City of Manhattan Kansas

BASIC FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024



CITY OF MANHATTAN, KANSAS

Basic Financial Statements

Year Ended December 31, 2024

Prepared by:

Department of Finance

CITY OF MANHATTAN, KANSAS
BASIC FINANCIAL STATEMENTS
Year Ended December 31, 2024

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BASIC FINANCIAL STATEMENTS

Financial Section

For the Year Ended
December 31, 2024

BT & Co. P.A.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Commission
City of Manhattan, Kansas:

Report on the Audit of the Financial Statements

Opinions

We have audited the 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 Manhattan, 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 audit and the reports 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 comparisons for the general fund and the Riley County Police Department 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 Manhattan Public Library (the Library) or the Manhattan Housing Authority (the Authority) discretely presented component units as of December 31, 2024, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Library and the Authority, are based solely on the reports 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); the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States; and the Kansas Municipal Audit and Accounting Guide (KMAAG). 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. The financial statements of the Library were not audited in accordance with *Government Auditing Standards*. The financial statements of the Authority were not audited in accordance with the KMAAG.

Emphasis of Matters

As discussed in Note 1 to the financial statements, the City implemented Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

As discussed in Note 4G to the financial statements, the December 31, 2023 financial statements have been restated to correct an error on the Authority's financial statements. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an

appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The statements and schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations, (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BT+ Co., P.A.

October 2, 2025
Topeka, Kansas

Management's Discussion and Analysis

This section of the City of Manhattan's annual financial report presents our discussion and analysis of the City's financial performance during the year that ended on December 31, 2024. Please read it in conjunction with the City's financial statements, which follow this section, for a well-rounded picture of the City's financial condition.

Financial Highlights

- The assets of the City of Manhattan exceeded its liabilities at the close of 2024 by $409,799,598. Of this amount, $66,017,492 in governmental activities is unrestricted.
- The City's total net position increased by $27,829,423 over the course of this year's operations. The net position of our governmental activities increased by $18,578,194 (7.4 percent) and the net position of our business-type activities increased by $9,251,229 (6.9 percent).
- As of the end of 2024, the City of Manhattan's governmental funds reported combined ending fund balances of $98,454,691 a decrease of $12,622,284 in comparison with the prior year. Approximately 16 percent of this total amount, $15,343,374, is unassigned and related to the general fund.
- The City's total debt increased by $10,834,585 during 2024. General obligation bonds outstanding decreased by $455,000 in 2024. General obligation bonds in the amount of $11,995,000 were issued in 2024, while $12,450,000 was retired. The balance of temporary notes decreased by $3,570,000 from 2023 to 2024. The commencement of several construction projects in 2023 contributed to the increase in temporary notes issued in fiscal year 2023 compared to 2024.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Manhattan that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City of Manhattan include general government, public safety, public works, urban development and housing, and culture and recreation. The business-type activities of the City of Manhattan include water, wastewater, and storm water management.

The government-wide financial statements include not only the City of Manhattan itself (known as the primary government), but also the legally separate library and housing authority for which the City is financially accountable. Financial information for these two component units are reported separately from the financial information presented for the primary government itself in the government-wide financial statements. Separately issued audited financial statements for the Manhattan Public Library may be obtained at 629 Poyntz Avenue, Manhattan, KS 66502. Separately issued audited financial statements for the Manhattan Housing Authority may be obtained at 300 N. 5th Street, Manhattan, KS 66502.

Fund financial statements. 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 City of Manhattan, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Manhattan can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Manhattan maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Riley County Police Department fund, debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other 18 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Manhattan adopts an annual appropriated budget for its general fund and the Riley County Police Department fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with budget.

Proprietary funds. The City of Manhattan 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. The City of Manhattan uses enterprise funds to account for its water, wastewater, and storm water management operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Manhattan's various functions. The City of Manhattan uses internal service funds to account for its motor pool services, its health care program, its workers' compensation program, and its photocopy services. Because these four services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, wastewater, and stormwater management operations. All three of these funds are considered to be major funds. Individual fund

data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the financial statements and the notes described above, this report also presents required supplementary information related to the City's net pension liability and other postemployment benefits and other supplementary information related to the combining statements for non-major governmental funds and internal service funds.

Government-wide Financial Analysis.
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 Manhattan, assets exceeded liabilities by $409,799,598 at the close of 2024.

A large portion of the City of Manhattan's net position (68 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, infrastructure, and equipment), less any related debt used to acquire those assets that is still outstanding, plus any unspent proceeds of related debt. The City of Manhattan uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Manhattan'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.

CITY OF MANHATTAN'S NET POSITION

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 242,587,670	$ 251,931,607	$ (9,435,351)	$ (13,486,400)	$ 233,152,319	$ 238,445,207
Capital assets	379,655,686	360,878,448	213,973,888	213,088,354	593,629,574	573,966,802
Total assets	622,243,356	612,810,055	204,538,537	199,601,954	826,781,893	812,412,009
Deferred outflows	8,833,909	10,660,843	1,909,609	2,014,220	10,743,518	12,675,063
Long-term liabilities outstanding	300,342,389	306,907,037	59,286,436	63,556,368	359,628,825	370,463,405
Other liabilities	18,255,281	24,158,203	1,591,859	1,327,695	19,847,140	25,485,898
Total liabilities	318,597,670	331,065,240	60,878,295	64,884,063	379,475,965	395,949,303
Deferred inflows	46,336,719	42,582,413	1,913,129	1,902,872	48,249,848	44,485,285
Net position:						
Net investment in capital assets	117,912,664	89,124,397	161,693,721	155,708,734	279,606,385	244,833,131
Restricted	82,212,720	94,643,380	-	-	82,212,720	94,643,380
Unrestricted	66,017,492	66,055,468	(18,036,999)	(20,879,495)	47,980,493	45,175,973
Total net position	$ 266,142,876	$ 249,823,245	$ 143,656,722	$ 134,829,239	$ 409,799,598	$ 384,652,484

An additional portion of the City's net position (20 percent) represents resources that are subject to external restrictions on how they may be used. The positive balance of net position for governmental activities represents the city's growth in capital assets, specifically construction in progress. The city has met all statutory funding levels set by the State of Kansas.

The City's balance for restricted net position decreased in 2024, while investment in capital assets net position increased by 14 percent since the end of 2023. In 2024, the City's net position, for governmental and business activities, increased by $25,147,114.

Governmental activities. Governmental activities increased the City's net position by $16,319,631. Key elements of this increase are as follows:

CITY OF MANHATTAN'S CHANGES IN NET POSITION

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 7,941,932	$ 9,386,058	$ 34,837,521	$ 34,461,395	$ 42,779,453	$ 43,847,453
Operating grants and contributions	11,368,164	6,389,087	-	-	11,368,164	6,389,087
Capital grants and contributions	19,277,686	32,587,843	-	-	19,277,686	32,587,843
General revenues:						
Property taxes	38,625,796	37,888,620	-	-	38,625,796	37,888,620
Other taxes	50,392,848	49,582,436	-	-	50,392,848	49,582,436
Other	4,352,362	7,345,298	1,527,083	1,486,123	5,879,445	8,831,421
Total revenues	131,958,788	143,179,342	36,364,604	35,947,518	168,323,392	179,126,860
Expenses:						
General government	24,043,910	21,043,895	-	-	24,043,910	21,043,895
Public safety	35,674,559	32,185,910	-	-	35,674,559	32,185,910
Public works	17,534,710	19,147,540	-	-	17,534,710	19,147,540
Urban development and housing	4,657,229	4,037,753	-	-	4,657,229	4,037,753
Culture and recreation	20,609,813	30,965,024	-	-	20,609,813	30,965,024
Culture and recreation (payments to Library)	3,689,300	3,441,750	-	-	3,689,300	3,441,750
Interest on long-term debt	7,125,781	7,087,984	-	-	7,125,781	7,087,984
Water	-	-	12,890,125	12,595,238	12,890,125	12,595,238
Wastewater	-	-	10,761,438	9,977,437	10,761,438	9,977,437
Storm Water Management	-	-	3,507,104	3,469,413	3,507,104	3,469,413
Total expenses	113,335,302	117,909,856	27,158,667	26,042,088	140,493,969	143,951,944
Increase in net position before transfers	18,623,486	25,269,486	9,205,937	9,905,430	27,829,423	35,174,916
Transfers	(45,292)	18,896,596	45,292	(18,896,596)	-	-
Increase (decrease) in net position	18,578,194	44,166,082	9,251,229	(8,991,166)	27,829,423	35,174,916
Net position - 01/01	249,823,245	205,580,975	134,829,239	143,820,405	384,652,484	349,401,380
Prior period adjustment	-	76,188	-	-	-	76,188
Change in Accounting Principle	(2,258,563)	-	(423,746)	-	(2,682,309)	-
Net position, beginning as restated	247,564,682	205,657,163	134,405,493	143,820,405	381,970,175	349,477,568
Net position - 12/31	$ 266,142,876	$ 249,823,245	$ 143,656,722	$ 134,829,239	$ 409,799,598	$ 384,652,484

- Capital grants for governmental activities decreased by $13,310,157 from 2023 to 2024. This decrease is primarily attributed to general government revenues. General government capital grant revenues decreased by $15,448,214 from 2023 to 2024 while the remaining governmental activities increased by $2,138,057.

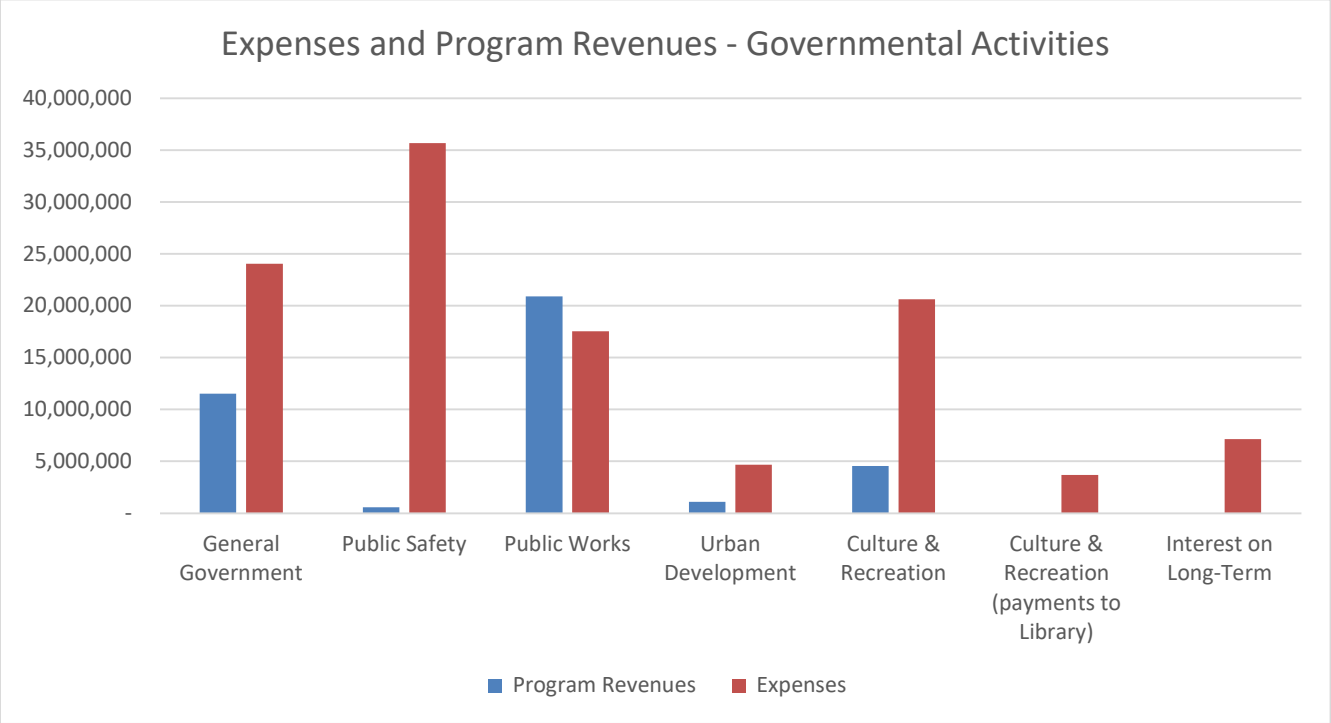
- Operating grants and contributions increased by $4,979,077 from 2023 to 2024. This increase can be attributed to operating grants and contributions for general government and public works.

- Property taxes increased by $737,176 from 2023 to 2024. Other taxes increased by $810,412 during 2024.

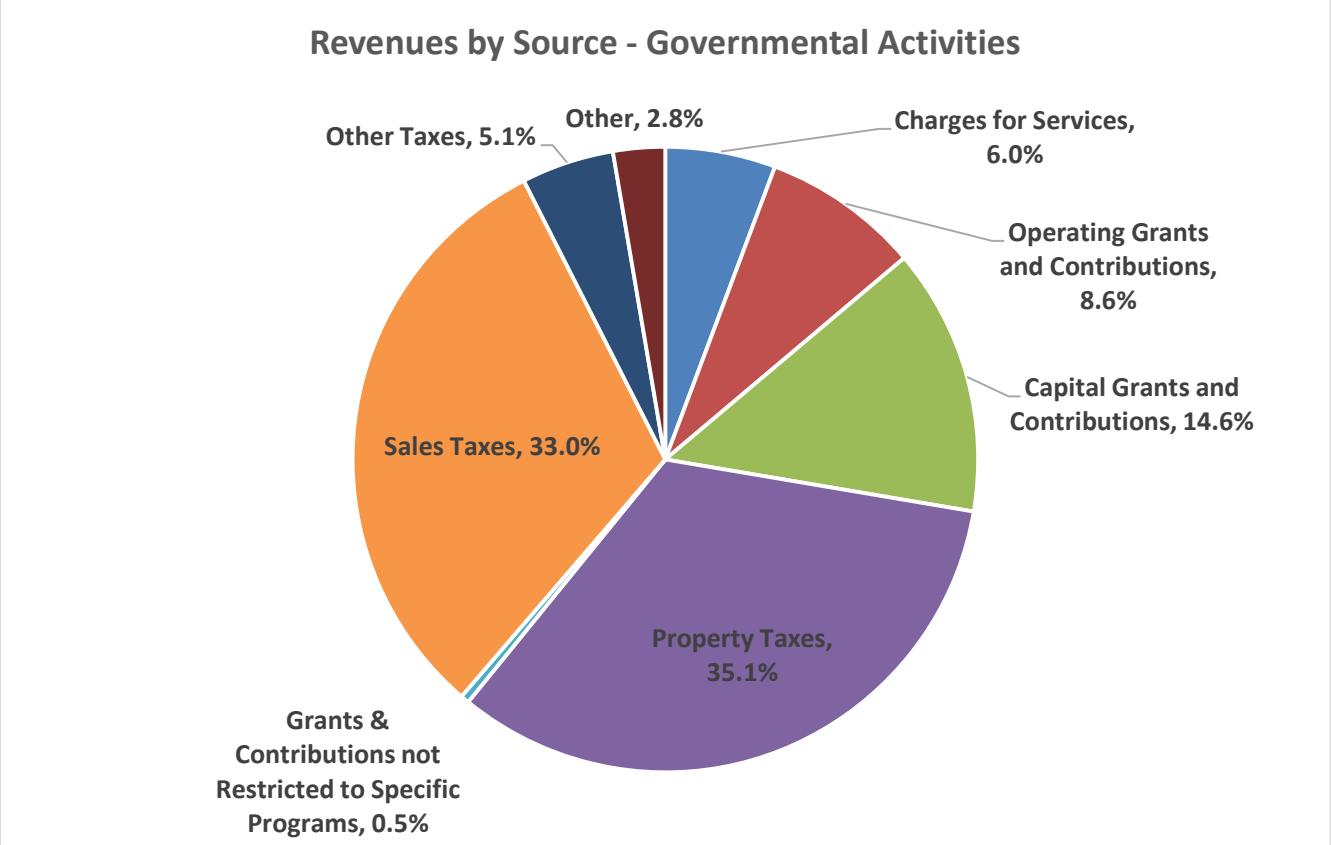
- Other general revenues decreased by $2,992,936 from 2023 to 2024.

Total expenses decreased by $4,574,554 from 2023 to 2024. The largest decrease was in culture and recreation by $10,355,211.

The following chart compares expenses with program revenues for the various governmental activities of the City.



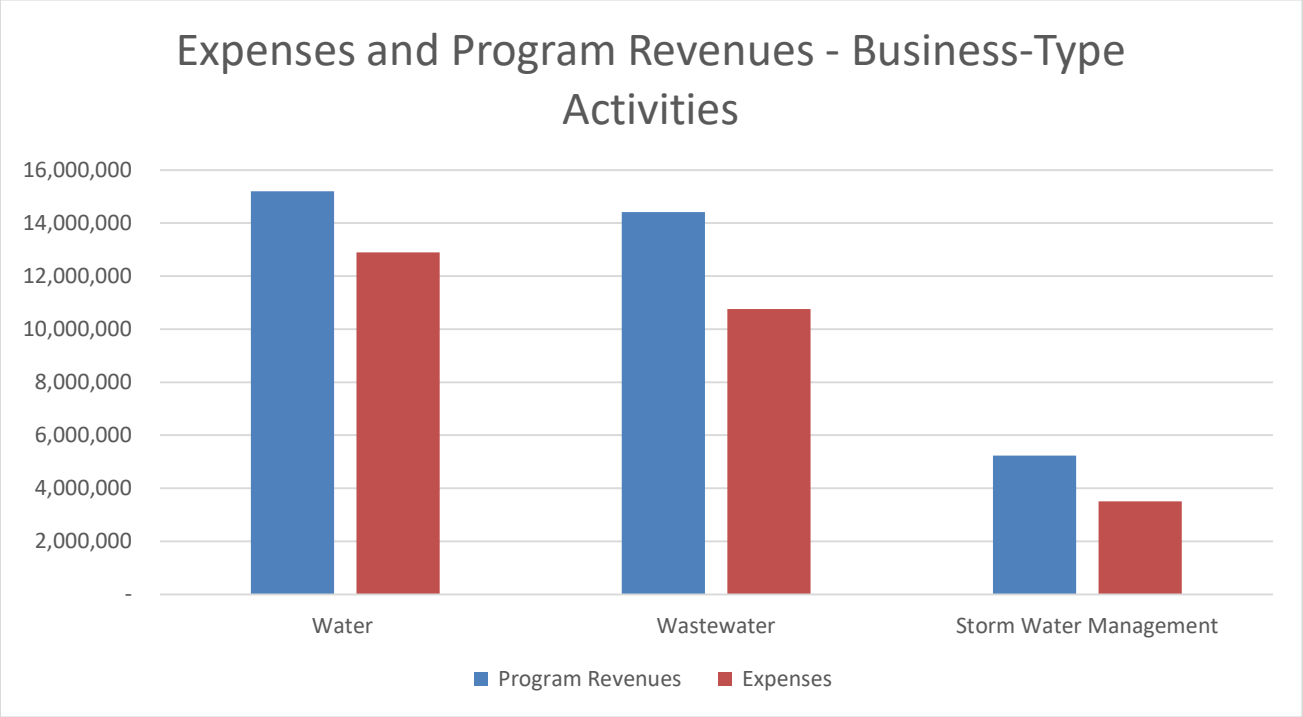
The following graph shows the composition of 2024 revenues for the governmental activities.



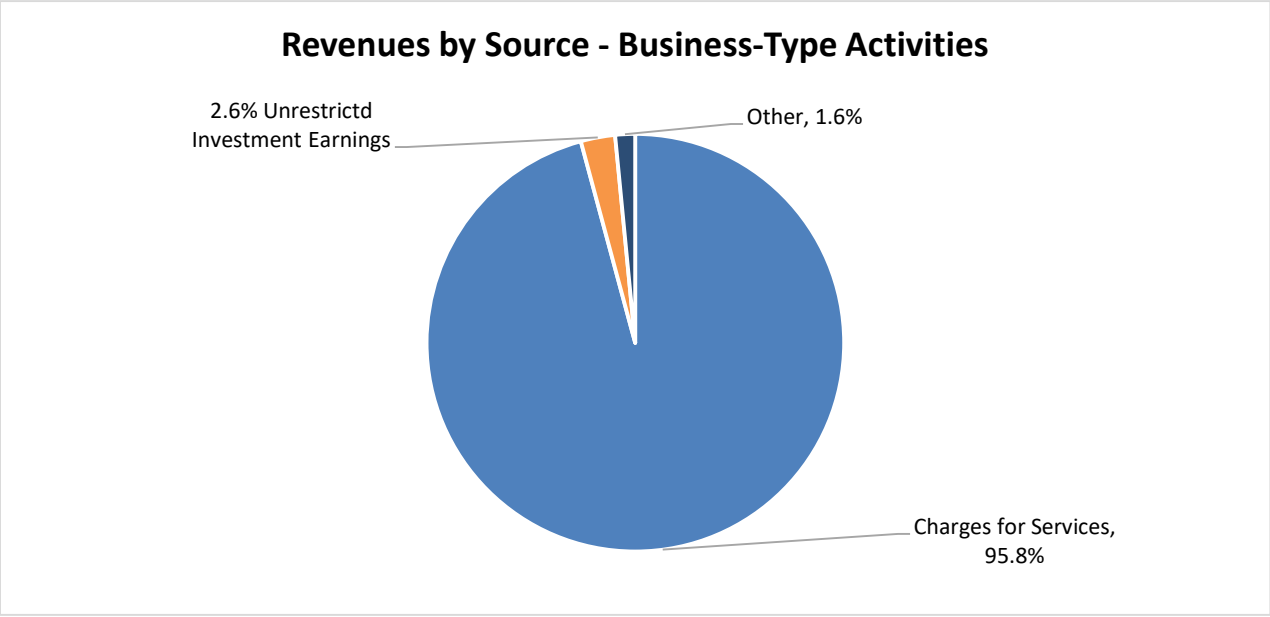
Business-type activities. Business-type activities increased the City's net position by $9,251,229 in 2024. Revenue received from service charges in 2024 totaled $34,837,521 compared to $34,461,395 in 2023. This is an increase of $376,126 (1.1 percent) from 2023 to 2024.

A rate increase of 3% and 4% went into effect January 1, 2024 for water and wastewater, respectively. Stormwater had a rate increase of 7.5% for residential customers and for commercial customers. Capital contributions received in 2024 totaled $7,332,108 while these contributions totaled $9,171,444 in 2023. Total expenses increased by $4,324,451 (19.9 percent) from 2023 to 2024.

The following chart compares expenses with program revenues for the various business-type activities of the City.



The following graph shows the composition of 2024 revenues for the business-type activities.



Financial Analysis of the City's Funds
As noted earlier, the City of Manhattan uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At the end of 2024, the City of Manhattan's governmental funds reported combined ending fund balances of $98,454,691 a decrease of $12,622,284 in comparison with the prior year. The available unassigned balance for governmental funds was $15,343,374 at the completion of the 2024 fiscal year. The remainder of fund balance is classified as assigned, committed, restricted, or non-spendable, as described in the notes to the financial statements.

The general fund is the chief operating fund of the City of Manhattan. At the end of 2024, unassigned fund balance of the general fund was $15,639,359. As a measure of the general fund's liquidity, it may be useful to compare the unassigned and assigned fund balance as well as the total fund balance to total fund expenditures. In total, the unassigned/total fund balance represents 33 percent of total general fund expenditures.

In 2024, the City's general fund balance increased by $291,318. A decrease of $6,838,479 was shown in 2023. Key elements of this are as follows:

- Taxes decreased by $77,939 in 2024. The decrease is attributable to a decrease in sales taxes, compensating use taxes, and franchise fees.

- Licenses and permits decreased by $174,987 in 2024. Most of this decrease was related to fewer building permits being issued in 2024 compared to 2023.

- Intergovernmental revenues decreased by $1,359,777 from 2023 to 2024. This change was primarily related to the end of receiving federal grant proceeds related to COVID-19 Pandemic.

- Charges for services increased by $482,846 from 2023 to 2024. This change was related general increase in admission activity to various parks and recreation activities.

- Investment income decreased by $34,301 from 2023 to 2024. This decrease was due to the fluctuation in the market.

- Expenditures decreased by $1,561,906 in 2024. The increase is primarily attributed to increases in general government, public works and culture and recreation functions.

The Riley County Police Department fund provides for expenditures made to the Riley County Police Department (RCPD). Police protection is provided to the City by the RCPD under a statutory arrangement whereby the City is responsible for 80 percent of the RCPD's budget. This fund had a balance of $0 at the end of 2024.

The debt service fund has a total fund balance of $29,403,760 at the end of 2024, which is restricted for future debt service payments. The net increase in the debt service fund balance during the current year was $7,076,124. Debt service expenditures were less than revenues by $2,662,958.

The capital projects fund is used to account for the acquisition and construction of major facilities which are financed predominately through the issuance of general obligation bonds. This fund has a total fund balance of $25,875,597 of which all is restricted. The capital projects fund balance decreased by $13,742,792 during 2024.

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

Unrestricted net position of the Water Fund at the end of 2024 amounted to $6,066,092; the Wastewater Fund amounted to $8,512,859, and the Stormwater Management Fund amounted to negative $32,615,950. The Water Fund reported an increase of $4,116,703 in net position; the Wastewater Fund reported an increase of $4,802,297 in net position, and the Stormwater Management Fund reported an increase in net position of $332,229. A key element of these changes is as follows:

- For the Water Fund, a decrease in transfers out was the key element to the change in net position. The total transfers out for 2024 were $2,320,543 compared to $5,648,614 in 2023.
- For the Wastewater Fund, a decrease in transfers out was the key element to the change in net position. The total transfers out for 2024 were $1,873,518 compared to $5,160,531 in 2023.
- For the Stormwater Fund, a decrease in transfers out was the key element to the change in net position. The total transfers out for 2024 were $3,149,729 compared to $17,531,472 in 2023.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights
Total revenues exceeded budgetary estimates by $782,206 (3 percent) of total budgeted revenues. Total expenditures were less than budgetary estimates by $9,608,047 (21 percent) of total budgeted expenditures.

Capital Asset and Debt Administration
Capital assets. The City of Manhattan's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to $592,445,295 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, park and pool facilities, streets, storm sewers, bridges, and water and sewer lines. The total increase in the City's investment in capital assets was 3.2 percent.

Major capital asset events during 2024 included the following:

- Construction of various North Campus Corridor street improvements increased assets by $11,054,374.
- Construction of the North Manhattan and Vattier street improvements increased assets by $3,514,587.
- Construction of the Airport Box Hangars increased assets by $2,473,153.

CITY OF MANHATTAN'S CAPITAL ASSETS
(Net of depreciation)

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 22,763,491	$ 22,763,491	$ 8,036,935	$ 8,036,935	$ 30,800,426	$ 30,800,426
Buildings and improvements	108,532,633	107,901,702	38,402,408	39,548,462	146,935,041	147,450,164
Contents and equipment	3,884,462	3,433,462	1,602,672	1,592,646	5,487,134	5,026,108
Vehicles	4,631,188	4,035,181	847,311	1,032,797	5,478,499	5,067,978
Infrastructure	91,747,486	89,532,523	122,753,796	123,074,584	214,501,282	212,607,107
Construction in progress	145,362,229	131,566,780	42,175,768	39,573,247	187,537,997	171,140,027
Right-to-use lease assets not amortized	1,184,279	-	-	-	-	-
Right-to-use lease assets	1,213,517	1,227,214	153,309	182,566	1,366,826	1,409,780
Right-to-use subscription assets	336,401	418,095	1,689	47,117	338,090	465,212
Total	$ 379,655,686	$ 360,878,448	$ 213,973,888	$ 213,088,354	$ 592,445,295	$ 573,966,802

Additional information on the City's capital assets can be found in note 3.F on pages 49-51 of this report.

Long-term debt. At the end of 2024, the City had total bonded debt outstanding of $140,020,000. Of this amount, $77,381,718 comprises debt backed by the full faith and credit of the City and $48,683,282 special assessment debt for which the City is liable in the event of default by the property owners subject to the assessment. The remainder of the City's bonded debt represents bonds secured solely by specific revenue sources (i.e., special obligation bonds).

CITY OF MANHATTAN'S OUTSTANDING DEBT
General Obligation and Special Obligation Bonds

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	$ 56,926,718	$ 60,916,718	$ 20,455,000	$ 21,950,000	$ 77,381,718	$ 82,866,718
General obligation bonds (special assessment debt with governmental commitment)	48,683,282	43,653,282	-	-	48,683,282	43,653,282
Sales tax revenue bonds	3,285,000	3,555,000	-	-	3,285,000	3,555,000
Special obligation bonds	10,670,000	18,080,000	-	-	10,670,000	18,080,000
Total	$ 119,565,000	$ 126,205,000	$ 20,455,000	$ 21,950,000	$ 140,020,000	$ 148,155,000

The City's total outstanding debt decreased by $8,135,000 during 2024. General obligation bonds outstanding decreased by $455,000 in 2024. General obligation bonds in the amount of $11,995,000 were issued in 2024, while $12,450,000 were retired. There was an increase of $3,570,000 in temporary notes outstanding at the end of 2024 as compared to 2023. This increase was due to the commencement of the Houston Street and 4th Street Improvements.

The City has a "A1" rating from Moody's for its general obligation bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 30 percent of its total assessed valuation. The current debt limitation for the City is $230,321,340 which is significantly greater than the City's outstanding general obligation bonds.

Additional information on the City's long-term debt can be found in note 3.J on pages 54-69 of this report.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the City of Manhattan at the end of 2024 was 3.0 percent. This rate increased by 1.3 percent compared to the end of 2023. The City of Manhattan's unemployment rate remains very favorable compared to the state's average unemployment rate of 3.6 percent and the national average rate of 4.1 percent at the end of 2024.

at the end of 2024.

- Inflationary trends in the region compare favorably to national indices.

- The 2025 budget authority for expenditures totaled $229,659,263 which was a $2.5 million increase over the 2024 budget of $227,125,298.

- There was a 4.181 mill levy rate increase, with a total mill levy rate at 53.109 mills for 2025.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional information should be addressed to the Finance Department, City of Manhattan, 1101 Poyntz Avenue, Manhattan, Kansas 66502.



BASIC FINANCIAL STATEMENTS

For the Year Ended
December 31, 2024

CITY OF MANHATTAN, KANSAS
STATEMENT OF NET POSITION
December 31, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Manhattan Public Library	Manhattan Housing Authority
ASSETS					
Cash and cash equivalents	$ 60,452,760	$ 28,299,884	$ 88,752,644	$ 2,808,761	$ 456,266
Investments with fiscal agent	3,194,743	-	3,194,743	-	-
Receivables:					
Accounts (net of allowance for uncollectibles)	1,002,254	3,467,008	4,469,262	-	255,261
Intergovernmental	6,957,806	-	6,957,806	-	-
Franchise tax	397,681	-	397,681	-	-
Sales tax	6,809,153	-	6,809,153	-	-
Transient guest tax	749,600	-	749,600	-	-
Property tax	38,302,742	-	38,302,742	4,003,000	-
Other loans	3,205,415	-	3,205,415	-	-
Notes:					
Current	110,000	-	110,000	-	-
Noncurrent	5,471,000	-	5,471,000	-	-
Leases	6,689,089	1,552,170	8,241,259	-	399,426
Inventories	130,030	118,663	248,693	-	6,788
Prepaid items	-	-	-	78,918	19,842
Internal balances	42,873,076	(42,873,076)	-	-	-
Restricted assets:					
Cash and cash equivalents					
Construction accounts	734,687	-	734,687	-	-
Other	-	-	-	-	74,993
Special assessments:					
Current	7,318,626	-	7,318,626	-	-
Noncurrent	58,189,008	-	58,189,008	-	-
Capital assets:					
Land	22,763,491	8,036,935	30,800,426	-	-
Infrastructure, net of accumulated depreciation	91,747,486	122,753,802	214,501,288	-	-
Other capital assets, net of accumulated depreciation	117,048,283	40,852,385	157,900,668	1,026,269	8,999,375
Construction in progress	146,546,508	42,175,768	188,722,276	-	-
Right to use lease assets, net of accumulated amortization	1,213,518	153,309	1,366,827	-	-
Subscription assets, net of accumulated amortization	336,400	1,689	338,089	-	-
Total Assets	622,243,356	204,538,537	826,781,893	7,916,948	10,211,951
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	429,663	-	429,663	-	-
Deferred outflows - pensions	7,855,461	1,715,196	9,570,657	455,410	208,471
Deferred outflows - OPEB	548,785	194,413	743,198	-	-
Total Deferred Outflows of Resources	$ 8,833,909	$ 1,909,609	$ 10,743,518	$ 455,410	$ 208,471

(Continued)

CITY OF MANHATTAN, KANSAS
STATEMENT OF NET POSITION
(Continued)
December 31, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Manhattan Public Library	Manhattan Housing Authority
LIABILITIES					
Accounts payable	$ 8,551,206	$ 885,296	$ 9,436,502	$ -	$ 104,484
Accrued payroll	723,468	214,222	937,690	2,127	120,134
Estimated insurance claims payable	1,067,663	-	1,067,663	-	-
Unearned revenue	3,603,215	16,072	3,619,287	-	19,140
Accrued interest payable	804,729	476,269	1,280,998	-	32,271
Tenant security deposits	-	-	-	-	55,303
Temporary notes payable	3,505,000	-	3,505,000	-	-
Other current liabilities	-	-	-	-	49,733
Long-term liabilities:					
Due within one year	61,895,054	6,500,740	68,395,794	-	590,166
Due in more than one year	238,447,335	52,785,696	291,233,031	2,067,187	2,528,438
Total Liabilities	318,597,670	60,878,295	379,475,965	2,069,314	3,499,669
DEFERRED INFLOWS OF RESOURCES					
Deferred receivable - property taxes	38,302,742	-	38,302,742	4,003,000	-
Deferred inflows - pensions	427,798	25,149	452,947	214,753	90,828
Deferred inflows - OPEB	870,841	308,505	1,179,346	-	-
Deferred inflows - leases	6,735,338	1,579,475	8,314,813	-	226,545
Total Deferred Inflows of Resources	46,336,719	1,913,129	48,249,848	4,217,753	317,373
NET POSITION					
Net investment in capital assets	117,912,664	161,693,721	279,606,385	1,026,269	6,495,694
Restricted for:					
Perpetual care-nonexpendable	327,188	-	327,188	-	-
Endowment-nonexpendable	-	-	-	938,160	-
Urban development and housing	6,626,261	-	6,626,261	-	-
Culture and recreation	5,373,953	-	5,373,953	-	-
Public works	34,588,057	-	34,588,057	-	-
Debt service	33,128,063	-	33,128,063	-	-
Other purposes	2,169,198	-	2,169,198	-	-
Unrestricted	66,017,492	(18,036,999)	47,980,493	120,862	107,686
Total Net Position	$ 266,142,876	$ 143,656,722	$ 409,799,598	$ 2,085,291	$ 6,603,380

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF ACTIVITIES
For the 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
Primary government				
Governmental activities				
General government	$ 24,043,910	$ 3,440,717	$ 1,567,376	$ 6,499,298
Public safety	35,674,559	554,660	3,739	-
Public works	17,534,710	-	8,260,660	12,636,670
Urban development and housing	4,657,229	193,829	893,984	-
Culture and recreation	20,609,813	3,752,726	642,405	141,718
Culture and recreation (payments to Library)	3,689,300	-	-	-
Interest on long-term debt	7,125,781	-	-	-
Total governmental activities	113,335,302	7,941,932	11,368,164	19,277,686
Business-type activities				
Water	12,890,125	15,191,657	-	-
Wastewater	10,761,438	14,416,953	-	-
Stormwater management	3,507,104	5,228,911	-	-
Total business-type activities	27,158,667	34,837,521	-	-
Total primary government	$ 140,493,969	$ 42,779,453	$ 11,368,164	$ 19,277,686
Component units				
Manhattan Public Library	$ 4,144,557	$ 106,000	$ 478,947	$ 26,485
Manhattan Housing Authority	$ 5,076,021	$ 661,842	$ 3,853,574	$ 146,186

(Continued)

CITY OF MANHATTAN, KANSAS
STATEMENT OF ACTIVITIES
(Continued)
For the Year Ended December 31, 2024

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Changes in Net Position			Component Units	
	Primary Government				
	Governmental Activities	Business-Type Activities	Total	Manhattan Public Library	Manhattan Housing Authority
Primary government					
Governmental activities					
General government	$ (12,536,519)	$ -	$ (12,536,519)	$ -	$ -
Public safety	(35,116,160)	-	(35,116,160)	-	-
Public works	3,362,620	-	3,362,620	-	-
Urban development and housing	(3,569,416)	-	(3,569,416)	-	-
Culture and recreation	(16,072,964)	-	(16,072,964)	-	-
Culture and recreation (payments to Library)	(3,689,300)	-	(3,689,300)	-	-
Interest on long-term debt	(7,125,781)	-	(7,125,781)	-	-
Total governmental activities	(74,747,520)	-	(74,747,520)	-	-
Business-type activities					
Water	-	2,301,532	2,301,532	-	-
Wastewater	-	3,655,515	3,655,515	-	-
Stormwater management	-	1,721,807	1,721,807	-	-
Total business-type activities	-	7,678,854	7,678,854	-	-
Total primary government	(74,747,520)	7,678,854	(67,068,666)	-	-
Component units					
Manhattan Public Library	-	-	-	(3,533,125)	
Manhattan Housing Authority	-	-	-		(414,419)
General revenues:					
Taxes:					
Property taxes, levied for general purposes	35,879,464	-	35,879,464	-	-
Property taxes, levied for debt service	2,746,332	-	2,746,332	-	-
Franchise taxes	3,890,465	-	3,890,465	-	-
Sales taxes	43,713,703	-	43,713,703	-	-
Transient guest taxes	2,788,680	-	2,788,680	-	-
Payments from the City of Manhattan	-	-	-	3,689,300	-
Grants and contributions not restricted to specific programs	596,055	-	596,055	-	-
Unrestricted investment earnings	1,820,977	962,202	2,783,179	111,811	20,694
Miscellaneous	1,907,181	570,220	2,477,401	29,959	108,976
Adjustment-addition of blended component unit	-	-	-	-	1,385,224
Gain (loss) on sales of capital assets	28,149	(5,339)	22,810	-	-
Transfers-internal activities	(45,292)	45,292	-	-	-
Total general revenues and transfers	93,325,714	1,572,375	94,898,089	3,831,070	1,514,894
Change in net position	18,578,194	9,251,229	27,829,423	297,945	1,100,475
Net position-beginning	249,823,245	134,829,239	384,652,484	1,787,346	5,330,024
Error correction	-	-	-	-	172,881
Change in accounting principle	(2,258,563)	(423,746)	(2,682,309)	-	-
Net position-beginning restated	247,564,682	134,405,493	381,970,175	1,787,346	5,502,905
Net position-ending	$ 266,142,876	$ 143,656,722	$ 409,799,598	$ 2,085,291	$ 6,603,380

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2024

	General	Riley County Police Department	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 9,726,063	$ -	$ 22,630,613	$ -	$ 20,850,844	$ 53,207,520
Restricted cash	734,687	-	-	-	-	734,687
Investments with fiscal agent	475,003	-	-	-	2,719,740	3,194,743
Receivables:						
Accounts	754,453	-	80,780	-	2,286	837,519
Intergovernmental	10,538	-	-	6,736,142	211,126	6,957,806
Franchise tax	397,681	-	-	-		397,681
Sales tax	1,846,148	-	1,168,965	-	3,794,040	6,809,153
Transient guest tax	-	-	-	-	749,600	749,600
Property tax	12,518,919	21,517,823	478,000	-	3,788,000	38,302,742
Due from other funds	3,997,204	-	-	42,873,076	-	46,870,280
Other loans	-	-	-	-	3,205,415	3,205,415
Leases	5,611,340		1,077,749	-	-	6,689,089
Notes:						
Current	-	-	110,000	-	-	110,000
Noncurrent	-	-	5,471,000	-	-	5,471,000
Special assessments:						
Current	-	-	7,318,626	-	-	7,318,626
Noncurrent	-	-	58,189,008	-	-	58,189,008
Total Assets	$ 36,072,036	$ 21,517,823	$ 96,524,741	$ 49,609,218	$ 35,321,051	$ 239,044,869
LIABILITIES						
Accounts payable	$ 697,117	$ -	$ 721	$ 6,717,472	$ 546,692	$ 7,962,002
Accrued payroll	695,114	-	-	-	2,112	697,226
Unearned revenue	-	-	-	3,060,087	543,128	3,603,215
Temporary notes payable	-	-	-	3,505,000	-	3,505,000
Due to other funds	-	-	-	3,740,335	256,869	3,997,204
Total Liabilities	1,392,231	-	721	17,022,894	1,348,801	19,764,647
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	12,518,919	21,517,823	478,000	-	3,788,000	38,302,742
Unavailable revenue - receivables	773,720	-	80,780	6,710,727	2,714,590	10,279,817
Unavailable revenue - special assessments	-	-	65,507,634	-	-	65,507,634
Unavailable revenue - leases	5,681,492	-	1,053,846	-	-	6,735,338
Total Deferred Inflows of Resources	18,974,131	21,517,823	67,120,260	6,710,727	6,502,590	120,825,531
FUND BALANCES						
Nonspendable:						
Perpetual care	-	-	-	-	327,188	327,188
Restricted:						
Urban development and housing	-	-	-	-	6,626,261	6,626,261
General government	-	-	-	-	2,169,198	2,169,198
Capital projects	-	-	-	25,875,597	1,776,583	27,652,180
Culture and recreation	-	-	-	-	5,373,953	5,373,953
Public works	-	-	-	-	6,935,877	6,935,877
Debt service	-	-	29,403,760	-	4,527,457	33,931,217
Assigned:						
Purchases on order	66,315	-	-	-	29,128	95,443
Unassigned	15,639,359	-	-	-	(295,985)	15,343,374
Total Fund Balances	15,705,674	-	29,403,760	25,875,597	27,469,660	98,454,691
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 36,072,036	$ 21,517,823	$ 96,524,741	$ 49,609,218	$ 35,321,051	$ 239,044,869

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2024

Fund balances of governmental funds		$ 98,454,691
Amounts reported for governmental activities in the statement of net position are different because:		
Certain receivables, net of an allowance for doubtful accounts, are not available to pay current period expenditures and therefore are deferred in the funds.		10,279,817
Capital assets net of depreciation are not financial resources and therefore have not been included in the funds.		376,580,743
Right to use lease and subscription assets net of amortization are not financial resources and therefore have not been included in the funds.		1,399,460
Long-term debt and compensated absences are not due and payable in the current period and therefore are not reported in the governmental funds.		
General obligation bonds payable	(105,610,000)	
Special obligation bonds payable	(10,465,000)	
Star bonds payable	(3,490,000)	
Temporary notes payable	(130,170,000)	
Premium on bonds payable	(8,274,158)	
Notes payable - financed purchases	(2,449,202)	
Lease obligations payable	(1,270,925)	
Subscription liabilities	(282,600)	
Compensated absences	(6,210,017)	(268,221,902)
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		429,663
Accrued interest payable on long-term debt has not been reported in the governmental funds.		(803,154)
Other long-term assets related to special assessments are not available to pay current period expenditures and therefore are deferred in the funds.		65,507,634
In the statement of net position, a long-term liability is recorded for the unfunded portion of postemployment benefits other than pensions as well as the related deferred inflows and outflows of resources.		
Total other postemployment benefit liability	(1,347,925)	
Deferred outflows of resources - OPEB	519,572	
Deferred inflows of resources - OPEB	(824,484)	(1,652,837)
In the statement of net position, a long-term liability is recorded for the net pension liability as well as deferred inflows and outflows of resources related to the pension.		
Net pension liability	(29,693,492)	
Deferred outflows of resources - pension	7,597,735	
Deferred inflows of resources - pension	(424,019)	(22,519,776)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		6,688,537
Net position of governmental activities		$ 266,142,876

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General	Riley County Police Department	Debt Service
REVENUES			
Taxes	$ 21,782,675	$ 20,972,746	$ 9,345,956
Special assessments	14,554		6,591,053
Licenses and permits	584,636	-	-
Intergovernmental revenues	644,748	-	-
Charges for services	4,245,734	-	390,885
Fines and forfeitures	1,383,830	3,314	589,395
Investment income	975,659	-	55,760
Miscellaneous	498,655	-	346,600
Total Revenues	30,130,491	20,976,060	17,319,649
EXPENDITURES			
Current			
General government	16,290,100	-	282,306
Public safety	11,419,749	21,344,367	-
Public works	4,431,241	-	-
Urban development and housing	970,962	-	-
Culture/recreation	12,400,894	-	-
Culture/recreation-payments to Library	-	-	-
Capital outlay	486,178	-	-
Debt service			
Principal	838,366	-	10,051,214
Bond issuance costs	-	-	165,696
Interest and fiscal charges	100,032	-	4,157,475
Total Expenditures	46,937,522	21,344,367	14,656,691
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(16,807,031)	(368,307)	2,662,958
OTHER FINANCING SOURCES (USES)			
Issuance of general obligation bonds	-	-	117,304
Issuance of premium on general obligation bonds	-	-	10,409
Issuance of temporary notes	-	-	-
Issuance of notes payable - financed purchases	269,682	-	-
Issuance of lease obligations payable	686,468	-	-
Issuance of subscription liabilities	20,952	-	-
Transfers in	16,346,572	368,306	5,260,378
Transfers out	(225,325)	-	(974,925)
Total Other Financing Sources (Uses)	17,098,349	368,306	4,413,166
NET CHANGE IN FUND BALANCES	291,318	(1)	7,076,124
FUND BALANCES - BEGINNING OF YEAR	15,414,356	1	22,327,636
FUND BALANCES - END OF YEAR	$ 15,705,674	$ -	$ 29,403,760

(Continued)

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ -	$ 36,917,268	$ 89,018,645
Special assessments	574,764	-	7,180,371
Licenses and permits	-	-	584,636
Intergovernmental revenues	11,242,454	3,735,706	15,622,908
Charges for services	-	192,828	4,829,447
Fines and forfeitures	-	-	1,976,539
Investment income	-	602,225	1,633,644
Miscellaneous	912,473	248,513	2,006,241
Total Revenues	12,729,691	41,696,540	122,852,431
EXPENDITURES			
Current			
General government	354	515,500	17,088,260
Public safety	-	-	32,764,116
Public works	-	3,683,049	8,114,290
Urban development and housing	-	3,375,605	4,346,567
Culture/recreation	-	4,488,882	16,889,776
Culture/recreation-payments to Library	-	3,689,300	3,689,300
Capital outlay	41,556,752	616,813	42,659,743
Debt service			
Principal	95,840,000	7,813,534	114,543,114
Bond issuance costs	495,350	-	661,046
Interest and fiscal charges	2,961,781	1,011,197	8,230,485
Total Expenditures	140,854,237	25,193,880	248,986,697
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(128,124,546)	16,502,660	(126,134,266)
OTHER FINANCING SOURCES (USES)			
Issuance of general obligation bonds	10,687,696	-	10,805,000
Issuance of premium on general obligation bonds	1,066,143	-	1,076,552
Issuance of temporary notes	93,576,025	-	93,576,025
Issuance of notes payable - financed purchases	-	-	269,682
Issuance of lease obligations payable	-	-	686,468
Issuance of subscription liabilities	-	-	20,952
Transfers in	13,807,478	323,875	36,106,609
Transfers out	(4,755,588)	(23,073,468)	(29,029,306)
Total Other Financing Sources (Uses)	114,381,754	(22,749,593)	113,511,982
NET CHANGE IN FUND BALANCES	(13,742,792)	(6,246,933)	(12,622,284)
FUND BALANCES - BEGINNING OF YEAR	39,618,389	33,716,593	111,076,975
FUND BALANCES - END OF YEAR	$ 25,875,597	$ 27,469,660	$ 98,454,691

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

Net change in fund balances - total governmental funds		$ (12,622,284)
Amounts reported for governmental activities in the statement of activities differ because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Expenditures for capital assets	$ 31,584,517	
Less current year depreciation	(15,197,688)	16,386,829
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, disposals, donations) is to decrease net position.		(1,335)
The net effect of various miscellaneous transactions involving right of use lease and subscription assets, including amortization, is to decrease net position.		770,995
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of 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 is the net effect of these differences in the treatment of long-term debt and related items.		
Long-term debt issued	(103,901,831)	
Premium on debt issued	(1,076,552)	
Amortization of bond premium	539,982	
Amortization on deferred charge on refunding	(97,283)	
Principal reductions	114,543,117	10,007,433
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.		
Compensated absences	(470,265)	
Other postemployment benefits other than pensions	77,758	
Net pension liability	(2,010,364)	
Accrued interest on bonds	21,954	(2,380,917)
Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in the funds.		
Receivables	4,454,949	
Special assessments	788,325	5,243,274
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues of the internal service funds are reported with governmental activities.		1,174,199
Change in net position of governmental activities		$ 18,578,194

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 17,956,685	$ 17,956,685	$ 17,759,212	$ (197,473)
Licenses and permits	666,900	666,900	569,196	(97,704)
Intergovernmental revenues	592,000	592,000	636,248	44,248
Charges for services	2,455,025	2,455,025	3,370,227	915,202
Fines and forfeitures	960,000	960,000	1,094,207	134,207
Investment income	878,488	878,488	920,596	42,108
Miscellaneous revenues	377,825	377,825	319,443	(58,382)
Total Revenues	23,886,923	23,886,923	24,669,129	782,206
EXPENDITURES				
Current				
General government				
Administration	2,485,861	2,485,861	1,317,973	1,167,888
Finance	1,437,188	1,437,188	973,866	463,322
Airport	2,166,117	2,166,117	1,887,223	278,894
Animal shelter	795,983	795,983	606,589	189,394
Human resources	849,191	849,191	887,444	(38,253)
Legal services	1,917,931	1,917,931	1,739,711	178,220
General services	3,874,665	3,874,665	2,396,596	1,478,069
Outside services	928,204	928,204	891,405	36,799
Public safety				
Fire department				
Administration	1,183,994	1,183,994	656,250	527,744
Operations	7,410,849	7,410,849	7,364,454	46,395
Technical services	1,458,547	1,458,547	1,386,074	72,473
Public works				
Administration	449,000	449,000	149,114	299,886
Street	3,365,867	3,365,867	1,895,060	1,470,807
Engineering	1,462,293	1,462,293	1,087,809	374,484
Traffic control	1,365,298	1,365,298	850,928	514,370
Joint maintenance facility	397,777	397,777	-	397,777
Urban development and housing	918,885	918,885	703,728	215,157
Culture/recreation				
Administration	492,638	492,638	368,067	124,571
Douglass Center	501,315	501,315	381,595	119,720
City parks	4,725,587	4,725,587	3,665,030	1,060,557
Swimming pools	1,343,888	1,343,888	1,226,416	117,472
Sunset Zoo	1,731,044	1,731,044	1,712,242	18,802
Blue Earth Park	102,000	102,000	59,697	42,303
Recreation	1,592,248	1,592,248	1,688,606	(96,358)
Discovery Center	1,561,904	1,561,904	1,281,095	280,809
Anthony Center	384,662	384,662	261,967	122,695
Eisenhower Center	393,127	393,127	249,077	144,050
Total Expenditures	45,296,063	45,296,063	35,688,016	9,608,047

(Continued)

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND
(Continued)
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(21,409,140)	(21,409,140)	(11,018,887)	10,390,253
OTHER FINANCING SOURCES (USES)				
Issuance of notes payable - financed purchases	-	-	269,682	269,682
Transfers in	6,220,000	6,220,000	11,720,760	5,500,760
Transfers out	-	-	(909,211)	(909,211)
Total Other Financing Sources (Uses)	6,220,000	6,220,000	11,081,231	4,861,231
NET CHANGE IN FUND BALANCES	$ (15,189,140)	$ (15,189,140)	62,344	$ 15,251,484
FUND BALANCE - BEGINNING OF YEAR			13,032,512	
FUND BALANCE - END OF YEAR			13,094,856	
Fund balance for separately budgeted funds included with the General Fund on GAAP basis financials:				
Employee Benefit Contribution			11,493	
Fire Equipment Reserve			1,380,027	
Fire Pension KP&F			-	
General Improvement			283,939	
Industrial Promotion			182,236	
Park Development			943	
Special Sunset Zoo			160,663	
Risk Management Reserve			146,110	
Equipment Reserve			47,246	
Parking Management			(10,330)	
Fund balance for non-budgeted funds included with the General Fund on GAAP basis financials:				
Capital Improvement Reserve			250,699	
Special Taxi			45,259	
Cafeteria Plan			69,982	
Encumbrances			42,551	
FUND BALANCE - GAAP BASIS			$ 15,705,674	

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - RILEY COUNTY POLICE DEPARTMENT FUND
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	$ 21,526,552	$ 21,526,552	$ 20,972,746	$ (553,806)
Fines and forfeitures	-	-	3,314	3,314
Total Revenues	21,526,552	21,526,552	20,976,060	(550,492)
EXPENDITURES				
Current				
Public safety	21,526,552	21,526,552	21,344,367	182,185
Total Expenditures	21,526,552	21,526,552	21,344,367	182,185
OTHER FINANCING SOURCES				
Transfers in	-	-	368,306	368,306
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1)	(1)
FUND BALANCE - BEGINNING OF YEAR			1	
FUND BALANCE - END OF YEAR			-	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE - GAAP BASIS			$ -	

See accompanying notes to basic financial statements.

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

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
ASSETS					
Current Assets					
Cash and cash equivalents	$ 12,656,857	$ 11,724,618	$ 3,918,409	$ 28,299,884	$ 7,245,240
Accounts receivable (net of allowance for uncollectibles)	1,331,937	1,521,559	613,512	3,467,008	164,735
Leases receivable	1,552,170	-	-	1,552,170	-
Inventories	115,784	2,879	-	118,663	130,030
Total Current Assets	15,656,748	13,249,056	4,531,921	33,437,725	7,540,005
Noncurrent Assets					
Capital assets:					
Land	281,430	4,340,717	3,414,788	8,036,935	-
Buildings and improvements	26,193,445	37,264,779	75,154	63,533,378	-
Equipment, contents and vehicles	3,880,918	4,281,236	1,318,154	9,480,308	1,677,781
Infrastructure	76,037,500	108,526,129	42,151,886	226,715,515	-
Construction in progress	8,510,348	4,721,178	28,944,242	42,175,768	-
Less accumulated depreciation	(48,177,775)	(76,551,142)	(11,394,097)	(136,123,014)	(152,756)
Total capital assets (net of accumulated depreciation)	66,725,866	82,582,897	64,510,127	213,818,890	1,525,025
Right to use lease asset	-	255,520	210,000	465,520	228,553
Less accumulated amortization	-	(102,211)	(210,000)	(312,211)	(111,610)
Total right to use lease asset (net of accumulated amortization)	-	153,309	-	153,309	116,943
Subscription asset	31,019	31,019	29,847	91,885	87,432
Less accumulated amortization	(30,216)	(30,216)	(29,764)	(90,196)	(53,917)
Total subscription asset (net of accumulated amortization)	803	803	83	1,689	33,515
Total Noncurrent Assets	66,726,669	82,737,009	64,510,210	213,973,888	1,675,483
TOTAL ASSETS	82,383,417	95,986,065	69,042,131	247,411,613	9,215,488
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - pension	785,332	715,551	214,313	1,715,196	257,726
Deferred outflows - OPEB	89,015	81,106	24,292	194,413	29,213
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 874,347	$ 796,657	$ 238,605	$ 1,909,609	$ 286,939

(Continued)

CITY OF MANHATTAN, KANSAS
PROPRIETARY FUNDS - STATEMENT OF NET POSITION
(Continued)
December 31, 2024

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
LIABILITIES					
Current Liabilities					
Accounts payable	$ 602,780	$ 250,243	$ 32,273	$ 885,296	$ 589,204
Accrued payroll	86,538	100,157	27,527	214,222	26,242
Estimated insurance claims payable	-	-	-	-	1,067,663
Unearned revenue	13,835	1,967	270	16,072	-
Due to other funds	4,561,201	1,976,369	36,335,506	42,873,076	-
Accrued interest payable	194,773	200,304	81,192	476,269	1,575
Current portion of compensated absences	171,183	113,446	37,593	322,222	-
Current portion of OPEB liability	12,057	10,986	3,290	26,333	-
Current portion of notes payable - financed purchases	45,788	60,691	59,085	165,564	-
Current portion of leases obligation payable	-	-	-	-	46,137
Current portion of subscription liabilities	390	390	-	780	43,377
Current portion of state revolving loan	1,286,302	2,159,539	-	3,445,841	-
Current portion of general obligation bonds payable	865,000	605,000	1,070,000	2,540,000	-
Total Current Liabilities	7,839,847	5,479,092	37,646,736	50,965,675	1,774,198
Noncurrent Liabilities					
Compensated absences	304,325	201,680	66,831	572,836	-
Net pension liability	2,567,191	2,339,080	700,574	5,606,845	842,486
Total OPEB liability	218,876	199,427	59,730	478,033	75,787
Notes payable - financed purchases	-	-	-	-	-
Leases obligation payable	-	-	-	-	71,283
Subscription liabilities	-	-	-	-	-
State revolving loan	10,610,136	15,936,017	-	26,546,153	-
General obligation bonds payable	4,853,223	4,238,969	10,489,637	19,581,829	-
Total Noncurrent Liabilities	18,553,751	22,915,173	11,316,772	52,785,696	989,556
TOTAL LIABILITIES	26,393,598	28,394,265	48,963,508	103,751,371	2,763,754
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pension	11,515	10,492	3,142	25,149	3,779
Deferred inflows - OPEB	141,254	128,703	38,548	308,505	46,357
Deferred inflows - leases	1,579,475	-	-	1,579,475	-
TOTAL DEFERRED INFLOWS OF RESOURCES	1,732,244	139,195	41,690	1,913,129	50,136
NET POSITION					
Net investment in capital assets	49,065,830	59,736,403	52,891,488	161,693,721	1,514,686
Unrestricted	6,066,092	8,512,859	(32,615,950)	(18,036,999)	5,173,851
TOTAL NET POSITION	$ 55,131,922	$ 68,249,262	$ 20,275,538	$ 143,656,722	$ 6,688,537

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
PROPRIETARY FUNDS - STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended December 31, 2024

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
OPERATING REVENUES					
Charges for services	$ 15,191,657	$ 14,416,953	$ 5,228,911	$ 34,837,521	$ 10,688,548
Rent income	290,199	-	-	290,199	-
Miscellaneous revenue	177,481	80,355	22,185	280,021	1,073,121
Total Operating Revenues	15,659,337	14,497,308	5,251,096	35,407,741	11,761,669
OPERATING EXPENSES					
Personnel services	3,834,210	3,763,960	1,092,288	8,690,458	1,234,396
Commodities	2,321,355	341,798	54,908	2,718,061	245,992
Contractual services	3,516,778	2,778,041	703,515	6,998,334	9,272,860
Depreciation and amortization	2,603,514	3,120,676	1,212,394	6,936,584	226,136
Total Operating Expenses	12,275,857	10,004,475	3,063,105	25,343,437	10,979,384
OPERATING INCOME	3,383,480	4,492,833	2,187,991	10,064,304	782,285
NON-OPERATING REVENUE (EXPENSE)					
Investment income	433,588	346,464	182,150	962,202	187,333
Interest and fiscal charges	(614,268)	(756,963)	(443,999)	(1,815,230)	(4,932)
Gain (loss) on sale of capital assets	-	(4,719)	(620)	(5,339)	-
Total Non-Operating Revenue (Expense)	(180,680)	(415,218)	(262,469)	(858,367)	182,401
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	3,202,800	4,077,615	1,925,522	9,205,937	964,686
Capital contributions	3,219,321	2,577,826	1,534,961	7,332,108	-
Transfers in	15,125	20,374	21,475	56,974	270,013
Transfers out	(2,320,543)	(1,873,518)	(3,149,729)	(7,343,790)	(60,500)
CHANGE IN NET POSITION	4,116,703	4,802,297	332,229	9,251,229	1,174,199
TOTAL NET POSITION - BEGINNING OF YEAR	51,275,371	63,563,280	19,990,588	134,829,239	5,514,338
Change in accounting principle	(260,152)	(116,315)	(47,279)	(423,746)	-
TOTAL NET POSITION - BEGINNING OF YEAR, RESTATED	51,015,219	63,446,965	19,943,309	134,405,493	5,514,338
TOTAL NET POSITION - END OF YEAR	$ 55,131,922	$ 68,249,262	$ 20,275,538	$ 143,656,722	$ 6,688,537

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
PROPRIETARY FUNDS - STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	$ 15,514,902	$ 14,627,193	$ 5,244,799	$ 35,386,894	$ 11,731,339
Cash paid to vendors and suppliers	(5,585,421)	(3,055,088)	(797,554)	(9,438,063)	(9,289,382)
Cash paid to employees	(3,747,134)	(3,441,615)	(1,011,532)	(8,200,281)	(1,020,878)
Cash received from miscellaneous sources	177,481	80,355	22,185	280,021	-
Net Cash Flows from Operating Activities	6,359,828	8,210,845	3,457,898	18,028,571	1,421,079
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Cash received from other funds	15,125	20,374	21,475	56,974	270,013
Cash paid to other funds	(2,320,543)	(1,873,517)	(3,149,729)	(7,343,789)	(60,500)
Net Cash Flows from Non-Capital Financing Activities	(2,305,418)	(1,853,143)	(3,128,254)	(7,286,815)	209,513
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Cash received from issuance of debt	212,223	-	1,115,038	1,327,261	-
Cash paid for purchase of capital assets	(231,317)	(142,394)	(128,429)	(502,140)	(1,677,781)
Cash paid for purchase of lease assets	-	-	-	-	(174)
Cash paid for purchase of subscription assets	-	-	-	-	(6,450)
Cash paid for interest on long-term debt	(637,287)	(781,412)	(445,018)	(1,863,717)	(5,357)
Cash paid for principal on long-term debt	(2,309,276)	(2,765,363)	(1,345,198)	(6,419,837)	(61,060)
Net Cash Flows from Capital and Related Financing Activities	(2,965,657)	(3,689,169)	(803,607)	(7,458,433)	(1,750,822)
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash received from investment of idle funds	433,588	346,464	182,150	962,202	187,333
Net Cash Flows from Investing Activities	433,588	346,464	182,150	962,202	187,333
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,522,341	3,014,997	(291,813)	4,245,525	67,103
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	11,134,516	8,709,621	4,210,222	24,054,359	7,178,137
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 12,656,857	$ 11,724,618	$ 3,918,409	$ 28,299,884	$ 7,245,240

(Continued)

CITY OF MANHATTAN, KANSAS
PROPRIETARY FUNDS - STATEMENT OF CASH FLOWS
(Continued)
For the Year Ended December 31, 2024

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
Reconciliation of operating income to net cash flows from operating activities:					
Operating income	$ 3,383,480	$ 4,492,833	$ 2,187,991	$ 10,064,304	$ 782,285
Adjustments to reconcile operating income to net cash flows from operating activities:					
Depreciation and amortization	2,603,514	3,120,676	1,212,394	6,936,584	226,136
(Increase) decrease in accounts receivable	41,211	219,874	16,573	277,658	(30,330)
(Increase) decrease in leases receivable	272,812	-	-	272,812	-
(Increase) decrease in inventory	3,339	986	-	4,325	(33,505)
(Increase) decrease in deferred outflows - pension	69,363	49,155	17,631	136,149	(25,920)
(Increase) decrease in deferred outflows - OPEB	(13,822)	(13,830)	(3,886)	(31,538)	(8,820)
Increase (decrease) in accounts payable and accrued expenses	82,053	124,380	(30,565)	175,868	289,217
Increase (decrease) in unearned revenue	5,175	(9,634)	(685)	(5,144)	-
Increase (decrease) in net pension liability	193,894	215,662	56,517	466,073	198,813
Increase (decrease) in total OPEB liability	35,732	35,764	10,047	81,543	22,846
Increase (decrease) in deferred inflows - pension	(9,679)	(8,471)	(2,610)	(20,760)	(1,969)
Increase (decrease) in deferred inflows - OPEB	(21,092)	(16,550)	(5,509)	(43,151)	2,326
Increase (decrease) in deferred inflows - Leases	(286,152)	-	-	(286,152)	-
Total Adjustments	2,976,348	3,718,012	1,269,907	7,964,267	638,794
Net Cash Flows from Operating Activities	$ 6,359,828	$ 8,210,845	$ 3,457,898	$ 18,028,571	$ 1,421,079
Noncash investing, capital, and financing activities:					
Capital assets acquired through contributions from governmental funds	$ 3,219,321	$ 2,577,826	$ 1,534,961	$ 7,332,108	$ -

See accompanying notes to basic financial statements.



BASIC FINANCIAL STATEMENTS

Notes to the Basic Financial Statements

For the Year Ended
December 31, 2024

Note 1: Summary of Significant Accounting Policies

The City of Manhattan, Kansas was chartered May 30, 1857, under the first session of the legislature of the Kansas Territory.

The City operates under a Commission-Manager form of government.

The accounting policies of the City of Manhattan, Kansas relating to the funds included in the accompanying combined financial statements conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to state and local governments. U.S. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant policies of the City are described below.

A. Financial Reporting Entity

The City's combined financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

The City has two entities that meet the criteria as listed above, the Manhattan Public Library (MPL) and the Manhattan Housing Authority (MHA). The City's policy is to discretely present the financial information of these entities on the government-wide financial statements.

Manhattan Public Library

The Manhattan Public Library Board is appointed by the City Commission and oversees the operations of the Library. Acquisition or disposition of real property by the board must be approved by the City. The issuance of bonds must also be approved by the City. Complete financial statements for the Manhattan Public Library may be obtained at the entity's administrative offices, located at 629 Poyntz Avenue.

Manhattan Housing Authority

Effective January 1, 2001, the City of Manhattan Housing Authority became a separate entity and agent of the City. The City of Manhattan Housing Authority consists of seven (7) commissioners appointed by the Mayor of the City with the consent of the City Commission and oversees the operations of the Housing Authority. The issuance of bonds must be approved by the City. Complete financial statements for the Manhattan Housing Authority may be obtained at the entity's administrative offices, located at 300 North 5th Street.

B. 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 the activities of the City 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 certain 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 major individual enterprise funds are reported as separate columns in the fund financial statements.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period (within 60 days of year-end). Most expenditures, including capital outlays, are recorded when a liability is incurred. However, principal and interest on general long-term debt which have not matured are recognized when paid.

Sales taxes, franchise taxes, licenses, interest, and certain state and federal grants and entitlements associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Property taxes and special assessments, though measurable, are not available to finance current period obligations, as they are legally required to fund the expenditures of the upcoming fiscal year. Therefore, property tax and special assessment receivables are recorded and offset by deferred inflows of resources until they become available.

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Riley County Police Department Fund – The Riley County Police Department Fund is a special revenue fund used to account for ad valorem property tax revenue received by the City to fund expenditures made to the Riley County Police Department for police protection.

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

Capital Projects Fund – The Capital Projects Fund accounts for the financing and acquisition and construction of various citywide improvements.

The City reports the following major proprietary funds:

Water Fund – The Water Fund is used to account for revenues and expenditures related to the operation and maintenance of the water system operated within the City.

Wastewater Fund – The Wastewater Fund is used to account for revenues and expenditures related to the operation and maintenance of the wastewater system operated within the City.

Stormwater Management Fund – The Stormwater Management Fund is used to account for revenues and expenditures related to the operation and maintenance of the stormwater system operated within the City.

Additionally, the City reports the following fund types:

Internal service funds account for motor pool, photocopy services, fleet management services, and information technology services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. These funds also account for the City's partially self-funded health care and workers' compensation programs.

Permanent funds are used to account for the perpetual care endowment of Sunrise Cemetery.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water, wastewater, and stormwater management functions and various other functions of the government. 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 delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all of the City's proprietary funds are charges to customers for sales and services. The City's water utility also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, amortization on right to use lease and subscription assets, 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.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

Cash, Cash Equivalents and Investments

The City's cash and cash equivalents are considered to be cash on hand; demand deposits, including all certificates of deposit; and short-term investments with original maturities of three months or less from the date of acquisition.

In accordance with the City's formal investment policy adopted by the governing body, the City may pool idle cash from all funds for the purpose of increasing income through temporary investment activities. Cash and investments of the individual funds are combined to form a pool which is managed by the Director of Finance. Each fund's equity in the pool is included in "cash and cash equivalents" in the financial statements. These pooled investments consist primarily of operating accounts, repurchase agreements, nonnegotiable certificates of deposit and money

market investments, such as U.S. Treasury and Agency obligations. The repurchase agreements are recorded at amortized cost due to their short-term nature, and the nonnegotiable certificates of deposit are recorded at cost, as they are not affected by market rate changes. The City reports all other investments at fair value. Fair value was determined using the bid price of each security as reported in the *Wall Street Journal*. There were no material changes in fair value and therefore no investment gain or loss was recorded. Investment earnings are allocated to the funds required to accumulate earnings based 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. For the fiscal year ended December 31, 2024, investment earnings allocated to the various funds were $2,629,971.

Receivables and Payables
Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable are considered uncollectible in varying percentages based on the specific type of receivable and its age. However, the majority are considered uncollectible in the percentages below based on the following criteria:

Up to one year old	25%
More than one and up to two years old	65%
More than two and up to four years old	85%
More than four and up to five years old	95%
More than five years old	100%

No allowance for uncollectibles has been established for property taxes receivable, as the actual delinquency rate on property taxes has historically been very low.

Inventories
Inventories which benefit future periods, other than those recorded in the proprietary fund types, are recorded as expenditures during the year of purchase. For the proprietary fund types, inventories are stated at the lower of cost or market, cost being determined by the first-in, first-out method.

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

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

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

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

Buildings	45 years
Improvements other than buildings	20 years
Vehicles	10 years
Machinery	10-15 years
Office equipment	7-10 years
Treatment plants	40 years
Water and sewer mains	40 years
Streets	20 years
Storm drainage systems	40 years

Leases

The City is a lessee for leases of building improvements and infrastructure, vehicles, and tools and equipment. The City recognizes a lease obligation and an intangible right-to-use lease asset (lease asset) in the statement of net position. The City recognizes lease obligations with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City initially measures the lease obligation at the present value of lease payments expected to be made during the lease term. Subsequently, the lease obligation is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease obligation, 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 obligation 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 leases and will remeasure the lease assets and obligations if certain changes occur that are expected to significantly affect the amount of the lease obligations.

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

The City is a lessor for a lease of a building, land, and equipment. The City recognizes a lease receivable and a deferred inflow of resources on the statement of net position.

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 leases and will remeasure the leases receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the leases receivable.

Subscription Based Information Technology Arrangements (SBITAs)
The City has entered into various SBITAs. The City recognizes a subscription liability and an intangible right-to-use subscription asset (subscription) in the statement of net position. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

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

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription 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 SBITAs. The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription 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 SBITAs 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 other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

Deferred Inflows of Resources and Deferred Outflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has several items that qualify for reporting in this category in the government-wide statement of net position and proprietary funds statement of net position: deferred charge on refunding, deferred outflows for other postemployment benefits (OPEB) and deferred outflows for pensions. 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. See Note 4C for more information on the deferred outflow for pensions, and Note 4D for more information on the deferred outflows for OPEB.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has several items, unavailable revenue, deferred property tax receivable, deferred inflows for OPEB, deferred inflows for pensions, and deferred inflows for leases, which qualify for reporting in this category. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from leases receivables, other receivables, and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Unavailable revenue are reported in the government-wide statement of net position and in the governmental funds balance sheet for property tax receivable. Property taxes are not recognized as revenue until the period for which they are levied. Deferred inflows for leases are reported in the governmental fund balance sheet, proprietary fund statement of net position and the government-wide statement of net position for lease receivable balances not yet earned as of the balance sheet date. The last items, deferred inflows for pensions and deferred inflows for OPEB are reported in both the government-wide statement of net position and the proprietary funds statement of net position. See Note 4C and 4D for more information on these deferred inflows.

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. Investments are reported at fair value.

Vacation and Sick Pay
The City's policy regarding vacation pay permits employees to accumulate vacation leave not to exceed two (2) times their annual rate (maximum hours depending on the rate are 192, 264, 312, 384 or 432) unless approved by the City Manager, as of December 31 of each year. The accumulated vacation is governed by agreements with the International Association of Fire Fighters (IAFF) for union employees, and the City's Personnel Rules and Regulations for non-union employees. Policy prohibits payment for vacation time in lieu of time off.

There is no limit to the amount of sick leave that may be accumulated. However, there are limits to the amount of accumulated sick leave that will be paid on the date of employment termination. Shift employees who belong to the IAFF with from one to nineteen years of service with the City will receive payment for 1/3 of accumulated sick leave up to a maximum of 480 hours. Shift employees who belong to the IAFF with twenty or more years of service with the City will receive payment for 1/2 of accumulated sick leave up to a maximum of 720 hours. Other City employees with from one to nineteen years of service with the City will receive payment for 1/3 of accumulated sick pay up to a maximum of 320 hours. Other City employees with twenty or more years of service with the City will receive payment for 1/2 of accumulated sick pay up to a maximum of 480 hours.

In governmental fund financial statements, a liability is accrued when it has matured, for example as a result of employee resignations and retirements. Governmental activities and proprietary fund types accrue vacation and sick pay as earned. The liabilities are based on current salary costs and the amount of leave that accumulates that has been earned and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Long-term Liabilities
The accounting treatment of long-term debt depends on whether the debt relates to governmental fund operations or proprietary fund operations and whether it is being reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. This long-term debt consists primarily of bonds and notes payable and accrued compensated absences. Long-term debt for governmental funds is not reported as liabilities in the governmental fund financial statements. The debt proceeds are reported as other financing sources and principal payments are reported as expenditures.

The long-term debt and other long-term obligations of the proprietary fund types are recorded as liabilities in both the proprietary fund statements and the government-wide statements.

Special Assessments
Kansas Statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments received 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 Debt Service Fund. Accordingly, special assessments receivable are accounted for within the Debt Service Fund. Special assessments may be levied over various periods, but are generally levied over 20 years. The annual installments are due and payable with the annual ad valorem property taxes. Special assessments receivable are offset with a corresponding amount of deferred inflow of resources in the governmental fund financial statements, but not in the government-wide financial statements. Special assessments in the amount of $417,484 were delinquent at December 31, 2024.

Fund Balance
Through various City ordinances and resolutions approved by the City Commission, in addition to policies set by the City Manager, the Finance Director assigns fund balances across all budgeted and non-budgeted funds of the City for any given fiscal year.

In the governmental fund financial statements, fund balances are classified as follows:

- Non-Spendable: amounts legally or contractually required to be maintained or not in spendable form, such as inventory or prepaid items. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.
- Restricted: amounts with externally imposed constraints, such as those mandated by creditors, grantors and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, law or regulations.
- Committed: amounts with a purpose formally imposed by resolution by the City Commission of the City, binding unless modified or rescinded by the City Commission.
- Assigned: amounts constrained by the express intent of the City Commission, City Manager or Finance Director. Encumbrances shall be considered as assigned, unless they specifically meet the requirements to be committed or restricted.
- Unassigned: all amounts not included in other fund balance classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balances.

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

Net Position
In the government-wide statements, equity is shown as net position and classified into three components:

1. Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
3. Unrestricted – all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

Interfund Receivable/Liability
As previously discussed, the City pools cash from all funds. From time to time, a fund will overdraw its share of pooled cash. The overdrawn amount is reported as a liability in the overdrawn fund. An interfund receivable is reported in the General Fund or another fund as determined by management.

Interfund Transfers
Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

Estimates
The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Adoption of New Accounting Standard
On January 1, 2024, the City adopted GASB Statement No. 99, *Omnibus 2022*, which enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including: 1) classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; 2) clarification of certain provisions in Statement No. 87, Statement No. 94 and Statement No. 96; 3) extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; 4) accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program; 5) disclosures related to nonmonetary transactions; 6) pledges of future revenues when resources are not received by the pledging government; 7) clarification of provisions in Statement No. 34 related to the focus of the government-wide financial statements; 8) terminology updates related to certain provisions of Statement No. 63; and 9) terminology used in Statement No. 53 to refer to resource flows statements. The provisions of this statement did not have a material impact on the City's financial statements.

On January 1, 2024, the City adopted GASB Statement No. 100, *Accounting Changes and Error Corrections* - An Amendment of GASB Statement No. 62, which enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This standard impacted the City's

financial statements as it relates to the City's adoption of GASB Statement No. 101, *Compensated Absences*. See next paragraph for disclosures required by this statement related to accounting changes.

On January 1, 2024, the City adopted GASB Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The implementation of this standard increased beginning compensated absences and decreased net position in Governmental Activities, Business-type Activities, Water Fund, Wastewater Fund and Stormwater Fund by $2,258,563, $423,746, $260,152, $116,315 and $47,279, respectively.

Pending Governmental Accounting Standards Board Statements
At December 31, 2024, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 102, *Certain Risk Disclosures*, will improve financial reporting by providing users of financial statements with essential information that currently is not routinely disclosed. The disclosures will 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 provisions of this statement are effective for financial statements for the City with its year ending December 31, 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves five 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:

1) Management Discussion and Analysis (MD&A) This statement requires that information presented in MD&A be limited to related topics discussed in five sections: 1) Overview of Financial Statements, 2) Financial Summary, 3) Detailed Analyses, 4) Significant Capital Asset and Long-Term Financing Activity and 5) Currently Known Facts, Decisions, or Conditions. MD&A should also explain why balances and results of operations changed and avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections. MD&A should continue to distinguish between the primary government and its discretely presented component units.

2) Unusual or Infrequent Items are described as transactions and other events that are either unusual in nature or infrequent in occurrence. These items are required to be displayed separately as the last presented flow of resources prior to the net change in resource flows in government-wide, governmental fund, and proprietary fund statements of resource flows.

3) Presentation of Proprietary Fund Statement of Revenues, Expenses and Changes in Net Position should continue to distinguish between operating and nonoperating revenues and expenses and provides additional guidance on determining nonoperating revenues and expenses. Additional subtotals are required to be presented to show a subtotal for "operating income (loss) and noncapital subsidies" prior to reporting other nonoperating revenues and expenses. Subsidies are defined within the statement.

4) Major Component Unit Information is required to be presented separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If readability is impacted, combining statements of major component units should be presented after the fund financial statements.

5) Budgetary Comparison Information is required to be presented as required supplementary information (RSI) and variances between original and final budget amounts and variances between final budget and actual amounts are required to be presented. Explanation of significant differences must be presented in notes to the RSI.

The provisions of this statement are effective for financial statements for the City with its year ending December 31, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, improves financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. This statement requires certain capital assets to be disclosed separately in the capital assets note disclosures including lease assets, intangible right-to-use assets recognized in accordance with Public-Private and Public-Public Partnerships and Availability Payment Arrangements and subscription assets. In addition, intangible assets other than those three types must be disclosed separately by major class. This statement also requires additional disclosures on capital assets held for sale. The provisions of this statement are effective for financial statements for the City with its year ending December 31, 2026.

Note 2: Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), the Debt Service Fund and all Enterprise Funds.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any funds must be approved by the City Commission. The legal level of control is at the fund level basis.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Budgeted Special Revenue Funds, Enterprise Funds, and Budgeted Debt Service Funds.

Budgets for the General, Budgeted Special Revenue, and Budgeted Debt Service Funds are adopted on a basis consistent with U.S. GAAP except that encumbrances are included in expenditures. Budgetary comparisons for the General, Special Revenue, and Debt Service Funds in this report are on this non-GAAP budgetary basis. Budgeted amounts are as originally adopted or amended by the City Commission.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The City amended the following budgets in 2024: Employee Benefit Contribution, Sales Tax, Special Street, Highway and Tourism and Convention Promotion, and Fire Pension KP&F.

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 fiscal year 2024.

The funds below are included in the general fund and have legally adopted annual budgets:

Employee Benefit Contribution
Fire Equipment Reserve
Fire Pension KP&F
General Improvement
Industrial Promotion
Park Development
Special Sunset Zoo
Risk Management Reserve
Equipment Reserve
Parking Management

The funds below were included as budgeted special revenue funds and have legally adopted annual budgets:

Aggieville Business Improvement District
City/University Projects
Downtown Business Improvement District
Economic Development
Library
Library Employee Benefit Contribution
Recreation and Trails Sales Tax
Riley County Police Department
Sales Tax
Special Alcohol Programs
Special Parks and Recreation
Special Street and Highway
Special Street Maintenance
Tourism and Convention Promotion

The following debt service funds also have legally adopted annual budgets:

Debt Service
Downtown Redevelopment Senior Lien TIF Bonds

The following enterprise funds also have legally adopted annual budgets:

Water
Wastewater
Stormwater Management

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund. Encumbrances outstanding at year-end are reported as commitments of fund balances in the governmental fund statements since they do not constitute expenditures or liabilities, except in budgetary comparisons shown. All unencumbered appropriations lapse at year-end.

Negative unencumbered cash – The Parking Management Fund, which is a subfund of the general fund, had negative unencumbered cash balance of $10,330 at December 31, 2024. This will be addressed through future transfers into the fund.

B. 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, levied by the County Treasurer on November 1 of each year, 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 within 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 deferred revenue.

Note 3: Detailed Notes on All Funds

A. Cash and Investments

At December 31, 2024, the City's deposit and investment balances were:

		Reported Amount/ Fair Value
Investment Type:		
Repurchase Agreements	$	61,740,494
Money Market Mutual Funds		3,929,430
Total Investments		65,669,924
Deposits		27,005,300
Cash on Hand		6,850
Total Deposits		27,012,150
TOTAL DEPOSITS AND INVESTMENTS	$	92,682,074
Reconciliation of Government-wide Statement of Net Position to Total Deposits and Investments:		
Cash and Cash Equivalents	$	88,752,644
Investments with Fiscal Agent		3,194,743
Restricted Construction Accounts		734,687
TOTAL DEPOSITS AND INVESTMENTS	$	92,682,074

Interest rate risk **–** The City's exposure to declines in fair values is limited by the fact that, in accordance with Kansas statutes and expanded investment powers, investments are purchased with maturities of four years or less.

Credit Risk - Kansas statutes authorize Kansas Municipalities to invest in U.S. Treasury bills and notes, repurchase agreements, and the State Municipal Investment Pool. In October, 1995 the Kansas State Pooled Money Investment Board granted the City expanded investment powers. In addition to the above, the City is allowed to invest in U.S. Agency discount notes with a maturity of four years or less, agency bullet bonds with a maturity of four years or less, and repurchase agreements, through primary security dealers, with a maturity of less than 30 days. The City's credit risk is minimized due to these limitations on the types of investments that may be purchased.

Concentration of Credit Risk **-** The City's investment policy does not place any limitations on the percentage of the City's total investments that may be with any one issuer. Kansas statutes indirectly prohibit such a limitation, as local banks must be given preference on each investment of idle funds.

Custodial Credit Risk–Deposits **-** In the case of deposits, this is the risk that in the event of bank failure, the City's deposit may not be returned to it. The City's investment policy requires that 100% of the City's deposits not covered by FDIC insurance be collateralized. All collateral must be held by a third-party custodian in the City's name. Consequently, the City is not exposed to custodial credit risk.

Custodial Credit Risk–Investments – For an investment, this is the risk that, in the event of the failure of the 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. The City's investment policy and Kansas statutes require that all securities purchased be held by a safekeeping agent independent of the counterparty in the City's account and in the City's name. This requirement, along with the statutory limitations on the types of investments that may be purchased, limits the City's exposure to this type of custodial credit risk.

Fair Value Measurement **–** The City categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the investment.

Level 1 inputs are quoted prices in active markets for identical assets;

Level 2 inputs are significant other observable inputs, either directly or indirectly observable, and fair value can be determined through models or other valuation methodologies;

Level 3 inputs are significant unobservable inputs in situations where there is little or no market activity for the asset or liability and the entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The City has the following recurring fair value measurements as of year-end:

- Money market mutual funds are valued using quoted market prices (level 1 inputs).
- The repurchase agreement is an overnight instrument, with fair value of the collateral underlying the repurchase agreement in excess of the amount invested. Given the short-term nature of the agreement, it is measured at amortized cost.

At December 31, 2024, the City had the following investments:

	Investment Maturities (in Years)			
	Fair Value	Less Than One	1 - 5 years	Fair Value Hierarchy
Repurchase Agreements	$ 61,740,494	$ 61,740,494	$ -	N/A
Money Market Mutual Funds	3,929,430	3,929,430	-	Level 1
Total Investments	$ 65,669,924	$ 65,669,924	$ -	

Manhattan Public Library component unit cash and cash equivalents of $2,808,761 are stated at cost which approximates fair value. As the Manhattan Public Library is governed by the same Kansas statutes as the City their exposure to the various investment-related risks is similar to that of the City.

Manhattan Housing Authority component unit cash and cash equivalents of $456,266 and restricted cash and cash equivalents of $74,993 are stated at cost which approximates fair value. As the Manhattan Housing Authority is governed by the same Kansas statutes as the City, their exposure to the various investment-related risks is similar to that of the City.

B. Receivables

Accounts receivable for the governmental activities are reported net of an allowance for uncollectible accounts in the amount of $890,824.

Accounts receivable for the enterprise funds are reported net of allowances for uncollectible accounts. The allowances at December 31, 2024, are as follows:

Water Fund	$ 135,028
Wastewater Fund	227,305
Stormwater Management Fund	39,213
Total	$ 401,546

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.

C. Economic Development Loans

Economic Development Loans receivable, aggregating $800,000 at December 31, 2024, consist of loans to three companies in Manhattan as part of an economic development incentive program which included grants and tax abatements. The loans were funded from the Economic Development Fund. An allowance for uncollectible amounts of $0 has been recorded as of December 31, 2024. The loan balance is also presented net of $800,000 of forgivable loans that will not be collected if specified terms are met.

D. Conference Center Promissory Note

In December 2009, the City entered into an economic development agreement with HCW-Manhattan, LLC for the construction of several components within the South End Redevelopment including the construction of a 30,000 square foot conference center as required by the Amended South Project Final Development Agreement (the 'Amended South FDA'). According to the Amended South FDA, the City passed Ordinance 6810 authorizing the issuance of up to $9,500,000 in economic development funds for the design and construction of the conference center. Per the economic development agreement, the City is required to provide HCW-Manhattan, LLC up to $5,000,000 in the form of a repayable note followed by $4,500,000 in the form of a forgivable note. The repayable note shall be repaid in annual installments of $100,000 per year for 29 years with a single balloon payment in the amount of $2,100,000 or the remaining unpaid balance in year 30. Under the forgivable note, 1/30 of the note shall be deemed forgiven on each due date of the repayable loan, as long as the developer is in compliance with the terms of the notes. The payment of these notes is secured by a mortgage on the property which contains the conference center and that mortgage is subordinate to a lien in favor of the developer's lending bank. In February 2019, the City entered into a Second Addendum to provide for the construction of a 15,000 square foot addition to the Conference Center. The City passed Ordinance 7461 authorizing the issuance of up to $4,990,000 in economic development funds relating to the development and construction of the New Addition. Per the economic development agreement, the City is to provide up to $1,790,000 repayable note followed by a forgivable loan up to $3,200,000. Under the forgivable loan, 1/28 of the note shall be deemed forgiven on each due date of the new repayable loan as long as the developer is in compliance with the terms in the notes. In 2020, $230,729 was forgiven. In 2021, $100,000 was paid on the loan and then a request to rebate the payment was made in March 2021 and was approved due to COVID. The repayable note shall be repaid in annual installments of $90,000 from 2021 to 2023; $99,000 from 2024 to 2029; $129,000 from 2030 to 2033 and $120,000 from 2034 to 2046 with the exception of a one-time $100,000 reduction in 2019. A single balloon payment in the amount of $2,950,000 is due in 2047 for the remaining unpaid balance. The balance as of December 31, 2024 is $10,657,040 and is reported net of the forgivable note balance of $5,076,040 in the Debt Service Fund.

E. Lease Receivable

The City, as a lessor, has entered into various lease agreements with companies and organizations in and around the City as summarized below:

	Lease Term (Months)	Interest Rate	Lease Receivable	Deferred Inflow	Lease Revenue	Interest Revenue
Governmental Activities:						
1725 South Airport Road	45	0.5517%	$ 3,533	$ 3,507	$ 4,676	$ 36
5500 Skyway Drive	72	0.8327%	64,592	63,801	21,267	633
Agricultural Land	48	0.5517%	33,645	33,388	33,388	324
CMO - Mall Lease	1175	1.6813%	5,127,886	5,207,802	54,867	86,478
Fuel Farm Land	39	0.4257%	73	65	221	1
Fuel Farm Land	284	1.6813%	2,324	2,184	106	38
General Aviation Building	284	1.6813%	1,389,023	1,358,216	65,720	23,863
Hangar Construction Land	220	1.4810%	7,817	7,712	503	122
Hangar Storage Building	39	0.4257%	5,485	4,831	16,562	61
JSG Properties #3	3866	2.2980%	20,671	20,227	693	485
Land - Clear Span Hangar	220	1.4810%	7,817	7,712	503	122
T-Hangar A Row 2022-2027	60	0.2383%	26,223	25,894	10,144	76
Total for governmental activities			$ 6,689,089	$ 6,735,338	$ 208,650	$ 112,239
Business-type Activities:						
1201 Bluemont Scenic Drive	88	2.6360%	$ 172,883	$ 185,167	$ 39,327	$ 16
4241 Miller Parkway	372	3.7300%	730,245	694,714	24,811	27,481
4241 Miller Parkway Antennae Lease	60	2.7360%	76,307	89,417	24,573	2,713
Animal House Cell Tower	62	0.6857%	48,147	50,899	22,962	494
Crown Castle	96	2.3120%	146,638	148,018	26,147	134
Miller Ranch Water Tower	58	0.6857%	44,492	62,980	33,689	594
Sunset Zoo Water Tower	88	2.7120%	183,878	184,880	42,665	6,003
Sunset Zoo Water Tower Site - 228 Oak Street	76	2.3100%	100,382	106,246	31,874	2,984
Tower -1201 Bluemont (County)	156	1.3063%	2,329	2,505	251	33
Tower - 4241 Miller Parkway (County)	156	1.3063%	2,329	2,505	251	33
Tower - Call Center Relo	51	0.5517%	44,540	52,144	39,603	484
Total for business-type activities			$ 1,552,170	$ 1,579,475	$ 286,153	$ 40,969

The Manhattan Housing Authority has entered into lease agreements as follows:

On October 25, 2007, the Authority entered into a lease agreement as a lessor with Alltel Communications, Inc. d/b/a Verizon Wireless, for the lease of the rooftop at 300 North 5th Street to install, maintain and operate communications equipment. The term of the lease was for five years from October 25, 2007 with five renewal options for five years each. An initial lease receivable was recorded in the amount of $306,296. As of December 31, 2024, the value of the lease receivable was $213,205. Beginning on the commencement of the lease term, monthly rent shall be paid to the Authority in the amount of $1,200, increasing by 10.00% on each anniversary date. For the year ended December 31, 2024, the Authority received payments of $19,166 on the lease of which $10,411 reduced the principal amount owed and $8,755 was interest income. The implicit interest rate on the lease was 4%. The value of the deferred inflows of resources as of December 31, 2024 was $131,027. For the year ended December 31, 2024, the Authority recognized lease revenue in the amount of $10,411.

On February 2, 2005, the Authority entered into a lease agreement as a lessor with VoiceSteam Kansas City, Inc. d/b/a T-Mobile, for the lease of the rooftop at 300 North 5th Street to install, maintain and operate communications equipment. The term of the lease was for five years from February 2, 2005 with five renewal options for five years each. An initial lease receivable was recorded in the amount of $281,858. As of December 31, 2024, the value of the lease receivable was $186,221. Beginning on the commencement of the lease term, monthly rent shall be paid to the Authority in the amount of $1,000, increasing by 15.00% on each anniversary date. For the year ended December 31, 2024, the Authority received payments of $20,532 on the lease of which $13,318 reduced the principal amount owed and $7,214 was interest income. The implicit interest rate on the lease was 4%. The value of the deferred inflows of resources as of December 31, 2024 was $95,518. For the year ended December 31, 2024, the Authority recognized lease revenue in the amount of $13,318.

F. Capital Assets

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

Primary Government

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 22,763,491	$ -	$ -	$ 22,763,491
Construction in progress	131,344,611	30,291,237	16,273,619	145,362,229
TOTAL	154,108,102	30,291,237	16,273,619	168,125,720
Capital assets being depreciated:				
Buildings and improvements	173,686,107	5,209,299	-	178,895,406
Contents and equipment	13,848,541	1,035,388	15,784	14,868,145
Vehicles	13,080,531	1,465,551	279,362	14,266,720
Infrastructure	222,164,176	11,534,442	-	233,698,618
TOTAL	422,779,355	19,244,680	295,146	441,728,889
Less accumulated depreciation:				
Buildings and improvements	65,784,405	4,578,368	-	70,362,773
Contents and equipment	10,415,079	583,053	14,449	10,983,683
Vehicles	9,045,350	869,544	279,362	9,635,532
Infrastructure	132,631,653	9,319,479	-	141,951,132
TOTAL	217,876,487	15,350,444	293,811	232,933,120
Total capital assets being depreciated, net	204,902,868	3,894,236	1,335	208,795,769
Right to use lease and subscription assets not being amortized				
Construction in progress	222,169	1,203,103	240,993	1,184,279
Right to use lease and subscription assets being amortized				
Buildings and improvements	767,058	-	-	767,058
Contents and equipment	712,382	270,478	-	982,860
Vehicles	1,069,439	-	-	1,069,439
Subscriptions	517,463	27,403	-	544,866
TOTAL	3,066,342	297,881	-	3,364,223
Less accumulated amortization:				
Buildings and improvements	143,615	25,198	-	168,813
Contents and equipment	452,079	152,033	-	604,112
Vehicles	725,971	106,944	-	832,915
Subscriptions	99,368	109,097	-	208,465
TOTAL	1,421,033	393,272	-	1,814,305
Total right to use lease and subscription assets being amortized, net	1,645,309	(95,391)	-	1,549,918
Governmental activities capital assets, net	$ 360,878,448	$ 35,293,185	$ 16,515,947	$ 379,655,686

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 8,036,935	$ -	$ -	$ 8,036,935
Construction in progress	39,573,247	7,344,123	4,741,602	42,175,768
TOTAL	47,610,182	7,344,123	4,741,602	50,212,703
Capital assets being depreciated:				
Buildings and improvements	63,353,519	179,859	-	63,533,378
Contents and equipment	5,539,713	228,500	-	5,768,213
Vehicles	3,692,088	50,091	30,084	3,712,095
Infrastructure	221,942,144	4,773,371	-	226,715,515
TOTAL	294,527,464	5,231,821	30,084	299,729,201
Less accumulated depreciation:				
Buildings and improvements	23,805,057	1,325,913	-	25,130,970
Contents and equipment	3,947,067	218,474	-	4,165,541
Vehicles	2,659,285	235,583	30,084	2,864,784
Infrastructure	98,867,566	5,094,153	-	103,961,719
TOTAL	129,278,975	6,874,123	30,084	136,123,014
Total capital assets being depreciated, net	165,248,489	(1,642,302)	-	163,606,187
Right to use lease and subscription assets being amortized:				
Contents and equipment	495,000	-	29,480	465,520
Subscriptions	91,885	-	-	91,885
Less accumulated amortization:				
Contents and equipment	312,434	17,033	17,256	312,211
Subscriptions	44,768	45,428	-	90,196
Total right to use lease and subscription assets being amortized, net	229,683	(62,461)	12,224	154,998
Business-type activities capital assets, net	$ 213,088,354	$ 5,639,360	$ 4,753,826	$ 213,973,888

Discretely Presented Component Units

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Manhattan Public Library				
Capital assets not being depreciated:				
Works of art	$ 32,400	$ -	$ -	$ 32,400
Capital assets being depreciated:				
Furniture and equipment	901,923	136,322	165,117	873,128
Leasehold improvements	930,306	-	7,252	923,054
TOTAL	1,832,229	136,322	172,369	1,796,182
Less accumulated depreciation	844,147	122,937	164,771	802,313
Total capital assets being depreciated, net	988,082	13,385	7,598	993,869
Library capital assets, net	$ 1,020,482	$ 13,385	$ 7,598	$ 1,026,269

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Manhattan Housing Authority				
Capital assets not being depreciated:				
Land	$ 490,000	$ -	$ -	$ 490,000
Capital assets being depreciated:				
Buildings and leasehold improvements	20,736,352	64,853	-	20,801,205
Contents and equipment	1,126,332	7,568	-	1,133,900
TOTAL	21,862,684	72,421	-	21,935,105
Less accumulated depreciation	12,687,248	738,482	-	13,425,730
Housing Authority capital assets, net	$ 9,665,436	$ (666,061)	$ -	$ 8,999,375

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

Governmental activities:	
Public works	$ 8,901,592
Culture/recreation	3,004,719
General government	2,230,001
Public safety	970,188
Downtown redevelopment	211,402
Urban development and housing	199,678
Internal service	226,136
Total depreciation/amortization expense for governmental activities	$ 15,743,716
Business-type activities:	
Wastewater	$ 3,120,676
Water	2,603,514
Stormwater Management	1,212,394
Total depreciation/amortization expense for business-type activities	$ 6,936,584

G. Capital Projects

At December 31, 2024, the City had contractual commitments for the construction of various projects:

	Expenditures to Date	Amount Authorized
Miscellaneous Governmental Activities	$ 41,327,719	$ 62,417,653
Street Improvements	69,229,864	80,145,207
Stormwater Improvements	28,951,522	30,507,831
Sanitary Sewer Improvements	4,713,899	7,089,344
Airport Improvements	34,804,646	36,066,529
Water Improvements	8,510,348	14,063,714
Total	$ 187,537,998	$ 230,290,278

H. Interfund Receivable/Payable

Individual fund receivable/payable balances at December 31, 2024, are as follows.

	Receivable	Payable
Major Funds:		
Governmental Funds:		
General	$ 3,997,204	$ -
Capital Projects Fund	42,873,076	3,740,335
Proprietary Funds:		
Water Fund	-	4,561,201
Wastewater Fund	-	1,976,369
Stormwater Management Fund	-	36,335,506
Nonmajor Governmental Funds		
State and Federal Grants Fund	-	256,869
TOTAL	$ 46,870,280	$ 46,870,280

The amounts payable to the Capital Projects Fund relate to amounts drawn by the Water, Wastewater Funds and Stormwater for temporary notes.

I. Interfund Transfers

A summary of 2024 interfund transfers is as follows:

	Transfer In	Transfer Out
Major Funds:		
Governmental Funds:		
General	$ 16,346,572	$ 225,325
Riley County Police Department	368,306	-
Debt Service	5,260,378	974,925
Capital Projects	13,807,478	4,755,588
Proprietary Funds:		
Water	15,125	2,320,543
Wastewater Fund	20,374	1,873,518
Stormwater Management Fund	21,475	3,149,729
Non-major Governmental Funds	323,875	23,073,468
Internal Service Funds	270,013	60,500
TOTAL TRANSFERS	$ 36,433,596	$ 36,433,596

Transfers are used primarily to move revenues from the funds with collection authorization to finance the expenditures of other funds in need of additional revenue sources.

On the government-wide statement of activities, capital asset transfers of $7,332,108 were made from the governmental activities to the business-type activities.

J. Long-Term Liabilities

The following is a summary of the debt transactions of the City for the year ended December 31, 2024:

	Balance January 1, 2024	Change in Accounting Principle	Issued	Retired/ Refunded	Balance December 31, 2024	Due Within One Year
Governmental Activities:						
General obligation bonds	$ 104,570,000	$ -	$ 10,805,000	$ (9,765,000)	$ 105,610,000	$ 10,385,000
General obligation bonds-premium	7,737,588	-	1,076,552	(539,982)	8,274,158	-
Senior lien special obligation bonds-Series 2009-A – direct borrowings	5,145,000	-	-	(2,095,000)	3,050,000	2,055,000
Subordinate lien special obligation bonds-Series 2009-B – direct borrowings	4,130,000	-	-	-	4,130,000	-
Taxable STAR bonds-Series 2022-1 – direct borrowings	8,805,000	-	-	(5,315,000)	3,490,000	-
Temporary notes – direct borrowings	133,740,000	-	92,270,000	(95,840,000)	130,170,000	45,715,000
Transportation Development District Sales Tax Revenue Bonds-Series 2010 – direct borrowings	3,555,000	-	-	(270,000)	3,285,000	295,000
Transportation Revolving Fund Loan – direct borrowings	286,214	-	-	(286,214)	-	-
Notes payable - financed purchases – direct borrowings	2,797,298	-	269,682	(617,778)	2,449,202	640,631
Lease obligations payable - direct borrowings	1,035,387	-	698,677	(345,719)	1,388,345	411,663
Subscription liabilities - direct borrowings	374,491	-	20,952	(69,466)	325,977	82,821
Other postemployment benefits	1,249,358	-	373,034	(198,680)	1,423,712	74,333
Compensated absences	3,481,189	2,258,563	2,533,917	(2,063,652)	6,210,017	2,235,606
Net pension liability	30,000,512	-	7,984,129	(7,448,663)	30,535,978	-
Total for governmental activities	$ 306,907,037	$ 2,258,563	$ 116,031,943	$ (124,855,154)	$ 300,342,389	$ 61,895,054
Business-type Activities:						
General obligation bonds	$ 21,950,000	$ -	$ 1,190,000	$ (2,685,000)	$ 20,455,000	$ 2,540,000
General obligation bonds-premium	1,623,057	-	137,261	(93,489)	1,666,829	-
State revolving loans – direct borrowings	33,419,877	-	-	(3,427,883)	29,991,994	3,445,841
Notes payable - financed purchases – direct borrowings	328,765	-	-	(163,201)	165,564	165,564
Lease obligations payable - direct borrowings	12,209	-	-	(12,209)	-	-
Subscription liabilities - direct borrowings	45,712	-	-	(44,932)	780	780
Other postemployment benefits	422,823	-	146,760	(65,217)	504,366	26,333
Compensated absences	613,153	423,746	155,597	(297,438)	895,058	322,222
Net pension liability	5,140,772	-	1,606,666	(1,140,593)	5,606,845	-
Total for business-type activities	$ 63,556,368	$ 423,746	$ 3,236,284	$ (7,929,962)	$ 59,286,436	$ 6,500,740

Of the $105,610,000 in general obligation bond debt shown above, $45,191,621 is special assessment debt with government commitment.

For governmental activities, other postemployment benefits, the net pension liability, and other long-term debt are generally liquidated by the general fund.

General Obligation Bonds and Temporary Notes

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital assets. General obligation bonds currently outstanding consist of the following:

General Obligation Bonds	Type of Bond	Original Issue Amount	Date of Issue	Interest Rate	Maturity Date	Balance December 31, 2024
2011 Series 2011A	Serial	$ 10,535,000	12/1/2011	2.0% to 3.75%	11/1/2031	$ 910,000
2012 Series 2012A	Serial	1,465,000	6/1/2012	1.5% to 3.75%	1/1/2032	565,000
2012 Series 2012B	Serial	12,885,000	12/1/2012	1.5% to 3.0%	1/1/2032	1,670,000
2012 Refunding Series 2012C	Serial	4,895,000	12/20/2012	2.0% to 4.0%	11/1/2026	880,000
2013 Series 2013A	Serial	6,400,000	12/1/2013	3.0% to 4.0%	11/1/2033	415,000
2014 Series 2014A	Serial	12,310,000	6/2/2014	2.0% to 5.0%	11/1/2034	5,535,000
2014 Series 2014B	Serial/Term	9,685,000	6/2/2014	3.0% to 4.25%	11/1/2034	5,645,000
2014 Series 2014C	Serial/Term	3,940,000	12/8/2014	2.0% to 3.375%	11/1/2034	2,010,000
2015 Series 2015A	Serial/Term	5,475,000	12/7/2015	2.0% to 5.0%	11/1/2035	1,385,000
2015 Refunding Series 2015B	Serial	4,805,000	12/7/2015	2.0% to 5.0%	11/1/2027	1,665,000
2016 Refunding and Improvement Series 2016A	Serial	18,050,000	6/6/2016	2.0% to 5.0%	11/1/2036	9,850,000
2016 Series 2016B	Serial/Term	2,065,000	12/5/2016	2.0% to 3.5%	11/1/2036	885,000
2017 Series 2017A	Serial/Term	1,235,000	6/5/2017	2.0% to 3.50%	11/1/2037	870,000
2017 Series 2017B Subject to AMT	Serial/Term	3,075,000	6/5/2017	3.0% to 3.5%	11/1/2037	2,205,000
2017 Series 2017C Taxable	Serial/Term	1,075,000	6/5/2017	3.0% to 4.1%	11/1/2047	915,000
2017 Series 2017D Refunding and Improvements	Serial/Term	9,230,000	12/15/2017	3.0% to 5.0%	11/1/2037	2,585,000
2018 Series 2018A	Serial/Term	17,630,000	6/4/2018	3.0% to 5.0%	11/1/2038	11,775,000
2019 Series 2019A Refunding and Improvements	Serial/Term	11,780,000	6/14/2019	3.0% to 5.0%	11/1/2039	8,490,000
2019 Series 2019B Taxable	Serial/Term	3,720,000	6/14/2019	2.30% to 3.15%	11/1/2034	2,640,000
2020 Refunding and Improvements Series 2020A	Serial	18,670,000	6/15/2020	2.85%	11/1/2040	12,085,000
2020 Refunding Series 2020B	Serial	1,690,000	9/15/2020	3.00%	11/1/2030	1,080,000
2021 Series 2021A	Serial	4,940,000	6/7/2021	2.0% to 4.0%	11/1/2041	4,115,000
2022 Series 2022A	Serial	2,100,000	12/15/2022	4.0% to 5.0%	11/1/2042	1,855,000
2023 Series 2023A	Serial/Term	27,545,000	6/5/2023	4.0% to 5.0%	11/1/2043	25,550,000
2023 Series 2023B	Serial/Term	8,965,000	6/5/2023	4.35% to 5.0%	11/1/2043	8,490,000
2024 Refunding and Improvements Series 2024A	Serial	11,995,000	6/14/2024	4.0% to 5.5%	11/1/2044	11,995,000
Subtotal						126,065,000
Less amount to be paid by Enterprise Funds						20,455,000
Total General Obligation Bonds Payable – Governmental Activities						$ 105,610,000

The annual debt service payments for governmental activities general obligation bonds outstanding as of December 31, 2024, are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 10,385,000	$ 4,083,724	$ 14,468,724
2026	10,760,000	3,657,297	14,417,297
2027	10,470,000	3,274,501	13,744,501
2028	9,485,000	2,894,555	12,379,555
2029	8,135,000	2,535,374	10,670,374
2030-2034	36,735,000	7,951,731	44,686,731
2035-2039	14,090,000	2,530,475	16,620,475
2040-2044	5,375,000	733,298	6,108,298
2045-2049	175,000	14,555	189,555
TOTAL	$ 105,610,000	$ 27,675,510	$ 133,285,510

General obligation bonds in the amount of $ 20,455,000 are included as liabilities of the Water, Wastewater, and Stormwater Funds because the City intends to retire them through the operations of these funds. The annual debt service payments for business-type activities general obligation bonds outstanding as of December 31, 2024, are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 2,540,000	$ 935,514	$ 3,475,514
2026	2,655,000	819,842	3,474,842
2027	2,780,000	698,184	3,478,184
2028	2,470,000	570,649	3,040,649
2029	2,395,000	460,136	2,855,136
2030-2034	7,385,000	908,715	8,293,715
2035-2039	230,000	13,950	243,950
TOTAL	$ 20,455,000	$ 4,406,990	$ 24,861,990

$29,403,760 is available in the Debt Service Fund to service the general obligation and special assessment bonds. Future tax revenues will pay off the remaining general long-term debt.

Temporary notes currently outstanding consist of the following:

Series	Maturity Date	Rate	12/31/2024 Balance
2021-02	6/15/2025	40.00%	$ 24,000,000
2021-03	6/15/2025	80.00%	720,000
2022-01	6/15/2025	1.75%	17,410,000
2022-02	6/15/2025	3.00%	3,585,000
2022-03	6/15/2026	3.00%	11,345,000
2023-01	6/15/2026	4.00%	5,495,000
2023-02	6/15/2027	3.50%	5,390,000
2023-03	6/15/2027	4.00%	8,720,000
2024-01	6/15/2027	5.00%	2,640,000
2024-02	6/15/2028	5.00%	54,370,000
Total			$ 133,675,000

Bond proceeds and temporary notes issued have been reported in the Capital Projects Fund. Temporary notes paid have also been reported in the Capital Projects Fund.

Upon authorization for the issuance of general obligation bonds for certain improvements, Kansas law permits the temporary financing of such improvements by the issuance of temporary notes. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance of such temporary notes. Most temporary notes issued by the City have initial maturities of at least two years. Therefore, they are considered long-term debt and have been included in long-term liabilities on the statement of net position. Temporary notes outstanding are retired from the proceeds of the sale of general obligation bonds or other available funds or refinanced with temporary notes. Temporary notes in the amount of $45,715,000 outstanding at December 31, 2024, will be retired on June 15, 2025, with funds on hand. Temporary notes in the amount of $87,960,000 will mature in 2026, 2027, and 2028.

At December 31, 2024, there were temporary notes in the amount of $3,505,000 maturing in 2025 for which the legal steps and the ability to consummate refinancing have not been met. Therefore, this balance is reported as a fund liability in the Capital Projects Fund at December 31, 2024.

Changes in this short-term debt during 2024 are summarized in the following table:

Balance at January 1, 2024	$ 6,380,000
Issued	3,505,000
Retired	(6,380,000)
Balance at December 31, 2024	$ 3,505,000

Debt Service Limit
The December 31, 2024 debt limit is $230,321,340. There was $158,620,992 in outstanding long and short-term G.O. debt applicable to the debt limit as of December 31, 2024. Sewer, Water, Stormwater and refunding G.O. bonds are exempt from the state-imposed debt limit.

Transportation Development District Sales Tax Revenue Bonds-Series 2010
In 2010, the City issued Transportation Development District Sales Tax Revenue bonds in the amount of $5,610,000. The proceeds were used to finance infrastructure improvements needed for the north project area of the downtown redevelopment project. An excise/sales tax has been imposed on purchases made within the transportation development district. The excise/sales tax collected will be used to retire the bonds. The bonds are considered a special obligation to the City secured by a pledge of the excise/sales tax revenues. The bonds are not a general obligation of the City, nor do they go against the City's debt limit. Interest on the bonds is payable semiannually. The interest rates on the bonds range from 2.0 to 5.0 percent.

The bonds include term bonds that are subject to mandatory redemption and payment prior to stated maturity. The annual debt service payments for the bonds under these mandatory redemption provisions are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 295,000	$ 162,775	$ 457,775
2026	315,000	149,500	464,500
2027	340,000	133,750	473,750
2028	365,000	116,750	481,750
2029	395,000	98,500	493,500
2030-2034	1,575,000	171,000	1,746,000
TOTAL	$ 3,285,000	$ 832,275	$ 4,117,275

Senior Lien Tax Increment Financing (TIF) Special Obligation Bonds-Series 2009A and Subordinate Lien TIF Special Obligation Bonds-Series 2009B
The Senior Lien TIF Special Obligation Bonds-Series 2009A and the Subordinate Lien TIF Special Obligation Bonds-Series 2009B were issued December 1, 2009, at a principal amount of $21,220,000 and $4,160,000, respectively. These bonds were issued to retire the Taxable Special Obligation Revenue Bonds-Series 2006 issued to finance land acquisition and site preparation of the North Redevelopment District. Funds from these issuances will also be used to construct a public plaza in the North District. The Series 2009B Bonds shall constitute subordinate lien bonds and shall be junior and subordinate with respect to the payment of debt service from the incremental tax revenues to the Series 2009A Bonds. Both series of bonds shall not constitute a debt or liability of the City nor any pledge of the full faith and credit of the City. Revenue available for debt service from the North District consists of incremental property taxes, City sales tax, compensating use tax, and the City's portion of the County's sales tax. Revenue available from the South District consists of incremental property taxes.

The 2009 TIF bonds shall become due on the stated maturity dates and in the amounts listed below. Interest is payable semiannually at the following annual rates:

Series 2009A Bonds

Term Bonds		
Stated Maturity December 1,	**Principal Amount**	**Annual Rate of Interest**
2026	$3,050,000	5.00%

Series 2009B Bonds

Stated Maturity December 1,	Principal Amount	Annual Rate of Interest
2027	$4,130,000	7.50%

At the option of the City, the Series 2009A bonds maturing on or after December 1, 2019 are subject to redemption and payment prior to their stated maturity on December 1, 2018 at the redemption prices set forth below plus accrued interest to the redemption date.

Redemption Dates	Redemption Price
December 1, 2019 and thereafter	100%

The Series 2009B Bonds are subject to redemption and payment prior to their stated maturity at the Redemption Price of 100% plus accrued interest to the redemption date; provided, however, the Series 2009B Bonds cannot be redeemed prior to maturity until all Senior Lien Bonds have been paid and are no longer outstanding.

The Series 2009A term bonds maturing December 1, 2026, are subject to mandatory redemption and payment prior to maturity on December 1 in the years set forth below at a redemption price of 100% of the principal amount plus accrued interest to the redemption date:

Principal Amount	Year
$2,055,000	2025
$995,000	2026

In 2024, $2,095,000 in principal was redeemed on the Series 2009A bonds.

Taxable STAR Bonds-Series 2022-1
The Taxable STAR Bonds-Series 2022-1 were issued June 29, 2022, at a principal amount of $24,975,000. This series of STAR Bonds was issued to finance eligible land acquisition and infrastructure costs within the Downtown Redevelopment District. The 2022-1 STAR Bonds are considered a special obligation of the City secured by a pledge of revenues collected within the STAR Bond district. They are not a general obligation of the City, nor do they count against the City's debt limit. In 2024, $5,315,000 in principal was redeemed on the 2022-1 STAR Bonds, resulting in a balance of $3,490,000.

The Taxable STAR Bonds Series 2022-1 bonds shall become due on the stated maturity date and in the amount listed below.

Principal Amount	Year
$3,490,000	2027

Notes payable – Financed Purchases

In the current and prior years, the City agreed to lease equipment through Notes payable – financed purchasing arrangements. The assets acquired through Notes payable – financed purchases outstanding are as follows:

Equipment Leased	Amount Financed	Notes Payable - Financed Purchases Balance 12/31/2024	Gross Cost of Assets under Notes Payable - Financed Purchases	Accumulated Amortization 12/31/2024
Governmental Activities:				
Aerial truck	$ 953,091	$ 455,626	$ 1,094,876	$ 656,926
Peace Memorial - new roof	205,774	92,980	228,237	136,942
Airfield Lighting	28,013	5,884	35,357	17,679
State Bid Vehicles (11)	237,934	105,702	249,603	124,801
Airport Deicer Trailer	42,854	8,885	54,660	27,330
Standard Cab Pickup Truck	127,058	56,465	146,884	104,917
Dump Truck and Pickup Truck	257,148	53,242	308,518	246,814
2 Ford SUV's	69,784	14,449	84,146	42,073
Replacement 1992 Fire Truck	1,050,000	855,900	1,050,000	210,000
New John Deere Model 5090E Tractor	41,264	21,054	59,248	11,850
Fire Rescue Equipment	139,791	70,728	141,080	18,811
John Deere Wide Area Mower	66,001	50,963	68,217	9,096
2022 Midsize SUV Vehicle	21,270	16,449	21,726	4,345
2022 Full Size SUV Vehicle	52,750	40,795	56,195	5,620
Tractor with Cab & Loader	69,583	34,919	71,281	9,504
4 Trucks	180,487	90,366	216,384	43,277
Building Maintenance Truck	58,286	29,183	-	-
1 Ton Truck - Primary mover for boats	72,677	55,756	60,447	12,089
Knuckleboom Truck	156,644	120,174	-	-
Storm Sirens	269,682	269,682	-	-
Total	$ 4,100,091	$ 2,449,202	$ 3,946,859	$ 1,682,074
Business-type Activities:				
International Dump Truck	$ 87,345	$ 18,084	$ 109,808	$ 54,904
One Ton Pickup Truck	60,670	12,561	75,721	30,288
Street Sweeper	232,612	59,085	289,223	231,378
Trunk-Mounted Sewer Jet	189,842	48,130	189,842	56,953
1.5 Ton Pickup Truck	109,586	27,704	135,790	40,737
Total	$ 680,055	$ 165,564	$ 800,384	$ 414,260

Future minimum notes payable – financed purchases obligations as of December 31, 2024, are:

Year Ending December 31,	Governmental Activities	Business-type Activities
2025	$ 704,225	$ 167,855
2026	619,962	-
2027	489,559	-
2028	297,494	-
2029	175,008	-
2030-2034	342,405	-
Total Minimum Lease Payments	2,628,653	167,855
Less: Amount representing interest	(179,451)	(2,291)
Present Value of Minimum Lease Payments	$ 2,449,202	$ 165,564

Lease Obligations Payable
The City, as a lessee, has entered into various lease agreements with companies and organizations in and around the City as summarized below:

Governmental Activities:

The City has seven leases with payments that range from $8,710 to $107,757 and interest rates that range from 0.3300% to 4.1000%. As of December 31, 2024, the total combined value of the lease liability is $1,388,345. The combined value of the right to use assets, as of December 31, 2024 is $2,819,357 with accumulated amortization of $1,605,840 included within the capital assets footnote above.

Business-type activities:

The City made the last lease payment on business-type activities leases in fiscal year 2024 and currently has no active leases at year-end.

The future principal and interest lease payments as of December 31, 2024 were as follows:

Years Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	$ 411,663	$ 27,528	$ 439,191
2026	406,223	32,968	439,191
2027	286,586	20,639	307,225
2028	139,086	11,639	150,725
2029	144,787	5,936	150,723
TOTAL	$ 1,388,345	$ 98,710	$ 1,487,055

Subscription liability
The City has entered into various subscription arrangements with companies and organizations in and around the City as summarized below:

Governmental Activities:

The City has ten subscriptions with payments that range from $2,520 to $60,500 and interest rates that range from 2.4260% to 3.6310%. As of December 31, 2024, the total combined value of the subscription liability is $325,977. The combined value of the right to use assets, as of December 31, 2024 is $544,866 with accumulated amortization of $208,465 included within the capital assets footnote above.

Business-type activities:

The City has one subscription with a payment of $808 and interest rate of 3.6310%. As of December 31, 2024, the total combined value of the subscription liability is $780 The combined value of the right to use assets, as of December 31, 2024 is $91,885 with accumulated amortization of $90,196 included within the capital assets footnote above.

The future principal and interest subscription payments as of December 31, 2024 were as follows:

Years Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	$ 82,821	$ 8,462	$ 91,283
2026	37,907	6,505	44,412
2027	31,818	5,442	37,260
2028	32,738	4,522	37,260
2029	33,684	3,576	37,260
2030-2034	107,009	4,772	111,781
TOTAL	$ 325,977	$ 33,279	$ 359,256

Years Ending December 31,	Business-Type Activities		
	Principal	Interest	Total
2025	$ 780	$ 28	$ 808
TOTAL	$ 780	$ 28	$ 808

State Revolving Loans

During 2009, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow up to $39,506,000 on a low-interest loan with a 20-year repayment period to finance the construction phase of the wastewater treatment plant upgrade and expansion project. The interest rate on the loan is 2.72%. The City completed the draw-down process in 2014 and drew down a total of $36,732,684. Principal in the amount of $1,867,646 was paid in 2024. The balance on the loan as of December 31, 2024, is $ 14,586,775 and is shown as a liability to the Wastewater Fund in the accompanying financial statements. The annual amounts to amortize the loan are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 1,918,793	$ 383,801	$ 2,302,594
2026	1,971,338	331,255	2,302,593
2027	2,025,323	277,270	2,302,593
2028	2,080,786	221,806	2,302,592
2029	2,137,768	164,824	2,302,592
2030-2034	4,452,767	152,416	4,605,183
Totals	$ 14,586,775	$ 1,531,372	$ 16,118,147

During 2010, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement enabled the City to borrow up to $1,537,000 on a low-interest loan with a 20-year repayment period to finance the City's share of the cost of connecting the Pottawatomie County Blue Township Sewer District service area and adjacent tributary areas to the City's wastewater treatment facilities. The interest rate on the loan is 2.55%. The City started the draw-down process in 2010. The loan was amended to allow a total borrowing of $1,642,258, with principal forgiveness of $246,339. The balance on the loan as of December 31, 2024, is $572,948 and is shown as a liability to the Wastewater Fund in the accompanying financial statements. Principal in the amount of $73,865 was paid in 2024. The annual amounts to amortize the loan are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 75,761	$ 14,130	$ 89,891
2026	77,705	12,186	89,891
2027	79,699	10,192	89,891
2028	81,745	8,147	89,892
2029	83,842	6,049	89,891
2030-2032	174,196	5,587	179,783
Totals	$ 572,948	$ 56,291	$ 629,239

In 2018, the City entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to $3,782,594 on a low-interest loan with a 20-year repayment period to finance the cost of wastewater treatment plant improvements. Drawdowns totaling $3,700,594 have been made on this loan. Principal in the amount of $161,128 was paid in 2024. The balance on the loan as of December 31, 2024, is $2,935,833 and is shown as a liability to the Wastewater Fund in the accompanying financial statements. This loan is payable from the revenues of the wastewater utility. The annual amounts to amortize the loan are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 164,986	$ 68,897	$ 233,883
2026	168,936	64,947	233,883
2027	172,981	60,902	233,883
2028	177,122	56,761	233,883
2029	181,363	52,520	233,883
2030-2034	974,062	195,353	1,169,415
2035-2039	1,096,383	73,032	1,169,415
Totals	$ 2,935,833	$ 572,412	$ 3,508,245

During 2007, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow funds on a low-interest loan with a 20-year repayment period to finance the design and construction of the water treatment plant and wellfield improvements. During 2010 the loan was amended to increase the maximum loan amount to $17,975,861. The interest rate on the loan is 3.63%. The City started the draw-down process in 2010. The balance on the loan as of December 31, 2024, is $8,266,058 and is shown as a liability to the Water Fund in the accompanying financial statements. Payments on the loan began in 2012. Principal in the amount of $943,070 was paid in 2024. The annual amounts to amortize the loan will be as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 977,614	$ 291,266	$ 1,268,880
2026	1,013,424	255,456	1,268,880
2027	1,050,545	218,335	1,268,880
2028	1,089,026	179,854	1,268,880
2029	1,128,916	139,964	1,268,880
2030-2033	3,006,533	165,668	3,172,201
Totals	$ 8,266,058	$ 1,250,543	$ 9,516,601

During 2011, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow funds up to $1,395,461 on a low-interest loan with a 20-year repayment period to finance the extension of the Konza water main. The interest rate on the loan is 2.62%. This project is eligible for 20% principal forgiveness on the construction costs and an additional 20% principal forgiveness for any qualifying green infrastructure component, or energy or water efficiency component. The City completed the draw-down process in 2013. Draws in the amount of $506,899 were made during 2013, with principal forgiveness of $126,725. The balance on the loan as of December 31, 2024, is $193,650 and is shown as a liability to the Water Fund in the accompanying financial statements. Principal in the amount of $18,848 was paid in 2024. The annual amounts to amortize the loan will be as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 19,345	$ 4,948	$ 24,293
2026	19,855	4,438	24,293
2027	20,379	3,914	24,293
2028	20,917	3,377	24,294
2029	21,468	2,825	24,293
2030-2034	91,686	5,487	97,173
Totals	$ 193,650	$ 24,989	$ 218,639

During 2013, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow funds up to $3,091,960 on a low-interest loan with a 10-year repayment period to finance the replacement and upgrade of water meters. The interest rate on the loan is 2.08%. This project is eligible for up to 40% principal forgiveness for any qualifying green infrastructure component, or energy or water efficiency component. The principal forgiven amount is $992,346. The City started the draw-down process in 2013. The balance on the loan as of December 31, 2024, is $81,261 and is shown as a liability to the Water Fund in the accompanying financial statements. Principal in the amount of $159,607 was paid in 2024. The annual amounts to amortize the loan will be as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 81,261	$ 987	$ 82,248
Totals	$ 81,261	$ 987	$ 82,248

In 2016, the City entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to $7,326,270 on a low-interest loan with a 20-year repayment period to finance the cost of the construction phase of the water treatment plant improvements. Drawdowns totaling $4,528,589 have been made on this loan. The balance of this loan is $3,355,469. This loan is payable from the revenues of the water utility. Principal in the amount of $203,719 was paid in 2024. The annual amounts to amortize the loan are as follows if the full amount of the loan was borrowed:

Years Ending December 31,	Principal	Interest	Total
2025	$ 208,081	$ 70,369	$ 278,450
2026	212,537	65,914	278,451
2027	217,088	61,362	278,450
2028	221,736	56,714	278,450
2029	226,485	51,966	278,451
2030-2034	1,207,281	184,971	1,392,252
2035-2039	1,062,261	51,539	1,113,800
Totals	$ 3,355,469	$ 542,835	$ 3,898,304

During 2023, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow up to $3,500,000 on a low-interest loan with a 20-year repayment period to finance Water Treatment Plant Improvements Project. The interest rate on the loan is 1.27%. The City has yet to drawdown on this loan. The annual amounts to amortize the loan will be determined when the loan is fully drawn down.

Kansas Department of Transportation Loan

During 2005, the City entered into a loan agreement with the Kansas Department of Transportation. This agreement enabled the City to borrow up to $4,608,000 on a low-interest loan with a 20-year repayment period to finance various street improvements within the City. The interest rate on the loan is 3.72%. The City completed the draw-down process in 2007 and drew down a total of $4,607,872. The final principal payment of $286,214 was paid during fiscal year 2024.

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, 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, Industrial Revenue Bonds relating to seven entities were outstanding with a total balance of $114,777,143.

Manhattan Housing Authority Debt

The following is a summary of the debt transactions of the Housing Authority for the year ended December 31, 2024:

	Balance January 1, 2024	Additions	Deductions	Balance December 31, 2024	Amounts Due within One Year
Accrued compensated absences	$ 24,112	$ -	$ (5,248)	$ 18,864	$ 9,432
Notes payable	2,833,725	-	(330,044)	2,503,681	580,734
Accrued pension liability	740,141	-	(144,082)	596,059	-
Total for Housing Authority	$ 3,597,978	$ -	$ (479,374)	$ 3,118,604	$ 590,166

EPC (Energy Performance Contract)
The Authority received HUD approval for an Energy Performance Contract (EPC) in November 2015 in the amount of $2,043,067. The balance as of December 31, 2024 is $1,103,217. Payments are made using utility savings generated by energy-saving projects completed in 2017. Projects include: retrofitting interior and exterior lighting; installation of high efficiency toilets, shower heads and aerators; building envelope improvements; refrigerator, water heater and HVAC system replacement. Utility savings are guaranteed by the Energy Performance Contractor, Johnson Controls, Inc. The payments are to be made on a semi-annual basis.

KS State Bank Loan Agreement
The Authority entered into a loan agreement with KS State Bank on October 1, 2023, in the amount of $110,700 for the purchase of two vehicles. Interest shall be fixed per annum at 5.76%. Commencing September 1, 2024, annual payments of principal and interest are due in the amount of $26,108. The loan matures in October 2028 and is secured by the underlying vehicles. The balance of the loan as of December 31, 2024 is $90,968.

Recoverable Advance Agreement
The Authority signed a recoverable advance agreement with the City of Manhattan dated October 17, 2017, in the amount of $1,055,000 for the installation of windows and patio doors and the repair or replacement of sewer lines located on the premises. The Authority will pay the City an amount equal to the City's annual debt service for the general obligation bonds used to finance the design and construction of the project repairs for the development. Such annual advance payment shall be due and payable regardless of when or whether the City actually issues the general obligation bonds and regardless of the City's repayment schedule, including whether the City pays any bonds that may be issued earlier than anticipated. The balance as of December 31, 2024 is $910,000.

Mortgage Agreement
On August 30, 2007, the Manhattan Housing Authority's blended component unit, FHI Apartments, LP, entered into a mortgage agreement with Horizon Bank in the amount of $562,000. The loan accrues interest at 7.437% and is due in monthly principal and interest payments of $3,907 with a maturity date of November 10, 2024. On December 23, 2024, the loan was amended to have a maturity date of November 10, 2025 and is secured by a mortgage on the property. The balance as of December 31, 2024 is $399,496.

The annual debt service requirements to maturity for long-term debt as of December 31, 2024 for the EPC contract, KS State Bank loan, and Recoverable Advance Agreement and Mortgage Agreement combined are as follows:

Maturity	Principal	Interest	Total
2025	$ 580,734	$ 94,240	$ 674,974
2026	168,013	73,413	241,426
2027	178,652	67,034	245,686
2028	190,436	60,263	250,699
2029	175,568	53,004	228,572
2030-2034	565,278	181,316	746,594
2035-2039	180,000	128,000	308,000
2040-2041	465,000	40,800	505,800
	$ 2,503,681	$ 698,070	$ 3,201,751

Note 4: Other Information

A. Risk Management

General

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

Self-Insured Health Care Fund

During the fiscal year 1990, the City established a Health Care Fund (an Internal Service Fund) to account for and finance its medical health insurance program. Under this program, the Health Care Fund provides health insurance coverage for all full-time employees. The City purchases commercial insurance for claims in excess of an aggregate total provided by the Fund, and a specific amount for each claim. The City contracts with Trustmark to provide administrative services. Stop loss insurance has been obtained to cover the claims of individuals that exceed $100,000 for the benefit period.

The internal service fund accrues the required amounts for the payment of these claims by rate charges to various City departments. These rate charges are reported as expenditures in the applicable funds. The Health Care Fund net position was $3,474,136 at December 31, 2024. The claims liability of $538,309 reported in the Fund at December 31, 2024 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimated claims are based on historical data. Changes in the Fund's claims expected liability amount in fiscal years 2024 and 2023 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Paid	Balance at Fiscal Year End
2024	$ 554,966	$ 6,259,885	$ 6,276,542	$ 538,309
2023	490,156	6,557,078	6,492,268	554,966

Self-Insured Workers' Compensation Fund

On May 9, 1994, the City created a partially self-funded Workers' Compensation Fund to account for and finance its workers' compensation program. Under this program, the Fund provides workers' compensation coverage for all regular employees and volunteers.

Thomas McGee, L.C., serves as the third-party administrator and the reinsurer. The deductible is $250,000 per occurrence and an annual aggregate of $250,000. Estimated claims are based on historical data. Changes in the Fund's claims expected liability amount in fiscal years 2024 and 2023 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Paid	Balance at Fiscal Year End
2024	$ 518,899	$ 158,446	$ 147,991	$ 529,354
2023	426,610	240,930	148,641	518,899

B. Contingent Liabilities

The City participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Grantors have yet to conduct audits on some of these programs; accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed is not determinable although the City expects such amounts, if any, to be immaterial.

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

C. Defined Benefit Pension Plan

Plan Description

The City participates in a cost-sharing multiple-employer defined benefit pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

Public employees, which includes:

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

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

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

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

Benefits Provided

KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 points (police and firemen 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 for new hires starting January 1, 2015, was created. 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 is 1.2% of total payroll for the KPERS fiscal year ended June 30, 2017, and beyond.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate were 9.26% for the Local Group and 23.10% for the Police and Firemen Group for the year ended December 31, 2024. Contributions to the Pension Plan from the City of Manhattan were $2,149,021 for the Local Group and $1,586,323 for the Police and Firemen Group for the year ended December 31, 2024.

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

At December 31, 2024, the City of Manhattan reported a liability of $21,433,702 for the Local Group and $14,709,121 for the Police and Firemen Group for its 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. 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 nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The City of Manhattan's proportion of the collective net pension liability was based on the ratio of the City of Manhattan's actual contributions to the Local Group and the Police and Firemen Group, relative to the total employer and nonemployer 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 of Manhattan's proportion and change from its proportion measured as of June 30, 2023 were as follows:

	Net Pension Liability as of December 31, 2024	Proportion as of June 30, 2024	Increase (Decrease) in Proportion From June 30, 2023
Local Group	$ 21,433,702	1.009011%	0.039914%
Police and Firemen Group	14,709,121	0.922774%	-0.004476%
	$ 36,142,823		

For the year ended December 31, 2024, the City of Manhattan recognized pension expense of $3,932,569 for the Local Group and $2,566,631 for the Police and Firemen Group. At December 31, 2024, the City of Manhattan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 3,878,852	$ -
Net difference between projected and actual earnings on pension plan investments	201,415	-
Changes of assumptions	2,078,985	-
Changes in proportionate share	1,560,646	452,947
City of Manhattan's contributions subsequent to measurement date	1,850,759	-
Total	$ 9,570,657	$ 452,947

The $1,850,759 reported as deferred outflows of resources related to pensions resulting from the City'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. 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,		
2025	$	2,117,074
2026		3,772,371
2027		1,145,346
2028		232,160
	$	7,266,951

Actuarial Assumptions

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

Price inflation	2.75 percent
Salary increases, including wage increases	3.50 to 15.50 percent, including inflation
Long-term rate of return net of investment expense including price inflation	7.00 percent

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

The actuarial assumptions used in the calculation of the total pension liability were based on the results of the most recent actuarial experience study. It covered the four-year period of January 1, 2019 through December 31, 2022 and was dated January 29, 2024.

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. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 29, 2024, as provided by KPERS' investment consultant, are summarized in the following table:

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

Actuarial assumption changes from the prior valuation for KPERS include:

- Mortality rates were changed from being based on the RP-2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different groups using future mortality improvements from Scale MP-2016 to being based on PUB 2010 Mortality Tables, with age setbacks and age set forwards based on different membership groups using future mortality improvements from Scale MP-2021.
- Retirement rates for the C60 group were adjusted to partially reflect observed experience.
- Disability rates were reduced.
- The probability of KPERS 1 members leaving their contributions with KPERS was modified to better reflect observed experience.
- 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.
- The administrative expense component of the actuarial required contribution rate was increased from 0.18% to 0.23%.
- Merit salary increase assumption was increased for School and Local Groups.

Actuarial assumption changes from the prior valuation for KP&F include:

- Mortality rates were changed from being based on the RP-2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different groups using future mortality improvements from Scale MP-2016 to being based on PUB 2010 Mortality Tables, with age setbacks and age set forwards based on different membership groups using future mortality improvements from Scale MP-2021.
- Retirement rates were adjusted to partially reflected observed experience.
- Disability rates were reduced.
- Termination rates were increased.
- The administrative expense component of the actuarial required contribution rate was increased from 0.18% to 0.23%.
- Merit salary increase assumption was increased.

Discount rate

The discount rate used by KPERS to measure the total pension liability at the measurement date of June 30, 2024, was 7.00%, which was unchanged from the prior year. 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, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The statutory cap for fiscal year 2024 was 1.20%. 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 the Police and Firemen Group. Future employer contribution rates were also modeled for the Police and Firemen Group, assuming all actuarial assumptions are met in future years. 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 proportionate share of the collective net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City of Manhattan's Local Group proportionate share of the collective net pension liability	$ 31,030,149	$ 21,433,702	$ 13,413,707
City of Manhattan's Police and Firemen Group proportionate share of the collective net pension liability	20,124,422	14,709,121	10,180,406
	$ 51,154,571	$ 36,142,823	$ 23,594,113

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

Information related to the Manhattan Public Library's Defined Benefit Pension Plan can be found in the financial statements of the Manhattan Public Library, which may be obtained at the entity's administrative offices.

Information related to the Manhattan Housing Authority's Defined Benefit Pension Plan can be found in the financial statements of the Manhattan Housing Authority, which may be obtained at the entity's administrative offices.

D. Other Postemployment Healthcare Benefits
Health Insurance
Plan Description, Benefits Provided and Contributions
The City offers postemployment health, dental and vision benefits to retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan administered by the City. The other postemployment benefit (OPEB) plan (the Plan) provides medical benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue a standalone 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.

The City appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2024 totaled $37,102.

Employees Covered by Benefit Terms
As of the reporting date of December 31, 2024, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries currently receiving benefit payments	7
Active plan members	464
	471

Total OPEB Liability
The City's total OPEB liability of $1,209,986 was measured as of December 31, 2023 and was determined by an actuarial valuation performed as of December 31, 2023.

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

Discount rate as of measurement date	3.26 percent
Inflation rate	2.75 percent
Mortality table	Local Males: Pub-2010 General Below Median employee, retiree, and contingent survivor tables as appropriate Local Females: Pub-2010 General Below Median employee, retiree, and contingent survivor tables as appropriate +1
Salary increases	3.50 percent (composed of 2.75 percent inflation and 0.75 percent productivity)
Healthcare cost trend rates	
Current rate	0.00 percent
Ultimate rate	3.70 percent
Year ultimate rate is reached	2073
Actuarial cost method	Entry Age Normal

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index as of the measurement date.

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

1. The discount rate selected is in accordance with GASB 74/75.
2. The mortality improvement scale was updated from MP-2020 to MP-2021.
3. The medical trend rates were updated to reflect anticipated experience under the most recent Getzen model application.
4. The participation rate and expected claims were updated to reflect plan experience.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2023	$ 950,024
Changes for the year:	
Service cost	56,464
Interest cost	36,757
Effect of economic/demographic gains or losses	224,145
Changes in assumptions and inputs	(20,302)
Benefit payments	(37,102)
Net changes	259,962
Balance at December 31, 2024	$ 1,209,986

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 or 1-percentage-point higher than the current discount rate:

	1% Decrease 2.26%	Discount Rate 3.26%	1% Increase 4.26%
Total OPEB liability	$ 1,328,777	$ 1,209,985	$ 1,101,630

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.
The following represents 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	$ 1,058,407	$ 1,209,986	$ 1,392,289

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB
For the year ended December 31, 2024, the City recognized OPEB expense of $42,780.

At December 31, 2024, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 364,512	$ (35,859)
Changes of assumptions	58,801	(913,807)
	$ 423,313	$ (949,666)

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

Year Ended December 31,	
2025	$ (136,001)
2026	(136,001)
2027	(140,441)
2028	(101,350)
2029	(35,116)
Thereafter	22,556
	$ (526,353)

Disability Benefits and Life Insurance
Plan Description, Benefits Provided and Contributions
The City participates in a single-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-4927. 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 $63,535.

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, 66 2/3 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, 2024, the following employees were covered by the benefit terms.

Active members	344
Disabled members	5
	349

Total OPEB Liability
The City's total OPEB liability of $718,092 was measured as of June 30, 2024 and was determined by an actuarial valuation performed as of December 31, 2023, which was rolled forward to June 30, 2024.

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	Local Males: General Below Median Employees +0 Local Females: General Below Median Employees +1 Generational mortality improvements were projected for future years using MP-2021.
Salary increases	3.50 percent (composed of 2.75 percent inflation and 0.75 percent productivity)
Payroll growth	3.00 percent
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 June 30, 2024 valuation were based on the results of an actuarial experience study conducted for the three-year period beginning January 1, 2019. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2023 KPERS pension valuation.

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

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

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2023	$ 722,157
Changes for the year:	
Service cost	47,049
Interest	26,926
Effect of economic/demographic gains or losses	(10,254)
Effect of assumptions changes or inputs	(4,221)
Benefit payments	(63,565)
Net changes	(4,065)
Balance at December 31, 2024	$ 718,092

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 or 1-percentage-point higher than the current discount rate:

	1% Decrease 2.93%	Discount Rate 3.93%	1% Increase 4.93%
Total OPEB liability	$ 756,469	$ 718,092	$ 681,762

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents 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	$ 718,092	$ 718,092	$ 718,092

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB
For the year ended December 31, 2024, the City recognized OPEB expense of $95,347. At December 31, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 241,988	$ (109,830)
Changes of assumptions	46,114	(119,850)
Benefit payments subsequent to the measurement date	31,783	-
	$ 319,885	$ (229,680)

The deferred outflow of resources related to the benefit payments subsequent to the measurement date totaling $31,783 consists of payments made to KPERS for benefits and administrative costs and will be recognized as a reduction in the total OPEB liability during 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,	
2025	$ 21,371
2026	21,792
2027	24,565
2028	23,482
2029	6,505
Thereafter	(39,293)
	$ 58,422

A reconciliation of the Total OPEB Liability, deferred outflows of resources for OPEB and deferred inflows of resources for OPEB reported at December 31, 2024 is as follows:

	Deferred Outflows of Resources	Total OPEB Liability	Deferred Inflows of Resources
Retiree Medical Plan	$ 423,313	$ 1,209,986	$ (949,666)
Disability Benefits and Life Insurance	319,885	718,092	(229,680)
	$ 743,198	$ 1,928,078	$ (1,179,346)

E. Tax Abatements
The City of Manhattan enters into tax abatement agreements with local businesses for the purpose of attracting businesses within its jurisdiction. For the fiscal year ended December 31, 2024, abated property taxes that impacted the City totaled $2,840,190 which included the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A property tax abatement for expansion of a facility. The City's portion of the abatement amounted to $1,179,500.
- A property tax abatement for expansion of a facility. The City's portion of the abatement amounted to $1,660,690.

F. Economic Dependency
The Housing Authority is primarily dependent upon the United States Department of Housing and Urban Development for the funding of operations; therefore, the Housing Authority is affected more by the federal budget than by local economic conditions. The funding of programs could be significantly affected by the 2025 federal budget.

G. Manhattan Housing Authority Error Correction
The Manhattan Housing Authority's net position has been restated as of December 31, 2023 due to the correction of errors related to leases receivable and deferred inflows of resources. As a result of the correction, leases receivable was increased by $399,426, deferred inflows of resources was increased by $226,545 and net position was increased by $172,881.

H. Manhattan Housing Authority – Change to Reporting Entity
In 2024, the Authority incorporated FHI Apartments, LP ("FHI"), a Kansas limited partnership, as a blended component unit in accordance with GASB Statement No. 100. FHI was formed to acquire and rehabilitate a 58-unit multifamily residential community known as Flint Hills Rehab. As part of this consolidation, the Authority recognized an equity transfer of $1,385,224, representing the partners' equity of FHI at December 31, 2023, in accordance with the requirements of GASB for blended component units. This transfer is reflected on the Statement of Activities under "Adjustment – addition of blended Component Unit".

I. Subsequent Events
On June 12, 2025, the City issued $44,580,000 in Series 2025-A General Obligation Bonds. Principal maturities ranging from $1,555,000 to $3,200,000 are due through November 1, 2045. The interest rate is 4.179%.

On June 17, 2025, the City issued $27,885,000 in Series 2025-01 General Obligation Temporary Notes. Of that amount, $26,985,000 will be called on June 15, 2028 and the remaining principal of $900,000 is due on June 15, 2029. The interest rate is 3.968%.

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

	2024	2023	2022	2021	2020
City of Manhattan's proportion of the collective net pension liability					
KPERS	1.009011%	0.969097%	0.857618%	0.858224%	0.886881%
KP&F	0.922774%	0.927250%	0.950371%	0.988289%	0.949560%
City of Manhattan's proportionate share of the collective net pension liability	$ 36,142,823	$ 35,141,284	$ 30,756,378	$ 19,729,005	$ 27,084,823
City of Manhattan's covered payroll	$ 29,686,527	$ 24,309,672	$ 25,434,722	$ 22,053,201	$ 23,030,361
City of Manhattan's proportionate share of the collective net pension liability as a percentage of its covered payroll	122%	145%	121%	89%	118%
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 of Manhattan's proportion of the collective net pension liability					
KPERS	0.871924%	0.881000%	0.842342%	0.829237%	0.821215%
KP&F	0.922149%	0.962364%	0.970094%	0.949823%	0.978480%
City of Manhattan's proportionate share of the collective net pension liability	$ 21,517,288	$ 21,539,173	$ 21,298,396	$ 21,650,150	$ 17,887,831
City of Manhattan's covered payroll	$ 21,485,915	$ 20,760,475	$ 19,780,545	$ 18,727,868	$ 18,132,433
City of Manhattan's proportionate share of the collective net pension liability as a percentage of its covered payroll	100%	104%	108%	116%	99%
Plan fiduciary net position as a percentage of the total pension liability	69.88%	68.88%	67.12%	65.10%	64.95%

CITY OF MANHATTAN, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of City of Manhattan's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
KPERS/Ret Contractually required contributions	$ 2,149,021	$ 2,075,269	$ 1,748,914	$ 1,563,350	$ 1,500,419	$ 1,484,140	$ 1,512,939	$ 1,321,717	$ 1,382,451	$ 1,454,056
KP&F Contractually required contributions	1,586,323	1,412,606	1,338,228	1,256,407	1,249,535	1,118,987	991,873	919,706	962,890	952,624
Contributions in relation to the contractually required contributions	(3,735,344)	(3,488,822)	(3,094,255)	(2,820,248)	(2,749,956)	(2,602,827)	(2,504,704)	(2,243,904)	(2,345,299)	(2,406,680)
Contribution deficiency (excess)	$ -	$ (947)	$ (7,113)	$ (491)	$ (2)	$ 300	$ 108	$ (2,481)	$ 42	$ -
City of Manhattan's covered payroll	$ 29,952,328	$ 28,019,834	$ 24,171,834	$ 22,169,631	$ 23,030,361	$ 21,681,883	$ 21,019,746	$ 20,047,821	$ 19,410,097	$ 18,422,768
Contributions as a percentage of covered payroll	12.5%	12.5%	12.8%	12.7%	11.9%	12.0%	11.9%	12.1%	13.1%	12.1%

The data is presented on a calendar year end basis.

CITY OF MANHATTAN, KANSAS

Schedule of Changes in the City's Total OPEB Liability and Related Ratios - Retiree Medical Plan

Last Seven Fiscal Years[1]

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:							
Service cost	$ 56,464	$ 75,270	$ 99,642	$ 86,384	$ 148,052	$ 162,220	$ 146,086
Interest cost	36,757	22,717	29,741	33,241	78,836	65,032	62,814
Changes of assumptions and inputs	(20,302)	(162,346)	(638,096)	80,514	(752,116)	(131,158)	61,810
Economic gains and losses	224,145	-	260,641	-	(84,719)	-	-
Benefit payments	(37,102)	(26,105)	(29,212)	(18,205)	(57,420)	(41,925)	(74,000)
Net change in total OPEB liability	259,962	(90,464)	(277,284)	181,934	(667,367)	54,169	196,710
Total OPEB liability, beginning	950,024	1,040,488	1,317,772	1,135,838	1,803,205	1,749,036	1,552,326
Total OPEB liability, ending	$ 1,209,986	$ 950,024	$ 1,040,488	$ 1,317,772	$ 1,135,838	$ 1,803,205	$ 1,749,036
Covered payroll	$ 24,776,377	$ 23,474,783	$ 20,516,346	$ 20,470,141	$ 21,688,964	$ 20,372,888	$ 19,501,470
City's total OPEB liability as a percentage of covered payroll	4.88%	4.05%	5.07%	6.44%	5.24%	8.85%	8.97%

[1] GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2018; therefore, ten years of data is unavailable.

CITY OF MANHATTAN, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios -
Disability Benefits and Life Insurance
Last Eight Fiscal Years[1]

	2024	2023	2022	2021
Total OPEB liability:				
Service cost	$ 47,049	$ 41,922	$ 72,392	$ 68,745
Interest on total OPEB liability	26,926	24,036	20,491	19,149
Effect of economic/demographic gains or losses	(10,254)	49,993	(122,205)	85,700
Effect of assumptions changes or inputs	(4,221)	(5,311)	(154,023)	2,726
Benefit payments	(63,565)	(50,656)	(61,165)	(133,962)
Net change in total OPEB liability	(4,065)	59,984	(244,510)	42,358
Total OPEB liability, beginning	722,157	662,173	906,683	864,325
Total OPEB liability, ending	$ 718,092	$ 722,157	$ 662,173	$ 906,683
Covered payroll	$ 21,445,508	$ 17,931,431	$ 16,259,159	$ 16,187,671
City's total OPEB liability as a percentage of covered payroll	3.35%	4.03%	4.07%	5.60%

	2020	2019	2018	2017
Total OPEB liability:				
Service cost	$ 56,885	$ 56,168	$ 55,817	$ 56,189
Interest on total OPEB liability	22,487	16,780	15,626	11,363
Effect of economic/demographic gains or losses	166,019	177,739	(53,396)	-
Effect of assumptions changes or inputs	80,720	11,906	(5,263)	(12,809)
Benefit payments	(93,980)	(15,490)	(16,600)	(16,600)
Net change in total OPEB liability	232,131	247,103	(3,816)	38,143
Total OPEB liability, beginning	632,194	385,091	388,907	350,764
Total OPEB liability, ending	$ 864,325	$ 632,194	$ 385,091	$ 388,907
Covered payroll	$ 15,755,136	$ 14,785,584	$ 14,915,895	$ 13,852,617
City's total OPEB liability as a percentage of covered payroll	5.49%	4.28%	2.58%	2.81%

[1] GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2017; therefore, ten years of data is unavailable.



Nonmajor Governmental Funds

For the Year Ended
December 31, 2024

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action and are grouped by budgeted

BUDGETED SPECIAL REVENUE FUNDS:

City/University Projects

This fund accounts for an agreement with Kansas State University for special joint projects.

Business Improvement Districts

This fund accounts for the beautification of business districts.

Economic Development

This fund accounts for a five-year sales tax to promote new industrial development.

Library

This fund accounts for the operation of the municipal library.

Sales Tax

This fund accounts for sales tax and transfers it to the General Fund and other funds.

Special Alcohol Programs

This fund accounts for special alcohol liquor tax for the prevention or treatment of alcohol and substance abuse.

Special Parks and Recreation

This fund accounts for special alcohol liquor tax for recreation.

Special Street and Highway

This fund accounts for state gasoline tax monies for streets and highways.

Tourism and Convention Promotion

This fund accounts for special hotel guest tax for tourism.

Recreation and Trails Sales Tax

This fund accounts for a special ten-year, one-fourth cent sales tax (.25) that will be dedicated for identified indoor and outdoor recreation and trail improvements.

Special Street Maintenance

This fund accounts for a special ten-year, two-tenths cents sales tax (.20) that will be dedicated for street maintenance across the community.

NON-BUDGETED SPECIAL REVENUE FUNDS:

Sunset Cemetery

This fund accounts for bequests received from individual citizens, the interest income from which is used for the upkeep of lots designated by the donor and also for flowers for these lots each Memorial Day at Sunset Cemetery.

CID Sales Tax

This fund accounts for the Manhattan Town Center (MTC) Community Improvement District sales tax revenue, which will be used to pay for costs of MTC grounds exterior and building exterior/interior.

State and Federal Grants

This fund accounts for all State and Federal grants received by the City.

DEBT SERVICE FUNDS

Debt service funds are used to account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Downtown Redevelopment Senior Lien TIF Bonds

This fund accounts for the resources accumulated and payments made for principal and interest on the Senior Lien Tax Increment Financing (TIF) Bonds issued for the North Downtown Redevelopment District.

Combined TDD

This fund accounts for the payment of the principal and interest on the various Transportation Development District Sales Tax Revenue Bonds and the excise/sales tax revenues collected from within the various Transportation Development Districts. These revenues are pledged as security on the bonds and will be used to retire the bonds.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the financing and acquisition and construction of various city-wide improvements.

Aggieville TIF

This fund accounts for projects in Aggieville.

PERMANENT FUND

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Sunrise Cemetery Perpetual Care

This fund accounts for twenty-five percent of the purchase price of the lots in Sunrise Cemetery for the upkeep and perpetual care of such lots.

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

	Special Revenue				
	City/ University Projects	Business Improvement Districts	Economic Development	Library	Sales Tax
ASSETS					
Cash and cash equivalents	$ 665,342	$ 259	$ 3,440,179	$ 140,057	$ 417,900
Investments with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	-	2,286	-	-	-
Intergovernmental	-	-	-	-	-
Sales tax	-	-	676,880	-	1,406,451
Transient guest tax receivable	-	-	-	-	-
Property tax	-	-	-	3,788,000	-
Other loans	-	-	3,205,415	-	-
Total Assets	$ 665,342	$ 2,545	$ 7,322,474	$ 3,928,057	$ 1,824,351
LIABILITIES					
Accounts payable	$ -	$ 65	$ 500	$ -	$ -
Accrued payroll	-	-	-	-	-
Unearned revenue	-	-	543,128	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	65	543,628	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred receivable - property taxes	-	-	-	3,788,000	-
Unavailable revenue - receivables	-	2,286	2,662,287	-	
Total Deferred Inflows of Resources	-	2,286	2,662,287	3,788,000	-
FUND BALANCE					
Nonspendable - perpetual care	-	-	-	-	-
Restricted:					
Urban development & housing	665,342	194	4,116,559	-	-
General government	-	-	-	-	1,824,351
Capital projects	-	-	-	-	-
Culture & recreation	-	-	-	140,057	-
Public works	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned - purchases on order	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	665,342	194	4,116,559	140,057	1,824,351
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 665,342	$ 2,545	$ 7,322,474	$ 3,928,057	$ 1,824,351

(Continued)

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

	Special Revenue				
	Special Alcohol Programs	Special Parks and Recreation	Special Street and Highway	Tourism and Convention Promotion	Recreation and Trails Sales Tax
ASSETS					
Cash and cash equivalents	$ 344,847	$ 789,606	$ 2,187,113	$ 545,642	$ 3,703,581
Investments with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Sales tax	-	-	-	-	744,188
Transient guest tax receivable	-	-	-	749,600	-
Property tax	-	-	-	-	-
Other loans	-	-	-	-	-
Total Assets	$ 344,847	$ 789,606	$ 2,187,113	$ 1,295,242	$ 4,447,769
LIABILITIES					
Accounts payable	$ -	$ 2,000	$ 78,124	$ -	$ 1,479
Accrued payroll	-	-	2,112	-	-
Unearned revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	2,000	80,236	-	1,479
DEFERRED INFLOWS OF RESOURCES					
Deferred receivable - property taxes	-	-	-	-	-
Unavailable revenue - receivables	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCE					
Nonspendable - perpetual care	-	-	-	-	-
Restricted:					
Urban development & housing	-	-	-	1,295,242	-
General government	344,847	-	-	-	-
Capital projects	-	-	-	-	-
Culture & recreation	-	787,606	-	-	4,446,290
Public works	-	-	2,077,749	-	-
Debt service	-	-	-	-	-
Assigned - purchases on order	-	-	29,128	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	344,847	787,606	2,106,877	1,295,242	4,446,290
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 344,847	$ 789,606	$ 2,187,113	$ 1,295,242	$ 4,447,769

(Continued)

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

	Special Revenue				
	Special Street Maintenance	Sunset Cemetery	CID Sales Tax	State and Federal Grants	Total
ASSETS					
Cash and cash equivalents	$ 4,527,077	$ 97,097	$ 347,382	$ -	$ 17,206,082
Investments with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	2,286
Intergovernmental	-	-	-	211,126	211,126
Sales tax	595,350	-	104,445	-	3,527,314
Transient guest tax	-	-	-	-	749,600
Property tax	-	-	-	-	3,788,000
Other loans	-	-	-	-	3,205,415
Total Assets	$ 5,122,427	$ 97,097	$ 451,827	$ 211,126	$ 28,689,823
LIABILITIES					
Accounts payable	$ 264,299	$ -	$ -	$ 200,225	$ 546,692
Accrued payroll	-	-	-	-	2,112
Unearned revenue	-	-	-	-	543,128
Due to other funds	-	-	-	256,869	256,869
Total Liabilities	264,299	-	-	457,094	1,348,801
DEFERRED INFLOWS OF RESOURCES					
Deferred receivable - property taxes	-	-	-	-	3,788,000
Unavailable revenue - receivables	-	-	-	50,017	2,714,590
Total Deferred Inflows of Resources	-	-	-	50,017	6,502,590
FUND BALANCE					
Nonspendable - perpetual care	-	-	-	-	-
Restricted:					
Urban development & housing	-	97,097	451,827	-	6,626,261
General government	-	-	-	-	2,169,198
Capital projects	-	-	-	-	-
Culture & recreation	-	-	-	-	5,373,953
Public works	4,858,128	-	-	-	6,935,877
Debt service	-	-	-	-	-
Assigned - purchases on order	-	-	-	-	29,128
Unassigned	-	-	-	(295,985)	(295,985)
Total Fund Balance	4,858,128	97,097	451,827	(295,985)	20,838,432
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 5,122,427	$ 97,097	$ 451,827	$ 211,126	$ 28,689,823

(Continued)

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

	Debt Service			Capital Projects	Permanent	
	Downtown Redevelopment Senior Lien TIF Bonds	Combined TDD	Total	Aggieville TIF	Sunrise Cemetery Perpetual Care	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	$ 257,182	$ 1,283,809	$ 1,540,991	$ 1,776,583	$ 327,188	$ 20,850,844
Investments with fiscal agent	2,719,740	-	2,719,740	-	-	2,719,740
Receivables:						
Accounts	-	-	-	-	-	2,286
Intergovernmental	-	-	-	-	-	211,126
Sales tax	178,196	88,530	266,726	-	-	3,794,040
Transient guest tax	-	-	-	-	-	749,600
Property tax	-	-	-	-	-	3,788,000
Other loans	-	-	-	-	-	3,205,415
Total Assets	$ 3,155,118	$ 1,372,339	$ 4,527,457	$ 1,776,583	$ 327,188	$ 35,321,051
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 546,692
Accrued payroll	-	-	-	-	-	2,112
Unearned revenue	-	-	-	-	-	543,128
Due to other funds	-	-	-	-	-	256,869
Total Liabilities	-	-	-	-	-	1,348,801
DEFERRED INFLOWS OF RESOURCES						
Deferred receivable - property taxes	-	-	-	-	-	3,788,000
Unavailable revenue - receivables	-	-	-	-	-	2,714,590
Total Deferred Inflows of Resources	-	-	-	-	-	6,502,590
FUND BALANCE						
Nonspendable - perpetual care	-	-	-	-	327,188	327,188
Restricted:						
Urban development & housing	-	-	-	-	-	6,626,261
General government	-	-	-	-	-	2,169,198
Capital projects	-	-	-	1,776,583	-	1,776,583
Culture & recreation	-	-	-	-	-	5,373,953
Public works	-	-	-	-	-	6,935,877
Debt service	3,155,118	1,372,339	4,527,457	-	-	4,527,457
Assigned - purchases on order	-	-	-	-	-	29,128
Unassigned	-	-	-	-	-	(295,985)
Total Fund Balance	3,155,118	1,372,339	4,527,457	1,776,583	327,188	27,469,660
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 3,155,118	$ 1,372,339	$ 4,527,457	$ 1,776,583	$ 327,188	$ 35,321,051

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES-NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	Special Revenue			
	City/ University Projects	Business Improvement Districts	Economic Development	Library
REVENUES				
Taxes	$ 562,825	$ -	$ 3,821,040	$ 3,801,060
Intergovernmental	-	-	-	-
Charges for services	-	174,979	-	-
Investment income	-	-	147,564	10,434
Miscellaneous	-	-	4,514	-
Total Revenues	562,825	174,979	3,973,118	3,811,494
EXPENDITURES				
Current				
General government	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	174,982	1,235,462	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	3,689,300
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	174,982	1,235,462	3,689,300
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	562,825	(3)	2,737,656	122,194
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(500,000)	-	(3,965,035)	(133,500)
Total Other Financing Sources (Uses)	(500,000)	-	(3,965,035)	(133,500)
NET CHANGE IN FUND BALANCES	62,825	(3)	(1,227,379)	(11,306)
FUND BALANCE - BEGINNING OF YEAR	602,517	197	5,343,938	151,363
FUND BALANCE - END OF YEAR	$ 665,342	$ 194	$ 4,116,559	$ 140,057

(Continued)

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

	Special Revenue			
	Sales Tax	Special Alcohol Programs	Special Parks and Recreation	Special Street and Highway
REVENUES				
Taxes	$ 7,527,852	$ -	$ -	$ -
Intergovernmental	-	596,055	607,213	1,640,716
Charges for services	-	-	-	-
Investment income	-	9,424	26,200	140,555
Miscellaneous	-	12,618	10,571	141,843
Total Revenues	7,527,852	618,097	643,984	1,923,114
EXPENDITURES				
Current				
General government	-	515,500	-	-
Public works	-	-	-	496,682
Urban development and housing	-	-	-	-
Culture/recreation	-	-	9,000	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	9,541	353,210
Debt service				
Principal	-	-	81,372	52,162
Interest and fiscal charges	-	-	2,792	2,244
Total Expenditures	-	515,500	102,705	904,298
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,527,852	102,597	541,279	1,018,816
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(8,205,317)	-	(608,956)	(2,894,872)
Total Other Financing Sources (Uses)	(8,205,317)	-	(608,956)	(2,894,872)
NET CHANGE IN FUND BALANCES	(677,465)	102,597	(67,677)	(1,876,056)
FUND BALANCE - BEGINNING OF YEAR	2,501,816	242,250	855,283	3,982,933
FUND BALANCE - END OF YEAR	$ 1,824,351	$ 344,847	$ 787,606	$ 2,106,877

(Continued)

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

	Special Revenue			
	Tourism and Convention Promotion	Recreation and Trails Sales Tax	Special Street Maintenance	Sunset Cemetery
REVENUES				
Taxes	$ 2,788,680	$ 4,201,690	$ 3,361,352	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	3,211
Miscellaneous	-	-	47,775	-
Total Revenues	2,788,680	4,201,690	3,409,127	3,211
EXPENDITURES				
Current				
General government	-	-	-	-
Public works	-	-	2,588,297	-
Urban development and housing	1,584,520	-	-	-
Culture/recreation	-	37,629	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,584,520	37,629	2,588,297	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,204,160	4,164,061	820,830	3,211
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	243,650	-
Transfers out	(2,240,570)	(4,301,266)	(223,948)	-
Total Other Financing Sources (Uses)	(2,240,570)	(4,301,266)	19,702	-
NET CHANGE IN FUND BALANCES	(1,036,410)	(137,205)	840,532	3,211
FUND BALANCE - BEGINNING OF YEAR	2,331,652	4,583,495	4,017,596	93,886
FUND BALANCE - END OF YEAR	$ 1,295,242	$ 4,446,290	$ 4,858,128	$ 97,097

(Continued)

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

	Special Revenue			Debt Service
	CID Sales Tax	State and Federal Grants	Total	Downtown Redevelopment Senior Lien TIF Bonds
REVENUES				
Taxes	$ 466,595	$ -	$ 26,531,094	$ 8,970,362
Intergovernmental	-	891,722	3,735,706	-
Charges for services	-	-	174,979	-
Investment income	-	-	337,388	234,455
Miscellaneous	-	31,192	248,513	-
Total Revenues	466,595	922,914	31,027,680	9,204,817
EXPENDITURES				
Current				
General government	-	-	515,500	-
Public works	-	598,070	3,683,049	-
Urban development and housing	380,236	405	3,375,605	-
Culture/recreation	-	-	46,629	4,441,840
Culture/recreation-payments to Library	-	-	3,689,300	-
Capital outlay	-	234,331	597,082	-
Debt service				
Principal	-	-	133,534	7,410,000
Interest and fiscal charges	-	-	5,036	831,236
Total Expenditures	380,236	832,806	12,045,735	12,683,076
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	86,359	90,108	18,981,945	(3,478,259)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	243,650	-
Transfers out	-	(4)	(23,073,468)	-
Total Other Financing Sources (Uses)	-	(4)	(22,829,818)	-
NET CHANGE IN FUND BALANCES	86,359	90,104	(3,847,873)	(3,478,259)
FUND BALANCE - BEGINNING OF YEAR	365,468	(386,089)	24,686,305	6,633,377
FUND BALANCE - END OF YEAR	$ 451,827	$ (295,985)	$ 20,838,432	$ 3,155,118

(Continued)

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

	Debt Service		Capital Projects	Permanent	
	Combined TDD	Total	Aggieville TIF	Sunrise Cemetery	Total Nonmajor Governmental Funds
REVENUES					
Taxes	$ 490,364	$ 9,460,726	$ 925,448	$ -	$ 36,917,268
Intergovernmental	-	-	-	-	3,735,706
Charges for services	-	-	-	17,849	192,828
Investment income	19,851	254,306	-	10,531	602,225
Miscellaneous	-	-	-	-	248,513
Total Revenue	510,215	9,715,032	925,448	28,380	41,696,540
EXPENDITURES					
Current					
General government	-	-	-	-	515,500
Public works	-	-	-	-	3,683,049
Urban development and housing	-	-	-	-	3,375,605
Culture/recreation	-	4,441,840	-	413	4,488,882
Culture/recreation-payments to Library	-	-	-	-	3,689,300
Capital outlay	-	-	19,731	-	616,813
Debt service					
Principal	270,000	7,680,000	-	-	7,813,534
Interest and fiscal charges	174,925	1,006,161	-	-	1,011,197
Total Expenditures	444,925	13,128,001	19,731	413	25,193,880
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	65,290	(3,412,969)	905,717	27,967	16,502,660
OTHER FINANCING SOURCES (USES)					
Transfers in	80,225	80,225	-	-	323,875
Transfers out	-	-	-	-	(23,073,468)
Total Other Financing Sources (Uses)	80,225	80,225	-	-	(22,749,593)
NET CHANGE IN FUND BALANCES	145,515	(3,332,744)	905,717	27,967	(6,246,933)
FUND BALANCE - BEGINNING OF YEAR	1,226,824	7,860,201	870,866	299,221	33,716,593
FUND BALANCE - END OF YEAR	$ 1,372,339	$ 4,527,457	$ 1,776,583	$ 327,188	$ 27,469,660



Budgetary Schedules Section

For the Year Ended
December 31, 2024

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
For The Year Ended December 31, 2024

	Employee Benefit Contribution			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 2,207,621	$ 2,207,621	$ 2,161,728	$ (45,893)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,207,621	2,207,621	2,161,728	(45,893)
EXPENDITURES				
Current				
General government	6,282,621	7,082,621	4,555,210	2,527,411
Public safety	-	-	283,438	(283,438)
Public works	-	-	472,580	(472,580)
Urban development and housing	-	-	115,266	(115,266)
Culture/recreation	-	-	1,174,194	(1,174,194)
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	6,282,621	7,082,621	6,600,688	481,933
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,075,000)	(4,875,000)	(4,438,960)	436,040
OTHER FINANCING SOURCES (USES)				
Transfers in	3,725,000	4,775,000	4,352,890	(422,110)
Transfers out	-	-	-	-
Issuance of notes payable - financed purchases	-	-	-	-
Total Other Financing Sources (Uses)	3,725,000	4,775,000	4,352,890	(422,110)
NET CHANGE IN FUND BALANCES	$ (350,000)	$ (100,000)	(86,070)	$ 13,930
FUND BALANCE - BEGINNING OF YEAR			97,563	
FUND BALANCE - END OF YEAR			11,493	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 11,493	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For The Year Ended December 31, 2024

	Fire Equipment Reserve			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 814,806	$ 814,806	$ 806,262	$ (8,544)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	19,944	19,944
Miscellaneous	-	-	20,627	20,627
Total Revenues	814,806	814,806	846,833	32,027
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	554,251	554,251	121,865	432,386
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	87,252	(87,252)
Debt service				
Principal	654,638	654,638	493,779	160,859
Interest and fiscal charges	105,917	105,917	61,602	44,315
Total Expenditures	1,314,806	1,314,806	764,498	550,308
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(500,000)	(500,000)	82,335	582,335
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of notes payable - financed purchases	-	-	686,468	686,468
Total Other Financing Sources (Uses)	-	-	686,468	686,468
NET CHANGE IN FUND BALANCES	$ (500,000)	$ (500,000)	768,803	$ 1,268,803
FUND BALANCE - BEGINNING OF YEAR			587,460	
FUND BALANCE - END OF YEAR			1,356,263	
ADJUSTMENTS TO GAAP				
Encumbrances			23,764	
FUND BALANCE-GAAP BASIS			$ 1,380,027	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For Year Ended December 31, 2024

	Fire Pension KP&F			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 1,091,877	$ 1,091,877	$ 1,070,027	$ (21,850)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	1,091,877	1,091,877	1,070,027	(21,850)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	1,491,877	1,700,000	1,586,322	113,678
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,491,877	1,700,000	1,586,322	113,678
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(400,000)	(608,123)	(516,295)	91,828
OTHER FINANCING SOURCES (USES)				
Transfers in	400,000	608,123	478,986	(129,137)
Transfers out	-	-	-	-
Issuance of notes payable - financed purchases	-	-	-	-
Total Other Financing Sources (Uses)	400,000	608,123	478,986	(129,137)
NET CHANGE IN FUND BALANCES	$ -	$ -	(37,309)	$ (37,309)
FUND BALANCE - BEGINNING OF YEAR			37,309	
FUND BALANCE - END OF YEAR			-	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ -	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For The Year Ended December 31, 2024

	General Improvement			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	5,000	5,000	10,152	5,152
Miscellaneous	-	-	-	-
Total Revenues	5,000	5,000	10,152	5,152
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	220,000	220,000	-	220,000
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	100,000	100,000	32,340	67,660
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	320,000	320,000	32,340	287,660
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(315,000)	(315,000)	(22,188)	292,812
OTHER FINANCING SOURCES (USES)				
Transfers in	65,000	65,000	66,983	1,983
Transfers out	-	-	(28,574)	(28,574)
Total Other Financing Sources (Uses)	65,000	65,000	38,409	(26,591)
NET CHANGE IN FUND BALANCES	$ (250,000)	$ (250,000)	16,221	$ 266,221
FUND BALANCE - BEGINNING OF YEAR			267,718	
FUND BALANCE - END OF YEAR			283,939	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 283,939	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For The Year Ended December 31, 2024

	Industrial Promotion			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	11,500	11,500	6,135	(5,365)
Miscellaneous	50,000	50,000	94,103	44,103
Total Revenues	61,500	61,500	100,238	38,738
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	229,500	229,500	151,968	77,532
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	229,500	229,500	151,968	77,532
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(168,000)	(168,000)	(51,730)	116,270
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	$ (168,000)	$ (168,000)	(51,730)	$ 116,270
FUND BALANCE - BEGINNING OF YEAR			233,966	
FUND BALANCE - END OF YEAR			182,236	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 182,236	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For The Year Ended December 31, 2024

	Park Development			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	31	31
Miscellaneous	-	-	-	-
Total Revenues	-	-	31	31
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	1,500	1,500	-	1,500
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,500	1,500	-	1,500
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,500)	(1,500)	31	1,531
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	$ (1,500)	$ (1,500)	31	$ 1,531
FUND BALANCE - BEGINNING OF YEAR			912	
FUND BALANCE - END OF YEAR			943	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 943	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For The Year Ended December 31, 2024

	Special Sunset Zoo			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -		$ -	$ -
Intergovernmental	-		8,500	8,500
Charges for services	544,750	544,750	654,657	109,907
Investment income	1,000	1,000	9,219	8,219
Miscellaneous	61,905	61,905	58,330	(3,575)
Total Revenues	607,655	607,655	730,706	123,051
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	892,655	892,655	884,619	8,036
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	15,000	15,000	1,471	13,529
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	907,655	907,655	886,090	21,565
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(300,000)	(300,000)	(155,384)	144,616
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	2,363	2,363
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	2,363	2,363
NET CHANGE IN FUND BALANCES	$ (300,000)	$ (300,000)	(153,021)	$ 146,979
FUND BALANCE - BEGINNING OF YEAR			313,684	
FUND BALANCE - END OF YEAR			160,663	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 160,663	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For The Year Ended December 31, 2024

	Risk Management Reserve			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current				
General government	171,000	171,000	-	171,000
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	171,000	171,000	-	171,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(171,000)	(171,000)	-	171,000
OTHER FINANCING SOURCES (USES)				
Transfers in	25,000	25,000	-	(25,000)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	25,000	25,000	-	(25,000)
NET CHANGE IN FUND BALANCES	$ (146,000)	$ (146,000)	-	$ 146,000
FUND BALANCE - BEGINNING OF YEAR			146,110	
FUND BALANCE - END OF YEAR			146,110	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 146,110	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For the Year Ended December 31, 2024

	Equipment Reserve			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	59,722	59,722	59,722	-
Interest and fiscal charges	5,278	5,278	2,924	2,354
Total Expenditures	65,000	65,000	62,646	2,354
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(65,000)	(65,000)	(62,646)	2,354
OTHER FINANCING SOURCES (USES)				
Issuance of notes payable - financed purchases	-	-	-	-
Transfers in	65,000	65,000	65,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	65,000	65,000	65,000	-
NET CHANGE IN FUND BALANCES	$ -	$ -	2,354	$ 2,354
FUND BALANCE - BEGINNING OF YEAR			44,892	
FUND BALANCE - END OF YEAR			47,246	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 47,246	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)
For the Year Ended December 31, 2024

	Parking Management			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	808,924	808,924	305,063	(503,861)
Investment income	-	-	-	-
Miscellaneous	-	-	2,644	2,644
Total Revenues	808,924	808,924	307,707	(501,217)
EXPENDITURES				
Current				
General government	1,059,965	1,059,965	718,787	341,178
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	50,000	50,000	20,952	29,048
Debt service				
Principal	-	-	36,363	(36,363)
Interest and fiscal charges	-	-	8,048	(8,048)
Total Expenditures	1,109,965	1,109,965	784,150	325,815
EXPENDITURES NOT SUBJECT TO BUDGET				
Capital Outlay	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(301,041)	(301,041)	(476,443)	(175,402)
OTHER FINANCING SOURCES (USES)				
Issuance of subscriptions	-	-	20,952	20,952
Transfers in	301,041	301,041	457,064	156,023
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	301,041	301,041	478,016	176,975
NET CHANGE IN FUND BALANCES	$ -	$ -	1,573	$ 1,573
FUND BALANCE - BEGINNING OF YEAR			(11,903)	
FUND BALANCE - END OF YEAR			(10,330)	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ (10,330)	

CITY OF MANHATTAN, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - DEBT SERVICE FUND
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 9,019,972	$ 9,019,972	$ 9,345,956	$ 325,984
Special assessments	6,500,000	6,500,000	6,591,053	91,053
Charges for services	712,850	712,850	390,885	(321,965)
Fines and forfeitures	-	-	589,395	589,395
Investment income	-	-	55,760	55,760
Miscellaneous revenues	2,476,750	2,476,750	346,600	(2,130,150)
Total Revenues	18,709,572	18,709,572	17,319,649	(1,389,923)
EXPENDITURES				
Current				
General government	20,000	20,000	282,306	(262,306)
Debt service				
Principal	12,676,214	12,676,214	10,051,214	2,625,000
Bond issuance costs	-	-	165,696	(165,696)
Interest and fiscal charges	5,913,582	5,913,582	4,157,475	1,756,107
Other	18,112,297	18,112,297	-	18,112,297
Total Expenditures	36,722,093	36,722,093	14,656,691	22,065,402
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(18,012,521)	(18,012,521)	2,662,958	20,675,479
OTHER FINANCING SOURCES (USES)				
General obligation bonds issued	-	-	117,304	117,304
Premium on general obligation bonds	-	-	10,409	10,409
Transfers in	5,575,521	5,575,521	5,260,378	(315,143)
Transfers out	(63,000)	(63,000)	(974,925)	(911,925)
Total Other Financing Sources (Uses)	5,512,521	5,512,521	4,413,166	(1,099,355)
NET CHANGE IN FUND BALANCES	$ (12,500,000)	$ (12,500,000)	7,076,124	$ 19,576,124
FUND BALANCE - BEGINNING OF YEAR			22,327,636	
FUND BALANCE - END OF YEAR			29,403,760	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE - GAAP BASIS			$ 29,403,760	

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	City/University Projects			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 525,000	$ 525,000	$ 562,825	$ 37,825
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	36,000	36,000	-	(36,000)
Total Revenues	561,000	561,000	562,825	1,825
EXPENDITURES				
Current				
General government	61,000	61,000	-	61,000
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	61,000	61,000	-	61,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	500,000	500,000	562,825	62,825
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,000,000)	(1,000,000)	(500,000)	500,000
Total Other Financing Sources (Uses)	(1,000,000)	(1,000,000)	(500,000)	500,000
NET CHANGE IN FUND BALANCES	$ (500,000)	$ (500,000)	62,825	$ 562,825
FUND BALANCE - BEGINNING OF YEAR			602,517	
FUND BALANCE - END OF YEAR			665,342	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 665,342	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Business Improvement Districts			
	Aggieville Business Improvement District			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 78,000	$ 78,000	$ -	$ (78,000)
Intergovernmental	-	-	-	-
Charges for services	-	-	73,694	73,694
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	78,000	78,000	73,694	(4,306)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	78,000	78,000	73,891	4,109
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	78,000	78,000	73,891	4,109
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(197)	(197)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	$ -	$ -	(197)	$ (197)
FUND BALANCE - BEGINNING OF YEAR			197	
FUND BALANCE - END OF YEAR			-	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ -	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Business Improvement Districts			
	Downtown Business Improvement District			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 103,500	$ 103,500	$ -	$ (103,500)
Intergovernmental	-	-	-	-
Charges for services	-	-	101,285	101,285
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	103,500	103,500	101,285	(2,215)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	103,500	103,500	101,091	2,409
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	103,500	103,500	101,091	2,409
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	194	194
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)			-	-
NET CHANGE IN FUND BALANCES	$ -	$ -	194	$ 194
FUND BALANCE - BEGINNING OF YEAR			-	
FUND BALANCE - END OF YEAR			194	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 194	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Economic Development			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 3,640,600	$ 3,640,600	$ 3,821,040	$ 180,440
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	88,000	88,000	147,564	59,564
Miscellaneous	457,917	457,917	4,514	(453,403)
Total Revenues	4,186,517	4,186,517	3,973,118	(213,399)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	7,911,517	7,911,517	1,235,462	6,676,055
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				-
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	7,911,517	7,911,517	1,235,462	6,676,055
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,725,000)	(3,725,000)	2,737,656	6,462,656
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(200,000)	(200,000)	(3,965,035)	(3,765,035)
Total Other Financing Sources (Uses)	(200,000)	(200,000)	(3,965,035)	(3,765,035)
NET CHANGE IN FUND BALANCES	$ (3,925,000)	$ (3,925,000)	(1,227,379)	$ 2,697,621
FUND BALANCE - BEGINNING OF YEAR			5,343,938	
FUND BALANCE - END OF YEAR			4,116,559	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 4,116,559	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Library			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 3,102,000	$ 3,102,000	$ 3,070,259	$ (31,741)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	8,979	8,979
Miscellaneous	-	-	-	-
Total Revenues	3,102,000	3,102,000	3,079,238	(22,762)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	2,968,500	2,968,500	2,968,500	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,968,500	2,968,500	2,968,500	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	133,500	133,500	110,738	(22,762)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(133,500)	(133,500)	(133,500)	-
Total Other Financing Sources (Uses)	(133,500)	(133,500)	(133,500)	-
NET CHANGE IN FUND BALANCES	$ -	$ -	(22,762)	$ (22,762)
FUND BALANCE - BEGINNING OF YEAR			120,732	
FUND BALANCE - END OF YEAR			97,970	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 97,970	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Library Employee Benefit Contribution			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 720,800	$ 720,800	$ 730,801	$ 10,001
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	1,455	1,455
Miscellaneous	-	-	-	-
Total Revenues	720,800	720,800	732,256	11,456
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	720,800	720,800	720,800	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	720,800	720,800	720,800	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	11,456	11,456
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	$ -	$ -	11,456	$ 11,456
FUND BALANCE - BEGINNING OF YEAR			30,631	
FUND BALANCE - END OF YEAR			42,087	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 42,087	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Sales Tax			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 7,400,000	$ 7,600,000	$ 7,527,852	$ (72,148)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	7,400,000	7,600,000	7,527,852	(72,148)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	850,000	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	850,000	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,550,000	7,600,000	7,527,852	(72,148)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(7,400,000)	(8,450,000)	(8,205,317)	244,683
Total Other Financing Sources (Uses)	(7,400,000)	(8,450,000)	(8,205,317)	244,683
NET CHANGE IN FUND BALANCES	$ (850,000)	$ (850,000)	(677,465)	$ 172,535
FUND BALANCE - BEGINNING OF YEAR			2,501,816	
FUND BALANCE - END OF YEAR			1,824,351	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 1,824,351	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Special Alcohol Programs			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 515,500	$ 515,500	$ -	$ (515,500)
Intergovernmental	-	-	596,055	596,055
Charges for services	-	-	-	-
Investment income	-	-	9,424	9,424
Miscellaneous	-	-	12,618	12,618
Total Revenues	515,500	515,500	618,097	102,597
EXPENDITURES				
Current				
General government	515,500	515,500	515,500	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	200,000	200,000	-	200,000
Interest and fiscal charges	-	-	-	-
Total Expenditures	715,500	715,500	515,500	200,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(200,000)	(200,000)	102,597	302,597
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	$ (200,000)	$ (200,000)	102,597	$ 302,597
FUND BALANCE - BEGINNING OF YEAR			242,250	
FUND BALANCE - END OF YEAR			344,847	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 344,847	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Special Parks and Recreation			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 565,000	$ 565,000	$ -	$ (565,000)
Intergovernmental	-		607,213	607,213
Charges for services	-		-	-
Investment income	8,000	8,000	26,200	18,200
Miscellaneous	-		10,571	10,571
Total Revenues	573,000	573,000	643,984	70,984
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	508,165	508,165	9,000	499,165
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	30,000	30,000	9,541	20,459
Debt service				
Principal	81,583	81,583	81,372	211
Interest and fiscal charges	2,733	2,733	2,792	(59)
Total Expenditures	622,481	622,481	102,705	519,776
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(49,481)	(49,481)	541,279	590,760
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(450,519)	(450,519)	(608,956)	(158,437)
Total Other Financing Sources (Uses)	(450,519)	(450,519)	(608,956)	(158,437)
NET CHANGE IN FUND BALANCES	$ (500,000)	$ (500,000)	(67,677)	$ 432,323
FUND BALANCE - BEGINNING OF YEAR			855,283	
FUND BALANCE - END OF YEAR			787,606	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 787,606	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Special Street and Highway			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	1,598,520	1,650,000	1,640,716	(9,284)
Charges for services	-	-	-	-
Investment income	50,000	50,000	140,555	90,555
Miscellaneous	10,000	10,000	141,843	131,843
Total Revenues	1,658,520	1,710,000	1,923,114	213,114
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	330,546	330,546	477,786	(147,240)
Urban development and housing	-	-	-	-
Culture/recreation	-	-		-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	2,048,058	2,048,058	353,210	1,694,848
Debt service				
Principal	52,162	52,162	52,162	-
Interest and fiscal charges	2,182	2,182	2,244	(62)
Total Expenditures	2,432,948	2,432,948	885,402	1,547,546
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(774,428)	(722,948)	1,037,712	1,760,660
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(977,052)	(1,377,052)	(2,894,872)	(1,517,820)
Total Other Financing Sources (Uses)	(977,052)	(1,377,052)	(2,894,872)	(1,517,820)
NET CHANGE IN FUND BALANCES	$ (1,751,480)	$ (2,100,000)	(1,857,160)	$ 242,840
FUND BALANCE - BEGINNING OF YEAR			3,934,909	
FUND BALANCE - END OF YEAR			2,077,749	
ADJUSTMENTS TO GAAP				
Encumbrances			29,128	
FUND BALANCE-GAAP BASIS			$ 2,106,877	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Tourism and Convention Promotion			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 2,600,000	$ 2,900,000	$ 2,788,681	$ (111,319)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,600,000	2,900,000	2,788,681	(111,319)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	3,117,916	3,117,916	1,584,521	1,533,395
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	3,117,916	3,117,916	1,584,521	1,533,395
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(517,916)	(217,916)	1,204,160	1,422,076
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(682,084)	(1,132,084)	(2,240,570)	(1,108,486)
Total Other Financing Sources (Uses)	(682,084)	(1,132,084)	(2,240,570)	(1,108,486)
NET CHANGE IN FUND BALANCES	$ (1,200,000)	$ (1,350,000)	(1,036,410)	$ 313,590
FUND BALANCE - BEGINNING OF YEAR			2,331,652	
FUND BALANCE - END OF YEAR			1,295,242	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 1,295,242	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Recreation and Trails Sales Tax			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 3,885,000	$ 3,885,000	$ 4,201,690	$ 316,690
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	3,885,000	3,885,000	4,201,690	316,690
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	39,500	39,500	37,629	1,871
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	678,823	678,823	-	678,823
Interest and fiscal charges	-	-	-	-
Total Expenditures	718,323	718,323	37,629	680,694
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,166,677	3,166,677	4,164,061	997,384
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(6,666,677)	(6,666,677)	(4,301,266)	2,365,411
Total Other Financing Sources (Uses)	(6,666,677)	(6,666,677)	(4,301,266)	2,365,411
NET CHANGE IN FUND BALANCES	$ (3,500,000)	$ (3,500,000)	(137,205)	$ 3,362,795
FUND BALANCE - BEGINNING OF YEAR			4,583,495	
FUND BALANCE - END OF YEAR			4,446,290	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 4,446,290	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Special Street Maintenance			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 2,950,000	$ 2,950,000	$ 3,361,352	$ 411,352
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	47,776	47,776
Total Revenues	2,950,000	2,950,000	3,409,128	459,128
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	859,784	(859,784)
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	6,416,250	6,416,250	-	6,416,250
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	6,416,250	6,416,250	859,784	5,556,466
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,466,250)	(3,466,250)	2,549,344	6,015,594
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	243,650	243,650
Transfers out	(33,750)	(33,750)	(223,948)	(190,198)
Total Other Financing Sources (Uses)	(33,750)	(33,750)	19,702	53,452
NET CHANGE IN FUND BALANCES	$ (3,500,000)	$ (3,500,000)	2,569,046	$ 6,069,046
FUND BALANCE - BEGINNING OF YEAR			2,289,082	
FUND BALANCE - END OF YEAR			4,858,128	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 4,858,128	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2024

	Downtown Redevelopment Senior Lien TIF Bonds			
	Budgeted Amounts			Variance with
REVENUES	**Original**	**Final**	**Actual**	**Final Budget**
Taxes	$ 2,930,000	$ 2,930,000	$ 8,970,362	$ 6,040,362
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	234,455	234,455
Miscellaneous	-	-	-	-
Total Revenues	2,930,000	2,930,000	9,204,817	6,274,817
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	(1,671,619)	1,671,619
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,980,000	2,980,000	2,095,000	885,000
Interest and fiscal charges	-	-	538,736	(538,736)
Total Expenditures	2,980,000	2,980,000	962,117	2,017,883
EXPENDITURES NOT SUBJECT TO BUDGET				
Current				
Culture/recreation	-	-	6,113,459	(6,113,459)
Debt service				
Principal	-	-	5,315,000	(5,315,000)
Interest and fiscal charges	-	-	292,500	(292,500)
Total Expenditures Not Subject To Budget	-	-	11,720,959	(11,720,959)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(50,000)	(50,000)	(3,478,259)	(3,428,259)
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	$ (50,000)	$ (50,000)	(3,478,259)	$ (3,428,259)
FUND BALANCE - BEGINNING OF YEAR			6,633,377	
FUND BALANCE - END OF YEAR			3,155,118	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			$ 3,155,118	



Internal Service Funds

For the Year Ended
December 31, 2024

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for services performed by one government organization or department for others. The City uses the funds to purchase and account for motor pool supplies, employee health care and workers' compensation.

Health Care Fund

This fund serves as the central clearinghouse for all City, Library, and Housing Authority employee health care costs under the City's partially self-funded program.

Workers' Compensation Fund

The City has a partially self-funded workers' compensation program. All claims and administrative expenses are paid from this fund and money is transferred from the budgeted funds.

Fleet Management Fund

This fund serves as a central hub for the City garage and fleet services. All fuel, oil, maintenance, repairs, procurement, and disposal of equipment necessary to provide City services is paid from this fund.

Information Technology Fund

This fund serves as a central hub for the Informational Technology Division. All IT services will be paid from this fund.

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

	Health Care	Workers' Compensation	Fleet Management	Information Technology	Total
ASSETS					
Current Assets					
Cash and cash equivalents	$ 3,850,346	$ 1,422,380	$ 1,399,843	$ 572,671	$ 7,245,240
Accounts receivable	164,735	-	-	-	164,735
Inventories	-	-	130,030	-	130,030
Total Current Assets	4,015,081	1,422,380	1,529,873	572,671	7,540,005
Noncurrent Assets					
Capital assets:					
Equipment, contents and vehicles	-	-	1,538,393	139,388	1,677,781
Less accumulated depreciation	-	-	(138,817)	(13,939)	(152,756)
Total capital assets (net of accumulated depreciation)	-	-	1,399,576	125,449	1,525,025
Right to use lease asset	-	-	-	228,553	228,553
Less accumulated amortization	-	-	-	(111,610)	(111,610)
Total right of use lease asset (net of accumulated amortization)	-	-	-	116,943	116,943
Subscription asset	-	-	-	87,432	87,432
Less accumulated amortization	-	-	-	(53,917)	(53,917)
Total subscription asset (net of accumulated amortization)	-	-	-	33,515	33,515
Total Noncurrent Assets	-	-	1,399,576	275,907	1,675,483
TOTAL ASSETS	4,015,081	1,422,380	2,929,449	848,578	9,215,488
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - pension	-	-	71,740	185,986	257,726
Deferred outflows - OPEB	-	-	8,132	21,081	29,213
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	-	79,872	207,067	286,939
LIABILITIES					
Current Liabilities					
Accounts payable	2,636	-	515,864	70,704	589,204
Accrued payroll	-	-	8,678	17,564	26,242
Accrued interest payable	-	-	-	1,575	1,575
Estimated insurance claims payable	538,309	529,354	-	-	1,067,663
Current portion of leases obligation payable	-	-	-	46,137	46,137
Current portion of subscription liabilities	-	-	-	43,377	43,377
Total Current Liabilities	540,945	529,354	524,542	179,357	1,774,198
Noncurrent Liabilities					
Leases obligation payable	-	-	-	71,283	71,283
Net pension liability	-	-	234,512	607,974	842,486
Total OPEB liability	-	-	21,096	54,691	75,787
Total Noncurrent Liabilities	-	-	255,608	733,948	989,556
TOTAL LIABILITIES	540,945	529,354	780,150	913,305	2,763,754
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pension	-	-	1,052	2,727	3,779
Deferred inflows - OPEB	-	-	12,904	33,453	46,357
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	13,956	36,180	50,136
NET POSITION					
Net investment in capital assets	-	-	1,399,576	(9,862)	1,514,686
Unrestricted	3,474,136	893,026	815,639	116,022	5,173,851
TOTAL NET POSITION	$ 3,474,136	$ 893,026	$ 2,215,215	$ 106,160	$ 6,688,537

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

	Health Care	Workers' Compensation	Fleet Management	Information Technology	Total
OPERATING REVENUES					
Service charges	$ 6,932,772	$ -	$ 797,540	$ 2,958,236	$ 10,688,548
Miscellaneous	967,980	4,016	101,125	-	1,073,121
Total Operating Revenues	7,900,752	4,016	898,665	2,958,236	11,761,669
OPERATING EXPENSES					
Personnel	-	-	353,375	881,021	1,234,396
Commodities	-	-	73,785	172,207	245,992
Contractual services	7,535,437	292,106	84,949	1,360,368	9,272,860
Depreciation and amortization	-	-	138,817	87,319	226,136
Total Operating Expenses	7,535,437	292,106	650,926	2,500,915	10,979,384
OPERATING INCOME (LOSS)	365,315	(288,090)	247,739	457,321	782,285
NON-OPERATING REVENUE					
Investment income	137,210	50,123	-	-	187,333
Interest expense	-	-	-	(4,932)	(4,932)
Total Non-Operating Expenses	137,210	50,123	-	(4,932)	182,401
INCOME (LOSS) BEFORE TRANSFERS	502,525	(237,967)	247,739	452,389	964,686
Transfers in	-	270,000	-	13	270,013
Transfers out	-	-	-	(60,500)	(60,500)
CHANGE IN NET POSITION	502,525	32,033	247,739	391,902	1,174,199
TOTAL NET POSITION - BEGINNING	2,971,611	860,993	1,967,476	(285,742)	5,514,338
TOTAL NET POSITION - ENDING	$ 3,474,136	$ 893,026	$ 2,215,215	$ 106,160	$ 6,688,537

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

	Health Care	Workers' Compensation	Fleet Management	Information Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$ 7,870,422	$ 4,016	$ 898,665	$ 2,958,236	$ 11,731,339
Payment to employees	-	-	(326,244)	(694,634)	(1,020,878)
Payments to suppliers	(7,567,617)	(281,756)	42,690	(1,482,699)	(9,289,382)
NET CASH FLOWS FROM OPERATING ACTIVITIES	302,805	(277,740)	615,111	780,903	1,421,079
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Cash received from other funds	-	270,000	-	13	270,013
Cash paid to other funds	-	-	-	(60,500)	(60,500)
NET CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	-	270,000	-	(60,487)	209,513
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Cash paid for purchase of capital asset	-	-	(1,538,393)	(139,388)	(1,677,781)
Cash paid for purchase of subscription asset	-	-	-	(6,450)	(6,450)
Cash paid for purchase of right-to-use lease asset	-	-	-	(174)	(174)
Cash paid for interest on long-term debt	-	-	-	(5,357)	(5,357)
Cash paid for prinicpal on long-term debt	-	-	-	(61,060)	(61,060)
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-	-	(1,538,393)	(212,429)	(1,750,822)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	137,210	50,123	-	-	187,333
NET INCREASE IN CASH AND CASH EQUIVALENTS	440,015	42,383	(923,282)	507,987	67,103
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	3,410,331	1,379,997	2,323,125	64,684	7,178,137
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 3,850,346	$ 1,422,380	$ 1,399,843	$ 572,671	$ 7,245,240
Reconciliation of operating income (loss) to net cash flows from operating activities:					
Operating income (loss)	$ 365,315	$ (288,090)	$ 247,739	$ 457,321	$ 782,285
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation and amortization	-	-	138,817	87,319	226,136
(Increase) decrease in receivables	(30,330)	-	-	-	(30,330)
(Increase) decrease in inventory	-	-	(33,505)	-	(33,505)
(Increase) decrease in deferred outflows - pension	-	-	8,581	(34,501)	(25,920)
(Increase) decrease in deferred outflows - OPEB	-	-	(1,066)	(7,754)	(8,820)
Increase (decrease) in accounts payable and accrued expenses	(32,180)	10,350	243,607	67,440	289,217
Increase (decrease) in net pension liability	-	-	11,479	187,334	198,813
Increase (decrease) in total OPEB liability	-	-	2,752	20,094	22,846
Increase (decrease) in deferred inflows - pension	-	-	(940)	(1,029)	(1,969)
Increase (decrease) in deferred inflows - OPEB	-	-	(2,353)	4,679	2,326
Total Adjustments	(62,510)	10,350	367,372	323,582	638,794
NET CASH FLOWS FROM OPERATING ACTIVITIES	$ 302,805	$ (277,740)	$ 615,111	$ 780,903	$ 1,421,079



Single Audit Section

For the Year Ended
December 31, 2024

BT & Co. P.A.
Certified Public Accountants

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

The Honorable Mayor and Members of the City Commission
City of Manhattan, Kansas:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Manhattan, 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, and have issued our report thereon dated October 2, 2025. Our report includes a reference to other auditors who audited the financial statements of the Manhattan Housing Authority (the Authority) and the Manhattan Public Library (the Library), as described in our report on the City's financial statements. This report does not include the results of the Authority's auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the Authority's auditors. The financial statements of the Library were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Library or that are reported on separately by those auditors who audited the financial statements of the Library.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

BT+ Co., P.A.

October 2, 2025
Topeka, Kansas

BT & Co. P.A.
Certified Public Accountants

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

The Honorable Mayor and Members of the City Commission
City of Manhattan, Kansas:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of the Manhattan Public Library (the Library) and the Manhattan Housing Authority (the Authority), which expended federal awards which are not included in the City's schedule of expenditures of federal awards during the year ended December 31, 2024. Our compliance audit, described in the "Opinion on the Major Federal Program" section of our report, does not include the operations of the Library or the Authority because the Library and the Authority engaged other auditors to perform an audit of compliance, if necessary.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matter - Noncompliance

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding Numbers 2024-001 and 2024-002. Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards require the auditor to perform limited procedures on the City's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings

and questioned costs. The City's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of finding and questioned costs as Finding 2024-001 to be a material weakness. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2024-002 to be a significant deficiency.

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

Government Auditing Standards require the auditor to perform limited procedures on the City's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

BT+ Co., P.A.

October 2, 2025
Topeka, Kansas

CITY OF MANHATTAN, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2024

Federal Grantor/Program Title	Assistance Listing Number	Grantor's Number	Expenditures	Amounts Passed to Subrecipients
U.S. Department of Commerce				
Economic Development Cluster:				
Economic Adjustment Assistance - TASK Grant	11.307	FY23-EDATASK-CM	$ 130,560	$ -
U.S. Department of Defense				
Defense Community Infrastructure Program	12.600	None	110,294	-
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster:				
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-20-0009	38	-
Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-20-0009	115,038	47,521
Community Development Block Grants/Entitlement Grants	14.218	B-23-MC-20-0010	209,775	136,641
Total CDBG - Entitlement Grants Cluster			324,851	184,162
Passed through the Kansas Housing Resources Corporation:				
Emergency Solutions Grants Program	14.231	E-23-DC-20-0001	152,327	110,963
Emergency Solutions Grants Program	14.231	E-24-DC-20-0001	128,482	128,078
Emergency Solutions Grants Program - Admin	14.231	ESG Admin	2,262	-
			283,071	239,041
Total U.S. Department of Housing and Urban Development			607,922	423,203
U.S. Department of the Interior				
Passed through the State Historical Preservation Office:				
Historic Preservation Program	15.904	HPF2023-10042	8,653	-
Passed through the Kansas Department of Wilflife & Parks:				
Roger Schultz Imp PH I	15.916	NRT2022-3	70,626	-
Total U.S. Department of the Interior			79,279	-

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)
Year Ended December 31, 2024

Federal Grantor/Program Title	Assistance Listing Number	Grantor's Number	Expenditures	Amounts Passed to Subrecipients
U.S. Department of Transportation				
Transit Services Program Cluster:				
Enhanced Mobility of Seniors & Individuals with Disabilities	20.513	PT-0078-20	$ 291,281	$ -
Passed through the Federal Aviation Administration:				
Runway 3/21 Reconstruction	20.106	3-20-0052-056	972,173	-
Construct 2-Bay & 6-Bay Hangars	20.106	3-20-0052-057	2,189,427	-
Purchase Snow Removal Equipment	20.106	3-20-0052-059	120	-
			3,161,720	-
Passed through the Kansas Department of Wildlife & Parks:				
Warner Park Trailhead Loop	20.219	20-00804	16,668	-
Linear Trail-AS Trailhead	20.219	NRT2022-2	62,000	-
			78,668	-
Total U.S. Department of Transportation			3,531,669	-
U.S. Department of the Treasury				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	None	4,350,079	-
National Aeronautics and Space Administration				
NASA Inspires Team	43.008	NNH21ZHA002N	16,843	-
U.S. Department of Homeland Security				
Passed through the Kansas Department of Emergency Management:				
Federal Emergency Management	97.039	FEMA-4504DRKS0000005	16,256	-
Total U.S. Department of Homeland Security			16,256	-
Total expenditures of federal awards			$ 8,842,902	$ 423,203

See accompanying notes to schedule of expenditures of federal awards

CITY OF MANHATTAN, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2024

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Manhattan, Kansas (the City) under programs of the federal government for the year ended December 31, 2024. The City's reporting entity is defined in Note 1 to the City's basic financial statements. The City's reporting entity includes two discretely presented component units, the Manhattan Public Library (the Library) and the Manhattan Housing Authority (the Authority). The Schedule does not include the operations of the Library or the Authority because the Library and the Authority engaged other auditors to perform audits, which would have included an audit of compliance if required. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, and expended during the year are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or, where applicable, cash flows of the City.

2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements. The expenditures on the Schedule are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

CITY OF MANHATTAN, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2024

Section I – Summary of Independent Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Noncompliance material to financial statements:	None reported

Federal Awards

Type of auditors' report issued on compliance for major programs:	Unmodified
Internal control over major program:	
Material weaknesses identified:	Finding 2024-001
Significant deficiencies identified that are not considered to be material weaknesses:	Finding 2024-002
Findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a):	Findings 2024-001 and 2024-002
Identification of major program:	

Assistance Listing Number	Name of Federal Program
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as a low-risk auditee:	No

Section II – Financial Statement Findings

None.

(Continued)

Section III – Federal Award Findings and Questioned Costs

Finding 2024-001

Type of Finding: Material Weakness in Internal Control Over Compliance, Other Matters

Federal Agency: U.S. Department of the Treasury

Federal Program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), ALN No. 21.027

Compliance Requirement: Suspension and Debarment

Repeat Finding: No

Condition: During our testing of two covered transactions, we noted that management was not able to provide supporting documentation that suspension and debarment procedures were performed prior to the start of the procurement contracts.

Questioned Costs: None

Context: Both vendors tested, in the population of two, for suspension and debarment, management was not able to provide the required supporting documentation showing that the suspension and debarment check was completed.

Criteria: 2 CFR 180.300 prohibits entities from contracting under covered transactions to parties that are suspended or debarred from doing business with the federal government. A contract for goods or services is a covered transaction if awarded as a grant or payment for specified use and if the amount of the contract is expected to equal or exceed $25,000. In order to comply with federal suspension and debarment requirements, the City can perform a search in the federal System of Award Management (SAM) website, which tracks the entities that the federal government has determined are ineligible to receive federal funding; collect a certification from the entity; or add a clause or condition to the contract.

Cause: There was a lack of personnel within the finance department of the City and grants administration was missing supervision by key personnel. The finding indicates that there should be process improvements in how contracts are reviewed, documented and maintained to provide evidence the compliance requirements are being met.

Effect: The City could enter into a federally-funded contract with a suspended or debarred party.

Recommendation: We recommend that the City either obtain certifications from vendors and beneficiaries stating their organization is not suspended, debarred, or otherwise excluded from participation in federal assistance programs or document the procedures performed to verify the vendor or beneficiary is not identified as suspended or debarred on the SAM website. We recommend that the City has proper procedures in place to ensure that all contractual documentation is maintained and able to be located.

(Continued)

Management's Response/Corrective Action Plan (Unaudited): Management acknowledges the finding. For the transaction tested, the suspension and debarment check was in fact performed prior to the start of the procurement contract, and no issues were identified; however, the supporting documentation was not retained. The City plans to update its procedures to require that evidence of suspension and debarment checks is maintained. The City plans to update the purchasing policy to reference the federal suspension and debarment compliance requirements for all contracts over $25,000 by requiring a certification from the entity and adding that clause or condition to the contracts. All certifications should be saved in the City Clerk's official contract file at the time of verification. Staff will be retrained on these requirements to ensure documentation is consistently maintained for all covered transactions in accordance with federal guidelines.

Planned Completion Date: These modifications are being implemented immediately.

Contact Person Responsible for Correction Action: Finance Director

(Continued)

Finding 2024-002

Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Federal Agency: U.S. Department of the Treasury

Federal Program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), ALN No. 21.027

Compliance Requirement: Procurement

Repeat Finding: No

Condition: During our testing of one covered transaction, we noted that management was not able to provide supporting documentation that procurement procedures were performed prior to the start of the procurement contracts including the reason for the vendor being considered a sole-source vendor.

Questioned Costs: None

Context: For one of two vendors tested, in the population of two, for procurement, management was not able to provide the required supporting documentation showing that the procurement policy was followed. The City confirmed that they deemed the covered transaction as a sole source procurement activity, however, did not keep documentation supporting that analysis.

Criteria: Per 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements (Uniform Guidance), Section 200.318 General Procurement Standards, the non-Federal entity must maintain records sufficient to detail the history of procurement and this procurement activity must be supported with a procurement policy. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Cause: There was a lack of personnel within the finance department of the City and grants administration was missing supervision by key personnel.

Effect: The finding indicates that there should be process improvements in how the procurement policy is followed and tracked throughout the procurement process to provide evidence the compliance requirements are being met.

Recommendation: We understand that the City has a procurement policy in place; however, we recommend that the City has procedures in place to ensure that all procurement and contractual documentation is maintained and able to be located.

Management's Response/Corrective Action Plan (Unaudited): Management acknowledges the finding. For the transaction tested, the original contract was approved in 2021, and we initially intended to use the general fund as a source of payment. The City has reviewed and updated its procedures to require that documentation behind the analysis of the type of procurement steps be saved in the contract file. Staff will be retrained on these requirements to ensure documentation is consistently maintained for all covered transactions in accordance with federal guidelines.

(Continued)

Planned Completion Date: These modifications are being implemented immediately.

Contact Person Responsible for Correction Action: Finance Director