

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended Dec. 31, 2018



CITY OF NIXA MISSOURI



CITY OF NIXA
715 W. Mt. Vernon
Nixa, MO 65714

NIXA.COM

"Neighbors Committed to an Exceptional Quality of Life"

CITY OF NIXA, MISSOURI

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2018

REPORT PREPARED AND SUBMITTED
BY THE FINANCE DEPARTMENT

Jimmy Liles, City Administrator
and
Donna Swatzell, Director of Finance

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CITY OF NIXA, MISSOURI
Comprehensive Annual Finance Report
For the Fiscal Year Ended December 31, 2018

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SECTION I - INTRODUCTORY SECTION



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Phone (417) 725-3785
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May 13, 2019

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, 2018

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control 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 unqualified (“clean”) opinion on the City of Nixa, Missouri’s financial statements for the year ended December 31, 2018. 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 21,890.

The City of Nixa was rated in 2018 by The National Council for Home Safety and Security among the safest cities in Missouri. Nixa was ranked #8 on the list comparing 72 eligible Missouri cities. In 2018, Christian County, home to Nixa, was recognized as Missouri’s 3rd healthiest county by Robert Wood Johnson Foundation. For the second year in a row, the City of Nixa was awarded the Missouri Municipal League’s Innovation Award in the Large City category. The 2018 award recognized the City’s partnership with Gardner Capital and MC Power to develop Missouri’s largest solar farm. The previous year’s award was for the City’s development of Community Alternative Sentencing Court (CASC).

The City of Nixa provides a full range of services, including police protection, street maintenance, parks and recreational facilities, planning and zoning development, municipal court, 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 purchases electric energy from Springfield City Utilities, Southwestern Power Administration, Southwest Power Pool, and Nixa Solar. The City began purchases of solar power in 2017, and anticipates solar to generate 9% of Nixa's annual energy consumption. Nixa Utilities has been recognized by Smart Electric Power Alliance as one the top ten utilities around the nation that added the most solar watts per customer in 2017. Use of solar will reduce the City's carbon footprint by 10,542 metric tons per year. Coupled with federal hydropower purchases and a mix of renewable energy from Springfield City Utilities, Nixa's total renewable energy supply is near 50%. All of Nixa's water is pumped from the underground Ozark aquifer. Its state of the art, 4-million gallon/day sanitary sewer treatment facility accommodates all existing and near-term 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.

Appointment of City Administrator, City Clerk, 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, and Chief of Police, the City employs five other directors – Director of Planning and Zoning, Director of Public Works, Director of Finance, Director of Parks and Recreation, and Director of Human Resources. A total of 142 full-time positions were budgeted for 2019.

LOCAL ECONOMY

The City issued 250 residential building permits in 2018; this is an 18% increase compared to 2017. This was also the third consecutive year for the City to see an increase in construction, and the largest number of annual permits issued in the past ten years.

City sales tax experienced an overall increase of seven percent in 2018 for an additional \$265,481 in revenue. Forty-one percent of this increase is attributed to a use tax approved by voters in April 2018.

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 also added an Assistant City Administrator in early 2019; this position has a primary duty of business concierge. This allows the City to assist current and future businesses with a variety of needs.

MAJOR INITIATIVES

During Fiscal Year 2018, the City of Nixa completed the following major initiatives:

- Installation of emergency standby generators, door access control systems and security cameras for City Hall and Utility Office
- Remodel of City Hall lobby
- First roundabout in the City located at intersection of North Gregg Road and Northview Road
- Replacement of 18/24/30 MVA transformer at Espy Substation
- Various upgrades to electric, water and sewer systems

Other major items, budgeted in 2018, have been carried forward into the 2019 budget for completion:

- Three additional roundabouts
- One-million gallon water storage tank on South Norton Road
- Parallel sewer line from South Street to State Highway 14
- Improvements to Super 8 Lift Station and Wasson Lift Station
- Relocation of utility lines in preparation for widening of State Highway 14
- Park Maintenance Building

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 2015, the Finance Department's Standard Operating Procedures manual was updated and presented to Council for approval. The City's comprehensive Purchasing Policy was updated and approved by Council in 2018. Other adopted financial policies include an Identity Theft Prevention Program, Merchant Card Policy, Grant Policy, Operating Reserve Policy, Investment Policy, Fixed Asset 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 investing of all City revenue 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-today depository and banking services are requested every three to five years from area banking institutions. The City requested and received such proposals in 2017. 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 waste water, 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). City of Nixa's 2019 budget includes monies to provide a five-year master plan for waste water. The Water Department's master plan was adopted in 2013, and a water rate study was conducted in 2017 with proposed rates through 2022. The City is in the process of reviewing its power purchasing contracts and rates to assess the current needs for providing electric energy to the community. A Street master plan was presented to Council in

January 2016. A survey conducted during the Street master plan process assists Council in the prioritization of transportation and connectivity issues.

Debt Administration

The City of Nixa had an outstanding debt balance of \$6,603,700 on December 31, 2018 compared to a balance of \$11,834,024 as of December 31, 2017. Of this balance, \$733,700 is general obligation debt. 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, \$2,015,000; enterprise revenue bonds, \$3,115,000; and enterprise lease obligations, \$740,000.

On March 31, 2018, the City of Nixa sold its Electric Transmission Line; proceeds redeemed the Electric System Refunding Revenue Bonds, Series 2011 on May 15, 2018.

OTHER INFORMATION

Strategic Planning

In 2015, action teams were formed by more than fifty (50) community members to determine the means to meet objectives and strategies that had been established by members of the community, City staff, and local businesses. This five-year (2015 – 2020) strategic plan, called Nixa's Continuing Improvement Plan (NCIP), was approved by Council to improve quality of life for the City's citizens. NCIP details action plans for four (4) strategies and twenty-four (24) action plans focusing on transportation, community involvement, economic development, and recreation. At the time of the 2018 NCIP progress assessment, the City had initiated 96% of the strategic action plans. Nine (9) action plans have been put into operation and fourteen (14) are in progress. Only one (1) action plan is left to be implemented.

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 Acknowledgements

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 comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2017. This was the third 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 CAFR 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 comprehensive annual 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



Donna Swatzell
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Nixa
Missouri**

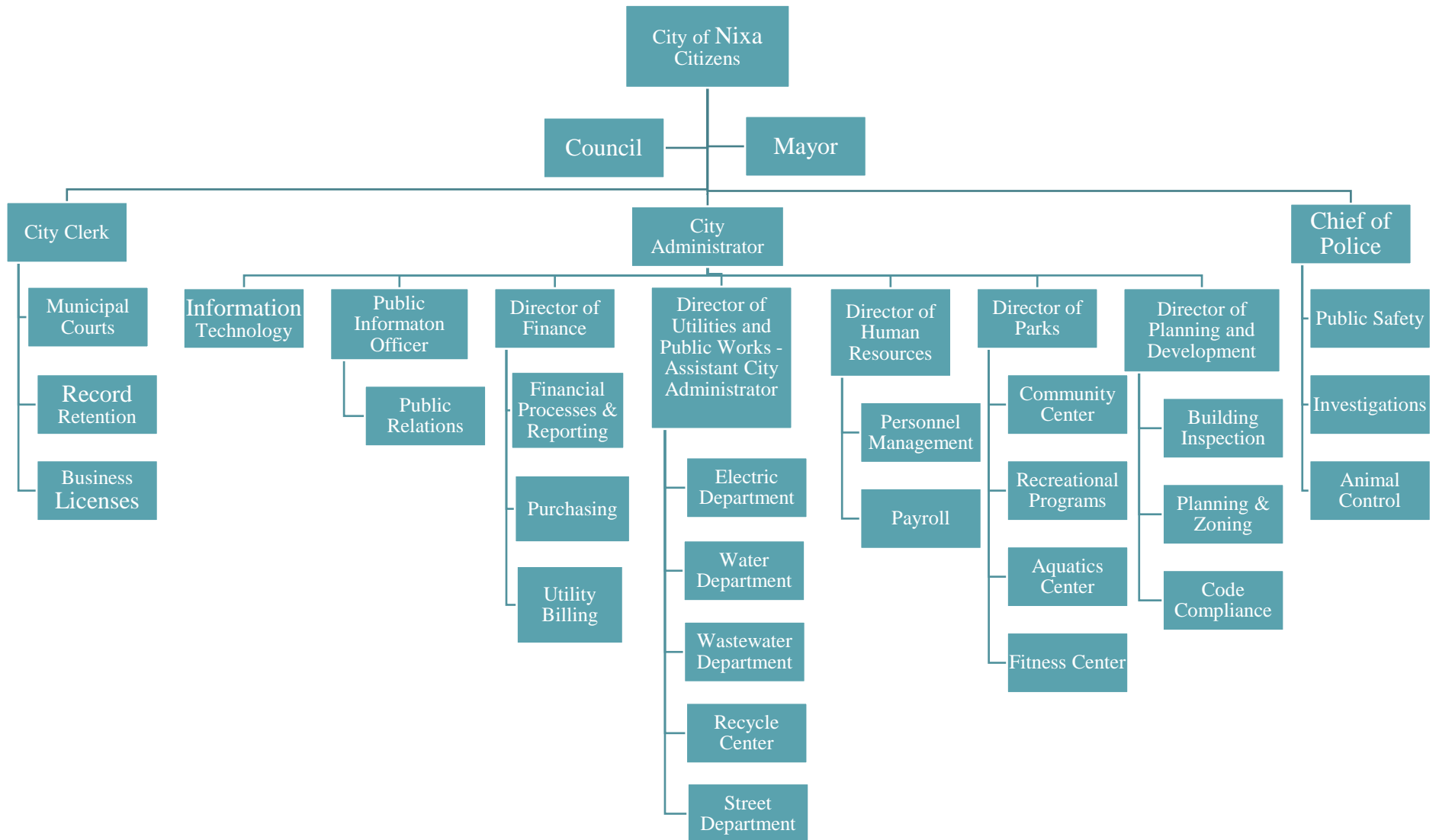
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

CITY OF NIXA ORGANIZATIONAL CHART



City of Nixa, Missouri

Principal Officials

Mayor and Council

Brian Steele, Mayor
Jimmy Ledbetter, District I
Scott Perryman, District I
Matt Barker, District II
Aron Peterson, District II
Darlene Graham, District III
Justin Orf, District III

Appointed

City Administrator – Jimmy Liles
Director of Utilities and Public Works/Assistant City Administrator – Doug Colvin
City Clerk – Cindy Robbins
Interim Chief of Police – Joe Campbell
Director of Planning and Development – Travis Cossey
Director of Parks and Recreation – Matt Crouse
Director of Finance – Donna Swatzell
Human Resource Manager – Amanda Hunsucker

SECTION II - FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Aldermen
City of Nixa, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Nixa, Missouri, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Nixa, Missouri, as of December 31, 2018, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information and introductory and statistical sections, as listed in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Decker & DeGood
Springfield, Missouri
March 8, 2019

Management's Discussion and Analysis



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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, 2018. 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 \$ 122,868,735 (net position). Of this amount, \$ 34,553,006 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- As of December 31, 2018, governmental activities and business-type activities had net positions of \$70,144,998 and \$52,723,737, respectively.
- At the end of the current fiscal year, the City of Nixa's governmental funds reported combined ending fund balances of \$ 12,438,968, an increase of \$ 940,415 in comparison with the prior year. Approximately 53.19% or \$6,616,052 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, \$6,616,052, is 108.3% of total General Fund expenditures, and is an increase in comparison with the prior year unassigned fund balance.
- The City of Nixa's long-term debt obligations decreased by \$ 5,230,324, or 442% as compared to fiscal year 2017.

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.

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 14 and 15 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 five 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. Data from the other three governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

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 16-19 of this report.

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 enterprises 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, which are considered to be major funds of the City of Nixa.

The basic proprietary fund financial statements can be found on pages 20-22 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 23-59 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 60-64 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 65-69 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 \$122,868,735 at the close of the most recent fiscal year.

City of Nixa's Net Position

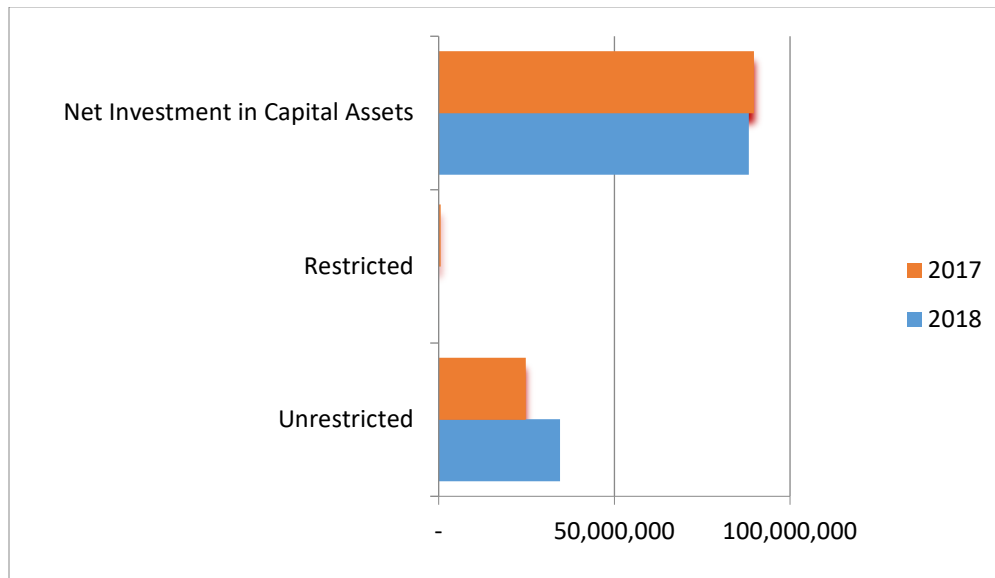
| | Governmental Activities | | Business-type Activities | | Total | |
|---------------------------------|-------------------------|---------------|--------------------------|---------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Current Assets and other assets | \$ 13,177,351 | \$ 12,164,239 | \$ 24,663,705 | \$ 16,320,510 | \$ 37,841,056 | \$ 28,484,749 |
| Capital Assets | 60,561,656 | 61,538,099 | 34,257,818 | 39,972,647 | 94,819,474 | 101,510,746 |
| Total Assets | 73,739,007 | 73,702,338 | 58,921,523 | 56,293,157 | 132,660,530 | 129,995,495 |
| Deferred Outflows of Resources | | | | | | |
| Deferred on refunding | - | - | 53,891 | 298,083 | 53,891 | 298,083 |
| Deferred pension related | 608,787 | 842,959 | 225,875 | 239,475 | 834,662 | 1,082,434 |
| Total Deferred Outflows | 608,787 | 842,959 | 279,766 | 537,558 | 888,553 | 1,380,517 |
| Current Liabilities | 592,677 | 1,405,097 | 2,100,316 | 4,104,065 | 2,692,993 | 5,509,162 |
| Long-term Debt | 3,086,343 | 3,139,520 | 4,069,876 | 7,120,000 | 7,156,219 | 10,259,520 |
| Total Liabilities | 3,679,020 | 4,544,617 | 6,170,192 | 11,224,065 | 9,849,212 | 15,768,682 |
| Deferred Inflows | | | | | | |
| Deferred on refunding | - | - | 100,202 | 231,753 | 100,202 | 231,753 |
| Deferred pension related | 523,776 | 213,227 | 207,158 | 75,097 | 730,934 | 288,324 |
| Total Deferred Inflows | 523,776 | 213,227 | 307,360 | 306,850 | 831,136 | 520,077 |
| Net Position: | | | | | | |
| Invested in | | | | | | |
| capital assets-net | 57,812,956 | 58,201,075 | 30,429,640 | 31,541,977 | 88,242,596 | 89,743,052 |
| Restricted | - | - | 73,133 | 566,070 | 73,133 | 566,070 |
| Unrestricted | 12,332,042 | 11,586,278 | 22,220,964 | 13,191,753 | 34,553,006 | 24,778,031 |
| Total net position | \$ 70,144,998 | \$ 69,787,353 | \$ 52,723,737 | \$ 45,299,800 | \$ 122,868,735 | \$ 115,087,153 |

By far, the largest portion of the City of Nixa's net position (71.82%) 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 (.06%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$ 34,553,006 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.

City of Nixa, Net Position
December 31, 2018 and 2017



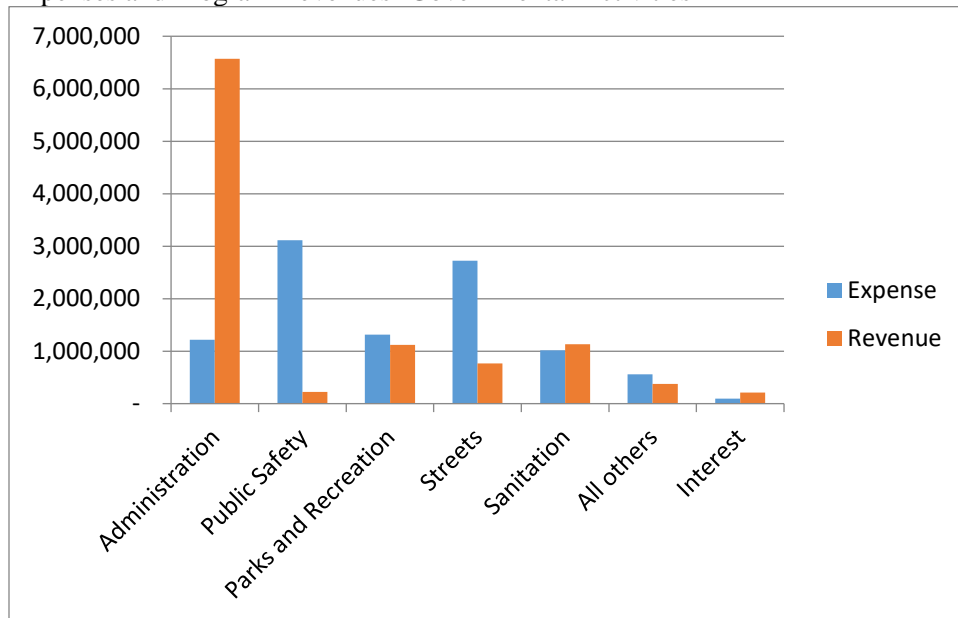
However, the City of Nixa's overall net position increased \$ 7,781,582 from the prior year fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental activities. Governmental activities increased the City of Nixa's net position by \$ 357,645, thereby accounting for 4.6% 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 \$753,905.

City of Nixa's Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|------------------------------------|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for services | \$ 2,696,924 | \$ 2,527,046 | \$ 24,547,152 | \$ 23,106,500 | \$ 27,244,076 | \$ 25,633,546 |
| Operating grants and contributions | 14,436 | 47,976 | - | - | 14,436 | 47,976 |
| Capital grants and contributions | 168,049 | 936,941 | 255,161 | 201,837 | 423,210 | 1,138,778 |
| General Revenues: | | | | | | |
| Taxes | 6,275,418 | 5,925,311 | - | - | 6,275,418 | 5,925,311 |
| Investment earnings | 212,140 | 159,738 | 305,427 | 194,687 | 517,567 | 354,425 |
| Other | 56,731 | 75,796 | - | 83,617 | 56,731 | 159,413 |
| Total Revenues | <u>9,423,698</u> | <u>9,672,808</u> | <u>25,107,740</u> | <u>23,586,641</u> | <u>34,531,438</u> | <u>33,259,449</u> |
| Expenses: | | | | | | |
| Administration | 1,218,761 | 1,132,388 | - | - | 1,218,761 | 1,132,388 |
| Public Safety | 3,112,497 | 2,767,226 | - | - | 3,112,497 | 2,767,226 |
| Building inspection | 280,711 | 234,574 | - | - | 280,711 | 234,574 |
| Storm water | 35,483 | 22,687 | - | - | 35,483 | 22,687 |
| Planning | 242,790 | 221,118 | - | - | 242,790 | 221,118 |
| Sanitation | 1,016,192 | 963,335 | - | - | 1,016,192 | 963,335 |
| Parks and recreation | 1,315,217 | 1,321,776 | - | - | 1,315,217 | 1,321,776 |
| Streets | 2,724,345 | 2,724,343 | - | - | 2,724,345 | 2,724,343 |
| Interest | 92,780 | 95,575 | - | - | 92,780 | 95,575 |
| Waterworks | - | - | 1,750,023 | 1,648,912 | 1,750,023 | 1,648,912 |
| Wastewater | - | - | 2,317,476 | 2,613,626 | 2,317,476 | 2,613,626 |
| Electric | - | - | 17,423,304 | 16,408,381 | 17,423,304 | 16,408,381 |
| Total Expenses | <u>10,038,776</u> | <u>9,483,022</u> | <u>21,490,803</u> | <u>20,670,919</u> | <u>31,529,579</u> | <u>30,153,941</u> |
| Other sources and (uses) | | | | | | |
| Gain of sale of capital assets | - | - | 4,779,723 | - | 4,779,723 | - |
| Transfers | <u>972,723</u> | <u>921,764</u> | <u>(972,723)</u> | <u>(921,764)</u> | <u>-</u> | <u>-</u> |
| Change in Net Position | 357,645 | 1,111,550 | 7,423,937 | 1,993,958 | 7,781,582 | 3,105,508 |
| Net Position, beginning | <u>69,787,353</u> | <u>68,675,803</u> | <u>45,299,800</u> | <u>43,305,842</u> | <u>115,087,153</u> | <u>111,981,645</u> |
| Net Position, ending | <u>\$ 70,144,998</u> | <u>\$ 69,787,353</u> | <u>\$ 52,723,737</u> | <u>\$ 45,299,800</u> | <u>\$ 122,868,735</u> | <u>\$ 115,087,153</u> |

Expenses and Program Revenues -Governmental Activities



Business-type activities. Business-type activities increased the City of Nixa's net position by \$ 7,423,937, thereby accounting for 95.4% of the total growth in the net position of the City of Nixa. This was an increase of \$ 5,429,979 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 \$ 612,737 with the combination of the sale of electric transmission system netting a gain of \$ 4,778,338.

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.

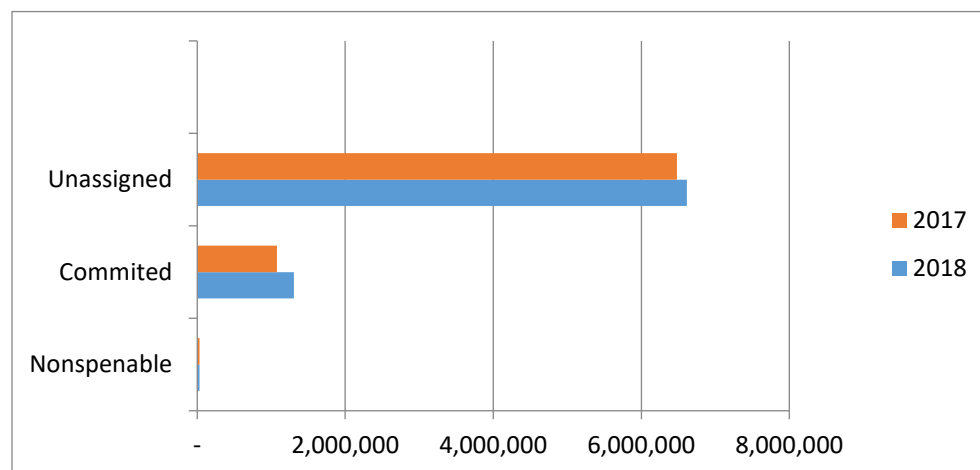
Governmental fund balance is reported in five separate categories: Nonspendable, restricted, committed, assigned, and unassigned. Nonspendable fund balance includes amounts that cannot be spent for legal or practical reasons. Examples include prepaid items and inventory. Restricted fund balance includes amounts restricted to specific purposes by external parties such as amounts restricted for specific purposes such as streets and parks.

Committed 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. Assigned fund balance includes amounts that have been set aside by the City of Nixa Council for a specific purpose, but subsequent 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 \$ 12,438,968 with an increase of \$ 940,415 compared to the prior fiscal year. Of the total balance, \$ 1,713,408 is Committed, \$44,221 is Non-spendable, \$4,065,287 is restricted, and \$ 6,616,052 is unassigned.

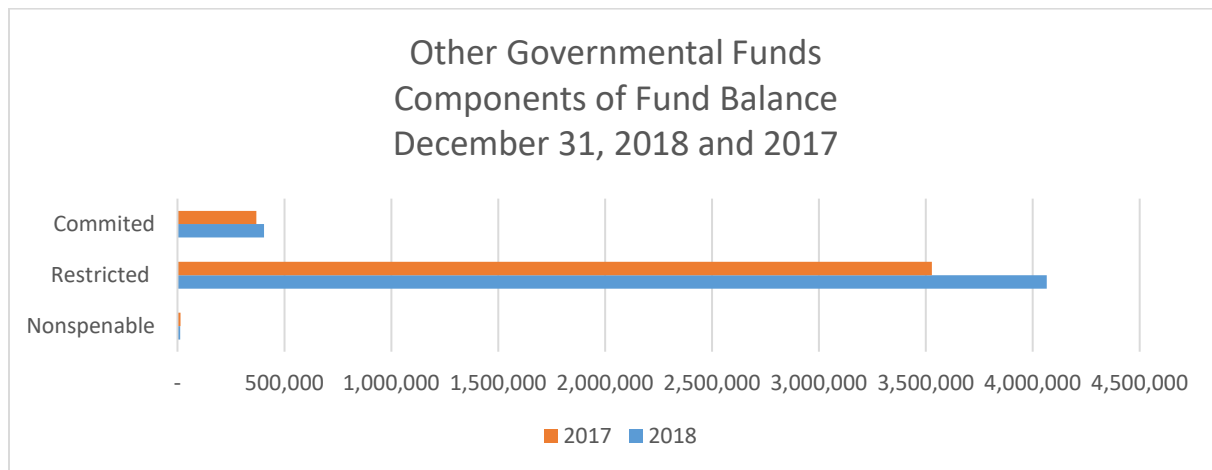
The General Fund is the chief operating fund of the City of Nixa. At the end of the current fiscal year, the General Fund reported a fund balance of \$ 7,956,084 of which \$ 32,167 was nonspendable, \$ 1,307,865 committed for park improvements, and \$ 6,616,052 was unassigned.

General Fund
Components of Fund Balance
December 31, 2018 and 2017



Fund balance of the General Fund increased \$ 367,548 which was down from the prior year of \$ 626,762. As compared to the prior year, the General Fund had an increase in sales tax of \$ 213,475 and most of that was from a new sales/use tax passed for 2018, offset by increases in administration and police operating expenditures of \$ 402,126.

Fund balance of the Street Fund increased \$ 539,447, which was an increase over the prior year of \$ 79,552 as a result of a decrease in capital expenditures for the current year.



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) \$ 5,021,474 in the Waterworks Fund, (2) \$ 4,768,580 in the Wastewater Fund and (3) \$ 12,430,910 in the Electric Fund. The finances of these funds were discussed earlier as part of the business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Minor revisions were made to the General Fund original expenditure budget. The original General Fund expenditure budget was forecasted at \$ 6,479,080 and the revised expenditure budget was increased by 4.5% to \$6,770,705 to allow for possible capital improvements. Actual expenditures for the General Fund came in 9.8% under the revised expenditure budget for a savings of \$663,029.

No revisions were made to the General Fund original revenue budget of \$5,342,400. Actual revenue for the General Fund was \$ 5,821,501, for an increase of 9.0% or \$ 479,101 compared to budgeted revenue.

CAPITAL ASSET AND DEBT ADMINISTRATION (net of depreciation)

| | Governmental Activities | | Business-Type Activities | | Totals | |
|--------------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|-----------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Land | \$ 1,990,552 | \$ 1,990,552 | \$ 854,960 | \$ 918,683 | \$ 2,845,512 | \$ 2,909,235 |
| Buildings | 7,212,844 | 7,224,232 | 2,368,617 | 2,413,436 | 9,581,461 | 9,637,668 |
| Improvements | 5,221,041 | 5,331,028 | 29,314,518 | 34,865,525 | 34,535,559 | 40,196,553 |
| Street | 44,330,226 | 45,393,088 | - | - | 44,330,226 | 45,393,088 |
| Equipment | 836,190 | 681,474 | 444,120 | 411,508 | 1,280,310 | 1,092,982 |
| Vehicles | 384,848 | 389,215 | 968,806 | 1,141,239 | 1,353,654 | 1,530,454 |
| Construction-In-Progress | 585,955 | 528,510 | 306,797 | 222,257 | 892,752 | 750,767 |
| | <u>\$ 60,561,656</u> | <u>\$ 61,538,099</u> | <u>\$ 34,257,818</u> | <u>\$ 39,972,648</u> | <u>\$ 94,819,474</u> | <u>\$ 101,510,747</u> |

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

Debt

At year-end, the City of Nixa had \$ 6,603,700 in outstanding notes as compared to the prior year of \$11,834,024.

| | Governmental Activities | | Business-type Activities | | Total | |
|-------------------|-------------------------|---------------------|--------------------------|---------------------|---------------------|----------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Revenue Bonds | \$ - | \$ - | \$ 3,115,000 | \$ 7,652,000 | \$ 3,115,000 | \$ 7,652,000 |
| G.O. Bonds | 733,700 | 1,007,900 | - | - | 733,700 | 1,007,900 |
| Lease Obligations | 2,015,000 | 2,329,124 | 740,000 | 845,000 | 2,755,000 | 3,174,124 |
| TOTALS | <u>\$ 2,748,700</u> | <u>\$ 3,337,024</u> | <u>\$ 3,855,000</u> | <u>\$ 8,497,000</u> | <u>\$ 6,603,700</u> | <u>\$ 11,834,024</u> |

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2019 budget for the City of Nixa indicates \$46,142.184 in expenditures, offset by \$38,372,256 in revenue. Expenditures are comprised of \$34,613,983 for operations, \$1,502,496 for debt retirement and \$10,025,705 for capital improvement projects. Revenue for 2019 will cover 100% of operational expenses and debt retirement. Current year revenue will provide for 22.5% of capital improvements; unassigned fund balance will cover remaining 77.5% or \$7,779,927.

In April of 2018, citizens approved a use tax for the City of Nixa. The 2019 budget anticipates \$250,000 in revenue from this tax initiative. General and transportation sales taxes for 2018 rose 4% over previous year; a 3.7% increase has been budgeted for these taxes for an increase of \$147,000.

For three consecutive years, the City of Nixa experienced an increase in the number of new residential building permits. While 2018 saw an 18% increase, a 6% increase has been budgeted for 2019. As of December 31, 2018, six new developments with 197 lots were under construction, and an additional three developments totaling 126 lots were under review.

Capital projects for 2019 are budgeted at \$6,266,400 for proprietary funds and \$3,759,305 for governmental activities. For governmental funds, \$417,600 was budgeted for equipment and vehicles, \$390,324 for building and facility improvements, and \$3,032,381 for street and sidewalk improvements. The electric fund has a budget of \$1,086,500 for system improvements and \$458,834 for equipment and vehicles, which includes two bucket trucks. The budget for the waterworks fund includes \$2,235,000 for a new water tower, \$632,000 in other system improvements, and \$109,833 for equipment and vehicles. System improvements for the sewer fund total \$1,479,400 and \$264,833 has been budgeted for equipment and vehicles.

The 2019 budget for the sewer fund also includes funds for a five-year master plan which will include a rate study. The electric fund has also budgeted a rate study for 2019. Rate study for the water fund was completed and approved in 2017 with incremental rate increases effective until 2022.

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 Finance Director's Office at 715 West Mt. Vernon, Nixa, Missouri



Donna Swatzell,
Finance Director

Basic Financial Statements

CITY OF NIXA, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2018

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|----------------|
| ASSETS | | | |
| Cash and cash equivalent | \$ 11,552,218 | \$ 13,768,065 | \$ 25,320,283 |
| Investments | - | 7,943,744 | 7,943,744 |
| Receivables: | | | |
| Utility accounts, net | 82,307 | 1,626,710 | 1,709,017 |
| Property taxes, net | 710,833 | - | 710,833 |
| Other taxes | 630,138 | - | 630,138 |
| Prepaid items | 44,221 | 13,617 | 57,838 |
| Net pension assets | 157,634 | - | 157,634 |
| Materials and supply inventory | - | 1,238,436 | 1,238,436 |
| Cash and cash equivalents-restricted | | | |
| Debt service reserves | - | 73,133 | 73,133 |
| Capital assets: | | | |
| Land | 1,990,552 | 854,960 | 2,845,512 |
| Construction in progress | 585,955 | 306,797 | 892,752 |
| Other capital assets, net of accumulated depreciation | 57,985,149 | 33,096,061 | 91,081,210 |
| Total Assets | 73,739,007 | 58,921,523 | 132,660,530 |
| DEFERRED OUTFLOW OF RESOURCES | | | |
| Deferred loss on refunding | - | 53,891 | 53,891 |
| Deferred amounts related to pensions | 608,787 | 225,875 | 834,662 |
| Total Deferred Outflows of Resources | 608,787 | 279,766 | 888,553 |
| LIABILITIES | | | |
| Accounts payable | 197,627 | 1,206,278 | 1,403,905 |
| Accrued wages | 189,806 | 70,026 | 259,832 |
| Accrued payroll taxes and benefits | 1,749 | - | 1,749 |
| Accrued sales tax | - | 26,984 | 26,984 |
| Accrued interest | 29,180 | 2,766 | 31,946 |
| Unearned revenues | 174,315 | - | 174,315 |
| Deposits payable | - | 794,262 | 794,262 |
| Long-term liabilities: | | | |
| Amounts due within one year | 662,634 | 854,570 | 1,517,204 |
| Amounts due in more than one year: | 2,423,709 | 3,126,271 | 5,549,980 |
| Net pension liability | - | 89,035 | 89,035 |
| Total Liabilities | 3,679,020 | 6,170,192 | 9,849,212 |
| DEFERRED INFLOW OF RESOURCES | | | |
| Deferred gain on refunding, net | - | 100,202 | 100,202 |
| Deferred amounts related to pensions | 523,776 | 207,158 | 730,934 |
| Total Deferred Inflow of Resources | 523,776 | 307,360 | 831,136 |
| NET POSITION | | | |
| Net investment in capital assets | 57,812,956 | 30,429,640 | 88,242,596 |
| Restricted for: | | | |
| Debt service | - | 73,133 | 73,133 |
| Unrestricted | 12,332,042 | 22,220,964 | 34,553,006 |
| Total Net Position | \$ 70,144,998 | \$ 52,723,737 | \$ 122,868,735 |

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, 2018

| 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 | \$ 1,218,761 | \$ 31,935 | \$ 1,450 | \$ - | \$ (1,185,376) | \$ - | \$ (1,185,376) |
| Public safety: | | | | | | | |
| Police | 3,112,497 | 161,975 | 12,736 | 50,164 | (2,887,622) | - | (2,887,622) |
| Building inspections | 280,711 | - | - | - | (280,711) | - | (280,711) |
| Storm water | 35,483 | - | - | - | (35,483) | - | (35,483) |
| Planning | 242,790 | 373,519 | - | - | 130,729 | - | 130,729 |
| Sanitation | 1,016,192 | 1,130,943 | - | - | 114,751 | - | 114,751 |
| Park and recreation | 1,315,217 | 998,552 | 250 | 117,885 | (198,530) | - | (198,530) |
| Streets | 2,724,345 | - | - | - | (2,724,345) | - | (2,724,345) |
| Interest on long-term debt | 92,780 | - | - | - | (92,780) | - | (92,780) |
| Total governmental activities | 10,038,776 | 2,696,924 | 14,436 | 168,049 | (7,159,367) | - | (7,159,367) |
| Business-type activities: | | | | | | | |
| Waterworks | 1,750,023 | 2,697,837 | - | - | - | 947,814 | 947,814 |
| Wastewater | 2,317,476 | 3,249,783 | - | 255,161 | - | 1,187,468 | 1,187,468 |
| Electric | 17,423,304 | 18,599,532 | - | - | - | 1,176,228 | 1,176,228 |
| Total business-type activities | 21,490,803 | 24,547,152 | - | 255,161 | - | 3,311,510 | 3,311,510 |
| Total Government | \$ 31,529,579 | \$ 27,244,076 | \$ 14,436 | \$ 423,210 | (7,159,367) | 3,311,510 | (3,847,857) |
| General Revenues | | | | | | | |
| Taxes: | | | | | | | |
| Property taxes for general purposes | | | | | 862,992 | - | 862,992 |
| Franchise taxes | | | | | 499,796 | - | 499,796 |
| Sales taxes | | | | | 4,146,721 | - | 4,146,721 |
| Missouri motor fuel taxes | | | | | 765,909 | - | 765,909 |
| Investment earnings | | | | | 212,140 | 305,427 | 517,567 |
| Miscellaneous | | | | | 56,731 | - | 56,731 |
| Gain on sale of capital assets | | | | | - | 4,779,723 | 4,779,723 |
| Transfer-Fee in Lieu Of | | | | | 972,723 | (972,723) | - |
| Total general revenues, transfers, and special items | | | | | 7,517,012 | 4,112,427 | 11,629,439 |
| Change in net position | | | | | 357,645 | 7,423,937 | 7,781,582 |
| Net position beginning | | | | | 69,787,353 | 45,299,800 | 115,087,153 |
| Net position ending | | | | | \$ 70,144,998 | \$ 52,723,737 | \$ 122,868,735 |

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

CITY OF NIXA, MISSOURI

BALANCE SHEET- GOVERNMENTAL FUNDS DECEMBER 31, 2018

| | General Fund | Street Fund | Total Nonmajor Funds | Total Governmental Funds |
|--|---------------------|---------------------|----------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and cash equivalent | \$ 6,993,042 | \$ 3,961,639 | \$ 597,537 | \$ 11,552,218 |
| Accounts receivable- | | | | |
| Property taxes, (net) | 710,833 | - | - | 710,833 |
| Refuse (net) | 82,307 | - | - | 82,307 |
| Sales, franchise, and motor fuel taxes | 439,662 | 175,890 | 14,586 | 630,138 |
| Prepaid items | 32,167 | 7,414 | 4,640 | 44,221 |
| Total Assets | \$ 8,258,011 | \$ 4,144,943 | \$ 616,763 | \$ 13,019,717 |
| LIABILITIES | | | | |
| Accounts payable | \$ 107,629 | \$ 6,848 | \$ 83,150 | \$ 197,627 |
| Accrued wages | 146,290 | 18,057 | 25,459 | 189,806 |
| Accrued payroll taxes and benefits | 1,749 | - | - | 1,749 |
| Unearned revenues | 29,007 | 139,574 | 5,734 | 174,315 |
| Total Liabilities | 284,675 | 164,479 | 114,343 | 563,497 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable property tax revenue | 17,252 | - | - | 17,252 |
| FUND BALANCES | | | | |
| Fund Balances - | | | | |
| Nonspendable | 32,167 | 7,414 | 4,640 | 44,221 |
| Restricted- | | | | |
| Streets | - | 3,973,050 | - | 3,973,050 |
| Storm water | - | - | 92,237 | 92,237 |
| Committed- | | | | |
| Park improvements | 1,307,865 | - | 336,629 | 1,644,494 |
| Building inspection | - | - | 68,914 | 68,914 |
| Unassigned | 6,616,052 | - | - | 6,616,052 |
| Total Fund Balances | 7,956,084 | 3,980,464 | 502,420 | 12,438,968 |
| Total Liabilities, Deferred Inflow of Resources and Fund Balances | \$ 8,258,011 | \$ 4,144,943 | \$ 616,763 | \$ 13,019,717 |

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, 2018

| | | |
|---|-------------------|-----------------------------|
| Total Fund Balances-Governmental Funds | | \$ 12,438,968 |
| 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. | | |
| Non-depreciable assets | 2,576,507 | |
| Depreciable assets | <u>57,985,149</u> | |
| | | 60,561,656 |
| 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. | | 17,252 |
| Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of: | | |
| Deferred outflows - pension related | 608,787 | |
| Net pension assets | 157,634 | |
| Deferred inflows - pension related | <u>(523,776)</u> | |
| | | 242,645 |
| 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. | | (29,180) |
| 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: | | |
| G.O.Bonds and Capital Lease Obligations payable | (2,748,700) | |
| Compensated absences | <u>(337,643)</u> | |
| | | <u>(3,086,343)</u> |
| Net position of governmental activities | | <u><u>\$ 70,144,998</u></u> |

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, 2018

| | General Fund | Street Fund | Total Nonmajor Funds | Total Governmental Funds |
|--|---------------------|---------------------|----------------------------|--------------------------------|
| REVENUES | | | | |
| Taxes: | | | | |
| Property taxes | \$ 881,567 | \$ - | \$ - | \$ 881,567 |
| Franchise taxes | 499,796 | - | - | 499,796 |
| Sales taxes | 2,750,968 | 1,320,753 | - | 4,071,721 |
| Intergovernmental taxes: | | | | |
| Missouri motor fuel taxes | - | 765,909 | - | 765,909 |
| Christian County sales tax | - | 75,000 | - | 75,000 |
| Licenses & permits | 31,935 | - | - | 31,935 |
| Charges for services: | | | | |
| Sanitation | 1,130,943 | - | - | 1,130,943 |
| Park programs | - | - | 968,686 | 968,686 |
| Plan reviews and inspections | 15,794 | - | 357,725 | 373,519 |
| Fines & forfeitures | 161,975 | - | - | 161,975 |
| Investment earnings | 136,797 | 65,579 | 9,764 | 212,140 |
| Grants | 27,496 | - | - | 27,496 |
| Contributions | 1,450 | - | 250 | 1,700 |
| Rents | 600 | - | 29,266 | 29,866 |
| Impact fees | 153,289 | - | - | 153,289 |
| Miscellaneous | 28,891 | 26,159 | 1,681 | 56,731 |
| Total Revenues | <u>5,821,501</u> | <u>2,253,400</u> | <u>1,367,372</u> | <u>9,442,273</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 1,028,176 | - | - | 1,028,176 |
| Police | 2,841,589 | - | - | 2,841,589 |
| Building inspection | - | - | 272,441 | 272,441 |
| Streets | - | 1,437,246 | - | 1,437,246 |
| Planning/Economic development | 242,790 | - | - | 242,790 |
| Parks | - | - | 1,101,543 | 1,101,543 |
| Sanitation | 1,016,192 | - | - | 1,016,192 |
| Storm water | - | - | 35,483 | 35,483 |
| Capital outlay: | | | | |
| General government | 273,106 | - | - | 273,106 |
| Police | 27,795 | - | - | 27,795 |
| Streets | - | 276,707 | - | 276,707 |
| Parks | - | - | 217,597 | 217,597 |
| Building inspection | - | - | 25,888 | 25,888 |
| Debt service: | | | | |
| Principal retirement | 588,324 | - | - | 588,324 |
| Interest and fiscal agent fees | 89,704 | - | - | 89,704 |
| Total Expenditures | <u>6,107,676</u> | <u>1,713,953</u> | <u>1,652,952</u> | <u>9,474,581</u> |
| EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES | <u>(286,175)</u> | <u>539,447</u> | <u>(285,580)</u> | <u>(32,308)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | - | - | 319,000 | 319,000 |
| Transfers to other funds | (319,000) | - | - | (319,000) |
| Transfer in-Fee in Lieu of Taxes | 972,723 | - | - | 972,723 |
| Total Other Financing Sources (Uses) | <u>653,723</u> | <u>-</u> | <u>319,000</u> | <u>972,723</u> |
| NET CHANGE IN FUND BALANCES | 367,548 | 539,447 | 33,420 | 940,415 |
| FUND BALANCES - BEGINNING | <u>7,588,536</u> | <u>3,441,017</u> | <u>469,000</u> | <u>11,498,553</u> |
| FUND BALANCES- ENDING | <u>\$ 7,956,084</u> | <u>\$ 3,980,464</u> | <u>\$ 502,420</u> | <u>\$12,438,968</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, 2018

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

| | | |
|--|----|---------|
| Net change in fund balances - total governmental funds | \$ | 940,415 |
|--|----|---------|

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 | 821,093 | |
| Depreciation expense | (1,796,714) | |

The net effect of various miscellaneous transaction involving capital assets:

| | | |
|--|-------|-----------|
| Cost of disposals, net of accumulated depreciation | (822) | (976,443) |
|--|-------|-----------|

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

| | | |
|------------------------------------|---------|---------|
| Principal payments | 588,324 | |
| Change in accrued interest payable | (3,076) | 585,248 |

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.

(18,575)

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 | (23,005) | |
| Change in LAGERS net pension obligation | (149,995) | (173,000) |

| | | |
|---|----|---------|
| Change in net position of governmental activities | \$ | 357,645 |
|---|----|---------|

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

CITY OF NIXA, MISSOURI

STATEMENT OF NET POSITION-

PROPRIETARY FUNDS

DECEMBER 31, 2018

| | Business-type Activities | | | |
|--|--------------------------|--------------------|------------------|---------------------------|
| | Waterworks Fund | Wastewater Fund | Electric Fund | Total Enterprise Funds |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalent | \$ 4,165,602 | \$ 2,795,656 | \$ 6,806,807 | \$ 13,768,065 |
| Investments | 794,374 | 1,985,936 | 5,163,434 | 7,943,744 |
| Utility accounts receivable, net | 163,200 | 250,292 | 1,213,218 | 1,626,710 |
| Material and supplies inventory | 166,010 | - | 1,072,426 | 1,238,436 |
| Prepaid items | 3,282 | 3,694 | 6,641 | 13,617 |
| Total Current Assets | 5,292,468 | 5,035,578 | 14,262,526 | 24,590,572 |
| Noncurrent assets: | | | | |
| Restricted assets: Cash and cash equivalents | | | | |
| Debt service reserve | - | 73,133 | - | 73,133 |
| Capital assets: | | | | |
| Land | 116,751 | 149,255 | 588,954 | 854,960 |
| Construction in progress | 76,977 | 229,820 | - | 306,797 |
| Property, plant and equipment (Net of accumulated depreciation) | 6,301,192 | 15,548,396 | 11,246,473 | 33,096,061 |
| Total Noncurrent Assets | 6,494,920 | 16,000,604 | 11,835,427 | 34,330,951 |
| Total Assets | 11,787,388 | 21,036,182 | 26,097,953 | 58,921,523 |
| DEFERRED OUTFLOW OF RESOURCES | | | | |
| Deferred loss on refunding, net | 21,483 | 32,408 | - | 53,891 |
| Deferred amounts related to pension | 43,873 | 70,780 | 111,222 | 225,875 |
| Total Deferred Outflows of Resources | 65,356 | 103,188 | 111,222 | 279,766 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 16,915 | 122,018 | 1,067,345 | 1,206,278 |
| Accrued wages | 14,792 | 19,258 | 35,976 | 70,026 |
| Accrued sales tax | 4,459 | - | 22,525 | 26,984 |
| Accrued interest | 1,304 | 1,462 | - | 2,766 |
| Deposits payable | 182,810 | - | 611,452 | 794,262 |
| Debt due within one year: | | | | |
| Compensated absences | 21,380 | 16,787 | 34,403 | 72,570 |
| Revenue bonds payable | 220,000 | 452,000 | - | 672,000 |
| Capital lease obligation | - | 110,000 | - | 110,000 |
| Total Current Liabilities | 461,660 | 721,525 | 1,771,701 | 2,954,886 |
| Noncurrent liabilities: | | | | |
| Compensated absences | 15,675 | 12,306 | 25,290 | 53,271 |
| Revenue bonds payable | 525,000 | 1,918,000 | - | 2,443,000 |
| Capital lease obligation | - | 630,000 | - | 630,000 |
| Net pension liability | 17,294 | 27,900 | 43,841 | 89,035 |
| Total Noncurrent Liabilities | 557,969 | 2,588,206 | 69,131 | 3,215,306 |
| Total Liabilities | 1,019,629 | 3,309,731 | 1,840,832 | 6,170,192 |
| DEFERRED INFLOW OF RESOURCES | | | | |
| Deferred gain on refunding, net | - | 100,202 | - | 100,202 |
| Deferred amounts related to pensions | 40,238 | 64,914 | 102,006 | 207,158 |
| Total Deferred Inflows of Resources | 40,238 | 165,116 | 102,006 | 307,360 |
| NET POSITION | | | | |
| Net investment in capital assets | 5,771,403 | 12,822,810 | 11,835,427 | 30,429,640 |
| Restricted for revenue bond retirement | - | 73,133 | - | 73,133 |
| Unrestricted | 5,021,474 | 4,768,580 | 12,430,910 | 22,220,964 |
| Total Net Position | \$ 10,792,877 | \$ 17,664,523 | \$ 24,266,337 | \$ 52,723,737 |

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, 2018

| | Business-type Activities | | | Total |
|---|--------------------------|---------------|---------------|------------------|
| | Waterworks | Wastewater | Electric | Enterprise Funds |
| | Fund | Fund | Fund | |
| OPERATING REVENUES: | | | | |
| Charges for services | \$ 2,465,768 | \$ 3,020,372 | \$ 18,480,781 | \$ 23,966,921 |
| Recycling charges | - | 153,417 | - | 153,417 |
| Hookups, permits, and reconnect fees | 66,693 | 45,544 | 71,786 | 184,023 |
| Miscellaneous income | 6,632 | 30,450 | 46,965 | 84,047 |
| Total Operating Revenues | 2,539,093 | 3,249,783 | 18,599,532 | 24,388,408 |
| OPERATING EXPENSES: | | | | |
| Administrative fee to General Fund | 462,283 | 270,941 | 507,913 | 1,241,137 |
| Chemicals | 10,307 | 16,018 | - | 26,325 |
| Computer supplies and expense | 27,439 | 29,355 | 32,658 | 89,452 |
| Contract labor | - | 8,500 | 65,300 | 73,800 |
| Depreciation | 274,801 | 784,080 | 578,637 | 1,637,518 |
| Dues and licenses | 8,371 | 8,914 | 34,447 | 51,732 |
| Electricity purchased | - | - | 13,754,733 | 13,754,733 |
| Employee insurance | 79,477 | 92,551 | 142,490 | 314,518 |
| Employee retirement | 26,227 | 33,324 | 70,448 | 129,999 |
| Gasoline and diesel | 15,383 | 21,298 | 22,369 | 59,050 |
| Insurance | 40,173 | 50,909 | 55,840 | 146,922 |
| Merchant card fees | 38,503 | 38,503 | 38,812 | 115,818 |
| Miscellaneous | 7,001 | 12,413 | 9,058 | 28,472 |
| Office supplies and postage | 27,641 | 29,295 | 29,283 | 86,219 |
| Payroll taxes | 20,856 | 29,468 | 58,294 | 108,618 |
| Professional fees | 55,930 | 37,222 | 238,771 | 331,923 |
| Repairs & maintenance | 160,161 | 160,926 | 511,813 | 832,900 |
| Recycle expense | - | 122,560 | - | 122,560 |
| Safety program | 613 | - | 14,039 | 14,652 |
| Salaries | 304,116 | 408,880 | 725,415 | 1,438,411 |
| Supplies | 135,071 | 31,414 | 108,030 | 274,515 |
| Telephone | 8,383 | 9,616 | 11,811 | 29,810 |
| Tests and permits | 6,243 | 11,226 | - | 17,469 |
| Training | 7,153 | 8,247 | 20,784 | 36,184 |
| Tree trimming | - | - | 195,396 | 195,396 |
| Utilities | 2,848 | 11,076 | 3,454 | 17,378 |
| Uniforms | 3,058 | 3,265 | 15,713 | 22,036 |
| Vehicle expense | 5,338 | 15,732 | 20,489 | 41,559 |
| Total Operating Expenses | 1,727,376 | 2,245,733 | 17,265,997 | 21,239,106 |
| OPERATING INCOME | 811,717 | 1,004,050 | 1,333,535 | 3,149,302 |
| NON-OPERATING REVENUES (EXPENSES): | | | | |
| Investment earnings | 74,946 | 65,154 | 165,327 | 305,427 |
| Tower lease | 158,744 | - | - | 158,744 |
| Gain on sale of capital assets | - | 1,385 | 4,778,338 | 4,779,723 |
| Interest expense and agent fees | (22,647) | (71,743) | (157,307) | (251,697) |
| Total Non-operating Revenues (Expenses) | 211,043 | (5,204) | 4,786,358 | 4,992,197 |
| INCOME BEFORE TRANSFERS AND IMPACT FEES | 1,022,760 | 998,846 | 6,119,893 | 8,141,499 |
| TRANSFERS AND IMPACT FEES | | | | |
| Transfer (out)-Fee in Lieu of Taxes to General Fund | (115,892) | - | (856,831) | (972,723) |
| Impact fees | - | 255,161 | - | 255,161 |
| CHANGE IN NET POSITION | 906,868 | 1,254,007 | 5,263,062 | 7,423,937 |
| TOTAL NET POSITION - BEGINNING | 9,886,009 | 16,410,516 | 19,003,275 | 45,299,800 |
| TOTAL NET POSITION - ENDING | \$ 10,792,877 | \$ 17,664,523 | \$ 24,266,337 | \$ 52,723,737 |

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, 2018

| | Business-type Activities | | | Total |
|--|--------------------------|---------------------|---------------------|----------------------|
| | Waterworks Fund | Wastewater Fund | Electric Fund | Enterprise Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Receipts from customers | \$ 2,541,627 | \$ 3,276,321 | \$ 18,567,634 | \$ 24,385,582 |
| Payments to suppliers | (1,061,734) | (813,905) | (15,982,187) | (17,857,826) |
| Payments to employees | (427,547) | (580,093) | (1,168,967) | (2,176,607) |
| Net Cash Provided by Operating Activities | 1,052,346 | 1,882,323 | 1,416,480 | 4,351,149 |
| CASH FLOWS FROM NONCAPITAL ACTIVITIES: | | | | |
| Tower lease | 158,744 | - | - | 158,744 |
| Transfer (out)-Fee in Lieu of Taxes | (115,892) | - | (856,831) | (972,723) |
| Net Cash Provided by (Used for) Noncapital Activities | 42,852 | - | (856,831) | (813,979) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Impact fees | - | 255,161 | - | 255,161 |
| Proceeds from sale of capital assets | - | 1,385 | 9,972,000 | 9,973,385 |
| Payments for capital acquisitions | (76,815) | (455,872) | (495,058) | (1,027,745) |
| Principal Repayments | (215,000) | (547,000) | (3,880,000) | (4,642,000) |
| Interest paid | (18,351) | (81,427) | (275,336) | (375,114) |
| Net Cash Provided by (Used for) Capital and Related Financing Activities | (310,166) | (827,753) | 5,321,606 | 4,183,687 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Purchase of investments | (794,374) | (1,985,936) | (5,163,434) | (7,943,744) |
| Interest on investments | 74,946 | 65,154 | 165,327 | 305,427 |
| Net Cash (Used for) Investing Activities | (719,428) | (1,920,782) | (4,998,107) | (7,638,317) |
| NET CASH INCREASE (DECREASE) FOR THE YEAR | 65,604 | (866,212) | 883,148 | 82,540 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 4,099,998 | 3,735,001 | 5,923,659 | 13,758,658 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u>\$ 4,165,602</u> | <u>\$ 2,868,789</u> | <u>\$ 6,806,807</u> | <u>\$ 13,841,198</u> |
| RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION | | | | |
| Cash and cash equivalents | \$ 4,165,602 | \$ 2,795,656 | \$ 6,806,807 | \$ 13,768,065 |
| Restricted assets-Cash and cash equivalents | | | | |
| Debt service reserves | - | 73,133 | - | 73,133 |
| Total Cash and Cash Equivalents | <u>\$ 4,165,602</u> | <u>\$ 2,868,789</u> | <u>\$ 6,806,807</u> | <u>\$ 13,841,198</u> |
| Reconciliation of operating income to net cash provided by operating activities: | | | | |
| Operating Income | \$ 811,717 | \$ 1,004,050 | \$ 1,333,535 | \$ 3,149,302 |
| Adjustments to reconcile net operating income to net cash provided by operating activities: | | | | |
| Depreciation | 274,801 | 784,080 | 578,637 | 1,637,518 |
| (Increase) Decrease in accounts receivable | (5,041) | 26,538 | (91,088) | (69,591) |
| (Increase) Decrease in inventories | (37,318) | - | (207,944) | (245,262) |
| (Increase) Decrease in prepaid items | (332) | (798) | (928) | (2,058) |
| Increase (Decrease) in accounts payable | (2,185) | 76,744 | (263,079) | (188,520) |
| Increase (Decrease) in accrued wages | 3,208 | 2,562 | 11,388 | 17,158 |
| Increase (Decrease) in sales tax | 530 | - | (689) | (159) |
| Increase (Decrease) in accrued interest | - | (175) | - | (175) |
| Increase (Decrease) in pensions related amounts | (5,934) | (10,927) | (11,082) | (27,943) |
| Increase (Decrease) in customer deposits | 7,045 | - | 59,879 | 66,924 |
| Increase (Decrease) in compensated absences | 5,855 | 249 | 7,851 | 13,955 |
| Net Cash Provided by Operating Activities | <u>\$ 1,052,346</u> | <u>\$ 1,882,323</u> | <u>\$ 1,416,480</u> | <u>\$ 4,351,149</u> |

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

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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, 2018

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.

Additionally, the City reports the following non-major governmental funds:

Park Fund – This fund is used exclusively for the revenues of and expenses from the operations of the swimming pool and all park activities.

Building Inspection Fund – This fund is used to account for permits and building inspections and related expenses.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Storm Water Fund – This fund is used to account for permits and storm retention related expenses.

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, 2018

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 of 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, 2018

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 as reductions of expenditures in the reimbursed 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 \$ 14,507 property taxes, \$ 16,667 refuse, \$ 240,140 electric, \$ 42,398 waterworks and \$ 79,033 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, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted assets

Enterprise Funds, because of certain bond covenants, are required to establish and maintain prescribed amount of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt. The bond account is used only for the payment of principal and interest on revenue bonds. The bond reserve account is to be used only to pay bonds at maturity or interest as it becomes due and to the extent other funds are not available for this purpose.

Certain General Fund monies are classified as restricted assets on the Statement of Net Position and Balance Sheet because their use is limited by covenants of the capital lease agreement. The reserve account is to be used solely for the purpose of making lease payments on the applicable due dates when and to the extent other funds are not available for this purpose. The lease payment account is used only for the payment of the principal and interest on the lease obligation.

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 |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capitalization of interest

Interest costs are capitalized when incurred by proprietary funds where proceeds were used to finance construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. No interest was capitalized for 2018 and interest cost information for the enterprise funds for the year ended December 31, 2018 is as follows:

| | Waterworks Fund | Wastewater Fund | Electric Fund |
|----------------------|--------------------|--------------------|------------------|
| Total Interest Costs | \$ 22,647 | \$ 71,743 | \$ 157,307 |

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 position 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.

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 position 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.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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, 2018, 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 report at fair value.

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.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term Debt-continued

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, 2018, 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 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.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances-Governmental Funds-continued

The fund balance of the City's General, Street, and Park Funds have been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. Currently the General Fund has set aside \$ 2,700,000 and the Street Fund \$ 445,000. The Park has set aside \$ 421,909 for future repairs to 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.

Restrictions of Net Position

The City records restrictions to indicate that a portion of the net position is legally segregated for a specific future use. The following details the description and amount of all restrictions used by the City as of December 31, 2018:

Proprietary Fund Types-Business Type Activities

| | |
|-----------------|------------------|
| | Bond |
| | Reserve |
| Wastewater Fund | <u>\$ 73,133</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2018 was \$ 251,253,397 with the levy set at \$.3286 for General Fund purposes only.

Revenue Recognition - Sales Tax authorizations

Sales tax authorizations consist of a one-cent general sales recorded in the General Fund (\$ 2,641,506), a use tax of (\$ 109,462), one-half cent transportation sales tax to be used for street purposes in the Street Fund (\$ 1,320,753) and also in the Street Fund a Christian County sales tax for streets (\$ 75,000).

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, expenses 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 \$ 1,596,797.48 set aside in reserves.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of expenditures over appropriations

For the year ended December 31, 2018, expenditures did not exceed appropriations in any fund except for the nonmajor Storm Water Fund.

Bond Reserve Compliance

The City was in compliance with required bonded debt reserves for the year.

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 computed legal debt margin of the City at December 31, 2018, was:

| | |
|---------------------------|----------------------|
| Constitutional Debt Limit | \$ 50,250,679 |
| Outstanding G.O. Bonds | <u>(733,700)</u> |
| Legal debt margin | <u>\$ 49,516,979</u> |

Other long-term debt

Article VI, Section 26 (a), Constitution of Missouri, limits the outstanding indebtedness of a City without popular vote to an amount exceeding in any year the income and revenue provided for such year plus any unencumbered balances from previous years. For the year ended December 31, 2018, the City was in compliance with this requirement

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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, 2018, 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 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, 2018

NOTE B – DEPOSITS AND INVESTMENTS (Continued)

As of December 31, 2018, the City had the following investments and maturities:

| <u>Investment Type</u> | <u>Rating</u> | <u>Fair Value</u> | <u>Maturity</u> |
|------------------------|---------------|-------------------|-----------------|
| US Treasury Notes | AAA | \$7,943,744 | 6-12 Months |

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable.

NOTE C – RESTRICTED ASSETS

For December 31, 2018, restricted cash accounts were as follows:

| | <u>Actual Cash</u> | <u>Required Per Bond Agreements</u> |
|-----------------|------------------------|---|
| ENTERPRISE FUND | | |
| Wastewater | | |
| Debt Reserves | <u>\$ 73,133</u> | <u>\$ 73,133</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE D – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2018 was as follows:

Governmental Activities:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|----------------------|---------------------|-------------------|----------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 1,990,552 | \$ - | \$ - | \$ 1,990,552 |
| Construction in progress | 528,510 | 170,081 | 112,636 | 585,955 |
| Total capital assets not being depreciated | <u>2,519,062</u> | <u>170,081</u> | <u>112,636</u> | <u>2,576,507</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 11,245,997 | 275,684 | - | 11,521,681 |
| Improvements | 5,941,810 | 70,864 | - | 6,012,674 |
| Streets | 64,612,785 | - | - | 64,612,785 |
| Equipment | 2,333,732 | 301,619 | 83,115 | 2,552,236 |
| Vehicles | 1,515,169 | 115,481 | 47,155 | 1,583,495 |
| Total capital assets being depreciated | <u>85,649,493</u> | <u>763,648</u> | <u>130,270</u> | <u>86,282,871</u> |
| Less: Accumulated depreciation for: | | | | |
| Buildings | 4,021,765 | 287,072 | - | 4,308,837 |
| Improvements | 610,782 | 180,851 | - | 791,633 |
| Streets | 19,219,697 | 1,062,862 | - | 20,282,559 |
| Equipment | 1,652,258 | 146,081 | 82,293 | 1,716,046 |
| Vehicles | 1,125,954 | 119,848 | 47,155 | 1,198,647 |
| Total accumulated depreciation | <u>26,630,456</u> | <u>1,796,714</u> | <u>129,448</u> | <u>28,297,722</u> |
| Total capital assets being depreciated, net | <u>59,019,037</u> | <u>(1,033,066)</u> | <u>822</u> | <u>57,985,149</u> |
| Governmental activities capital assets, net | <u>\$ 61,538,099</u> | <u>\$ (862,985)</u> | <u>\$ 113,458</u> | <u>\$ 60,561,656</u> |

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

Governmental activities:

| | |
|----------------------|---------------------|
| General government | \$ 170,924 |
| Police | 109,720 |
| Building inspections | 10,647 |
| Streets | 1,290,102 |
| Parks | <u>215,321</u> |
| | <u>\$ 1,796,714</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business Type Activities:

| | WATERWORKS FUND | | | |
|--|------------------------------|------------------|------------------|---------------------------|
| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
| Capital assets not being depreciated: | | | | |
| Land | \$ 116,751 | \$ - | \$ - | \$ 116,751 |
| Construction in progress | 67,281 | 9,696 | - | 76,977 |
| Total capital assets not being depreciated | <u>\$ 184,032</u> | <u>\$ 9,696</u> | <u>\$ -</u> | <u>\$ 193,728</u> |
| Capital assets being depreciated: | | | | |
| Buildings | \$ 468,034 | \$ - | \$ - | \$ 468,034 |
| Plant | 9,438,837 | 35,507 | - | 9,474,344 |
| Equipment | 163,322 | 25,716 | 15,300 | 173,738 |
| Vehicles | 277,145 | 8,366 | 30,516 | 254,995 |
| Total capital assets being depreciated | <u>10,347,338</u> | <u>69,589</u> | <u>45,816</u> | <u>10,371,111</u> |
| Less-Accumulated depreciation for: | | | | |
| Buildings | 138,306 | 12,440 | - | 150,746 |
| Plant | 3,437,081 | 223,054 | - | 3,660,135 |
| Equipment | 112,070 | 13,219 | 13,069 | 112,220 |
| Vehicles | 151,007 | 26,088 | 30,277 | 146,818 |
| Total accumulated depreciation | <u>3,838,464</u> | <u>274,801</u> | <u>43,346</u> | <u>4,069,919</u> |
| Total capital assets being depreciated, net | <u>\$ 6,508,874</u> | | | <u>\$ 6,301,192</u> |
| Business-type activities capital assets, net | <u>\$ 6,692,906</u> | | | <u>\$ 6,494,920</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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 | 68,053 | 161,767 | - | 229,820 |
| Total capital assets not being depreciated | <u>\$ 217,308</u> | <u>\$ 161,767</u> | <u>\$ -</u> | <u>\$ 379,075</u> |
| Capital assets being depreciated: | | | | |
| Buildings | \$ 1,496,295 | \$ 16,893 | \$ - | \$ 1,513,188 |
| Plant | 22,179,866 | 161,952 | - | 22,341,818 |
| Equipment | 464,047 | 60,860 | 36,765 | 488,142 |
| Vehicles | 981,902 | 54,400 | 4,943 | 1,031,359 |
| Total capital assets being depreciated | <u>25,122,110</u> | <u>294,105</u> | <u>41,708</u> | <u>25,374,507</u> |
| Less- Accumulated depreciation for: | | | | |
| Buildings | 481,126 | 41,073 | - | 522,199 |
| Plant | 7,927,686 | 572,185 | - | 8,499,871 |
| Equipment | 241,248 | 35,016 | 36,765 | 239,499 |
| Vehicles | 433,679 | 135,806 | 4,943 | 564,542 |
| Total accumulated depreciation | <u>9,083,739</u> | <u>784,080</u> | <u>41,708</u> | <u>9,826,111</u> |
| Total capital assets being depreciated, net | <u>\$ 16,038,371</u> | | | <u>\$ 15,548,396</u> |
| Business-type activities capital assets, net | <u>\$ 16,255,679</u> | | | <u>\$ 15,927,471</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business Type Activities:

| | ELECTRIC FUND | | | |
|--|----------------------|------------------|-------------------|----------------------|
| | Beginning Balance | Increases | Decreases | Ending Balance |
| Capital assets not being depreciated: | | | | |
| Land | \$ 652,677 | \$ - | \$ 63,723 | \$ 588,954 |
| Construction in progress | 86,923 | - | 86,923 | - |
| Total capital assets not being depreciated | <u>\$ 739,600</u> | <u>\$ -</u> | <u>\$ 150,646</u> | <u>\$ 588,954</u> |
| Capital assets being depreciated: | | | | |
| Buildings | \$ 1,261,635 | \$ 24,664 | \$ - | \$ 1,286,299 |
| Plant | 22,942,185 | 1,037,398 | 7,327,850 | 16,651,733 |
| Equipment | 500,636 | 17,806 | 2,591 | 515,851 |
| Vehicles | 1,052,469 | 8,366 | 4,943 | 1,055,892 |
| Total capital assets being depreciated | <u>25,756,925</u> | <u>1,088,234</u> | <u>7,335,384</u> | <u>19,509,775</u> |
| Less- Accumulated depreciation for: | | | | |
| Buildings | 203,040 | 32,863 | - | 235,903 |
| Plant | 8,284,094 | 443,277 | 1,780,502 | 6,946,869 |
| Equipment | 375,268 | 21,304 | 2,591 | 393,981 |
| Vehicles | 610,060 | 81,193 | 4,704 | 686,549 |
| | <u>9,472,462</u> | <u>578,637</u> | <u>1,787,797</u> | <u>8,263,302</u> |
| Total capital assets being depreciated, net | <u>\$ 16,284,463</u> | | | <u>\$ 11,246,473</u> |
| Business-type activities capital assets, net | <u>\$ 17,024,063</u> | | | <u>\$ 11,835,427</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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 | \$ 918,683 | \$ - | \$ 63,723 | \$ 854,960 |
| Construction in progress | 222,257 | 171,463 | 86,923 | 306,797 |
| Total capital assets not being depreciated | <u>\$ 1,140,940</u> | <u>\$ 171,463</u> | <u>\$ 150,646</u> | <u>\$ 1,161,757</u> |
| Capital assets being depreciated: | | | | |
| Buildings | \$ 3,225,964 | \$ 41,557 | \$ - | \$ 3,267,521 |
| Plant | 54,560,887 | 1,234,857 | 7,327,850 | 48,467,894 |
| Equipment | 1,128,004 | 104,382 | 54,656 | 1,177,730 |
| Vehicles | 2,311,517 | 71,132 | 40,402 | 2,342,247 |
| Total capital assets being depreciated | <u>61,226,372</u> | <u>1,451,928</u> | <u>7,422,908</u> | <u>55,255,392</u> |
| Less- Accumulated depreciation for: | | | | |
| Buildings | 812,528 | 86,376 | - | 898,904 |
| Plant | 19,695,362 | 1,238,516 | 1,780,502 | 19,153,376 |
| Equipment | 716,496 | 69,539 | 52,425 | 733,610 |
| Vehicles | 1,170,278 | 243,087 | 39,924 | 1,373,441 |
| | <u>22,394,664</u> | <u>1,637,518</u> | <u>1,872,851</u> | <u>22,159,331</u> |
| Total capital assets being depreciated, net | <u>\$ 38,831,708</u> | | | <u>\$ 33,096,061</u> |
| Business-type activities capital assets, net | <u>\$ 39,972,648</u> | | | <u>\$ 34,257,818</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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, 2018 as it relates to the business type activities:

| | Beginning Balance | Additions | Reductions | Ending Balance | Amount due Within one Year |
|---|----------------------|------------------|---------------------|---------------------|----------------------------------|
| Revenue Bonds | \$ 7,652,000 | \$ - | \$ 4,537,000 | \$ 3,115,000 | \$ 672,000 |
| Lease Obligations | 845,000 | - | 105,000 | 740,000 | 110,000 |
| Compensated absences | 111,886 | 89,013 | 75,058 | 125,841 | 72,570 |
| Business-type activity long-term liabilities | <u>\$ 8,608,886</u> | <u>\$ 89,013</u> | <u>\$ 4,717,058</u> | <u>\$ 3,980,841</u> | <u>\$ 854,570</u> |

As reported on the financial statement:

Amount due within one year:

| | |
|---|----------------|
| Revenue bonds and capital lease obligations | \$ 782,000 |
| Compensated absences | 72,570 |
| Total within one year | <u>854,570</u> |

Amount due in more than one year:

| | |
|-----------------------------|---------------------|
| Revenue bonds | 2,443,000 |
| Capital Lease Obligations | 630,000 |
| Compensated absences | 53,271 |
| Total in more than one year | <u>3,126,271</u> |
| Total long-term liabilities | <u>\$ 3,980,841</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.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE E – LONG-TERM DEBT (Continued)

The Proprietary Funds long-term debt as of December 31, 2018 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 | \$ 745,000 |
|--|------------|

| | |
|-----------------------|---------|
| Total Waterworks Fund | 745,000 |
|-----------------------|---------|

Wastewater Fund

| | |
|--|---------|
| \$ 500,000, 2002 Series, Combined Waterworks and Sewerage System Revenue Bonds (SRF-Direct Loan Program) due in annual installments at 1.60% interest, matures July 1, 2023. | 140,000 |
|--|---------|

| | |
|---|-----------|
| \$ 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. | 2,230,000 |
|---|-----------|

| | |
|-----------------------|-----------|
| Total Wastewater Fund | 2,370,000 |
|-----------------------|-----------|

| | |
|--|--------------|
| Total Business-type debt revenue bonds | \$ 3,115,000 |
|--|--------------|

| Year Ending December 31, | Principal | Interest | Total |
|-----------------------------|--------------|------------|--------------|
| 2019 | \$ 672,000 | \$ 127,190 | \$ 799,190 |
| 2020 | 688,000 | 101,058 | 789,058 |
| 2021 | 603,000 | 75,148 | 678,148 |
| 2022 | 614,000 | 49,525 | 663,525 |
| 2023 | 538,000 | 24,398 | 562,398 |
| | \$ 3,115,000 | \$ 377,319 | \$ 3,492,319 |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE E – LONG-TERM DEBT (Continued)

The annual requirements to amortize bonded debt as of December 31, 2018 follow:

Governmental activities

The following is a summary of debt transactions of the City for the year ended December 31, 2018:

| | Beginning Balance | Additions | Reductions | Ending Balance | Amount due Within one Year |
|--|----------------------|-------------------|-------------------|---------------------|----------------------------------|
| General Obligation Bonds | \$ 1,007,900 | \$ - | \$ 274,200 | \$ 733,700 | \$ 279,200 |
| Capital Lease Obligation | 2,329,124 | - | 314,124 | 2,015,000 | 230,000 |
| Compensated absences | 314,638 | 263,173 | 240,168 | 337,643 | 153,434 |
| Government activity long-term liabilities | <u>\$ 3,651,662</u> | <u>\$ 263,173</u> | <u>\$ 828,492</u> | <u>\$ 3,086,343</u> | <u>\$ 662,634</u> |

As reported on the financial statement:

| | |
|--|---------------------|
| Amount due within one year: | |
| General obligation bonds and capital lease | \$ 509,200 |
| Compensated absences | 153,434 |
| Total due within one year | <u>662,634</u> |
| Amount due in more than one year: | |
| General Obligation bonds | 454,500 |
| Capital Lease Obligations | 1,785,000 |
| Compensated absences | 184,209 |
| Total due in more than one year | <u>2,423,709</u> |
| Total long-term liabilities | <u>\$ 3,086,343</u> |

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

The Governmental long-term debt as of December 31, 2018 follows:

| | |
|---|-------------------|
| \$1,722,700, 2013 Series, General Obligation Refunding Bonds due in annual installments of principal ranging \$ 165,300 to \$ 289,200 and interest paid semi-annual at 2.50% maturing March 1, 2021. | <u>\$ 733,700</u> |
|---|-------------------|

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE E – LONG-TERM DEBT (Continued)

The annual requirement to amortize bonded debt as of December 31, 2018 follows:

| Year Ending December 31, | Principal | Interest | Totals |
|-----------------------------|-------------------|------------------|-------------------|
| 2019 | \$ 279,200 | \$ 14,852 | \$ 294,052 |
| 2020 | 289,200 | 7,747 | 296,947 |
| 2021 | 165,300 | 2,066 | 167,366 |
| | <u>\$ 733,700</u> | <u>\$ 24,665</u> | <u>\$ 758,365</u> |

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 \$ 4,250,000 with accumulated depreciation to date of \$ 1,051,365. Issue matures August 1, 2026.

\$ 2,015,000

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.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE F – CAPITALIZED LEASE OBLIGATION (Continued)

At December 31, 2018 future minimum lease payments by year and the present value of future minimum capital lease payments were as follows:

| Year Ending December 31, | City Hall |
|---|----------------------------|
| 2019 | \$ 288,150 |
| 2020 | 288,550 |
| 2021 | 286,500 |
| 2022 | 284,300 |
| 2023 | 286,950 |
| 2024-2026 | <u>859,050</u> |
| Total minimum lease payment | 2,293,500 |
| Less: amount representing interest | <u>(278,500)</u> |
| Present value of future minimum lease payment | <u><u>\$ 2,015,000</u></u> |

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.

\$ 740,000

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE F – CAPITALIZED LEASE OBLIGATION (Continued)

At December 31, 2018 future minimum lease payments by year and the present value of future minimum capital lease payments were as follows:

| Year Ending December 31, | Total |
|---|-------------------|
| 2019 | \$ 126,444 |
| 2020 | 129,122 |
| 2021 | 121,731 |
| 2022 | 124,125 |
| 2023 | 121,250 |
| 2024-2025 | 178,918 |
| Total minimum lease payment | 801,590 |
| Less: amount representing interest | (61,590) |
| Present value of future minimum lease payment | <u>\$ 740,000</u> |

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, an agreement between the City and CU of Springfield, Missouri was signed on August 25, 2014 allowing the City to purchase 10mwh of solar power energy. In June 2018, the City entered into a power purchase agreement with Nixa Solar, LLC. Total annual power from this contract is anticipated to be approximately 15,000,000 kilowatt hours of energy.

The City's electric capacity, energy and service sales agreement with Springfield City Utilities (CU) commits the City to the purchase of all other electrical service(s) required above that which SWPA and Nixa Solar provides. The City's 2018 peak electric demand was 48 Megawatts of electricity. The City pays to CU in accordance with CU Large Power Service rate in effect at the time that the electric service is provided. Currently the City is paying \$ 9.12 per kw for demand and \$ 0.0580 per kwh for energy. Terms of the CU contract expire on June 30, 2023; however, it shall automatically renew until terminated by either party by giving at least a 5-year written notification on or after June 30, 2018. Nixa did provide 5-year notice to CU Springfield in August of 2018.

Transmission for energy through Springfield City Utilities is provided by Southwest Power Pool (SPP) under a network service contract. Services by SPP began June 2018.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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.

At December 31, 2018, 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.

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, 2018

NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)

| | <u>2018 Valuation</u> |
|-----------------------|-----------------------|
| Benefit Multiplier: | 2.00% |
| Final Average Salary: | 5 years |
| Member Contributions: | 4.00% |

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

At June 30, 2018, the following employees were covered by the benefits terms:

| | |
|--|-------------------|
| Inactive employees or beneficiaries currently receiving benefits | 50 |
| Inactive employees entitled to but not yet receiving benefits | 60 |
| Active employees | <u>120</u> |
| Total | <u><u>230</u></u> |

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. Full-time employees of the employer contribute 4% of their gross pay to the pension plan. Employer's contribution rates are 10.9 % General and 8.0% Police of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2018.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions

The total pension liability in the February 28, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 3.25% wage inflation: 2.50% price inflation |
| Salary increase | 3.25% to 6.55% including wage inflation |
| Investment rate of return | 7.25% net of investment expenses |

Mortality rates were based on the healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale.

The actuarial assumptions were based on the 5-year experience study for the period March 1, 2010 through February 28, 2015.

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:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|--------------------|------------------------------|---|
| Equity | 48.00% | 4.81% |
| Fixed Income | 28.50% | 1.72% |
| Real Assets | 23.50% | 3.42% |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE I –DEFINED BENEFIT PENSION PLAN (Continued)

Discount rate

The discount rate used to measure the total pension liability is 7.25%. 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 6/30/2017 | <u>\$ 16,747,693</u> | <u>\$ 16,247,962</u> | <u>\$ 499,731</u> |
| Changes for the year: | | | |
| Service Cost | 572,290 | - | 572,290 |
| Interest | 1,213,931 | - | 1,213,931 |
| Difference between expected and actual experience | 231,596 | - | 231,596 |
| Changes in assumptions | - | - | - |
| Contribution - employer | - | 530,611 | (530,611) |
| Contribution - employee | - | 208,495 | (208,495) |
| Net investment income | - | 2,000,382 | (2,000,382) |
| Benefit payments, including refunds | (580,077) | (580,077) | - |
| Administrative expense | - | (16,906) | 16,906 |
| Other changes | - | (136,435) | 136,435 |
| Net changes | <u>1,437,740</u> | <u>2,006,070</u> | <u>(568,330)</u> |
| Balances at 6/30/2018 | <u><u>\$ 18,185,433</u></u> | <u><u>\$ 18,254,032</u></u> | <u><u>\$ (68,599)</u></u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower 6.25% or one percentage point higher 8.25% than the current rate.

| | 1% Decrease 6.25% | Current Single Discount Rate Assumption 7.25% | 1% Increase 8.25% |
|-------------------------------|------------------------------|--|------------------------------|
| Net Pension Liability (Asset) | \$ 3,079,053 | \$ (68,599) | \$ (2,606,895) |

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

For the year ended December 31, 2018 the employer recognized pension expense of \$ 680,657. 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 | \$ 197,763 | \$ (230,137) |
| Changes in assumptions | 346,618 | - |
| Net differences between projected and actual earnings on plan investments | - | (500,797) |
| Pension contributions subsequent to measurement date | 290,281 | - |
| Total | \$ 834,662 | \$ (730,934) |

*The amount of \$ 290,281 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, 2019.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

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: | |
| 2019 | \$ 127,768 |
| 2020 | (16,567) |
| 2021 | (229,314) |
| 2022 | (98,313) |
| 2023 | 21,775 |
| Thereafter | 8,098 |
| Total | <u>\$ (186,553)</u> |

Payable to the Pension Plan

At December 31, 2018, the City of Nixa reported a payable of \$ 66,821.66 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2018.

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, 2018

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 operating expense/expenditures as follows:

| | <u>Percentage</u> | <u>Dollar Amount</u> |
|-----------------|-------------------|--------------------------|
| General Fund | 30% | \$ 2,700,000 |
| Street Fund | 25% | 445,000 |
| Electric Fund | 20% | 3,750,000 |
| Waterworks Fund | 25% | 440,000 |
| Wastewater Fund | 25% | 445,000 |

NOTE M – INTERFUND TRANSFERS

Interfund transfers as follows were used for operations as set forth in the approved budget:

| Operation transfers: | <u>To</u> | <u>From</u> |
|----------------------|-------------------|-------------------|
| General Fund | \$ - | \$ 319,000 |
| Park Fund | 302,000 | - |
| Storm Water | 17,000 | - |
| | <u>\$ 319,000</u> | <u>\$ 319,000</u> |

NOTE N – 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 | \$ 972,723 | \$ - |
| Electric Fund | - | 856,831 |
| Water Fund | - | 115,892 |
| | <u>\$ 972,723</u> | <u>\$ 972,723</u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE O – INTERFUND ADMINISTRATION FEE

During the year, the following funds paid to the General Fund for administrative costs incurred by the General Fund relating to the operation of the following funds. The fee is shown in the General Fund as interfund reimbursements and as administrative fees in current expenses:

| Administrative Fee | To | From |
|--------------------|---------------------|---------------------|
| General Fund | \$ 1,424,178 | \$ - |
| Street Fund | - | 183,041 |
| Electric Fund | - | 507,913 |
| Waterworks Fund | - | 462,283 |
| Wastewater Fund | - | 270,941 |
| | <u>\$ 1,424,178</u> | <u>\$ 1,424,178</u> |

NOTE P – 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, 2018, the amount of defeased debt outstanding amounted to \$ 5,335,000.

NOTE Q – TOWER LEASES

The City leases space on the City's water towers to various wireless providers for the placement of antennae. A total of \$ 158,744 was received during the year ended December 31, 2018 and is reported in the Waterworks Fund. For the next five years, scheduled payments to receive are:

| | |
|------|------------|
| 2019 | \$ 165,096 |
| 2020 | 171,699 |
| 2021 | 178,567 |
| 2022 | 185,710 |
| 2023 | 193,138 |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE R – SALE OF ASSETS

As of March 31, 2018, the City of Nixa sold an electric transmission system for \$ 9,972,000 and used the proceeds to first redeem the 2011 electric revenue bonds for \$ 3,880,000 and then used balance of the proceeds to make major improvements and set aside funds for future capital improvements to the City owned electric system. The net book value of the transmission system was \$ 5,193,662 giving a gain on the sale of \$ 4,778,338.

NOTE S – 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, 2018 is as follows:

| Project | Cost of Project | Construction in Progress | Remaining Cost to Complete |
|--------------------------------|----------------------------|-----------------------------|-------------------------------|
| Waterworks Fund | | | |
| Water Tower #8 | \$ 2,292,068 | \$ 57,068 | \$ 2,235,000 |
| HWY 14 water line crossing | 157,909 | 19,909 | 138,000 |
| | <u>2,449,977</u> | <u>76,977</u> | <u>2,373,000</u> |
| Wastewater Fund | | | |
| Super 8 lift station | 104,776 | 24,776 | 80,000 |
| South Street capacity upgrade | 632,211 | 67,611 | 564,600 |
| Wasson lift station force main | 187,433 | 137,433 | 50,000 |
| | <u>924,420</u> | <u>229,820</u> | <u>694,600</u> |
| Total Proprietary Fund | <u><u>\$ 3,374,397</u></u> | <u><u>\$ 306,797</u></u> | <u><u>\$ 3,067,600</u></u> |

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE S – CONSTRUCTION IN PROGRESS (Continued)

| Project | Cost of Project | Construction in Progress | Remaining Cost to Complete |
|--------------------------------|---------------------|-----------------------------|-------------------------------|
| Governmental Activities | | | |
| POLICE | | | |
| Office improvements | \$ 31,065 | \$ 6,065 | \$ 25,000 |
| STREET | | | |
| US 160 & SH 14 Intersections | 1,715,873 | 415,873 | 1,300,000 |
| Old Castle/Weldon Roundabout | 72,912 | 12,913 | 59,999 |
| PARK | | | |
| Maintenance building | 207,379 | 132,379 | 75,000 |
| Dog Park | 90,025 | 18,725 | 71,300 |
| Total Governmental Activities | <u>\$ 2,117,254</u> | <u>\$ 585,955</u> | <u>\$ 1,531,299</u> |

NOTE T – 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, 2018:

GASB Statement No. 75, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for OPEB. This Statement replaces the requirements of Statements No. 45 and No. 57. The Statement is effective for periods beginning after June 15, 2018.

GASB Statement No. 85, *Omnibus 2018 Activities*, issued March 2018, will be effective for the City beginning after June 15, 2018. This Statement is to address practice issues that have been identified during implementation and application of certain GASB statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE T– FUTURE ACCOUNTING PRONOUNCEMENTS (Continued)

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, issued May 2018, will be effective for the City beginning after June 15, 2018. This Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources other than the proceeds of refunding debt are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

The City did not have any changes to report for the year ending December 31, 2018 upon adopting GASB 75, 85 and 86.

The Statements which might impact the City are as follows:

GASB Statement No. 83, *Certain Asset Retirement Obligations*, issued November 2016, will be effective for the City beginning with its fiscal year ending December 31, 2019. This Statement is to provide financial statement users with information about assets retirement obligations (AROs) that were not addressed in GASB standards establishing uniform accounting and financial reporting requirement for these obligations.

GASB Statement No. 84, *Fiduciary Activities*, issued January 2018, will be effective for the City beginning after December 15, 2018. This Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 87, *Leases*, issued June 2018, will be effective for the City beginning after December 25, 2019. This Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, issued April 2018, will be effective for the City for reporting periods beginning after June 15, 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

CITY OF NIXA, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE T- FUTURE ACCOUNTING PRONOUNCEMENTS (Continued)

GASB Statement No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*, issued June 2018, will be effective for the City for reporting periods beginning after December 15, 2019. The primary objective of this Statement is (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 90, *Majority Equity Interests-An Amendment of GASB Statements No. 14 and No. 61*, issued August 2018, will be effective for the City for reporting periods beginning after December 15, 2018. The primary objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organizations should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

The City's management has not yet determined the effect these statements 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, 2018

| General Fund | | | | |
|---|------------------|----------------|--------------|-------------------------------|
| REVENUES | Budgeted Amounts | | Actual | Variance With Final Budget |
| | Original | Final | | |
| Property taxes | \$ 823,000 | \$ 823,000 | \$ 881,567 | \$ 58,567 |
| Franchise taxes | 470,000 | 470,000 | 499,796 | 29,796 |
| Sales taxes | 2,500,000 | 2,500,000 | 2,750,968 | 250,968 |
| Licenses & permits | 36,000 | 36,000 | 31,935 | (4,065) |
| Charges for services- | | | | |
| Sanitation | 1,122,000 | 1,122,000 | 1,130,943 | 8,943 |
| Plan reviews and inspections | 14,000 | 14,000 | 15,794 | 1,794 |
| Fines & forfeitures | 215,000 | 215,000 | 161,975 | (53,025) |
| Investment earnings | 125,000 | 125,000 | 136,797 | 11,797 |
| Grants | 27,000 | 27,000 | 27,496 | 496 |
| Contributions | - | - | 1,450 | 1,450 |
| Impact fees | - | - | 153,289 | 153,289 |
| Miscellaneous | 10,400 | 10,400 | 29,491 | 19,091 |
| Total Revenues | 5,342,400 | 5,342,400 | 5,821,501 | 479,101 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 1,174,672 | 1,174,672 | 1,028,176 | 146,496 |
| Police | 2,876,465 | 2,836,465 | 2,841,589 | (5,124) |
| Planning/Economic development | 267,700 | 269,325 | 242,790 | 26,535 |
| Sanitation | 1,012,000 | 1,012,000 | 1,016,192 | (4,192) |
| Capital outlay | 470,350 | 800,350 | 300,901 | 499,449 |
| Debt service: | | | | |
| Principal | 588,324 | 588,324 | 588,324 | - |
| Interest and fees | 89,569 | 89,569 | 89,704 | (135) |
| Total Expenditures | 6,479,080 | 6,770,705 | 6,107,676 | 663,029 |
| EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURE | | | | |
| | (1,136,680) | (1,428,305) | (286,175) | 1,142,130 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (to) other funds | (671,000) | (680,900) | (319,000) | 361,900 |
| Transfer in-Fee in Lieu of Taxes | 995,000 | 995,000 | 972,723 | (22,277) |
| Total Other Financing Sources (Uses) | 324,000 | 314,100 | 653,723 | 339,623 |
| NET CHANGE IN FUND BALANCE | | | | |
| | \$ (812,680) | \$ (1,114,205) | 367,548 | \$ 1,481,753 |
| FUND BALANCES - BEGINNING | | | 7,588,536 | |
| FUND BALANCES - ENDING | | | \$ 7,956,084 | |

CITY OF NIXA, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Street Fund | | | |
|----------------------------------|------------------|----------------|--------------|---------------|
| REVENUES | Budgeted Amounts | | Actual | Variance With |
| | Original | Final | | Final Budget |
| Sales tax | \$ 1,250,000 | \$ 1,250,000 | \$ 1,320,753 | \$ 70,753 |
| Missouri motor fuel taxes | 791,000 | 791,000 | 765,909 | (25,091) |
| Christian County Sales Tax | 87,750 | 75,000 | 75,000 | - |
| Investment earnings | 62,000 | 62,000 | 65,579 | 3,579 |
| Miscellaneous | 5,500 | 5,500 | 26,159 | 20,659 |
| Total Revenues | 2,196,250 | 2,183,500 | 2,253,400 | 69,900 |
| | | | | |
| Current: | | | | |
| Administration street department | 1,663,566 | 1,686,008 | 1,437,246 | 248,762 |
| Capital outlay | 1,642,825 | 1,783,152 | 276,707 | 1,506,445 |
| Total Expenditures | 3,306,391 | 3,469,160 | 1,713,953 | 1,755,207 |
| | | | | |
| NET CHANGE IN FUND BALANCE | \$ (1,110,141) | \$ (1,285,660) | 539,447 | \$ 1,825,107 |
| | | | | |
| FUND BALANCES - BEGINNING | | | 3,441,017 | |
| | | | | |
| FUND BALANCES - ENDING | | | \$ 3,980,464 | |

CITY OF NIXA, MISSOURI
Notes to Budgetary Comparison Information
December 31, 2018

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, Special Revenue, Debt Service, and Capital Project 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 authorized to transfer part, or all, of any unexpected budget balance among any departments within these 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, 2018, expenditures did not exceed appropriations in any of the funds except for the Special Revenue Fund-Storm Water Fund.

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

| | 2018 | 2017 | 2016 | 2015 |
|--|----------------------|----------------------|----------------------|----------------------|
| Total Pension Liability | | | | |
| Service costs | \$ 572,290 | \$ 556,665 | \$ 543,631 | \$ 533,393 |
| Interest on Total Pension Liability | 1,213,931 | 1,136,637 | 1,034,402 | 962,777 |
| Difference between expected and actual experience | 231,596 | (105,615) | (251,934) | - |
| Changes in Assumptions | - | - | 611,179 | (12,003) |
| Benefit payments, including refunds | (580,077) | (480,177) | (585,065) | (420,337) |
| Net change in total pension liability | 1,437,740 | 1,107,510 | 1,352,213 | 1,063,830 |
| Total Pension Liability-beginning | 16,747,693 | 15,640,183 | 14,287,970 | 13,224,140 |
| Total Pension Liability-ending | <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 | \$ 530,611 | \$ 480,580 | \$ 460,415 | \$ 473,749 |
| Contributions - employee | 208,495 | 195,959 | 218,647 | 185,775 |
| Net investment income | 2,000,382 | 1,720,421 | 9,174 | 293,114 |
| Benefits payments, including refunds | (580,077) | (480,177) | (585,065) | (420,337) |
| Pension Plan Administrative Expense | (16,906) | (15,763) | (15,147) | (15,939) |
| Other (Net Transfer) | (136,435) | (100,668) | (104,583) | 216,338 |
| Net change in plan fiduciary net position | 2,006,070 | 1,800,352 | (16,559) | 732,700 |
| Plan Fiduciary Net Position-beginning | 16,247,962 | 14,447,610 | 14,464,169 | 13,731,469 |
| Plan Fiduciary Net Position-ending | <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>\$ (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 | 100.38% | 97.02% | 92.37% | 101.23% |
| Covered payroll | \$ 5,063,047 | \$ 4,665,209 | \$ 4,676,232 | \$ 4,639,087 |
| Net Pension liability as a percentage of covered payroll | -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,

| <u>Fiscal Year</u> | <u>Actuarially Determined Contribution</u> | <u>Contribution in Relation</u> | <u>Contribution Deficiency</u> | <u>Covered Payroll</u> | <u>Contribution as Percentage</u> |
|--------------------|--|-------------------------------------|------------------------------------|----------------------------|---------------------------------------|
| 2009 | \$ 418,658 | \$ 418,658 | \$ - | \$ 4,588,156 | 9.12% |
| 2010 | 492,328 | 462,681 | 29,647 | 4,587,441 | 10.09% |
| 2011 | 457,719 | 452,559 | 5,160 | 4,348,720 | 10.41% |
| 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% |

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: February 28, 2018

Notes: The roll-forward of total pension liability from February 28, 2018 to June 30, 2018 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 12 to 17 years |
| Asset Valuation Method | 5-Year smoothed market: 20% corridor |
| Inflation | 3.25% wage inflation; 2.50% price inflation |
| Salary increases | 3.25% to 6.55% including wage inflation |
| Investment Rate of Return | 7.25%, 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, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females. |

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Other information: None

Other Supplementary Information

CITY OF NIXA, MISSOURI
COMBINING BALANCE SHEET-
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

| ASSETS | Building Inspection Fund | Storm Water Fund | Park Fund | Total |
|---|--------------------------------|------------------------|-----------------------|-----------------------|
| Cash and cash equivalents | \$ 74,857 | \$ 92,237 | \$ 430,443 | \$ 597,537 |
| Accounts receivable-other | - | - | 14,586 | 14,586 |
| Prepaid items | 1,348 | - | 3,292 | 4,640 |
| TOTAL ASSETS | <u>\$ 76,205</u> | <u>\$ 92,237</u> | <u>\$ 448,321</u> | <u>\$ 616,763</u> |
| | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 657 | \$ - | \$ 82,493 | \$ 83,150 |
| Accrued wages | 5,286 | - | 20,173 | 25,459 |
| Unearned revenues | - | - | 5,734 | 5,734 |
| Total Liabilities | <u>5,943</u> | <u>-</u> | <u>108,400</u> | <u>114,343</u> |
| | | | | |
| FUND BALANCES | | | | |
| Nonspendable | 1,348 | - | 3,292 | 4,640 |
| Restricted- | | | | |
| Parks | - | - | 336,629 | 336,629 |
| Storm Water | - | 92,237 | - | 92,237 |
| Building Inspection | 68,914 | - | - | 68,914 |
| Total Fund Balances | <u>70,262</u> | <u>92,237</u> | <u>339,921</u> | <u>502,420</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 76,205</u> | <u>\$ 92,237</u> | <u>\$ 448,321</u> | <u>\$ 616,763</u> |

CITY OF NIXA, MISSOURI
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Building Inspection Fund | Storm Water Fund | Park Fund | Total |
|--|--------------------------------|------------------------|-------------------|-------------------|
| REVENUES: | | | | |
| Charges for services: | | | | |
| Park programs | \$ - | \$ - | \$ 968,686 | \$ 968,686 |
| Plan reviews and inspections | 343,072 | 14,653 | - | 357,725 |
| Investment earnings | 862 | 1,617 | 7,285 | 9,764 |
| Contributions | - | - | 250 | 250 |
| Rents | - | - | 29,266 | 29,266 |
| Miscellaneous | 622 | 1,059 | - | 1,681 |
| Total Revenues | <u>344,556</u> | <u>17,329</u> | <u>1,005,487</u> | <u>1,367,372</u> |
| EXPENDITURES: | | | | |
| Current: Administration | 272,441 | 35,483 | 1,101,543 | 1,409,467 |
| Capital outlay | 25,888 | - | 217,597 | 243,485 |
| Total Expenditures | <u>298,329</u> | <u>35,483</u> | <u>1,319,140</u> | <u>1,652,952</u> |
| EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES | 46,227 | (18,154) | (313,653) | (285,580) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers from other funds | <u>-</u> | <u>17,000</u> | <u>302,000</u> | <u>319,000</u> |
| NET CHANGE IN FUND BALANCES | 46,227 | (1,154) | (11,653) | 33,420 |
| FUND BALANCES - BEGINNING | <u>24,035</u> | <u>93,391</u> | <u>351,574</u> | <u>469,000</u> |
| FUND BALANCES - ENDING | <u>\$ 70,262</u> | <u>\$ 92,237</u> | <u>\$ 339,921</u> | <u>\$ 502,420</u> |

CITY OF NIXA, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

| REVENUES | Building Inspection Fund | | | |
|------------------------------|--------------------------|-------------------|------------------|-------------------------------|
| | Budgeted Amounts | | Actual | Variance With Final Budget |
| | Original | Final | | |
| Charges for services- | | | | |
| Plan reviews and inspections | \$ 318,500 | \$ 318,500 | \$ 343,072 | \$ 24,572 |
| Investment earnings | - | - | 862 | 862 |
| Miscellaneous | 1,500 | 1,500 | 622 | (878) |
| Total Revenues | <u>320,000</u> | <u>320,000</u> | <u>344,556</u> | <u>24,556</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 297,275 | 297,275 | 272,441 | 24,834 |
| Capital outlay | <u>26,000</u> | <u>26,000</u> | <u>25,888</u> | <u>112</u> |
| Total Expenditures | <u>323,275</u> | <u>323,275</u> | <u>298,329</u> | <u>24,946</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (3,275)</u> | <u>\$ (3,275)</u> | 46,227 | <u>\$ 49,502</u> |
| FUND BALANCES - BEGINNING | | | <u>24,035</u> | |
| FUND BALANCES - ENDING | | | <u>\$ 70,262</u> | |

CITY OF NIXA, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Storm Water Fund | | | |
|---|------------------|---------------|------------------|-------------------------------|
| | Budgeted Amounts | | Actual | Variance With Final Budget |
| | Original | Final | | |
| REVENUES | | | | |
| Charges for services- | | | | |
| Plan reviews and inspections | \$ 7,500 | \$ 7,500 | \$ 14,653 | \$ 7,153 |
| Investment earnings | 300 | 300 | 1,617 | 1,317 |
| Miscellaneous | - | - | 1,059 | 1,059 |
| Total Revenues | <u>7,800</u> | <u>7,800</u> | <u>17,329</u> | <u>9,529</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | <u>26,000</u> | <u>26,000</u> | <u>35,483</u> | <u>(9,483)</u> |
| Total Expenditures | <u>26,000</u> | <u>26,000</u> | <u>35,483</u> | <u>(9,483)</u> |
| EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURE | (18,200) | (18,200) | (18,154) | 46 |
| OTHER FINANCING SOURCES | | | | |
| Transfers from other funds | <u>19,000</u> | <u>19,000</u> | <u>17,000</u> | <u>(2,000)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 800</u> | <u>\$ 800</u> | (1,154) | <u>\$ (1,954)</u> |
| FUND BALANCES - BEGINNING | | | <u>93,391</u> | |
| FUND BALANCES - ENDING | | | <u>\$ 92,237</u> | |

CITY OF NIXA, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Park Fund | | | |
|---|------------------|------------------|-------------------|-------------------------------|
| | Budgeted Amounts | | Actual | Variance With Final Budget |
| | Original | Final | | |
| REVENUES | | | | |
| Charges for services- | | | | |
| Park programs | \$ 967,465 | \$ 967,465 | \$ 968,686 | \$ 1,221 |
| Investment earnings | 6,500 | 6,500 | 7,285 | 785 |
| Donations | 30,000 | 30,000 | 250 | (29,750) |
| Rent | 20,000 | 20,000 | 29,266 | 9,266 |
| Total Revenues | <u>1,023,965</u> | <u>1,023,965</u> | <u>1,005,487</u> | <u>(18,478)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 1,200,700 | 1,200,700 | 1,101,543 | 99,157 |
| Capital outlay | <u>389,000</u> | <u>407,339</u> | <u>217,597</u> | <u>189,742</u> |
| Total Expenditures | <u>1,589,700</u> | <u>1,608,039</u> | <u>1,319,140</u> | <u>288,899</u> |
| EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURE | (565,735) | (584,074) | (313,653) | 270,421 |
| OTHER FINANCING SOURCES | | | | |
| Transfers from other funds | <u>607,000</u> | <u>616,900</u> | <u>302,000</u> | <u>(314,900)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 41,265</u> | <u>\$ 32,826</u> | (11,653) | <u>\$ (44,479)</u> |
| FUND BALANCES - BEGINNING | | | <u>351,574</u> | |
| FUND BALANCES - ENDING | | | <u>\$ 339,921</u> | |

SECTION III - STATISTICAL SECTION

(Unaudited)

CITY OF NIXA, MISSOURI

STATISTICAL SECTION OVERVIEW

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

Contents

Pages

Financial Trends

71 - 76

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

Revenue Capacity

77 - 83

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

Debt Capacity

84 - 88

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

Demographic and Economic Information

89 - 91

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

92 - 94

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

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 | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 57,812,956 | \$ 58,201,075 | \$ 58,122,232 | \$ 57,018,946 | \$ 56,636,607 | \$ 57,446,516 | \$ 57,812,524 | \$ 57,787,203 | \$ 49,877,250 | \$ 49,937,491 |
| Restricted | - | - | - | - | 318,688 | 256,377 | 318,669 | 318,669 | 439,819 | 439,819 |
| Unrestricted | 12,332,042 | 11,586,278 | 10,553,571 | 10,556,098 | 9,788,360 | 8,271,496 | 8,307,446 | 8,294,005 | 16,471,712 | 16,418,721 |
| Total governmental activities net position | \$ 70,144,998 | \$ 69,787,353 | \$ 68,675,803 | \$ 67,575,044 | \$ 66,743,655 | \$ 65,974,389 | \$ 66,438,639 | \$ 66,399,877 | \$ 66,788,781 | \$ 66,796,031 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | \$ 30,429,640 | \$ 31,541,977 | \$ 29,512,063 | \$ 27,783,362 | \$ 25,143,764 | \$ 24,600,879 | \$ 21,303,832 | \$ 20,800,653 | \$ 17,762,207 | \$ 15,553,858 |
| Restricted | 73,133 | 566,070 | 560,871 | 595,622 | 712,504 | 606,694 | 1,077,565 | 865,807 | 1,780,598 | 1,757,959 |
| Unrestricted | 22,220,964 | 13,191,753 | 13,232,908 | 13,094,184 | 14,778,180 | 13,490,849 | 13,916,316 | 13,733,104 | 13,462,859 | 12,192,516 |
| Total business-type activities net position | \$ 52,723,737 | \$ 45,299,800 | \$ 43,305,842 | \$ 41,473,168 | \$ 40,634,448 | \$ 38,698,422 | \$ 36,297,713 | \$ 35,399,564 | \$ 33,005,664 | \$ 29,504,333 |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | \$ 88,242,596 | \$ 89,743,052 | \$ 87,634,295 | \$ 84,802,308 | \$ 81,780,371 | \$ 82,047,395 | \$ 79,116,356 | \$ 78,587,856 | \$ 67,639,457 | \$ 65,491,349 |
| Restricted | 73,133 | 566,070 | 560,871 | 595,622 | 1,031,192 | 863,071 | 1,396,234 | 1,184,476 | 2,220,417 | 2,197,778 |
| Unrestricted | 34,553,006 | 24,778,031 | 23,786,479 | 23,650,282 | 24,566,540 | 21,762,345 | 22,223,762 | 22,027,109 | 29,934,571 | 28,611,237 |
| Total primary government net position | \$ 122,868,735 | \$ 115,087,153 | \$ 111,981,645 | \$ 109,048,212 | \$ 107,378,103 | \$ 104,672,811 | \$ 102,736,352 | \$ 101,799,441 | \$ 99,794,445 | \$ 96,300,364 |

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

| | Fiscal Year | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| Expenses | | | | | | | | | | |
| Government Activities | | | | | | | | | | |
| General government | \$ 1,218,761 | \$ 1,132,388 | \$ 1,217,058 | \$ 1,242,757 | \$ 2,346,453 | \$ 2,322,352 | \$ 2,151,679 | \$ 2,160,212 | \$ 2,136,652 | \$ 2,239,548 |
| Public Safety | 3,112,497 | 2,767,226 | 2,548,304 | 2,328,959 | 2,243,976 | 2,287,874 | 2,134,982 | 2,074,845 | 2,162,527 | 2,214,899 |
| Building Inspection | 280,711 | 234,574 | 239,664 | 336,370 | 211,108 | 234,737 | 215,168 | 201,065 | 199,866 | 202,754 |
| Storm water | 35,483 | 22,687 | 15,802 | 14,500 | 18,406 | 24,987 | 23,884 | 25,503 | 23,694 | 29,877 |
| Planning | 242,790 | 221,118 | 181,696 | 163,516 | 157,803 | 164,477 | 190,856 | 181,544 | 188,749 | 177,566 |
| Sanitation | 1,016,192 | 963,335 | 922,967 | 882,781 | 864,359 | 843,906 | 810,214 | 777,301 | 736,243 | 691,910 |
| Parks and recreation | 1,315,217 | 1,321,776 | 1,254,196 | 1,065,360 | 1,169,721 | 1,156,083 | 1,012,241 | 1,045,266 | 1,240,482 | 1,376,066 |
| Streets | 2,724,345 | 2,724,343 | 2,581,499 | 2,610,494 | 2,429,810 | 2,400,347 | 2,275,191 | 2,352,741 | 2,301,974 | 2,426,261 |
| Interest | 92,780 | 95,575 | 113,639 | 99,070 | 179,794 | 226,046 | 254,022 | 298,460 | 314,497 | 373,567 |
| Total Government Activities | 10,038,776 | 9,483,022 | 9,074,825 | 8,743,807 | 9,621,430 | 9,660,809 | 9,068,237 | 9,116,937 | 9,304,684 | 9,732,448 |
| Business -type Activities | | | | | | | | | | |
| Electric | 17,423,304 | 16,408,381 | 15,720,083 | 15,606,434 | 14,367,080 | 13,534,520 | 13,791,857 | 12,718,091 | 11,894,674 | 10,352,112 |
| Water | 1,750,023 | 1,648,912 | 1,541,890 | 1,531,941 | 1,067,869 | 1,060,147 | 1,132,236 | 1,091,164 | 1,259,917 | 1,287,120 |
| Sewer | 2,317,476 | 2,613,626 | 2,537,230 | 2,569,640 | 2,156,156 | 2,005,172 | 2,233,202 | 2,054,577 | 2,299,175 | 2,236,584 |
| Total Business-type Activities | 21,490,803 | 20,670,919 | 19,799,203 | 19,708,015 | 17,591,105 | 16,599,839 | 17,157,295 | 15,863,832 | 15,453,766 | 13,875,816 |
| Program Revenues | | | | | | | | | | |
| Government Activities | | | | | | | | | | |
| Charges for services | 2,696,924 | 2,527,046 | 2,358,285 | 2,140,072 | 2,127,634 | 1,833,837 | 1,664,948 | 1,651,906 | 3,289,448 | 4,166,445 |
| Operating grants and contributions | 14,436 | 47,976 | 132,417 | 45,125 | 26,045 | 136,127 | 34,670 | 32,501 | 87,754 | 73,572 |
| Capital grants and contributions | 168,049 | 936,941 | 665,849 | 409,722 | 91,648 | 129,647 | 565,534 | 27,721 | 337,185 | 8,554,994 |
| Total Government Activities | 2,879,409 | 3,511,963 | 3,156,551 | 2,594,919 | 2,245,327 | 2,099,611 | 2,265,152 | 1,712,128 | 3,714,387 | 12,795,011 |
| Business-type Activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Electric | 18,599,532 | 17,411,291 | 16,770,047 | 15,972,035 | 15,741,500 | 15,554,823 | 15,519,118 | 15,344,506 | 14,149,516 | 12,677,779 |
| Water | 2,697,837 | 2,492,959 | 2,227,937 | 2,162,153 | 2,126,982 | 1,708,429 | 1,828,508 | 1,788,103 | 1,670,332 | 1,504,051 |
| Sewer | 3,249,783 | 3,202,250 | 3,022,139 | 2,955,321 | 2,967,479 | 2,791,848 | 2,584,051 | 2,577,199 | 2,573,100 | 2,503,110 |
| Operating grants and contributions | - | - | 78,985 | - | - | - | - | - | - | - |
| Capital grants and contributions | 255,161 | 201,837 | 120,539 | 225,630 | 116,796 | 128,882 | 65,046 | 49,552 | 449,126 | 59,270 |
| Total Business-type Activities | 24,802,313 | 23,308,337 | 22,219,647 | 21,315,139 | 20,952,757 | 20,183,982 | 19,996,723 | 19,759,360 | 18,842,074 | 16,744,210 |

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

| | Fiscal Year | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Government Activities | \$ (7,159,367) | \$ (5,971,059) | \$ (5,918,274) | \$ (6,148,888) | \$ (7,376,103) | \$ (7,561,198) | \$ (6,803,085) | \$ (7,404,809) | \$ (5,590,297) | \$ 3,062,563 |
| Business-type Activities | 3,311,510 | 2,637,418 | 2,420,444 | 1,607,124 | 3,361,652 | 3,584,143 | 2,839,428 | 3,895,528 | 3,388,308 | 2,868,394 |
| Total Net Expense | (3,847,857) | (3,333,641) | (3,497,830) | (4,541,764) | (4,014,451) | (3,977,055) | (3,963,657) | (3,509,281) | (2,201,989) | 5,930,957 |
| General Revenues And Other Changes In Net Positon | | | | | | | | | | |
| Government Activities | | | | | | | | | | |
| Taxes | 6,275,418 | 5,925,311 | 5,879,135 | 5,828,767 | 5,656,827 | 5,194,475 | 5,062,724 | 5,632,922 | 5,337,376 | 4,650,151 |
| Investment earnings | 212,140 | 159,738 | 74,706 | 69,230 | 62,564 | 73,986 | 84,420 | 102,643 | 79,205 | 122,500 |
| Miscellaneous | 56,731 | 75,796 | 62,733 | 134,560 | 23,939 | 6,695 | 21,891 | 140,825 | 111,342 | 10,336 |
| Transfers In/(out) | 972,723 | 921,764 | 1,002,459 | 947,720 | 1,884,419 | 1,821,792 | 1,779,733 | 1,140,015 | 32,830 | 32,670 |
| Total Government Activities | 7,517,012 | 7,082,609 | 7,019,033 | 6,980,277 | 7,627,749 | 7,096,948 | 6,948,768 | 7,016,405 | 5,560,753 | 4,815,657 |
| Business-type Activities | | | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | (752,806) | (667,532) | (610,198) |
| Investment earnings | 305,427 | 194,687 | 95,405 | 103,935 | 266,561 | 138,358 | 331,236 | 345,993 | 348,358 | 418,459 |
| Gain on sale of capital assets | 4,779,723 | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | 83,617 | 319,284 | 75,381 | - | 500,000 | - | 45,200 | - | - |
| Transfers In/(out) | (972,723) | (921,764) | (1,002,459) | (947,720) | (1,884,419) | (1,821,792) | (1,779,733) | (1,140,015) | (32,830) | (32,670) |
| Total Business-type Activities | 4,112,427 | (643,460) | (587,770) | (768,404) | (1,617,858) | (1,183,434) | (1,448,497) | (1,501,628) | (352,004) | (224,409) |
| Total Primary Government | 11,629,439 | 6,439,149 | 6,431,263 | 6,211,873 | 6,009,891 | 5,913,514 | 5,500,271 | 5,514,777 | 5,208,749 | 4,591,248 |
| Changes in Net Position | | | | | | | | | | |
| Government Activities | 357,645 | 1,111,550 | 1,100,759 | 831,389 | 251,646 | (464,250) | 145,683 | (388,404) | (29,544) | 7,878,220 |
| Business-type Activities | 7,423,937 | 1,993,958 | 1,832,674 | 838,720 | 1,743,794 | 2,400,709 | 1,390,931 | 2,393,900 | 3,036,304 | 2,643,985 |
| Total Change in Net Position | \$ 7,781,582 | \$ 3,105,508 | \$ 2,933,433 | \$ 1,670,109 | \$ 1,995,440 | \$ 1,936,459 | \$ 1,536,614 | \$ 2,005,496 | \$ 3,006,760 | \$ 10,522,205 |

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

| | Fiscal Year | | | | | | | | | |
|------------------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 32,167 | \$ 29,544 | \$ 13,424 | \$ 14,169 | \$ 10,973 | \$ 10,355 | \$ 1,365 | \$ 8,212 | \$ 2,290 | \$ 6,462 |
| Restricted | - | - | - | - | 318,669 | 318,669 | 318,669 | 318,685 | 439,819 | 439,819 |
| Committed | 1,307,865 | 1,074,889 | 715,929 | - | - | 111,818 | 710,150 | 1,960,309 | - | - |
| Unassigned | 6,616,052 | 6,484,103 | 6,101,397 | 5,626,047 | 5,108,565 | 4,427,057 | 4,387,394 | 2,629,864 | 5,291,967 | 5,526,710 |
| Total General Fund | \$ 7,956,084 | \$ 7,588,536 | \$ 6,830,750 | \$ 5,640,216 | \$ 5,438,207 | \$ 4,867,899 | \$ 5,417,578 | \$ 4,917,070 | \$ 5,734,076 | \$ 5,972,991 |
| Street Fund | | | | | | | | | | |
| Nonspendable | \$ 7,414 | \$ 6,618 | \$ 6,355 | \$ 6,925 | \$ 5,960 | \$ 5,170 | \$ 3,708 | \$ 4,603 | \$ 2,893 | \$ 7,865 |
| Restricted | 3,973,050 | 3,434,399 | 2,961,312 | 3,965,329 | 3,940,682 | 3,041,123 | - | 2,487,675 | - | - |
| Committed | - | - | - | - | - | 437,003 | 330,065 | 1,048,490 | - | - |
| Unassigned | - | - | - | - | - | - | 2,590,965 | - | 2,910,609 | 2,563,842 |
| Total Street Fund | \$ 3,980,464 | \$ 3,441,017 | \$ 2,967,667 | \$ 3,972,254 | \$ 3,946,642 | \$ 3,483,296 | \$ 2,924,738 | \$ 3,540,768 | \$ 2,913,502 | \$ 2,571,707 |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | 4,640 | 7,394 | 3,708 | 4,151 | 4,771 | 4,653 | 8,461 | 4,253 | 7,055 | 15,625 |
| Restricted | 92,237 | 93,391 | 336,372 | 368,732 | 387,376 | - | - | - | 340,321 | 298,698 |
| Committed | 405,543 | 368,215 | - | - | - | 344,562 | 393,861 | 389,911 | - | - |
| Unassigned | - | - | - | - | - | - | (14,478) | (2,685) | (11,836) | (45,269) |
| Total All Other Governmental Funds | \$ 502,420 | \$ 469,000 | \$ 340,080 | \$ 372,883 | \$ 392,147 | \$ 349,215 | \$ 387,844 | \$ 391,479 | \$ 335,540 | \$ 269,054 |
| Total Governmental Fund Balances | \$ 12,438,968 | \$ 11,498,553 | \$ 10,138,497 | \$ 9,985,353 | \$ 9,776,996 | \$ 8,700,410 | \$ 8,730,160 | \$ 8,849,317 | \$ 8,983,118 | \$ 8,813,752 |

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

| | Fiscal Year | | | | | | | | | |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| REVENUES | | | | | | | | | | |
| Taxes | \$ 5,453,084 | \$ 5,077,670 | \$ 5,099,976 | \$ 4,975,982 | \$ 4,810,904 | \$ 4,491,949 | \$ 4,376,161 | \$ 4,389,833 | \$ 4,113,957 | \$ 4,030,705 |
| Intergovernmental taxes | 840,909 | 856,985 | 859,888 | 869,108 | 871,995 | 690,083 | 683,480 | 478,177 | 555,887 | 619,446 |
| Licenses and permits | 31,935 | 36,283 | 209,666 | 159,025 | 138,296 | 144,535 | 94,907 | 85,641 | 455,415 | 424,531 |
| Charges for services | 2,473,148 | 2,308,504 | 1,945,066 | 1,778,750 | 1,681,012 | 1,431,333 | 1,365,614 | 1,375,722 | 1,684,879 | 1,620,543 |
| Fines and forfeitures | 161,975 | 182,259 | 177,571 | 182,474 | 286,009 | 257,969 | 182,256 | 187,446 | 171,077 | 234,439 |
| Investment earnings | 212,140 | 159,738 | 74,706 | 69,230 | 62,564 | 73,986 | 84,420 | 102,643 | 79,205 | 122,500 |
| Grants and contributions | 29,196 | 78,693 | 618,249 | 390,807 | 46,867 | 40,373 | 561,173 | 32,501 | 150,303 | 512,713 |
| Rents | 29,866 | 19,628 | 25,982 | 19,823 | 22,317 | 15,088 | 22,171 | - | 115,000 | 119,350 |
| Impact fees | 153,289 | 196,364 | 75,017 | 64,040 | 70,826 | 81,071 | 39,031 | 27,721 | 75,848 | 39,769 |
| Miscellaneous | 56,731 | 75,796 | 66,503 | 134,560 | 22,847 | 6,698 | 21,891 | 24,435 | 8,937 | 36,786 |
| Interfund reimbursements | - | - | - | - | 1,309,878 | 1,239,132 | 1,158,903 | 1,203,107 | 1,062,950 | 1,157,384 |
| Total Revenues | 9,442,273 | 8,991,920 | 9,152,624 | 8,643,799 | 9,323,515 | 8,472,217 | 8,590,007 | 7,907,226 | 8,473,458 | 8,918,166 |
| EXPENDITURES | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General government | 1,028,176 | 847,903 | 917,894 | 920,402 | 2,158,129 | 2,129,815 | 1,965,334 | 1,983,368 | 1,938,575 | 2,032,463 |
| Police/Public Safety | 2,841,589 | 2,619,736 | 2,421,788 | 2,250,998 | 2,121,032 | 2,186,938 | 2,042,311 | 1,989,518 | 2,082,613 | 2,111,280 |
| Building inspection | 272,441 | 220,446 | 225,504 | 208,771 | 203,936 | 231,697 | 216,429 | 195,892 | 194,105 | 194,457 |
| Streets | 1,437,246 | 1,439,612 | 1,340,766 | 1,407,478 | 1,230,304 | 1,186,874 | 1,094,029 | 1,158,864 | 1,109,328 | 1,146,842 |
| Planning/Economic Development | 242,790 | 215,286 | 172,600 | 163,516 | 157,803 | 164,173 | 190,153 | 179,565 | 189,877 | 176,097 |
| Parks | 1,101,543 | 1,091,462 | 1,037,978 | 1,028,313 | 986,767 | 991,749 | 867,474 | 876,779 | 1,078,897 | 1,224,238 |
| Sanitation | 1,016,192 | 963,335 | 922,967 | 882,781 | 864,359 | 843,906 | 810,214 | 777,301 | 736,243 | 691,910 |
| Storm water | 35,483 | 22,687 | 15,802 | 14,500 | 18,406 | 24,987 | 22,563 | 24,163 | 22,354 | 29,095 |
| Administrative fees | - | - | - | - | 174,364 | 158,633 | 139,694 | 151,967 | 17,864 | 105,359 |
| Capital outlay | 821,093 | 633,654 | 2,912,388 | 1,286,581 | 315,638 | 1,278,652 | 1,263,859 | 345,139 | 704,446 | 417,647 |
| Debt service: | | | | | | | | | | |
| Principal retirement | 588,324 | 567,537 | 595,922 | 620,172 | 580,253 | 518,641 | 365,000 | 1,130,000 | 730,000 | 670,000 |
| Interest and fiscal agent fees | 89,704 | 97,509 | 112,081 | 128,841 | 185,935 | 243,691 | 254,314 | 305,699 | 339,680 | 373,567 |
| Total Expenditures | 9,474,581 | 8,719,167 | 10,675,690 | 8,912,353 | 8,996,926 | 9,959,756 | 9,231,374 | 9,118,255 | 9,143,982 | 9,172,955 |

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

| | Fiscal Year | | | | | | | | | |
|--|-------------|-----------|-------------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| Excess (Deficiency) Of Revenues | | | | | | | | | | |
| Over Expenditures | (32,308) | 272,753 | (1,523,066) | (268,554) | 326,589 | (1,487,539) | (641,367) | (1,211,029) | (670,524) | (254,789) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Transfer from other funds | 319,000 | 193,000 | 276,000 | 456,000 | 487,500 | 671,000 | 1,024,000 | 2,709,312 | 2,675,245 | 2,363,005 |
| Transfer to other funds | (319,000) | (193,000) | (276,000) | (456,000) | (487,500) | (671,000) | (1,024,000) | (2,620,437) | (2,642,415) | (2,330,335) |
| Capital contribution | - | - | - | - | - | 48,576 | - | - | - | - |
| Bonds/refunding bonds issued | - | - | - | (318,687) | - | 17,700 | - | - | - | - |
| Debt issuance cost | - | - | - | - | - | (17,700) | - | - | - | - |
| Debt proceeds | - | - | 258,751 | - | - | 468,098 | - | - | - | - |
| Sale of capital assets | - | - | 415,000 | - | - | - | - | - | - | - |
| Restitution | - | - | - | - | 1,092 | 80,666 | - | 116,390 | 101,320 | - |
| Extraordinary loss | - | - | - | - | - | - | - | - | - | (30,268) |
| Fee in Lieu of Taxes | 972,723 | 921,764 | 1,002,459 | 947,720 | 748,905 | 741,293 | 760,524 | 752,806 | 667,532 | 610,198 |
| Total Other Financing Sources (Uses) | 972,723 | 921,764 | 1,676,210 | 629,033 | 749,997 | 1,338,633 | 760,524 | 958,071 | 801,682 | 612,600 |
| Net Change in Fund Balances | 940,415 | 1,194,517 | 153,144 | 360,479 | 1,076,586 | (148,906) | 119,157 | (252,958) | 131,158 | 357,811 |
| Debt service as a percentage of noncapital expenditures | 7.84% | 8.23% | 9.12% | 9.82% | 8.83% | 8.78% | 7.77% | 16.36% | 12.67% | 11.92% |

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 |
|--------------------|-----------------------|--|---------------------|--|------------------------------------|--------------------|-----------------------|
| 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 |
| 2012 | 693,432 | 3,244,586 | - | 437,567 | 683,480 | 576 | 5,059,641 |
| 2011 | 688,165 | 3,233,016 | - | 468,181 | 475,080 | 3,568 | 4,868,010 |
| 2010 | 673,011 | 2,975,479 | - | 462,461 | 465,051 | 93,842 | 4,669,844 |
| 2009 | 638,688 | 2,965,518 | - | 425,548 | 450,630 | 169,767 | 4,650,151 |

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 | | | | | | | | | |
|-----------------------------------|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| City of Nixa (Real Only) | 0.3286 | 0.3286 | 0.3316 | 0.3316 | 0.3316 | 0.3316 | 0.3316 | 0.3284 | 0.3243 | 0.3243 |
| Nixa Schools | 4.2896 | 4.2876 | 4.2875 | 4.2961 | 4.3000 | 4.3100 | 4.3100 | 4.3100 | 4.3100 | 4.3100 |
| Nixa Fire District | 0.7338 | 0.7338 | 0.7339 | 0.7339 | 0.6549 | 0.6549 | 0.6549 | 0.6483 | 0.6406 | 0.6406 |
| Nixa Special Road District | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0934 |
| State of Missouri | 0.0300 | 0.0300 | 0.0300 | 0.0300 | 0.0300 | 0.0300 | 0.0300 | 0.0300 | 0.0300 | 0.0300 |
| County of Christian | 0.0620 | 0.0557 | 0.0715 | 0.0715 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Library | 0.2150 | 0.2009 | 0.0887 | 0.0887 | 0.0887 | 0.0887 | 0.0887 | 0.0882 | 0.0875 | 0.0875 |
| Junior College | 0.2023 | 0.1498 | 0.1500 | 0.1494 | 0.1494 | 0.1479 | 0.1408 | 0.1405 | 0.1396 | 0.1396 |
| Ambulance | 0.1324 | 0.1324 | 0.1324 | 0.1324 | 0.1324 | 0.1324 | 0.1324 | 0.1305 | 0.1305 | 0.1299 |
| Senate Bill 40 Board | 0.0799 | 0.0799 | 0.0799 | 0.0799 | 0.0799 | 0.0799 | 0.0799 | 0.0794 | 0.0788 | 0.0788 |
| Health | 0.0444 | 0.0444 | 0.0444 | 0.0444 | 0.0444 | 0.0444 | 0.0444 | 0.0441 | 0.0438 | 0.0438 |
| Senior Citizens | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 |
| Total District Overlapping | 6.1680 | 6.0931 | 5.9999 | 6.0079 | 5.8613 | 5.8698 | 5.8627 | 5.8494 | 5.8351 | 5.9279 |

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 |
|--|--------------------|---------------------|-------------------|---|----------------------------------|---|-----------------------------------|---|----------------------------------|
| 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 |
| 2011 | 158,925,290 | 55,990 | 39,410,760 | 1,847 | 320,179 | 198,714,066 | 961,080,434 | 20.7% | 0.3284 |
| 2010 | 159,647,830 | 77,920 | 38,226,810 | 1,240 | 546,720 | 198,500,520 | 962,072,226 | 20.6% | 0.3243 |
| 2009 | 153,791,110 | 77,790 | 37,680,750 | 82,739 | 298,461 | 191,930,850 | 929,018,738 | 20.7% | 0.3243 |

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 2009

| Taxpayer | 2018 | | | 2009 | | |
|--------------------------------------|------------------------------|------|---|------------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total Assessed Valuation | Taxable Assessed Value | Rank | Percentage of Total Assessed Valuation |
| Wal-Mart | \$ 2,497,150 | 1 | 0.99% | \$ 1,952,540 | 2 | 1.02% |
| Missouri Gas Energy | 2,464,610 | 2 | 0.98% | 937,470 | 4 | 0.49% |
| Nixa Senior Community LLC | 1,640,590 | 3 | 0.65% | | | |
| Associated Nixa LLC | 1,420,960 | 4 | 0.57% | 824,260 | 5 | 0.43% |
| Peoples Bank of Ozarks | 1,179,900 | 5 | 0.47% | 1,362,340 | 3 | 0.71% |
| Carnahan Investments Enterprise Inc. | 1,156,580 | 6 | 0.46% | 692,860 | 7 | 0.36% |
| St. John's Health Systems | 1,114,080 | 7 | 0.44% | 2,608,350 | 1 | 1.36% |
| Southernwood Condominium LLC | 933,300 | 8 | 0.37% | | | |
| Fountain Plaza Group | 903,140 | 9 | 0.36% | 665,790 | 9 | 0.35% |
| Village Marketplace Nixa LLC | 859,740 | 10 | 0.34% | | | |
| Crimson Plaza | | | | 771,010 | 6 | 0.40% |
| Carnahan LLC | | | | 638,530 | 10 | 0.33% |
| Magers Properties Nixa LLC | | | | 678,690 | 8 | 0.35% |
| Total | \$ 14,170,050 | | 5.64% | \$ 11,131,840 | | 5.80% |

Source: Christian County Assessor

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 12/31/18 | |
|-------------------------------------|--------------------------------------|---|-----------------------|---------------------------------------|----------------------------------|-----------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2018 | \$ 824,920 | \$ 801,823 | 97.2% | \$ - | 801,823 | 97.2% |
| 2017 | 784,133 | 757,395 | 96.6% | 19,845 | 777,240 | 99.1% |
| 2016 | 752,265 | 708,599 | 94.2% | 40,589 | 749,188 | 99.6% |
| 2015 | 729,121 | 702,289 | 96.3% | 26,798 | 729,087 | 100.0% |
| 2014 | 703,576 | 673,640 | 95.7% | 29,962 | 703,602 | 100.0% |
| 2013 | 693,817 | 661,528 | 95.3% | 32,289 | 693,817 | 100.0% |
| 2012 | 665,705 | 633,110 | 95.1% | 32,248 | 665,358 | 99.9% |
| 2011 | 651,573 | 603,732 | 92.7% | 44,128 | 647,860 | 99.4% |
| 2010 | 641,960 | 598,439 | 93.2% | 43,519 | 641,958 | 100.0% |
| 2009 | 621,196 | 576,717 | 92.8% | 44,671 | 621,388 | 100.0% |

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 | Direct Sales and Use Tax | 1% General Sales | 0.50% Transportation Sales | 1.50% General Use | Total |
|-------------|-----------------------------|---------------------|-------------------------------|----------------------|--------------|
| 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 |
| 2012 | 1.50% | 2,063,954 | 1,031,977 | - | 3,095,931 |
| 2011 | 1.50% | 2,047,548 | 1,023,773 | - | 3,071,321 |
| 2010 | 1.50% | 1,883,673 | 941,837 | - | 2,825,510 |
| 2009 | 1.50% | 1,878,258 | 939,128 | - | 2,817,386 |

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 |
|-------------|------------------|-------------------------|--------------------------|------------|------------|
| 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% |
| 2012 | 1.500% | 0.250% | 1.500% | 4.225% | 7.475% |
| 2011 | 1.500% | 0.250% | 1.500% | 4.225% | 7.475% |
| 2010 | 1.500% | 0.250% | 1.500% | 4.225% | 7.475% |
| 2009 | 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 | Lease Obligations | Certificates of Participation | Revenue Bonds | Total Outstanding Debt | Percentage of Personal Income | Debt Per Capita |
|-------------|--------------------------|--------------------------|-------------------|-------------------------------|---------------|------------------------|-------------------------------|-----------------|
| | Governmental | | Business-Type | | | | | |
| 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 |
| 2012 | 3,360,000 | 2,265,000 | - | 1,350,000 | 14,753,000 | 21,728,000 | 4.98% | 1,077 |
| 2011 | 3,510,000 | 2,480,000 | - | 1,420,000 | 15,880,000 | 23,290,000 | 5.63% | 1,177 |
| 2010 | 4,200,000 | 2,920,000 | 803,427 | 1,475,000 | 17,598,000 | 26,996,427 | 6.40% | 1,419 |
| 2009 | 4,500,000 | 3,350,000 | 958,050 | 1,525,000 | 18,752,000 | 29,085,050 | 9.00% | 1,599 |

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 |
|-------------|--------------------------------|--------------------------------------|----------------------------|---|-------------------------------|
| 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 |
| 2012 | 2,265,000 | 318,685 | 1,946,315 | 0.20% | 96 |
| 2011 | 2,480,000 | 326,419 | 2,153,581 | 0.22% | 109 |
| 2010 | 2,920,000 | 446,521 | 2,473,479 | 0.26% | 130 |
| 2009 | 3,350,000 | 468,355 | 2,881,645 | 0.31% | 158 |

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, 2018

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated share of direct and overlapping debt |
|-----------------------------------|-----------------------------|---------------------------------------|--|
| Nixa School District | \$ 79,592,066 | 63.51% | \$ 50,551,845 |
| Nixa Fire District | 2,649,481 | 68.21% | 1,807,103 |
| City of Nixa direct debt | <u>2,748,700</u> | 100% | <u>2,748,700</u> |
| Subtotal, overlapping debt | 82,241,547 | | 52,358,948 |
| Subtotal, direct debt | 2,748,700 | | 2,748,700 |
| Total direct and overlapping debt | <u><u>\$ 84,990,247</u></u> | | <u><u>\$ 55,107,648</u></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, 2018

Legal Debt Margin Calculation for Fiscal Year 2018

| | |
|-------------------------------------|-----------------------|
| Assessed Value | <u>\$ 251,253,397</u> |
| Debt limit (20% of assessed value) | <u>\$ 50,250,679</u> |
| City Debt applicable to debt Limit: | |
| General obligation bonds | <u>733,700</u> |
| Total net debt applicable to limit | <u>\$ 733,700</u> |
| Legal debt margin | <u>\$ 49,516,979</u> |

| | Last Ten Fiscal Years | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| Assessed valuation, January 1 | <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> | <u>\$ 201,026,779</u> | <u>\$ 198,714,066</u> | <u>\$ 198,500,520</u> | <u>\$ 191,930,850</u> |
| Debt limit | 50,250,679 | 47,768,581 | 45,440,839 | 44,023,317 | 42,477,446 | 41,886,805 | 40,205,356 | 39,742,813 | 39,700,104 | 38,386,170 |
| Total net debt applicable to limit | <u>733,700</u> | <u>1,007,900</u> | <u>1,276,800</u> | <u>1,540,100</u> | <u>1,478,812</u> | <u>1,738,518</u> | <u>1,946,315</u> | <u>2,153,581</u> | <u>2,473,479</u> | <u>2,881,645</u> |
| Legal debt margin | <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> | <u>\$ 38,259,041</u> | <u>\$ 37,589,232</u> | <u>\$ 37,226,625</u> | <u>\$ 35,504,525</u> |
| Total net debt applicable to the limit as a percentage | 1.48% | 2.16% | 2.89% | 3.63% | 3.61% | 4.33% | 5.09% | 5.73% | 6.64% | 8.12% |

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 | |
| (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 |
| 2012 | 15,519,118 | 13,942,090 | 1,577,028 | 485,000 | 200,413 | 685,413 | 2.30 |
| (4) 2011 | 15,331,504 | 12,741,177 | 2,590,327 | 655,000 | 360,160 | 1,015,160 | 2.55 |
| 2010 | 14,137,735 | 11,429,723 | 2,708,012 | 630,000 | 448,660 | 1,078,660 | 2.51 |
| 2009 | 12,608,939 | 9,865,907 | 2,743,032 | 605,000 | 469,812 | 1,074,812 | 2.55 |

Water system revenue bond coverage (1)

| Fiscal Year | Operating Revenues (2) | Less: Operating Expenses (3) | Net Available Revenue | Debt Service | | | Coverage |
|-------------|---------------------------|---------------------------------|--------------------------|--------------|-----------|---------|----------|
| | | | | Principal | Interest | Total | |
| 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 |
| 2012 | 1,703,049 | 1,377,547 | 325,502 | 150,000 | 88,464 | 238,464 | 1.36 |
| 2011 | 1,667,471 | 1,343,020 | 324,451 | 145,000 | 93,641 | 238,641 | 1.36 |
| 2010 | 1,563,662 | 1,151,577 | 412,085 | 145,000 | 98,722 | 243,722 | 1.69 |
| 2009 | 1,407,997 | 1,174,138 | 233,859 | 130,000 | 103,363 | 233,363 | 1.00 |

Sanitary sewer system revenue bond coverage (1)

| Fiscal Year | Operating Revenues (2) | Less: Operating Expenses (3) | Net Available Revenue | Debt Service | | | Coverage |
|-------------|---------------------------|---------------------------------|--------------------------|--------------|----------|-----------|----------|
| | | | | Principal | Interest | Total | |
| 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 |
| 2012 | 2,584,051 | 2,174,971 | 409,080 | 562,000 | 202,047 | 764,047 | 0.54 |
| 2011 | 2,577,199 | 1,947,877 | 629,322 | 605,284 | 211,067 | 816,351 | 0.77 |
| 2010 | 2,573,100 | 1,879,735 | 693,365 | 583,623 | 425,756 | 1,009,379 | 0.69 |
| 2009 | 2,503,110 | 1,780,953 | 722,157 | 573,067 | 461,948 | 1,035,015 | 0.70 |

(1) 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.

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

(3) Operating expenses excludes depreciation and non-operating expenses.

(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) |
|-------------|-------------------|-------------------|-----------------------------|--------------------------------------|---------------------------------|--------------------------|
| 2018 | 21,980 | 34.9 | 23,313 | 50,480 | 6,424 | 3.3% |
| 2017 | 21,275 | 34.9 | 23,313 | 50,480 | 6,122 | 3.3% |
| 2016 | 20,684 | 34.2 | 23,313 | 50,480 | 6,180 | 3.4% |
| 2015 | 20,264 | 34.2 | 23,313 | 50,480 | 6,057 | 3.3% |
| 2014 | 20,056 | 34.2 | 23,313 | 50,480 | 5,926 | 4.7% |
| 2013 | 19,713 | 34.2 | 23,313 | 50,480 | 5,916 | 4.7% |
| 2012 | 19,354 | 34.2 | 22,524 | 51,040 | 5,804 | 5.1% |
| 2011 | 19,152 | 34.2 | 21,589 | 51,040 | 5,641 | 7.5% |
| 2010 | 19,022 | 34.2 | 22,166 | 50,702 | 5,553 | 8.4% |
| 2009 | 18,190 | 32 | 17,774 | 51,207 | 5,437 | 8.2% |
| 2008 | 17,390 | 32 | 17,774 | 37,655 | 5,297 | 6.0% |

Sources:

(1) U.S. Census Bureau (actual and estimated)

(2) Nixa Public School District

(3) U.S. Department of Labor

CITY OF NIXA, MISSOURI
Principal Employers
Current Year and 2008

| 2018 | | | | 2008 | | | |
|-----------------------------------|--------------|------|---|--------------|------|---|--|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment | |
| Nixa School District | 780 | 1 | 13.79% | 629 | 1 | 11.90% | |
| Wal-Mart | 284 | 2 | 5.02% | 372 | 2 | 7.04% | |
| City of Nixa | 137 | 3 | 2.42% | 138 | 5 | 2.61% | |
| Diversified | 125 | 4 | 2.21% | 125 | 4 | 2.37% | |
| Nixa Hardware | 82 | 5 | 1.45% | | | | |
| Christian Health & Rehabilitation | 80 | 6 | 1.41% | | | | |
| Price Cutter | 65 | 7 | 1.15% | 96 | 6 | 1.82% | |
| Ample Industries | 60 | 8 | 1.06% | | | | |
| Springfield Aluminum | 60 | 9 | 1.06% | | | | |
| Mercy (St. John's) | 52 | 10 | 0.92% | 89 | 7 | 1.68% | |
| Christian County Health Care | | | | 82 | 8 | 1.55% | |
| People's Bank | | | | 76 | 9 | 1.44% | |
| Doctor's Hospital | | | | 65 | 10 | 1.23% | |
| Nauvalis Healthcare Solutions | | | | 200 | 3 | 3.78% | |
| Total | <u>1,725</u> | | <u>30.50%</u> | <u>1,872</u> | | <u>27.42%</u> | |

Source: City Clerk's Office and Planning Department

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

| Fiscal Year | Total Estimated Actual Value (1) | New Construction (2) | | | | | | Building |
|-------------|-------------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|---------------------------|-----------------------------------|----------------------|
| | | Residential | | Commercial | | Alterations and Additions | | Demolitions |
| | | Number of Permits | Estimated Cost of Construction | Number of Permits | Estimated Cost of Construction | Number of Permits | Estimated Cost of Construction | Number of Permits |
| 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 |
| 2012 | 972,638,746 | 75 | 11,250,000 | 3 | 2,485,000 | 49 | 103,000 | 6 |
| 2011 | 961,080,434 | 48 | 7,200,000 | 2 | 900,000 | 58 | 50,060 | 4 |
| 2010 | 962,072,226 | 90 | 12,445,081 | 4 | 1,000,000 | 58 | 1,203,450 | 2 |
| 2009 | 929,018,738 | 73 | 6,169,450 | 7 | 14,730,000 | 53 | 162,795 | 2 |

(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 | | | | | | | | | |
|--------------------------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| General government | | | | | | | | | | |
| Administrative Services | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 4 | 5 |
| Municipal Court | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Human Resources | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Planning & Development | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 |
| Building Inspections | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 3 |
| Finance | 6 | 6 | 6 | 6 | 7 | 7 | 6 | 6 | 6 | 6 |
| Information Technology | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 2 | 2 |
| Municipal property maintenance | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 2 | 2 |
| Police | | | | | | | | | | |
| Officers | 34 | 34 | 29 | 27 | 27 | 27 | 27 | 25 | 25 | 20 |
| Civilians* | 6 | 6 | 6 | 6 | 5 | 5 | 5 | 5 | 11 | 12 |
| Parks and recreation | 10 | 9 | 9 | 9 | 8 | 8 | 10 | 10 | 14 | 15 |
| Utility Billing | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Public Works | | | | | | | | | | |
| Administration | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Vehicle maintenance | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Street Maintenance | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Electric | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 13 |
| Water | 6.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 |
| Wastewater | 9.3 | 9.3 | 9.3 | 9.3 | 9.3 | 9.3 | 9.3 | 9.3 | 9.5 | 7.5 |
| Recycling | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2 | 2 |
| Total | 138 | 135 | 128 | 125 | 124 | 124 | 124 | 123 | 135 | 130 |

* The City discontinued dispatch services with the formation of County 911.

Source: City of Nixa Human Resource Department

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

| Function/Programs | Fiscal Year | | | | | | | | | |
|---|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| General government | | | | | | | | | | |
| Business licenses issued | 659 | 685 | 685 | 644 | 594 | 574 | 619 | 798 | 735 | 712 |
| New Residential building permits issued | 250 | 211 | 127 | 105 | 127 | 133 | 75 | 48 | 90 | 43 |
| New Commercial building permits issued | 18 | 6 | 8 | 5 | 17 | 6 | 3 | 2 | 4 | 6 |
| Building inspections completed | 5563 | 4,056 | 2,704 | 2,589 | 3,114 | 2,346 | 1,922 | 1,862 | 2,297 | 1,488 |
| Rental inspections completed | 1064 | 1,116 | 1,250 | 1,301 | 1,368 | 1,378 | 1,413 | 1,259 | 1,588 | 1,563 |
| Police-Patrol | | | | | | | | | | |
| Calls for Services | 28,862 | 25,686 | 24,390 | 18,899 | 19,764 | 18,425 | 17,476 | 17,627 | 15,844 | 16,652 |
| Arrests | 887 | 941 | 682 | 772 | 865 | 897 | 659 | 735 | 691 | 823 |
| Tickets issued | 2,519 | 2,862 | 2,963 | 2,263 | 2,703 | 2,705 | 2,433 | 3,106 | 2,675 | 3,445 |
| Accidents | 364 | 343 | 328 | 362 | 349 | 374 | 367 | 337 | 321 | 373 |
| Public Works | | | | | | | | | | |
| Streets resurfaced (miles) | 2.5 | 3.8 | 3.2 | 3.4 | 4.6 | 5.9 | 4.1 | 5.8 | 2.7 | 3.8 |
| Number of water towers | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 6 | 6 |
| Number of wells | 9 | 9 | 9 | 9 | 9 | 8 | 8 | 8 | 8 | 8 |
| Number of water meters | 8654 | 8,378 | 8,161 | 8,083 | 7,945 | 7,827 | 7,675 | 7,638 | 7,513 | 7,409 |
| Average daily well production (MGD) | 2.375 | 2.4 | 2.3 | 2.8 | 2.2 | 2.0 | 2.3 | 2.2 | 2.2 | 2.1 |
| Number of electric meter accounts | | 9,795 | 9,530 | 9,487 | 9,351 | 9,199 | 9,014 | 8,986 | 8,832 | 8,771 |
| Number of electric sold (MWh) | | 152,303 | 152,104 | 147,191 | 146,361 | 143,898 | 145,432 | 146,099 | 147,974 | 133,698 |
| WWTP average daily flow (MGD) | 1.373 | 1.4 | 1.3 | 1.6 | 1.2 | 1.3 | 1.1 | 1.2 | 1.3 | 1.4 |
| Recreation | | | | | | | | | | |
| Number of recreational programs | 45 | 45 | 42 | 42 | 48 | 44 | 37 | 36 | 36 | 34 |
| Number of special events offered | 8 | 8 | 8 | 10 | 16 | 12 | 10 | 10 | 10 | 9 |
| Number of Fitness Center memberships** | 2,193 | 1,954 | 1,775 | 1,351 | 1,089 | 475 | - | - | - | - |

Source: City department records.

** Fitness Center opened in 2013

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

| Function | Fiscal Year | | | | | | | | | |
|--|-------------|-------|-------|-------|---------|-------|-------|-------|-------|-------|
| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
| General government | | | | | | | | | | |
| Area (square miles) | 8.97 | 8.97 | 8.82 | 8.53 | 8.53 | 8.53 | 8.53 | 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 | 2,077 | 2,049 | 1,980 | 1,950 | 1,892 | 1,887 | 1,882 | 1,868 | 1,861 | 1,807 |
| Miles of water mains* | 138.3 | 137.0 | 134.0 | 130.1 | 130.026 | 129.0 | - | - | - | - |
| Miles of sanitary sewers | 121.8 | 120.6 | 117.0 | 115.5 | 115.5 | 109.0 | 109.0 | 109.0 | 109.0 | 109.0 |
| Miles of sanitary force mains | 13.38 | 13.30 | 12.79 | 12.79 | 12.79 | 14.00 | 14.00 | 14.00 | 14.00 | 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 | 3 | 3 |
| Miles of electric line | 203.0 | 200.1 | 195.0 | 195.0 | 188.0 | 187.3 | 187.3 | 186.0 | 186.0 | 184.4 |
| Electric Poles** | 3,143 | 3,133 | 4,310 | 4,293 | 2,986 | 2,981 | 2,974 | 2,974 | 2,968 | 2,856 |
| Recreation | | | | | | | | | | |
| Number of parks | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 3 | 3 | 2 |
| Park acreage | 122 | 122 | 63 | 101 | 101 | 101 | 101 | 63 | 63 | 60 |
| 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 2009 - 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