Annual Comprehensive Financial Report

For the Fiscal Year Ended
December 31, 2024



City of Newton, Kansas

ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF NEWTON, KANSAS

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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, 2024

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Administration
Department

newton
KANSAS

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June 23, 2025

Newton City Commission City of Newton
201 E. Sixth Street
PO Box426
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, 2024. This Annual Comprehensive Report is a review of what occurred financially over the course of the 2024 fiscal year and serves as an analysis of our ability to manage the City's financial resources.

This is an exciting time in the community. In the following pages, you will see the continuing progress and growth that is the direct result of intentional and committed efforts by the City Commission and City staff. Items that are of note include continued increases in housing and building starts, nearly double the number of streets resurfaced and community safety numbers holding steady. All our City Staff and department heads have been dedicating significant time and effort to keep our community safe, provide high quality services for our community and work to encourage growth in all sectors. This continued progress is only possible 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.

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 and 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. 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
City Manager

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Donna Pickman
Finance Director

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

June 23, 2025

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, 2024. 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 unmodified 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 an eight-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 3,159 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 847 employees. 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 2024 US Census bureau population estimate of 18,251 is located in the Wichita, Kansas, Metropolitan Area, approximately 20 miles north of Wichita itself. Newton is the 23rd largest city in Kansas. Eight hundred building permits were issued in 2024 for $189.9 million compared to $44 million in 2023. One hundred and nineteen of these permits were for residential homes with a value of $16.1 million, down from thirty-six in 2023 with a value of $7.8 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 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 completed on the first 1.9-million-gallon tank in 2024, and the second tank will be completed in late 2025.

GAF Materials Corporation
The City Commission approve 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. The Newton facility will create more than 130 highly skilled manufacturing jobs in management, engineering, and operations. Production is expected to begin in 2027.

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 City committed to fund $4.5 million toward the project. A volunteer fundraising committee raised $3.2 million in private funds. In December 2022, a construction contract was awarded to Dondlinger Construction for $7,805,500. Construction began in February 2023 and was completed on April 1st, 2024. The total project cost was $9,698,955.

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 was bonded through special assessments in the fall of 2024.

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, planned a mix of large single-family houses and duplex units. The development is being built in two phases. Petitions were approved in January 2023 for water, sewer, streets, and intersections for phase one of the addition. At the end of 2024, 29 duplex permits for 58 living spaces and 11 triplex permits were issued for 33 living spaces. The first phase of special assessments will be bonded in third quarter of 2025.

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 is being phased so that construction of the new bridge will be completed before removing the existing structure. Construction is scheduled for completion in December 2025. The City's share was $344,916 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 began construction in 2024. They intend to create approximately 50 new full-time jobs at the Newton plant, with an average salary of $58,000.

Bike Path Extension
KDOT approved a $3 million dollar grant to the City for extension of the bike path from the Sand Creek dam to SW 14th Street. The new path would eliminate the remaining gap in the bike path, creating a continuous off-road trail from Sand Creek Station Golf Course on the south end all the way to Bethel College on the north. It would also create walking/biking access to the new Rhoades Wetland Park on SW 14th Street. The pre-design project is estimated to cost $3.6 million, making the City's share about $728,000. Due to the many creek crossings, right-of-way acquisitions and working with BNSF Railway, KDOT expects to bid the project by September 2026.

Police Training Facility
The City purchased the building across from City Hall in August of 2023 for a Police Training Facility. The Police Department needed space to train staff, hold large meetings of the entire force, and have space for other tasks as the need arises. The building received a new roof and interior remodel. The remodel was completed in February of 2025.

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 to approve 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, 2024, illustrating the concept noted above.

TABLE I
CITY OF NEWTON
GENERAL OBLIGATION BOND DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2024

Year	Principal	Interest	Total
2025	$ 4,365,000	$ 1,467,504	$ 5,832,504
2026	$ 4,490,000	$ 1,342,750	$ 5,832,750
2027	$ 3,785,000	$ 1,185,550	$ 4,970,550
2028	$ 3,730,000	$ 1,055,737	$ 4,785,737
2029	$ 2,830,000	$ 928,430	$ 3,758,430
2030	$ 2,455,000	$ 827,240	$ 3,282,240
2031	$ 2,105,000	$ 738,915	$ 2,843,915
2032	$ 2,175,000	$ 668,746	$ 2,843,746
2033	$ 2,255,000	$ 594,376	$ 2,849,376
2034	$ 2,050,000	$ 517,149	$ 2,567,149
2035	$ 2,065,000	$ 442,374	$ 2,507,374
2036	$ 1,975,000	$ 372,666	$ 2,347,666
2037	$ 1,365,000	$ 307,344	$ 1,672,344
2038	$ 1,420,000	$ 260,944	$ 1,680,944
2039	$ 1,205,000	$ 212,644	$ 1,417,644
2040	$ 1,245,000	$ 173,044	$ 1,418,044
2041	$ 840,000	$ 131,400	$ 971,400
2042	$ 880,000	$ 97,800	$ 977,800
2043	$ 910,000	$ 62,600	$ 972,600
2044	$ 655,000	$ 26,200	$ 681,200

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 $1,546 and net bonded debt represents 16.51% of assessed value. It has been possible to finance improvements without jeopardizing these common indicators.

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.

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
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	22.55%	2.99%	$ 1,561
2022	$ 26,587,247	19.13%	2.77%	$ 1,442
2023	$ 22,272,136	14.66%	1.99%	$ 1,211
2024	$ 28,211,450	16.51%	2.26%	$ 1,546

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 10% of revenues. Examples of services the City charges for include ambulance fees, administrative fees, rural fire services and rural ambulance service. 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 contracts with each municipality. The City is also the sole provider of residential refuse services.

The entire water production system is modern and 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 $141.90. This remains competitive with other communities in Kansas. The City Commission approved raising water and sewer rates starting in January of 2024.

Airport

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 activities at the airport consist 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. In July of 2024, the City Commission approved moving forward with the Runway 8-26 Reconstruction Project. This project will replace the runway pavement with a mill and overlay, with other repairs and markings. The project will be paid with FAA funding 90% and 10% will be a City and County split.

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 principle.
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, 2024, financial statements is included.

Administrative Officials

Daniela Rivas was hired on January 8, 2024, as City Manager. 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, 2023. 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 comprehensive annual 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-four consecutive years (fiscal years ended 1989-2023). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

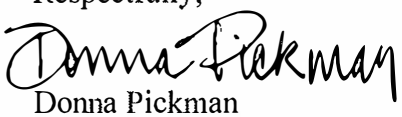
Acknowledgements

I sincerely appreciate the cooperation and dedicated efforts required by 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.

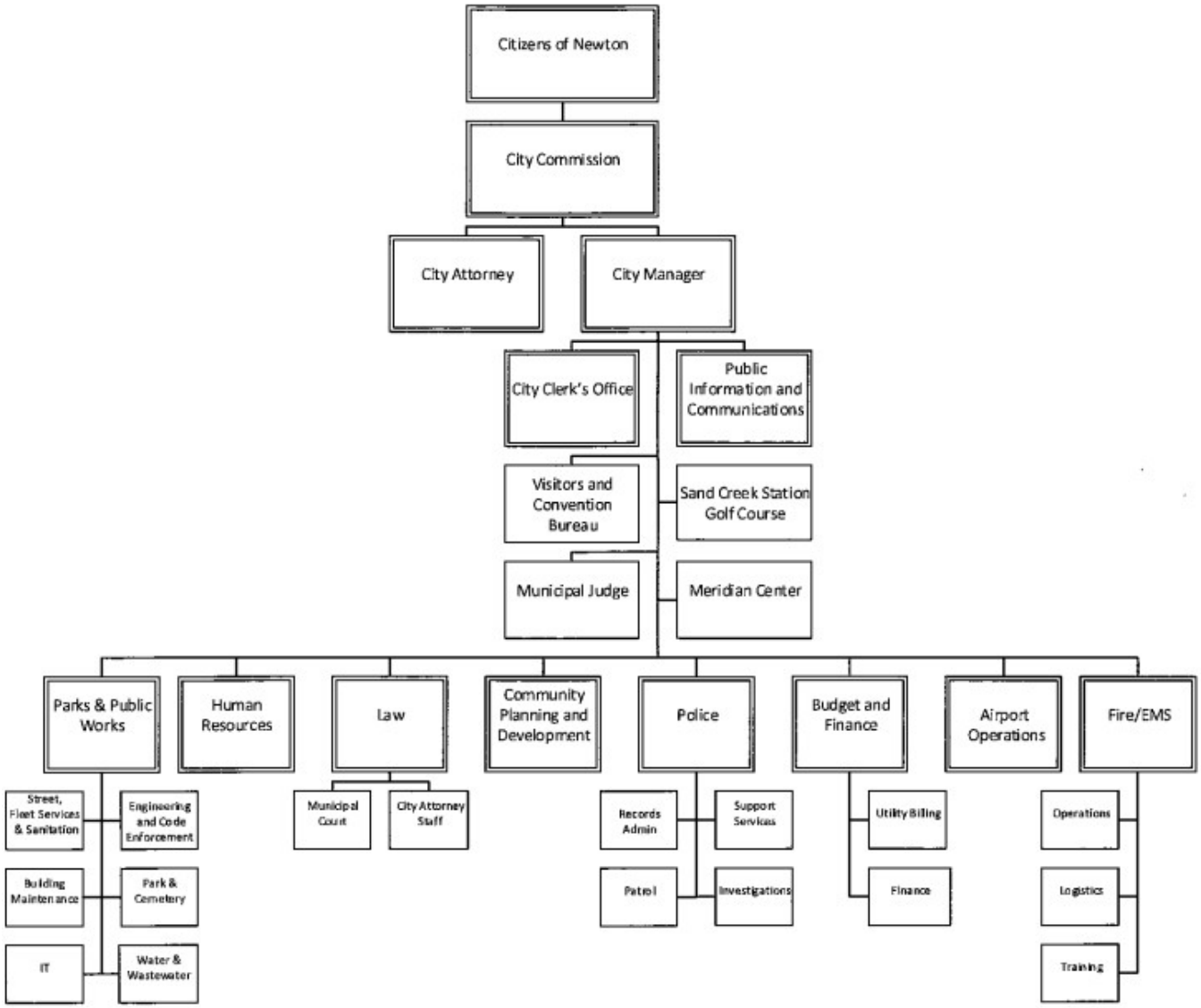
I express special appreciation to the City Commissioners and City Manager Daniela Rivas, for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Newton's finances.

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, 2023

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

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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General 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%, 75% and 54%, respectively, of the assets, net position and revenues of the aggregate discretely presented component units as of and for the year ended December 31, 2024. 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.

Emphasis of Matter

As described in Note 19 to the financial statements management re-evaluated fund classifications and determined that the Airport Fund previously classified as a special revenue fund should be reclassified as an enterprise fund resulting in a change within the financial reporting entity which is presented consistent with the requirements of newly implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*. Our opinion is not modified with respect to this matter.

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

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 23, 2025
Topeka, Kansas

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, 2024. 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-xii 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 $117,692,723. Of this amount $33,172,337 (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 4.32% to $117.7 million and unrestricted net position increased 7.69% to $33.1 million as a result of this year's operations.

- At the end of 2024, the combined unassigned and assigned fund balance for the General Fund was $21,564,776 or 89.78% of General Fund expenditures net of transfers. This is compared to $18,373,711 or 87.55% of General Fund expenditures in 2023. 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 increased $5,375,000 during 2024 to $42,800,000.

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, airport, golf course and conference center. The City of Newton has four component units, the Newton Public Library (discrete), the Newton Public Building Commission (blended), the Land Bank (discrete), 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 kinds 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 $117,692,723 at the close of 2024, the most recent fiscal year. This represents an increase of 4.32% as compared to the close of 2023.

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.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 46,924,998	$ 46,559,651	$ 31,278,031	$ 26,403,619	$ 78,203,029	$ 72,963,270
Capital assets, non-depreciable	7,024,672	13,611,794	11,608,161	6,851,097	18,632,833	20,462,891
Capital assets, net of depreciation	47,937,559	56,377,811	77,116,984	60,059,011	125,054,543	116,436,822
Total Assets	101,887,229	116,549,256	120,003,176	93,313,727	221,890,405	209,862,983
Deferred Outflows of Resources	5,509,594	7,008,125	1,419,101	1,592,895	6,928,695	8,601,020
Long-term liabilities outstanding	58,086,343	52,174,919	31,381,284	32,493,020	89,467,627	84,667,939
Other liabilities	2,259,260	3,395,238	909,270	692,217	3,168,530	4,087,455
Total Liabilities	60,345,603	55,570,157	32,290,554	33,185,237	92,636,157	88,755,394
Deferred Inflows of Resources	12,935,629	16,778,342	5,554,591	112,413	18,490,220	16,890,755
Net Position:						
Net Investment in Capital Assets	18,853,423	40,641,585	61,878,489	37,621,927	80,731,912	78,263,512
Restricted	3,788,474	3,751,358	-	-	3,788,474	3,751,358
Unrestricted	11,473,694	6,815,939	21,698,643	23,987,045	33,172,337	30,802,984
Total Net Position	$ 34,115,591	$ 51,208,882	$ 83,577,132	$ 61,608,972	$ 117,692,723	$ 112,817,854

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 $ $33,172,337 may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position increased by $2,369,354 or 7.69%.

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, 2024

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for services	$ 4,617,752	$ 5,074,348	$ 19,234,341	$ 17,341,940	$ 23,852,093	$ 22,416,288
Operating grants and contributions	150,701	179,632	-	-	150,701	179,632
Capital grants and contributions	3,168,085	3,402,841	-	-	3,168,085	3,402,841
General Revenues						
Property taxes and special assessments	12,252,745	10,837,322	325,174	157,150	12,577,919	10,994,472
Sales taxes	7,058,065	6,947,498	-	-	7,058,065	6,947,498
Franchise taxes	1,629,446	1,652,552	-	-	1,629,446	1,652,552
Excise Taxes	302,614	239,693	-	-	302,614	239,693
Intergovernmental, not restricted to specific programs	639,181	800,000	90,000	-	729,181	800,000
Interest income	1,831,497	1,475,729	195,917	85,699	2,027,414	1,561,428
Other	3,877,194	3,198,515	-	101,177	3,877,194	3,299,692
Total Revenues	35,527,280	33,808,130	19,845,432	17,685,966	55,372,712	51,494,096
Expenses						
General government	7,240,503	4,856,842	-	-	7,240,503	4,856,842
Public safety	14,650,718	14,569,876	-	-	14,650,718	14,569,876
Highway and streets	6,543,141	5,234,449	-	-	6,543,141	5,234,449
Culture and recreation	1,718,457	1,582,261	-	-	1,718,457	1,582,261
Airport	-	1,553,537	-	-	-	1,553,537
Interest and fiscal charges	1,364,363	978,256	-	-	1,364,363	978,256
Sewer	-	-	5,882,534	5,567,243	5,882,534	5,567,243
Sanitation	-	-	2,095,589	2,090,043	2,095,589	2,090,043
Waterworks	-	-	5,155,981	4,254,542	5,155,981	4,254,542
Airport	-	-	2,424,185	-	2,424,185	-
Golf Course	-	-	2,395,574	2,068,699	2,395,574	2,068,699
Public Building Commission	-	-	519,227	491,365	519,227	491,365
Meridian Center	-	-	507,571	525,837.00	507,571	525,837
Total Expenses	31,517,182	28,775,221	18,980,661	14,997,729	50,497,843	43,772,950
Excess (Deficiency) before transfers	4,010,098	5,032,909	864,771	2,688,237	4,874,869	7,721,146
Transfers	(425,695)	(712,533)	425,695	712,533	-	-
Change in Net Assets	3,584,403	4,320,376	1,290,466	3,400,770	4,874,869	7,721,146
Net Position, Beginning of the Year as previously repo	51,208,882	46,888,506	61,608,972	58,208,202	112,817,854	105,096,708
Change within financial reporting entity	(20,677,694)	-	20,677,694	-	-	-
Net Position, beginning of year as adjusted	30,531,188	46,888,506	82,286,666	58,208,202	112,817,854	105,096,708
Net Position, End of the Year	$ 34,115,591	$ 51,208,882	$ 83,577,132	$ 61,608,972	$ 117,692,723	$ 112,817,854

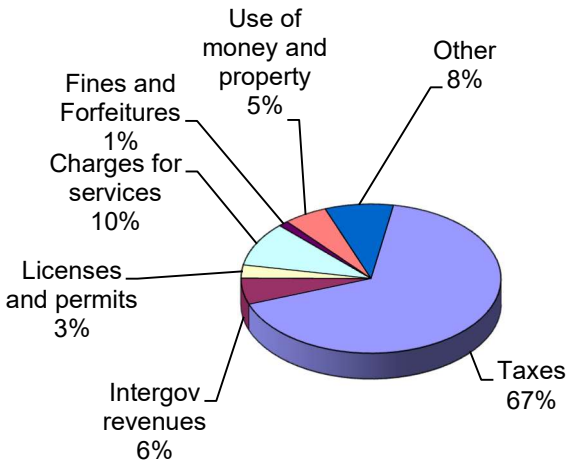
Governmental Activities

Table 3 presents the cost of the City's four largest governmental activities—general government; public safety; highway and streets, public works; 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

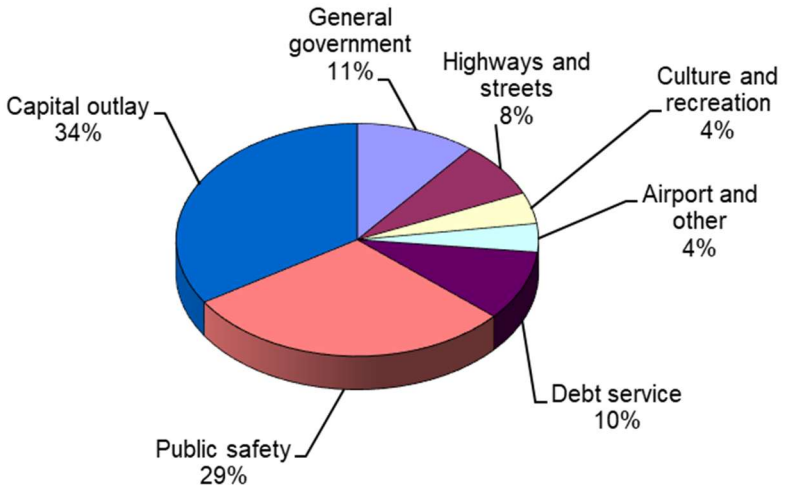
	Total Cost of Services	Net Cost of Services
General government	$ 7,240,503	$ 5,486,052
Public safety	14,650,718	11,383,814
Highway & streets and public works	6,543,141	3,726,150
Culture and recreation	1,718,457	1,620,265
Totals	$ 30,152,819	$ 22,216,281

Source of Revenue



- Property tax revenue increased $1,415,423 or 13.06% for the year 2024 as compared to 2023 primarily due to an increase in taxable property values.
- The City saw an increase in Sales Tax, Licenses and Permits, Fine and Forfeitures, and Use of Money due to outstanding growth in the residential housing market.
- The City saw a decrease in Intergovernmental revenues as COVID funding has come to an end.
- Charges for Services decreased for governmental activities due to the reclassification of the Airport Fund from a Special Revenue Fund to an enterprise fund.

Functional Expenses



Business-type Activities

Business-type activities increased the City's net position by $21,968,160 to $83,577,132 during 2024. The majority of this increase was due to a reclassification of the Airport Fund from a special revenue fund to an enterprise fund in the amount of $20,677,694, which is further described in Note 19 of the Notes to Financial Statements on page 76. Table 4 presents the cost of the City's seven business-type activities and blended component unit--Sewer, Sanitation, Water, Airport, Golf Course, 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	$ 5,882,534	$ 1,142,730
Sanitation	2,095,589	191,295
Waterworks	5,155,981	504,263
Airport	2,424,185	(1,155,883)
Golf Course	2,395,574	(245,104)
Public Building Commission	519,227	33,139
Meridian Center	507,571	(216,760)
Totals	$ 18,980,661	$ 253,680

- 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 were updated in January 2024, and this extra fee is no longer in effect.

- The 2024-2029 Capital Improvement Plan is approximately $52.5 million. The CIP is funded through a combination of City, State and Federal funds.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

On December 31, 2024, the City's governmental funds reported combined fund balance of $20,283,179, a $3,980,654 increase from 2023.

- The General Fund is the major operating and taxing fund for the City of Newton. The beginning total fund balance was $18,889,905. In 2024 the ending balance was $21,980,829, an increase of $3,090,924 or 16.36% over 2023. In 2024, revenues exceeded expenditures by $2,267,727, the fund balance in the General Fund increased due to interest earned on the City's investment of idle funds and licenses & permits due to a major increase in residential housing starts. One hundred and nineteen permits were issued for residential homes in 2024 with a value of $16.1 million.
- The Bond & Interest Fund reflected an increase of $428,908. The Bond & Interest Fund balance at year end 2024 was $2,381,511.
- The Capital Projects Fund accounts for major capital projects in Newton. The fund reflects an ending balance of ($6,353,513). This is compared to the 2023 balance of ($7,248,072), 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 will be issued in September of 2025.
- In Other Governmental Funds, the ending fund balance is $2,274,352, a decrease of $18,196 or 0.79%.

General Fund Budgetary Highlights

The General Fund actual revenues exceeded budgeted revenues by $2,410,270 for 2024. Higher than anticipated revenue from sales tax, licenses & permits, and interest on idle funds accounted for this increase.

- General Fund tax revenues, actual vs. budget, reflected a positive variance of $760,094. This increase was due to continued high sales tax revenues and property tax revenue. Although the assessed valuation increased by 12.75%, the City Commission decreased the levy by one mill resulting in a smaller increase than could have been expected.

- General Fund expenditures in 2024 were $23,693,953 compared to $23,483,105 in 2023. This reflects a $210,848 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 2024, the City had $143,687,376 (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 $6,787,663. Construction in progress decreased ($1,831,602), although construction is still in progress for the 1.9 million gallon water tank a decrease resulted due to the completion of the Newton Public Library building. Building and Improvements increased $7,415,425. Machinery and Equipment decreased $305,177. Utility Service Lines and Infrastructure increased $15,155,498. This increase was mainly due to the reclassification of Airport from a special revenue fund to an enterprise fund which is further described in Note 19 of the Notes to Financial Statements on page 76. General Infrastructure had a net decrease of ($14,066,949). Right-to-use leased assets had a net decrease of ($129,157) and subscription assets had a net decrease of ($62,273). Additional information on the City of Newton's capital assets can be found in Note 7 of the Notes to Financial Statements, on pages 44-47.

The City's five-year Capital Improvement Plan reflects appropriations for construction, improvements to, or acquisition of an additional $52.5 million worth of capital assets for fiscal 2024 through 2029. 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.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 3,596,487	$ 5,428,169	$ 3,466,831	$ 1,633,605	$ 7,063,318	$ 7,061,774
Buildings and improvements	16,348,205	10,483,692	34,849,109	33,298,197	51,197,314	43,781,889
Machinery and equipment	3,028,065	3,173,678	3,048,875	2,598,085	6,076,940	5,771,763
General infrastructure	28,467,698	42,534,647	-	-	28,467,698	42,534,647
Utility service lines	-	-	38,967,260	23,811,762	38,967,260	23,811,762
Right-to-use assets	5,685	44,348	233,603	324,097	239,288	368,445
Subscription assets	87,906	141,446	18,137	26,870	106,043	168,316
Construction in progress	3,428,185	8,183,625	8,141,330	5,217,492	11,569,515	13,401,117
Total capital assets	$ 54,962,231	$ 69,989,605	$ 88,725,145	$ 66,910,108	$ 143,687,376	$ 136,899,713

Debt

On December 31, 2024, the City had total general obligation debt outstanding of $42,800,000 backed by the full faith and credit of the government. The remainder of the City bonded debt represents revenue bonds outstanding of $4,615,000. The City is obligated for $13,402,831 of state revolving fund loans secured solely by specified revenue sources and $317,355 in connection with lease obligations and subscription liabilities. Total City indebtedness as of December 31, 2024, is $63,444,611.

Additional information of the City of Newton's long–term debt can be found in Note 12, of the Notes to Financial Statements, on pages 65-72.

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 2024 population was 661,217. The Harvey County 2024 population of 33,642 had a per capita personal income (PCPI) of $54,695. This PCPI was 80% of the state average, $68,038, and 75% of the national average, $72,512. The 2024 PCPI reflected an increase of 7.7% from 2023. The Harvey County Civilian Labor Force was 17,845 with an unemployment rate of 3.6%.

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, 2024

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Public Library	Land Bank	Housing Authority
Assets:						
Cash and investments	$ 22,675,509	$ 22,066,094	$ 44,741,603	$ 2,039,638	$ 13,667	$ 855,357
Receivables (net of an allowance for uncollectibles):						
Property tax	11,622,944	102,751	11,725,695	-	-	-
Special assessment tax	7,834,386	-	7,834,386	-	-	-
Sales tax	1,531,430	-	1,531,430	-	-	-
Franchise tax	163,919	-	163,919	-	-	-
Due from other governments	-	-	-	-	-	68,019
Accounts	530,116	2,305,392	2,835,508	-	-	5,663
Leases	-	5,484,296	5,484,296	-	-	-
Note receivable from component unit	1,300,000	-	1,300,000	-	-	-
Other	264,157	45,335	309,492	-	-	138
Internal balances	(28,843)	28,843	-	-	-	-
Prepaid items	487,853	3,713	491,566	-	-	2,957
Inventory	128,298	378,190	506,488	-	-	15,655
Restricted assets:						
Cash and investments	415,229	863,417	1,278,646	-	-	40,505
Capital assets:						
Capital assets not being depreciated	7,024,672	11,608,161	18,632,833	-	-	191,252
Other capital assets, net	47,937,559	77,116,984	125,054,543	534,305	-	1,994,336
Total assets	101,887,229	120,003,176	221,890,405	2,573,943	13,667	3,173,882
Deferred outflows of resources:						
Deferred charge on refunding	246,113	243,034	489,147	-	-	-
Deferred outflows - OPEB	1,077,235	100,193	1,177,428	3,338	-	-
Deferred outflows - pension	4,186,246	1,075,874	5,262,120	105,825	-	71,826
Total deferred outflows of resources	5,509,594	1,419,101	6,928,695	109,163	-	71,826
Liabilities:						
Accounts payable	1,272,065	296,826	1,568,891	4,930	-	101,560
Accrued expenses	412,454	157,105	569,559	-	-	11,355
Accrued interest payable	399,950	232,108	632,058	-	-	-
Note payable to primary government	-	-	-	1,300,000	-	-
Claims payable	137,526	-	137,526	-	-	-
Unearned revenues	37,265	223,231	260,496	-	-	2,701
Noncurrent liabilities:						
Due within one year	3,392,194	3,161,570	6,553,764	25,226	-	20,676
Due in more than one year	54,694,149	28,219,714	82,913,863	381,333	-	227,827
Total liabilities	60,345,603	32,290,554	92,636,157	1,711,489	-	364,119
Deferred inflows of resources:						
Deferred receivable - property taxes	11,622,944	102,751	11,725,695	-	-	-
Deferred receivable - leases	-	5,275,686	5,275,686	-	-	-
Deferred inflows - OPEB	623,991	46,635	670,626	5,348	-	-
Deferred inflows - pension	688,694	129,519	818,213	20,113	-	19,887
Total deferred inflows of resources	12,935,629	5,554,591	18,490,220	25,461	-	19,887
Net position:						
Net investment in capital assets	18,853,423	61,878,489	80,731,912	534,305	-	2,160,901
Restricted for:						
Community development	892,164	-	892,164	-	-	-
Cemetery perpetual care - nonexpendable	508,945	-	508,945	-	-	-
Debt service	1,981,561	-	1,981,561	-	-	-
Law enforcement	184,964	-	184,964	-	-	-
Other	220,840	-	220,840	-	-	-
Unrestricted	11,473,694	21,698,643	33,172,337	411,851	13,667	700,801
Total net position	$ 34,115,591	$ 83,577,132	$ 117,692,723	$ 946,156	$ 13,667	$ 2,861,702

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

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: Land Bank	Component Units: Housing Authority
Primary government:										
Governmental activities:										
General government	$ 7,240,503	$ 1,350,848	$ 63,821	$ 339,782	$ (5,486,052)	$ -	$ (5,486,052)	$ -	$ -	$ -
Public safety	14,650,718	3,266,904	-	-	(11,383,814)	-	(11,383,814)	-	-	-
Highway and streets	6,543,141	-	-	2,816,991	(3,726,150)	-	(3,726,150)	-	-	-
Culture and recreation	1,718,457	-	86,880	11,312	(1,620,265)	-	(1,620,265)	-	-	-
Interest and fiscal charges	1,364,363	-	-	-	(1,364,363)	-	(1,364,363)	-	-	-
Total governmental activities	31,517,182	4,617,752	150,701	3,168,085	(23,580,644)	-	(23,580,644)	-	-	-
Business-type activities:										
Sewer	5,882,534	7,025,264	-	-	-	1,142,730	1,142,730	-	-	-
Sanitation	2,095,589	2,286,884	-	-	-	191,295	191,295	-	-	-
Waterworks	5,155,981	5,660,244	-	-	-	504,263	504,263	-	-	-
Airport	2,424,185	1,268,302	-	-	-	(1,155,883)	(1,155,883)	-	-	-
Golf course	2,395,574	2,150,470	-	-	-	(245,104)	(245,104)	-	-	-
Public building commission	519,227	552,366	-	-	-	33,139	33,139	-	-	-
Meridian Center	507,571	290,811	-	-	-	(216,760)	(216,760)	-	-	-
Total business-type activities	18,980,661	19,234,341	-	-	-	253,680	253,680	-	-	-
Total primary government	$ 50,497,843	$ 23,852,093	$ 150,701	$ 3,168,085	(23,580,644)	253,680	(23,326,964)	-	-	-
Component units:										
Newton Public Library	$ 2,512,292	$ 23,472	$ 155,522	$ -				(2,333,298)	-	-
Land Bank	-	-	10,000	-				-	10,000	-
Housing Authority	1,340,267	919,447	351,630	163,386				-	-	94,196
Total component units	$ 3,852,559	$ 942,919	$ 517,152	$ 163,386				(2,333,298)	10,000	94,196
General revenues:										
Taxes:										
Property taxes					12,252,745	325,174	12,577,919	938,686	-	-
Sales taxes					7,058,065	-	7,058,065	-	-	-
Franchise taxes					1,629,446	-	1,629,446	-	-	-
Excise taxes					302,614	-	302,614	-	-	-
Investment earnings					1,831,497	195,917	2,027,414	129,685	202	23,411
Grants and contributions not restricted to specific programs					639,181	90,000	729,181	-	-	-
Other					3,823,912	-	3,823,912	-	3,465	-
Gain on disposals of capital assets					53,282	-	53,282	-	-	-
Transfers					(425,695)	425,695	-	-	-	-
Total general revenues and transfers					27,165,047	1,036,786	28,201,833	1,068,371	3,667	23,411
Change in net position					3,584,403	1,290,466	4,874,869	(1,264,927)	13,667	117,607
Net position, beginning of year as previously reported					51,208,882	61,608,972	112,817,854	2,211,083	-	2,744,095
Change within financial reporting entity					(20,677,694)	20,677,694	-	-	-	-
Net position, beginning of year as adjusted					30,531,188	82,286,666	112,817,854	2,211,083	-	2,744,095
Net position, end of year					$ 34,115,591	$ 83,577,132	$ 117,692,723	$ 946,156	$ 13,667	$ 2,861,702

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

	Major Funds					Total
	General*	Airport	Bond & Interest	Capital Projects	Total Nonmajor Funds	Governmental Funds
Assets:						
Cash and investments	$ 14,568,904	$ -	$ 2,381,511	$ -	$ 1,713,449	$ 18,663,864
Due from other funds	5,719,961	-	-	-	-	5,719,961
Receivables (net of allowance for uncollectibles):						
Property tax	9,161,465	-	1,496,744	-	964,735	11,622,944
Special assessment tax	-	-	7,834,386	-	-	7,834,386
Sales tax	1,531,430	-	-	-	-	1,531,430
Franchise tax	163,919	-	-	-	-	163,919
Accounts	530,116	-	-	-	-	530,116
Note receivable from component unit	-	-	1,300,000	-	-	1,300,000
Other	61,587	-	-	-	202,570	264,157
Prepaid items	416,053	-	-	-	-	416,053
Restricted assets:						
Cash and investments	-	-	-	-	415,229	415,229
Total assets	$ 32,153,435	$ -	$ 13,012,641	$ -	$ 3,295,983	$ 48,462,059
Liabilities:						
Accounts payable	$ 568,808	$ -	$ -	$ 633,552	$ 56,145	$ 1,258,505
Accrued expenses	405,068	-	-	-	751	405,819
Due to other funds	-	-	-	5,719,961	-	5,719,961
Unearned revenues	37,265	-	-	-	-	37,265
Total liabilities	1,011,141	-	-	6,353,513	56,896	7,421,550
Deferred inflows of resources:						
Unavailable revenue - note receivable	-	-	1,300,000	-	-	1,300,000
Unavailable revenue - property and special assessment taxes	9,161,465	-	9,331,130	-	964,735	19,457,330
Total deferred inflows of resources	9,161,465	-	10,631,130	-	964,735	20,757,330
Fund balances (deficits):						
Nonspendable:						
Prepaid items	416,053	-	-	-	-	416,053
Restricted:						
Debt service	-	-	2,381,511	-	-	2,381,511
Community development	-	-	-	-	892,164	892,164
Perpetual care	-	-	-	-	508,945	508,945
Law enforcement	-	-	-	-	184,964	184,964
Other purposes	-	-	-	-	220,840	220,840
Assigned:						
Capital asset acquisition	11,609,074	-	-	-	490,241	12,099,315
Other purposes	211,922	-	-	-	-	211,922
Unassigned	9,743,780	-	-	(6,353,513)	(22,802)	3,367,465
Total fund balances (deficits)	21,980,829	-	2,381,511	(6,353,513)	2,274,352	20,283,179
Total liabilities, deferred inflows of resources, and fund balances	$ 32,153,435	$ -	$ 13,012,641	$ -	$ 3,295,983	$ 48,462,059

* 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, 2024

Total fund balances in Governmental Funds Balance Sheet		$ 20,283,179
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.		54,962,231
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.		9,134,386
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	$ 246,113	
Deferred outflows - OPEB	1,077,235	
Deferred outflows - pension	4,186,246	5,509,594
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, not reported as liabilities in the funds.		(58,486,293)
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	(623,991)	
Deferred inflows - pension	(688,694)	(1,312,685)
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.		4,025,179
Net position of governmental activities		$ 34,115,591

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, 2024

	Major Funds					Total
	General*	Airport	Bond & Interest	Capital Projects	Total Nonmajor Funds	Governmental Funds
Revenues:						
Taxes:						
Property taxes	$ 9,692,935	$ -	$ 1,553,148	$ -	$ 1,006,662	$ 12,252,745
Sales taxes	6,972,249	-	-	-	85,816	7,058,065
Franchise taxes	1,629,446	-	-	-	-	1,629,446
Excise taxes	-	-	-	-	302,614	302,614
Special assessments	-	-	1,154,984	-	-	1,154,984
Intergovernmental	312,609	-	19,495	300,000	1,281,631	1,913,735
Licenses and permits	956,757	-	-	-	-	956,757
Charges for services	3,234,473	-	-	-	6,701	3,241,174
Fines, forfeitures and penalties	419,826	-	-	-	-	419,826
Interest	1,798,321	-	-	-	33,176	1,831,497
Other	1,270,726	-	280,134	1,277,020	35,699	2,863,579
Total revenues	26,287,342	-	3,007,761	1,577,020	2,752,299	33,624,422
Expenditures:						
Current:						
General government	3,904,317	-	-	485,515	1,221,520	5,611,352
Public safety	12,335,907	-	-	-	58,464	12,394,371
Highway and streets	3,293,637	-	-	-	-	3,293,637
Culture and recreation	1,429,481	-	-	-	89,673	1,519,154
Capital outlay	2,931,169	-	-	13,042,691	137,538	16,111,398
Debt service:						
Principal	121,671	-	2,970,994	-	-	3,092,665
Interest	3,433	-	929,567	-	-	933,000
Total expenditures	24,019,615	-	3,900,561	13,528,206	1,507,195	42,955,577
Excess (deficiency) of revenues over (under) expenditures	2,267,727	-	(892,800)	(11,951,186)	1,245,104	(9,331,155)
Other financing sources (uses):						
Transfers in	2,810,049	-	2,814,628	2,659,328	103,049	8,387,054
Transfers out	(2,060,593)	-	(1,492,920)	-	(1,366,349)	(4,919,862)
Issuance of subscription liabilities	19,741	-	-	-	-	19,741
Issuance of general obligation bonds	-	-	-	9,650,000	-	9,650,000
Issuance of bond premium	-	-	-	536,417	-	536,417
Sale of capital assets	54,000	-	-	-	-	54,000
Total other financing sources (uses)	823,197	-	1,321,708	12,845,745	(1,263,300)	13,727,350
Net change in fund balances	3,090,924	-	428,908	894,559	(18,196)	4,396,195
Fund balances, beginning of year, as previously reported	18,889,905	415,541	1,952,603	(7,248,072)	2,292,548	16,302,525
Change within financial reporting entity	-	(415,541)	-	-	-	(415,541)
Fund balances, beginning of year, as adjusted	18,889,905	-	1,952,603	(7,248,072)	2,292,548	15,886,984
Fund balances, end of year	$ 21,980,829	$ -	$ 2,381,511	$ (6,353,513)	$ 2,274,352	$ 20,283,179

* 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, 2024

Net change in fund balances - total governmental funds	$	4,396,195
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.		13,373,246
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, disposals, donations) is to decrease net position.		(7,556,569)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,838,268
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.		(6,976,775)
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.		(1,674,457)
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.		184,495
Change in net position of governmental activities	$	3,584,403

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, 2024

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues and other sources:			
Property tax	$ 9,306,821	$ 9,465,220	$ 158,399
Sales tax	6,200,000	6,972,249	772,249
Franchise tax	1,800,000	1,629,446	(170,554)
PILOT	760,793	738,793	(22,000)
Intergovernmental	751,881	76,680	(675,201)
Licenses and permits	387,500	956,757	569,257
Charges for services	2,466,200	3,234,473	768,273
Fines and fees	357,927	419,826	61,899
Interest	400,000	1,795,493	1,395,493
Other	40,000	54,198	14,198
Transfers in	1,686,981	1,225,238	(461,743)
Total revenues and other sources	24,158,103	26,568,373	2,410,270
Expenditures and other uses:			
Current:			
General government	3,099,954	2,853,506	(246,448)
Public safety	12,560,338	12,319,732	(240,606)
Highway and streets	3,491,431	2,678,345	(813,086)
Parks and cemeteries	1,746,626	1,451,954	(294,672)
Capital outlay	78,000	168,014	90,014
Miscellaneous	2,205,172	-	(2,205,172)
Debt service:			
Principal	-	121,671	121,671
Interest	-	3,433	3,433
Transfers out	3,147,310	4,097,298	949,988
Total expenditures and other uses	26,328,831	23,693,953	(2,634,878)
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	(2,170,728)	2,874,420	5,045,148
Fund balances, beginning of year	2,170,728	6,295,200	4,124,472
Fund balances, end of year	$ -	9,169,620	$ 9,169,620
Reconciliation to GAAP:			
Plus encumbrances outstanding at December 31, 2024		211,922	
Fund balance on the basis of GAAP - General Fund only		9,381,542	
Fund balances for non-budgeted funds included with the General Fund on GAAP basis financials:			
Capital Improvement Reserve		6,335,813	
Admin Contingency		990,213	
Municipal Equipment Reserve		5,273,261	
		$ 21,980,829	

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2024

	Business-Type Activities						Governmental Activities
	Sewer	Waterworks	Public Building Commission	Airport	Nonmajor Enterprise	Total	Internal Service Funds
Assets:							
Current assets:							
Cash and investments	$ 11,356,240	$ 6,848,778	$ -	$ 108,330	$ 3,752,746	$ 22,066,094	$ 4,011,645
Accounts receivable (net of allowance for uncollectibles)	1,067,613	701,619	-	158,224	377,936	2,305,392	-
Property tax receivable	-	-	-	102,751	-	102,751	-
Other receivables	-	-	-	45,018	317	45,335	-
Prepaid items	-	-	-	-	3,713	3,713	71,800
Inventory	-	264,646	-	44,310	69,234	378,190	128,298
Total current assets	12,423,853	7,815,043	-	458,633	4,203,946	24,901,475	4,211,743
Noncurrent assets:							
Restricted cash and investments	-	-	863,417	-	-	863,417	-
Advances from other funds	-	-	613,400	-	-	613,400	-
Leases receivable	-	-	-	5,434,734	49,562	5,484,296	-
Capital assets, net	37,180,733	16,336,723	6,074,991	20,165,675	8,967,023	88,725,145	522,460
Total noncurrent assets	37,180,733	16,336,723	7,551,808	25,600,409	9,016,585	95,686,258	522,460
Total assets	49,604,586	24,151,766	7,551,808	26,059,042	13,220,531	120,587,733	4,734,203
Deferred outflows of resources:							
Deferred charge on refunding	180,719	9,255	53,060	-	-	243,034	-
Deferred outflows - OPEB	7,678	46,165	-	10,530	35,820	100,193	-
Deferred outflows - pension	339,238	396,037	-	112,236	228,363	1,075,874	-
Total deferred outflows of resources	527,635	451,457	53,060	122,766	264,183	1,419,101	-
Liabilities:							
Current liabilities:							
Accounts payable	46,517	68,038	18,480	24,634	139,157	296,826	13,560
Accrued expenses	45,931	53,620	-	15,417	42,137	157,105	6,635
Unreported claims payable	-	-	-	-	-	-	137,526
Unearned revenues	-	-	-	119,779	103,452	223,231	-
Current portion of long-term debt	1,940,312	338,809	765,000	18,053	99,396	3,161,570	6,422
Accrued interest payable	132,842	32,756	64,739	1,229	542	232,108	-
Total current liabilities	2,165,602	493,223	848,219	179,112	384,684	4,070,840	164,143
Noncurrent liabilities:							
Total OPEB liability	10,572	63,568	-	14,500	49,322	137,962	-
Net pension liability	1,259,761	1,470,684	-	416,790	848,027	3,995,262	-
State revolving fund loans payable	7,364,156	4,984,585	-	-	-	12,348,741	-
Advances to other funds	-	-	-	-	613,400	613,400	-
Bonds payable, net	5,754,527	1,584,942	4,003,393	113,431	-	11,456,293	-
Compensated absences	28,557	50,945	-	19,960	32,218	131,680	-
Lease obligations	-	2,289	-	-	147,487	149,776	-
Total noncurrent liabilities	14,417,573	8,157,013	4,003,393	564,681	1,690,454	28,833,114	-
Total liabilities	16,583,175	8,650,236	4,851,612	743,793	2,075,138	32,903,954	164,143
Deferred inflows of resources:							
Deferred inflows - OPEB	3,573	21,488	-	4,901	16,673	46,635	-
Deferred inflows - pension	40,839	47,677	-	13,512	27,491	129,519	-
Deferred inflows - property taxes	-	-	-	102,751	-	102,751	-
Deferred receivable - leases	-	-	-	5,229,323	46,363	5,275,686	-
Total deferred inflows of resources	44,412	69,165	-	5,350,487	90,527	5,554,591	-
Net position:							
Net investment in capital assets	22,307,870	9,445,876	1,359,658	20,038,112	8,726,973	61,878,489	522,460
Unrestricted	11,196,764	6,437,946	1,393,598	49,416	2,592,076	21,669,800	4,047,600
Total net position	$ 33,504,634	$ 15,883,822	$ 2,753,256	$ 20,087,528	$ 11,319,049	83,548,289	$ 4,570,060
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.						28,843	
Net position of business-type activities						$ 83,577,132	

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, 2024

	Business-Type Activities						Governmental Activities
	Sewer	Waterworks	Public Building Commission	Airport	Nonmajor Enterprise	Total	Internal Service Funds
Operating revenues:							
Charges for sales and services	$ 7,000,553	$ 5,610,930	$ 552,001	$ 838,906	$ 4,567,726	$ 18,570,116	$ 4,366,816
Miscellaneous	24,711	49,314	365	2,742	147,804	224,936	859,382
Total operating revenues	7,025,264	5,660,244	552,366	841,648	4,715,530	18,795,052	5,226,198
Operating expenses:							
Personnel services	2,069,954	2,468,745	-	675,371	2,286,721	7,500,791	4,462,268
Contractual services	822,379	1,200,501	17,812	282,612	952,647	3,275,951	68,559
Commodities	202,172	784,982	-	487,908	683,004	2,158,066	730,495
Capital outlay	39,425	-	5,500	-	205,316	250,241	7,124
Vehicle operating	53,356	84,618	-	39,553	250,600	428,127	28,510
Depreciation and amortization	2,267,526	503,950	253,648	933,713	578,237	4,537,074	56,286
Total operating expenses	5,454,812	5,042,796	276,960	2,419,157	4,956,525	18,150,250	5,353,242
Operating income (loss)	1,570,452	617,448	275,406	(1,577,509)	(240,995)	644,802	(127,044)
Nonoperating revenues (expenses):							
Gain (loss) on disposal of property	(15,673)	-	-	-	(2,651)	(18,324)	-
Lease revenue	-	-	-	426,654	12,635	439,289	-
Taxes	-	-	211,813	113,361	-	325,174	-
Intergovernmental	-	-	-	90,000	-	90,000	-
Other	(22,370)	(28,008)	-	-	-	(50,378)	-
Interest income	-	917	36,648	114,796	43,556	195,917	107,754
Interest and fiscal charges	(389,025)	(83,794)	(242,267)	(4,652)	(26,118)	(745,856)	-
Total nonoperating revenues (expenses)	(427,068)	(110,885)	6,194	740,159	27,422	235,822	107,754
Income (loss) before capital contributions and transfers	1,143,384	506,563	281,600	(837,350)	(213,573)	880,624	(19,290)
Capital contributions	928,817	2,840,380	-	300,309	-	4,069,506	11,312
Transfers in	1,238,939	260,981	-	-	625,000	2,124,920	176,619
Transfers out	(2,447,788)	(3,100,298)	-	(53,125)	(167,520)	(5,768,731)	-
Change in net position	863,352	507,626	281,600	(590,166)	243,907	1,306,319	168,641
Net position, beginning of year, as previously reported	32,641,282	15,376,196	2,471,656	-	11,075,142	61,564,276	4,401,419
Change within financial reporting entity	-	-	-	20,677,694	-	20,677,694	-
Net position, beginning of year, as adjusted	32,641,282	15,376,196	2,471,656	20,677,694	11,075,142	82,241,970	4,401,419
Net position, end of year	$ 33,504,634	$ 15,883,822	$ 2,753,256	$ 20,087,528	$ 11,319,049	$ 83,548,289	$ 4,570,060
Change in net position						$ 1,306,319	
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.						(15,853)	
Change in net position of business-type activities						$ 1,290,466	

See accompanying notes to basic financial statements.

CITY OF NEWTON, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2024

	Business-Type Activities						Governmental Activities
	Sewer	Waterworks	Public Building Commission	Airport	Nonmajor Enterprise	Total	Internal Service Funds
Cash flows from operating activities:							
Receipts from customers	$ 7,116,205	$ 5,589,401	$ 552,366	$ 938,655	$ 4,642,629	$ 18,839,256	$ 5,226,198
Payments to suppliers for goods and services	(1,092,029)	(2,105,699)	(11,702)	(736,017)	(1,994,508)	(5,939,955)	(830,518)
Payments on behalf of employees for services and benefits	(1,937,260)	(2,263,414)	-	(639,250)	(2,264,168)	(7,104,092)	(4,608,587)
Net cash from operating activities	4,086,916	1,220,288	540,664	(436,612)	383,953	5,795,209	(212,907)
Cash flows from noncapital financing activities:							
Transfers in	1,238,939	260,981	-	-	625,000	2,124,920	176,619
Transfers out	(2,447,788)	(3,100,298)	-	(53,125)	(167,520)	(5,768,731)	-
Net cash from noncapital financing activities	(1,208,849)	(2,839,317)	-	(53,125)	457,480	(3,643,811)	176,619
Cash flows from capital and related financing activities:							
Proceeds from sales of capital assets	6,820	-	-	-		6,820	-
Proceeds from leases receivable	-	-	-	345,021	11,374	356,395	-
Proceeds from taxes	-	-	211,813	113,361	-	325,174	-
Proceeds from other governments	-	-	-	90,000	-	90,000	-
Proceeds on advances from other funds	-	-	325,000	-	-	325,000	-
Payments for capital assets	(433,056)	(192,076)	(474,515)	-	(409,023)	(1,508,670)	-
Principal payments on general obligation bonds	(1,017,823)	(200,227)	-	(85,956)	-	(1,304,006)	-
Principal payments on NPBC revenue bonds	-	-	(865,000)	-	-	(865,000)	-
Principal payments on KDHE revolving loans payable	(889,485)	(573,162)	-	-	-	(1,462,647)	-
Principal payments on lease obligations	-	(1,446)	-	-	(86,704)	(88,150)	-
Principal payments on subscription liabilities	(4,112)	(5,021)	-	(913)	(2,283)	(12,329)	-
Payments on advances from other funds	-	-	-	-	(325,000)	(325,000)	-
Interest and fees paid on debt	(467,306)	(130,699)	(206,842)	(7,467)	(26,273)	(838,587)	-
Proceeds from KDHE revolving loans payable	-	2,024,879	-	-	-	2,024,879	-
Net cash from capital and related financing activities	(2,804,962)	922,248	(1,009,544)	454,046	(837,909)	(3,276,121)	-
Cash flows from investing activities:							
Interest received	-	917	36,648	114,796	43,556	195,917	107,754
Net change in cash and cash equivalents	73,105	(695,864)	(432,232)	79,105	47,080	(928,806)	71,466
Cash and cash equivalents, beginning of year	11,283,135	7,544,642	1,295,649	29,225	3,705,666	23,858,317	3,940,179
Cash and cash equivalents, end of year	$ 11,356,240	$ 6,848,778	$ 863,417	$ 108,330	$ 3,752,746	$ 22,929,511	$ 4,011,645

(Continued)

CITY OF NEWTON, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(Continued)
Year Ended December 31, 2024

	Business-Type Activities						Governmental Activities
	Sewer	Waterworks	Public Building Commission	Airport	Nonmajor Enterprise	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash from operating activities:							
Operating income (loss)	$ 1,570,452	$ 617,448	$ 275,406	$ (1,577,509)	$ (240,995)	$ 644,802	$ (127,044)
Adjustments to reconcile operating income (loss) to net cash from operating activities:							
Depreciation and amortization	2,267,526	503,950	253,648	933,713	578,237	4,537,074	56,286
Changes in:							
Accounts receivable (net of allowance for uncollectibles)	90,941	(70,843)	-	44,436	7,534	72,068	-
Other receivables	-	-	-	(13,361)	(317)	(13,678)	-
Inventory	-	(55,372)	-	55,759	10,222	10,609	5,947
Prepaid items	-	-	-	-	1,650	1,650	-
Accounts payable	25,303	19,774	11,610	18,297	85,187	160,171	(1,369)
Accrued expenses	14,332	17,479	-	3,753	(8,338)	27,226	2,614
Compensated absences	10,942	15,428	-	23,601	4,619	54,590	(572)
Total OPEB liability	5,302	18,510	-	5,569	14,809	44,190	-
Net pension liability	(15,562)	54,661	-	(45,938)	(78,181)	(85,020)	-
Deferred outflows - OPEB	(3,690)	(12,448)	-	(3,820)	(9,984)	(29,942)	-
Deferred outflows - pension	80,990	70,553	-	40,236	76,830	268,609	-
Deferred inflows - OPEB	368	(5,611)	-	(492)	(4,092)	(9,827)	-
Deferred inflows - pension	40,012	46,759	-	13,212	26,890	126,873	-
Unearned revenues	-	-	-	65,932	(80,118)	(14,186)	-
Unreported claims payable	-	-	-	-	-	-	(148,769)
Net cash from operating activities	$ 4,086,916	$ 1,220,288	$ 540,664	$ (436,612)	$ 383,953	$ 5,795,209	$ (212,907)

Noncash capital financing activities:
Contributions of capital assets of $ 928,817, $ 2,840,380, $ 300,309, and $ 11,312 were received in the sewer fund, waterworks fund, airport fund, and internal service funds, respectively, from other governmental funds.

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 City of Newton Land Bank (the Land Bank), although a separate legal entity, is reported as a discrete component unit. The Land Bank is governed by a Board, the appointees of which are approved by the City. The City also approves the Land Bank's budget. The Land Bank is presented as a governmental fund type. Separately issued financial statements for the Land Bank are not available.

The Housing Authority of the City of Newton, Kansas (the Housing Authority), 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 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.

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.

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, 2024, no allowance for uncollectible receivables has been recorded as all amounts deemed uncollectible were written off before year-end.

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	$	9,161,465
Bond and interest fund property tax receivable		1,496,744
Bond and interest fund special assessments receivable		7,834,386
Nonmajor governmental funds property tax receivable		964,735
Bond and interest fund note receivable		1,300,000
	$	20,757,330

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, in the Municipalities Fight Addiction Fund for opioid addiction prevention 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 assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City 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 8 and 10 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 assets 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 three sources: property taxes, special assessments, and notes receivable. 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 8 and 10 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

Under the terms of the City's personnel policy, City employees accrue vacation and sick leave in varying amounts. Certain employees also accrue compensatory time. Upon separation from employment, employees are paid for unused vacation leave up to a maximum allowed carryover amount. A payout of unused sick leave upon termination is not granted unless certain conditions are met, and the payout equals

10% of the accumulated leave. Upon separation from employment all accrued compensatory time off is paid. The government-wide and proprietary funds financial statements recognize liability for accrued compensated absences for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability is also recognized for leave that has been used but not yet paid in cash or settled through noncash means. In the governmental fund financial statements, a liability is accrued for the amount that normally would be liquidated with expendable available financial resources.

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, 2024, 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 standards:

GASB Statement No. 100, *Accounting Changes and Error Corrections* – The 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. In the current year, there was a change within the financial reporting entity (further described in Note 19) which is presented consistent with the requirements of this statement.

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. 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. 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.

GASB Statement No. 103, Financial Reporting Model Improvements - The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement will become effective for the City in the fiscal year ended December 31, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* - The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34 and additional disclosures for capital assets held for sale. The requirements of this Statement will become effective for the City in the fiscal year ended December 31, 2026.

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 ($ 58,486,293) difference are as follows:

General obligation bonds	$	(34,621,353)
Plus: Issuance premiums		(1,670,554)
Accrued interest payable		(399,950)
Compensated absences		(983,202)
Total OPEB liability		(1,564,205)
Net pension liability		(19,184,015)
Lease obligations		(5,652)
Subscription liabilities		(57,362)
Net adjustment to decrease fund balances - total governmental funds to arrive at net position - governmental activities	$	(58,486,293)

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 $ 13,373,246 difference are as follows:

Capital outlay	$	16,111,398
Depreciation and amortization expense		(2,738,152)
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	13,373,246

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 $ 1,838,268 difference are as follows:

Special assessments	$	877,936
Due from component unit		1,300,000
Loans		(339,668)
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	1,838,268

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 ($ 6,976,775) difference are as follows:

Principal repayments:		
General obligation bonds	$	2,970,994
Amortization of deferred charge on refunding		(67,546)
Amortization of issuance premiums		204,263
Lease obligations		39,285
Subscription liabilities		82,387
Debt issued or incurred:		
General obligation bonds		(9,650,000)
Issuance premiums		(536,417)
Subscription liabilities		(19,741)
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	(6,976,775)

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 ($ 1,674,457) difference are as follows:

Compensated absences	$	(331,451)
Accrued interest payable		(82,568)
Total OPEB liability		(126,863)
Pension contributions		(1,133,575)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	(1,674,457)

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 were no budget amendments in the current year.

Compliance Violations

The capital projects fund had a deficit fund balance of $ 6,353,513 at December 31, 2024, 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 $ 9,838,824 and the bank balance totaled $ 10,095,521. Of the bank balance, $ 250,000 was secured by federal deposit insurance and $ 9,845,521 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, 2024, the City had the following investments:

Investment Type	Fair Value	Maturity < 1 year	Rating
Kansas Municipal Investment Pool	$ 36,181,425	$ 36,181,425	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, 2024 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, 2024, the City has invested $ 36,181,425 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, 2024.

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 $ 22,768 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 $ 12,635 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, 2024	Deferred inflow at December 31, 2024
Business-Type Activities		
Buildings:		
810 North Oliver	$ 88,090	$ 84,552
Avcon Hangars C, D, M, Q & F	2,989,848	2,857,504
Ballard Aviation - Building X	142,510	140,143
Forsythe Airport Hangar	250,742	237,452
Hesston College Hangar	234,630	225,250
Midwest Airport Hangar	170,710	163,799
Midwest Airport Hangar - E	363,084	348,414
Tri-Rotor Crop Airport Hangar	14,834	14,428
Weatherly Airport Hangar	342,304	323,177
Land:		
1108 N. Oliver Road	9,084	9,078
1720 North Oliver	114,054	103,764
Avcon Hangar	196,517	196,905
Ballard Aviation Hangar R	84,396	82,524
Budde Hay Ground Copy	-	323
Building V - Parcel A	314,211	306,150
Cory D. Klaassen Farm	23,407	41,741
Mid West Electric Transformers	85,536	83,625
TAP Hangar	10,777	10,494
Equipment:		
Golf Maintenance Equipment Lease #2	49,562	46,363
	$ 5,484,296	$ 5,275,686

Year	Business-Type Activities		
	Principal	Interest	Total
2025	$ 354,291	$ 95,752	$ 450,043
2026	327,651	90,337	417,988
2027	339,621	84,811	424,432
2028	348,221	79,082	427,303
2029	264,231	74,101	338,332
2030 - 2034	1,346,349	304,042	1,650,391
2035 - 2039	1,060,350	196,858	1,257,208
2040 - 2044	963,937	110,436	1,074,373
2045 - 2049	94,529	65,741	160,270
2050 - 2054	83,194	54,249	137,443
2055 - 2059	81,095	42,676	123,771
2060 - 2064	75,222	30,629	105,851
2065 - 2069	88,524	17,326	105,850
2070 - 2072	57,081	3,049	60,130
	$ 5,484,296	$ 1,249,089	$ 6,733,385

6 - Note Receivable from the Library

In 2021, the City and the Library entered into an agreement where the City agreed to fund part of the construction of a new library building. The City's Series 2024-A general obligation bond issue included $ 5,955,000 for the library project. The Library also entered into a twenty-year no rent lease agreement with the City that would commence upon the construction of the library building being completed, which happened in 2024. Under the terms of the agreement, the Library must make project cost contributions to the City of $ 65,000 per year for twenty 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. At December 31, 2024, the Library owes the City $ 1,300,000 which is recorded as a note receivable in the City's bond & interest fund and a note payable on the Library's statement of net position.

7 - Capital Assets

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

	Beginning Balance as Previously Stated	Prior Period Adjustment	Beginning Balance as Restated	Increase	Decrease	Transfers	Ending Balance
Governmental activities:							
Capital assets not being depreciated:							
Land	$ 5,428,169	$ (1,833,226)	$ 3,594,943	$ 1,544	$ -	$ -	$ 3,596,487
Construction in progress	8,183,625	-	8,183,625	6,965,878	(11,721,318)	-	3,428,185
Total capital assets not being depreciated	13,611,794	(1,833,226)	11,778,568	6,967,422	(11,721,318)	-	7,024,672
Capital assets being depreciated:							
Buildings and structures	22,051,521	(7,891,073)	14,160,448	9,576,449	(449,622)	-	23,287,275
General infrastructure	67,749,648	(19,998,676)	47,750,972	2,709,370	-	-	50,460,342
Equipment	14,877,934	(896,620)	13,981,314	1,022,369	(471,474)	(29,233)	14,502,976
Total capital assets being depreciated	104,679,103	(28,786,369)	75,892,734	13,308,188	(921,096)	(29,233)	88,250,593
Less accumulated depreciation for:							
Buildings and structures	(11,567,829)	4,647,824	(6,920,005)	(460,797)	441,732	-	(6,939,070)
General infrastructure	(25,215,001)	4,395,920	(20,819,081)	(1,173,563)	-	-	(21,992,644)
Equipment	(11,704,256)	778,921	(10,925,335)	(1,050,283)	471,474	29,233	(11,474,911)
Total accumulated depreciation	(48,487,086)	9,822,665	(38,664,421)	(2,684,643)	913,206	29,233	(40,406,625)
Total capital assets being depreciated, net	56,192,017	(18,963,704)	37,228,313	10,623,545	(7,890)	-	47,843,968
Capital assets being amortized:							
Right-to-use leased buildings and structures	109,712	-	109,712	-	(109,712)	-	-
Right-to-use leased equipment	10,464	-	10,464	-	-	-	10,464
Subscription asset	198,192	(2,955)	195,237	19,741	-	-	214,978
Total capital assets being amortized	318,368	(2,955)	315,413	19,741	(109,712)	-	225,442
Less accumulated amortization for:							
Right-to-use leased buildings and structures	(73,142)	-	(73,142)	(36,570)	109,712	-	-
Right-to-use leased equipment	(2,686)	-	(2,686)	(2,093)	-	-	(4,779)
Subscription asset	(56,746)	806	(55,940)	(71,132)	-	-	(127,072)
Total accumulated amortization	(132,574)	806	(131,768)	(109,795)	109,712	-	(131,851)
Total capital assets being amortized, net	185,794	(2,149)	183,645	(90,054)	-	-	93,591
Governmental activities capital assets, net	$ 69,989,605	$ (20,799,079)	$ 49,190,526	$ 17,500,913	$ (11,729,208)	$ -	$ 54,962,231

	Beginning Balance as Previously Stated	Prior Period Adjustment	Beginning Balance as Restated	Increase	Decrease	Transfers	Ending Balance
Business-type activities:							
Capital assets not being depreciated:							
Land	$ 1,633,605	$ 1,833,226	$ 3,466,831	$ -	$ -	$ -	$ 3,466,831
Construction in progress	5,217,492	-	5,217,492	4,164,739	(1,240,901)	-	8,141,330
Total capital assets not being depreciated	6,851,097	1,833,226	8,684,323	4,164,739	(1,240,901)	-	11,608,161
Capital assets being depreciated:							
Buildings and improvements	55,225,101	7,891,073	63,116,174	82,364	(3,254)	-	63,195,284
Equipment	10,836,922	896,620	11,733,542	999,624	(120,592)	29,233	12,641,807
Utility service lines and infrastructure	53,330,743	19,998,676	73,329,419	1,572,350	(346,760)	-	74,555,009
Total capital assets being depreciated	119,392,766	28,786,369	148,179,135	2,654,338	(470,606)	29,233	150,392,100
Less accumulated depreciation for:							
Buildings and improvements	(21,926,904)	(4,647,824)	(26,574,728)	(1,772,046)	599	-	(28,346,175)
Equipment	(8,238,837)	(778,921)	(9,017,758)	(644,040)	98,099	(29,233)	(9,592,932)
Utility service lines and infrastructure	(29,518,981)	(4,395,920)	(33,914,901)	(2,019,612)	346,764	-	(35,587,749)
Total accumulated depreciation	(59,684,722)	(9,822,665)	(69,507,387)	(4,435,698)	445,462	(29,233)	(73,526,856)
Total capital assets being depreciated, net	59,708,044	18,963,704	78,671,748	(1,781,360)	(25,144)	-	76,865,244
Capital assets being amortized:							
Right-to-use leased equipment	452,470	-	452,470	-	-	-	452,470
Subscription asset	36,946	2,955	39,901	-	-	-	39,901
Total capital assets being amortized	489,416	2,955	492,371	-	-	-	492,371
Less accumulated amortization for:							
Right-to-use leased equipment	(128,373)	-	(128,373)	(90,494)	-	-	(218,867)
Subscription asset	(10,076)	(806)	(10,882)	(10,882)	-	-	(21,764)
Total accumulated amortization	(138,449)	(806)	(139,255)	(101,376)	-	-	(240,631)
Total capital assets being amortized, net	350,967	2,149	353,116	(101,376)	-	-	251,740
Business-type activities capital assets, net	$ 66,910,108	$ 20,799,079	$ 87,709,187	$ 2,282,003	$ (1,266,045)	$ -	$ 88,725,145

Capital asset activity of the discretely presented component units for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Newton Public Library:					
Capital assets being depreciated:					
Equipment	$ 555,856	$ 579,936	$ (304,212)	$ -	$ 831,580
Less accumulated depreciation	(406,729)	(182,764)	292,218		(297,275)
Library capital assets, net	$ 149,127	$ 397,172	$ (11,994)	$ -	$ 534,305
Housing Authority:					
Capital assets not being depreciated:					
Land	$ 119,300	$ -	$ -	$ -	$ 119,300
Construction in progress	-	71,952	-	-	71,952
Total capital assets not being depreciated	119,300	71,952	-	-	191,252
Capital assets being depreciated:					
Buildings	9,081,621	89,634	-	-	9,171,255
Equipment - dwelling	130,147	-	-	-	130,147
Equipment - administration	247,280	5,084	-	-	252,364
Total capital assets being depreciated	9,459,048	94,718	-	-	9,553,766
Less accumulated depreciation for:					
Buildings	(7,079,009)	(177,310)	-	-	(7,256,319)
Equipment - dwelling	(97,348)	(7,131)	-	-	(104,479)
Equipment - administration	(213,400)	(12,165)	-	-	(225,565)
Total accumulated depreciation	(7,389,757)	(196,606)	-	-	(7,586,363)
Total capital assets being depreciated, net	2,069,291	(101,888)	-	-	1,967,403
Capital assets being amortized:					
Subscription assets	59,853	-	-	-	59,853
Less accumulated amortization	(20,949)	(11,971)	-	-	(32,920)
Total capital assets being amortized, net	38,904	(11,971)	-	-	26,933
Housing Authority capital assets, net	$ 2,227,495	$ (41,907)	$ -	$ -	$ 2,185,588

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

Governmental activities:		
General government	$	368,770
Public safety		813,638
Highway and streets		1,431,041
Culture and recreation		124,703
Internal service fund*		56,286
Total depreciation and amortization expense - governmental activities	$	2,794,438
Business-type activities:		
Sewer	$	2,267,526
Waterworks		503,950
Airport		933,713
Nonmajor enterprise		578,237
Public building commission		253,648
Total depreciation and amortization expense - business-type activities	$	4,537,074
Component units:		
Newton Public Library	$	182,764
Housing Authority	$	208,577

* 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.

8 - 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. Those employees participating in the Pension Plan for the Library and Housing Authority are included in the Local group.

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 9.26% for KPERS and 23.10% for KP&F for the year ended December 31, 2024. Contributions to the Pension Plan from the City were $ 2,486,348 ($ 750,632 for KPERS and $ 1,735,716 for KP&F) for the year ended December 31, 2024. Contributions from the Library for KPERS were $ 38,614 for the year ended December 31, 2024. Contributions from the Housing Authority for KPERS were $ 18,280 for the year ended June 30, 2024.

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

At December 31, 2024, the City reported a total net pension liability of $ 23,179,277 ($ 7,223,400 for KPERS and $ 15,955,877 for KP&F), and the Library reported a liability of $ 362,245 for their proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2024, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024.

At June 30, 2024, the Housing Authority reported a liability of $ 215,329 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, 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.

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, 2024. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2024, the City's proportion for KPERS was 0.340048%, which was a decrease of 0.018597% from its proportion measured as of June 30, 2023. At June 30, 2024, the City's proportion for KP&F was 1.000989%, which was a decrease of 0.058558% from its proportion measured as of June 30, 2023. At June 30, 2024, the Library's proportion for KPERS was 0.017053%, which was an increase of 0.000461% from its proportion measured as of June 30, 2023.

At June 30, 2023, the Housing Authority's proportion for KPERS was 0.010264%, which was a decrease of 0.000765% from its proportion measured as of June 30, 2022.

For the year ended December 31, 2024, the City recognized total pension expense of $ 3,931,885 ($ 1,214,930 for KPERS and, $ 2,716,955 for KP&F) and the Library recognized total pension expense of $ 56,680. For the year ended June 30, 2024, the Housing Authority recognized pension expense of $ 25,131. At December 31, 2024, 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	$ 2,258,041	$ -
Net difference between projected and actual earnings on pension plan investments	120,300	-
Changes of assumptions	1,286,451	-
Changes in proportionate share	323,170	818,213
City contributions subsequent to measurement date	1,274,158	-
Total	$ 5,262,120	$ 818,213

Library	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 44,065	$ -
Net difference between projected and actual earnings on pension plan investments	2,219	-
Changes of assumptions	21,896	-
Changes in proportionate share	15,120	20,113
Library contributions subsequent to measurement date	22,525	-
Total	$ 105,825	$ 20,113

At June 30, 2024, 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	$ 17,900	$ 30
Net difference between projected and actual earnings on pension plan investments	12,576	-
Changes of assumptions	22,822	-
Changes in proportionate share	-	19,857
Housing Authority contributions subsequent to measurement date	18,528	-
Total	$ 71,826	$ 19,887

The $ 1,274,158 for the City, the $ 22,525 for the Library, and the $ 18,528 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, 2025 for the City and the Library and the year ended June 30, 2025 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
2025	$ 1,043,850	$ 14,486	$ 10,437
2026	1,980,021	33,510	5,007
2027	302,906	11,630	16,823
2028	(157,028)	3,561	1,118
2029	-	-	26
	$ 3,169,749	$ 63,187	$ 33,411

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2023 and 2022 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2023	2022
Price inflation	2.75 percent	2.75 percent
Payroll growth assumption	3.00 percent	3.00 percent
Salary increases, including price inflation	3.50 to 15.50 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 Pub 2010 Mortality Tables, with age setbacks and age set forwards based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

Changes in actuarial assumptions and methods in the December 31, 2023 valuation were as follows:

KPERS

1. The mortality assumption was changed to the Pub-2010 family of mortality tables, with different groups using different tables and age adjustments, projected generationally using MP-2021.
2. Retirement rates for the C60 group were adjusted to partially reflect observed experience.
3. Disability rates were reduced.

4. The probability of KPERS 1 members leaving their contributions with the System was modified to better reflect observed experience.
5. Factors for the State and Local groups that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
6. The administrative expense component of the actuarial required contribution rate was increased from 0.18% to 0.23%.
7. The merit salary increase assumption was increased for the School and Local groups.

KP&F

1. The mortality assumption was changed to the Pub-2010 Above Median Safety Mortality Tables with a two-year age set forward, projected generationally using MP-2021.
2. Retirement rates were adjusted to partially reflect observed experience.
3. Disability rates were reduced.
4. Termination rates were increased.
5. The administrative expense component of the actuarial required contribution rate was increased from 0.18% to 0.23%.
6. The merit salary increase assumption was increased.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study, which covered the four-year period of January 1, 2019 through December 31, 2022. The experience study is dated January 29, 2024. The actuarial assumptions used in the December 31, 2022 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 are summarized in the following table:

	December 31, 2023 and 2022	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	43.00%	8.20%
Private Equity	11.00%	12.00%
Real Estate	15.00%	5.70%
Yield Driven	12.00%	5.30%
Infrastructure	3.00%	6.80%
Core Fixed Income	13.00%	2.20%
Cash	3.00%	0.30%
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 7.0% 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 (6.0%) or 1-percentage-point higher (8.0%) 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	$ 10,457,508	$ 7,223,400	$ 4,520,569
City's KP&F proportionate share of the collective net pension liability	21,830,183	15,955,877	11,043,304
Library's KPERS proportionate share of the collective net pension liability	524,431	362,245	226,701

The following presents the Housing Authority's proportionate share of the collective net pension liability calculated using the discount rate of 7.0% 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 (6.0%) or 1-percentage-point higher (8.0%) 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	$ 38,759	$ 215,329	$ 137,492

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

9 - 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.

10 - 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 2024, retired plan members receiving benefits contributed $ 97,710 to the plan and the City contributed $ 30,030.

Employees Covered by Benefit Terms. At December 31, 2024, 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 $ 1,583,108 was measured as of December 31, 2024 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, 2025 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	4.22 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, 2023	$ 990,118
Changes for the year:	
Service cost	69,191
Interest	40,519
Differences between actual and expected experience	184,104
Changes in assumptions or other inputs	329,206
Benefit payments	(30,030)
Net changes	592,990
Balance at December 31, 2024	$ 1,583,108

Changes of assumptions and other inputs reflect a change in the discount rate from 3.88 percent in 2023 to 4.22 percent in 2024.

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 (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current discount rate:

	1% Decrease (3.22%)	Discount Rate (4.22%)	1% Increase (5.22%)
Total OPEB liability	$ 1,796,287	$ 1,583,108	$ 1,397,540

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	$ 1,342,977	$ 1,583,108	$ 1,879,675

OPEB Expense and Deferred Inflows/Outflows of Resources Related to OPEB. For the year ended December 31, 2024, the City recognized OPEB expense of $ 123,741. At December 31, 2024, 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	$ 702,084	$ 524,982
Differences between expected and actual experience	425,821	-
	$ 1,127,905	$ 524,982

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

Year Ended December 31,	
2025	$ 51,956
2026	51,956
2027	51,956
2028	51,956
2029	51,153
2030 and Thereafter	343,946
	$ 602,923

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, 2024 totaled $ 81,062 and $ 4,170 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, 2023, 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	9
Inactive employees or beneficiary currently receiving benefits	0
	9

Total OPEB Liability. The total OPEB liability for the City and the Library of $ 121,727 and $ 4,825, respectively, was measured as of June 30, 2024 and was determined by an actuarial valuation performed as of December 31, 2023.

	Total OPEB Liability	
	City	Library
Balance at December 31, 2023	$ 127,879	$ 4,235
Changes for the year:		
Service cost	19,292	660
Interest	5,372	179
Differences between actual and expected experience	(31,913)	(316)
Changes in assumptions or other inputs	1,097	67
Net changes	(6,152)	590
Balance at December 31, 2024	$ 121,727	$ 4,825

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

Discount rate	3.93 percent
Implicit inflation rate	2.75 percent
Mortality rates	Generational mortality improvements were projected for future years using Projection Scale MP-2021.
Salary increases	3.50 percent (composed of 2.75 percent inflation and 0.75 percent productivity)
Payroll growth	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, 2023 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2019 through December 31, 2022.

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

> The demographic assumptions have been updated based upon the most recent KPERS experience study. The discount rate was updated in accordance with the requirements of GASB 75.

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 (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate:

	City		
	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	$ 127,111	$ 121,727	$ 116,043

	Library		
	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	$ 5,182	$ 4,825	$ 4,468

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	$ 121,727	$ 121,727	$ 121,727

	Library		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 4,825	$ 4,825	$ 4,825

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2024, the City and the Library recognized OPEB expense of $ 2,135 and $ 62, respectively. At December 31, 2024, 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	$ 8,289	$ 36,773
Differences between expected and actual experience	-	108,871
Contributions after measurement date	41,234	-
	$ 49,523	$ 145,644

	Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	$ 280	$ 2,053
Differences between expected and actual experience	625	3,295
Contributions after measurement date	2,433	-
	$ 3,338	$ 5,348

The $ 41,234 for the City and $ 2,433 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, 2025. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	City
2025	$ (22,529)
2026	(22,360)
2027	(20,881)
2028	(17,632)
2029	(15,499)
2030 and Thereafter	(38,454)
	$ (137,355)

Year Ended December 31,	Library
2025	$ (777)
2026	(774)
2027	(734)
2028	(621)
2029	(437)
2030 and Thereafter	(1,100)
	$ (4,443)

Aggregate OPEB Information

	Balances at December 31, 2024		
	Disability Benefits and Life Insurance	Health Insurance	Total
Total OPEB Liability	$ (121,727)	$ (1,583,108)	$ (1,704,835)
Deferred outflows of resources	49,523	1,127,905	1,177,428
Deferred inflows of resources	(145,644)	(524,982)	(670,626)
OPEB expense	2,135	161,666	163,801

11 - 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, 2024, 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 2024 and 2023:

	2024	2023
Liability balance, beginning	$ 286,295	$ 84,686
Health benefit claims incurred	4,199,432	3,890,056
Add premiums and fees	190,092	190,781
Total costs incurred	4,675,819	4,165,523
Less claims paid	(4,348,201)	(3,688,447)
Less premiums and fees paid	(190,092)	(190,781)
Liability balance, ending	$ 137,526	$ 286,295

12 - Long-Term Debt

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2024:

	Beginning Balance as Previously Stated	Prior Period Adjustment	Beginning Balance as Restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:							
General obligation bonds	$ 28,143,431	$ (201,084)	$ 27,942,347	$ 9,650,000	$ 2,970,994	$ 34,621,353	$ 3,153,775
Plus deferred amounts:							
Issuance premiums	1,351,431	(13,031)	1,338,400	536,417	204,263	1,670,554	-
Lease obligations - direct borrowing	44,937	-	44,937	-	39,285	5,652	2,221
Subscription liabilities - direct borrowing	121,878	(1,870)	120,008	19,741	82,387	57,362	57,362
Compensated absences	652,323	-	652,323	390,697	59,818	983,202	151,474
Total OPEB liability	1,030,768	(9,211)	1,021,557	542,648	-	1,564,205	27,362
Net pension liability	20,830,151	(310,556)	20,519,595	-	1,335,580	19,184,015	-
Governmental activities long-term liabilities	$ 52,174,919	$ (535,752)	$ 51,639,167	$ 11,139,503	$ 4,692,327	$ 58,086,343	$ 3,392,194

	Beginning Balance as Previously Stated	Prior Period Adjustment	Beginning Balance as Restated	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:							
General obligation bonds	$ 9,281,569	$ 201,084	$ 9,482,653	$ -	$ 1,304,006	$ 8,178,647	$ 1,211,225
NPBC revenue bonds - direct borrowing	5,480,000	-	5,480,000	-	865,000	4,615,000	765,000
Plus deferred amounts:							
Issuance premiums	732,006	13,031	745,037		106,166	638,871	-
KDHE revolving loans payable - direct borrowing	12,840,599	-	12,840,599	2,024,879	1,462,647	13,402,831	1,054,090
Lease obligations - direct borrowing	329,577	-	329,577	-	88,150	241,427	91,651
Subscription liabilities - direct borrowing	23,373	1,870	25,243	-	12,329	12,914	12,914
Compensated absences	101,113	-	101,113	89,713	35,124	155,702	24,022
Total OPEB liability	87,229	9,211	96,440	44,190	-	140,630	2,668
Net pension liability	3,617,554	310,556	3,928,110	67,152	-	3,995,262	-
Business-type activities long-term liabilities	$ 32,493,020	$ 535,752	$ 33,028,772	$ 2,225,934	$ 3,873,422	$ 31,381,284	$ 3,161,570

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Newton Public Library:					
Compensated absences	$ 11,126	$ 52,755	$ 24,392	$ 39,489	$ 25,226
Total OPEB liability	4,235	590	-	4,825	-
Net pension liability	348,084	14,161	-	362,245	-
Newton Public Library long-term liabilities	$ 363,445	$ 67,506	$ 24,392	$ 406,559	$ 25,226

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Housing Authority:					
Compensated absences	$ 3,987	$ 4,500	$ -	$ 8,487	$ 8,487
Subscription liability - direct borrowing	35,972	-	11,285	24,687	12,189
Net pension liability	219,261	-	3,932	215,329	-
Housing Authority long-term liabilities	$ 259,220	$ 4,500	$ 15,217	$ 248,503	$ 20,676

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

General Obligation Bonds

At December 31, 2024, the outstanding general obligation bonds consisted of the following:

	Interest Rates	Outstanding December 31, 2024	Original Amount
Airport refunding, 2004-B	5.25-6.00%	$ -	$ 515,000
GO refunding, 2012-A	2.00-2.10	-	3,570,000
Internal improvements, 2015-B	2.00-3.10	250,000	1,130,000
Internal improvements, 2015-C	3.00	2,570,000	2,570,000
Internal improvements, 2015-D	2.00-3.00	755,000	2,500,000
GO refunding, 2016-A	1.50-4.00	6,390,000	13,425,000
Internal improvements, 2018-A	3.00-4.00	1,770,000	2,125,000
Taxable GO bonds, 2018-B	3.00-4.10	980,000	1,490,000
Taxable GO refunding and improvement, 2020-A	3.00-3.45	4,765,000	6,015,000
GO refunding and improvement, 2020-B	2.00-3.50	7,270,000	9,575,000
GO tax increment financing refunding, 2020-C	2.00-3.00	1,125,000	1,790,000
GO refunding, 2021-A	1.50-4.00	3,505,000	5,965,000
GO bonds, 2023-A	4.00-5.00	3,770,000	3,870,000
GO bonds, 2024-A	4.00-5.00	9,100,000	9,100,000
GO bonds, 2024-B	6.75	550,000	550,000
		$ 42,800,000	

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
2025	$ 3,153,775	$ 1,226,722	$ 1,211,225	$ 240,782
2026	3,232,804	1,142,987	1,257,196	199,763
2027	2,792,896	1,027,888	992,104	157,662
2028	2,799,771	929,824	930,229	125,913
2029	2,233,651	832,490	596,349	95,940
2030-2034	9,220,716	3,067,971	1,819,284	278,455
2035-2039	6,885,029	1,499,292	1,144,971	96,679
2040-2044	4,302,711	483,193	227,289	7,850
	$ 34,621,353	$ 10,210,367	$ 8,178,647	$ 1,203,044

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, 2024
2007	3.37%	20 years	$ 545,869
2008	3.75%	20 years	178,710
2021	1.26%	20 years	4,399,180
			$ 5,123,759

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, 2024, there have been a total of $ 4,399,180 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:

2025	$ 139,174
2026	144,047
2027	149,091
2028	154,313
2029	137,954
	$ 724,579

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, 2024
2008	2.85%	20 years	$ 2,149,552
2013	2.83%	20 years	6,129,520
			$ 8,279,072

Future principal payments on these loans are scheduled as follows:

2025	$ 914,916
2026	941,073
2027	967,979
2028	995,653
2029	1,024,119
2030-2034	3,100,630
2035-2037	334,702
	$ 8,279,072

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, 2024, the outstanding NPBC revenue bonds consisted of the following:

	Interest Rates	Outstanding December 31, 2024	Original Amount
2012 refunding	2.00-2.40%	$ 4,000,000	$ 5,915,000
Series 2022	4.00-5.00%	615,000	4,000,000
		$ 4,615,000	

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

	Principal	Interest	Total
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	175,000	147,956	322,956
2030-2034	970,000	602,781	1,572,781
2035-2039	1,145,000	364,931	1,509,931
2040-2043	1,080,000	114,863	1,194,863
	$ 4,615,000	$ 1,909,735	$ 6,524,735

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, 2024, the value of the lease liability is $ 137,536. 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, 2024 is $ 232,924 with accumulated amortization of $ 99,122.

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, 2024, the value of the lease liability is $ 100,122. 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, 2024 is $ 212,570 with accumulated amortization of $ 116,559.

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, 2024, the value of the lease liability is $ 9,421. 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, 2024 is $ 17,440 with accumulated amortization of $ 7,965.

Future minimum lease payments for lease obligations are as follows:

	Governmental Activities		
	Principal	Interest	Total
2025	$ 2,221	$ 114	$ 2,335
2026	2,274	61	2,335
2027	1,157	10	1,167
	$ 5,652	$ 185	$ 5,837

	Business-Type Activities		
	Principal	Interest	Total
2025	$ 91,651	$ 7,897	$ 99,548
2026	95,295	4,255	99,550
2027	54,481	902	55,383
	$ 241,427	$ 13,054	$ 254,481

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, 2024, the value of the subscription liability is $ 47,837. 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, 2024 is $ 147,784 with accumulated amortization of $ 80,609.

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, 2024, the value of the subscription liability is $ 12,700. 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, 2024 is $ 36,607 with accumulated amortization of $ 19,083.

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, 2024, the value of the subscription liability is $ 0. 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, 2024 is $ 15,555 with accumulated amortization of $ 14,358.

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, 2024, the value of the subscription liability is $ 0. 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, 2024 is $ 35,192 with accumulated amortization of $ 24,915.

On January 1, 2024, the City entered into a 24-month subscription for the use of iWorQ Systems Software. An initial subscription liability was recorded in the amount of $ 19,741. As of December 31, 2024, the value of the subscription liability is $ 9,739. The City is required to make annual fixed payments of $ 10,000. The subscription has an interest rate of 2.6560%. The value of the right-to-use asset as of December 31, 2024 is $ 19,741 with accumulated amortization of $ 9,871.

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

	Governmental Activities		
	Principal	Interest	Total
2025	$ 57,362	$ 1,519	$ 58,881

	Business-Type Activities		
	Principal	Interest	Total
2025	$ 12,914	$ 320	$ 13,234

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
2025	$ 12,189	$ 387	$ 12,576
2026	12,498	78	12,576
	$ 24,687	$ 465	$ 25,152

13 - 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, 2024, the City had the following encumbrances:

General	$ 211,922
Sewer	74,909
Waterworks	139,386
	$ 426,217

14 - 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, 2024, one City-issued Industrial Revenue bond was outstanding with a total balance of $ 5,500,000.

15 - 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).

16 - 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	$ -	$ 1,295,878	$ 82,791	$ 56,924
Bond & Interest	-	-	-	-
Nonmajor Governmental	1,366,349	-	-	-
Sewer	1,005,450	1,248,709	124,109	-
Waterworks	308,309	270,041	2,452,428	-
Airport	-	-	-	46,125
Nonmajor Enterprise	129,941	-	-	-
Total	$ 2,810,049	$ 2,814,628	$ 2,659,328	$ 103,049

	Transfers in				
Transfers out	Sewer	Waterworks	Nonmajor Enterprise	Internal Service Funds	Total
General	$ -	$ -	$ 625,000	$ -	$ 2,060,593
Bond & Interest	1,231,939	260,981	-	-	1,492,920
Nonmajor Governmental	-	-	-	-	1,366,349
Sewer	-	-	-	69,520	2,447,788
Waterworks	-	-	-	69,520	3,100,298
Airport	7,000	-	-	-	53,125
Nonmajor Enterprise	-	-	-	37,579	167,520
Total	$ 1,238,939	$ 260,981	$ 625,000	$ 176,619	$ 10,688,593

17 - 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:

2025	$ 622,380
Less portion attributed to interest	(8,980)
	$ 613,400

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, 2024, the interfund balances consisted of the following:

	Due from Other Funds	Due to Other Funds
General fund	$ 5,719,961	$ -
Capital projects	-	(5,719,961)
	$ 5,719,961	$ (5,719,961)

18 - 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, 2024, abated property taxes that impacted the City totaled $ 1,729,900, 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 $ 1,152,724.
- 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 $ 469,659.

19 - Prior Period Adjustment – Restatement

During the year ended December 31, 2024, management re-evaluated fund classifications and determined that the airport fund special revenue fund should be reclassified as an enterprise fund resulting in a change within the financial reporting entity which is presented consistent with the requirements of newly implemented GASB Statement No. 100. The following adjustments to and restatements of beginning net position and fund balance were made as a result of this change:

	December 31, 2023 As Previously Reported	Change within Financial Reporting Entity	December 31, 2023 As Restated/ Adjusted
Government-Wide Financial Statements			
Net Position:			
Governmental Activities	$ 51,208,882	$ (20,677,694)	$ 30,531,188
Business-Type Activities	61,608,972	20,677,694	82,286,666
Total Primary Government	$ 112,817,854	$ -	$ 112,817,854
Governmental Funds			
Fund Balance:			
Major Fund - Airport Fund	$ 415,541	$ (415,541)	$ -
Proprietary Funds			
Net Position:			
Major Fund - Airport Fund	$ -	$ 20,677,694	$ 20,677,694

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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

	2024	2023	2022	2021	2020
City's proportion of the collective net pension liability					
KPERS	0.340048%	0.358645%	0.346903%	0.331179%	0.326910%
KP&F	1.000989%	1.059547%	1.057148%	1.047598%	1.019577%
City's proportionate share of the collective net pension liability	$ 23,179,277	$ 24,447,705	$ 22,143,111	$ 13,970,649	$ 18,240,269
City's covered payroll	$ 15,031,844	$ 14,832,068	$ 12,021,075	$ 12,261,157	$ 11,745,411
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	154%	165%	184%	114%	155%
Plan fiduciary net position as a percentage of the total pension liability	72.75%	70.70%	69.75%	76.40%	66.30%

	2019	2018	2017	2016	2015
City's proportion of the collective net pension liability					
KPERS	0.327595%	0.334374%	0.332957%	0.367572%	0.364582%
KP&F	1.027745%	1.051132%	1.029023%	1.083101%	1.102692%
City's proportionate share of the collective net pension liability	$ 14,979,741	$ 14,774,481	$ 14,472,812	$ 15,745,894	$ 12,793,964
City's covered payroll	$ 11,535,439	$ 11,336,340	$ 11,039,244	$ 11,415,983	$ 11,109,928
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	130%	130%	131%	138%	115%
Plan fiduciary net position as a percentage of the total pension liability	69.88%	68.88%	67.12%	65.10%	64.95%

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

	2024	2023	2022	2021	2020
Library's proportion of the collective net pension liability KPERS	0.017053%	0.016592%	0.015545%	0.018878%	0.019275%
Library's proportionate share of the collective net pension liability	$ 362,245	$ 348,084	$ 309,041	$ 226,528	$ 334,162
Library's covered payroll	$ 394,206	$ 356,509	$ 342,585	$ 364,131	$ 363,873
Library's proportionate share of the collective net pension liability as a percentage of its covered payroll	92%	98%	90%	62%	92%
Plan fiduciary net position as a percentage of the total pension liability	72.75%	70.70%	69.75%	76.40%	66.30%

	2019	2018	2017	2016	2015
Library's proportion of the collective net pension liability KPERS	0.018345%	0.018949%	0.018307%	0.019479%	0.018471%
Library's proportionate share of the collective net pension liability	$ 256,348	$ 264,109	$ 265,169	$ 301,346	$ 242,532
Library's covered payroll	$ 339,475	$ 339,130	$ 324,491	$ 333,636	$ 308,532
Library's proportionate share of the collective net pension liability as a percentage of its covered payroll	76%	78%	82%	90%	79%
Plan fiduciary net position as a percentage of the total pension liability	69.88%	68.88%	67.12%	65.10%	64.95%

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 Ten Fiscal Years

	2024	2023	2022	2021	2020
Housing Authority's proportion of the collective net pension liability KPERS	0.010264%	0.011029%	0.011907%	0.012115%	0.012922%
Housing Authority's proportionate share of the collective net pension liability	$ 215,329	$ 219,261	$ 142,879	$ 210,032	$ 180,568
Housing Authority's covered payroll	$ 222,710	$ 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	97%	99%	62%	92%	75%
Plan fiduciary net position as a percentage of the total pension liability	70.55%	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%

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

	2024	2023	2022	2021	2020
KPERS contractually required contributions	$ 750,632	$ 640,807	$ 650,222	$ 557,997	$ 540,157
KP&F contractually required contributions	1,735,716	1,589,630	1,506,877	1,312,456	1,243,313
Contributions in relation to the contractually required contribution	(2,486,348)	(2,230,437)	(2,157,099)	(1,870,453)	(1,783,470)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 15,620,109	$ 14,554,382	$ 12,625,550	$ 12,751,615	$ 12,446,094
Contributions as a percentage of covered payroll	15.9%	15.3%	17.1%	14.7%	14.3%

	2019	2018	2017	2016	2015
KPERS contractually required contributions	$ 531,381	$ 504,211	$ 520,799	$ 580,045	$ 587,308
KP&F contractually required contributions	1,167,096	1,045,685	1,014,326	1,050,678	1,097,368
Contributions in relation to the contractually required contribution	(1,698,477)	(1,549,896)	(1,535,125)	(1,630,723)	(1,684,676)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 11,584,455	$ 11,396,824	$ 11,186,375	$ 11,297,360	$ 11,284,441
Contributions as a percentage of covered payroll	14.7%	13.6%	13.7%	14.4%	14.9%

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

	2024	2023	2022	2021	2020
Contractually required contributions	$ 38,614	$ 31,065	$ 31,652	$ 31,807	$ 31,848
Contributions in relation to the contractually required contribution	(38,614)	(31,065)	(31,652)	(31,807)	(31,848)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Library's covered payroll	$ 419,560	$ 368,509	$ 355,641	$ 341,622	$ 367,797
Contributions as a percentage of covered payroll	9.2%	8.4%	8.9%	9.3%	8.7%

	2019	2018	2017	2016	2015
Contractually required contributions	$ 29,304	$ 28,573	$ 28,049	$ 29,496	$ 31,136
Contributions in relation to the contractually required contribution	(29,304)	(28,573)	(28,049)	(29,496)	(31,136)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Library's covered payroll	$ 349,752	$ 342,698	$ 331,552	$ 322,340	$ 328,439
Contributions as a percentage of covered payroll	8.4%	8.3%	8.5%	9.2%	9.5%

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

	2024	2023	2022	2021	2020
Contractually required contributions	$ 18,280	$ 19,301	$ 19,696	$ 20,062	$ 20,017
Contributions in relation to the contractually required contribution	(18,280)	(19,301)	(19,696)	(20,062)	(20,017)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Housing Authority's covered payroll	$ 206,689	$ 222,710	$ 221,735	$ 229,493	$ 228,597
Contributions as a percentage of covered payroll	8.8%	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%

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

	2024	2023	2022	2021
Total OPEB liability:				
Service cost	$ 69,191	$ 79,478	$ 63,108	$ 70,434
Interest	40,519	51,959	16,972	19,025
Differences between expected and actual experience	184,104	24,889	86,987	188,908
Changes of assumptions	329,206	(295,545)	329,245	(238,052)
Benefit payments	(30,030)	(68,445)	(134,718)	(208,709)
Net change in total OPEB liability	592,990	(207,664)	361,594	(168,394)
Total OPEB liability, beginning	990,118	1,197,782	836,188	1,004,582
Total OPEB liability, ending	$ 1,583,108	$ 990,118	$ 1,197,782	$ 836,188
Covered employee payroll	$13,073,632	$13,073,632	$11,722,438	$11,722,438
City's total OPEB liability as a percentage of covered employee payroll	12.11%	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 3.88% to 4.22% for the end of year measurement.
- Fixed costs, retiree contribution premiums and trend assumptions were updated as part of the evaluation. The January 1, 2025 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 Eight Fiscal Years*

	2024	2023	2022	2021
Total OPEB liability:				
Service cost	$ 19,292	$ 17,618	$ 27,776	$ 24,733
Interest	5,372	5,195	4,770	4,742
Changes of economic/demographic gains or losses	(31,913)	(20,035)	(37,821)	(15,110)
Changes of assumptions	1,097	(641)	(49,568)	300
Benefit payments	-	(6,689)	(11,466)	(11,466)
Net change in total OPEB liability	(6,152)	(4,552)	(66,309)	3,199
Total OPEB liability, beginning	127,879	132,431	198,740	195,541
Total OPEB liability, ending	$ 121,727	$ 127,879	$ 132,431	$ 198,740
Covered employee payroll	$ 7,268,410	$ 7,187,724	$ 6,699,434	$ 6,261,794
City's total OPEB liability as a percentage of covered employee payroll	1.67%	1.78%	1.98%	3.17%

	2020	2019	2018	2017
Total OPEB liability:	$ 22,865	$ 22,702	$ 22,512	$ 23,703
Service cost	6,906	8,024	8,134	6,215
Interest				
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 Eight Fiscal Years*

	2024	2023	2022	2021
Total OPEB liability:				
Service cost	$ 660	$ 710	$ 1,012	$ 1,144
Interest	179	205	148	139
Changes of economic/demographic gains or losses	(316)	(1,736)	889	(603)
Changes of assumptions	67	(37)	(2,794)	10
Benefit payments	-	-	-	-
Net change in total OPEB liability	590	(858)	(745)	690
Total OPEB liability, beginning	4,235	5,093	5,838	5,148
Total OPEB liability, ending	$ 4,825	$ 4,235	$ 5,093	$ 5,838
Covered employee payroll	$ 390,815	$ 329,980	$ 343,192	$ 291,768
Library's total OPEB liability as a percentage of covered employee payroll	1.23%	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, 2024

	General	Capital Improvement Reserve	Admin Contingency	Municipal Equipment Reserve	RHID	RHID 2	Total General Fund
Assets:							
Cash and investments	$ 7,409,997	$ 700,779	$ 1,158,740	$ 5,299,388	$ -	$ -	$ 14,568,904
Due from other funds	-	5,719,961	-	-	-	-	5,719,961
Receivables (net of allowance for uncollectibles):							
Property tax	9,161,465	-	-	-	-	-	9,161,465
Sales tax	1,531,430	-	-	-	-	-	1,531,430
Franchise tax	163,919	-	-	-	-	-	163,919
Accounts	530,116	-	-	-	-	-	530,116
Other	61,587	-	-	-	-	-	61,587
Prepaid items	416,053	-	-	-	-	-	416,053
Total assets	$ 19,274,567	$ 6,420,740	$ 1,158,740	$ 5,299,388	$ -	$ -	$ 32,153,435
Liabilities:							
Accounts payable	$ 292,975	$ 81,179	$ 168,527	$ 26,127	$ -	$ -	$ 568,808
Accrued expenses	401,320	3,748	-	-	-	-	405,068
Unearned revenues	37,265	-	-	-	-	-	37,265
Total liabilities	731,560	84,927	168,527	26,127	-	-	1,011,141
Deferred inflows of resources:							
Unavailable revenue - property and special assessment taxes	9,161,465	-	-	-	-	-	9,161,465
Fund balances:							
Nonspendable:							
Prepaid items	416,053	-	-	-	-	-	416,053
Assigned:							
Capital asset acquisition	-	6,335,813	-	5,273,261	-	-	11,609,074
Other purposes	211,922	-	-	-	-	-	211,922
Unassigned	8,753,567	-	990,213	-	-	-	9,743,780
Total fund balances	9,381,542	6,335,813	990,213	5,273,261	-	-	21,980,829
Total liabilities, deferred inflows of resources, and fund balances	$ 19,274,567	$ 6,420,740	$ 1,158,740	$ 5,299,388	$ -	$ -	$ 32,153,435

CITY OF NEWTON, KANSAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GENERAL FUND
Year Ended December 31, 2024

	General	Capital Improvement Reserve	Admin Contingency	Municipal Equipment Reserve	RHID	RHID 2	Eliminations	Total General Fund
Revenues:								
Taxes:								
Property taxes	$ 9,465,220	$ 110,180	$ -	$ -	$ 63,013	$ 54,522	$ -	$ 9,692,935
Sales taxes	6,972,249	-	-	-	-	-	-	6,972,249
Franchise taxes	1,629,446	-	-	-	-	-	-	1,629,446
Intergovernmental	76,680	231,630	-	4,299	-	-	-	312,609
Licenses and permits	956,757	-	-	-	-	-	-	956,757
Charges for services	3,234,473	-	-	-	-	-	-	3,234,473
Fines, forfeitures and penalties	419,826	-	-	-	-	-	-	419,826
Interest	1,795,493	2,828	-	-	-	-	-	1,798,321
Other	34,457	342,338	837,223	56,708	-	-	-	1,270,726
Total revenues	24,584,601	686,976	837,223	61,007	63,013	54,522	-	26,287,342
Expenditures:								
Current:								
General government	2,900,685	33,834	845,412	6,851	63,013	54,522	-	3,904,317
Public safety	12,335,907	-	-	-	-	-	-	12,335,907
Highway and streets	3,293,637	-	-	-	-	-	-	3,293,637
Culture and recreation	1,429,481	-	-	-	-	-	-	1,429,481
Capital outlay	240,782	1,456,519	1,598	1,232,270	-	-	-	2,931,169
Debt service:								
Principal	121,671	-	-	-	-	-	-	121,671
Interest	3,433	-	-	-	-	-	-	3,433
Total expenditures	20,325,596	1,490,353	847,010	1,239,121	63,013	54,522	-	24,019,615
Excess (deficiency) of revenues over (under) expenditures	4,259,005	(803,377)	(9,787)	(1,178,114)	-	-	-	2,267,727
Other financing sources (uses):								
Transfers in	2,578,938	2,385,192	-	1,498,217	-	-	(3,652,298)	2,810,049
Transfers out	(4,097,298)	(1,615,593)	-	-	-	-	3,652,298	(2,060,593)
Issuance of subscription liabilities	19,741	-	-	-	-	-	-	19,741
Sale of capital assets	-	-	-	54,000	-	-	-	54,000
Total other financing sources (uses)	(1,498,619)	769,599	-	1,552,217	-	-	-	823,197
Net change in fund balances	2,760,386	(33,778)	(9,787)	374,103	-	-	-	3,090,924
Fund balances, beginning of year	6,621,156	6,369,591	1,000,000	4,899,158	-	-	-	18,889,905
Fund balances, end of year	$ 9,381,542	$ 6,335,813	$ 990,213	$ 5,273,261	$ -	$ -	$ -	$ 21,980,829

CITY OF NEWTON, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2024

	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	$ -	$ 5,661	$ -	$ 2,198	$ 56,878	$ -	$ 411,064	$ 136,460
Receivables (net of allowance for uncollectibles):								
Property tax	-	-	-	-	57,602	-	-	-
Other	202,570	-	-	-	-	-	-	-
Restricted assets:								
Cash and investments	293,588	-	-	-	-	-	-	-
Total assets	$ 496,158	$ 5,661	$ -	$ 2,198	$ 114,480	$ -	$ 411,064	$ 136,460
Liabilities:								
Accounts payable	$ -	$ 5,661	$ -	$ 25,000	$ -	$ -	$ 14,307	$ -
Accrued expenses	-	-	-	-	-	-	751	-
Total liabilities	-	5,661	-	25,000	-	-	15,058	-
Deferred inflows of resources:								
Unavailable revenue - property and special assessment taxes	-	-	-	-	57,602	-	-	-
Fund balances:								
Restricted:								
Community development	496,158	-	-	-	-	-	396,006	-
Perpetual care	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	56,878	-	-	-
Assigned:								
Capital asset acquisition	-	-	-	-	-	-	-	136,460
Unassigned	-	-	-	(22,802)	-	-	-	-
Total fund balances	496,158	-	-	(22,802)	56,878	-	396,006	136,460
Total liabilities, deferred inflows of resources, and fund balances	$ 496,158	$ 5,661	$ -	$ 2,198	$ 114,480	$ -	$ 411,064	$ 136,460

(Continued)

CITY OF NEWTON, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2024

	Special Revenue Funds						Permanent Fund	
	Airport/Library Municipal Equipment Reserve	Special Law Enforcement	Library	ARPA	Community Improvement District Sales Tax	Municipalities Fight Addiction	Cemetery & Mausoleum	Total
Assets:								
Cash and investments	$ 353,781	$ 187,745	$ 42,321	$ -	$ 6,632	$ -	$ 510,709	$ 1,713,449
Receivables (net of allowance for uncollectibles):								
Property tax	-	-	907,133	-	-	-	-	964,735
Other	-	-	-	-	-	-	-	202,570
Restricted assets:								
Cash and investments	-	-	-	-	-	121,641	-	415,229
Total assets	$ 353,781	$ 187,745	$ 949,454	$ -	$ 6,632	$ 121,641	$ 510,709	$ 3,295,983
Liabilities:								
Accounts payable	$ -	$ 2,781	$ -	$ -	$ 6,632	$ -	$ 1,764	$ 56,145
Accrued expenses	-	-	-	-	-	-	-	751
Total liabilities	-	2,781	-	-	6,632	-	1,764	56,896
Deferred inflows of resources:								
Unavailable revenue - property and special assessment taxes	-	-	907,133	-	-	-	-	964,735
Fund balances:								
Restricted:								
Community development	-	-	-	-	-	-	-	892,164
Perpetual care	-	-	-	-	-	-	508,945	508,945
Law enforcement	-	184,964	-	-	-	-	-	184,964
Other purposes	-	-	42,321	-	-	121,641	-	220,840
Assigned:								
Capital asset acquisition	353,781	-	-	-	-	-	-	490,241
Unassigned	-	-	-	-	-	-	-	(22,802)
Total fund balances	353,781	184,964	42,321	-	-	121,641	508,945	2,274,352
Total liabilities, deferred inflows of resources, and fund balances	$ 353,781	$ 187,745	$ 949,454	$ -	$ 6,632	$ 121,641	$ 510,709	$ 3,295,983

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	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	$ -	$ -	$ -	$ -	$ 64,674	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	302,614	-
Intergovernmental	-	22,163	497,924	35,483	-	22,163	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest	3,999	-	-	-	-	-	-	-
Other	-	-	-	19,000	-	-	-	-
Total revenues	3,999	22,163	497,924	54,483	64,674	22,163	302,614	-
Expenditures:								
Current:								
General government	35,000	22,163	-	32,256	108,185	-	-	-
Public safety	-	-	-	58,464	-	-	-	-
Culture and recreation	-	-	-	-	-	-	89,673	-
Capital outlay	-	-	-	-	-	-	-	14,373
Total expenditures	35,000	22,163	-	90,720	108,185	-	89,673	14,373
Excess (deficiency) of revenues over (under) expenditures	(31,001)	-	497,924	(36,237)	(43,511)	22,163	212,941	(14,373)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	14,250
Transfers out	-	-	(497,924)	-	-	(22,163)	(141,111)	-
Total other financing sources (uses)	-	-	(497,924)	-	-	(22,163)	(141,111)	14,250
Net change in fund balances	(31,001)	-	-	(36,237)	(43,511)	-	71,830	(123)
Fund balances, beginning of year	527,159	-	-	13,435	100,389	-	324,176	136,583
Fund balances, end of year	$ 496,158	$ -	$ -	$ (22,802)	$ 56,878	$ -	$ 396,006	$ 136,460

(Continued)

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
(Continued)
Year Ended December 31, 2024

	Special Revenue Funds						Permanent Fund	
	Airport/Library Municipal Equipment Reserve	Special Law Enforcement	Library	ARPA	Community Improvement District Sales Tax	Municipalities Fight Addiction	Cemetery & Mausoleum	Total
Revenues:								
Taxes:								
Property taxes	$ -	$ -	$ 941,988	$ -	$ -	$ -	$ -	$ 1,006,662
Sales taxes	-	-	-	-	85,816	-	-	85,816
Excise taxes	-	-	-	-	-	-	-	302,614
Intergovernmental	-	-	-	639,181	-	64,717	-	1,281,631
Charges for services	-	6,701	-	-	-	-	-	6,701
Interest	-	-	-	10,190	-	-	18,987	33,176
Other	1,909	-	-	-	-	-	14,790	35,699
Total revenues	1,909	6,701	941,988	649,371	85,816	64,717	33,777	2,752,299
Expenditures:								
Current:								
General government	-	-	938,100	-	85,816	-	-	1,221,520
Public safety	-	-	-	-	-	-	-	58,464
Culture and recreation	-	-	-	-	-	-	-	89,673
Capital outlay	32,815	90,350	-	-	-	-	-	137,538
Total expenditures	32,815	90,350	938,100	-	85,816	-	-	1,507,195
Excess (deficiency) of revenues over (under) expenditures	(30,906)	(83,649)	3,888	649,371	-	64,717	33,777	1,245,104
Other financing sources (uses):								
Transfers in	31,875	-	-	-	-	56,924	-	103,049
Transfers out	-	-	-	(705,151)	-	-	-	(1,366,349)
Total other financing sources (uses)	31,875	-	-	(705,151)	-	56,924	-	(1,263,300)
Net change in fund balances	969	(83,649)	3,888	(55,780)	-	121,641	33,777	(18,196)
Fund balances, beginning of year	352,812	268,613	38,433	55,780	-	-	475,168	2,292,548
Fund balances, end of year	$ 353,781	$ 184,964	$ 42,321	$ -	$ -	$ 121,641	$ 508,945	$ 2,274,352

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
December 31, 2024

	Sanitation	Golf Course	Meridian Center	Total Nonmajor Enterprise Funds
Assets:				
Current assets:				
Cash and investments	$ 2,107,803	$ 1,365,061	$ 279,882	$ 3,752,746
Accounts receivable (net of allowance for uncollectibles)	348,530	19,071	10,335	377,936
Other receivables	-	317	-	317
Prepaid items	-	3,713	-	3,713
Inventory	-	58,555	10,679	69,234
Total current assets	2,456,333	1,446,717	300,896	4,203,946
Noncurrent assets:				
Leases receivable	-	49,562	-	49,562
Capital assets, net	552,920	5,982,858	2,431,245	8,967,023
Total current assets	552,920	6,032,420	2,431,245	9,016,585
Total assets	3,009,253	7,479,137	2,732,141	13,220,531
Deferred outflows of resources:				
Deferred outflows - OPEB	35,820	-	-	35,820
Deferred outflows - pension	191,794	-	36,569	228,363
Total deferred outflows of resources	227,614	-	36,569	264,183
Liabilities:				
Current liabilities:				
Accounts payable	29,396	94,590	15,171	139,157
Accrued expenses	31,719	5,740	4,678	42,137
Unearned revenues	-	97,406	6,046	103,452
Current portion of long-term debt	8,759	90,171	466	99,396
Accrued interest payable	63	479	-	542
Total current liabilities	69,937	288,386	26,361	384,684
Noncurrent liabilities:				
Total OPEB liability	49,322	-	-	49,322
Net pension liability	712,227	-	135,800	848,027
Advances to other funds	-	613,400	-	613,400
Compensated absences	29,666	-	2,552	32,218
Lease obligations	-	147,487	-	147,487
Total noncurrent liabilities	791,215	760,887	138,352	1,690,454
Total liabilities	861,152	1,049,273	164,713	2,075,138
Deferred inflows of resources:				
Deferred inflows - OPEB	16,673	-	-	16,673
Deferred inflows - pension	23,089	-	4,402	27,491
Deferred receivable - lease	-	46,363	-	46,363
Total deferred inflows of resources	39,762	46,363	4,402	90,527
Net position:				
Net investment in capital assets	550,528	5,745,200	2,431,245	8,726,973
Unrestricted	1,785,425	638,301	168,350	2,592,076
Total net position	$ 2,335,953	$ 6,383,501	$ 2,599,595	$ 11,319,049

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
Year Ended December 31, 2024

	Sanitation	Golf Course	Meridian Center	Eliminations	Total Nonmajor Enterprise Funds
Operating revenues:					
Charges for sales and services	$ 2,259,412	$ 2,020,721	$ 287,593	$ -	$ 4,567,726
Miscellaneous	27,472	117,114	3,218	-	147,804
Total operating revenues	2,286,884	2,137,835	290,811	-	4,715,530
Operating expenses:					
Personnel services	1,190,524	861,648	234,549	-	2,286,721
Contractual services	485,870	393,541	73,236	-	952,647
Commodities	54,080	545,078	83,846	-	683,004
Capital outlay	-	184,479	20,837	-	205,316
Vehicle operating	250,600	-	-	-	250,600
Depreciation and amortization	100,359	384,856	93,022	-	578,237
Total operating expenses	2,081,433	2,369,602	505,490	-	4,956,525
Operating income (loss)	205,451	(231,767)	(214,679)	-	(240,995)
Nonoperating revenues (expenses)					
Loss on disposal of property	-	-	(2,651)	-	(2,651)
Lease revenue	-	12,635	-	-	12,635
Interest income	-	43,556	-	-	43,556
Interest and fiscal charges	(146)	(25,972)	-	-	(26,118)
Total nonoperating revenues (expenses)	(146)	30,219	(2,651)	-	27,422
Income (loss) before transfers	205,305	(201,548)	(217,330)	-	(213,573)
Transfers in	576,791	425,000	232,232	(609,023)	625,000
Transfers out	(744,311)	-	(32,232)	609,023	(167,520)
Change in net position	37,785	223,452	(17,330)	-	243,907
Net position, beginning of year	2,298,168	6,160,049	2,616,925	-	11,075,142
Net position, end of year	$ 2,335,953	$ 6,383,501	$ 2,599,595	$ -	$ 11,319,049

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
Year Ended December 31, 2024

	Sanitation	Golf Course	Meridian Center	Eliminations	Total Nonmajor Enterprise Funds
Cash flows from operating activities:					
Receipts from customers	$ 2,294,675	$ 2,041,751	$ 306,203	$ -	$ 4,642,629
Payments to suppliers for goods and services	(785,163)	(1,038,258)	(171,087)	-	(1,994,508)
Payments on behalf of employees for services and benefits	(1,122,238)	(882,343)	(259,587)	-	(2,264,168)
Net cash from operating activities	387,274	121,150	(124,471)	-	383,953
Cash flows from noncapital financing activities:					
Transfers in	576,791	425,000	232,232	(609,023)	625,000
Transfers out	(744,311)	-	(32,232)	609,023	(167,520)
Net cash from noncapital financing activities	(167,520)	425,000	200,000	-	457,480
Cash flows from capital and related financing activities:					
Proceeds from leases receivable	-	11,374	-	-	11,374
Payments for capital assets	(376,791)	-	(32,232)	-	(409,023)
Principal payments on lease obligations	-	(86,704)	-	-	(86,704)
Principal payments on subscription liabilities	(2,283)	-	-	-	(2,283)
Payment on advances from other funds	-	(325,000)	-	-	(325,000)
Interest and fees paid on debt	(125)	(26,148)	-	-	(26,273)
Net cash from capital and related financing activities	(379,199)	(426,478)	(32,232)	-	(837,909)
Cash flows from investing activities:					
Interest received	-	43,556	-	-	43,556
Net change in cash and cash equivalents	(159,445)	163,228	43,297	-	47,080
Cash and cash equivalents, beginning of year	2,267,248	1,201,833	236,585	-	3,705,666
Cash and cash equivalents, end of year	$ 2,107,803	$ 1,365,061	$ 279,882	$ -	$ 3,752,746

(Continued)

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
(Continued)
Year Ended December 31, 2024

	Sanitation	Golf Course	Meridian Center	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	$ 205,451	$ (231,767)	$ (214,679)	$ (240,995)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization	100,359	384,856	93,022	578,237
Changes in:				
Accounts receivable (net of allowance for uncollectibles)	7,791	(14,009)	13,752	7,534
Other receivables	-	(317)	-	(317)
Prepaid items	-	1,650	-	1,650
Inventory	-	8,394	1,828	10,222
Accounts payable	5,387	74,796	5,004	85,187
Accrued expenses	11,995	(20,695)	362	(8,338)
Compensated absences	8,420	-	(3,801)	4,619
Total OPEB liability	14,809	-	-	14,809
Net pension liability	(27,385)	-	(50,796)	(78,181)
Deferred outflows - OPEB	(9,984)	-	-	(9,984)
Deferred outflows - pension	51,914	-	24,916	76,830
Deferred inflows - OPEB	(4,092)	-	-	(4,092)
Deferred inflows - pension	22,609	-	4,281	26,890
Unearned revenues	-	(81,758)	1,640	(80,118)
Net cash from operating activities	$ 387,274	$ 121,150	$ (124,471)	$ 383,953

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF NET POSITION -
INTERNAL SERVICE FUNDS
December 31, 2024

	Health Benefits Risk Management	Stores and Maintenance	Total
Assets:			
Current assets:			
Cash and investments	$ 2,785,517	$ 1,226,128	$ 4,011,645
Prepaid items	71,800	-	71,800
Inventory	-	128,298	128,298
Total current assets	2,857,317	1,354,426	4,211,743
Capital assets:			
Capital assets, net	-	522,460	522,460
Total assets	2,857,317	1,876,886	4,734,203
Liabilities:			
Current liabilities:			
Accounts payable	407	13,153	13,560
Accrued expenses	-	6,635	6,635
Current portion of long-term debt	-	6,422	6,422
Unreported claims payable	137,526	-	137,526
Total current liabilities	137,933	26,210	164,143
Net position:			
Net investment in capital assets	-	522,460	522,460
Unrestricted	2,719,384	1,328,216	4,047,600
Total net position	$ 2,719,384	$ 1,850,676	$ 4,570,060

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS
Year Ended December 31, 2024

	Health Benefits Risk Management	Stores and Maintenance	Eliminations	Total
Operating revenues:				
Charges for sales and services	$ 3,490,013	$ 876,803	$ -	$ 4,366,816
Miscellaneous	853,720	5,662	-	859,382
Total operating revenues	4,343,733	882,465	-	5,226,198
Operating expenses:				
Personnel services	4,199,432	262,836	-	4,462,268
Contractual services	-	68,559	-	68,559
Commodities	190,092	540,403	-	730,495
Capital outlay	-	7,124	-	7,124
Vehicle operating	-	28,510	-	28,510
Depreciation and amortization	-	56,286	-	56,286
Total expenses	4,389,524	963,718	-	5,353,242
Operating loss	(45,791)	(81,253)	-	(127,044)
Nonoperating revenues:				
Interest income	107,754	-	-	107,754
Income (loss) before capital contributions and transfers	61,963	(81,253)	-	(19,290)
Capital contributions and transfers:				
Capital contributions	-	11,312	-	11,312
Transfers in	-	262,619	(86,000)	176,619
Transfers out	-	(86,000)	86,000	-
Total capital contributions and transfers	-	187,931	-	187,931
Change in net position	61,963	106,678	-	168,641
Net position, beginning of year	2,657,421	1,743,998	-	4,401,419
Net position, end of year	$ 2,719,384	$ 1,850,676	$ -	$ 4,570,060

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
Year Ended December 31, 2024

	Health Benefits Risk Management	Stores and Maintenance	Total
Cash flows from operating activities:			
Receipts from customers	$ 4,343,733	$ 882,465	$ 5,226,198
Payments to suppliers for goods and services	(190,092)	(640,426)	(830,518)
Payments on behalf of employees for services and benefits	(4,347,794)	(260,793)	(4,608,587)
Net cash from operating activities	(194,153)	(18,754)	(212,907)
Cash flows from noncapital financing activities:			
Transfers in	-	176,619	176,619
Cash flows from investing activities:			
Interest received	107,754	-	107,754
Net change in cash and cash equivalents	(86,399)	157,865	71,466
Cash and cash equivalents, beginning of year	2,871,916	1,068,263	3,940,179
Cash and cash equivalents, end of year	$ 2,785,517	$ 1,226,128	$ 4,011,645

(Continued)

CITY OF NEWTON, KANSAS
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
(Continued)
Year Ended December 31, 2024

	Health Benefits Risk Management	Stores and Maintenance	Total
Reconciliation of operating loss to net cash from from operating activities:			
Operating loss	$ (45,791)	$ (81,253)	$ (127,044)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation and amortization	-	56,286	56,286
Changes in:			
Inventory	-	5,947	5,947
Accounts payable	407	(1,776)	(1,369)
Accrued expenses	-	2,614	2,614
Compensated absences	-	(572)	(572)
Unreported claims payable	(148,769)	-	(148,769)
Net cash from operating activities	$ (194,153)	$ (18,754)	$ (212,907)

Noncash capital financing activities:
Contributions of capital assets of $ 11,312 were received in the stores and maintenance fund.

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
RHID FUND*
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 100,000	$ 63,013	$ (36,987)
Expenditures and other uses:			
Expense reimbursement	100,000	63,013	(36,987)
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, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 100,000	$ 54,522	$ (45,478)
Expenditures and other uses:			
Expense reimbursement	100,000	54,522	(45,478)
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, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Liquor tax	$ 30,000	$ 22,163	$ (7,837)
Expenditures and other uses:			
Contractual services	30,000	22,163	(7,837)
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, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Intergovernmental	$ 510,340	$ 497,924	$ (12,416)
Expenditures and other uses:			
Transfers out	510,340	497,924	(12,416)
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 LIABILITY FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 63,513	$ 64,674	$ 1,161
Expenditures and other uses:			
Contractual services	155,500	108,185	(47,315)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(91,987)	(43,511)	48,476
Fund balances, beginning of year	91,987	100,389	8,402
Fund balances, end of year	$ -	$ 56,878	$ 56,878

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL PARKS & RECREATION FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Liquor tax	$ 30,000	$ 22,163	$ (7,837)
Expenditures and other uses:			
Transfers out	30,000	22,163	(7,837)
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, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Transient guest tax	$ 329,175	$ 302,614	$ (26,561)
Expenditures and other uses:			
Tourism/conventions	81,344	89,673	8,329
Transfers out	150,000	141,111	(8,889)
Total expenditures and other uses	231,344	230,784	(560)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	97,831	71,830	(26,001)
Fund balances, beginning of year	329,825	324,176	(5,649)
Fund balances, end of year	$ 427,656	$ 396,006	$ (31,650)

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL LAW ENFORCEMENT FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Forfeitures and other	$ 15,000	$ 6,701	$ (8,299)
Expenditures and other uses:			
Commodities and other	65,350	-	(65,350)
Capital outlay	25,000	90,350	65,350
Total expenditures and other uses	90,350	90,350	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(75,350)	(83,649)	(8,299)
Fund balances, beginning of year	187,967	268,613	80,646
Fund balances, end of year	$ 112,617	$ 184,964	$ 72,347

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
LIBRARY FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 926,866	$ 941,988	$ 15,122
Expenditures and other uses:			
Appropriations to Library	928,801	938,100	9,299
Transfers out	20,000	-	(20,000)
Total expenditures and other uses	948,801	938,100	(10,701)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(21,935)	3,888	25,823
Fund balances, beginning of year	21,935	38,433	16,498
Fund balances, end of year	$ -	$ 42,321	$ 42,321

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, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Sales taxes	$ 150,000	$ 85,816	$ (64,184)
Expenditures and other uses:			
Expense reimbursements	150,000	85,816	(64,184)
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
MUNICIPALITIES FIGHT ADDICTION FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Intergovernmental	$ 50,000	$ 64,717	$ 14,717
Transfers in	-	56,924	56,924
Total revenues and other sources	50,000	121,641	71,641
Expenditures and other uses:			
General government	50,000	-	(50,000)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	121,641	121,641
Fund balances, beginning of year	48,047	-	(48,047)
Fund balances, end of year	$ 48,047	$ 121,641	$ 73,594

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CEMETERY & MAUSOLEUM FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Sale of cemetery lots	$ 23,500	$ 14,790	$ (8,710)
Investment earnings	-	18,987	18,987
Total revenues and other sources	23,500	33,777	10,277
Expenditures and other uses:			
Capital outlay	25,000	-	(25,000)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,500)	33,777	35,277
Fund balances, beginning of year	410,582	475,168	64,586
Fund balances, end of year	$ 409,082	$ 508,945	$ 99,863

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
BOND & INTEREST FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property taxes	$ 1,516,147	$ 1,553,148	$ 37,001
Special assessments	1,003,127	1,154,984	151,857
Intergovernmental	-	19,495	19,495
Other	1,380,373	280,134	(1,100,239)
Transfers in	1,612,170	2,814,628	1,202,458
Total revenues and other sources	5,511,817	5,822,389	310,572
Expenditures and other uses:			
Debt service:			
Principal	4,175,000	2,970,995	(1,204,005)
Interest	1,018,530	929,566	(88,964)
Projected future debt	477,405	-	(477,405)
Fees and commissions	184,450	-	(184,450)
Transfers out	600,100	1,492,920	892,820
Total expenditures and other uses	6,455,485	5,393,481	(1,062,004)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(943,668)	428,908	1,372,576
Fund balances, beginning of year	943,668	1,952,603	1,008,935
Fund balances, end of year	$ -	$ 2,381,511	$ 2,381,511

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SEWER FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Service fees	$ 7,230,000	$ 7,000,553	$ (229,447)
Transfers in	7,000	7,000	-
Land rent	15,000	16,480	1,480
Other	15,000	7,228	(7,772)
Total revenues and other sources	7,267,000	7,031,261	(235,739)
Expenditures and other uses:			
Personnel services	2,180,443	1,951,593	(228,850)
Contractual services	979,167	1,230,411	251,244
Commodities	104,942	84,689	(20,253)
Vehicle operating	73,300	53,356	(19,944)
Capital outlay	43,000	34,200	(8,800)
Expense reimbursement	614,907	614,907	-
Principal	889,485	889,485	-
Interest	231,341	230,598	(743)
Other	22,369	22,369	-
Transfers out	3,006,182	2,218,202	(787,980)
Total expenditures and other uses	8,145,136	7,329,810	(815,326)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(878,136)	(298,549)	579,587
Fund balances, beginning of year	3,811,953	6,934,675	3,122,722
Fund balances, end of year	$ 2,933,817	6,636,126	$ 3,702,309

(Continued)

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SEWER FUND
(Continued)
Year Ended December 31, 2024

Reconciliation to GAAP:	
Plus capital assets, net at December 31, 2024	$ 37,180,733
Plus deferred charges on refunding at December 31, 2024	180,719
Plus deferred outflows - OPEB at December 31, 2024	7,678
Plus deferred outflows - pension at December 31, 2024	339,238
Less compensated absences at December 31, 2024	(33,766)
Less accrued interest payable at December 31, 2024	(132,842)
Less total OPEB liability at December 31, 2024	(10,776)
Less net pension liability at December 31, 2024	(1,259,761)
Less state revolving fund loans payable at December 31, 2024	(8,279,072)
Less bonds payable, net at December 31, 2024	(6,770,205)
Less subscription liabilities at December 31, 2024	(4,305)
Less deferred inflows - OPEB at December 31, 2024	(3,573)
Less deferred inflows - pension at December 31, 2024	(40,839)
Plus encumbrances outstanding at December 31, 2024	74,909
Fund balance on the basis of GAAP	27,884,264
Fund balances for non-budgeted funds included with the Sewer Fund on GAAP basis financials:	
Sewer Special Reserve Fund	5,620,370
	$ 33,504,634

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
WATERWORKS FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Service fees	$ 5,558,101	$ 5,610,930	$ 52,829
Interest	-	917	917
Other	68,200	47,828	(20,372)
Total revenues and other sources	5,626,301	5,659,675	33,374
Expenditures and other uses:			
Personnel services	2,431,176	2,280,892	(150,284)
Contractual services	1,313,193	1,062,837	(250,356)
Commodities	181,740	153,344	(28,396)
Vehicle operating	82,500	79,893	(2,607)
Capital outlay	30,000	-	(30,000)
Fees and commission	2,890	-	(2,890)
Principal	607,941	617,113	9,172
Interest	25,718	25,718	-
Transfers out	1,447,661	961,835	(485,826)
Total expenditures and other uses	6,122,819	5,181,632	(941,187)
Revenues (expenditures) not subject to budget:			
Revolving loan proceeds	-	2,024,879	2,024,879
Transfers out not subject to budget	-	(2,024,879)	(2,024,879)
Total revenues (expenditures) not subject to budget	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(496,518)	478,043	974,561
Fund balances, beginning of year	1,227,182	3,441,370	2,214,188
Fund balances, end of year	$ 730,664	3,919,413	$ 3,188,749
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2024		16,336,723	
Plus deferred charges on refunding at December 31, 2024		9,255	
Plus deferred outflows - OPEB at December 31, 2024		46,165	
Plus deferred outflows - pension at December 31, 2024		396,037	
Less compensated absences at December 31, 2024		(60,240)	
Less accrued interest payable at December 31, 2024		(32,756)	
Less total OPEB liability at December 31, 2024		(64,797)	
Less net pension liability at December 31, 2024		(1,470,684)	
Less state revolving fund loans payable at December 31, 2024		(5,123,759)	
Less general obligation bonds, net at December 31, 2024		(1,767,313)	
Less subscription liabilities at December 31, 2024		(5,262)	
Less lease obligations at December 31, 2024		(3,770)	
Less deferred inflows - OPEB at December 31, 2024		(21,488)	
Less deferred inflows - pension at December 31, 2024		(47,677)	
Plus encumbrances outstanding at December 31, 2024		139,386	
Fund balance on the basis of GAAP		12,249,233	
Fund balances for non-budgeted funds included with the Waterworks Fund on GAAP basis financials:			
Waterworks Special Reserve Fund		3,634,589	
		$ 15,883,822	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
AIRPORT FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Property tax	$ 112,282	$ 113,361	$ 1,079
Intergovernmental	90,000	90,000	-
Fuel sales and rentals	1,599,500	1,265,558	(333,942)
Interest	-	114,796	114,796
Other	26,000	2,742	(23,258)
Total revenues and other sources	1,827,782	1,586,457	(241,325)
Expenditures and other uses:			
Personnel services	708,135	643,003	(65,132)
Contractual services	210,029	282,612	72,583
Commodities	738,800	488,822	(249,978)
Vehicle operating	20,800	39,553	18,753
Principal	-	85,956	85,956
Interest	-	7,464	7,464
Transfers out	161,920	53,125	(108,795)
Total expenditures and other uses	1,839,684	1,600,535	(239,149)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(11,902)	(14,078)	(2,176)
Fund balances, beginning of year	11,902	415,541	403,639
Fund balances, end of year	$ -	401,463	$ 401,463
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2024		20,165,675	
Plus deferred outflows - OPEB at December 31, 2024		10,530	
Plus deferred outflows - pension at December 31, 2024		112,236	
Less compensated absences at December 31, 2024		(23,601)	
Less total OPEB liability at December 31, 2024		(14,780)	
Less net pension liability at December 31, 2024		(416,790)	
Less general obligation bonds, net at December 31, 2024		(126,606)	
Less deferred inflows - OPEB at December 31, 2024		(4,901)	
Less deferred inflows - pension at December 31, 2024		(13,512)	
Less subscription liabilities at December 31, 2024		(957)	
Less accrued interest payable at December 31, 2024		(1,229)	
Fund balance on the basis of GAAP		$ 20,087,528	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SANITATION FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Refuse collection	$ 2,243,385	$ 2,259,412	$ 16,027
Other	27,000	26,820	(180)
Total revenues and other sources	2,270,385	2,286,232	15,847
Expenditures and other uses:			
Personnel services	1,169,051	1,134,233	(34,818)
Contractual services	504,690	600,811	96,121
Commodities	73,071	20,943	(52,128)
Vehicle operating	270,100	250,600	(19,500)
Transfers out	406,779	252,579	(154,200)
Total expenditures and other uses	2,423,691	2,259,166	(164,525)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(153,306)	27,066	180,372
Fund balances, beginning of year	1,229,794	1,782,098	552,304
Fund balances, end of year	$ 1,076,488	1,809,164	$ 732,676
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2024		552,920	
Plus deferred outflows - OPEB at December 31, 2024		35,820	
Plus deferred outflows - pension at December 31, 2024		191,794	
Less compensated absences at December 31, 2024		(35,078)	
Less total OPEB liability at December 31, 2024		(50,277)	
Less net pension liability at December 31, 2024		(712,227)	
Less deferred inflows - OPEB at December 31, 2024		(16,673)	
Less deferred inflows - pension at December 31, 2024		(23,089)	
Less subscription liabilities at December 31, 2024		(2,392)	
Less accrued interest payable at December 31, 2024		(63)	
Fund balance on the basis of GAAP		1,749,899	
Fund balances for non-budgeted funds included with the Sanitation Fund on GAAP basis financials:			
Solid Waste Special Reserve Fund		586,054	
		$ 2,335,953	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GOLF COURSE FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Golf course revenue	$ 1,667,076	$ 2,020,721	$ 353,645
Interest	-	43,556	43,556
Other	-	29,747	29,747
Total revenues and other sources	1,667,076	2,094,024	426,948
Expenditures and other uses:			
Personnel services	821,720	861,648	39,928
Contractual services	379,867	393,541	13,674
Commodities	440,919	545,078	104,159
Capital outlay	400,000	184,479	(215,521)
Total expenditures and other uses	2,042,506	1,984,746	(57,760)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(375,430)	109,278	484,708
Fund balances, beginning of year	693,335	858,272	164,937
Fund balances, end of year	$ 317,905	967,550	$ 649,645
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2024		5,753,047	
Less advances to other funds at December 31, 2024		(613,400)	
Fund balance on the basis of GAAP		6,107,197	
Fund balances for non-budgeted funds included with the Golf Course Fund on GAAP basis financials:			
Golf Course Special Reserve Fund		276,304	
		$ 6,383,501	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
MERIDIAN CENTER FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Meridian Center revenues	$ 597,735	$ 287,593	$ (310,142)
Other	-	3,218	3,218
Transfers in	-	150,000	150,000
Total revenues and other sources	597,735	440,811	(156,924)
Expenditures and other uses:			
Personnel services	399,489	259,949	(139,540)
Contractual services	84,120	73,236	(10,884)
Commodities	111,210	83,846	(27,364)
Total expenditures and other uses	594,819	417,031	(177,788)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	2,916	23,780	20,864
Fund balances, beginning of year	96,379	42,181	(54,198)
Fund balances, end of year	$ 99,295	65,961	$ (33,334)
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2024		2,431,245	
Plus deferred outflows - pension at December 31, 2024		36,569	
Less compensated absences at December 31, 2024		(3,018)	
Less net pension liability at December 31, 2024		(135,800)	
Less deferred inflows - pension at December 31, 2024		(4,402)	
Fund balance on the basis of GAAP - Meridian Center Fund only		2,390,555	
Fund balances for non-budgeted funds included with the Meridian Center Fund on GAAP basis financials:			
Meridian Center Special Reserve Fund		209,040	
		$ 2,599,595	

CITY OF NEWTON, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
STORES AND MAINTENANCE FUND
Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
Revenues and other sources:			
Stores and maintenance revenues	$ 1,169,818	$ 876,803	$ (293,015)
Other	-	1,046	1,046
Transfers in	-	176,619	176,619
Total revenues and other sources	1,169,818	1,054,468	(115,350)
Expenditures and other uses:			
Personnel services	324,799	263,408	(61,391)
Contractual services	68,756	63,894	(4,862)
Commodities	667,618	538,980	(128,638)
Vehicle operating expense	46,379	28,510	(17,869)
Transfer out	86,000	86,000	-
Total expenditures and other uses	1,193,552	980,792	(212,760)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(23,734)	73,676	97,410
Fund balances, beginning of year	222,877	415,638	192,761
Fund balances, end of year	$ 199,143	489,314	$ 290,171
Reconciliation to GAAP:			
Plus capital assets, net at December 31, 2024		522,460	
Less compensated absences at December 31, 2024		(6,422)	
Fund balance on the basis of GAAP - Stores and Maintenance Fund only		1,005,352	
Fund balances for non-budgeted funds included with the Stores and Maintenance Fund on GAAP basis financials:			
Stores and Maintenance Special Reserve Fund		845,324	
		$ 1,850,676	

CITY OF NEWTON, KANSAS
COMPONENT UNIT FUND FINANCIAL STATEMENTS -
NEWTON PUBLIC LIBRARY
BALANCE SHEET
December 31, 2024

Assets:		
Cash	$	2,039,638
Liabilities:		
Accounts payable	$	4,930
Fund balance:		
Assigned for library services		2,034,708
Total liabilities and fund balance	$	2,039,638

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, 2024

Revenues:		
Taxes	$	938,686
Intergovernmental		62,971
Fines and fees		23,472
Interest		129,685
Other		41,613
Total revenues		1,196,427
Expenditures:		
Personnel services		601,421
Contractual services		59,260
Commodities		180,350
Capital outlay		662,232
Total expenditures		1,503,263
Revenues under expenditures		(306,836)
Fund balance, beginning		2,341,544
Fund balance, ending	$	2,034,708

CITY OF NEWTON, KANSAS
COMPONENT UNIT FUND FINANCIAL STATEMENTS -
LAND BANK
BALANCE SHEET
December 31, 2024

Assets:		
Cash	$	13,667
Fund balance:		
Assigned for land bank operations	$	13,667

CITY OF NEWTON, KANSAS
COMPONENT UNIT FUND FINANCIAL STATEMENTS -
LAND BANK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended December 31, 2024

Revenues:		
Donations	$	10,000
Investment earnings		202
Other		3,465
Total revenues		13,667
Fund balance, beginning		-
Fund balance, ending	$	13,667

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.	125
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	131
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.	134
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.	141
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.	143

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									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net Investment in capital assets	$ 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	$ 18,853,423
Restricted	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	3,788,474
Unrestricted	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	11,473,694
Total Governmental Activities Net Position	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	34,115,591
Business-Type Activities										
Net Investment in capital assets	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	61,878,489
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	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	21,698,643
Total Business-Type Activities Net Position	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	83,577,132
Primary Government										
Net Investment in capital assets	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	80,731,912
Restricted	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	3,788,474
Unrestricted	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	33,172,337
Total Primary Government Net Position	$ 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	$ 117,692,723

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities:										
General Government	$ 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	$ 7,240,503
Public Safety	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	14,650,718
Highway and streets	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	6,543,141
Culture and recreation	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	1,718,457
Airport	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	-
Interest and fiscal charges	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	1,364,363
Total Governmental Activities Expenses	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	31,517,182
Business-Type Activities:										
Sewer	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	5,882,534
Sanitation	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	2,095,589
Waterworks	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	5,155,981
Airport	-	-	-	-	-	-	-	-	-	2,424,185
Golf Course	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	2,395,574
Public Building Commission	562,527	368,853	324,963	347,820	340,555	569,091	449,532	498,967	491,365	519,227
Meridian Center	-	-	-	-	-	-	548,489	576,506	525,837	507,571
Total Business-Type Activities Expenses	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	18,980,661
Total Primary Government Expenses	$ 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	$ 50,497,843
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	$ 2,368,777	$ 2,705,182	$ 2,942,043	$ 2,821,681	$ 2,880,710	$ 2,471,425	$ 362,792	$ 655,017	$ 618,460	$ 1,350,848
Public Safety	747,634	741,231	563,183	623,596	612,601	470,104	2,644,137	2,546,044	3,106,426	3,266,904
Highway and streets	239,518	74,030	77,080	61,000	44,500	39,417	-	-	-	-
Airport	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	322,763	174,911	163,944	164,488	178,704	161,641	1,761,940	176,676	179,632	150,701
Capital Grants and Contributions	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	3,168,085
Total Governmental Activities Program Revenues	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	7,936,538
Business-Type Activities:										
Charges for Services:										
Sewer	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	7,025,264
Sanitation	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	2,286,884
Waterworks	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	5,660,244
Airport	-	-	-	-	-	-	-	-	-	1,268,302
Golf Course	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	2,150,470
Public Building Commission	336,594	345,633	349,530	353,909	358,476	396,780	404,641	482,834	510,037	552,366
Meridian Center	-	-	-	-	-	-	159,968	296,302	279,558	290,811
Capital Grants and Contributions	21,000	21,000	21,000	21,000	21,000	21,000	342,372	-	-	-
Total Business-Type Activities Program Revenues	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	19,234,341
Total Primary Government Program Revenues	$ 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	$ 27,170,879

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense) Revenue										
Governmental Activities	$ (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)	$ (23,580,644)
Business-Type Activities:	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	253,680
Total Primary Government Net Expense	$ (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)	$ (23,326,964)
General revenues:										
Governmental Activities:										
Taxes										
Property taxes and special assessments	$ 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	$ 12,252,745
Sales tax	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	7,058,065
Franchise taxes	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	1,629,446
Excise taxes	333,362	229,487	295,187	261,630	288,752	188,022	316,027	337,277	239,693	302,614
Other	1,142,945	568,864	788,044	-	-	-	-	-	-	-
Intergovernmental, not restricted										
Investment earnings	8,664	31,836	158,132	387,944	592,968	202,942	4,056	487,475	1,475,729	1,831,497
Grants and contributions not restricted to specific programs										639,181
Gain on disposal of capital assets	-	-	-	-	-	54,424	-	-	-	53,282
Other	-	-	-	601,400	585,095	1,138,762	730,551	1,820,415	3,998,515	3,823,912
Transfers in (out)	6,518,537	2,232,376	1,931,491	2,805,431	667,515	4,080,892	(1,160,492)	730,612	(712,533)	(425,695)
Total governmental activities	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	27,165,047
Business-Type Activities										
Property Taxes	21,030	88,918	150,452	118,927	126,910	133,941	142,240	149,018	157,150	325,174
Investment earnings	743	968	2,043	4,423	5,245	5,872	3,962	32,178	85,699	195,917
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	90,000
Gain on disposal of capital assets	-	55,810	50,079	11,000	26,150	500	60,105	6,399	101,177	-
Transfers in (out)	(6,518,537)	(2,232,376)	(1,931,491)	(2,805,431)	(667,515)	(4,080,892)	1,160,492	(730,612)	712,533	425,695
Total Business-Type Activities	(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	1,036,786
Total Primary Government	$ 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	$ 28,201,833
Change in Net Position										
Governmental Activities:	$ 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	$ 3,584,403
Business-Type Activities	(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	1,290,466
Total Primary Government	$ 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	$ 4,874,869

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

	Fiscal Year									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
General Fund										
Nonspendable	$ 81,134	$ 378,184	$ 400,497	$ 400,438	$ 172,758	$ 143,293	$ 370,825	$ 400,675	$ 516,194	$ 416,053
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	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	11,820,996
Unassigned	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	9,743,780
Total General Fund	$ 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	$ 21,980,829
All Other Governmental Funds										
Nonspendable	2,580,236	2,346,965	2,161,678	82,228	59,402	31,981	44,747	92,207	100,069	-
Restricted	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	4,188,424
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	529,656	489,123	464,797	438,279	354,337	315,448	344,135	418,683	489,395	490,241
Unassigned	(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)	(6,376,315)
Total all other governmental funds	$ 4,633,191	$ (999,924)	$ (650,404)	$ 1,525,858	$ (4,003,703)	$ 1,076,439	$ (512,265)	$ (1,858,064)	$ (2,587,380)	$ (1,697,650)

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes and special assessments	$ 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	$ 22,397,854
Intergovernmental	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	1,913,735
Licenses and permits	218,416	188,896	268,272	211,191	179,581	246,223	268,673	384,405	371,370	956,757
Charges for services	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	3,241,174
Fines, forfeitures and penalties	747,634	555,184	513,727	574,254	574,664	465,551	515,930	420,652	437,622	419,826
Use of money and property	8,664	31,836	158,132	387,944	592,969	202,942	4,056	487,475	1,475,729	1,831,497
Other	1,142,945	568,866	788,043	601,403	585,097	1,138,759	730,551	1,473,377	3,205,883	2,863,579
Total revenues	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	33,624,422
Expenditures:										
Current:										
General government	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	5,611,352
Public safety	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	12,394,371
Highway and streets	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	3,293,637
Culture and recreation	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	1,519,154
Airport	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	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	16,111,398
Debt service:										
Principal	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	3,092,666
Interest	1,156,818	1,034,633	1,010,773	994,140	1,340,904	1,083,516	1,085,184	919,167	860,793	932,999
Fees and commissions	109,385	109,560	179	114,048	-	-	-	-	-	-
Total expenditures	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	42,955,577
Excess (deficiency) of revenues over (under) expenditures	(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)	(9,331,155)
Other financing sources (uses):										
Proceeds from general obligation bonds	5,407,691	-	-	3,615,000	-	14,802,434	-	-	3,735,130	9,650,000
Proceeds of refunding bonds	-	7,259,704	-	-	-	-	(3,643,087)	-	-	-
Proceeds of sales of capital assets	90,000	58,405	62,705	175,750	117,681	107,940	102,318	2,249,737	797,517	54,000
Transfers in	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	8,387,054
Issuance of lease obligation	-	-	-	-	-	-	-	10,464	-	-
Issuance of subscription liabilities	-	-	-	-	-	-	-	-	188,130	19,741
Issuance of bond premium	-	565,412	-	64,026	-	-	3,369,009	-	256,090	536,417
Payment to refunding bond escrow agent	-	(7,735,899)	-	-	-	(341,190)	350,187	-	-	-
Transfers out	(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)	(4,919,862)
Total other financing sources (uses)	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	13,727,350
Net change in fund balances	$ 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	$ 4,396,195
Debt service as a percentage of noncapital expenditures	10.08%	13.47%	15.55%	13.78%	18.22%	40.66%	16.55%	12.40%	14.71%	15.00%

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
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	7,749,479	1,086,282	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	9,778,251	1,059,071	6,947,498	239,693	1,652,552	1,085,051	20,762,116
2024	11,112,464	1,140,281	7,058,065	302,614	1,629,446	1,154,984	22,397,854
Change 2015-2024	81.6%	39.2%	37.8%	-9.2%	6.3%	6.8%	49.2%

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
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%
2024	159,256,021	11,648,677	19,082,224	189,986,922	72.223	1,248,521,192	15.22%

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
2015	$ 7,451,137	$ 7,102,109	95.32%	$ 148,148	$ 7,250,257	97.30%
2016	7,503,461	7,163,158	95.46%	221,648	7,384,806	98.42%
2017	8,127,835	7,912,242	97.35%	203,458	8,115,700	99.85%
2018	8,613,339	8,184,191	95.02%	176,350	8,360,541	97.07%
2019	8,945,655	8,419,984	94.12%	277,014	8,696,998	97.22%
2020	9,229,361	8,730,488	94.59%	156,998	8,887,486	96.30%
2021	9,425,425	8,925,316	94.69%	47,380	8,972,696	95.20%
2022	9,471,046	8,971,192	94.72%	401,968	9,373,160	98.97%
2023	11,193,019	10,493,076	93.75%	36,982	10,530,058	94.08%
2024	12,465,826	11,799,101	94.65%	0	11,799,101	94.65%

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
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**
2024	56.428	0.633	5.588	9.219	0.355	**72.223**	60.754	43.622	1.500	0.269	**178.368**

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

	2024			2015		
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	$ 3,289,109	1	1.92%	$ 2,417,192	1	2.05%
Walmart Realty Company	2,819,515	2	1.65%	2,109,118	2	1.79%
Burlington Northern	2,515,735	3	1.47%	1,216,306	6	1.03%
Kansas Gas Service, Div of One Gas	2,216,010	4	1.30%	1,294,059	5	1.10%
Future Foam Inc	1,235,904	5	0.72%			
Ardent Mills, LLC	1,145,120	6	0.67%			
Newton Industrial LLC	1,015,829	7	0.59%			
Park Aircraft Tech Corp	973,825	8	0.57%			
Dillon Companies Inc	970,375	9	0.57%	1,687,571	3	1.43%
Newton Healthcare Corp	822,939	10	0.48%	850,000	8	0.72%
Norcraft Companies LLC				879,668	7	0.74%
Cargill, Inc				1,572,137	4	1.33%
Sunflower Hospitality				638,088	10	0.54%
Broadway Hospitality				752,017	9	0.64%
Total	$ 17,004,361		9.94%	$ 13,416,156		11.37%
Total Assessed Value	$ 170,904,698			$ 118,103,525		

Source: *Harvey County Clerk*

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	$ 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	$ 51,636,991
Total net debt applicable to limit	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	28,211,460
Legal debt margin	$ 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	$ 23,425,531
Total net debt applicable to the limit as a percentage of debt limit	63.76%	69.31%	63.45%	67.48%	56.21%	74.49%	65.72%	58.87%	47.15%	54.63%

Legal Debt Margin Calculation for Fiscal Year 2023

Total assessed value		$ 172,123,303
Debt limit (30% of total assessed value)		$ 51,636,991
Debt applicable to limit:		
General obligation bonds	30,193,021	
Less: Amount set aside for repayment of general obligation debt	1,981,561	
Total net debt applicable to limit		28,211,460
Legal debt margin		$ 23,425,531

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 [c]	Percentage of Personal Income [b]	Per Capita [a]
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
2024	28,457,521	-	5,652	57,362	-	7,834,386	8,817,518	4,615,000	13,402,831	241,427	12,914	63,444,611	6.36%	3,476

Note: *Details regarding the City's outstanding debt can be found in the Notes on pages 65-72 and in the Statistical Section on pages 134-140.*

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

[b] See page 141 for personal income and poplulation data.

[c] 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
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%	1,791
2023	32,551,987	1,632,733	30,919,254	1,116,889,235	2.77%	1,770
2024	37,275,039	1,981,561	35,293,478	1,248,521,192	2.83%	2,042

City of Newton, Kansas

Direct and Overlapping Governmental Activities Debt
As of December 31, 2024

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Unified School District No. 373	$ 10,398,500	77.00%	$ 8,006,845
Harvey County	1,765,000	43.00%	758,950
	12,163,500		8,765,795
Direct debt, City of Newton: *			
General obligation bonds and other direct debt	36,354,921	100.00%	36,354,921
Total direct and overlapping debt	$ 48,518,421	93.00%	$ 45,120,716

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

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

				Water & Sewer Revenue Bonds			KDHE Revolving Loans			Special Assessment Bonds			
Fiscal Year	Utility Service Charges	Less: Expenses[1]	Net Available Revenue	Debt Service (Next Fiscal Year) Principal	Debt Service (Next Fiscal Year) Interest	Coverage[2]	Debt Service (Next Fiscal Year) Principal	Debt Service (Next Fiscal Year) Interest	Total Revenue Coverage[2]	Special Assessment Collections	Debt Service (Next Fiscal Year) Principal	Debt Service (Next Fiscal Year) Interest	Coverage[2]
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
2024	12,685,508	7,726,132	4,959,376	-	-	n/a	1,054,090	229,635	3.86	1,154,984	900,775	248,117	1.01

Note: *Details regarding the city's outstanding debt can be found in the notes on pages 65-72 and pages 134-140.*

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, 2024

Type of Debt	Date of Issue	Final Maturity	Interest Rates %	Original Principal Amount	Principal Outstanding 1/1/2024	Issued	Retired	Refunded	Principal Outstanding 12/31/2024
General Obligation:									
Airport Improvements	09-01-04	09-01-24	5.25-6.00	$ 515,000	$ 45,000	$ -	$ 45,000	$ -	$ -
Int Imp/Water/Sewer/Refunding	09-01-12	09-01-24	2.00-2.10	3,570,000	375,000	-	375,000	-	-
Improvements/Land Purchase	10-30-15	09-01-26	2.00-3.10	1,130,000	370,000	-	120,000	-	250,000
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	990,000	-	235,000	-	755,000
Int Imp/Refunding	08-25-16	09-01-29	2.00-2.50	13,425,000	7,805,000	-	1,415,000	-	6,390,000
Internal Improvements	12-05-18	09-01-38	3.00-4.00	2,125,000	1,835,000	-	65,000	-	1,770,000
Internal Improvements	12-05-18	09-01-33	3.00-4.00	1,490,000	1,070,000	-	90,000	-	980,000
Int Impr/IRB Refunding	06-11-20	09-01-36	3.00-3.45	6,015,000	5,100,000	-	335,000	-	4,765,000
Int Imp/Water/Sewer/Refunding	12-07-20	09-01-40	2.00-3.50	9,575,000	7,750,000	-	480,000	-	7,270,000
Int Impr/Conf Center Refunding	12-07-20	09-01-30	2.00-3.00	1,790,000	1,295,000	-	170,000	-	1,125,000
Int Imp/Water/Sewer/Refunding	11-04-21	09-01-33	1.50-4.00	5,965,000	4,350,000	-	845,000	-	3,505,000
Internal Improvements	06-27-23	09-01-43	4.00-5.00	3,870,000	3,870,000	-	100,000	-	3,770,000
Internal Improvements	09-25-24	09-01-44	4.00-5.00	9,100,000	-	9,100,000	-	-	9,100,000
Internal Improvements	09-25-24	09-01-34	6.75	550,000	-	550,000	-	-	550,000
Total General Obligation Bonds				64,190,000	37,425,000	9,650,000	4,275,000	-	42,800,000
Other:									
Kansas Water Pollution Control	09-30-08	03-01-30	2.85	9,000,000	2,544,155	-	394,606	-	2,149,549
Kansas Public Water Supply	08-01-09	08-01-29	3.75	651,533	214,526	-	35,817	-	178,709
Kansas Public Water Supply	08-17-09	02-01-30	3.37	2,011,842	644,517	-	98,649	-	545,868
Kansas Water Pollution Control	11-01-13	03-01-35	2.83	16,850,860	6,624,403	-	494,878	-	6,129,525
Kansas Public Water Supply	11-08-21	08-01-43	1.26	5,200,000	2,812,998	2,024,879	438,697	-	4,399,180
Total Other				33,714,235	12,840,599	2,024,879	1,462,647	-	13,402,831
Total Indebtedness				$ 97,904,235	$ 50,265,599	$ 11,674,879	$ 5,737,647	$ -	$ 56,202,831

City of Newton, Kansas
Schedule of Industrial Revenue Bonds by Obligee *
As of December 31, 2024

Obligated Entity or Purpose	Series	Issue Date	Final Maturity	Original Principal Amount	Principal Outstanding 1/1/2024	Issued	Retired	Principal Outstanding 12/31/2024
Newton Healthcare Corp.	2008	08/21/08	11/15/24	$ 11,385,000	$ 960,000	$ -	$ 960,000	$ -
Carset Holdings	2024	12/20/24	12/31/34	5,500,000	-	5,500,000	-	5,500,000
				$ 16,885,000	$ 960,000	$ 5,500,000	$ 960,000	$ 5,500,000

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)
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	2.80%
2024	18,251	$998,238,445	$54,695	3,159	3.60%

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

	2024			2015		
Employer *	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
NMC Health	875	1	5.1%	560	2	3.3%
Unified School District #373	852	2	5.0%	847	1	5.0%
BNSF Railway Company	370	3	2.2%	380	4	2.3%
Wal-Mart	265	4	1.5%	275	5	1.6%
Prairie View Hospital	252	5	1.5%	258	6	1.5%
Dillons Stores	243	6	1.4%	213	7	1.3%
City of Newton	242	7	1.4%	206	9	1.2%
ResCare Kansas	209	8	1.2%	209	8	1.2%
Paramount	205	9	1.2%			
Harvey County	175	10	1.0%	182	10	1.1%
Masterbrand				400	3	2.4%
Total	3,688		21.5%	3,530		20.9%

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	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Administration	17	16	17	15	17	19	17	16	16	17
Park and Cemetery	14	13	13	13	13	13	12	12	11	10
Law Department	4	2	2	2	2	3	3	3	3	2
Municipal Court	5	5	5	5	5	5	5	5	5	5
Information Technology	2	2	1	1	1	1	1	1	2	2
Historic Preservation Planner	1	-	-	-	-	-	-	-	-	-
Convention Visitors Bureau	1	1	1	1	1	1	1	1	-	1
Public Safety										
Fire/EMS	49	48	50	51	51	51	52	50	52	50
Police	38	40	42	41	40	41	43	44	42	43
Public Works										
Engineering	8	8	8	9	7	7	8	8	9	9
Facility Operations	3	4	4	4	4	4	4	5	4	4
Street Division	16	17	17	15	18	18	18	16	17	18
Shop Services	3	3	3	3	3	3	3	4	3	4
Water	13	13	13	13	14	14	14	16	16	16
Wastewater	10	12	12	11	11	10	9	10	13	12
Sanitation	8	8	7	8	8	9	8	8	8	8
Airport	6	5	6	6	6	6	6	7	8	8
Meridian Center	-	-	-	-	-	-	4	3	2	3
Total	198	197	201	198	201	205	208	209	211	212

Source: *City of Newton Human Resource Department*

City of Newton, Kansas

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fire										
Emergency Medical Service calls	3,081	3,198	3,211	3,189	3,197	3,157	3,505	3,743	3,379	3,592
Fire calls	567	586	535	477	436	433	635	537	624	736
Fire inspections	763	39	826	811	810	761	649	730	611	632
Police										
Total calls	41,234	33,283	27,475	25,971	25,585	22,063	23,152	21,886	25,413	23,471
Reported crimes	1,449	1,430	1,444	1,356	1,098	970	1,104	895	821	765
Adult arrests	2,071	1,660	1,911	1,874	1,745	1,214	1,454	1,295	1,170	1,116
Juvenile arrests	239	249	341	342	301	151	192	169	265	213
Engineering Division										
New dwelling starts	17	21	116	11	9	15	13	20	36	119
Environmental caseload	1,103	913	930	1,077	1,062	1,060	896	983	1,071	1,907
Water										
Number of customers	7,760	7,756	7,764	7,854	7,866	7,876	7,902	7,925	7,959	8,032
Annual Consumption *(thousands of cubic feet)*	82,834	73,892	75,079	79,940	72,388	78,064	78,169	82,023	83,604	85,423
Street										
Miles of streets overlayed or resurfaced	0.91	1.07	1.15	0.25	1.50	2.75	1.81	1.02	1.07	1.96
Square yards of streets sealed	190,767	202,256	129,399	155,091	117,370	10,170	149,876	296,966	175,362	126,123
Sanitation										
Tonnage landfilled	4,778	4,881	4,806	4,837	5,031	6,731	6,924	6,869	6,945	7,356
Tonnage recycled	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	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Area of City *(acres)*	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	9,532.29
Fire/EMS										
Stations	3	3	3	3	3	3	3	3	3	3
Firefighter/EMTs	46	45	45	44	45	45	45	44	46	44
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Police officers	32	35	35	35	35	36	36	37	38	38
Street Division										
Miles of City streets - paved	28.89	29.51	29.85	29.85	29.97	29.97	29.97	30.47	31.07	31.07
Miles of City streets - blacktop	93.05	92.49	92.49	92.60	92.60	92.60	92.60	92.60	92.67	93.84
Miles of City streets - gravel	9.32	9.32	9.32	9.21	9.21	9.21	9.21	9.21	9.21	9.21
Miles of City streets - unimproved	14.04	14.75	14.41	14.53	14.53	14.53	14.53	14.03	14.03	14.03
Street employees	16	17	17	15	18	18	18	16	17	18
Water										
Water mains *(miles)*	156.82	156.98	157.37	157.37	159.18	160.76	160.97	162.16	162.32	163.70
Wastewater										
Sanitary sewer *(miles)*	121.63	121.70	122.35	122.78	122.93	122.93	122.93	123.60	123.66	125.44
Storm water sewer *(miles)*	20.12	20.59	20.92	20.96	21.08	21.08	21.08	21.35	21.42	22.29

Source: *Various city departments*

CITY DATA REPORT
NEWTON, KANSAS
For Year Ending: 12/31/2024

1. STREETS

A. Total miles of streets (center line), as of December 31, 2024	148.15	miles
B. Miles of streets paved, curbed & guttered in 2024	1.17	miles
C. Streets annexed in 2024	0.00	miles
D. Miles of different types of street surface		
1. Paved (concrete)	31.07	miles
2. Asphalt Blacktop (various types of bases)	93.84	miles
3. Gravel / Sand	9.21	miles
4. Platted but Unimproved	14.03	miles

2. STREET MAINTENANCE

A. Miles of streets overlayed or resurfaced in 2024	1.96	miles
B. Square Yards of streets sealed in 2024	126,123	SY

3. SANITARY SEWER

A. Total miles of Sanitary Sewer, as of December 31, 2024	125.44	miles
B. Miles of Sanitary Sewer constructed in 2024	1.78	miles
C. Total Sanitary Sewer Manholes as of December 31, 2024	2,515	
D. Sanitary Sewer Manholes constructed in 2024	48	

4. STORM WATER SEWER

A. Total miles of Storm Water Sewer, as of December 31, 2024	22.29	miles
B. Miles of Storm Water Sewer constructed in 2024	0.87	miles

5. WATER LINES

A. Total miles of Water lines, as of December 31,2024	163.70	miles
B. Miles of Water Transmission lines, as of December 31, 2024	19.76	miles
C. Miles of Water Distribution lines, as of December 31, 2024	143.94	miles
D. Miles of Water lines constructed in 2024	1.38	miles
E. Miles of Water lines acquired in 2024	0.00	miles
F. Total Fire Hydrants as of December 31, 2024	939	
G. Fire Hydrants constructed in 2024	16	

6. AREA OF CITY OF NEWTON

A. Total acres, as of December 31, 2024	9,532.29	acres
B. Acres annexed in 2024	0.00	acres
C. Acres de-annexed in 2024	0.00	acres

7. SUBDIVISIONS

A. Plat or PUD
   1.

B. New Subdivision Development (Construction)
   1. Fox Ridge Addition Sewer Extension - Phase 1
   2. Fox Ridge Addition Waterline Extension - Phase 1
   3. Fox Ridge Addition Paving Extension - Phase 1
   4. Fox Ridge Addition SE 14th Connector Intersection
   5. Cow Palace Sewer Extension

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

C. New Phase of Existing Subdivision (Construction)
   1. Rolling Hills 7th Addition - E. 1st St. & S Spencer Rd Traffic Signal
   2. Rolling Hills 7th Addition - Paving and Storm Sewer
   3. Claassen 2nd Addition Block 1, Lot 2, Waterline Extension
   4. Claassen 2nd Addition Block 1, Lot 2, Sanitary Sewer Extension

D. Capital Improvement Projects
   1. SW 24th Street Bridge Rehabilitation
   2. SE 4th St Culvert & Waterline Improvements
   3. Washington Road Sanitary Sewer
   4. Washington Road Waterline
   5. 2023 CCLIP K-15 Mill & Overlay(5th St to 11th St)
   6. 2024 Overlay
   7. Newton Public Library
   8. Newton Park & Public Works Building
   9. Newton Park & Public Works Remodel
   10. Athletic Park Fischer Field Turf Replacement

E. Miscellaneous Projects
   1. Tree Pruning Area 7
   2. 312 Glendale Sanitary Sewer Point Repair
   3. Airport HVAC replacements
   4. Athletic Park Fischer Field PA System Improvements
   5. Warkentin House Electrical Improvements
   6. Roadway Newton Condition Survey
   7. Airport Hangar K Door Replacement

8. ***BUILDING CONSTRUCTION PERMITS***

A. Total new single-family residence units and value for 2024	13	$	3,526,125
B. Multiple-family dwelling units			
1. Total number of dwelling units and value for 2024	106	$	1,855,000
C. Total new residential dwelling units and value for 2024	119	$	16,163,938
D. Total building permits issued in 2024	800	$	189,925,764

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

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

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

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 2024	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"