

City of Nixa, Missouri

20

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

22

For the Fiscal Year Ended Dec. 31, 2022



CITY OF NIXA, MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022**

**REPORT PREPARED AND
SUBMITTED BY THE FINANCE
DEPARTMENT**

**Jimmy Liles, City Administrator
and
Jennifer Evans, Director of Finance**

This page is intentionally left blank

CITY OF NIXA, MISSOURI
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2022

TABLE OF CONTENTS

	Pages
SECTION I - INTRODUCTORY SECTION	
Letter of Transmittal	i-vii
Certificate of Achievement for Excellence in Financial Reporting	viii
Organizational Chart	ix
Principal Officials	x
 SECTION II - FINANCIAL SECTION	
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-14
 Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds	17
Reconciliation of the Government Funds Balance Sheet to the Government-Wide Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities	20
Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	22
Statement of Cash Flows - Proprietary Funds	23
Notes to Basic Financial Statements	24-56
 Required Supplementary Information	
Budgetary Comparison Information - Budget Basis - General Fund	57
Budgetary Comparison Information - Budget Basis - Street Fund	58
Notes to Budgetary Comparison Information	59
Schedule of Changes in Net Pension Liability and Related Ratios	60
Schedule of Pension Plan Contributions	61

TABLE OF CONTENTS

	Pages
SECTION III - STATISTICAL SECTION (UNAUDITED)	
Statistical Section Overview	62
Financial Trends	
Net Position by Component	63
Changes in Net Position	64-65
Fund Balances of Governmental Funds	66
Changes in Fund Balances of Governmental Funds	67-68
Revenue Capacity	
Tax Revenues by Source, Governmental Funds	69
Property Tax Rates, Direct and Overlapping Governments	70
Assessed and Estimated Actual Value of Taxable Property	71
Principal Property Taxpayers	72
Property Tax Levies and Collections	73
Direct City Sales Tax Revenue by Type	74
Direct and Overlapping Sales Tax Rates	75
Debt Capacity	
Ratios of Outstanding Debt by Type	76
Ratios of General Bonded Debt Outstanding	77
Direct and Overlapping Governmental Activities Debt	78
Legal Debt Margin Information	79
Pledged Revenue Coverage by Fund	80
Demographic and Economic Information	
Demographic and Economic Statistics	81
Principal Employers	82
Property Value and Construction	83
Operating Information	
Full-Time Equivalent Employees by Function/Programs	84
Operating Indicators by Function	85
Capital Asset Statistics by Function	86

SECTION I - INTRODUCTORY SECTION



Nixa City Hall
P.O. Box 395
715 W. Mt. Vernon St.
Nixa, MO 65714
Office: 417-725-3785

May 18, 2023,

To the Honorable Mayor, Members of the City Council and Citizens of the City of Nixa, Missouri:

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Decker & Degood, Certified Public Accountants, have issued an unmodified opinion on the City of Nixa, Missouri's financial statements for the year ended December 31, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Our MD&A complements this letter of transmittal and should be read in conjunction with it.

CITY OF NIXA, MISSOURI

Nixa, located in the southwestern part of Missouri, is six miles south of Springfield and 30 miles north of Branson on Highway 60, just four miles west of U.S. Highway 65. As one of the fastest growing cities in Missouri, Nixa increased 367% from a population of 4,076 in 1990 to a population of 19,022 in 2010. Current population of Nixa is estimated at 24,749.

The City of Nixa ranked #4 on the latest list of Missouri's safest cities compiled by Safewise. This was the fourth consecutive year for Nixa to be rated in the top fifteen list.

The City of Nixa provides a full range of services, including police protection, street maintenance, parks and recreational facilities, planning and zoning

development, and general administrative services. Nixa is also a full-utility-service City, providing all electrical distribution, delivery of water, sanitary sewer treatment and recycling services. The City's Electric Distribution Utility purchases electric capacity and energy from Evergy Kansas Central, Nextera Energy Marketing, Southwestern Power Administration, and Nixa Solar. Energy transmission is provided by Southwest Power Pool. The City began purchases of solar power in 2017 for approximately 9% of Nixa's total annual energy consumption. In 2017, Nixa Utilities was recognized by the Smart Electric Power Alliance as one the top ten utilities around the nation that added the most solar watts per customer in 2017 and has been recognized every three years by the American Public Power Association as a Reliable Public Power Provider since 2014. Use of solar has reduced the City's carbon footprint by 10,542 metric tons per year. Coupled with federal hydropower purchases and wind power from Nextera Energy Marketing, Nixa's total renewable energy supply is approximately 54%. All of Nixa's water is pumped from the Ozark aquifer from nine strategically placed deep wells. In addition, Nixa's above ground storage has capacity for four days of normal use. Its state of the art, 4-million gallon/day sanitary sewer treatment facility accommodates all existing and near-term growth demands.

Contractually, the City accommodates curb-side trash and recycling pick-up for residents, as well as, having a public facility for all reusable product drop-offs.

PROFILE OF THE GOVERNMENT

Incorporated as a village in 1902, Nixa became a fourth-class city under Missouri law on June 7, 1946. In April 2010, Nixa citizens voted to become a Home Rule Charter city. The City Charter provides for a non-partisan municipal government consisting of a Mayor and six council members. The Mayor is elected at large by the voters of the city every three years. The City is divided into three districts with two council members elected from each district for a three-year term.

Appointments of City Administrator, City Clerk, City Attorney and Chief of Police are made by Mayor and Council. Terms for each of these positions are indefinite.

The City Administrator is the chief administrative officer of the City and is responsible to the Mayor and Council for the administration of all City affairs. The City Administrator is also responsible for the appointment of departmental directors and employees. In addition to the City Administrator, City Clerk, City Attorney and Chief of Police, the City employs six other directors – Director of Planning and Zoning, Director of Public Works, Director of Finance, Director of Parks and Recreation, Director of Human Resources and Director of Communications as well as an Assistant City Administrator. A total of 152 full-time positions were budgeted for 2022.

LOCAL ECONOMY

The City issued 190 single-family building permits along with 4 apartment building permits in 2022. In total, the City will be adding 288 new dwelling units to its housing

stock. There are also 675 single-family lots that have been preliminarily platted and ready to be developed along with 168 single-family lots currently being developed. These will be ready for new home construction in 2023. In total, there are 254 single-family lots available for new home construction in 2023.

City sales and use taxes experienced increases over the previous year. Sales taxes saw an increase of 7.1% over 2021, and since the use tax was passed in 2018, the city continues to see growth in use tax revenue as reflected in an increase of 24.6%. These increases resulted in an additional \$534,998 in revenue in 2022.

ECONOMIC DEVELOPMENT

The City invests in and supports the Christian County Business Development Corporation (CCBDC). This organization operates as a regional economic development organization which exists to assist businesses in Nixa, and throughout Christian County, with their retention and expansion needs. The organization also helps start-up businesses and promotes the communities of Christian County to potential developers. The City also invests and supports the Nixa Chamber of Commerce. The Chamber of Commerce's mission is to focus on economic and business development. They do this through their core values: attract, connect, grow and engage. The City has an Assistant City Administrator who is also designated as a business concierge. This position is instrumental in assisting current and future businesses with a variety of needs.

MAJOR INITIATIVES

During Fiscal Year 2022, the City of Nixa completed the following major initiatives:

- Biosolids Centrifuge
- The acquisition of RDE water system and Tuscan Hills sewer system
- South St. to SH 14 wastewater capacity upgrade
- Well house for Well # 1
- Water line replacement and Electric line relocation in conjunction with a State Highway widening project on SH 14
- Drainage improvements at McAuley Park
- Tracker and Old Castle roundabout
- Stormwater improvements at Morning Glory

Many major items, budgeted in 2022, have been carried forward into the 2023 budget for completion:

- Truman water line and road extension
- Stormwater improvements at Cherry St.
- Northview Rd. extension
- Improvements to North St.
- Inclusive playground at McAuley Park
- Police shooting range and training building
- Tracker to Cheyenne Tie (electric)
- Leeann to Nicholas Tie (electric)

- ERP system
- Website

FINANCIAL INFORMATION

In developing the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance, but not absolute, that assets are effectively safeguarded, and transactions are performed in accordance with management's authorization and are properly recorded. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived and the evaluation of cost and benefits requires estimates and judgments by management. Within this framework, we believe that the City's system of internal accounting controls adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Internal Budgeting Controls

All funds are budgeted on an annual basis. Budgets provide a management control tool for financial planning and measurement of operational expenditure levels. Budgeting of the enterprise activity is necessary to ensure the level of user rates is sufficient to cover operational costs as well as meet bondholder requirements for debt coverage.

The City Charter specifies that the City Administrator shall submit to the Mayor and Council a budget for the ensuing fiscal year. A five-year capital program shall also be submitted prior to the final date for submission of the budget. The Council, by ordinance, adopts the budget on or before the last day of the month of the fiscal year currently ending. Adoption of the budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated. During the fiscal year, supplemental appropriations and/or reduction of appropriations may be brought to the Council by the City Administrator for amendment of the adopted budget. In no event shall the total proposed expenditures exceed the estimated revenues to be received plus any unencumbered cash reserves.

Relevant Financial Policies

Several tools and policies have been developed and implemented by the City to ensure protection of the City's assets and to provide internal controls. In 2020, the Finance Department's Standard Operating Procedures manual was updated; the previous version had been in effect since 2015. The City's comprehensive Purchasing Policy and Investment Policy was updated and approved by Council in 2019. A Debt Management Policy was also introduced by staff in 2019 and approved by Council. Other adopted financial policies include an Identity Theft Prevention Program,

Merchant Card Policy, Grant Policy, Fixed Asset Policy, Purchasing Card Policy and Utility Billing Collection Policy.

The City of Nixa continually monitors user rates for the enterprise funds. Rate studies are conducted on a regular basis to ensure that revenues meet the needs of operations, debt, and capital improvements. User rates implement incremental increases to adjust to rising costs.

Cash Management

The City's investment policy establishes guidelines and requirements for the investment of all City revenues funds. The City's policy strives to earn the highest rate of return on invested funds without sacrificing either safety or liquidity. All deposits are secured by the Federal Deposit Insurance Cooperation and pledged securities. The securities pledged satisfy the requirements established under current state and federal laws. Proposals for comprehensive day-to-day depository and banking services are requested every three to five years from area banking institutions. The City requested and received such proposals in 2021. Investment of funds in long-term vehicles (six months or greater) are placed by competitive bids.

Long-term Financial Planning

The City of Nixa utilizes a five-year capital improvement program to identify and prioritize public projects. In accordance with our City Charter, the City Administrator is responsible for preparation of this program prior to the final date of submission of the annual budget. The capital program is adopted by resolution on or before the last day of the month of the current fiscal year.

To aid the various departments in the capital improvement program, initiatives are identified through the use of master plans. These plans, particularly electric, water and wastewater, are reviewed every three (3) to five (5) years, depending on the City achieving projected estimates (e.g. growth rates, market trends, infrastructure integrity and revenue). The City of Nixa's 2021 budget included monies to provide an electric system study. Based on the results of that study, new electric rates were adopted at the beginning of 2022. A water rate study was conducted in 2017 with proposed rates adopted through 2022. A sewer system study was conducted in 2019; a rate structure for 2020 – 2026 identified in this study was adopted by Council. The City reviewed its power purchasing contracts and rates to assess the current needs for providing electric energy to the community. As a result of that review, better alternatives were found to meet power needs while saving money. A Street master plan was presented to Council in January 2016. A survey conducted during the Street master plan process continues to assist Council in the prioritization of transportation and connectivity issues. A Parks Master Plan was completed and adopted in 2020.

Debt Administration

The City of Nixa had an outstanding debt balance of \$5,628,824 on December 31, 2022 compared to a balance of \$2,867,000 as of December 31, 2021. Of this balance, \$0 is general obligation debt; the City made its final payment of \$165,300 of general obligation debt in 2021. In compliance with Missouri Statutes, the City's general obligation debt issuance is subject to legal limitation based on 20% of total assessed value of real and personal property.

The remainder of the debt balance is comprised of general leasehold agreements, \$1,714,370; enterprise revenue bonds, \$3,885,000; and enterprise lease obligations, \$29,454.

OTHER INFORMATION

Strategic Planning

In 2020, the City of Nixa developed and adopted a new 5-year strategic plan. In order to enable anyone in the community to participate in this process, the city launched ImagineNixa.com. This website explained the vision and values set by council and provided everyone an opportunity to help the City brainstorm ideas for how to best accomplish the vision. The website was open to public comment from February through June and then staff reviewed and considered every single idea submitted. The City then invited 15 Nixa residents who represented a diverse cross section of the community to participate in a strategic planning advisory committee. This committee was charged with processing the ideas that were received through Imagine Nixa and with drafting a strategic plan, taking into consideration both the public's input and the expertise of staff. The advisory committee submitted their recommendations to council, who adopted the document as the City of Nixa's Strategic Plan on Nov. 23, 2020. The City has already begun implementing many of the action plans identified in the plan, and communication back to the community has already begun as progress is made on the priorities outlined in the plan. The strategic plan is also the major driver behind the budgetary process.

Independent Audit

As specified by the City's Charter, an independent audit of all City accounts is performed at least once a year in accordance with generally accepted accounting standards by a certified public accountant or firm of such accountants who have no personal interest, direct or indirect, in the fiscal affairs of the City government or any of its officers.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Nixa for its annual comprehensive financial report for the fiscal year ended December 31, 2021. This was the seventh consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. However, we believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to recognize the Mayor and Council for their high standards of professionalism in the management of the City's resources. Our appreciation is extended to the Finance Department in their diligence to maintain a reliable reporting system, and to other City departments in providing data for this report. In addition, we would like to thank our auditors, Decker and DeGood, PC, for their assistance in formulating this report.

Respectfully submitted,



Jimmy Liles | City Administrator
jliles@nixa.com



Jennifer Evans | Director of Finance
jevans@nixa.com



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

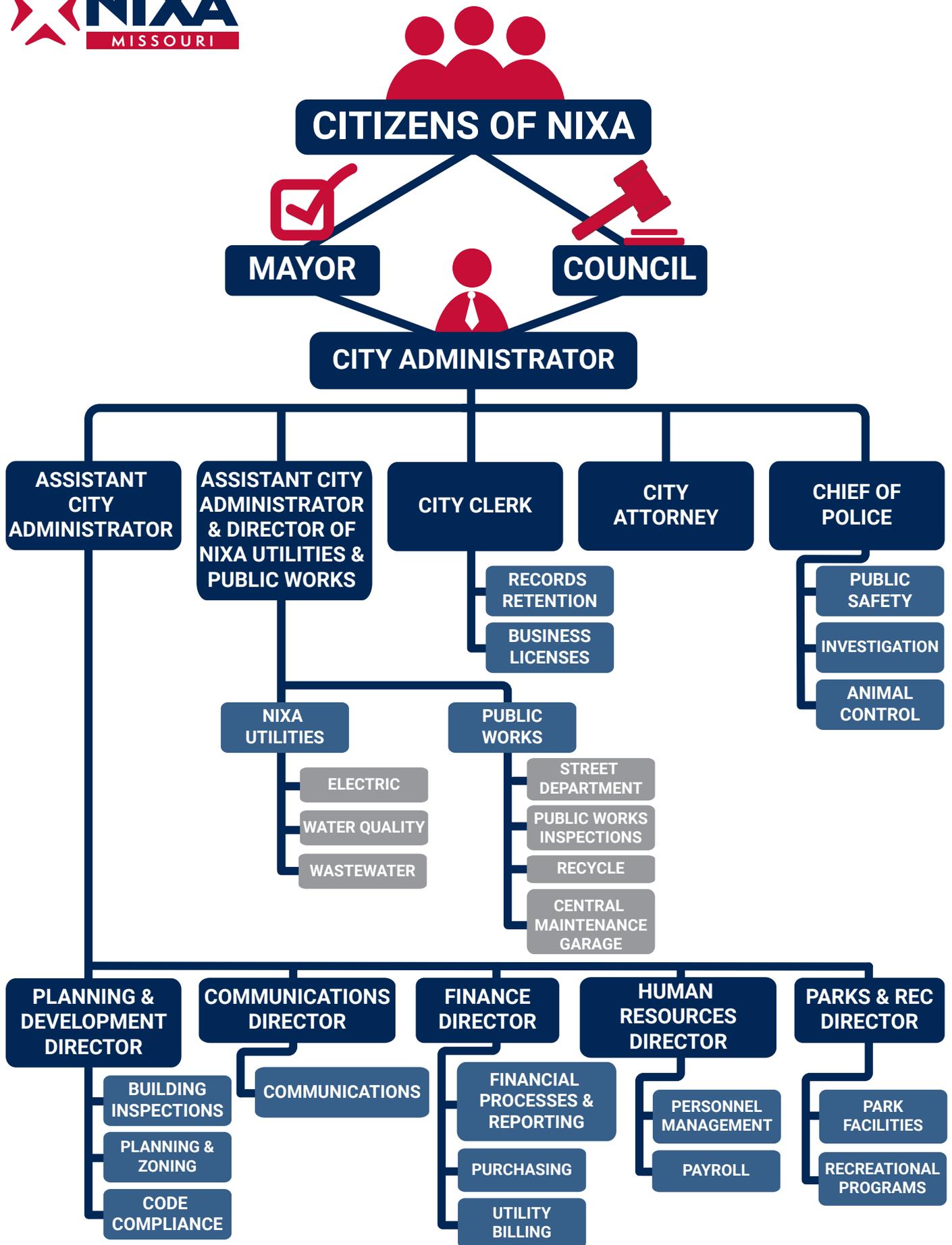
**City of Nixa
Missouri**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO





City of Nixa, Missouri

Principal Officials as of December 31, 2022

Brian Steele, Mayor

Jarad Giddens, District I

Matt Ogden, District I

Shawn Lucas, District II

Aron Peterson, District II

Darlene Graham, District III

Seth Balogh, District III

Appointed

City Administrator – Jimmy Liles

Chief of Police – Joe Campbell

City Attorney – Nick Woodman

City Clerk – Bekka Coffey

Leadership Team

Assistant City Administrator – Cindy Robbins

Director of Utilities and Public Works/Assistant City Administrator – Doug Colvin

Director of Planning and Development – Scott Godbey

Director of Parks and Recreation – Matt Crouse

Director of Human Resources – Amanda Hunsucker

Director of Communications – Drew Douglas

Director of Finance – Jennifer Evans

SECTION II - FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council
City of Nixa, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund, of the City of Nixa, Missouri, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Nixa, Missouri's basic financial statements as listed in the table of contents.

In our opinion, 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, and each major fund, of the City of Nixa, Missouri, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Nixa, Missouri, 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.

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 of Nixa, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial 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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 of Nixa, Missouri'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 of Nixa, Missouri'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, budgetary comparison information, schedule of changes in net pension liability and related ratios, and schedule of pension plan contributions 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.

Other Information

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

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



Decker & DeGood
Springfield, Missouri
April 6, 2023

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Nixa, Missouri we offer readers of the City of Nixa's financial statements this narrative overview and analysis of the financial activities of the City of Nixa for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page i of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Nixa exceeded its liabilities at the close of the most recent fiscal year by \$143,546,045 (net position). Of this amount, \$41,987,972 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- As of December 31, 2022, governmental activities and business-type activities had net positions of \$73,917,095 and \$69,628,950, respectively.
- At the end of the current fiscal year, the City of Nixa's governmental funds reported combined ending fund balances of \$14,247,130, a decrease of (\$ 83,413) in comparison with the prior year. Approximately 73.22% or \$10,432,228 is available for discretionary spending by the City of Nixa. The remaining fund balance is either restricted by outside parties or not in spendable form.
- The unassigned fund balance for the General Fund, \$10,432,228, is 98.74% of total General Fund expenditures, and is an increase in comparison with the prior year's unassigned fund balance.
- The City of Nixa's long-term debt obligations increased by \$2,761,824, or 96.33% as compared to fiscal year 2021.

Overview of the Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the City of Nixa's basic financial statements. The City of Nixa's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support 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 Nixa's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City of Nixa's assets, liabilities, and deferred inflows/outflows of resources, with the difference 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 Nixa is improving or deteriorating.

(unaudited)

The *statement of activities* presents information showing how the City of Nixa'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 vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Nixa that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Nixa include general government, public safety, transportation, sanitation, culture and recreation. The business-type activities include the Waterworks, Wastewater, and Electric systems.

The government-wide financial statements can be found on pages 15 and 16 of this report.

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 Nixa, 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 Nixa 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 assessing a government's near-term financing requirements.

Because the focus of 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 Nixa maintains two 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 and street fund which are considered to be major funds.

The City of Nixa adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17-20 of this report.

(unaudited)

Proprietary funds. The City of Nixa maintains three 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 Nixa uses enterprise funds to account for its Waterworks, Wastewater, and Electric operations.

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 Waterworks, Wastewater, and Electric funds, which are considered to be major funds of the City of Nixa.

The basic proprietary fund financial statements can be found on pages 21-23 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-56 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of Nixa progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 57-61 of this report.

Government-Wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City of Nixa, assets and deferred outflows exceeded liabilities and deferred inflows by \$143,546,045 at the close of the most recent fiscal year.

(Remainder of this page intentionally left blank)

(unaudited)

City of Nixa's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current Assets and other assets	\$ 19,674,910	\$ 19,087,070	\$ 33,574,930	\$ 27,626,439	\$ 53,249,840	\$ 46,713,509
Capital Assets	60,808,061	59,062,253	42,621,997	39,314,964	103,430,058	98,377,217
Total Assets	80,482,971	78,149,323	76,196,927	66,941,403	156,679,898	145,090,726
Deferred Outflows of Resources						
Deferred on refunding	-	-	18,186	27,112	18,186	27,112
Deferred pension related	1,347,096	1,064,353	429,716	434,129	1,776,812	1,498,482
Total Deferred Outflows	1,347,096	1,064,353	447,902	461,241	1,794,998	1,525,594
Current Liabilities	5,310,638	2,855,581	2,674,407	1,949,821	7,985,045	4,805,402
Long-term Debt	2,034,007	1,614,595	4,069,531	1,677,477	6,103,538	3,292,072
Total Liabilities	7,344,645	4,470,176	6,743,938	3,627,298	14,088,583	8,097,474
Deferred Inflows						
Deferred on refunding	-	-	42,944	57,258	42,944	57,258
Deferred pension related	568,327	2,199,168	228,997	904,867	797,324	3,104,035
Total Deferred Inflows	568,327	2,199,168	271,941	962,125	840,268	3,161,293
Net Position:						
Invested in						
capital assets-net	59,093,691	57,752,253	38,682,785	37,778,310	97,776,476	95,530,563
Restricted	3,781,597	3,926,104	-	50,492	3,781,597	3,976,596
Unrestricted	11,041,807	10,865,975	30,946,165	24,984,419	41,987,972	35,850,394
Total net position	\$ 73,917,095	\$ 72,544,332	\$ 69,628,950	\$ 62,813,221	\$ 143,546,045	\$ 135,357,553

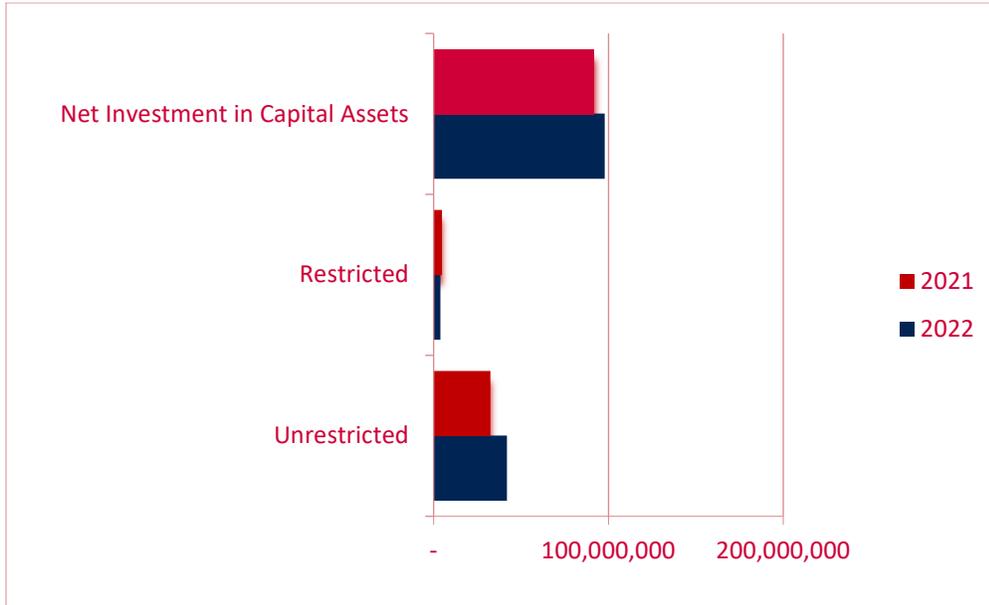
By far, the largest portion of the City of Nixa's net position (68.12%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Nixa uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City of Nixa's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Nixa's net position (2.63%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$41,987,972 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City of Nixa is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

(unaudited)

**City of Nixa, Net Position
December 31, 2022, and 2021**



However, the City of Nixa's overall net position increased \$8,188,492 from the prior year fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental activities. Governmental activities increased the City of Nixa's net position by \$1,372,763 thereby accounting for 16.76% of the total growth in the net position of the City of Nixa. Compared to last year's growth for Governmental activities, this was a decrease of \$550,986.

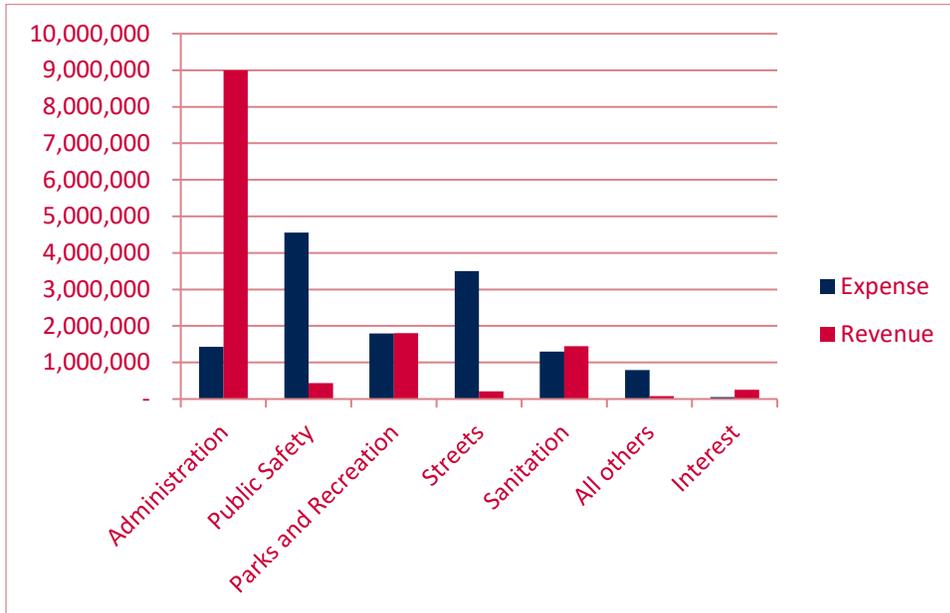
(unaudited)

City of Nixa's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 3,111,146	\$ 2,922,897	\$ 26,559,115	\$ 25,518,291	\$ 29,670,261	\$ 28,441,188
Operating grants and contributions	13,650	403,305	-	-	13,650	403,305
Capital grants and contributions	1,180,359	563,926	608,250	238,469	1,788,609	802,395
General Revenues:						
Taxes	8,995,224	8,149,494	-	-	8,995,224	8,149,494
Investment earnings	254,230	56,575	415,135	91,668	669,365	148,243
Other	80,412	62,863	-	-	80,412	62,863
Total Revenues	<u>13,635,021</u>	<u>12,159,060</u>	<u>27,582,500</u>	<u>25,848,428</u>	<u>41,217,521</u>	<u>38,007,488</u>
Expenses:						
Administration	1,426,861	1,051,197	-	-	1,426,861	1,051,197
Public Safety	4,559,539	3,712,319	-	-	4,559,539	3,712,319
Storm water	54,467	34,427	-	-	54,467	34,427
Planning & development	740,578	583,240	-	-	740,578	583,240
Sanitation	1,299,629	1,226,919	-	-	1,299,629	1,226,919
Parks and recreation	1,790,880	1,469,399	-	-	1,790,880	1,469,399
Streets	3,504,010	3,300,881	-	-	3,504,010	3,300,881
Interest	52,364	66,880	-	-	52,364	66,880
Waterworks	-	-	2,892,309	2,131,655	2,892,309	2,131,655
Wastewater	-	-	2,797,948	2,499,364	2,797,948	2,499,364
Electric	-	-	13,910,444	15,976,608	13,910,444	15,976,608
Total Expenses	<u>13,428,328</u>	<u>11,445,262</u>	<u>19,600,701</u>	<u>20,607,627</u>	<u>33,029,029</u>	<u>32,052,889</u>
Other sources and (uses)						
Gain of sale of capital assets	-	150,000	-	33,428	-	183,428
Transfers	1,166,070	1,059,951	(1,166,070)	(1,059,951)	-	-
Change in Net Position	1,372,763	1,923,749	6,815,729	4,214,278	8,188,492	6,138,027
Net Position, beginning	<u>72,544,332</u>	<u>70,620,583</u>	<u>62,813,221</u>	<u>58,598,943</u>	<u>135,357,553</u>	<u>129,219,526</u>
Net Position, ending	<u>\$ 73,917,095</u>	<u>\$ 72,544,332</u>	<u>\$ 69,628,950</u>	<u>\$ 62,813,221</u>	<u>\$ 143,546,045</u>	<u>\$ 135,357,553</u>

(unaudited)

Expenses and Program Revenues -Governmental Activities



Business-type activities. Business-type activities increased the City of Nixa's net position by \$6,815,729 thereby accounting for 83.23% of the total growth in the net position of the City of Nixa. This was an increase of \$2,601,451 over the prior year. Continued incremental rate increases in Waterworks and Wastewater Funds have offset rises in expense and provide additional funds for improvements totaling \$1,794,887.

Financial Analysis of the City of Nixa's Funds

As noted earlier, the City of Nixa uses fund accounting to demonstrate compliance with legal or finance-related requirements.

Governmental Funds

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

Governmental fund balance is reported in five separate categories: Nonspendable, restricted, committed, assigned, and unassigned. Nonspendable fund balance includes amounts that cannot be spent for legal or practical reasons. Examples include prepaid items and inventory.

(unaudited)

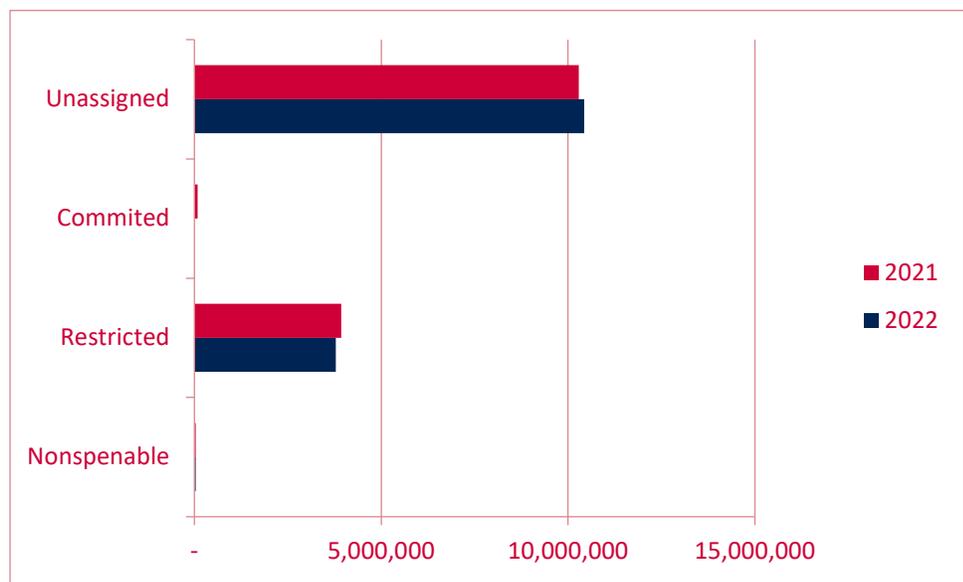
Restricted fund balance includes amounts restricted to specific purposes by external parties such as amounts restricted for specific purposes such as streets and parks.

Restricted fund balance includes amounts that have been set aside by the City of Nixa Council for a specific purpose prior to the end of the fiscal year. Unassigned fund balance includes all remaining amounts.

As of the end of the current fiscal year, the City of Nixa's governmental funds reported a combined ending fund balance of \$14,247,130 with a decrease of (\$83,413) compared to the prior fiscal year. Of the total balance, \$33,305 is Non-spendable, \$3,781,597 is restricted, and \$10,432,228 is unassigned.

The General Fund is the chief operating fund of the City of Nixa. At the end of the current fiscal year, the General Fund reported a fund balance of \$10,576,092 of which \$26,292 was nonspendable, \$117,572 restricted for stormwater, and \$10,432,228 was unassigned.

**General Fund
Components of Fund Balance
December 31, 2022, and 2021**



The fund balance of the General Fund decreased (\$ 517,247) which was down from the prior year of \$1,543,754. As compared to the prior year, the General Fund had an increase in sales tax of \$412,832, franchise tax \$160,041, park programs \$213,472 and earnings on investments of \$158,879.

Expenditures showed an increase in Administration of \$63,337 and the Police \$548,990 as compared to the prior year.

The fund balance of the Street Fund increased \$433,834 which was an increase over the prior year of \$683,061 as a result of a decrease in capital improvements of \$461,556 combined with the increase sales tax \$122,166.

(unaudited)

Proprietary Funds

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

Unrestricted net position in the City of Nixa's major proprietary funds totaled the following: (1) \$5,806,843 in the Waterworks Fund, (2) \$6,454,570 in the Wastewater Fund and (3) \$18,684,752 in the Electric Fund. The finances of these funds were discussed earlier as part of the business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

A few noteworthy revisions were made to the General Fund original expenditure budget. The original General Fund expenditure budget was forecasted at \$14,289,306 and the revised expenditure budget was increased by \$303,424 or 2.12% to \$14,592,730. Of this increase, \$47,500 was budgeted for items that did not get rolled forward from the previous year's budget. \$120,329.00 was added to the expense budget for an increase in the cost of the new vehicle lease for the Police Department as well as for a scoping study to address options for expansion of Police Department space. \$57,361 was added mid-year for the addition of a paralegal staff to the Legal Department. \$43,000 was added to participate in two regional feasibility studies: one for broadband and one for hospitality. Lastly, \$35,234 was added for the purchase of Council Chambers AV equipment due to the failure of the current equipment. Actual expenditures for the General Fund came in 13.79% under the revised expenditure budget for a savings of \$2,012,910.

No revisions were made to the General Fund original revenue budget of \$10,377,835. Actual revenue for the General Fund was \$ 10,194,366, for a decrease of (1.77)% or (\$183,469) compared to budgeted revenue.

CAPITAL ASSET AND DEBT ADMINISTRATION (net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	\$ 2,882,802	\$ 2,882,802	\$ 854,960	\$ 854,960	\$ 3,737,762	\$ 3,737,762
Buildings	6,271,906	6,525,414	2,609,884	2,324,716	8,881,790	8,850,130
Improvements	6,485,279	6,275,087	35,280,469	29,734,790	41,765,748	36,009,877
Street	40,078,778	41,141,640	-	-	40,078,778	41,141,640
Equipment	1,062,516	1,015,636	1,428,387	993,963	2,490,903	2,009,599
Vehicles	1,139,190	506,990	951,882	1,273,770	2,091,072	1,780,760
Construction- In-Progress	2,887,590	714,684	1,496,416	4,132,765	4,384,006	4,847,449
	<u>\$ 60,808,061</u>	<u>\$ 59,062,253</u>	<u>\$ 42,621,998</u>	<u>\$ 39,314,964</u>	<u>\$ 103,430,059</u>	<u>\$ 98,377,217</u>

(unaudited)

Additional information on the City of Nixa's capital assets can be found in Note D and P of the notes to the financial statements of this report.

Debt

At year-end, the City of Nixa had \$5,628,824 in outstanding notes as compared to the prior year of \$2,867,000.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenue Bonds	\$ -	\$ -	\$ 510,000	\$ 1,152,000	\$ 510,000	\$ 1,152,000
Special O. Bonds	-	-	3,085,000	-	3,085,000	-
Lease Obligations	1,714,370	1,310,000	319,454	405,000	2,033,824	1,715,000
TOTALS	\$ 1,714,370	\$ 1,310,000	\$ 3,914,454	\$ 1,557,000	\$ 5,628,824	\$ 2,867,000

Additional information on the City of Nixa's long-term debt can be found in Note E and F of the notes to the financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2023 budget for the City of Nixa indicates \$62,055,508 in expenditures, and \$47,248,432 in revenue. Expenditures are comprised of \$36,784,282 for operations, \$1,660,546 for debt retirement and \$18,784,672 for capital improvement projects. Revenue for 2023 will cover 100% of operational expenses and debt retirement. Current year revenue will provide for 39.76% of capital improvements; unassigned fund balance will cover remaining 60.24% or \$11,316,405.

General and transportation sales taxes for 2022 rose 7.1% over the previous year. With the passage of use tax in 2018, the City continues to see growth in use tax revenue reflected in an increase of 24.6% in 2022 over 2021. The budget for 2023 reflects a 2% increase over 2022 budgeted amounts in sales and a 25% increase over 2022 budgeted amounts for use taxes.

In 2022, the City of Nixa issued 190 single-family building permits along with 4 apartment building permits. In total, the City will be adding 288 new dwelling units to its housing stock. There are also 675 single-family lots that have been preliminarily platted and ready to be developed along with 168 single-family lots currently being developed. These will be ready for new home construction in 2023. There are 254 single-family lots available for new home construction in 2023.

Capital projects for 2023 are budgeted at \$18,784,672. Of this budget, \$539,719 has been appropriated for Improvements, \$375,000 for Buildings, \$885,000 for Vehicles, \$3,022,157 for Equipment, \$12,673,132 for Infrastructure and \$964,664 for Intangible Assets. A few noteworthy Projects include replacement and conversion to AMI Meters in both the Electric and Water Departments; a new regional lift station; Downtown design; a new shooting range for the Police Department; improvements to several streets including sidewalk and lighting additions as well as widening; a new inclusive playground, and storm water improvements, just to name a few.

Due to rising inflation rates, an 8.7% cost of living adjustment was budgeted for personnel as well as a 1.5% merit increase to be paid upon employees' performance evaluation scores at the date of their work anniversary. An additional Administrative Assistant position was added to the Public

(unaudited)

Works department, but all other position additions were put on hold for the 2023 budget due to the constraints of revenues not keeping pace with expenses over the last 5 years. The City asked the voters to increase the General Sales tax by ¼-cent at the April 2023 Municipal election in order to help fund the Police Department. Fortunately, this tax increase passed. At the time of this writing, the City anticipates amending the 2023 budget to add more Police Officers.

The 2023 budget reflects many of the initiatives found in the City's recently adopted 5-year Strategic Plan. In both Capital planning and program and service offerings, the City continues to strive to serve the Citizens of Nixa by being a high-performance government creating a safe community, reliable infrastructure, and sustainable economy with a vibrant atmosphere united by hometown spirit.

CONTACTING THE CITY OF NIXA'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City of Nixa's finances and to show the City of Nixa's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance's Office at 715 West Mt. Vernon, Nixa, Missouri.



Jennifer Evans, CPFO | Director of Finance
jevans@nixa.com | 417-724-5625

(unaudited)

Basic Financial Statements

CITY OF NIXA, MISSOURI

STATEMENT OF NET POSITION

DECEMBER 31, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalent	\$ 13,199,121	\$ 28,358,027	\$ 41,557,148
Receivables:			
Utility accounts, net	158,751	2,674,773	2,833,524
Property taxes, net	838,084	-	838,084
Other taxes	972,783	-	972,783
Other	2,508	-	2,508
Materials and supply inventory	-	2,481,565	2,481,565
Prepaid items	33,305	11,498	44,803
Cash and cash equivalents-restricted			
Grants	4,356,916	-	4,356,916
Capital assets:			
Land	2,882,802	854,960	3,737,762
Construction in progress	2,887,590	1,496,415	4,384,005
Other capital assets, net of accumulated depreciation	55,037,669	40,270,622	95,308,291
Net pension assets	113,442	49,067	162,509
Total Assets	80,482,971	76,196,927	156,679,898
DEFERRED OUTFLOW OF RESOURCES			
Deferred loss on refunding	-	18,186	18,186
Deferred amounts related to pensions	1,347,096	429,716	1,776,812
Total Deferred Outflows of Resources	1,347,096	447,902	1,794,998
LIABILITIES			
Accounts payable	413,236	1,539,742	1,952,978
Accrued wages and benefits	99,713	41,457	141,170
Accrued sales tax	-	29,201	29,201
Accrued interest	13,313	716	14,029
Unearned revenues	4,784,376	-	4,784,376
Deposits payable	-	1,063,291	1,063,291
Long-term liabilities:			
Amounts due within one year:			
Revenue bonds	-	775,000	775,000
Lease obligations	418,642	122,330	540,972
Compensated absences	166,966	70,270	237,236
Amounts due in more than one year:			
Revenue bonds	-	2,820,000	2,820,000
Lease obligations	1,295,728	197,124	1,492,852
Compensated absences	152,671	84,807	237,478
Total Liabilities	7,344,645	6,743,938	14,088,583
DEFERRED INFLOW OF RESOURCES			
Deferred gain on refunding, net	-	42,944	42,944
Deferred amounts related to pensions	568,327	228,997	797,324
Total Deferred Inflow of Resources	568,327	271,941	840,268
NET POSITION			
Net investment in capital assets	59,093,691	38,682,785	97,776,476
Restricted for:			
Street improvements	3,664,025	-	3,664,025
Storm water improvements	117,572	-	117,572
Unrestricted	11,041,807	30,946,165	41,987,972
Total Net Position	\$ 73,917,095	\$ 69,628,950	\$ 143,546,045

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

CITY OF NIXA, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 1,426,861	\$ -	\$ -	\$ -	\$ (1,426,861)	\$ -	\$ (1,426,861)
Public safety:							
Police	4,559,539	29,007	10,385	392,961	(4,127,186)	-	(4,127,186)
Planning	740,578	409,832	-	-	(330,746)	-	(330,746)
Sanitation	1,299,629	1,444,850	-	-	145,221	-	145,221
Park and recreation	1,790,880	1,227,457	3,265	573,236	13,078	-	13,078
Streets	3,504,010	-	-	214,162	(3,289,848)	-	(3,289,848)
Storm water	54,467	-	-	-	(54,467)	-	(54,467)
Interest on long-term debt	52,364	-	-	-	(52,364)	-	(52,364)
Total governmental activities	<u>13,428,328</u>	<u>3,111,146</u>	<u>13,650</u>	<u>1,180,359</u>	<u>(9,123,173)</u>	<u>-</u>	<u>(9,123,173)</u>
Business-type activities:							
Waterworks	2,892,309	3,653,275	-	357,544	-	1,118,510	1,118,510
Wastewater	2,797,948	3,751,558	-	250,706	-	1,204,316	1,204,316
Electric	13,910,444	19,154,282	-	-	-	5,243,838	5,243,838
Total business-type activities	<u>19,600,701</u>	<u>26,559,115</u>	<u>-</u>	<u>608,250</u>	<u>-</u>	<u>7,566,664</u>	<u>7,566,664</u>
Total Government	<u>\$ 33,029,029</u>	<u>\$ 29,670,261</u>	<u>\$ 13,650</u>	<u>\$ 1,788,609</u>	<u>(9,123,173)</u>	<u>7,566,664</u>	<u>(1,556,509)</u>
General Revenues:							
Property taxes for general purposes					1,063,275	-	1,063,275
Franchise taxes					654,263	-	654,263
Sales and use taxes					6,348,756	-	6,348,756
Missouri motor fuel taxes					928,930	-	928,930
Investment earnings					254,230	415,135	669,365
Miscellaneous					80,412	-	80,412
Transfers other					(5,695)	5,695	-
Transfer-Fee in Lieu Of					1,171,765	(1,171,765)	-
Total general revenues and transfers					<u>10,495,936</u>	<u>(750,935)</u>	<u>9,745,001</u>
Change in net position					1,372,763	6,815,729	8,188,492
Net position beginning					72,544,332	62,813,221	135,357,553
Net position ending					<u>\$ 73,917,095</u>	<u>\$ 69,628,950</u>	<u>\$ 143,546,045</u>

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

CITY OF NIXA, MISSOURI

BALANCE SHEET-
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	Street	Total
	Fund	Fund	Governmental
ASSETS			Funds
Cash and cash equivalent	\$ 9,351,364	\$ 3,847,757	\$ 13,199,121
Accounts receivable-			
Property taxes, (net)	838,084	-	838,084
Refuse (net)	158,751	-	158,751
Sales, franchise, and motor fuel taxes	720,001	252,782	972,783
Other	2,508	-	2,508
Restricted cash-grants	4,356,916	-	4,356,916
Prepaid items	26,292	7,013	33,305
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 15,453,916</u>	<u>\$ 4,107,552</u>	<u>\$ 19,561,468</u>
LIABILITIES			
Accounts payable	\$ 374,542	\$ 38,694	\$ 413,236
Accrued wages and benefits	89,910	9,803	99,713
Unearned revenues	4,396,359	388,017	4,784,376
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>4,860,811</u>	<u>436,514</u>	<u>5,297,325</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax revenue	17,013	-	17,013
	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES			
Fund Balances -			
Nonspendable	26,292	7,013	33,305
Restricted-			
Streets	-	3,664,025	3,664,025
Storm water	117,572	-	117,572
Unassigned	10,432,228	-	10,432,228
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>10,576,092</u>	<u>3,671,038</u>	<u>14,247,130</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 15,453,916</u>	<u>\$ 4,107,552</u>	<u>\$ 19,561,468</u>

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

CITY OF NIXA, MISSOURI
RECONCILIATION OF THE GOVERNMENT FUNDS
BALANCE SHEET TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2022

Total Fund Balances-Governmental Funds		\$ 14,247,130
<p>Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.</p>		
Non-depreciable assets	5,770,392	
Depreciable assets	55,037,669	60,808,061
<p>Property taxes assessed by the City, but not collected as of year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements.</p>		
		17,013
<p>Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:</p>		
Deferred outflows - pension related	1,347,096	
Pension assets	113,442	
Deferred inflows - pension related	(568,327)	892,211
<p>Interest on long-term debt is accrued as a liability in the government-wide statements but is not recognized in the government funds until due.</p>		
		(13,313)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:</p>		
Capital Lease Obligations payable	(1,714,370)	
Compensated absences	(319,637)	(2,034,007)
Net position of governmental activities		\$ 73,917,095

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

CITY OF NIXA, MISSOURI
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	General Fund	Street Fund	Total Governmental Funds
Taxes:			
Property taxes	\$ 1,066,117	\$ -	\$ 1,066,117
Franchise taxes	654,263	-	654,263
Sales and use taxes	4,517,030	1,831,726	6,348,756
Intergovernmental taxes:			
Missouri motor fuel taxes	-	928,930	928,930
State of Missouri project reimbursements	-	214,162	214,162
Licenses & permits	48,715	-	48,715
Charges for services:			
Sanitation	1,444,850	-	1,444,850
Park programs	1,226,257	-	1,226,257
Plan reviews and inspections	361,117	-	361,117
Fines & forfeitures	29,007	-	29,007
Investment earnings	201,714	52,516	254,230
Grants-			
Federal	344,885	355,855	700,740
State and local	107,282	-	107,282
Contributions	3,265	-	3,265
Rents	1,200	-	1,200
Impact fees	168,560	-	168,560
Miscellaneous	51,136	29,276	80,412
Total Revenues	<u>10,225,398</u>	<u>3,412,465</u>	<u>13,637,863</u>
EXPENDITURES			
Current:			
General government	1,322,405	-	1,322,405
Police	4,339,042	-	4,339,042
Streets	-	2,128,047	2,128,047
Planning/Economic development	696,946	40,954	737,900
Parks	1,560,425	-	1,560,425
Sanitation	1,299,629	-	1,299,629
Storm water	54,467	-	54,467
Capital outlay:			
General government	312,229	-	312,229
Police	1,528,134	-	1,528,134
Streets	-	846,171	846,171
Parks	605,941	-	605,941
Storm water	501,900	-	501,900
Debt service:			
Principal retirement	303,276	-	303,276
Interest and fiscal agent fees	55,426	-	55,426
Total Expenditures	<u>12,579,820</u>	<u>3,015,172</u>	<u>15,594,992</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	<u>(2,354,422)</u>	<u>397,293</u>	<u>(1,957,129)</u>
OTHER FINANCING SOURCES (USES)			
Lease proceeds	707,646	-	707,646
Transfer (out)	(42,236)	-	(42,236)
Transfer in	-	36,541	36,541
Transfer in-Fee in Lieu of Taxes	1,171,765	-	1,171,765
Total Other Financing Sources (Uses)	<u>1,837,175</u>	<u>36,541</u>	<u>1,873,716</u>
NET CHANGE IN FUND BALANCES	(517,247)	433,834	(83,413)
FUND BALANCES - BEGINNING	<u>11,093,339</u>	<u>3,237,204</u>	<u>14,330,543</u>
FUND BALANCES- ENDING	<u>\$ 10,576,092</u>	<u>\$ 3,671,038</u>	<u>\$ 14,247,130</u>

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

CITY OF NIXA, MISSOURI
 RECONCILIATION OF STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Amounts reported for *governmental activities* in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	(83,413)
--	----	----------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays	3,794,375	
Depreciation expense	(2,012,294)	
Basis of assets retired	<u>(36,273)</u>	
		1,745,808

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the same statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position

Lease obligations	(707,646)	
Principal payments	303,276	
Change in accrued interest payable	<u>3,062</u>	
		(401,308)

Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. In the statement of activities, however, which is presented on the accrual basis, revenues are reported regardless of when financial resources are available. This is the net adjustment to property tax revenue in converting to the full accrual basis.

(2,842)

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	(15,042)	
Change in LAGERS net pension obligation	<u>129,560</u>	
		<u>114,518</u>

Change in net position of governmental activities	\$	<u><u>1,372,763</u></u>
---	----	-------------------------

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

CITY OF NIXA, MISSOURI

STATEMENT OF NET POSITION-
 PROPRIETARY FUNDS
DECEMBER 31, 2022

	Business-type Activities			Total Enterprise Funds
	Waterworks Fund	Wastewater Fund	Electric Fund	
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalent	\$ 5,406,919	\$ 6,080,360	\$ 16,870,748	\$ 28,358,027
Utility accounts receivable, net	387,717	465,692	1,821,364	2,674,773
Material and supplies inventory	538,530	-	1,943,035	2,481,565
Prepaid items	2,165	3,747	5,586	11,498
Total Current Assets	<u>6,335,331</u>	<u>6,549,799</u>	<u>20,640,733</u>	<u>33,525,863</u>
Capital assets:				
Land	116,751	149,255	588,954	854,960
Construction in progress	267,116	95,546	1,133,753	1,496,415
Property, plant and equipment (Net of accumulated depreciation)	12,247,773	16,208,797	11,814,052	40,270,622
Net pension assets	8,095	11,129	29,843	49,067
Total Noncurrent Assets	<u>12,639,735</u>	<u>16,464,727</u>	<u>13,566,602</u>	<u>42,671,064</u>
 Total Assets	 <u>18,975,066</u>	 <u>23,014,526</u>	 <u>34,207,335</u>	 <u>76,196,927</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>				
Deferred loss on refunding, net	4,297	13,889	-	18,186
Deferred amounts related to pension	72,379	90,506	266,831	429,716
Total Deferred Outflows of Resources	<u>76,676</u>	<u>104,395</u>	<u>266,831</u>	<u>447,902</u>
 <u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	290,861	107,048	1,141,833	1,539,742
Accrued wages and benefits	12,748	9,416	19,293	41,457
Accrued sales tax	9,881	-	19,320	29,201
Accrued interest	75	641	-	716
Deposits payable	212,230	-	851,061	1,063,291
Debt due within one year:				
Compensated absences	15,990	16,281	37,999	70,270
Revenue bonds payable	305,000	470,000	-	775,000
Capital lease obligation	-	122,330	-	122,330
Total Current Liabilities	<u>846,785</u>	<u>725,716</u>	<u>2,069,506</u>	<u>3,642,007</u>
Noncurrent liabilities:				
Compensated absences	29,397	11,539	43,871	84,807
Revenue bonds payable	2,820,000	-	-	2,820,000
Capital lease obligation	-	197,124	-	197,124
Total Noncurrent Liabilities	<u>2,849,397</u>	<u>208,663</u>	<u>43,871</u>	<u>3,101,931</u>
Total Liabilities	<u>3,696,182</u>	<u>934,379</u>	<u>2,113,377</u>	<u>6,743,938</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>				
Deferred gain on refunding, net	-	42,944	-	42,944
Deferred amounts related to pensions	37,780	51,939	139,278	228,997
Total Deferred Inflows of Resources	<u>37,780</u>	<u>94,883</u>	<u>139,278</u>	<u>271,941</u>
 <u>NET POSITION</u>				
Net investment in capital assets	9,510,937	15,635,089	13,536,759	38,682,785
Unrestricted	5,806,843	6,454,570	18,684,752	30,946,165
Total Net Position	<u>\$ 15,317,780</u>	<u>\$ 22,089,659</u>	<u>\$ 32,221,511</u>	<u>\$ 69,628,950</u>

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

CITY OF NIXA, MISSOURI
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities			Total Enterprise Funds
	Waterworks Fund	Wastewater Fund	Electric Fund	
OPERATING REVENUES:				
Charges for services	\$ 3,490,463	\$ 3,560,047	\$ 19,064,378	\$ 26,114,888
Recycling charges	-	175,756	-	175,756
Hookups, permits, and reconnect fees	17,900	-	12,925	30,825
Miscellaneous income	5,432	15,755	76,979	98,166
Tower lease	139,480	-	-	139,480
Total Operating Revenues	<u>3,653,275</u>	<u>3,751,558</u>	<u>19,154,282</u>	<u>26,559,115</u>
OPERATING EXPENSES:				
Administrative fee to General Fund	386,049	316,590	363,613	1,066,252
Chemicals	19,481	54,072	-	73,553
Computer supplies and expense	32,970	15,165	19,724	67,859
Contract labor	-	-	45,967	45,967
Depreciation	350,712	891,994	669,790	1,912,496
Dues and licenses	36,761	20,433	42,608	99,802
Economic development	11,000	11,000	11,000	33,000
Electricity purchased	-	-	9,399,280	9,399,280
Emergency management	-	-	3,996	3,996
Employee insurance	144,174	102,468	163,587	410,229
Employee retirement	86,986	53,622	142,721	283,329
Gasoline and diesel	29,838	33,985	34,856	98,679
Insurance	47,797	79,269	86,543	213,609
Merchant card fees	164,431	-	-	164,431
Miscellaneous	6,656	25,826	8,969	41,451
Office supplies and postage	84,847	1,481	2,200	88,528
Payroll taxes	49,252	34,462	89,287	173,001
Professional fees	104,792	23,187	77,464	205,443
Repairs & maintenance	409,962	320,780	238,700	969,442
Recycle expense	-	204,426	-	204,426
Safety program	1,185	2,572	15,504	19,261
Salaries	706,440	478,871	1,235,564	2,420,875
Supplies	124,013	36,455	816,271	976,739
Telephone	8,399	3,062	7,670	19,131
Tests and permits	7,638	11,691	1,366	20,695
Training	12,101	13,702	37,074	62,877
Tree trimming	565	-	350,300	350,865
Utilities	6,218	15,168	5,402	26,788
Uniforms	4,733	3,341	16,297	24,371
Vehicle expense	6,019	13,305	24,691	44,015
Total Operating Expenses	<u>2,843,019</u>	<u>2,766,927</u>	<u>13,910,444</u>	<u>19,520,390</u>
OPERATING INCOME	<u>810,256</u>	<u>984,631</u>	<u>5,243,838</u>	<u>7,038,725</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment earnings	74,338	96,436	244,361	415,135
Interest expense and agent fees	(49,290)	(31,021)	-	(80,311)
Total Non-operating Revenues (Expenses)	<u>25,048</u>	<u>65,415</u>	<u>244,361</u>	<u>334,824</u>
INCOME BEFORE TRANSFERS AND IMPACT FEES	835,304	1,050,046	5,488,199	7,373,549
TRANSFERS AND IMPACT FEES				
Transfer (out) expense reimbursements	(9,285)	(152,863)	(330,922)	(493,070)
Transfer (out)-Fee in Lieu of Taxes to General Fund	(183,309)	-	(988,456)	(1,171,765)
Transfers in expense reimbursements	498,765	-	-	498,765
State of Missouri project reimbursement	357,544	-	-	357,544
Impact fees	-	250,706	-	250,706
CHANGE IN NET POSITION	1,499,019	1,147,889	4,168,821	6,815,729
TOTAL NET POSITION - BEGINNING	<u>13,818,761</u>	<u>20,941,770</u>	<u>28,052,690</u>	<u>62,813,221</u>
TOTAL NET POSITION - ENDING	<u>\$ 15,317,780</u>	<u>\$ 22,089,659</u>	<u>\$ 32,221,511</u>	<u>\$ 69,628,950</u>

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

CITY OF NIXA, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities			Total Enterprise Funds
	Waterworks Fund	Wastewater Fund	Electric Fund	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 3,453,214	\$ 3,709,194	\$ 19,221,533	\$ 26,383,941
Payments to suppliers	(1,644,354)	(1,098,000)	(11,925,764)	(14,668,118)
Payments to employees	(969,026)	(672,692)	(1,654,620)	(3,296,338)
Tower lease	139,480	-	-	139,480
Net Cash Provided by Operating Activities	979,314	1,938,502	5,641,149	8,558,965
CASH FLOWS FROM NONCAPITAL ACTIVITIES:				
Transfer in	498,765	-	-	498,765
Transfer (out)	(9,285)	(152,863)	(330,922)	(493,070)
Transfer (out)-Fee in Lieu of Taxes	(183,309)	-	(988,456)	(1,171,765)
Net Cash Provided by (Used for) Noncapital Activities	306,171	(152,863)	(1,319,378)	(1,166,070)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Impact fees	-	250,706	-	250,706
Refund from State of Missouri	357,544	-	-	357,544
Debt proceeds	3,085,000	31,790	-	3,116,790
Payments for capital acquisitions	(3,341,501)	(963,379)	(914,649)	(5,219,529)
Principal Repayments	(130,000)	(629,336)	-	(759,336)
Interest paid	(44,994)	(40,705)	-	(85,699)
Net Cash (Used for) Capital and Related Financing Activities	(73,951)	(1,350,924)	(914,649)	(2,339,524)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	74,338	96,436	244,361	415,135
Net Cash Provided by Investing Activities	74,338	96,436	244,361	415,135
NET CASH INCREASE FOR THE YEAR	1,285,872	531,151	3,651,483	5,468,506
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,121,047	5,549,209	13,219,265	22,889,521
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 5,406,919	\$ 6,080,360	\$ 16,870,748	\$ 28,358,027
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION				
Cash and cash equivalents	\$ 5,406,919	\$ 6,080,360	\$ 16,870,748	\$ 28,358,027
Total Cash and Cash Equivalents	\$ 5,406,919	\$ 6,080,360	\$ 16,870,748	\$ 28,358,027
Reconciliation of operating income to net cash provided by operating activities:				
Operating Income	\$ 810,256	\$ 984,631	\$ 5,243,838	\$ 7,038,725
Adjustments to reconcile net operating income to net cash provided by operating activities:				
Depreciation	350,712	891,994	669,790	1,912,496
(Increase) Decrease in accounts receivable	(81,514)	(42,364)	(50,530)	(174,408)
(Increase) Decrease in inventories	(429,742)	-	(492,082)	(921,824)
(Increase) Decrease in prepaid items	226	701	671	1,598
Increase (Decrease) in accounts payable	290,861	107,048	175,142	573,051
Increase (Decrease) in accrued wages	8,673	2,180	2,451	13,304
Increase (Decrease) in sales tax	3,910	-	(1,980)	1,930
Increase (Decrease) in accrued interest	(244)	(239)	-	(483)
Increase (Decrease) in pensions related amounts	(11,390)	(5,491)	(39,927)	(56,808)
Increase (Decrease) in customer deposits	17,023	-	119,761	136,784
Increase (Decrease) in compensated absences	20,543	42	14,015	34,600
Net Cash Provided by Operating Activities	\$ 979,314	\$ 1,938,502	\$ 5,641,149	\$ 8,558,965

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

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Nixa, Missouri (the "City") was formally established as the Village of Nixa in 1902 and currently covers 8.97 square miles in Christian County, Missouri. The City now operates under the Home Rule Charter form of government. The City Administrator is the chief administrative officer of the City who is responsible for the day-to-day operations of the City. The City provides services to approximately 21,980 residents in many areas, including law enforcement, engineering, streets, electric, waterworks, wastewater, parks and recreation and general administrative services.

The financial statements of the City were prepared in accordance with accounting principles generally accepted in the United States of America for governmental entities (U.S. GAAP). The following summary of the more significant policies of the City is presented to assist the reader in interpreting these financial statements and should be viewed as an integral part of this report.

THE REPORTING ENTITY

Entity status for financial reporting purposes is governed by Governmental Accounting Standards Board (GASB). The GASB is the standard-setting body for the establishment of GAAP in governmental entities. The financial statements of the City present the financial activities of the City and any component units. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board or because the component unit will provide a financial benefit or impose a financial burden on the City. The City does not have any component units.

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 activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund but distinguish between the City's governmental activities and business-type activities. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund financial statements. Separate financial statements are provided for governmental funds and proprietary funds. Separate columns are presented for each major governmental fund and for each major enterprise fund. Non-major funds are aggregated and presented in a single column labeled "Nonmajor Governmental Funds."

Governmental Fund Types: Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (other than those in proprietary funds) are accounted for through governmental funds. The following are the City's major governmental funds:

General Fund – The General Fund is the government's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Street Fund – This fund is used exclusively for the revenues of and expenses from the operations, maintenance, and improvements of City streets. This fund includes the Missouri Motor Fuel taxes, ½ cent sales tax and Christian County sales tax for streets.

Proprietary Fund Types: Proprietary funds are used to account for the City's ongoing activities that are similar to those often found in the private sector. The following are the City's major proprietary funds:

Waterworks Fund – Accounts for the provision of waterworks services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Wastewater Fund – Accounts for the provision of wastewater services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Electrical Fund— Accounts for the provision of electric services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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 recognized at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, sales tax, intergovernmental taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. General revenues include all taxes.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

ASSETS, LIABILITIES AND NET POSITION/FUND BALANCE

Cash and Cash Equivalents

The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash account is available to meet current operating requirements.

Cash balances from the majority of funds recorded as restricted accounts are pooled for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pools are managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts, and therefore all balances representing participants' equity in the investment pools are classified as cash equivalents for purposes of these statements. For investments which are held separately from the pools, those which are highly liquid (including restricted assets) with an original or remaining maturity of 90 days or less when purchased are considered to be cash equivalents.

Statement of Cash Flows

For cash flow statement purposes, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments

Missouri State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. Investments are stated at fair value.

Interfund activity

Transactions among the City funds that would be treated as revenues and expenditures or expense if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund activity-continued

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective fund's operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

The City has the following types of interfund activity:

Cost Reimbursements-amounts provided for by the General Fund and reimbursed by the Street Fund and Proprietary Funds.

Transfers-flows of assets (such as cash) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfer and as other financing sources in the funds receiving transfers.

Accounts Receivable and Allowances

All receivables were stated at gross because the amounts were collected within the following 30 days except for property taxes, refuse, electric, waterworks and wastewater utilities receivable which are net of allowances of \$17,104 property taxes, \$29,002 refuse, \$417,997 electric, \$84,336 waterworks and \$145,927 for wastewater. Utility receivables also includes an estimate for services rendered but not yet billed as of the close of the fiscal year.

Inventories

Inventories for the Waterworks and Electric Funds consist of consumable supplies used for emergency repairs and replacements and are stated at cost, using the first-in/first-out (FIFO) method.

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expense when consumed rather than when purchased.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted assets

Certain General Fund monies are classified as restricted assets on the Statement of Net Position and Balance Sheet because the City has received grant monies but have not been expended in accordance with the grant agreement.

Capital Assets and Depreciation

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, 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 City as assets with an initial 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 estimated 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 assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. The estimated useful lives for each major class of depreciable capital assets are as follows:

Buildings	7-40 years
Site improvements	7-55 years
Streets	20-40 years
Furniture and equipment	7-20 years
Vehicles	5-10 years

Deferred Outflows of Resources/Loss on Refunded Debt

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At this time, the City has two items that meet the definition of deferred outflows of resources. One is the deferred charge on refunding reported in the government-wide statement of net position and the statement of net position for proprietary funds. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the amount related to pension outflows as per GASB 68.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources/Unavailable Revenue/Gain on Refunded Debt

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. In the Governmental Funds the item reported as a deferred inflow of resources arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

At this time, the City has two items that meet the definition of deferred inflows of resources. It is the deferred gain on refunding reported in the government-wide statement of net position and the statement of net position for proprietary funds. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pension inflows as per GASB 68.

Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U. S. Internal Revenue Code, the City must rebate to the United State Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. Arbitrage rebate, if any, is due and payable on each five-year anniversary of the respective debt issue. As of December 31, 2022, the City had no outstanding arbitrage rebate liability.

Vacation, sick leave, and other compensated absences

City employees are entitled to certain compensated absences based on their length of employment. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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 the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. 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.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term Debt

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt is reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, and losses on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed during the current period.

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

Fund Balances-Governmental Funds

As of December 31, 2022, fund balances of the governmental funds are classified as follows:

Non-spendable-This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted-This classification includes amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed-This classification includes amounts that can be used only for specific purposes determined by a formal action by the City Council. Such formal action may be in the form of an ordinance and may only be modified or rescinded by a subsequent formal action.

Assigned-This classification includes amounts that are intended by the City to be used for a specific purpose but are neither restricted nor committed. Assignments may be made only by the government body or official.

Unassigned-This classification represents the residual positive balance within the General Fund, which has not been restricted, committed, or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances-Governmental Funds-continued

available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assigned actions.

The fund balance of the City's General Fund and Street Fund have been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. Currently the General Fund has set aside \$3,255,132 and the Street Fund \$509,538. The Park Department has set aside \$1,163,005 for future repairs to the park pool, community center, and replacement of fitness equipment.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Use of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent January 1, of the following year. Valuation for 2022 was \$339,125,320 with the levy set at \$0.2990 for General Fund purposes only.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition - Sales Tax authorizations

Sales tax authorizations consist of a one-cent general sales recorded in the General Fund (\$3,663,450) a use tax of (\$853,580), one-half cent transportation sales tax to be used for street purposes in the Street Fund (\$1,831,726).

Fee in Lieu of Taxes

The Waterworks and Electric Funds make an annual payment in lieu of taxes to the General Fund, which is based on a percentage of sales of utilities. That payment is reflected as a transfer on the statement of revenues, expenditures, and changes in net position.

Interest Earned on SRF Bond Reserves

On the debt issues funded under the State Revolving Funds the City earns interest on reserve accounts established by the Federal Government and State of Missouri which is applied to reduce the required interest payments for the City. The 2001C at year end had \$647,500 set aside in reserves.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of expenditures over appropriations

For the year ended December 31, 2022, expenditures did not exceed appropriations in any fund.

Debt restrictions

General obligation debt

Article VI, Sections 26 (b) and (c), Constitution of Missouri, limits the outstanding amount of authorized general obligation debt of a City to 20 percent of the assessed valuation of taxable tangible property as shown by the last completed assessment for state or county purposes. Authorization for debt issuance requires four-sevenths at the general municipal election day, primary or general elections and two-thirds at all other elections, vote of the qualified electors thereof. The City on December 31, 2022, had no outstanding general obligation debt.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

DETAILED NOTES ON ALL FUNDS

NOTE B – DEPOSITS AND INVESTMENTS

Deposits Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of December 31, 2022, all of the City's checking accounts, money markets, and short-term certificates of deposits were entirely secured or collateralized with securities held by the City or by its agent in the City's name. For the year ended the City did not have any accounts that would qualify as investments.

Investment Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does have a written investment policy covering credit risk.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's policy is to limit the length of investments to meet cash flow requirements for ongoing operations, thereby avoiding the need to sell securities before maturity.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City policy is to invest in only those instruments approved by the State of Missouri which have minimal risk.

Custodial Credit Risk is the risk that in the event of a broker/agent failure, securities that are uninsured and not registered in the name of the City and are held by either the counterparty to the transaction or the counterparty's trust department or agent but not in the government's name will not be returned to the City. The City does have a written investment policy on custodial credit risk in which all investments are either insured or registered in the City's name and held by the City's agent.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE C – RESTRICTED ASSETS

For December 31, 2022, restricted cash accounts were as follows:

GENERAL FUND	Actual Cash
ARPA grant funds	\$ 4,356,916

NOTE D – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2022, was as follows:

Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 2,882,802		\$ -	\$ 2,882,802
Construction in progress	714,685	2,628,050	455,145	2,887,590
Total capital assets not being depreciated	3,597,487	2,628,050	455,145	5,770,392
Capital assets, being depreciated:				
Buildings	11,722,252	42,764	-	11,765,016
Improvements	7,685,945	457,152		8,143,097
Streets	64,612,785	-		64,612,785
Equipment	3,043,545	261,951	542,293	2,763,203
Vehicles	1,877,859	859,603	52,182	2,685,280
Total capital assets being depreciated	88,942,386	1,621,470	594,475	89,969,381
Less: Accumulated depreciation for:				
Buildings	5,196,838	296,272		5,493,110
Improvements	1,410,858	246,960		1,657,818
Streets	23,471,145	1,062,862		24,534,007
Equipment	2,027,909	178,796	506,018	1,700,687
Vehicles	1,370,869	227,403	52,182	1,546,090
Total accumulated depreciation	33,477,619	2,012,293	558,200	34,931,712
Total capital assets being depreciated, net	55,464,767	(390,823)	36,275	55,037,669
Governmental activities capital assets, net	\$ 59,062,254	\$ 2,237,227	\$ 491,420	\$ 60,808,061

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Depreciation expense was charged to functions of the government activities as follows:

Governmental Activities:

General government	\$ 177,842
Police	178,359
Planning and development	19,058
Streets	1,396,419
Parks	240,615
	<u>\$ 2,012,293</u>

Business Type Activities:

WATERWORKS FUND

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 116,751	\$ -	\$ -	\$ 116,751
Construction in progress	1,409,574	591,502	1,733,960	267,116
Total capital assets not being depreciated	<u>\$ 1,526,325</u>	<u>\$ 591,502</u>	<u>\$ 1,733,960</u>	<u>\$ 383,867</u>
Capital assets being depreciated:				
Buildings	\$ 468,034	\$ 407,672	\$ -	\$ 875,706
Plant	11,919,905	4,076,287	-	15,996,192
Equipment	372,675	-	9,632	363,043
Vehicles	352,246	-	10,546	341,700
Total capital assets being depreciated	<u>13,112,860</u>	<u>4,483,959</u>	<u>20,178</u>	<u>17,576,641</u>
Less-Accumulated depreciation for:				
Buildings	188,067	12,440	-	200,507
Plant	4,378,743	285,311	-	4,664,054
Equipment	147,892	23,548	9,632	161,808
Vehicles	283,632	29,413	10,546	302,499
Total accumulated depreciation	<u>4,998,334</u>	<u>350,712</u>	<u>20,178</u>	<u>5,328,868</u>
Total capital assets being depreciated, net	<u>\$ 8,114,526</u>			<u>\$ 12,247,773</u>
Business-type activities capital assets, net	<u>\$ 9,640,851</u>			<u>\$ 12,631,640</u>

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business-type Activities:

	WASTEWATER FUND			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 149,255	\$ -	\$ -	\$ 149,255
Construction in progress	884,541	454,377	1,243,372	95,546
Total capital assets not being depreciated	\$ 1,033,796	\$ 454,377	\$ 1,243,372	\$ 244,801
Capital assets being depreciated:				
Buildings	\$ 1,724,187	\$ -	\$ -	\$ 1,724,187
Plant	23,627,729	1,021,340	-	24,649,069
Equipment	811,230	639,549	56,248	1,394,531
Vehicles	1,343,972	95,087	28,530	1,410,529
Total capital assets being depreciated	27,507,118	1,755,976	84,778	29,178,316
Less- Accumulated depreciation for:				
Buildings	652,059	46,800	-	698,859
Plant	10,276,509	615,613	-	10,892,122
Equipment	319,179	86,240	20,853	384,566
Vehicles	881,811	140,691	28,530	993,972
Total accumulated depreciation	12,129,558	889,344	49,383	12,969,519
Total capital assets being depreciated, net	\$ 15,377,560			\$ 16,208,797
Business-type activities capital assets, net	\$ 16,411,356			\$ 16,453,598

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business Type Activities:

	ELECTRIC FUND			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 588,954	\$ -	\$ -	\$ 588,954
Construction in progress	1,838,650	910,260	1,615,157	1,133,753
Total capital assets not being depreciated	<u>\$ 2,427,604</u>	<u>\$ 910,260</u>	<u>\$ 1,615,157</u>	<u>\$ 1,722,707</u>
Capital assets being depreciated:				
Buildings	\$ 1,298,235	\$ 4,821	\$ -	\$ 1,303,056
Plant	17,224,366	1,615,157	-	18,839,523
Equipment	700,017	-	31,733	668,284
Vehicles	1,671,899	-	188,762	1,483,137
Total capital assets being depreciated	<u>20,894,517</u>	<u>1,619,978</u>	<u>220,495</u>	<u>22,294,000</u>
Less- Accumulated depreciation for:				
Buildings	359,883	33,816	-	393,699
Plant	8,182,157	465,981	-	8,648,138
Equipment	444,544	40,113	33,560	451,097
Vehicles	1,043,637	129,880	186,503	987,014
	<u>10,030,221</u>	<u>669,790</u>	<u>220,063</u>	<u>10,479,948</u>
Total capital assets being depreciated, net	<u>\$ 10,864,296</u>			<u>\$ 11,814,052</u>
Business-type activities capital assets, net	<u>\$ 13,291,900</u>			<u>\$ 13,536,759</u>

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business-type Activities:

	TOTAL BUSINESS-TYPE ACTIVITIES			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 854,960	\$ -	\$ -	\$ 854,960
Construction in progress	4,132,765	1,956,139	4,592,488	1,496,416
Total capital assets not being depreciated	\$ 4,987,725	\$ 1,956,139	\$ 4,592,488	\$ 2,351,376
Capital assets being depreciated:				
Buildings	\$ 3,490,456	\$ 412,493	\$ -	\$ 3,902,949
Plant	52,772,000	6,712,785	-	59,484,785
Equipment	1,879,377	639,549	97,613	2,421,313
Vehicles	3,340,871	126,877	227,838	3,239,910
Total capital assets being depreciated	61,482,704	7,891,704	325,451	69,048,957
Less- Accumulated depreciation for:				
Buildings	1,200,009	93,056	-	1,293,065
Plant	22,837,411	1,366,905	-	24,204,316
Equipment	911,615	149,901	64,045	997,471
Vehicles	2,209,078	299,984	225,579	2,283,483
	27,158,113	1,909,846	289,624	28,778,335
Total capital assets being depreciated, net	\$ 34,324,591			\$ 40,270,622
Business-type activities capital assets, net	\$ 39,312,316			\$ 42,621,998

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT

Business-type activities

The following is a summary of debt transactions of the City for the year ended December 31, 2022, as it relates to the business type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Revenue Bonds	\$ 1,152,000	\$ -	\$ 642,000	\$ 510,000	\$ 510,000
Special Obligation Bonds	-	3,085,000	-	3,085,000	265,000
Lease Obligations	405,000	31,790	117,336	319,454	122,330
Compensated absences	120,478	124,456	89,857	155,077	70,270
Business-type activity long-term liabilities	<u>\$ 1,677,478</u>	<u>\$ 3,241,246</u>	<u>\$ 849,193</u>	<u>\$ 4,069,531</u>	<u>\$ 967,600</u>

As reported on the financial statement:

Amount due within one year:

Revenue bonds, Special Obligation bonds, and capital lease obligations	\$ 897,330
Compensated absences	70,270
Total within one year	<u>967,600</u>

Amount due in more than one year:

Special obligation bonds	2,820,000
Capital Lease Obligations	197,124
Compensated absences	84,807
Total in more than one year	<u>3,101,931</u>
Total long-term liabilities	<u>\$ 4,069,531</u>

The bond ordinances require that the City establish rates and charges for its electric, waterworks and wastewater services, such that the revenues derived from the electric, waterworks and wastewater system are sufficient to provide for the payment of principal and interest on the revenue bonds and for the operation and maintenance of the electric, waterworks and wastewater system.

For the proprietary funds, the liability for compensated absences is generally liquidated by the fund that generated the liability.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT (Continued)

The Proprietary Funds long-term debt as of December 31, 2022, follows:

Waterworks Fund

\$ 1,780,000, 2013 Series, Combined Waterworks and Sewerage System Revenue Refunding Revenue Bonds due in annual installments at 2.00%-2.250% interest, matures June 1, 2023	\$ 40,000
--	-----------

\$ 3,085,000, Special Obligation Bond, issued for capital improvements to the waterworks, principal due in annual installments June 1, in payments ranging \$ 265,000 to \$ 355,000 and interest payments in semiannual payments at 3.86%. Matures June 1, 2032	3,085,000
---	-----------

Total Waterworks Fund	3,125,000
-----------------------	-----------

Wastewater Fund

\$ 7,500,000, 2001 Series, Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) due in monthly installments at 3.00%-5.375% interest, matures July 1, 2023.	470,000
---	---------

Total Wastewater Fund	470,000
-----------------------	---------

Total Business-type debt revenue bonds	\$ 3,595,000
--	--------------

Year Ending December 31,	Principal	Interest	Total
2023	\$ 775,000	\$ 137,917	\$ 912,917
2024	280,000	103,448	383,448
2025	285,000	92,544	377,544
2026	295,000	81,350	376,350
2027	300,000	69,866	369,866
2028-2032	1,660,000	106,537	1,766,537
	\$ 3,595,000	\$ 591,662	\$ 4,186,662

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT (Continued)

The annual requirements to amortize bonded debt as of December 31, 2022, follow:

Governmental activities

The following is a summary of debt transactions of the City for the year ended December 31, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Capital Lease Obligation	\$ 1,310,000	\$ 707,646	\$ 303,276	\$ 1,714,370	\$ 418,642
Compensated absences	304,595	266,931	251,889	319,637	166,966
Government activity long-term liabilities	<u>\$ 1,614,595</u>	<u>\$ 974,577</u>	<u>\$ 555,165</u>	<u>\$ 2,034,007</u>	<u>\$ 585,608</u>

As reported on the financial statement:

Amount due within one year:	
General obligation bonds and capital lease	\$ 418,642
Compensated absences	166,966
Total due within one year	<u>585,608</u>
Amount due in more than one year:	
Capital Lease Obligations	1,295,728
Compensated absences	152,671
Total due in more than one year	<u>1,448,399</u>
Total long-term liabilities	<u>\$ 2,034,007</u>

For governmental activities, liability for compensated absences is generally liquidated by the General Fund and Street Fund.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE F – CAPITALIZED LEASE OBLIGATION

Governmental Activities

On April 28, 2015, the City entered into a refunding leasehold revenue bonds for the purpose of refunding the 2006 refunding issue. The original debt had been for expansion of City Hall and had been capitalized at cost in the Governmental Activities for the original amount of \$4,205,000 with accumulated depreciation to date of \$630,750. Issue matures August 1, 2026.

\$ 1,065,000

Beginning August 2022, the City entered into a lease agreement for purchase of 12 police vehicles for a total of \$ 707,646 with a four year payback with payments and interest rate varying between vehicles. Accumulated depreciation to date is \$ 44,228. Issue will mature 2026.

\$ 649,370

Although the agreement provides for cancellation clauses each year, generally accepted accounting standards address the legal restriction imposed, and for financial statement presentation, requires the lease to be accounted for as a capital lease.

On December 31, 2022, future minimum lease payments by year and the present value of future minimum capital lease payments were as follows:

Year Ending	City Hall	Police
<u>December 31,</u>	<u>City Hall</u>	<u>Police</u>
<u>2023</u>	<u>\$ 286,950</u>	<u>\$ 202,091</u>
2024	284,300	202,090
2025	283,250	202,090
<u>2026</u>	<u>279,125</u>	<u>126,881</u>
Total minimum lease payment	1,133,625	733,152
Less: amount representing interest	<u>(68,625)</u>	<u>(83,782)</u>
Present value of future minimum lease payment	<u><u>\$ 1,065,000</u></u>	<u><u>\$ 649,370</u></u>

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE F – CAPITALIZED LEASE OBLIGATION (Continued)

Business-type Activities

Wastewater Fund

On March 1, 2013, the City entered into a cancelable lease for the refunding 2006 lease for extension of the wastewater system. Although the agreement provides for cancellation clauses each year, generally accepted accounting standards addresses the legal restriction imposed, and for financial statement presentation, requires the lease to be accounted for as a capital lease. Matures June 1, 2025.

\$ 290,000

Beginning August 2022, the City entered into a lease agreement for purchase of 1 vehicle for a total of \$ 31,790 with a four year. payback with monthly payments of \$ 756.98 at 6.710% interest rate. Accumulated depreciation to date is \$ 2,649. Issue will mature 2026.

29,454

Total

\$ 319,454

On December 31, 2022, future minimum lease payments by year and the present value of future minimum capital lease payments were as follows:

Year Ending December 31,	Total
2023	\$ 130,334
2024	132,245
2025	64,840
2026	6,056
Total minimum lease payment	333,475
Less: amount representing interest	(14,021)
Present value of future minimum lease payment	\$ 319,454

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE G – OBLIGATION TO PURCHASE ELECTRIC POWER

The City has four electric purchase contracts for its electric energy and transmission.

Under contract DE-PM75-88SW00172, dated June 6, 1988, and subsequently amended, the City purchases 5,300 kilowatts (kw) of hydro-power from Southwest Power Administration (SWPA). The City currently pays \$4.50 per kw for this electric power.

In addition to the above agreement, the City entered into a power purchase agreement with Nixa Solar, LLC and began receiving solar energy in November 2019. Total annual power from this contract is anticipated to be approximately 15,000,000 kilowatt hours of energy through 2043.

The City entered into a new 10-year purchase agreement with Evergy Kansas Central to cover all energy needs required above that which SWPA and Nixa Solar provide. The City's 2022 peak electric demand was 50.1 Megawatts of electricity. Beginning December 1, 2021, the City entered into capacity agreements with Evergy Kansas Central for 30 MW of power from Dogwood Energy and 15 MW from GRDA. At the same time, a 10 MW capacity agreement for wind power was activated with Nextera Energy to increase our percentage of renewable power.

Transmission for energy continues to be provided by Southwest Power Pool (SPP) under a network service contract. Services by SPP began June 2019.

NOTE H – RISK MANAGEMENT

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. The City maintains commercial insurance coverage for property damage and various Missouri Official's bonds. Management believes coverage is sufficient to preclude any significant uninsured losses to the City.

On December 31, 2022, the City maintained commercial insurance coverage for building and contents and employee theft. In the past three years the City had no losses that exceeded commercial insurance coverage.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE I – DEFINED BENEFIT PENSION PLAN

The City of Nixa participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee retirement plan for units of local government which is legally separate and fiscally independent of the State of Missouri. The retirement system covers all full-time City employees.

Plan description

The City of Nixa's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City of Nixa participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401 (a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)

	2022 Valuation
Benefit Multiplier:	2.00%
Final Average Salary:	5 years
Member Contributions:	0.00%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees covered by benefit terms

On June 30, 2022, the following employees were covered by the benefits terms:

Inactive employees or beneficiaries currently receiving benefits	68
Inactive employees entitled to but not yet receiving benefits	72
Active employees	135
Total	275

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Employer's contribution rates are 11.4 % General and 10.5% Police of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2022.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions

The total pension liability in the February 28, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation: 2.25% price inflation
Salary increase	2.75% to 6.75% including wage inflation
Investment rate of return	7.00% net of investment expenses

Mortality rates were based on the healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the Pubg-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	39.00%	4.16%
Fixed Income	28.00%	1.05%
Real Assets	33.00%	2.09%

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE I –DEFINED BENEFIT PENSION PLAN (Continued)

Discount rate

The discount rate used to measure the total pension liability is 7.0%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at 6/30/2021	\$ 23,761,553	\$ 26,322,736	\$ (2,561,183)
Changes for the year:			
Service Cost	808,574	-	808,574
Interest	1,665,453	-	1,665,453
Difference between expected and actual experience	749,030	-	749,030
Changes in assumptions	361,733	-	361,733
Contribution - employer	-	1,000,357	(1,000,357)
Contribution - employee	-	168,804	(168,804)
Net investment income	-	24,013	(24,013)
Benefit payments, including refunds	(746,250)	(746,250)	-
Administrative expense	-	(25,086)	25,086
Other changes	-	18,028	(18,028)
Net changes	2,838,540	439,866	2,398,674
Balances at 6/30/2022	\$ 26,600,093	\$ 26,762,602	\$ (162,509)

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)

Sensitivity of the net pension liability to changes in the discount rate

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower 6.00% or one percentage point higher 8.00% than the current rate.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability (Asset)	\$ 4,230,503	\$ (162,509)	\$ (3,738,391)

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

For the year ended December 31, 2022, the employer recognized pension expense of \$ 804,990. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in actual and expected experience	\$ 1,292,319	\$ (143,505)
Changes in assumptions	26,257	(150,167)
Net differences between projected and actual earnings on plan investments	-	(503,652)
Pension contributions subsequent to measurement date	467,235	-
Total	\$ 1,785,811	\$ (797,324)

*The amount of \$ 467,235 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending December 31, 2023.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)

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

Year ended:		
2023	\$	107,966
2024		69,742
2025		(235,859)
2026		480,306
2027		76,915
Thereafter		22,182
Total	<u>\$</u>	<u>521,252</u>

Payable to the Pension Plan

On December 31, 2022, the City of Nixa reported a payable of \$ 0.00 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2022.

NOTE J – GRANTS

Intergovernmental awards received by the City are subject to audit and adjustment by the grantor agencies. If grant revenues are received for expenditures, which are subsequently disallowed, the City may be required to repay the revenues to the funding agencies. No disallowed costs have resulted from this audit and management believes that further examination will not result in any disallowed costs.

NOTE K – CONTINGENCIES

Litigation – Various claims and lawsuits are pending against the City. In the opinion of the City's management, the potential loss on all claims and lawsuits will not be significant to the City's financial statements.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE L – FUND BALANCE

The governing council has adopted a financial policy to maintain a minimum level of unrestricted fund balance in all funds. The target level is set as a percentage of budgeted operating expense/expenditures as follows:

	<u>Percentage</u>	<u>Dollar Amount</u>
General Fund	30%	\$ 3,255,132
Street Fund	25%	509,538
Electric Fund	20%	3,055,329
Waterworks Fund	25%	663,228
Wastewater Fund	25%	490,768

NOTE M – FEE IN LIEU OF TAXES

The Waterworks and Electric Fund pays 5% of sales to the General as follows:

Fee in Lieu of	<u>To</u>	<u>From</u>
General Fund	\$ 1,171,765	\$ -
Electric Fund	-	988,456
Waterworks Fund	-	183,309
	<u>\$ 1,171,765</u>	<u>\$ 1,171,765</u>

NOTE N – TRANSFERS

The City made the following transfers:

Associated cost for utility billings	<u>To</u>	<u>From</u>
Waterworks Fund	\$ 498,795	\$ -
Electric Fund	-	323,150
Wastewater Fund	-	145,091
General Fund	-	30,524
	<u>\$ 498,765</u>	<u>\$ 498,765</u>

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE N – TRANSFERS (Continued)

Shared cost for central garage:	To	From
Street Fund	\$ 36,541	\$ -
Waterworks Fund	-	9,285
Electric Fund	-	7,772
Wastewater Fund	-	7,772
General Fund	-	11,712
	\$ 36,541	\$ 36,541
	\$ 36,541	\$ 36,541

NOTE O – PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's government-wide financial statements and proprietary funds financial statements. As of December 31, 2022, the amount of defeased debt outstanding amounted to \$ 1,790,000.

NOTE P- TOWER LEASES

The City leases space on the City's water towers to various wireless providers for the placement of antennae. A total of \$ 186,599 was received during the year ended December 31, 2022, and is reported in the Waterworks Fund. For the next five years, scheduled payments to receive are:

2023	\$ 135,188
2024	140,595
2025	146,219
2026	152,068
2027	155,284

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE Q- CONSTRUCTION IN PROGRESS

Construction in progress is authorized by actions of the City Council (governing body). A summary of construction in progress as of December 31, 2022, is as follows:

Project	Cost of Project	Construction in Progress	Remaining Cost to Complete
Waterworks Fund			
Truman Water Line	\$ 420,492	\$ 253,388	\$ 167,104
Walnut Creek Loop	100,000	5,412	94,588
Bulk Fill Water Stations #2	100,456	5,430	95,026
1010 Restroom expansion	77,886	2,886	75,000
	<u>698,834</u>	<u>267,116</u>	<u>431,718</u>
Wastewater Fund			
Manholes	56,560	49,914	6,646
SW Regional Lift station	2,616,941	42,746	2,574,195
1010 Restroom expansion	77,886	2,886	75,000
	<u>2,751,387</u>	<u>95,546</u>	<u>2,655,841</u>
Electric Fund			
Northeast Feeder Circuit 3	597,300	489,085	108,215
West Hwy 14 Lighting	125,688	688	125,000
Substation Security	8,000	318	7,682
LeeAnn to Nichols tie line	453,298	131,297	322,001
Tracker to Cheyenne Tie	1,194,452	397,114	797,338
South Truman	566,251	115,251	451,000
	<u>2,944,989</u>	<u>1,133,753</u>	<u>1,811,236</u>
 Total Proprietary Fund	 <u>\$ 6,395,210</u>	 <u>\$ 1,496,415</u>	 <u>\$ 4,898,795</u>

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE Q – CONSTRUCTION IN PROGRESS (Continued)

Project	Cost of Project	Construction in Progress	Remaining Cost to Complete
Governmental Activities			
ADMINISTRATION			
Downtown Parking Lots/Design	\$ 119,210	\$ 39,210	\$ 80,000
Website and APP	80,000	59,360	20,640
Outdoor lighting	20,000	12,993	7,007
ERP System	900,000	189,226	710,774
POLICE			
Shooting Range	1,071,273	684,804	386,469
Police Command Post	116,846	36,846	80,000
STREET			
North Street Improvements	876,049	283,245	592,804
Main, Tracker to CC	2,450,534	534	2,450,000
Truman Blvd.	2,238,798	425,533	1,813,265
Northview Rd. Extension	723,533	140,390	583,143
Roundabout expansion	255,886	25,308	230,578
PARK			
Eoff Park Development	1,070,263	70,263	1,000,000
McCauley Park Improvements	1,000,000	469,811	530,189
STORMWATER			
Cherry St. Project	1,064,112	450,067	614,045
Total Governmental Activities	<u>\$ 11,986,504</u>	<u>\$ 2,887,590</u>	<u>\$ 9,098,914</u>

NOTE R – STATE OF MISSOURI PROJECT REIMBURSEMENT

The State of Missouri Department of Transportation's policy is to reimburse costs associated with relocation of city-owned utility facilities originally located on city streets within the States's project. MoDot engaged in a widening project of State Highway 14 which fell into the category of 'Reimbursable Adjustments' according to the aforementioned policy. City-owned utilities, a water main, had to be relocated to accommodate this project; therefore, the City of Nixa was reimbursed for the eligible expenses associated with this relocation in the amount of \$ 357,544 to the Waterworks Fund and \$ 214,162 to the Street Fund.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE S – FUTURE ACCOUNTING PRONOUNCEMENTS

The accounting principles governing the reported amounts, presentation and related disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various governing bodies. The Governmental Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments.

The City adopted the following statements during the year ended December 31, 2022:

GASB Statement No. 101 Compensated Absences, issued June 2022, will be effective for fiscal years beginning after December 15, 2023, however earlier application is encouraged. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 100, issued June 2022, Accounting Changes and Error Corrections-An Amendment of GASB statement no. 62, will be effective for fiscal years beginning after June 15, 2023, however earlier application is encouraged. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

The City did not have any changes to report for the year ending December 31, 2022, upon adopting GASB 101 and 100.

The Statement which might impact the City are as follows:

GASB Statement No. 99, *Omnibus 2022*, issued April 2022, will be effective for year beginning after June 30, 2022. The objective of this statement is to enhance comparability and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The City's management has not yet determined the effect of this statement will have on the City's financial statements.

Required Supplementary Information

CITY OF NIXA, MISSOURI
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	General Fund			
	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Property taxes	\$ 987,363	\$ 987,363	\$ 1,066,117	\$ 78,754
Franchise taxes	503,000	503,000	654,263	151,263
Sales taxes	4,210,672	4,210,672	4,517,030	306,358
Licenses & permits	42,900	42,900	48,715	5,815
Charges for services-				
Sanitation	1,347,500	1,347,500	1,444,850	97,350
Park programs	1,131,150	1,131,150	1,226,257	95,107
Plan reviews and inspections	373,950	373,950	361,117	(12,833)
Fines & forfeitures	96,700	96,700	29,007	(67,693)
Investment earnings	49,300	49,300	201,714	152,414
Grants	1,595,000	1,595,000	452,167	(1,142,833)
Contributions	3,000	3,000	3,265	265
Rents	1,200	1,200	1,200	-
Impact fees	32,000	32,000	168,560	136,560
Miscellaneous	4,100	4,100	20,104	16,004
Total Revenues	<u>10,377,835</u>	<u>10,377,835</u>	<u>10,194,366</u>	<u>(183,469)</u>
EXPENDITURES				
Current:				
General government	969,574	1,699,169	1,322,405	376,764
Police	4,569,597	4,679,926	4,339,042	340,884
Parks	1,670,734	1,710,734	1,560,425	150,309
Planning and development	790,788	803,788	696,946	106,842
Sanitation	1,221,870	1,221,870	1,299,629	(77,759)
Storm water	55,700	55,700	54,467	1,233
Capital outlay	4,723,243	4,133,743	2,948,204	1,185,539
Debt service:				
Principal	245,000	245,000	303,276	(58,276)
Interest and fees	42,800	42,800	55,426	(12,626)
Total Expenditures	<u>14,289,306</u>	<u>14,592,730</u>	<u>12,579,820</u>	<u>2,012,910</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURE	<u>(3,911,471)</u>	<u>(4,214,895)</u>	<u>(2,385,454)</u>	<u>1,829,441</u>
OTHER FINANCING SOURCES (USES)				
Insurance claims	-	-	31,032	31,032
Lease proceeds	-	-	707,646	707,646
Transfers (out)	(47,336)	(47,336)	(42,236)	(5,100)
Transfer in-Fee in Lieu of Taxes	972,500	985,000	1,171,765	186,765
Total Other Financing Sources (Uses)	<u>925,164</u>	<u>937,664</u>	<u>1,868,207</u>	<u>186,765</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,986,307)</u>	<u>\$ (3,277,231)</u>	<u>(517,247)</u>	<u>\$ 2,759,984</u>
FUND BALANCES - BEGINNING			<u>11,093,339</u>	
FUND BALANCES - ENDING			<u>\$ 10,576,092</u>	

CITY OF NIXA, MISSOURI
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Street Fund			Variance With Final Budget
	Budgeted Amounts		Actual	
	Original	Final		
Sales tax	\$ 1,777,814	\$ 1,777,814	\$ 1,831,726	\$ 53,912
Missouri motor fuel taxes	812,000	812,000	928,930	116,930
State of Missouri project reimburseme	-	-	214,162	
Investment earnings	18,500	18,500	52,516	34,016
Grants	3,901,300	3,901,300	355,855	(3,545,445)
Miscellaneous	121,000	121,000	29,276	(91,724)
Total Revenues	<u>6,630,614</u>	<u>6,630,614</u>	<u>3,412,465</u>	<u>(3,432,311)</u>
Current:				
Administration street department	2,351,173	2,351,173	2,169,001	182,172
Capital outlay	6,094,136	6,383,311	846,171	5,537,140
Total Expenditures	<u>8,445,309</u>	<u>8,734,484</u>	<u>3,015,172</u>	<u>5,719,312</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(1,814,695)	(2,103,870)	397,293	2,287,001
OTHER FINANCING SOURCES				
Transfer in	46,471	46,471	36,541	(9,930)
NET CHANGE IN FUND BALANCES	<u>\$ (1,768,224)</u>	<u>\$ (2,057,399)</u>	433,834	<u>\$ 2,277,071</u>
FUND BALANCES - BEGINNING			<u>3,237,204</u>	
FUND BALANCES - ENDING			<u>\$ 3,671,038</u>	

CITY OF NIXA, MISSOURI
Notes to Budgetary Comparison Information
December 31, 2022

Budgetary Process

The City Council follows the procedures outlined below in establishing the budgetary data reflected in the basic financial statements:

1. Prior to December 31, the City Council appropriates, by ordinance, the annual operating budget for the fiscal year beginning the following January 1 for the General and Special Revenue Funds. The budget is prepared on the same basis of accounting as the financial statements (Modified Accrual Basis). The City Council also adopts, as a management control device only, a budget for the Enterprise Funds.
2. The level of budgetary control lies at the fund level for all of the governmental funds. The City Administrator is not authorized to approve expenditures in excess of the adopted budget.
3. The City Council may, by ordinance, make supplemental appropriations for revenues in excess of original budget estimates or reduce appropriations should revenues be insufficient to meet the amount appropriated. State statutes prohibit deficit budgeting by requiring that estimated expenditures for the period do not exceed estimated revenues for the period plus unencumbered budget basis fund balances at the beginning of the period.

For the year ended December 31, 2022, expenditures did not exceed appropriations in any of the funds.

CITY OF NIXA, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED DECEMBER 31.

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service costs	\$ 808,574	\$ 763,549	\$ 686,873	\$ 618,568	\$ 572,290	\$ 556,665	\$ 543,631	\$ 533,393
Interest on Total Pension Liability	1,665,453	1,627,025	1,455,058	1,319,372	1,213,931	1,136,637	1,034,402	962,777
Difference between expected and actual experience	749,030	(174,599)	829,475	517,384	231,596	(105,615)	(251,934)	-
Changes of benefit terms	361,733	(200,050)	-	-	-	-	611,179	(12,003)
Benefit payments, including refunds	(746,250)	(630,968)	(643,044)	(592,523)	(580,077)	(480,177)	(585,065)	(420,337)
Net change in total pension liability	2,838,540	1,384,957	2,328,362	1,862,801	1,437,740	1,107,510	1,352,213	1,063,830
Total Pension Liability-beginning	23,761,553	22,376,596	20,048,234	18,185,433	16,747,693	15,640,183	14,287,970	13,224,140
Total Pension Liability-ending	<u>\$ 26,600,093</u>	<u>\$ 23,761,553</u>	<u>\$ 22,376,596</u>	<u>\$ 20,048,234</u>	<u>\$ 18,185,433</u>	<u>\$ 16,747,693</u>	<u>\$ 15,640,183</u>	<u>\$ 14,287,970</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 1,000,357	\$ 775,206	\$ 535,549	\$ 601,013	\$ 530,611	\$ 480,580	\$ 460,415	\$ 473,749
Contributions - employee	168,804	277,668	335,843	233,011	208,495	195,959	218,647	185,775
Net investment income	24,013	5,587,287	254,126	1,201,358	2,000,382	1,720,421	9,174	293,114
Benefits payments, including refunds	(746,250)	(630,968)	(643,044)	(592,523)	(580,077)	(480,177)	(585,065)	(420,337)
Pension Plan Administrative Expense	(25,086)	(23,331)	44,358	(25,005)	(16,906)	(15,763)	(15,147)	(15,939)
Other (Net Transfer)	18,028	365,871	(372,217)	144,502	(136,435)	(100,668)	(104,583)	216,338
Net change in plan fiduciary net position	439,866	6,351,733	154,615	1,562,356	2,006,070	1,800,352	(16,559)	732,700
Plan Fiduciary Net Position-beginning	26,322,736	19,971,003	19,816,388	18,254,032	16,247,962	14,447,610	14,464,169	13,731,469
Plan Fiduciary Net Position-ending	<u>\$ 26,762,602</u>	<u>\$ 26,322,736</u>	<u>\$ 19,971,003</u>	<u>\$ 19,816,388</u>	<u>\$ 18,254,032</u>	<u>\$ 16,247,962</u>	<u>\$ 14,447,610</u>	<u>\$ 14,464,169</u>
Net Pension Liability/(Asset)	<u>\$ (162,509)</u>	<u>\$ (2,561,183)</u>	<u>\$ 2,405,593</u>	<u>\$ 231,846</u>	<u>\$ (68,599)</u>	<u>\$ 499,731</u>	<u>\$ 1,192,573</u>	<u>\$ (176,199)</u>
Plan fiduciary net position as a percentage of the total pension liability	100.61%	110.78%	89.25%	98.84%	100.38%	97.02%	92.37%	101.23%
Covered payroll	\$ 7,175,964	\$ 6,782,795	\$ 6,466,678	\$ 5,569,749	\$ 5,063,047	\$ 4,665,209	\$ 4,676,232	\$ 4,639,087
Net Pension liability as a percentage of covered payroll	-2.26%	-37.76%	37.20%	4.16%	-1.35%	10.71%	25.50%	-3.80%

Notes to schedule:

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

CITY OF NIXA, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION-UNAUDITED
 SCHEDULE OF PENSION PLAN CONTRIBUTIONS
 LAST TEN FISCAL YEARS

FOR THE YEARS ENDED DECEMBER 31,

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Payroll	Contribution as Percentage
2012	\$ 487,311	\$ 475,647	\$ 11,664	\$ 4,334,335	10.97%
2013	486,012	486,012	-	4,528,904	10.73%
2014	469,748	469,747	1	4,551,541	10.32%
2015	469,685	469,685	-	4,656,347	10.09%
2016	451,306	451,307	(1)	4,821,345	9.36%
2017	517,418	517,418	-	5,055,416	10.23%
2018	558,418	558,419	(1)	5,502,654	10.15%
2019	642,482	642,482	-	6,143,583	10.46%
2020	738,803	738,803	-	6,896,714	10.71%
2021	873,642	850,205	23,437	7,299,574	11.65%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: February 28, 2022

Notes: The roll-forward of total pension liability from February 28, 2022 to June 30, 2022 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 8 to 19 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% to 6.75% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.
Other information:	None

SECTION III - STATISTICAL SECTION

(Unaudited)

Contents

Financial Trends

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

Pages 63-68

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant revenue sources.

Pages 69-75

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future

Pages 76-80

Demographic and Economic Information

This information will help the reader understand the environment within which the government's financial activities take place

Pages 81-83

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Pages 84-86

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

CITY OF NIXA, MISSOURI
Net Position by Component
Last 10 Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 59,093,691	\$ 57,752,253	\$ 57,417,307	\$ 57,032,587	\$ 57,812,956	\$ 58,201,075	\$ 58,122,232	\$ 57,018,946	\$ 56,636,607	\$ 57,446,516
Restricted	3,781,597	3,926,104	4,799,424	-	-	-	-	-	318,688	256,377
Unrestricted	11,041,807	10,865,975	8,403,852	12,311,100	12,365,400	11,586,278	10,553,571	10,556,098	9,788,360	8,271,496
Total governmental activities net position	\$ 73,917,095	\$ 72,544,332	\$ 70,620,583	\$ 69,343,687	\$ 70,178,356	\$ 69,787,353	\$ 68,675,803	\$ 67,575,044	\$ 66,743,655	\$ 65,974,389
Business-type activities										
Net investment in capital assets	\$ 38,682,785	\$ 37,778,310	\$ 34,497,657	\$ 31,394,408	\$ 30,429,640	\$ 31,541,977	\$ 29,512,063	\$ 27,783,362	\$ 25,143,764	\$ 24,600,879
Restricted	-	50,492	64,379	69,602	73,133	566,070	560,871	595,622	712,504	606,694
Unrestricted	30,946,165	24,984,419	24,036,907	24,122,777	23,188,864	13,191,753	13,232,908	13,094,184	14,778,180	13,490,849
Total business-type activities net position	\$ 69,628,950	\$ 62,813,221	\$ 58,598,943	\$ 55,586,787	\$ 53,691,637	\$ 45,299,800	\$ 43,305,842	\$ 41,473,168	\$ 40,634,448	\$ 38,698,422
Primary government										
Net investment in capital assets	\$ 97,776,476	\$ 95,530,563	\$ 91,914,964	\$ 88,426,995	\$ 88,242,596	\$ 89,743,052	\$ 87,634,295	\$ 84,802,308	\$ 81,780,371	\$ 82,047,395
Restricted	3,781,597	3,976,596	4,863,803	69,602	73,133	566,070	560,871	595,622	1,031,192	863,071
Unrestricted	41,987,972	35,850,394	32,440,759	36,433,877	35,554,264	24,778,031	23,786,479	23,650,282	24,566,540	21,762,345
Total primary government net position	\$ 143,546,045	\$ 135,357,553	\$ 129,219,526	\$ 124,930,474	\$ 123,869,993	\$ 115,087,153	\$ 111,981,645	\$ 109,048,212	\$ 107,378,103	\$ 104,672,811

CITY OF NIXA, MISSOURI
Changes in Net Position
Last Ten Fiscal Years
Page 1 of 2

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Government Activities										
General government	\$ 1,426,861	\$ 1,051,197	\$ 1,694,678	\$ 1,282,609	\$ 1,218,761	\$ 1,132,388	\$ 1,217,058	\$ 1,242,757	\$ 2,346,453	\$ 2,322,352
Public Safety	4,559,539	3,712,319	3,527,463	3,370,743	3,112,497	2,767,226	2,548,304	2,328,959	2,243,976	2,287,874
Building Inspection*	-	371,479	390,341	369,224	280,711	234,574	239,664	336,370	211,108	234,737
Storm water	54,467	34,427	29,346	32,033	35,483	22,687	15,802	14,500	18,406	24,987
Planning	740,578	211,761	468,016	212,351	242,790	221,118	181,696	163,516	157,803	164,477
Sanitation	1,299,629	1,226,919	1,154,097	1,082,839	1,016,192	963,335	922,967	882,781	864,359	843,906
Parks and recreation	1,790,880	1,469,399	1,485,209	1,445,898	1,315,217	1,321,776	1,254,196	1,065,360	1,169,721	1,156,083
Streets	3,504,010	3,300,881	3,346,620	4,052,087	2,724,345	2,724,343	2,581,499	2,610,494	2,429,810	2,400,347
Interest	52,364	66,880	60,278	71,662	92,780	95,575	113,639	99,070	179,794	226,046
Total Government Activities	13,428,328	11,445,262	12,156,048	11,919,446	10,038,776	9,483,022	9,074,825	8,743,807	9,621,430	9,660,809
Business-type Activities										
Electric	13,910,444	15,976,608	17,268,566	17,210,310	17,423,304	16,408,381	15,720,083	15,606,434	14,367,080	13,534,520
Water	2,892,309	2,131,655	2,017,659	2,610,360	1,750,023	1,648,912	1,541,890	1,531,941	1,067,869	1,060,147
Wastewater	2,797,948	2,499,364	2,821,471	1,834,052	2,317,476	2,613,626	2,537,230	2,569,640	2,156,156	2,005,172
Total Business-type Activities	19,600,701	20,607,627	22,107,696	21,654,722	21,490,803	20,670,919	19,799,203	19,708,015	17,591,105	16,599,839
Program Revenues										
Government Activities										
Charges for services	3,111,146	2,922,897	2,544,487	2,791,791	2,696,924	2,527,046	2,358,285	2,140,072	2,127,634	1,833,837
Operating grants and contributions	13,650	403,305	901,264	26,279	14,436	47,976	132,417	45,125	26,045	136,127
Capital grants and contributions	1,180,359	563,926	1,332,983	176,391	168,049	936,941	665,849	409,722	91,648	129,647
Total Government Activities	4,305,155	3,890,128	4,778,734	2,994,461	2,879,409	3,511,963	3,156,551	2,594,919	2,245,327	2,099,611
Business-type Activities										
Charges for services										
Electric	19,154,282	18,715,457	19,077,888	17,910,578	18,599,532	17,411,291	16,770,047	15,972,035	15,741,500	15,554,823
Water	3,653,275	3,286,291	3,120,222	2,731,086	2,697,837	2,492,959	2,227,937	2,162,153	2,126,982	1,708,429
Wastewater	3,751,558	3,516,543	3,353,892	3,230,466	3,249,783	3,202,250	3,022,139	2,955,321	2,967,479	2,791,848
Operating grants and contributions	-	-	-	-	-	-	78,985	-	-	-
Capital grants and contributions	608,250	238,469	220,659	239,924	255,161	201,837	120,539	225,630	116,796	128,882
Total Business-type Activities	27,167,365	25,756,760	25,772,661	24,112,054	24,802,313	23,308,337	22,219,647	21,315,139	20,952,757	20,183,982

*NOTE Beginning 2022, Building Inspection function was combined with Planning department.

CITY OF NIXA, MISSOURI
Changes in Net Position
Last Ten Fiscal Years
Page 2 of 2

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (Expense)/Revenue										
Government Activities	\$ (9,123,173)	\$ (7,555,134)	\$ (7,377,314)	\$ (8,924,985)	\$ (7,159,367)	\$ (5,971,059)	\$ (5,918,274)	\$ (6,148,888)	\$ (7,376,103)	\$ (7,561,198)
Business-type Activities	7,566,664	5,149,133	3,664,965	2,457,332	3,311,510	2,637,418	2,420,444	1,607,124	3,361,652	3,584,143
Total Net Expense	(1,556,509)	(2,406,001)	(3,712,349)	(6,467,653)	(3,847,857)	(3,333,641)	(3,497,830)	(4,541,764)	(4,014,451)	(3,977,055)
General Revenues And Other Changes In Net Position										
Government Activities										
Taxes	8,995,224	8,149,494	7,428,456	6,884,798	6,275,418	5,925,311	5,879,135	5,828,767	5,656,827	5,194,475
Investment earnings	254,230	56,575	158,306	210,845	212,140	159,738	74,706	69,230	62,564	73,986
Gain on sale of capital assets	-	150,000	-	-	-	-	-	-	-	-
Miscellaneous	80,412	62,863	105,077	33,438	56,731	75,796	62,733	134,560	23,939	6,695
Transfers In/(out)	1,166,070	1,059,951	962,371	961,235	972,723	921,764	1,002,459	947,720	1,884,419	1,821,792
Total Government Activities	10,495,936	9,478,883	8,654,210	8,090,316	7,517,012	7,082,609	7,019,033	6,980,277	7,627,749	7,096,948
Business-type Activities										
Taxes	-	-	-	-	-	-	-	-	-	-
Investment earnings	415,135	91,668	284,812	389,791	305,427	194,687	95,405	103,935	266,561	138,358
Gain on sale of capital assets	-	33,428	24,750	9,262	4,779,723	-	-	-	-	-
Miscellaneous	-	-	-	-	-	83,617	319,284	75,381	-	500,000
Transfers In/(out)	(1,166,070)	(1,059,951)	(962,371)	(961,235)	(972,723)	(921,764)	(1,002,459)	(947,720)	(1,884,419)	(1,821,792)
Total Business-type Activities	(750,935)	(934,855)	(652,809)	(562,182)	4,112,427	(643,460)	(587,770)	(768,404)	(1,617,858)	(1,183,434)
Total Primary Government	9,745,001	8,544,028	8,001,401	7,528,134	11,629,439	6,439,149	6,431,263	6,211,873	6,009,891	5,913,514
Changes in Net Position										
Government Activities	1,372,763	1,923,749	1,276,896	(834,669)	357,645	1,111,550	1,100,759	831,389	251,646	(464,250)
Business-type Activities	6,815,729	4,214,278	3,012,156	1,895,150	7,423,937	1,993,958	1,832,674	838,720	1,743,794	2,400,709
Total Change in Net Position	\$ 8,188,492	\$ 6,138,027	\$ 4,289,052	\$ 1,060,481	\$ 7,781,582	\$ 3,105,508	\$ 2,933,433	\$ 1,670,109	\$ 1,995,440	\$ 1,936,459

CITY OF NIXA, MISSOURI
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 26,292	\$ 29,881	\$ 19,418	\$ 19,711	\$ 32,167	\$ 29,544	\$ 13,424	\$ 14,169	\$ 10,973	\$ 10,355
Restricted	117,572	696,734	717,252	-	-	-	-	-	318,669	318,669
Committed	-	83,089	2,287,628	1,758,645	1,307,865	1,074,889	715,929	-	-	111,818
Unassigned	10,432,228	10,283,635	6,398,183	6,498,084	6,649,410	6,484,103	6,101,397	5,626,047	5,108,565	4,427,057
Total General Fund	\$ 10,576,092	\$ 11,093,339	\$ 9,422,481	\$ 8,276,440	\$ 7,989,442	\$ 7,588,536	\$ 6,830,750	\$ 5,640,216	\$ 5,438,207	\$ 4,867,899
Street Fund										
Nonspendable	\$ 7,013	\$ 7,834	\$ 7,094	\$ 7,886	\$ 7,414	\$ 6,618	\$ 6,355	\$ 6,925	\$ 5,960	\$ 5,170
Restricted	3,664,025	3,229,370	3,479,337	3,520,611	3,973,050	3,434,399	2,961,312	3,965,329	3,940,682	3,041,123
Committed	-	-	-	-	-	-	-	-	-	437,003
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Street Fund	\$ 3,671,038	\$ 3,237,204	\$ 3,486,431	\$ 3,528,497	\$ 3,980,464	\$ 3,441,017	\$ 2,967,667	\$ 3,972,254	\$ 3,946,642	\$ 3,483,296
All Other Governmental Funds*										
Nonspendable	\$ -	\$ -	\$ 5,964	\$ 5,960	\$ 4,640	\$ 7,394	\$ 3,708	\$ 4,151	\$ 4,771	\$ 4,653
Restricted	-	-	602,835	96,812	92,237	93,391	336,372	368,732	387,376	-
Committed	-	-	35,552	440,133	405,543	368,215	-	-	-	344,562
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ -	\$ -	\$ 644,351	\$ 542,905	\$ 502,420	\$ 469,000	\$ 340,080	\$ 372,883	\$ 392,147	\$ 349,215
Total Governmental Fund Balances	\$ 14,247,130	\$ 14,330,543	\$ 13,553,263	\$ 12,347,842	\$ 12,472,326	\$ 11,498,553	\$ 10,138,497	\$ 9,985,353	\$ 9,776,996	\$ 8,700,410

*NOTE: Beginning in 2021 the City elected to combine the non-major funds into the General Fund as their source of operations come from the General Fund.

CITY OF NIXA, MISSOURI
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
Page 1 of 2

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Taxes	\$ 8,069,136	\$ 7,328,900	\$ 6,680,734	\$ 5,989,084	\$ 5,453,084	\$ 5,077,670	\$ 5,099,976	\$ 4,975,982	\$ 4,810,904	\$ 4,491,949
Intergovernmental taxes	1,143,092	822,531	821,437	889,892	840,909	856,985	859,888	869,108	871,995	690,083
Licenses and permits	48,715	47,480	51,211	72,067	31,935	36,283	209,666	159,025	138,296	144,535
Charges for services	3,032,224	2,784,795	2,405,103	2,538,108	2,473,148	2,308,504	1,945,066	1,778,750	1,681,012	1,431,333
Fines and forfeitures	29,007	59,862	78,101	153,217	161,975	182,259	177,571	182,474	286,009	257,969
Investment earnings	254,230	56,575	158,306	210,845	212,140	159,738	74,706	69,230	62,564	73,986
Grants and contributions	811,287	814,944	2,035,059	38,328	29,196	78,693	618,249	390,807	46,867	40,373
Rents	1,200	30,760	10,072	28,399	29,866	19,628	25,982	19,823	22,317	15,088
Impact fees	168,560	152,287	124,188	164,342	153,289	196,364	75,017	64,040	70,826	81,071
Miscellaneous	80,412	62,863	105,077	33,438	56,731	75,796	66,503	134,560	22,847	6,698
Interfund reimbursements	-	-	-	-	-	-	-	-	1,309,878	1,239,132
Total Revenues	\$ 13,637,863	\$ 12,160,997	\$ 12,469,288	\$ 10,117,720	\$ 9,442,273	\$ 8,991,920	\$ 9,152,624	\$ 8,643,799	\$ 9,323,515	\$ 8,472,217
EXPENDITURES										
Current:										
General government	\$ 1,322,405	\$ 1,259,068	\$ 1,362,737	\$ 1,145,287	\$ 1,028,176	\$ 847,903	\$ 917,894	\$ 920,402	\$ 2,158,129	\$ 2,129,815
Police/Public Safety	4,339,042	3,790,052	3,313,543	3,213,251	2,841,589	2,619,736	2,421,788	2,250,998	2,121,032	2,186,938
Building inspection*	-	388,588	351,960	357,816	272,441	220,446	225,504	208,771	203,936	231,697
Streets	2,128,047	1,984,107	2,009,931	2,757,923	1,437,246	1,439,612	1,340,766	1,407,478	1,230,304	1,186,874
Planning/Economic Development	737,900	236,265	455,433	216,719	242,790	215,286	172,600	163,516	157,803	164,173
Parks	1,560,425	1,318,465	1,230,624	1,239,139	1,101,543	1,091,462	1,037,978	1,028,313	986,767	991,749
Sanitation	1,299,629	1,226,919	1,154,097	1,082,839	1,016,192	963,335	922,967	882,781	864,359	843,906
Storm water	54,467	34,427	29,346	32,033	35,483	22,687	15,802	14,500	18,406	24,987
Administrative fees	-	-	-	-	-	-	-	-	174,364	158,633
Capital outlay	3,794,375	1,879,219	1,729,946	573,285	821,093	633,654	2,912,388	1,286,581	315,638	1,278,652
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal retirement	303,276	405,300	524,200	509,200	588,324	567,537	595,922	620,172	580,253	518,641
Interest and fiscal agent fees	55,426	71,258	64,421	75,947	89,704	97,509	112,081	128,841	185,935	243,691
Total Expenditures	\$ 15,594,992	\$ 12,593,668	\$ 12,226,238	\$ 11,203,439	\$ 9,474,581	\$ 8,719,167	\$ 10,675,690	\$ 8,912,353	\$ 8,996,926	\$ 9,959,756

*NOTE Beginning 2022, Building Inspection function was combined with Planning department.

CITY OF NIXA, MISSOURI
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
Page 2 of 2

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Excess (Deficiency) Of Revenues Over Expenditures	(1,957,129)	(432,671)	243,050	(1,085,719)	(32,308)	272,753	(1,523,066)	(268,554)	326,589	(1,487,539)
OTHER FINANCING SOURCES (USES)										
Transfer from other funds	36,541	-	841,000	443,000	319,000	193,000	276,000	456,000	487,500	671,000
Transfer to other funds	(42,236)	-	(841,000)	(443,000)	(319,000)	(193,000)	(276,000)	(456,000)	(487,500)	(671,000)
Capital contribution	-	-	-	-	-	-	-	-	-	48,576
Bonds/refunding bonds issued	-	-	-	-	-	-	-	(318,687)	-	17,700
Debt issuance cost	-	-	-	-	-	-	-	-	-	(17,700)
Debt proceeds	-	-	-	-	-	-	258,751	-	-	468,098
Lease proceeds	707,646	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	150,000	-	-	-	-	415,000	-	-	-
Restitution	-	-	-	-	-	-	-	-	1,092	80,666
Extraordinary loss	-	-	-	-	-	-	-	-	-	-
Fee in Lieu of Taxes	1,171,765	1,059,951	962,371	961,235	972,723	921,764	1,002,459	947,720	748,905	741,293
Total Other Financing Sources (Uses)	1,873,716	1,209,951	962,371	961,235	972,723	921,764	1,676,210	629,033	749,997	1,338,633
Net Change in Fund Balances	(83,413)	777,280	1,205,421	(124,484)	940,415	1,194,517	153,144	360,479	1,076,586	(148,906)
Debt service as a percentage of noncapital expenditures	3.04%	4.45%	5.61%	5.50%	7.84%	8.23%	9.12%	9.82%	8.83%	8.78%

CITY OF NIXA, MISSOURI
Tax Revenues By Source, Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Property Taxes	Sales Tax - City & County	City Use Tax	Franchise Tax - Cable & Gas	Missouri Motor Fuel Tax	Other Taxes	Total Revenues
2022	\$ 1,064,689	\$ 5,495,176	\$ 853,580	\$ 654,263	\$ 928,930	\$ 1,428	\$ 8,998,066
2021	1,019,900	5,128,680	685,078	494,222	822,531	1,020	8,151,431
2020	962,502	4,709,046	603,597	480,589	746,437	27	7,502,198
2019	894,793	4,265,490	414,994	527,395	776,305	1,784	6,880,761
2018	881,566	4,037,259	109,462	499,796	765,909	1,471	6,295,463
2017	829,169	3,893,990	-	442,262	769,235	724	5,935,380
2016	768,433	3,966,201	-	468,972	754,888	1,371	5,959,866
2015	766,135	3,816,625	-	517,433	744,108	789	5,845,090
2014	740,922	3,684,084	-	536,765	720,523	605	5,682,899
2013	726,937	3,268,889	-	495,580	690,083	543	5,182,032

Note:

As set out in Section 32.057 of the Missouri Revised State Statutes, it is a violation to make known in any manner the tax returns of departmental records derived from the Missouri Department of Revenue, including sales taxes, franchise fees, and other tax sources. Due to the confidentiality of earnings information, the above alternative information is provided to assist the users in understanding these revenue sources, including sales taxes, the City's largest own-source revenue.

CITY OF NIXA, MISSOURI
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

	Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2010
City of Nixa (Real Only)	0.2990	0.2990	0.3246	0.3246	0.3286	0.3286	0.3316	0.3316	0.3316	0.3316	0.3243
Nixa Schools	4.5091	4.5032	4.7000	4.7000	4.2896	4.2876	4.2875	4.2961	4.3000	4.3100	4.3100
Nixa Fire District	0.6911	0.6911	0.7291	0.7291	0.7338	0.7338	0.7339	0.7339	0.6549	0.6549	0.6406
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County of Christian	0.0446	0.0576	0.0664	0.0540	0.0620	0.0557	0.0715	0.0715	0.0000	0.0000	0.0000
Library	0.1875	0.1875	0.2009	0.2009	0.2150	0.2009	0.0887	0.0887	0.0887	0.0887	0.0875
Junior College	0.1911	0.1875	0.1996	0.1990	0.2023	0.1498	0.1500	0.1494	0.1494	0.1479	0.1396
Ambulance	0.1242	0.1242	0.1311	0.1311	0.1324	0.1324	0.1324	0.1324	0.1324	0.1324	0.1305
Senate Bill 40 Board	0.0749	0.0749	0.0790	0.0790	0.0799	0.0799	0.0799	0.0799	0.0799	0.0799	0.0788
Health	0.0416	0.0416	0.0439	0.0439	0.0444	0.0444	0.0444	0.0444	0.0444	0.0444	0.0438
Senior Citizens	0.0469	0.0469	0.0495	0.0495	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Total District Overlapping	6.2400	6.2435	6.5541	6.5411	6.1680	6.0931	5.9999	6.0079	5.8613	5.8698	5.8351

Source: Christian County Clerk

CITY OF NIXA, MISSOURI
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended December 31	Residential	Agricultural	Commercial	Local Railroad and Utilities	Commercial/ State RRU	Total Taxable Assessed Value	Estimated Actual Value	Assessed Value as a Percentage of Actual Value	Total Direct Levy
2022	\$ 280,543,510	\$ 38,320	\$ 58,543,490	\$ 24,030	\$ 3,503,587	\$ 342,652,937	\$ 1,670,836,332	20.5%	0.299
2021	267,475,110	39,780	57,796,330	48,200	2,834,806	328,194,226	1,597,718,162	20.5%	0.299
2020	228,070,460	57,640	53,618,620	3,250	2,515,251	284,265,221	1,376,279,679	20.7%	0.3246
2019	213,272,790	50,900	52,969,210	16,410	2,523,396	268,832,706	1,296,378,210	20.7%	0.3246
2018	199,283,200	71,550	51,686,110	8,870	203,667	251,253,397	1,211,638,469	20.7%	0.3286
2017	187,722,190	70,700	50,838,510	3,200	208,307	238,842,907	1,148,131,996	20.8%	0.3286
2016	179,636,100	86,210	47,240,550	5,680	235,654	227,204,194	1,094,552,462	20.8%	0.3316
2015	174,294,980	57,440	45,527,240	22,040	214,885	220,116,585	1,060,833,682	20.7%	0.3316
2014	167,525,240	63,390	44,587,280	1,660	209,659	212,387,229	1,022,235,661	20.8%	0.3316
2013	164,145,850	52,570	45,008,020	980	226,603	209,434,023	1,005,724,869	20.8%	0.3316
2012	160,956,020	53,890	39,745,510	3,170	268,189	201,026,779	972,638,746	20.7%	0.3316

Source: Christian County Clerk

NOTES: Residential property is assessed at 19% of appraised value, agriculture at 12% and commercial and industrial at 32%.
City of Nixa assesses property tax levy on real property only.

CITY OF NIXA, MISSOURI
Principal Property Taxpayers
Current Year and 2013

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Spire (Missouri Gas Energy)	\$ 3,471,780	1	1.01%	\$ 2,012,580	3	0.96%
Wal-Mart	2,497,150	2	0.73%	2,497,150	1	1.19%
Nixa Senior Community LLC	1,640,590	3	0.48%			
Associated Nixa LLC	1,420,960	4	0.41%	1,317,220	4	0.63%
Peoples Bank of Ozarks	1,179,900	5	0.34%	1,179,900	5	0.56%
Carnahan Investments Enterprise Inc.	1,156,580	6	0.34%	1,157,730	7	0.55%
St. John's Health Systems	1,114,080	7	0.33%	1,179,620	6	0.56%
Southernwood Condominium LLC	933,300	8	0.27%	932,900	8	0.45%
Fountain Plaza Group	901,600	9	0.26%	2,437,100	2	1.16%
Warren Davis Properties XXXIII LLC	876,000	10	0.26%	803,260	9	0.38%
Diversified Plastics Corp				674,080	10	0.32%
Total	\$ 15,191,940		4.43%	\$ 14,191,540		6.78%

Source: Christian County Assessor

Total Assessed Valuation for 2022	342,652,937
Total Assessed Valuation for 2013	209,232,750

CITY OF NIXA, MISSOURI
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections as of 12/31/22	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 1,013,985	\$ 985,172	97.2%	\$ -	985,172	97.2%
2021	972,681	944,073	97.1%	25,511	969,584	99.7%
2020	914,540	886,343	96.9%	25,723	912,066	99.7%
2019	864,414	835,774	96.7%	28,640	864,414	100.0%
2018	824,920	801,823	97.2%	23,097	824,920	100.0%
2017	784,133	757,395	96.6%	26,730	784,125	100.0%
2016	752,265	708,618	94.2%	43,993	752,611	100.0%
2015	729,121	702,289	96.3%	26,805	729,094	100.0%
2014	703,576	673,691	95.8%	29,969	703,660	100.0%
2013	693,817	661,528	95.3%	33,289	694,817	100.1%

Notes: The City of Nixa, Missouri levies property tax on real property only. Christian County bills and collects property taxes on behalf of the City and retains a percentage of the taxes collected for costs of assessment and collection. Collections may exceed the levy due to adjustments made by the county subsequent to the initial levy.

Source: Christian County Collector's Office

CITY OF NIXA, MISSOURI
Direct City Sales and Use Tax Revenue by Type
Last Ten Fiscal Years

Fiscal Year	and Use Tax Rate	1% General Sales	0.50% Transportation Sales	1.50% General Use	Total
2022	1.50%	\$ 3,663,450	\$ 1,831,726	\$ 853,580	\$ 6,348,756
2021	1.50%	3,419,120	1,709,560	685,078	5,813,758
2020	1.50%	3,089,364	1,544,682	603,597	5,237,643
2019	1.50%	2,767,935	1,383,968	414,994	4,566,897
2018	1.50%	2,641,506	1,320,753	109,462	4,071,721
2017	1.50%	2,537,493	1,268,746	-	3,806,240
2016	1.50%	2,574,134	1,287,067	-	3,861,201
2015	1.50%	2,461,554	1,230,071	-	3,691,625
2014	1.50%	2,355,075	1,177,537	-	3,532,612
2013	1.50%	2,096,903	1,048,451	-	3,145,354

Source: Missouri Department of Revenue

CITY OF NIXA, MISSOURI
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Christian County 911	Christian County Rate	State Rate	Total Rate
2022	1.500%	0.250%	1.500%	4.225%	7.475%
2021	1.500%	0.250%	1.500%	4.225%	7.475%
2020	1.500%	0.250%	1.500%	4.225%	7.475%
2019	1.500%	0.250%	1.500%	4.225%	7.475%
2018	1.500%	0.250%	1.500%	4.225%	7.475%
2017	1.500%	0.250%	1.500%	4.225%	7.475%
2016	1.500%	0.250%	1.500%	4.225%	7.475%
2015	1.500%	0.250%	1.500%	4.225%	7.475%
2014	1.500%	0.250%	1.500%	4.225%	7.475%
2013	1.500%	0.250%	1.500%	4.225%	7.475%

Note: McCroskey Street Community Improvement District of Nixa subject to 1% sales tax rate effective 2012.

Source: Missouri Department of Revenue

CITY OF NIXA, MISSOURI
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Capital Lease Obligation	General Obligation Bonds	Special Obligation Bonds	Lease Obligations	Certificates of Participation	Revenue Bonds	Total Outstanding Debt	Percentage of Personal Income	Debt Per Capita	
	Governmental		Business-Type							
2022	\$ 1,714,370	\$ -	\$ 3,085,000	\$ 29,454	\$ 290,000	\$ 510,000	5,628,824	0.79%	227	
2021	1,310,000	-			405,000	1,152,000	2,867,000	0.44%	123	
2020	1,550,000	165,300		-	515,000	1,755,000	3,985,300	0.64%	171	
2019	1,785,000	454,500		-	630,000	2,443,000	5,312,500	1.01%	235	
2018	2,015,000	733,700		-	740,000	3,115,000	6,603,700	1.29%	300	
2017	2,329,124	1,007,900		-	845,000	7,652,000	11,834,024	2.39%	556	
2016	2,627,761	1,276,800		-	950,000	8,888,000	13,742,561	2.85%	664	
2015	2,701,632	1,540,100		-	1,055,000	10,149,000	15,445,732	3.27%	762	
2014	3,214,404	1,797,500		-	1,155,000	11,663,000	17,829,904	3.81%	849	
2013	3,534,457	2,057,700		-	1,250,000	13,137,000	19,979,157	4.35%	971	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF NIXA, MISSOURI
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Fund Balance Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property (1)	Net Bonded Debt per Capita
2022	\$ -	-	\$ -	0.00%	-
2021	-	-	-	0.00%	-
2020	165,300	-	165,300	0.01%	7
2019	454,500	-	454,500	0.04%	20
2018	733,700	-	733,700	0.06%	33
2017	1,007,900	-	1,007,900	0.09%	47
2016	1,276,800	-	1,276,800	0.12%	62
2015	1,540,100	-	1,540,100	0.15%	76
2014	1,797,500	318,688	1,478,812	0.14%	70
2013	2,057,700	319,182	1,738,518	0.17%	84

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Assessed and Estimated Value of Taxable Properties Table

CITY OF NIXA, MISSOURI
Direct and Overlapping Governmental Activities Debt
December 31, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated share of direct and overlapping debt
Nixa School District	\$ 105,792,066	66.45%	\$ 70,294,964
Nixa Fire District	7,220,000	71.28%	5,146,777
City of Nixa direct debt	<u>1,714,370</u>	100%	<u>1,714,370</u>
Subtotal, overlapping debt	113,012,066		75,441,740
Subtotal, direct debt	1,714,370		1,714,370
Total direct and overlapping debt	<u>\$ 114,726,436</u>		<u>\$ 77,156,110</u>

Source: Nixa School District, Nixa Fire Department and Christian County Clerk

Note: Overlapping governments are those that coincide, in part or in total, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Nixa. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident and responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using the assessed property values. The applicable percentage is estimated by dividing the City's assessed valuation by the applicable governmental unit's total assessed valuation.

CITY OF NIXA, MISSOURI
Legal Debt Margin Information
December 31, 2022

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed Value	<u>\$ 342,652,937</u>
Debt limit (20% of assessed value)	<u>\$ 68,530,587</u>
City Debt applicable to debt Limit:	
General obligation bonds	<u>-</u>
Total net debt applicable to limit	<u>\$ -</u>
Legal debt margin	<u>\$ 68,530,587</u>

	Last Ten Fiscal Years									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Assessed valuation, January 1	<u>\$ 342,652,937</u>	<u>\$ 328,194,226</u>	<u>\$ 284,265,221</u>	<u>\$ 268,832,706</u>	<u>\$ 251,253,397</u>	<u>\$ 238,842,907</u>	<u>\$ 227,204,194</u>	<u>\$ 220,116,585</u>	<u>\$ 212,387,229</u>	<u>\$ 209,434,023</u>
Debt limit	68,530,587	65,638,845	56,853,044	53,766,541	50,250,679	47,768,581	45,440,839	44,023,317	42,477,446	41,886,805
Total net debt applicable to limit	-	-	165,300	454,500	733,700	1,007,900	1,276,800	1,540,100	1,478,812	1,738,518
Legal debt margin	<u>\$ 68,530,587</u>	<u>\$ 65,638,845</u>	<u>\$ 56,687,744</u>	<u>\$ 53,312,041</u>	<u>\$ 49,516,979</u>	<u>\$ 46,760,681</u>	<u>\$ 44,164,039</u>	<u>\$ 42,483,217</u>	<u>\$ 40,998,634</u>	<u>\$ 40,148,287</u>
Total net debt applicable to the limit as a percentage	0.00%	0.00%	0.29%	0.85%	1.48%	2.16%	2.89%	3.63%	3.61%	4.33%

Section 95.115 of the 1978 Missouri Revised Statutes permits any county or city, by vote of two-thirds of qualified electors voting thereon, to incur additional indebtedness for city purposes not to exceed five (5) percent of the taxable tangible property therein, as shown by the last assessment.

Section 95.120 of the 1978 Missouri Revised Statutes permits any county or city, by vote of two-thirds of qualified electors voting thereon, to incur additional indebtedness for city purposes not to exceed five (5) percent of the taxable tangible property therein, as shown by the last assessment.

Sections 95.125 and 95.130 of the 1978 Missouri Revised Statutes provide that any city may become indebted, not exceeding in the aggregate, an additional ten (10) percent for the purposes of acquiring right-of-ways, constructing, extending and improving streets and avenues and/or sanitary or storm sewer system, and an additional ten (10) percent for purchasing or construction of waterworks, electric or other light plants, provided the total general obligation indebtedness of the city does not exceed twenty (20) percent of the assessed valuation.

CITY OF NIXA, MISSOURI
Pledged-Revenue Coverage by Fund
Last Ten Fiscal Years

Electric system revenue bond coverage (1)

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2022	\$ 19,154,282	\$ 13,910,444	5,243,838	\$ -	\$ -	\$ -	
2021	18,715,457	15,976,608	2,738,849	-	-	-	
2020	19,077,888	17,268,566	1,809,322	-	-	-	
2019	17,910,578	17,210,310	700,268	-	-	-	
(5) 2018	18,599,532	17,265,997	1,333,535	3,880,000	275,336	4,155,336	0.32
2017	17,411,291	16,259,966	1,151,325	600,000	116,025	716,025	1.61
2016	16,928,777	15,551,024	1,377,753	635,000	136,670	771,670	1.79
2015	15,999,418	15,422,038	577,380	775,000	146,267	921,267	0.63
2014	15,741,500	14,580,383	1,161,117	755,000	177,502	932,502	1.25
2013	15,548,362	13,704,399	1,843,963	735,000	267,822	1,002,822	1.84

Water system revenue bond coverage (1)

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2022	\$ 3,653,275	\$ 2,843,019	\$ 810,256	\$ 130,000	\$ 44,994	\$ 174,994	4.63
2021	3,286,291	2,121,815	1,164,476	130,000	5,543	135,543	8.59
2020	3,120,222	2,004,255	1,115,967	225,000	9,108	234,108	4.77
2019	2,731,086	1,811,875	919,211	220,000	22,177	242,177	3.80
2018	2,539,093	1,727,376	811,717	215,000	18,351	233,351	3.48
2017	2,340,321	1,622,815	717,506	205,000	21,798	226,798	3.16
2016	2,266,282	1,511,164	755,118	205,000	26,429	231,429	3.26
2015	2,047,718	1,497,457	550,261	205,000	30,158	235,158	2.34
2014	1,991,287	1,402,963	588,324	205,000	20,304	225,304	2.61
(4) 2013	1,577,953	1,387,750	190,203	175,000	25,356	200,356	0.95

Wastewater system revenue bond coverage (1)

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2022	\$ 3,751,558	\$ 2,766,927	\$ 984,631	\$ 629,336	\$ 40,705	\$ 670,041	1.47
2021	3,516,543	2,467,073	1,049,470	583,000	40,976	623,976	1.68
2020	3,353,892	2,776,510	577,382	578,000	54,645	632,645	0.91
2019	3,230,466	2,556,418	674,048	562,000	58,239	620,239	1.09
2018	3,249,783	2,245,733	1,004,050	547,000	81,427	628,427	1.60
2017	3,202,250	2,534,516	667,734	536,000	88,797	624,797	1.07
2016	3,062,204	2,438,863	623,341	526,000	108,082	634,082	0.98
2015	2,976,631	2,453,613	523,018	634,000	82,254	716,254	0.73
2014	2,967,479	2,209,688	757,791	609,000	125,340	734,340	1.03
(4) 2013	2,791,848	2,144,691	647,157	651,000	200,732	851,732	0.76

() Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest.

() Operating revenue includes service charges, related utility-based fees and penalties.

() Operating expenses include depreciation and exclude non-operating expenses such as interest expense and agent fees.

(4) The City refunded outstanding bond issues; debt service amounts in the table do not reflect the defeasance of this debt.

(5) Outstanding 2011 electric revenue bonds redeemed with proceeds from sale of transmission line.

CITY OF NIXA, MISSOURI
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Median Age (1)	Per Capita Income (1)	Median Household Income (1)	Public School Enrollment (2)	Unemployment Rate (3)
2022	24,749	34.8	28,680	66,264	6,718	2.0%
2021	23,257	34.8	27,995	63,176	6,648	3.2%
2020	23,246	35.6	26,825	58,402	6,500	4.9%
2019	22,647	34.9	23,313	50,480	6,485	2.8%
2018	21,980	34.9	23,313	50,480	6,424	2.5%
2017	21,275	34.9	23,313	50,480	6,122	2.7%
2016	20,684	34.2	23,313	50,480	6,180	3.3%
2015	20,264	34.2	23,313	50,480	6,057	3.4%
2014	20,056	34.2	23,313	50,480	5,926	4.0%
2013	19,713	34.2	23,313	50,480	5,916	4.8%

Sources:

- (1) U.S. Census Bureau (actual and estimated)
- (2) Nixa Public School District
- (3) U.S. Bureau of Labor Statistics

CITY OF NIXA, MISSOURI
Principal Employers
Current Year and 2013

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Nixa School District	824	1	13.73%	629	1	11.90%
Wal-Mart	439	2	7.32%	372	2	7.04%
City of Nixa	152	3	2.53%	124	4	2.35%
Diversified Plastic	150	4	2.50%	125	3	2.37%
Total Highspeed	80	5	1.33%			
Alps Pharmacy	80	5	1.33%			
Nixa Hardware	78	6	1.30%			
The Castlewoods Senior Living	73	7	1.22%			
Alliance Bus Company	70	8	1.17%			
Nixa Nursing & Rehab	70	8	1.17%			
Springfield Marine	68	9	1.13%			
Cush Corporation	66	10	1.10%			
Price Cutter				96	5	1.82%
Mercy				89	6	1.68%
Christian County Health Care				82	7	1.55%
People's Bank				76	8	1.44%
Ozarks Community Hospital				65	9	1.23%
Cabinet & Bath Supply				62	10	1.17%
Total	2,150		35.83%	1,720		23.65%

Source: City Clerk's Office and Planning Department

CITY OF NIXA, MISSOURI
Property Value and Construction
Last Ten Fiscal Years

New Construction (2)								
		Residential		Commercial		Alterations and Additions		Building Demolitions
Fiscal Year	Total Estimated Actual Value (1)	Number of Permits	Estimated Cost of Construction	Number of Permits	Estimated Cost of Construction	Number of Permits	Estimated Cost of Construction	Number of Permits
2022	\$ 1,670,836,332	190	\$ 60,968,121	7	\$ 19,300,000	17	\$ 16,800	5
2021	1,597,718,162	277	77,537,435	4	1,190,000	20	1,215,000	3
2020	1,376,279,679	222	49,107,913	14	16,881,000	16	10,445,000	6
2019	1,296,378,210	247	50,832,184	10	16,035,000	13	2,185,000	5
2018	1,211,638,469	250	60,126,558	18	7,185,201	22	1,000,000	4
2017	1,148,131,996	211	45,563,615	6	465,000	45	25,000	2
2016	1,094,552,462	127	25,509,400	8	47,148,000	71	1,220,000	4
2015	1,060,833,682	105	17,935,210	5	4,892,000	68	157,500	5
2014	1,022,235,661	127	22,014,389	17	12,113,000	78	24,300	4
2013	1,005,724,869	133	20,256,716	5	4,024,600	73	1,189,500	1

(1) Source: Christian County Assessor

(2) Source: City of Nixa Building Inspection Department

CITY OF NIXA, MISSOURI
Full-Time Equivalent Employees by Function/Programs
Last Ten Fiscal Years

Function/Programs	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
Administrative Services	8	7	6	5	5	5	5	5	5	5
Municipal Court	0	2	2	2	2	2	2	2	2	2
Human Resources	2	2	2	2	2	2	2	2	2	2
Planning & Development	4	4	4	4	4	3	3	3	3	3
Building Inspections	4	4	4	4	4	4	3	3	3	3
Finance	6	6	6	6	6	6	6	6	7	7
Information Technology	0	0	1	1	1	1	0	0	0	1
Municipal property maintenance	2	2	2	2	2	2	2	2	2	1
Police										
Officers	43	42	40	36	34	34	29	27	27	27
Civilians	6	6	6	6	6	6	6	6	5	5
Parks and recreation										
Utility Billing	10	10	10	10	10	9	9	9	8	8
Public Works										
Administration	6	6	6	5	4	4	4	3	3	3
Vehicle maintenance	2	2	2	2	2	2	2	2	2	2
Street Maintenance	15	15	13	13	13	13	13	13	13	13
Electric	16	16	18	18	14	14	14	14	14	14
Water	6	6	6	6.5	6.5	5.5	5.5	5.5	5.5	5.5
Wastewater	9.8	9.8	9.8	9.3	9.3	9.3	9.3	9.3	9.3	9.3
Recycling	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Total	152	151	150	144	138	135	128	125	124	124

Source: City of Nixa Human Resource Department

CITY OF NIXA, MISSOURI
Operating Indicators by Function
Last Ten Fiscal Years

Function/Programs	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
Business licenses issued	785	780	726	677	659	685	685	644	594	574
New Residential building permits issued	190	277	222	247	250	211	127	105	127	133
New Commercial building permits issued	7	4	14	10	18	6	8	5	17	6
Building inspections completed	6171	4508	4,989	5,450	5,563	4,056	2,704	2,589	3,114	2,346
Rental inspections completed	973	844	942	1,016	1,064	1,116	1,250	1,301	1,368	1,378
Police-Patrol										
Calls for Services	35,862	41,215	38,904	38,258	28,862	25,686	24,390	18,899	19,764	18,425
Arrests	471	631	363	568	887	941	682	772	865	897
Tickets issued	1,242	1,874	1,628	2,569	2,519	2,862	2,963	2,263	2,703	2,705
Accidents	336	329	319	312	364	343	328	362	349	374
Public Works										
Streets resurfaced (miles)	5.3	6.5	8.4	4.6	2.5	3.8	3.2	3.4	4.6	5.9
Number of water towers	8	8	7	7	7	7	7	7	7	7
Number of wells	12	9	9	9	9	9	9	9	9	8
Number of water meters	10,917	9,369	9,214	8,892	8,654	8,378	8,161	8,083	7,945	7,827
Number of Stand Pipes*	2									
Number of Ground Storage Tanks*	1									
Average daily well production (MGD)	3.4	2.5	2.7	2.4	2.4	2.4	2.3	2.8	2.2	2.0
Number of electric meter accounts	11,247	10,947	10,704	10,367	10,120	9,795	9,530	9,487	9,351	9,199
Number of electric sold (MWh)	164,699	158,270	150,996	152,947	158,710	152,303	152,104	147,191	146,361	143,898
WWTP average daily flow (MGD)	1.5	1.6	1.7	1.5	1.4	1.4	1.3	1.6	1.2	1.3
Recreation										
Number of recreational programs	55	52	49	47	45	45	42	42	48	44
Number of special events offered	12	12	11	8	8	8	8	10	16	12
Number of Fitness Center memberships**	2985	2551	2,290	2,340	2,193	1,954	1,775	1,351	1,089	475

Source: City department records.

* City purchased 2 water systems from a private individual which included stand pipes and ground storage tank

** Fitness Center opened in 2013

CITY OF NIXA, MISSOURI
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
Area (square miles)	8.57	8.57	8.57	8.57	8.97	8.97	8.82	8.53	8.53	8.53
Number of general governmental buildings	2	2	2	2	2	2	2	2	2	2
Public Safety										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Number of street lights	2338	2302	2,220	2,168	2,077	2,049	1,980	1,950	1,892	1,887
Miles of water mains*	147.3	144.6	142.0	140.4	138.3	137.0	134.0	130.1	130.026	129.0
Miles of sanitary sewers	130	127.8	125.5	123.9	121.8	120.6	117.0	115.5	115.5	109.0
Miles of sanitary force mains	13.9	13.4	13.38	13.38	13.38	13.30	12.79	12.79	12.79	14.00
Wastewater treatment capacity (MGD)	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Number of Electric Substations	4	4	4	4	4	4	4	4	4	4
Miles of electric line	210	204.1	210.0	196.0	203.0	200.1	195.0	195.0	188.0	187.3
Electric Poles**	3004	2745	2,950	3,196	3,143	3,133	4,310	4,293	2,986	2,981
Recreation										
Number of parks	3	3	3	3	3	3	3	4	4	4
Park acreage	177	177	177	122	122	122	63	101	101	101
Number of recreational facilities	1	1	1	1	1	1	1	1	1	1
Number of baseball/softball fields	3	3	3	3	3	3	3	3	3	3
Number of soccer fields	3	3	3	3	3	3	3	3	3	3

*Records for water mains not available for 2010 - 2012

**Records updated in 2015 to include poles with street lights

Source: City departmental records.



**715 West Mount Vernon, Nixa, Missouri
65714**

www.nixa.com