receivable/Payable

Advances from/to Other Funds

During 2005, the City entered into an agreement with the Newton Public Building Commission (NPBC) to provide funding for the Sand Creek Station Golf Course which was completed during 2006. Under the agreement, the City will make lease payments equal to the NPBC debt incurred to acquire, improve and equip the course. An equal amount was recorded on the NPBC's financial statements when the course assets were transferred to the City, and recorded in the golf course fund. The required minimum lease payments, based on the NPBC's debt requirements, are as follows:

2024	$ 626,718
2025	622,380
	1,249,098
Less portion attributed to interest	(310,698)
	$ 938,400

Due to/from Other Funds

Interfund receivables and payables are recorded to eliminate negative cash balances in capital project and other funds prior to the issuance of permanent long-term financing. At December 31, 2023, the interfund balances consisted of the following:

	Due from Other Funds	Due to Other Funds
General fund	$ 5,914,748	$ -
Capital projects	-	(5,914,748)
	$ 5,914,748	$ (5,914,748)

17 - Tax Abatements

The City of Newton and Harvey County enter into property tax abatement agreements with local businesses for the purpose of attracting businesses within their jurisdictions. For the fiscal year ended December 31, 2023, abated property taxes that impacted the City totaled $ 1,621,465, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A property tax abatement to a technology company. The City's portion of the abatement amounted to $ 1,046,579.
- A property tax abatement to a developer and manufacturer of advanced composite materials for aircraft and space. The City's portion of the abatement amounted to $ 474,717.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEWTON, KANSAS
Schedule of the City's Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2023	2022	2021	2020	2019
City's proportion of the collective net pension liability					
KPERS	0.358645%	0.346903%	0.331179%	0.326910%	0.327595%
KP&F	1.059547%	1.057148%	1.047598%	1.019577%	1.027745%
City's proportionate share of the collective net pension liability	$ 24,447,705	$ 22,143,111	$ 13,970,649	$ 18,240,269	$ 14,979,741
City's covered payroll	$ 14,832,068	$ 12,021,075	$ 12,261,157	$ 11,745,411	$ 11,535,439
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	165%	184%	114%	155%	130%
Plan fiduciary net position as a percentage of the total pension liability	70.70%	69.75%	76.40%	66.30%	69.88%

	2018	2017	2016	2015	2014
City's proportion of the collective net pension liability					
KPERS	0.334374%	0.332957%	0.367572%	0.364582%	0.361789%
KP&F	1.051132%	1.029023%	1.083101%	1.102692%	1.097784%
City's proportionate share of the collective net pension liability	$ 14,774,481	$ 14,472,812	$ 15,745,894	$ 12,793,964	$ 11,652,675
City's covered payroll	$ 11,336,340	$ 11,039,244	$ 11,415,983	$ 11,109,928	$ 10,815,790
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	130%	131%	138%	115%	108%
Plan fiduciary net position as a percentage of the total pension liability	68.88%	67.12%	65.10%	64.95%	66.60%

CITY OF NEWTON, KANSAS
NEWTON PUBLIC LIBRARY
Schedule of the Library's Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2023	2022	2021	2020	2019
Library's proportion of the collective net pension liability KPERS	0.016592%	0.015545%	0.018878%	0.019275%	0.018345%
Library's proportionate share of the collective net pension liability	$ 348,084	$ 309,041	$ 226,528	$ 334,162	$ 256,348
Library's covered payroll	$ 356,509	$ 342,585	$ 364,131	$ 363,873	$ 339,475
Library's proportionate share of the collective net pension liability as a percentage of its covered payroll	98%	90%	62%	92%	76%
Plan fiduciary net position as a percentage of the total pension liability	70.70%	69.75%	76.40%	66.30%	69.88%

	2018	2017	2016	2015	2014
Library's proportion of the collective net pension liability KPERS	0.018949%	0.018307%	0.019479%	0.018471%	0.018727%
Library's proportionate share of the collective net pension liability	$ 264,109	$ 265,169	$ 301,346	$ 242,532	$ 230,494
Library's covered payroll	$ 339,130	$ 324,491	$ 333,636	$ 308,532	$ 307,672
Library's proportionate share of the collective net pension liability as a percentage of its covered payroll	78%	82%	90%	79%	75%
Plan fiduciary net position as a percentage of the total pension liability	68.88%	67.12%	65.10%	64.95%	66.60%

CITY OF NEWTON, KANSAS
HOUSING AUTHORITY
Schedule of the Housing Authority's Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Nine Fiscal Years*

	2023	2022	2021	2020
Housing Authority's proportion of the collective net pension liability KPERS	0.011029%	0.011907%	0.012115%	0.012922%
Housing Authority's proportionate share of the collective net pension liability	$ 219,261	$ 142,879	$ 210,032	$ 180,568
Housing Authority's covered payroll	$ 221,735	$ 229,493	$ 228,597	$ 239,840
Housing Authority's proportionate share of the collective net pension liability as a percentage of its covered payroll	99%	62%	92%	75%
Plan fiduciary net position as a percentage of the total pension liability	70.66%	81.14%	70.77%	75.02%

	2019	2018	2017	2016	2015
Housing Authority's proportion of the collective net pension liability KPERS	0.013601%	0.014371%	0.014975%	0.014994%	0.154300%
Housing Authority's proportionate share of the collective net pension liability	$ 189,569	$ 208,158	$ 231,668	$ 196,878	$ 189,914
Housing Authority's covered payroll	$ 243,398	$ 254,956	$ 256,721	$ 250,357	$ 253,669
Housing Authority's proportionate share of the collective net pension liability as a percentage of its covered payroll	78%	82%	90%	79%	75%
Plan fiduciary net position as a percentage of the total pension liability	74.22%	72.16%	68.55%	71.98%	74.99%

* GASB 68 requires presentation of 10 years. Data was not available prior to fiscal year 2015.

CITY OF NEWTON, KANSAS
Schedule of the City's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2023	2022	2021	2020	2019
KPERS contractually required contributions	$ 640,807	$ 650,222	$ 557,997	$ 540,157	$ 531,381
KP&F contractually required contributions	1,589,630	1,506,877	1,312,456	1,243,313	1,167,096
Contributions in relation to the contractually required contribution	(2,230,437)	(2,157,099)	(1,870,453)	(1,783,470)	(1,698,477)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 14,554,382	$ 12,625,550	$ 12,751,615	$ 12,446,094	$ 11,584,455
Contributions as a percentage of covered payroll	15.3%	17.1%	14.7%	14.3%	14.7%

	2018	2017	2016	2015	2014
KPERS contractually required contributions	$ 504,211	$ 520,799	$ 580,045	$ 587,308	$ 527,224
KP&F contractually required contributions	1,045,685	1,014,326	1,050,678	1,097,368	996,198
Contributions in relation to the contractually required contribution	(1,549,896)	(1,535,125)	(1,630,723)	(1,684,676)	(1,523,422)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 11,396,824	$ 11,186,375	$ 11,297,360	$ 11,284,441	$ 10,912,626
Contributions as a percentage of covered payroll	13.6%	13.7%	14.4%	14.9%	14.0%

CITY OF NEWTON, KANSAS
NEWTON PUBLIC LIBRARY
Schedule of the Library's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2023	2022	2021	2020	2019
Contractually required contributions	$ 31,065	$ 31,652	$ 31,807	$ 31,848	$ 29,304
Contributions in relation to the contractually required contribution	(31,065)	(31,652)	(31,807)	(31,848)	(29,304)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Library's covered payroll	$ 368,509	$ 355,641	$ 341,622	$ 367,797	$ 349,752
Contributions as a percentage of covered payroll	8.4%	8.9%	9.3%	8.7%	8.4%

	2018	2017	2016	2015	2014
Contractually required contributions	$ 28,573	$ 28,049	$ 29,496	$ 31,136	$ 27,191
Contributions in relation to the contractually required contribution	(28,573)	(28,049)	(29,496)	(31,136)	(27,191)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Library's covered payroll	$ 342,698	$ 331,552	$ 322,340	$ 328,439	$ 307,591
Contributions as a percentage of covered payroll	8.3%	8.5%	9.2%	9.5%	8.8%

CITY OF NEWTON, KANSAS
HOUSING AUTHORITY
Schedule of the Housing Authority's Contributions
Kansas Public Employees Retirement System
Last Nine Fiscal Years*

	2023	2022	2021	2020
Contractually required contributions	$ 19,301	$ 19,696	$ 20,062	$ 20,017
Contributions in relation to the contractually required contribution	(19,301)	(19,696)	(20,062)	(20,017)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Housing Authority's covered payroll	$ 222,710	$ 221,735	$ 229,493	$ 228,597
Contributions as a percentage of covered payroll	8.7%	8.9%	8.7%	8.8%

	2019	2018	2017	2016	2015
Contractually required contributions	$ 20,725	$ 20,509	$ 22,478	$ 23,954	$ 22,930
Contributions in relation to the contractually required contribution	(20,725)	(20,509)	(22,478)	(23,954)	(22,930)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Housing Authority's covered payroll	$ 239,840	$ 243,398	$ 254,966	$ 256,721	$ 250,357
Contributions as a percentage of covered payroll	8.6%	8.4%	8.8%	9.3%	9.2%

* GASB 68 requires presentation of 10 years. Data was not available prior to fiscal year 2015.

CITY OF NEWTON, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Health Insurance
Last Seven Fiscal Years*

	2023	2022	2021
Total OPEB liability:			
Service cost	$ 79,478	$ 63,108	$ 70,434
Interest	51,959	16,972	19,025
Differences between expected and actual experience	24,889	86,987	188,908
Changes of assumptions	(295,545)	329,245	(238,052)
Benefit payments	(68,445)	(134,718)	(208,709)
Net change in total OPEB liability	(207,664)	361,594	(168,394)
Total OPEB liability, beginning	1,197,782	836,188	1,004,582
Total OPEB liability, ending	$ 990,118	$ 1,197,782	$ 836,188
Covered employee payroll	$13,073,632	$11,722,438	$11,722,438
City's total OPEB liability as a percentage of covered employee payroll	7.57%	10.22%	7.13%

	2020	2019	2018	2017
Total OPEB liability:				
Service cost	$ 52,089	$ 56,591	$ 56,079	$ 48,339
Interest	25,448	37,367	31,141	32,745
Differences between expected and actual experience	17,655	43,709	-	-
Changes of assumptions	177,306	(198,437)	24,688	46,595
Benefit payments	(128,189)	(75,545)	(40,740)	(49,613)
Net change in total OPEB liability	144,309	(136,315)	71,168	78,066
Total OPEB liability, beginning	860,273	996,588	925,420	847,354
Total OPEB liability, ending	$ 1,004,582	$ 860,273	$ 996,588	$ 925,420
Covered employee payroll	$10,488,071	$10,488,071	$10,554,613	$10,554,613
City's total OPEB liability as a percentage of covered employee payroll	9.58%	8.20%	9.44%	8.77%

Notes to Schedule:

Changes of assumptions:
- The discount rate was changed from 4.18% to 3.88% for the end of year measurement.
- The census was updated from January 1, 2022 to January 1, 2024.
- The assumed salary scale was revised from 2% to 3%.
- Per capita claims, fixed costs and retiree contributions were updated along with assumed trend as part of the evaluation. Rx rebates were netted against per capita claims and the January 1, 2024 renewal was taken into account.

There are no assets accumulated in a trust that meets the criteria of the GASB codification to pay related benefits for the OPEB plan.

*GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2017. Therefore, 10 years of data is unavailable.

CITY OF NEWTON, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Disability Benefits and Life Insurance
Last Seven Fiscal Years*

	2023	2022	2021
Total OPEB liability:			
Service cost	$ 17,618	$ 27,776	$ 24,733
Interest	5,195	4,770	4,742
Changes of economic/demographic gains or losses	(20,035)	(37,821)	(15,110)
Changes of assumptions	(641)	(49,568)	300
Benefit payments	(6,689)	(11,466)	(11,466)
Net change in total OPEB liability	(4,552)	(66,309)	3,199
Total OPEB liability, beginning	132,431	198,740	195,541
Total OPEB liability, ending	$ 127,879	$ 132,431	$ 198,740
Covered employee payroll	$ 7,187,724	$ 6,699,434	$ 6,261,794
City's total OPEB liability as a percentage of covered employee payroll	1.78%	1.98%	3.17%

	2020	2019	2018	2017
Total OPEB liability:				
Service cost	$ 22,865	$ 22,702	$ 22,512	$ 23,703
Interest	6,906	8,024	8,134	6,215
Changes of economic/demographic gains or losses	(15,470)	(30,409)	(32,663)	-
Changes of assumptions	12,569	2,358	(2,009)	(5,231)
Benefit payments	(11,466)	(14,195)	(17,824)	(10,958)
Net change in total OPEB liability	15,404	(11,520)	(21,850)	13,729
Total OPEB liability, beginning	180,137	191,657	213,507	199,778
Total OPEB liability, ending	$ 195,541	$ 180,137	$ 191,657	$ 213,507
Covered employee payroll	$ 5,627,920	$ 5,572,068	$ 5,784,433	$ 5,665,109
City's total OPEB liability as a percentage of covered employee payroll	3.47%	3.23%	3.31%	3.77%

Notes to Schedule:

Changes of assumptions:

- The discount rate was updated in accordance with the requirements of GASB 75.
- The disability rates, estimated offsets, waiver mortality rates and claim cost assumptions have been updated based on recent experience.

There are no assets accumulated in a trust that meets the criteria of the GASB codification to pay related benefits for the OPEB plan.

*GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2017. Therefore, 10 years of data is unavailable.

CITY OF NEWTON, KANSAS
NEWTON PUBLIC LIBRARY
Schedule of Changes in the Library's Total OPEB Liability and Related Ratios
Disability Benefits and Life Insurance
Last Seven Fiscal Years*

	2023	2022	2021
Total OPEB liability:			
Service cost	$ 710	$ 1,012	$ 1,144
Interest	205	148	139
Changes of economic/demographic gains or losses	(1,736)	889	(603)
Changes of assumptions	(37)	(2,794)	10
Benefit payments	-	-	-
Net change in total OPEB liability	(858)	(745)	690
Total OPEB liability, beginning	5,093	5,838	5,148
Total OPEB liability, ending	$ 4,235	$ 5,093	$ 5,838
Covered employee payroll	$ 329,980	$ 343,192	$ 291,768
Library's total OPEB liability as a percentage of covered employee payroll	1.28%	1.48%	2.00%

	2020	2019	2018	2017
Total OPEB liability:				
Service cost	$ 857	$ 899	$ 895	$ 967
Interest	169	239	207	141
Changes of economic/demographic gains or losses	(247)	(2,495)	(613)	-
Changes of assumptions	393	57	(95)	(21)
Benefit payments	-	-	-	-
Net change in total OPEB liability	1,172	(1,300)	394	1,087
Total OPEB liability, beginning	3,976	5,276	4,882	3,795
Total OPEB liability, ending	$ 5,148	$ 3,976	$ 5,276	$ 4,882
Covered employee payroll	$ 344,449	$ 314,096	$ 331,551	$ 321,340
Library's total OPEB liability as a percentage of covered employee payroll	1.49%	1.27%	1.59%	1.52%

Notes to Schedule:

Changes of assumptions:
• The discount rate was updated in accordance with the requirements of GASB 75.
• The disability rates, estimated offsets, waiver mortality rates and claim cost assumptions have been updated based on recent experience.

There are no assets accumulated in a trust that meets the criteria of the GASB codification to pay related benefits for the OPEB plan.

*GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2017. Therefore, 10 years of data is unavailable.

OTHER SUPPLEMENTARY INFORMATION

CITY OF NEWTON, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
December 31, 2023

	General	Capital Improvement Reserve	Admin Contingency	Municipal Equipment Reserve	RHID	RHID 2	Total General Fund
Assets:							
Cash and investments	$ 4,661,837	$ 458,707	$ 1,000,000	$ 4,931,200	$ -	$ -	$ 11,051,744
Due from other funds	-	5,914,748	-	-	-	-	5,914,748
Receivables (net of allowance for uncollectibles):							
Property tax	8,164,153	-	-	-	-	-	8,164,153
Sales tax	1,500,292	-	-	-	-	-	1,500,292
Franchise tax	152,192	-	-	-	-	-	152,192
Accounts	451,576	-	-	-	-	-	451,576
Loans	-	339,668	-	-	-	-	339,668
Other	20,812	-	-	-	-	-	20,812
Prepaid items	516,194	-	-	-	-	-	516,194
Total assets	$ 15,467,056	$ 6,713,123	$ 1,000,000	$ 4,931,200	$ -	$ -	$ 28,111,379
Liabilities:							
Accounts payable	$ 307,178	$ 3,864	$ -	$ 32,042	$ -	$ -	$ 343,084
Accrued expenses	269,009	-	-	-	-	-	269,009
Unearned revenues	105,560	-	-	-	-	-	105,560
Total liabilities	681,747	3,864	-	32,042	-	-	717,653
Deferred inflows of resources:							
Unavailable revenue - loans receivable	-	339,668	-	-	-	-	339,668
Unavailable revenue - property and special assessment taxes	8,164,153	-	-	-	-	-	8,164,153
Total deferred inflows of resources	8,164,153	339,668	-	-	-	-	8,503,821
Fund balances:							
Nonspendable:							
Prepaid items	516,194	-	-	-	-	-	516,194
Assigned:							
Capital asset acquisition	-	6,369,591	-	4,899,158	-	-	11,268,749
Other purposes	325,956	-	-	-	-	-	325,956
Unassigned	5,779,006	-	1,000,000	-	-	-	6,779,006
Total fund balances	6,621,156	6,369,591	1,000,000	4,899,158	-	-	18,889,905
Total liabilities, deferred inflows of resources, and fund balances	$ 15,467,056	$ 6,713,123	$ 1,000,000	$ 4,931,200	$ -	$ -	$ 28,111,379

CITY OF NEWTON, KANSAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GENERAL FUND
Year Ended December 31, 2023

	General	Capital Improvement Reserve	Admin Contingency	Municipal Equipment Reserve	RHID	RHID 2	Eliminations	Total General Fund
Revenues:								
Taxes:								
Property taxes	$ 8,070,669	$ 104,125	$ -	$ -	$ 61,665	$ 50,911	$ -	$ 8,287,370
Sales taxes	6,857,919	-	-	-	-	-	-	6,857,919
Franchise taxes	1,652,552	-	-	-	-	-	-	1,652,552
Intergovernmental	77,901	287,981	-	118,791	-	-	-	484,673
Licenses and permits	371,370	-	-	-	-	-	-	371,370
Charges for services	2,900,238	-	-	-	-	-	-	2,900,238
Fines, forfeitures and penalties	437,622	-	-	-	-	-	-	437,622
Interest	1,285,683	17,185	-	-	-	-	-	1,302,868
Other	32,203	81,629	-	88,683	-	-	-	202,515
Total revenues	21,686,157	490,920	-	207,474	61,665	50,911	-	22,497,127
Expenditures:								
Current:								
General government	2,800,202	18,186	-	17,449	61,665	50,911	-	2,948,413
Public safety	11,550,684	-	-	-	-	-	-	11,550,684
Highway and streets	3,032,020	-	-	-	-	-	-	3,032,020
Culture and recreation	1,635,375	-	-	-	-	-	-	1,635,375
Capital outlay	242,224	700,713	-	768,783	-	-	-	1,711,720
Debt service:								
Principal	104,433	-	-	-	-	-	-	104,433
Interest	3,117	-	-	-	-	-	-	3,117
Total expenditures	19,368,055	718,899	-	786,232	61,665	50,911	-	20,985,762
Excess (deficiency) of revenues over (under) expenditures	2,318,102	(227,979)	-	(578,758)	-	-	-	1,511,365
Other financing sources (uses):								
Transfers in	2,721,311	2,273,915	54,947	1,633,301	-	-	(3,764,598)	2,918,876
Transfers out	(4,414,598)	(1,498,000)	-	-	-	-	3,764,598	(2,148,000)
Issuance of subscription liabilities	185,365	-	-	-	-	-	-	185,365
Sale of capital assets	-	759,717	-	31,200	-	-	-	790,917
Total other financing sources (uses)	(1,507,922)	1,535,632	54,947	1,664,501	-	-	-	1,747,158
Net change in fund balances	810,180	1,307,653	54,947	1,085,743	-	-	-	3,258,523
Fund balances, beginning of year	5,810,976	5,061,938	945,053	3,813,415	-	-	-	15,631,382
Fund balances, end of year	$ 6,621,156	$ 6,369,591	$ 1,000,000	$ 4,899,158	$ -	$ -	$ -	$ 18,889,905

CITY OF NEWTON, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2023

	Special Revenue Funds							
	Community Development	Special Alcohol Program	Special Highway	Grants	Special Liability	Special Parks & Recreation	Tourism & Convention Promotion	Airport/Library Capital Improvement
Assets:								
Cash and investments	$ -	$ -	$ -	$ 19,278	$ 100,389	$ -	$ 324,685	$ 136,583
Receivables (net of allowance for uncollectibles):								
Property tax	-	-	-	-	55,589	-	-	-
Other	410,679	-	-	-	-	-	-	-
Restricted assets:								
Cash and investments	116,480	-	-	-	-	-	-	-
Total assets	$ 527,159	$ -	$ -	$ 19,278	$ 155,978	$ -	$ 324,685	$ 136,583
Liabilities:								
Accounts payable	$ -	$ -	$ -	$ 360	$ -	$ -	$ 509	$ -
Unearned revenues	-	-	-	5,483	-	-	-	-
Total liabilities	-	-	-	5,843	-	-	509	-
Deferred inflows of resources:								
Unavailable revenue - property and special assessment taxes	-	-	-	-	55,589	-	-	-
Total deferred inflows of resources	-	-	-	-	55,589	-	-	-
Fund balances:								
Restricted:								
Community development	527,159	-	-	-	-	-	324,176	-
Perpetual care	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-
Other purposes	-	-	-	13,435	100,389	-	-	-
Assigned:								
Capital asset acquisition	-	-	-	-	-	-	-	136,583
Total fund balances	527,159	-	-	13,435	100,389	-	324,176	136,583
Total liabilities, deferred inflows of resources, and fund balances	$ 527,159	$ -	$ -	$ 19,278	$ 155,978	$ -	$ 324,685	$ 136,583

(Continued)

CITY OF NEWTON, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2023

	Special Revenue Funds					Permanent Fund	
	Airport/Library Municipal Equipment Reserve	Special Law Enforcement	Library	ARPA	Community Improvement District Sales Tax	Cemetery & Mausoleum	Total
Assets:							
Cash and investments	$ 352,812	$ 268,613	$ 38,433	$ 694,961	$ -	$ 476,932	$ 2,412,686
Receivables (net of allowance for uncollectibles):							
Property tax	-	-	809,025	-	-	-	864,614
Other	-	-	-	-	-	-	410,679
Restricted assets:							
Cash and investments	-	-	-	-	-	-	116,480
Total assets	$ 352,812	$ 268,613	$ 847,458	$ 694,961	$ -	$ 476,932	$ 3,804,459
Liabilities:							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 1,764	$ 2,633
Unearned revenues	-	-	-	639,181	-	-	644,664
Total liabilities	-	-	-	639,181	-	1,764	647,297
Deferred inflows of resources:							
Unavailable revenue - property and special assessment taxes	-	-	809,025	-	-	-	864,614
Total deferred inflows of resources	-	-	809,025	-	-	-	864,614
Fund balances:							
Restricted:							
Community development	-	-	-	-	-	-	851,335
Perpetual care	-	-	-	-	-	475,168	475,168
Law enforcement	-	268,613	-	-	-	-	268,613
Other purposes	-	-	38,433	55,780	-	-	208,037
Assigned:							
Capital asset acquisition	352,812	-	-	-	-	-	489,395
Total fund balances	352,812	268,613	38,433	55,780	-	475,168	2,292,548
Total liabilities, deferred inflows of resources, and fund balances	$ 352,812	$ 268,613	$ 847,458	$ 694,961	$ -	$ 476,932	$ 3,804,459

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2023

	Special Revenue Funds							
	Community Development	Special Alcohol Program	Special Highway	Grants	Special Liability	Special Parks & Recreation	Tourism & Convention Promotion	Airport/Library Capital Improvement
Revenues:								
Taxes:								
Property taxes	$ -	$ -	$ -	$ -	$ 58,246	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	239,693	-
Intergovernmental	-	23,496	497,934	62,852	-	23,496	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	210	-	-	-	-	-	-	-
Other	7,855	-	-	1,384	-	-	103	9,260
Total revenues	8,065	23,496	497,934	64,236	58,246	23,496	239,796	9,260
Expenditures:								
Current:								
General government	-	23,496	-	3,360	93,090	-	-	-
Public safety	-	-	-	48,715	-	-	-	-
Culture and recreation	-	-	-	-	-	-	71,209	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	-	23,496	-	52,075	93,090	-	71,209	-
Excess (deficiency) of revenues over (under) expenditures	8,065	-	497,934	12,161	(34,844)	23,496	168,587	9,260
Other financing sources (uses):								
Transfers in	-	-	-	-	46,950	-	-	20,000
Transfers out	-	-	(648,982)	(588)	-	(23,496)	(121,784)	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(648,982)	(588)	46,950	(23,496)	(121,784)	20,000
Net change in fund balances	8,065	-	(151,048)	11,573	12,106	-	46,803	29,260
Fund balances, beginning of year	519,094	-	151,048	1,862	88,283	-	277,373	107,323
Fund balances, end of year	$ 527,159	$ -	$ -	$ 13,435	$ 100,389	$ -	$ 324,176	$ 136,583

(Continued)

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
(Continued)
Year Ended December 31, 2023

	Special Revenue Funds					Permanent Fund		
	Airport/Library Municipal Equipment Reserve	Special Law Enforcement	Library	ARPA	Community Improvement District Sales Tax	Cemetery & Mausoleum	Eliminations	Total
Revenues:								
Taxes:								
Property taxes	$ -	$ -	$ 851,260	$ -	$ -	$ -	$ -	$ 909,506
Sales taxes	-	-	-	-	89,579	-	-	89,579
Excise taxes	-	-	-	-	-	-	-	239,693
Intergovernmental	-	-	-	800,000	-	-	-	1,407,778
Charges for services	-	15,656	-	-	-	-	-	15,656
Interest	-	-	-	39,269	-	16,824	-	56,303
Other	7,636	-	-	-	-	15,332	-	41,570
Total revenues	7,636	15,656	851,260	839,269	89,579	32,156	-	2,760,085
Expenditures:								
Current:								
General government	-	361	851,260	-	89,579	-	-	1,061,146
Public safety	-	-	-	-	-	-	-	48,715
Culture and recreation	-	-	-	-	-	-	-	71,209
Capital outlay	11,784	-	-	-	-	-	-	11,784
Total expenditures	11,784	361	851,260	-	89,579	-	-	1,192,854
Excess (deficiency) of revenues over (under) expenditures	(4,148)	15,295	-	839,269	-	32,156	-	1,567,231
Other financing sources (uses):								
Transfers in	42,500	-	-	-	-	-		109,450
Transfers out	(3,500)	-	-	(800,000)	-	-	-	(1,598,350)
Sale of capital assets	6,600	-	-	-	-	-	-	6,600
Total other financing sources (uses)	45,600	-	-	(800,000)	-	-	-	(1,482,300)
Net change in fund balances	41,452	15,295	-	39,269	-	32,156	-	84,931
Fund balances, beginning of year	311,360	253,318	38,433	16,511	-	443,012	-	2,207,617
Fund balances, end of year	$ 352,812	$ 268,613	$ 38,433	$ 55,780	$ -	$ 475,168	$ -	$ 2,292,548

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
December 31, 2023

	Sanitation	Golf Course	Meridian Center	Total Nonmajor Enterprise Funds
Assets:				
Current assets:				
Cash and investments	$ 2,267,248	$ 1,201,833	$ 236,585	$ 3,705,666
Accounts receivable (net of allowance for uncollectibles)	356,321	5,062	24,087	385,470
Prepaid items	-	5,363	-	5,363
Inventory	-	66,949	12,507	79,456
Total current assets	2,623,569	1,279,207	273,179	4,175,955
Noncurrent assets:				
Leases receivable	-	60,936	-	60,936
Capital assets, net	276,488	6,367,714	2,494,686	9,138,888
Total current assets	276,488	6,428,650	2,494,686	9,199,824
Total assets	2,900,057	7,707,857	2,767,865	13,375,779
Deferred outflows of resources:				
Deferred outflows - OPEB	25,836	-	-	25,836
Deferred outflows - pension	243,708	-	61,485	305,193
Total deferred outflows of resources	269,544	-	61,485	331,029
Liabilities:				
Current liabilities:				
Accounts payable	24,009	19,794	10,167	53,970
Accrued expenses	19,724	26,435	4,316	50,475
Compensated absences	26,658	-	6,819	33,477
Unearned revenues	-	179,164	4,406	183,570
Current portion of long-term debt	4,735	86,704	-	91,439
Accrued interest payable	42	655	-	697
Total current liabilities	75,168	312,752	25,708	413,628
Noncurrent liabilities:				
Total OPEB liability	33,016	-	-	33,016
Net pension liability	739,612	-	186,596	926,208
Advances to other funds	-	938,400	-	938,400
Lease obligations	-	237,658	-	237,658
Subscription liabilities	2,392	-	-	2,392
Total noncurrent liabilities	775,020	1,176,058	186,596	2,137,674
Total liabilities	850,188	1,488,810	212,304	2,551,302
Deferred inflows of resources:				
Deferred inflows - OPEB	20,765	-	-	20,765
Deferred inflows - pension	480	-	121	601
Deferred receivable - lease	-	58,998	-	58,998
Total deferred inflows of resources	21,245	58,998	121	80,364
Net position:				
Net investment in capital assets	271,813	5,104,952	2,494,686	7,871,451
Unrestricted	2,026,355	1,055,097	122,239	3,203,691
Total net position	$ 2,298,168	$ 6,160,049	$ 2,616,925	$ 11,075,142

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
Year Ended December 31, 2023

	Sanitation	Golf Course	Meridian Center	Eliminations	Total Nonmajor Enterprise Funds
Operating revenues:					
Charges for sales and services	$ 2,246,985	$ 1,787,539	$ 279,198	$ -	$ 4,313,722
Miscellaneous	27,882	36,799	360	-	65,041
Total operating revenues	2,274,867	1,824,338	279,558	-	4,378,763
Operating expenses:					
Personnel services	1,107,921	822,949	277,484	-	2,208,354
Contractual services	437,498	343,744	71,862	-	853,104
Commodities	74,281	392,644	65,705	-	532,630
Capital outlay	-	98,394	7,356	-	105,750
Vehicle operating	245,034	-	-	-	245,034
Depreciation and amortization	188,305	392,066	101,118	-	681,489
Total operating expenses	2,053,039	2,049,797	523,525	-	4,626,361
Operating income (loss)	221,828	(225,459)	(243,967)	-	(247,598)
Nonoperating revenues (expenses)					
Gain on disposal of property	25,500	-	-	-	25,500
Lease revenue	-	4,563			4,563
Interest income	-	35,954	-	-	35,954
Interest and fiscal charges	(165)	(18,902)	-	-	(19,067)
Total nonoperating revenues (expenses)	25,335	21,615	-	-	46,950
Income (loss) before transfers	247,163	(203,844)	(243,967)	-	(200,648)
Transfers in	200,000	700,000	150,000	(200,000)	850,000
Transfers out	(373,132)	-	-	200,000	(173,132)
Change in net position	74,031	496,156	(93,967)	-	476,220
Net position, beginning of year	2,224,137	5,663,893	2,710,892	-	10,598,922
Net position, end of year	$ 2,298,168	$ 6,160,049	$ 2,616,925	$ -	$ 11,075,142

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
Year Ended December 31, 2023

	Sanitation	Golf Course	Meridian Center	Total Nonmajor Enterprise Funds
Cash flows from operating activities:				
Receipts from customers	$ 2,272,089	$ 1,903,945	$ 273,943	$ 4,449,977
Payments to suppliers for goods and services	(773,737)	(837,465)	(145,258)	(1,756,460)
Payments on behalf of employees for services and benefits	(1,032,404)	(801,475)	(281,789)	(2,115,668)
Net cash from operating activities	465,948	265,005	(153,104)	577,849
Cash flows from noncapital financing activities:				
Transfers in	200,000	700,000	150,000	1,050,000
Transfers out	(373,132)	-	-	(373,132)
Net cash from noncapital financing activities	(173,132)	700,000	150,000	676,868
Cash flows from capital and related financing activities:				
Proceeds from sales of capital assets	25,500	-	-	25,500
Proceeds from leases receivable	-	2,625	-	2,625
Payments for capital assets	(477)	-	-	(477)
Principal payments on lease obligations	-	(83,371)	-	(83,371)
Principal payments on subscription liabilities	(2,237)	-	-	(2,237)
Payment on advances from other funds	-	(600,000)	-	(600,000)
Interest and fees paid on debt	(123)	(23,876)	-	(23,999)
Net cash from capital and related financing activities	22,663	(704,622)	-	(681,959)
Cash flows from investing activities:				
Interest received	-	35,954	-	35,954
Net change in cash and cash equivalents	315,479	296,337	(3,104)	608,712
Cash and cash equivalents, beginning of year	1,951,769	905,496	239,689	3,096,954
Cash and cash equivalents, end of year	$ 2,267,248	$ 1,201,833	$ 236,585	$ 3,705,666

(Continued)

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
(Continued)
Year Ended December 31, 2023

	Sanitation	Golf Course	Meridian Center	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	$ 221,828	$ (225,459)	$ (243,967)	$ (247,598)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization	188,305	392,066	101,118	681,489
Changes in:				
Accounts receivable (net of allowance for uncollectibles)	(2,778)	(2,392)	(7,371)	(12,541)
Prepaid items	-	1,607	-	1,607
Inventory	-	(12,534)	(3,061)	(15,595)
Accounts payable	(16,924)	8,244	2,726	(5,954)
Accrued expenses	1,720	21,474	93	23,287
Compensated absences	316	-	187	503
Total OPEB liability	2,473	-	-	2,473
Net pension liability	63,057	-	(16,164)	46,893
Deferred outflows - OPEB	(10,982)	-	-	(10,982)
Deferred outflows - pension	3,196	-	12,511	15,707
Deferred inflows - OPEB	18,772	-	-	18,772
Deferred inflows - pension	(3,035)	-	(932)	(3,967)
Unearned revenues	-	81,999	1,756	83,755
Net cash from operating activities	$ 465,948	$ 265,005	$ (153,104)	$ 577,849

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF NET POSITION -
INTERNAL SERVICE FUNDS
December 31, 2023

	Health Benefits Risk Management	Stores and Maintenance	Total
Assets:			
Current assets:			
Cash and investments	$ 2,871,916	$ 1,068,263	$ 3,940,179
Prepaid items	71,800	-	71,800
Inventory	-	134,245	134,245
Total current assets	2,943,716	1,202,508	4,146,224
Capital assets:			
Capital assets, net	-	567,435	567,435
Total assets	2,943,716	1,769,943	4,713,659
Liabilities:			
Current liabilities:			
Accounts payable	-	14,930	14,930
Accrued expenses	-	4,021	4,021
Compensated absences	-	6,994	6,994
Unreported claims payable	286,295	-	286,295
Total current liabilities	286,295	25,945	312,240
Net position:			
Net investment in capital assets	-	567,435	567,435
Unrestricted	2,657,421	1,176,563	3,833,984
Total net position	$ 2,657,421	$ 1,743,998	$ 4,401,419

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS
Year Ended December 31, 2023

	Health Benefits Risk Management	Stores and Maintenance	Eliminations	Total
Operating revenues:				
Charges for sales and services	$ 3,299,318	$ 906,649	$ -	$ 4,205,967
Miscellaneous	455,041	8,502	-	463,543
Total operating revenues	3,754,359	915,151	-	4,669,510
Operating expenses:				
Personnel services	3,890,056	307,172	-	4,197,228
Contractual services	-	56,685	-	56,685
Commodities	190,781	557,196	-	747,977
Capital outlay	-	3,609	-	3,609
Vehicle operating	-	28,272	-	28,272
Depreciation and amortization	-	70,120	-	70,120
Total expenses	4,080,837	1,023,054	-	5,103,891
Operating loss	(326,478)	(107,903)	-	(434,381)
Nonoperating revenues:				
Interest income	85,658	-	-	85,658
Loss before transfers	(240,820)	(107,903)	-	(348,723)
Transfers:				
Transfers in	-	298,861	(122,242)	176,619
Transfers out	-	(122,242)	122,242	-
Total transfers	-	176,619	-	176,619
Change in net position	(240,820)	68,716	-	(172,104)
Net position, beginning of year	2,898,241	1,675,282	-	4,573,523
Net position, end of year	$ 2,657,421	$ 1,743,998	$ -	$ 4,401,419

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
Year Ended December 31, 2023

	Health Benefits Risk Management	Stores and Maintenance	Total
Cash flows from operating activities:			
Receipts from customers	$ 3,754,359	$ 915,151	$ 4,669,510
Payments to suppliers for goods and services	(242,581)	(649,365)	(891,946)
Payments on behalf of employees for services and benefits	(3,769,158)	(307,735)	(4,076,893)
Net cash from operating activities	(257,380)	(41,949)	(299,329)
Cash flows from noncapital financing activities:			
Transfers in	-	176,619	176,619
Cash flows from capital and related financing activities:			
Payments for capital assets	-	(36,243)	(36,243)
Cash flows from investing activities:			
Interest received	85,658	-	85,658
Net change in cash and cash equivalents	(171,722)	98,427	(73,295)
Cash and cash equivalents, beginning of year	3,043,638	969,836	4,013,474
Cash and cash equivalents, end of year	$ 2,871,916	$ 1,068,263	$ 3,940,179

(Continued)

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
(Continued)
Year Ended December 31, 2023

	Health Benefits Risk Management	Stores and Maintenance	Total
Reconciliation of operating loss to net cash from from operating activities:			
Operating loss	$ (326,478)	$ (107,903)	$ (434,381)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation and amortization	-	70,120	70,120
Changes in:			
Prepaid items	(51,800)	-	(51,800)
Inventory	-	(4,425)	(4,425)
Accounts payable	(80,710)	822	(79,888)
Accrued expenses	-	(563)	(563)
Unreported claims payable	201,608	-	201,608
Net cash from operating activities	$ (257,380)	$ (41,949)	$ (299,329)

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
RHID FUND*
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 100,000	$ 61,665	$ (38,335)
Expenditures and other uses:			
Expense reimbursement	100,000	61,665	(38,335)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

* For GAAP reporting, this fund is combined with the General Fund.

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
RHID 2 FUND*
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 100,000	$ 50,911	$ (49,089)
Expenditures and other uses:			
Expense reimbursement	100,000	50,911	(49,089)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

* For GAAP reporting, this fund is combined with the General Fund.

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL ALCOHOL PROGRAM FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Liquor tax	$ 30,000	$ 23,496	$ (6,504)
Expenditures and other uses:			
Contractual services	30,000	23,496	(6,504)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL HIGHWAY FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Intergovernmental	$ 524,400	$ 497,934	$ (26,466)
Expenditures and other uses:			
Transfers out	687,821	648,982	(38,839)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(163,421)	(151,048)	12,373
Fund balances, beginning of year	163,421	151,048	(12,373)
Fund balances, end of year	$ -	$ -	$ -

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL LIABILITY FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 58,751	$ 58,246	$ (505)
Transfers in	46,950	46,950	-
Total revenues and other sources	105,701	105,196	(505)
Expenditures and other uses:			
Contractual services	130,000	93,090	(36,910)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(24,299)	12,106	36,405
Fund balances, beginning of year	24,299	88,283	63,984
Fund balances, end of year	$ -	$ 100,389	$ 100,389

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL PARKS & RECREATION FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Liquor tax	$ 30,000	$ 23,496	$ (6,504)
Expenditures and other uses:			
Transfers out	30,000	23,496	(6,504)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
TOURISM & CONVENTION PROMOTION FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Transient guest tax	$ 284,200	$ 239,693	$ (44,507)
Other	-	103	103
Total revenues and other sources	284,200	239,796	(44,404)
Expenditures and other uses:			
Tourism/conventions	101,748	71,209	(30,539)
Transfers out	130,000	121,784	(8,216)
Total expenditures and other uses	231,748	192,993	(38,755)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	52,452	46,803	(5,649)
Fund balances, beginning of year	94,033	277,373	183,340
Fund balances, end of year	$ 146,485	$ 324,176	$ 177,691

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL LAW ENFORCEMENT FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Forfeitures and other	$ 25,000	$ 15,656	$ (9,344)
Expenditures and other uses:			
Commodities and other	65,350	361	(64,989)
Capital outlay	25,000	-	(25,000)
Total expenditures and other uses	90,350	361	(89,989)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(65,350)	15,295	80,645
Fund balances, beginning of year	186,521	253,318	66,797
Fund balances, end of year	$ 121,171	$ 268,613	$ 147,442

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
LIBRARY FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 859,429	$ 851,260	$ (8,169)
Expenditures and other uses:			
Appropriations to Library	858,500	851,260	(7,240)
Transfers out	20,000	-	(20,000)
Total expenditures and other uses	878,500	851,260	(27,240)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(19,071)	-	19,071
Fund balances, beginning of year	19,071	38,433	19,362
Fund balances, end of year	$ -	$ 38,433	$ 38,433

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY IMPROVEMENT DISTRICT SALES TAX FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Sales taxes	$ 150,000	$ 89,579	$ (60,421)
Expenditures and other uses:			
Expense reimbursements	150,000	89,579	(60,421)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CEMETERY & MAUSOLEUM FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Sale of cemetery lots	$ 17,500	$ 15,332	$ (2,168)
Investment earnings	125	16,824	16,699
Total revenues and other sources	17,625	32,156	14,531
Expenditures and other uses:			
Capital outlay	25,000	-	(25,000)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(7,375)	32,156	39,531
Fund balances, beginning of year	409,607	443,012	33,405
Fund balances, end of year	$ 402,232	$ 475,168	$ 72,936

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
BOND & INTEREST FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 1,542,066	$ 1,538,089	$ (3,977)
Special assessments	1,042,250	1,085,051	42,801
Intergovernmental	-	19,144	19,144
Other	1,382,144	52,636	(1,329,508)
Transfers in	1,574,256	2,872,159	1,297,903
Total revenues and other sources	5,540,716	5,567,079	26,363
Expenditures and other uses:			
Debt service:			
Principal	4,426,276	2,841,962	(1,584,314)
Interest	1,159,208	846,549	(312,659)
Projected future debt	600,000	-	(600,000)
Fees and commissions	556,500	-	(556,500)
Transfers out	-	1,470,696	1,470,696
Total expenditures and other uses	6,741,984	5,159,207	(1,582,777)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,201,268)	407,872	1,609,140
Fund balances, beginning of year	1,201,268	1,544,731	343,463
Fund balances, end of year	$ -	$ 1,952,603	$ 1,952,603

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SEWER FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Service fees	$ 7,863,000	$ 7,487,581	$ (375,419)
Transfers in	7,000	1,228,455	1,221,455
Land rent	22,000	26,512	4,512
Other	10,000	3,243	(6,757)
Total revenues and other sources	7,902,000	8,745,791	843,791
Expenditures and other uses:			
Personnel services	2,065,745	1,749,426	(316,319)
Contractual services	949,638	1,009,568	59,930
Commodities	90,055	56,532	(33,523)
Vehicle operating	68,300	44,675	(23,625)
Capital outlay	43,000	19,483	(23,517)
Expense reimbursement	614,907	614,907	-
Principal	2,176,442	1,827,528	(348,914)
Interest	284,148	510,818	226,670
Other	27,479	25,171	(2,308)
Transfers out	2,994,036	2,343,459	(650,577)
Total expenditures and other uses	9,313,750	8,201,567	(1,112,183)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,411,750)	544,224	1,955,974
Fund balances, beginning of year	5,382,075	6,390,451	1,008,376
Fund balances, end of year	$ 3,970,325	6,934,675	$ 2,964,350

(Continued)

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SEWER FUND
(Continued)
Year Ended December 31, 2023

Reconciliation to GAAP:	
Plus capital assets, net at December 31, 2023	38,108,879
Plus deferred charges on refunding at December 31, 2023	220,149
Plus deferred outflows - OPEB at December 31, 2023	3,988
Plus deferred outflows - pension at December 31, 2023	420,228
Less compensated absences at December 31, 2023	(22,824)
Less accrued interest payable at December 31, 2023	(150,466)
Less total OPEB liability at December 31, 2023	(5,474)
Less net pension liability at December 31, 2023	(1,275,323)
Less state revolving fund loans payable at December 31, 2023	(9,168,557)
Less bonds payable, net at December 31, 2023	(7,865,747)
Less subscription liabilities at December 31, 2023	(8,414)
Less deferred inflows - OPEB at December 31, 2023	(3,205)
Less deferred inflows - pension at December 31, 2023	(827)
Plus encumbrances outstanding at December 31, 2023	11,920
Fund balance on the basis of GAAP	27,199,002
Fund balances for non-budgeted funds included with the Sewer Fund on GAAP basis financials:	
Sewer Special Reserve Fund	5,442,281
	$ 32,641,283

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
WATERWORKS FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Service fees	$ 4,775,000	$ 4,869,457	$ 94,457
Interest	-	990	990
Other	45,300	37,044	(8,256)
Transfers in	-	699,241	699,241
Total revenues and other sources	4,820,300	5,606,732	786,432
Expenditures and other uses:			
Personnel services	2,291,029	1,974,141	(316,888)
Contractual services	1,728,013	1,338,495	(389,518)
Commodities	151,478	128,267	(23,211)
Vehicle operating	75,100	74,341	(759)
Capital outlay	85,000	-	(85,000)
Fees and commission	3,349	-	(3,349)
Other	-	4,753	4,753
Principal	129,917	318,119	188,202
Interest	29,808	99,323	69,515
Transfers out	1,437,749	944,157	(493,592)
Total expenditures and other uses	5,931,443	4,881,596	(1,049,847)
Revenues (expenditures) not subject to budget:			
Revolving loan proceeds	-	2,012,142	2,012,142
General obligation bond proceeds	-	134,870	134,870
Bond premium proceeds	-	9,247	9,247
Transfers out not subject to budget	-	(2,147,012)	(2,147,012)
Total revenues (expenditures) not subject to budget	-	9,247	9,247
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,111,143)	734,383	1,845,526
Fund balances, beginning of year	1,790,243	2,706,987	916,744
Fund balances, end of year	$ 679,100	3,441,370	$ 2,762,270
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2023		13,808,217	
Plus deferred charges on refunding at December 31, 2023		11,274	
Plus deferred outflows - OPEB at December 31, 2023		33,717	
Plus deferred outflows - pension at December 31, 2023		466,590	
Less compensated absences at December 31, 2023		(44,812)	
Less accrued interest payable at December 31, 2023		(34,852)	
Less total OPEB liability at December 31, 2023		(46,287)	
Less net pension liability at December 31, 2023		(1,416,023)	
Less state revolving fund loans payable at December 31, 2023		(3,672,042)	
Less general obligation bonds, net at December 31, 2023		(1,986,360)	
Less subscription liabilities at December 31, 2023		(10,284)	
Less lease obligations at December 31, 2023		(5,215)	
Less deferred inflows - OPEB at December 31, 2023		(27,099)	
Less deferred inflows - pension at December 31, 2023		(918)	
Plus encumbrances outstanding at December 31, 2023		276,297	
Fund balance on the basis of GAAP		10,793,573	
Fund balances for non-budgeted funds included with the Waterworks Fund on GAAP basis financials:			
Waterworks Special Reserve Fund		4,582,623	
		$ 15,376,196	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SANITATION FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Refuse collection	$ 2,167,835	$ 2,246,985	$ 79,150
Other	76,585	26,103	(50,482)
Total revenues and other sources	2,244,420	2,273,088	28,668
Expenditures and other uses:			
Personnel services	1,077,489	1,034,124	(43,365)
Contractual services	476,761	551,102	74,341
Commodities	73,676	15,149	(58,527)
Vehicle operating	258,709	245,034	(13,675)
Transfers out	412,035	259,529	(152,506)
Total expenditures and other uses	2,298,670	2,104,938	(193,732)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(54,250)	168,150	222,400
Fund balances, beginning of year	1,191,039	1,613,948	422,909
Fund balances, end of year	$ 1,136,789	1,782,098	$ 645,309
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2023		276,488	
Plus deferred outflows - OPEB at December 31, 2023		25,836	
Plus deferred outflows - pension at December 31, 2023		243,708	
Less compensated absences at December 31, 2023		(26,658)	
Less total OPEB liability at December 31, 2023		(35,468)	
Less net pension liability at December 31, 2023		(739,612)	
Less deferred inflows - OPEB at December 31, 2023		(20,765)	
Less deferred inflows - pension at December 31, 2023		(480)	
Less subscription liabilities at December 31, 2023		(4,675)	
Less accrued interest payable at December 31, 2023		(42)	
Fund balance on the basis of GAAP		1,500,430	
Fund balances for non-budgeted funds included with the Sanitation Fund on GAAP basis financials:			
Solid Waste Special Reserve Fund		797,738	
		$ 2,298,168	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GOLF COURSE FUND
Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues and other sources:				
Golf course revenue	$ 1,422,356	$ 1,622,356	$ 1,787,539	$ 165,183
Interest	-	-	35,954	35,954
Other	-	-	17,174	17,174
Total revenues and other sources	1,422,356	1,622,356	1,840,667	218,311
Expenditures and other uses:				
Personnel services	768,625	833,625	822,949	(10,676)
Contractual services	413,121	413,121	343,743	(69,378)
Commodities	201,553	336,553	392,644	56,091
Capital outlay	122,800	122,800	95,437	(27,363)
Total expenditures and other uses	1,506,099	1,706,099	1,654,773	(51,326)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(83,743)	(83,743)	185,894	269,637
Fund balances, beginning of year	565,918	711,138	672,378	(38,760)
Fund balances, end of year	$ 482,175	$ 627,395	858,272	$ 230,877
Reconciliation to GAAP:				
Plus capital assets, net at December 31, 2023			6,048,802	
Less advances to other funds at December 31, 2023			(938,400)	
Fund balance on the basis of GAAP			5,968,674	
Fund balances for non-budgeted funds included with the Golf Course Fund on GAAP basis financials:				
Golf Course Special Reserve Fund			191,375	
			$ 6,160,049	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
MERIDIAN CENTER FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Meridian Center revenues	$ 582,147	$ 279,198	$ (302,949)
Other	-	170	170
Transfers in	-	100,000	100,000
Total revenues and other sources	582,147	379,368	(202,779)
Expenditures and other uses:			
Personnel services	393,671	281,882	(111,789)
Contractual services	120,787	71,862	(48,925)
Commodities	78,076	65,705	(12,371)
Total expenditures and other uses	592,534	419,449	(173,085)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(10,387)	(40,081)	(29,694)
Fund balances, beginning of year	73,140	82,262	9,122
Fund balances, end of year	$ 62,753	42,181	$ (20,572)
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2023		2,494,686	
Plus deferred outflows - pension at December 31, 2023		61,485	
Less compensated absences at December 31, 2023		(6,819)	
Less net pension liability at December 31, 2023		(186,596)	
Less deferred inflows - pension at December 31, 2023		(121)	
Fund balance on the basis of GAAP - Meridian Center Fund only		2,404,816	
Fund balances for non-budgeted funds included with the Meridian Center Fund on GAAP basis financials:			
Meridian Center Special Reserve Fund		212,109	
		$ 2,616,925	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
STORES AND MAINTENANCE FUND
Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Stores and maintenance revenues	$ 1,041,079	$ 906,649	$ (134,430)
Other	-	1,433	1,433
Transfers in	-	176,619	176,619
Total revenues and other sources	1,041,079	1,084,701	43,622
Expenditures and other uses:			
Personnel services	290,693	307,172	16,479
Contractual services	61,299	51,158	(10,141)
Commodities	596,318	557,198	(39,120)
Vehicle operating expense	46,379	28,272	(18,107)
Transfer out	86,000	86,000	-
Total expenditures and other uses	1,080,689	1,029,800	(50,889)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(39,610)	54,901	94,511
Fund balances, beginning of year	194,825	360,737	165,912
Fund balances, end of year	$ 155,215	415,638	$ 260,423
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2023		567,435	
Less compensated absences at December 31, 2023		(6,994)	
Fund balance on the basis of GAAP - Stores and Maintenance Fund only		976,079	
Fund balances for non-budgeted funds included with the Stores and Maintenance Fund on GAAP basis financials:			
Stores and Maintenance Special Reserve Fund		767,919	
		$ 1,743,998	

CITY OF NEWTON, KANSAS
COMPONENT UNIT FUND FINANCIAL STATEMENTS -
NEWTON PUBLIC LIBRARY
BALANCE SHEET
December 31, 2023

Assets:		
Cash	$	2,325,819
Property taxes receivable		19,437
Total assets	$	2,345,256
Liabilities:		
Accounts payable	$	3,712
Fund balance:		
Assigned for library services		2,341,544
Total liabilities and fund balance	$	2,345,256

CITY OF NEWTON, KANSAS
COMPONENT UNIT FUND FINANCIAL STATEMENTS -
NEWTON PUBLIC LIBRARY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended December 31, 2023

Revenues:		
Taxes	$	851,260
Intergovernmental		89,064
Fines and fees		25,199
Interest		66,487
Other		69,230
Total revenues		1,101,240
Expenditures:		
Personnel services		557,946
Contractual services		71,498
Commodities		176,485
Capital outlay		168,035
Total expenditures		973,964
Revenues over expenditures		127,276
Fund balances, beginning		2,214,268
Fund balances, ending	$	2,341,544

STATISTICAL SECTION

This part of the City of Newton annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the City's overall financial health.

Contents	Page
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.	121
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	127
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.	130
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	137
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.	139

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Newton, Kansas
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment in capital assets	$ 29,883,633	$ 36,686,376	$ 38,764,600	$ 39,761,637	$ 31,214,458	$ 33,431,937	$ 32,670,298	$ 36,511,227	$ 36,895,067	$ 40,641,586
Restricted	1,362,548	1,439,323	1,933,865	1,500,683	1,346,578	1,830,999	1,997,395	2,630,206	3,430,486	3,751,358
Unrestricted	16,219,976	13,795,417	6,823,532	7,429,172	9,713,861	4,692,930	9,353,969	8,002,860	6,562,953	6,815,938
Total Governmental Activities Net Position	47,466,157	51,921,116	47,521,997	48,691,492	42,274,897	39,955,866	44,021,662	47,144,293	46,888,506	51,208,882
Business-Type Activities										
Net Investment in capital assets	27,620,849	20,602,178	22,489,495	24,173,466	25,953,239	29,671,394	29,137,494	36,215,736	34,218,081	37,621,927
Restricted	434,960	-	-	-	-	-	-	-	-	-
Unrestricted	14,007,071	13,789,024	18,016,978	18,787,380	19,680,498	20,918,856	21,304,587	19,671,864	23,990,121	23,987,045
Total Business-Type Activities Net Position	42,062,880	34,391,202	40,506,473	42,960,846	45,633,737	50,590,250	50,442,081	55,887,600	58,208,202	61,608,972
Primary Government										
Net Investment in capital assets	57,504,482	57,288,554	61,254,095	63,935,103	57,167,697	63,103,331	61,807,792	72,726,963	71,113,148	78,263,513
Restricted	1,797,508	1,439,323	1,933,865	1,500,683	1,346,578	1,830,999	1,997,395	2,630,206	3,430,486	3,751,358
Unrestricted	30,227,047	27,584,441	24,840,510	26,216,552	29,394,359	25,611,786	30,658,556	27,674,724	30,553,074	30,802,983
Total Primary Government Net Position	$ 89,529,037	$ 86,312,318	$ 88,028,470	$ 91,652,338	$ 87,908,634	$ 90,546,116	$ 94,463,743	$ 103,031,893	$ 105,096,708	$ 112,817,854

City of Newton, Kansas
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
General Government	$ 2,748,317	$ 5,174,403	$ 5,783,528	$ 5,620,468	$ 12,778,534	$ 7,559,081	$ 5,681,133	$ 5,385,546	$ 9,108,702	$ 4,856,842
Public Safety	9,091,977	9,303,375	9,505,060	10,088,286	10,116,200	10,805,239	11,427,887	11,050,615	12,688,665	14,569,876
Highway and streets	3,123,553	3,648,390	4,282,409	3,800,765	5,093,585	4,970,201	3,773,794	4,404,305	5,459,269	5,234,449
Culture and recreation	3,301,952	1,579,483	1,234,521	1,171,821	1,174,557	1,215,667	1,347,875	1,300,417	1,463,514	1,582,261
Airport	2,037,345	1,087,037	1,102,985	1,206,993	1,232,950	1,173,152	1,042,403	1,606,844	1,513,020	1,553,537
Public works	1,768,709	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	1,455,266	1,132,419	1,105,739	1,013,907	1,132,291	1,335,809	1,461,697	1,073,799	846,320	978,256
Total Governmental Activities Expenses	23,527,119	21,925,107	23,014,242	22,902,240	31,528,117	27,059,149	24,734,789	24,821,526	31,079,490	28,775,221
Business-Type Activities:										
Sewer	4,497,867	4,637,153	4,998,558	5,324,984	4,501,081	4,523,468	5,206,266	5,308,781	5,690,790	5,567,243
Sanitation	1,719,060	1,513,093	1,527,086	1,554,284	1,374,701	1,362,051	1,773,244	1,752,106	1,805,788	2,090,043
Waterworks	3,626,523	3,508,579	3,391,266	3,120,146	2,942,407	2,857,374	3,497,672	3,633,023	3,968,995	4,254,542
Golf Course	1,810,959	1,528,489	1,473,942	1,426,127	1,470,516	1,400,571	1,456,132	1,566,644	1,819,318	2,068,699
Public Building Commission	-	562,527	368,853	324,963	347,820	340,555	569,091	449,532	498,967	491,365
Meridian Center	-	-	-	-	-	-	-	548,489	576,506	525,837
Total Business-Type Activities Expenses	11,654,409	11,749,841	11,759,705	11,750,504	10,636,525	10,484,019	12,502,405	13,258,575	14,360,364	14,997,729
Total Primary Government Expenses	$ 35,181,528	$ 33,674,948	$ 34,773,947	$ 34,652,744	$ 42,164,642	$ 37,543,168	$ 37,237,194	$ 38,080,101	$ 45,439,854	$ 43,772,950
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	$ 309,320	$ 2,368,777	$ 2,705,182	$ 2,942,043	$ 2,821,681	$ 2,880,710	$ 2,471,425	$ 362,792	$ 655,017	$ 618,460
Public Safety	1,839,673	747,634	741,231	563,183	623,596	612,601	470,104	2,644,137	2,546,044	3,106,426
Highway and streets	17,054	239,518	74,030	77,080	61,000	44,500	39,417	-	-	-
Culture and recreation	363,347	-	-	-	-	-	-	-	-	-
Airport	1,782,788	1,209,220	1,239,584	1,334,896	1,215,993	1,112,107	1,004,608	1,315,054	1,573,297	1,349,462
Operating Grants and Contributions	632,319	322,763	174,911	163,944	164,488	178,704	161,641	1,761,940	176,676	179,632
Capital Grants and Contributions	2,586,491	897,434	930,216	2,231,945	1,544,643	2,587,110	3,225,926	5,527,136	5,258,644	3,402,841
Total Governmental Activities Program Revenues	7,530,992	5,785,346	5,865,154	7,313,091	6,431,401	7,415,732	7,373,121	11,611,059	10,209,678	8,656,821
Business-Type Activities:										
Charges for Services:										
Sewer	8,253,518	8,423,449	7,884,133	7,793,529	7,806,912	7,852,401	7,799,368	7,795,384	7,763,348	7,527,476
Sanitation	1,886,439	1,951,091	1,960,966	2,050,712	2,086,312	2,106,863	2,184,475	2,239,112	2,266,770	2,274,867
Waterworks	4,866,859	4,891,503	4,591,259	4,738,762	4,641,193	4,524,748	4,661,008	4,728,560	4,839,083	4,921,101
Golf Course	1,212,284	1,169,398	1,059,336	1,023,682	1,071,171	1,086,254	1,232,184	1,474,491	1,575,646	1,828,901
Public Building Commission	-	336,594	345,633	349,530	353,909	358,476	396,780	404,641	482,834	510,037
Meridian Center	-	-	-	-	-	-	-	159,968	296,302	279,558
Capital Grants and Contributions	669,107	21,000	21,000	21,000	21,000	21,000	21,000	342,372	-	-
Total Business-Type Activities Program Revenues	16,888,207	16,793,035	15,862,327	15,977,215	15,980,497	15,949,742	16,294,815	17,144,528	17,223,983	17,341,940
Total Primary Government Program Revenues	$ 24,419,199	$ 22,578,381	$ 21,727,481	$ 23,290,306	$ 22,411,898	$ 23,365,474	$ 23,667,936	$ 28,755,587	$ 27,433,661	$ 25,998,761

City of Newton, Kansas
Changes in Net Position
Last Ten Fiscal Years (Continued)
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense) Revenue										
Governmental Activities	$(15,996,127)	$(16,139,761)	$(17,149,088)	$(15,589,149)	$(25,096,716)	$(19,643,417)	$(17,361,668)	$(13,210,467)	$(20,869,812)	$(20,118,400)
Business-Type Activities:	5,233,798	5,043,194	4,102,622	4,226,711	5,343,972	5,465,723	3,792,410	3,885,953	2,863,619	2,344,211
Total Primary Government Net Expense	$(10,762,329)	$(11,096,567)	$(13,046,466)	$(11,362,438)	$(19,752,744)	$(14,177,694)	$(13,569,258)	$ (9,324,514)	$(18,006,193)	$(17,774,189)
General revenues:										
Governmental Activities:										
Taxes										
Property taxes and special assessments	$ 7,010,541	$ 6,937,340	$ 6,971,421	$ 7,493,054	$ 8,126,788	$ 8,268,042	$ 8,767,116	$ 8,835,761	$ 8,746,742	$ 10,837,322
Sales tax	5,084,012	5,122,782	5,209,627	5,106,324	5,099,402	5,355,924	5,526,871	6,221,635	6,715,797	6,947,498
Franchise taxes	1,641,767	1,533,036	1,549,594	1,551,793	1,615,724	1,566,090	1,468,435	1,519,599	1,775,707	1,652,552
Excise taxes	-	333,362	229,487	295,187	261,630	288,752	188,022	316,027	337,277	239,693
Other	1,050,347	1,142,945	568,864	788,044	-	-	-	-	-	-
Intergovernmental, not restricted					-	-	-	-	-	-
to specific programs	643,094	-	-	-	-	-	-	-	-	-
Investment earnings	7,665	8,664	31,836	158,132	387,944	592,968	202,942	4,056	487,475	1,475,729
Gain (Loss) on sale of property	-	-	-	-	-	-	54,424	-	-	-
Other	194,311	-	-	-	601,400	585,095	1,138,762	730,551	1,820,415	3,998,515
Transfers in (out)	2,362,303	6,518,537	2,232,376	1,931,491	2,805,431	667,515	4,080,892	(1,160,492)	730,612	(712,533)
Total governmental activities	17,994,040	21,596,666	16,793,205	17,324,025	18,898,319	17,324,386	21,427,464	16,467,137	20,614,025	24,438,776
Business-Type Activities										
Property Taxes	-	21,030	88,918	150,452	118,927	126,910	133,941	142,240	149,018	157,150
Investment earnings	17	743	968	2,043	4,423	5,245	5,872	3,962	32,178	85,699
Gain (Loss) on sale of property	-	-	55,810	50,079	11,000	26,150	500	60,105	6,399	101,177
Other	-	-	-	-	-	-	-	-	-	-
Transfers in (out)	(2,362,303)	(6,518,537)	(2,232,376)	(1,931,491)	(2,805,431)	(667,515)	(4,080,892)	1,160,492	(730,612)	712,533
Total Business-Type Activities	(2,362,286)	(6,496,764)	(2,086,680)	(1,728,917)	(2,671,081)	(509,210)	(3,940,579)	1,366,799	(543,017)	1,056,559
Total Primary Government	$ 15,631,754	$ 15,099,902	$ 14,706,525	$ 15,595,108	$ 16,227,238	$ 16,815,176	$ 17,486,885	$ 17,833,936	$ 20,071,008	$ 25,495,335
Change in Net Position										
Governmental Activities:	$ 1,997,913	$ 5,456,905	$ (355,883)	$ 1,734,876	$ (6,198,397)	$ (2,319,031)	$ 4,065,796	$ 3,256,670	$ (255,787)	$ 4,320,376
Business-Type Activities	2,871,512	(1,453,570)	2,015,942	2,497,794	2,672,891	4,956,513	(148,169)	5,252,752	2,320,602	3,400,770
Total Primary Government	$ 4,869,425	$ 4,003,335	$ 1,660,059	$ 4,232,670	$ (3,525,506)	$ 2,637,482	$ 3,917,627	$ 8,509,422	$ 2,064,815	$ 7,721,146

City of Newton, Kansas
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
General Fund										
Nonspendable	$ 469,527	$ 81,134	$ 378,184	$ 400,497	$ 400,438	$ 172,758	$ 143,293	$ 370,825	$ 400,675	$ 516,194
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	4,186,079	2,648,047	2,956,891	3,776,145	3,845,686	4,799,804	5,316,609	6,248,318	8,885,950	11,594,705
Unassigned	2,669,488	4,618,705	4,086,247	5,087,304	5,912,102	6,806,108	6,494,744	6,924,108	6,344,757	6,779,006
Total General Fund	$ 7,325,094	$ 7,347,886	$ 7,421,322	$ 9,263,946	$ 10,158,226	$ 11,778,670	$ 11,954,646	$ 13,543,251	$ 15,631,382	$ 18,889,905
All Other Governmental Funds										
Nonspendable	70,986	2,580,236	2,346,965	2,161,678	82,228	59,402	31,981	44,747	92,207	100,069
Restricted	1,362,548	1,634,223	1,933,865	1,809,478	3,869,877	2,096,600	2,322,815	2,929,219	3,712,705	4,071,228
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	736,906	529,656	489,123	464,797	438,279	354,337	315,448	344,135	418,683	489,395
Unassigned	(7,904,689)	(110,924)	(5,769,877)	(5,086,357)	(2,864,526)	(6,514,042)	(1,593,805)	(3,830,366)	(6,081,659)	(7,248,072)
Total all other governmental funds	$ (5,734,249)	$ 4,633,191	$ (999,924)	$ (650,404)	$ 1,525,858	$ (4,003,703)	$ 1,076,439	$ (512,265)	$ (1,858,064)	$ (2,587,380)

City of Newton, Kansas
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Taxes and special assessments	$ 15,540,667	$ 15,007,865	$ 15,052,285	$ 15,480,760	$ 16,170,614	$ 16,561,690	$ 16,885,494	$ 18,072,836	$ 18,621,359	$ 20,762,116
Intergovernmental	3,197,923	1,005,734	1,111,259	2,359,315	1,420,014	1,740,253	2,503,891	7,211,550	5,519,339	2,582,388
Licenses and permits	174,173	218,416	188,896	268,272	211,191	179,581	246,223	268,673	384,405	371,370
Charges for services	1,454,223	3,599,100	4,015,948	4,135,203	3,936,825	3,895,673	3,273,780	3,537,380	3,969,301	4,265,356
Fines, forfeitures and penalties	592,416	747,634	555,184	513,727	574,254	574,664	465,551	515,930	420,652	437,622
Use of money and property	924,512	8,664	31,836	158,132	387,944	592,969	202,942	4,056	487,475	1,475,729
Other	1,392,824	1,142,945	568,866	788,043	601,403	585,097	1,138,759	730,551	1,473,377	3,205,883
Total revenues	23,276,738	21,730,358	21,524,274	23,703,452	23,302,245	24,129,927	24,716,640	30,340,976	30,875,908	33,100,464
Expenditures:										
Current:										
General government	2,582,772	3,806,879	4,611,452	4,345,450	5,265,340	5,030,510	4,382,359	3,874,911	3,835,810	4,193,559
Public safety	8,710,352	9,163,587	8,967,108	9,030,689	9,531,363	9,586,393	10,028,895	10,487,108	11,126,098	11,599,399
Highway and streets	2,161,912	2,363,275	2,573,365	2,366,007	2,894,550	3,239,675	2,512,205	2,852,039	3,041,819	3,032,020
Culture and recreation	2,898,249	1,124,950	1,035,743	966,463	987,674	1,044,970	1,129,287	1,136,918	1,346,090	1,706,584
Airport	1,542,993	1,087,037	1,102,985	1,206,993	1,232,950	1,173,152	1,042,403	1,451,698	1,520,678	1,554,014
Capital outlay	5,066,359	15,525,043	5,090,535	2,402,131	4,298,181	5,873,290	5,744,279	8,286,787	11,758,745	13,351,304
Debt service:										
Principal	2,319,928	1,964,548	2,131,737	2,435,808	2,548,882	4,201,125	13,010,189	3,114,212	2,814,513	2,947,290
Interest	1,496,978	1,156,818	1,034,633	1,010,773	994,140	1,340,904	1,083,516	1,085,184	919,167	860,793
Fees and commissions	947	109,385	109,560	179	114,048	-	-	-	-	-
Total expenditures	26,780,490	36,301,522	26,657,118	23,764,493	27,867,128	31,490,019	38,933,133	32,288,857	36,362,920	39,244,963
Excess (deficiency) of revenues over (under) expenditures	(3,503,752)	(14,571,164)	(5,132,844)	(61,041)	(4,564,883)	(7,360,092)	(14,216,493)	(1,947,881)	(5,487,012)	(6,144,499)
Other financing sources (uses):										
Issuance of general obligation bonds	-	5,407,691	-	-	3,615,000	-	14,802,434	-	-	3,735,130
Issuance of refunding bonds	-	-	7,259,704	-	-	-	-	(3,643,087)	-	-
Sale of capital assets	-	90,000	58,405	62,705	175,750	117,681	107,940	102,318	2,249,737	797,517
Transfers in	4,537,230	19,955,741	7,404,021	6,394,896	7,671,491	7,339,662	9,063,480	8,220,561	8,768,579	9,075,198
Issuance of lease obligation	-	-	-	-	-	-	-	-	10,464	-
Issuance of subscription liabilities	-	-	-	-	-	-	-	-	-	188,130
Issuance of bond premium	-	-	565,412	-	64,026	-	-	3,369,009	-	256,090
Payment to refunding bond escrow agent	-	-	(7,735,899)	-	-	-	(341,190)	350,187	-	-
Transfers out	(2,174,927)	(4,313,221)	(3,935,242)	(4,204,416)	(3,890,842)	(4,006,368)	(4,160,053)	(6,317,165)	(4,799,436)	(5,378,359)
Total other financing sources (uses)	2,362,303	21,140,211	3,616,401	2,253,185	7,635,425	3,450,975	19,472,611	2,081,823	6,229,344	8,673,706
Net change in fund balances	$ (1,141,449)	$ 6,569,047	$ (1,516,443)	$ 2,192,144	$ 3,070,542	$ (3,909,117)	$ 5,256,118	$ 133,942	$ 742,332	$ 2,529,207
Debt service as a percentage of noncapital expenditures	16.25%	10.08%	13.47%	15.55%	13.78%	18.22%	40.66%	16.55%	12.40%	14.71%

City of Newton, Kansas
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Motor Vehicle Tax	Sales Tax	Transient Guest Tax	Franchise Taxes	Special Assessments	Total
2014	$ 5,783,604	$ 715,810	$ 5,084,012	$ 219,953	$ 1,663,360	$ 1,220,746	$ 14,687,485
2015	6,117,926	819,414	5,122,782	333,362	1,533,036	1,081,345	15,007,865
2016	6,129,332	842,089	5,209,627	229,487	1,549,594	1,092,156	15,052,285
2017	6,654,191	838,864	5,106,324	295,189	1,551,793	1,034,403	15,480,764
2018	7,184,820	941,968	5,099,402	261,630	1,615,724	1,067,070	16,170,614
2019	7,277,400	990,642	5,355,924	288,752	1,566,090	1,082,882	16,561,690
2020	7,728,410	1,038,706	5,526,871	188,022	1,468,435	935,050	16,885,494
2021	7,749,480	1,086,281	6,221,634	316,028	1,519,599	1,179,813	18,072,835
2022	7,712,268	1,034,474	6,715,797	337,277	1,775,707	1,045,836	18,621,359
2023	9,778,250	1,059,072	6,947,498	239,693	1,652,552	1,085,051	20,762,116
Change 2014-2023	69.1%	48.0%	36.7%	9.0%	-0.6%	-11.1%	41.4%

City of Newton, Kansas

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Motor Vehicle	Total	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2014	$ 108,681,175	$ 8,459,719	$ 17,144,189	$ 134,285,083	52.096	$ 861,683,717	15.58%
2015	109,184,983	8,918,542	17,557,227	135,660,752	52.091	870,900,047	15.58%
2016	110,136,068	8,797,562	17,745,559	136,679,189	57.121	881,164,701	15.51%
2017	111,244,972	8,766,296	17,682,215	137,693,483	60.326	885,807,281	15.54%
2018	111,511,358	9,124,296	18,180,252	138,815,906	62.509	893,278,237	15.54%
2019	115,857,340	9,336,794	18,592,793	143,786,927	62.470	923,963,971	15.56%
2020	118,204,379	9,852,038	18,909,615	146,966,032	62.535	945,971,580	15.54%
2021	120,463,231	9,333,541	19,455,107	149,251,879	62.506	978,287,548	15.26%
2022	128,424,743	10,539,938	18,489,880	157,454,561	70.383	958,857,327	16.42%
2023	142,335,041	10,992,638	18,795,624	172,123,303	72.361	1,116,889,235	15.41%

Source: *Harvey County Clerk*

The assessed value of each class is calculated by varying percentages of appraised or market value. The range varies from 11.5% for residential to 33% for public utilities.

n/a: Information not available.

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	$ 7,194,203	$ 6,850,152	95.22%	$ 131,899	$ 6,982,051	97.05%
2015	7,451,137	7,102,109	95.32%	139,512	7,241,621	97.19%
2016	7,503,461	7,163,158	95.46%	213,316	7,376,474	98.31%
2017	8,127,835	7,912,242	97.35%	195,124	8,107,366	99.75%
2018	8,613,339	8,184,191	95.02%	166,150	8,350,341	96.95%
2019	8,945,655	8,419,984	94.12%	265,305	8,685,289	97.09%
2020	9,229,361	8,730,488	94.59%	105,642	8,836,131	95.74%
2021	9,425,425	8,925,316	94.69%	23,817	8,949,133	94.95%
2022	9,471,046	8,971,192	94.72%	139,932	9,111,126	96.20%
2023	11,193,019	10,493,076	93.75%	0	10,493,076	93.75%

Source: *Harvey County Clerk & City Financial's*

** Fiscal year refers to Budget year. Tax levy is set in November of prior year.*

City of Newton, Kansas

Direct and Overlapping Property Tax Rates
(Per $1,000 of assessed value)
Last Ten Fiscal Years

	City of Newton						Other Overlapping Governments				
Tax Year	General Fund	Airport Fund	Library	Bond and Interest	Special Liability	Total	School District No 373	Harvey County	State of Kansas	Sand Creek Watershed District	Grand Total
2014	43.739	0.647	5.708	1.873	0.129	**52.096**	60.478	36.238	1.500	0.257	**150.569**
2015	41.849	0.647	5.675	3.920	-	**52.091**	63.061	38.817	1.500	0.256	**155.725**
2016	45.622	0.698	5.809	4.833	0.159	**57.121**	62.786	41.358	1.500	0.256	**163.021**
2017	47.615	0.593	5.758	6.173	0.187	**60.326**	63.139	41.937	1.500	0.259	**167.161**
2018	48.467	0.605	5.934	7.312	0.191	**62.509**	63.820	42.275	1.500	0.264	**170.368**
2019	43.355	0.670	5.195	13.058	0.192	**62.470**	61.127	42.356	1.500	0.261	**167.714**
2020	42.828	0.671	5.773	13.071	0.192	**62.535**	61.116	42.649	1.500	0.260	**168.060**
2021	45.806	0.671	5.580	10.066	0.383	**62.506**	62.671	42.629	1.500	0.262	**169.568**
2022	53.711	0.670	5.570	10.049	0.383	**70.383**	62.844	43.604	1.500	0.265	**178.596**
2023	56.583	0.675	5.608	9.109	0.386	**72.361**	62.132	43.593	1.500	0.266	**179.852**

Note: *Tax Year is year in which tax is levied. Collections are received in the year following.*

Source: *Harvey County Clerk*

City of Newton, Kansas
Principal Property Taxpayers
Current Year and Nine Years Ago

	2023			2014		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Evergy Kansas South, Inc	$ 3,214,005	1	2.10%	$ 2,011,027	2	1.72%
Walmart Realty Company	2,677,805	2	1.75%	2,155,725	1	1.84%
Burlington Northern	2,299,232	3	1.50%	1,038,877	6	0.89%
Kansas Gas Service, Div of One Gas	2,091,215	4	1.36%	1,266,187	5	1.08%
Future Foam Inc	1,206,829	5	0.79%			
Ardent Mills, LLC	1,061,743	6	0.69%			
Norcraft Companies LLC	992,378	7	0.65%	866,358	7	0.74%
Dillon Companies Inc	925,803	8	0.60%	1,723,337	3	1.47%
Dillon Real Estate Co Inc	771,653	9	0.50%			
Newton Healthcare Corp	564,091	10	0.37%	850,000	8	0.73%
Cargill, Inc				1,596,670	4	1.36%
Sunflower Hospitality				638,088	10	0.54%
Broadway Hospitality				752,017	9	0.64%
Total	$ 15,804,754		10.31%	$ 12,898,286		11.02%
Total Assessed Value	$ 153,327,679			$ 117,140,894		

Source: *Harvey County Clerk*

City of Newton, Kansas
Legal Debt Margin Information
Last Ten Fiscal years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	$ 40,234,483	$ 40,574,314	$ 41,003,757	$ 41,561,162	$ 41,495,361	$ 43,136,078	$ 43,552,083	$ 44,534,451	$ 45,161,947	$ 47,236,338
Total net debt applicable to limit	26,437,566	25,870,675	28,420,839	26,369,868	28,000,395	24,248,566	32,443,785	29,268,166	26,587,247	22,272,136
Legal debt margin	$ 13,796,917	$ 14,703,639	$ 12,582,918	$ 15,191,294	$ 13,494,966	$ 18,887,512	$ 11,108,298	$ 15,266,285	$ 18,574,700	$ 24,964,202
Total net debt applicable to the limit as a percentage of debt limit	65.71%	63.76%	69.31%	63.45%	67.48%	56.21%	74.49%	65.72%	58.87%	47.15%

Legal Debt Margin Calculation for Fiscal Year 2023

Total assessed value		$ 157,454,461
Debt limit (30% of total assessed value)		$ 47,236,338
Debt applicable to limit:		
General obligation bonds	23,904,869	
Less: Amount set aside for repayment of general obligation debt	1,632,733	
Total net debt applicable to limit		22,272,136
Legal debt margin		$ 24,964,202

Note: *Per Kansas Statutes Annotated ("K.S.A") Section 10-308, "The authorized and outstanding bonded indebtedness of any city shall not exceed 30% of the assessed valuation of the city." K.S.A. Section 10-309 allows for certain exceptions to calculating the legal debt limit.*

City of Newton, Kansas

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

	Governmental Activities						Business-Type Activities							
Fiscal Year	General Obligation Bonds	KDOT Revolving Loan	Lease Obligations	Subscription Liabilities	Guarantee/ Industrial Revenue Bonds	Special Assessment Bonds	General Obligation Bonds	Revenue Bonds	Revolving Loans	Lease Obligations	Subscription Liabilities	Total Primary Government [d]	Percentage of Personal Income [c]	Per Capita [b]
2014	$ 24,752,345	$ 280,223	$ 197,077	$ -	$ -	$ 11,890,120	$ 7,746,553	$ 6,660,000	$ 15,606,145	$ -	$ -	$ 67,132,463	8.31%	$ 3,511
2015	21,643,264	177,783	169,669	-	-	11,859,320	14,319,440	7,966,150	25,337,587	-	-	81,473,213	9.65%	4,240
2016	21,493,800	71,419	138,958	-	-	10,761,033	14,121,030	7,225,575	24,180,652	-	-	77,992,467	10.64%	4,082
2017	20,092,917	-	107,349	-	-	9,763,204	13,174,922	6,500,000	21,825,431	-	-	71,463,823	9.87%	3,787
2018	22,289,104	-	-	-	6,339,995	8,771,526	12,254,170	5,710,000	19,715,760	-	-	75,080,555	9.88%	4,005
2019	18,080,634	-	-	-	6,132,099	8,917,442	11,313,520	4,895,000	17,673,098	174,829	-	67,186,622	8.47%	3,562
2020	25,895,737	-	-	-	-	8,876,556	13,532,328	4,040,000	15,464,275	-	-	67,808,896	7.99%	3,550
2021	23,710,510	-	-	-	-	7,774,271	12,191,873	3,185,000	13,324,822	-	-	60,186,476	6.88%	3,211
2022	21,887,089	-	84,013	-	-	6,644,416	11,126,318	6,335,000	11,816,066	414,361	-	58,307,263	6.37%	3,163
2023	22,538,412	-	44,937	121,878	-	6,956,450	10,013,575	5,480,000	12,840,599	329,577	23,373	58,348,801	6.25%	3,173

Note: *Details regarding the City's outstanding debt can be found in the Notes on pages 66-73 and in the Statistical Section on pages 130-136.*

[a] See Page 127 for taxable property value data.

[b] Per Capita is based on net general obligation bonds.

[c] See page 137 for personal income and poplulation data.

[d] Includes general bonded debt, other governmental activities debt, and business-type activites debt.

City of Newton, Kansas

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Resources Restricted for Debt Service	Net General Obligation Bonds	Taxable Value	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2014	$ 32,498,898	$ 528,849	$ 31,970,049	$ 861,683,717	3.71%	$ 1,700
2015	35,962,704	376,705	35,585,999	870,900,047	4.09%	1,871
2016	35,614,830	574,253	35,040,577	881,164,701	3.98%	1,864
2017	33,267,839	149,807	33,118,032	885,807,281	3.74%	1,763
2018	34,543,274	51,905	34,491,369	893,278,237	3.86%	1,843
2019	29,394,154	65,883	29,328,271	923,963,971	3.17%	1,558
2020	39,428,065	459,971	38,968,094	945,971,580	4.12%	2,064
2021	35,902,383	953,897	34,948,486	978,287,548	3.57%	1,915
2022	33,013,407	1,262,512	31,750,895	958,857,327	3.31%	1,761
2023	32,551,987	1,632,733	30,919,254	1,116,889,235	2.77%	1,770

City of Newton, Kansas
Direct and Overlapping Governmental Activities Debt
As of December 31, 2023

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Unified School District No. 373	$ 25,576,824	54.14%	$ 13,847,293
Harvey County	2,025,000	41.10%	832,275
	27,601,824		14,679,568
Direct debt, City of Newton: *			
General obligation bonds and other direct debt	29,539,799	100.00%	29,539,799
Total direct and overlapping debt	$ 57,141,623	77.39%	$ 44,219,367

Source: Harvey Co Clerk, *Notes to Financial Statements under Long-Term Debt*
**Direct Debt is related to General Obligation bonds & lease obligations from Governmental Activities.*

Note: *Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments. The percentage applicable is estimated by determining the portion of another governmental unit's taxable assessed value that is within the boundaries of the city and divide this by each unit's total taxable assessed value.*

City of Newton, Kansas
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Utility Service Charges	Less: Expenses[1]	Net Available Revenue	Water & Sewer Revenue Bonds Debt Service (Next Fiscal Year) Principal	Interest	Coverage[2]	KDHE Revolving Loans Debt Service (Next Fiscal Year) Principal	Interest	Total Revenue Coverage[2]	Special Assessment Bonds Special Assessment Collections	Debt Service (Next Fiscal Year) Principal	Interest	Coverage[2]
2014	$ 13,120,387	$ 5,609,635	$ 7,510,752	$ -	$ -	n/a	$ 675,270	$ 282,707	7.84	$ 1,220,746	$ 749,500	$ 444,276	1.02
2015	13,314,952	5,136,897	8,178,055	-	-	n/a	698,202	236,377	8.75	1,081,345	772,000	421,762	0.91
2016	12,475,392	5,212,188	7,263,204	-	-	n/a	2,355,221	617,608	2.44	1,092,156	683,753	254,328	1.16
2017	12,532,291	4,850,505	7,681,786	-	-	n/a	1,408,680	568,861	3.88	1,034,403	703,562	229,347	1.11
2018	12,448,105	3,950,335	8,497,770	-	-	n/a	1,342,662	510,596	4.59	1,067,070	700,711	209,361	1.17
2019	12,377,149	3,964,996	8,412,153	-	-	n/a	1,208,825	459,720	5.04	1,082,882	766,315	188,871	1.13
2020	12,460,376	5,307,601	7,152,775	-	-	n/a	1,139,452	404,168	4.63	935,050	832,357	201,503	0.90
2021	12,523,944	5,579,273	6,944,671	-	-	n/a	1,109,612	350,307	4.76	1,179,813	776,528	206,365	1.20
2022	12,602,431	6,364,768	6,237,663	-	-	n/a	987,609	290,141	4.88	1,045,836	944,221	199,020	0.91
2023	12,448,577	6,440,870	6,007,707	-	-	n/a	1,023,950	257,059	4.69	1,085,051	1,008,162	214,632	0.89

Note: *Details regarding the city's outstanding debt can be found in the notes on pages 66-73 and pages 130-136.*

1 - Expenses do not include depreciation.

2 - The City maintains Net Revenues in the Combined Utility in an amount which will be not less than 125% of the amount required to be paid for debt service, on bonds or Permitted Loans, by the City in the next succeeding fiscal year.

City of Newton, Kansas
Schedule of Bonded Indebtedness by Category
As of December 31, 2023

Type of Debt	Date of Issue	Final Maturity	Interest Rates %	Original Principal Amount	Principal Outstanding 1/1/2023	Issued	Retired	Refunded	Principal Outstanding 12/31/2023
General Obligation:									
Airport Improvements	09-01-04	09-01-24	5.25-6.00	$ 515,000	$ 85,000	$ -	$ 40,000	$ -	$ 45,000
Int Imp/Water/Sewer/Refunding	09-01-12	09-01-24	2.00-2.10	3,570,000	750,000	-	375,000	-	375,000
Improvements/Land Purchase	10-30-15	09-01-26	2.00-3.10	1,130,000	485,000	-	115,000	-	370,000
Int Imp/Airport/Street/Water	12-18-15	09-01-36	3.00	2,570,000	2,570,000	-	-	-	2,570,000
Internal Improvements	12-30-15	09-01-27	2.00-3.00	2,500,000	1,220,000	-	230,000	-	990,000
Int Imp/Refunding	08-25-16	09-01-29	1.50-4.00	13,425,000	9,150,000	-	1,345,000	-	7,805,000
Internal Improvements	12-05-18	09-01-38	3.00-4.00	2,125,000	1,890,000	-	55,000	-	1,835,000
Internal Improvements	12-05-18	09-01-33	3.00-4.10	1,490,000	1,155,000	-	85,000	-	1,070,000
Int Impr/IRB Refunding	06-11-20	09-01-36	3.00-3.45	6,015,000	5,425,000	-	325,000	-	5,100,000
Int Imp/Water/Sewer/Refunding	12-07-20	09-01-40	2.00-3.50	9,575,000	8,205,000	-	455,000	-	7,750,000
Int Impr/Conf Center Refunding	12-07-20	09-01-30	2.00-3.00	1,790,000	1,465,000	-	170,000	-	1,295,000
Int Imp/Water/Sewer/Refunding	11-04-21	09-01-33	1.75-4.00	5,965,000	5,155,000	-	805,000	-	4,350,000
Internal Improvements	06-27-23	09-01-43	4.00-5.00	-	-	3,870,000	-	-	3,870,000
Total General Obligation Bonds				60,265,000	37,555,000	3,870,000	4,000,000	-	37,425,000
Other:									
Kansas Water Pollution Control	09-30-08	03-01-30	2.85	9,000,000	2,927,747	-	383,593	-	2,544,154
Kansas Public Water Supply	08-01-09	08-01-29	3.75	651,533	249,036	-	34,510	-	214,526
Kansas Public Water Supply	08-17-09	02-01-30	3.37	2,011,842	739,924	-	95,406	-	644,518
Kansas Water Pollution Control	11-01-13	03-01-35	2.83	16,850,860	7,098,503	-	474,100	-	6,624,403
Kansas Public Water Supply	11-08-21	08-01-43	1.26	5,200,000	800,856	2,012,142	-	-	2,812,998
Total Other				33,714,235	11,816,066	2,012,142	987,609	-	12,840,599
Total Indebtedness				$ 93,979,235	$ 49,371,066	$ 5,882,142	$ 4,987,609	$ -	$ 50,265,599

City of Newton, Kansas
Schedule of Industrial Revenue Bonds by Obligee *
As of December 31, 2023

Obligated Entity or Purpose	Series	Issue Date	Final Maturity	Original Principal Amount	Principal Outstanding 1/1/2023	Issued	Retired	Principal Outstanding 12/31/2023
Newton Healthcare Corp.	2008	08/21/08	11/15/24	$ 11,385,000	$ 1,875,000	$ -	$ 915,000	$ 960,000
				$ 11,385,000	1,875,000	-	915,000	960,000

Note:

** Issuance of these industrial revenue bonds is authorized by KSA 12 - 1740 et seq. KSA 12 - 1743 states in pertinent part "…The principal and interest of said bonds shall be payable solely and only from the special fund herein provided for such payments, and said bonds shall not in any respect be a general obligation of such city, nor shall they be payable in any manner by taxation…".*

City of Newton, Kansas
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	School District 373 Enrollment (3)	Unemployment Rate % (4)
2014	19,120	$808,317,120	$42,276	3,749	3.70%
2015	19,216	$844,658,496	$43,956	3,700	3.70%
2016	19,105	$733,039,745	$38,369	3,646	4.40%
2017	18,869	$723,890,316	$38,364	3,539	3.40%
2018	18,746	$759,606,666	$40,521	3,497	2.80%
2019	18,861	$793,237,077	$42,057	3,546	2.60%
2020	19,099	$848,301,184	$44,416	3,506	4.00%
2021	18,744	$875,307,312	$46,698	3,267	2.00%
2022	18,433	$915,050,986	$49,642	3,225	2.40%
2023	18,392	$933,798,624	$50,772	3,172	2.90%

Sources:

(1) Population estimates are taken from the Kansas Division of the Budget.

(2) Bureau of Economic Analysis, for Harvey County, Kansas

(3) School District 373 enrollment only. Private schools are not included.

(4) Harvey County Economic Development Council, Inc.

City of Newton, Kansas
Principal Employers
Current Year and Nine Years Ago

	2023			2014		
Employer *	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
NMC Health	875	1	5.2%	560	2	3.4%
Unified School District #373	852	2	5.0%	847	1	5.1%
BNSF Railway Company	380	3	2.2%	380	4	2.3%
Wal-Mart	271	4	1.6%	275	5	1.7%
Prairie View Hospital	252	5	1.5%	258	6	1.6%
Dillons Stores	243	6	1.4%	213	7	1.3%
ResCare Kansas	213	7	1.3%	209	8	1.3%
City of Newton	209	8	1.2%	206	9	1.2%
Asbury Park	205	9	1.2%			
Harvey County	175	10	1.0%	182	10	1.1%
Masterbrand				400	3	2.4%
Total	3,675		21.7%	3,530		21.3%

Source:
Harvey County Economic Development Council, Inc.

City of Newton, Kansas

Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Administration	17	17	16	17	15	17	19	17	16	16
Park and Cemetery	12	14	13	13	13	13	13	12	12	11
Law Department	4	4	2	2	2	2	3	3	3	3
Municipal Court	5	5	5	5	5	5	5	5	5	5
Information Technology	2	2	2	1	1	1	1	1	1	2
Historic Preservation Planner	1	1	-	-	-	-	-	-	-	-
Convention Visitors Bureau	1	1	1	1	1	1	1	1	1	-
Public Safety										
Fire/EMS	49	49	48	50	51	51	51	52	50	52
Police	38	38	40	42	41	40	41	43	44	42
Public Works										
Engineering	9	8	8	8	9	7	7	8	8	9
Facility Operations	2	3	4	4	4	4	4	4	5	4
Street Division	17	16	17	17	15	18	18	18	16	17
Shop Services	4	3	3	3	3	3	3	3	4	3
Water	14	13	13	13	13	14	14	14	16	16
Wastewater	10	10	12	12	11	11	10	9	10	13
Sanitation	8	8	8	7	8	8	9	8	8	8
Airport	5	6	5	6	6	6	6	6	7	8
Meridian Center	-	-	-	-	-	-	-	4	3	2
Total	198	198	197	201	198	201	205	208	209	211

Source: *City of Newton Human Resource Department*

City of Newton, Kansas

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fire										
Emergency Medical Service calls	3,095	3,081	3,198	3,211	3,189	3,197	3,157	3,505	3,743	3,379
Fire calls	562	567	586	535	477	436	433	635	537	624
Fire inspections	807	763	39	826	811	810	761	649	730	611
Police										
Total calls	41,905	41,234	33,283	27,475	25,971	25,585	22,063	23,152	21,886	25,413
Reported crimes	1,163	1,449	1,430	1,444	1,356	1,098	970	1,104	895	821
Adult arrests	1,951	2,071	1,660	1,911	1,874	1,745	1,214	1,454	1,295	1,170
Juvenile arrests	216	239	249	341	342	301	151	192	169	265
Engineering Division										
New dwelling starts	12	17	21	116	11	9	15	13	20	36
Environmental caseload	1,211	1,103	913	930	1,077	1,062	1,060	896	983	1,071
Water										
Number of customers	7,719	7,760	7,756	7,764	7,854	7,866	7,876	7,902	7,925	7,959
Annual Consumption *(thousands of cubic feet)*	86,695	82,834	73,892	75,079	79,940	72,388	78,064	78,169	82,023	83,604
Street										
Miles of streets overlayed or resurfaced	1.95	0.91	1.07	1.15	0.25	1.50	2.75	1.81	1.02	1.07
Square yards of streets sealed	132,440	190,767	202,256	129,399	155,091	117,370	10,170	149,876	296,966	175,362
Sanitation										
Tonnage landfilled	4,583	4,778	4,881	4,806	4,837	5,031	6,731	6,924	6,869	6,945
Tonnage recycled	1,691	1,636	1,590	1,537	1,535	1,510	402	310	98	-

Source: *Various city departments*

City of Newton, Kansas

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Area of City *(acres)*	9,134.42	9,312.37	9,343.62	9,346.71	9,385.01	9,385.78	9,503.92	9,517.95	9,533.70	9,532.29
Fire/EMS										
Stations	3	3	3	3	3	3	3	3	3	3
Firefighter/EMTs	46	46	45	45	44	45	45	45	44	46
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Police officers	32	32	35	35	35	35	36	36	37	38
Street Division										
Miles of City streets - paved	28.16	28.89	29.51	29.85	29.85	29.97	29.97	29.97	30.47	31.07
Miles of City streets - blacktop	93.64	93.05	92.49	92.49	92.60	92.60	92.60	92.60	92.60	92.67
Miles of City streets - gravel	9.32	9.32	9.32	9.32	9.21	9.21	9.21	9.21	9.21	9.21
Miles of City streets - unimproved	14.18	14.04	14.75	14.41	14.53	14.53	14.53	14.53	14.03	14.03
Street employees	17	16	17	17	15	18	18	18	16	17
Water										
Water mains *(miles)*	156.24	156.82	156.98	157.37	157.37	159.18	160.76	160.97	162.16	162.32
Wastewater										
Sanitary sewer *(miles)*	121.26	121.63	121.70	122.35	122.78	122.93	122.93	122.93	123.60	123.66
Storm water sewer *(miles)*	19.72	20.12	20.59	20.92	20.96	21.08	21.08	21.08	21.35	21.42

Source: *Various city departments*

CITY DATA REPORT
NEWTON, KANSAS
For Year Ending: 12/31/2023

1. *STREETS*			
A.	Total miles of streets (center line), as of December 31, 2023	146.98	miles
B.	Miles of streets paved, curbed & guttered in 2023	0.67	miles
C.	Streets annexed in 2023	0.00	miles
D.	Miles of different types of street surface		
1.	Paved (concrete)	31.07	miles
2.	Blacktop (various types of bases)	92.67	miles
3.	Gravel / Sand	9.21	miles
4.	Unimproved	14.03	miles
2. *STREET MAINTENANCE*			
A.	Miles of streets overlayed or resurfaced in 2023	1.07	miles
B.	Square Yards of streets sealed in 2023	175,362	SY
3. *SANITARY SEWER*			
A.	Total miles of Sanitary Sewer, as of December 31, 2023	123.66	miles
B.	Miles of Sanitary Sewer constructed in 2023	0.06	miles
C.	Total Sanitary Sewer Manholes as of December 31, 2023	2,467	
D.	Sanitary Sewer Manholes constructed in 2023	2	
4. *STORM WATER SEWER*			
A.	Total miles of Storm Water Sewer, as of December 31, 2023	21.42	miles
B.	Miles of Storm Water Sewer constructed in 2023	0.07	miles
5. *WATER LINES*			
A.	Total miles of Water lines, as of December 31,2023	162.32	miles
B.	Miles of Water Transmission lines, as of December 31, 2023	19.76	miles
C.	Miles of Water Distribution lines, as of December 31, 2023	142.56	miles
D.	Miles of Water lines constructed in 2023	0.11	miles
E.	Miles of Water lines acquired in 2023	0.05	miles
F.	Total Fire Hydrants as of December 31, 2023	923	
G.	Fire Hydrants constructed in 2023	2	
6. *AREA OF CITY OF NEWTON*			
A.	Total acres, as of December 31, 2023	9,532.29	acres
B.	Acres annexed in 2023	2.25	acres
C.	Acres de-annexed in 2023	3.66	acres

7. *SUBDIVISIONS*

A. Plat or PUD
1. Claassen 2nd Addition-Dillons Fuel Center
2. Fox Ridge Addition
3. Full Vision Addition
4. Newton Parks and Public Works Addition
5. Sand Creek Station 5th Addition
6. Vansickle Addition

7. ***SUBDIVISIONS*** *(cont.)*

B. New Subdivision Development (Construction)
   1. The Enclave Sanitary Sewer
   2. The Enclave Waterline
   3. The Enclave Paving/Drainage
   4. Full Vision Waterline
   5. Santa Fe Lindley Hall Waterline
   6. New Hope Shelter Waterline

C. New Phase of Existing Subdivision (Construction)
   1. Autumn Glen 3rd Addition Phase 1 Paving/Drainage
   2. Sand Creek Station 4th Addition Paving/Drainage

D. Capital Improvement Projects
   1. 1st Street Roundabout Paving
   2. City of Newton Wetland and Parking Lot
   3. 2023 Annual Overlay

E. Miscellaneous Projects
   1. Tree Pruning Area 6

8. ***BUILDING CONSTRUCTION PERMITS***

A. Total new single-family residence units and value for 2023	22	$	6,002,000
B. Multiple-family dwelling units			
1. Total number of dwelling units and value for 2023	14	$	1,855,000
C. Total new residential dwelling units and value for 2023	36	$	7,857,000
D. Total building permits issued in 2023	520	$	841,034

9. ***PARKS***

A. Total acres of Parks in City of Newton 297.83

B. Individual Parks (Name, Area, Date acquired)

Park	Location	Type	Acreage	Year Established
1. Themian	7th & Poplar	School	3.71	1875
2. Military	Broadway & Oak	Community	3.71	1871
3. Athletic	1st & W. Side Sand Creek	Community	38.99	1897
	Lot 5 & 6, Moore Addition	Community	0.13	1963
4. Washington	Pine & Washington Road (@ Slate Creek)	Community	9.43	1937
5. Parkview Heights	NE Side 5th & Pine, N Side Creek	Linear	1.68	1941
6. Havens	12th & Oak	Neighborhood	0.88	1950
7. Park Place	W. Side Sand Creek (between 5th & Broadway)	Linear	0.64	1950
8. Blaine	East 4th - Cemetery (both sides creek to Blaine)	Linear	1.33	1959
9. Greenwood Cemetery	Between 1st & 5th, Sherman & 1-135	Community	62.00	1871
10. Rodeo Grounds	West 1st to Sand Creek (Creek to Grandview)	Community	13.00	1960
	Lots 1 & 3, BL. 5 Fairfield Distr.	Community	0.43	1961
11. Caperland	In Housing Addition (E. of 1-135, N. of Broadway) West 380 feet	Neighborhood	1.79	1963
12. Ash Street	10th & Ash	Neighborhood	4.55	1964
13. Bi-Centennial	NE Corner 14th & Kansas	Community	59.35	1971
14. East Centennial	Area E. of Centennial Park	Community	51.60	1979
15. West Centennial	W. Side of Kansas, Sledding Hill	Community	5.45	
16. Okerberg	W. part B1.44 @ Rec Center	Neighborhood	3.71	1974
17. Mid-town Arboretum	NW Corner 8th & Main	Neighborhood	1.38	1977
18. Depot Park	SE Corner 5th & Main	Pocket	0.18	1978

9. ***PARKS*** *(cont.)*

Park	Location	Type	Acreage	Year Established
B. Individual Parks (Name, Area, Date acquired) (cont.)				
19. Plum-Brook	Plum & Brookside, N. of Cherry Hills	Neighborhood	2.10	1981
20. Quail Creek	Block 2, Quail Creek Estates 3rd Addition	Neighborhood	1.78	1985
21. Veazey	N. of 14th @ Oak, side Sand Creek	Pocket	1.35	1987
22. Sherman	SE Corner 12th & Sherman	Neighborhood	2.75	1981
23. Roosevelt	SE Corner Broadway & Magnolia	Neighborhood	2.15	2007
24. Lincoln Park	Elm & West 6th Streets	Neighborhood	0.63	2002
25. Railroad Park	From W. 1st to N. Main	Linear	1.73	2005
26. Springlake R Michael Rhoades	110 Springlake Dr	Neighborhood	12.00	2009
27. Wetland Park	1012 SW 14th Street	Community	9.40	2023
C. Total miles of Bike-Hike Path			6.96	miles
Miles of Bike-Hike Path constructed in 2023			0.00	miles

10. ***ELEVATIONS AT VARIOUS POINTS***

A. At the south side of the Main Street entrance to the old Post Office Building, and in the stone step, a standard disk, "X21 1934" , Elevation 1451.710.

B. In the stone base of the West wall of the Atchinson, Topeka and Santa Fe Railway Station, 17 1/2 feet north of the southwest corner of the building, and 14 inches above the Main Street sidewalk. A standard disk, stamped "Newton 1934", elevation 1447.976.

C. Newton Municipal Airport - highest point of runway 8-26 1533.46.

11. ***GEODETIC LOCATION***

A. Service Center

Latitude 38 degrees 01' 53.2"
Longitude 97 degrees 20' 08"

B. Newton Municipal Airport

Latitude 38 degrees 03' 19.2"
Longitude 97 degrees 16' 38"