

CITY OF NIXA, MISSOURI

FINANCIAL STATEMENTS
WITH REQUIRED SUPPLEMENTARY
INFORMATION AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2014

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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 City of Nixa, Missouri, as of and for the year ended December 31, 2014, 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, 2014, 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

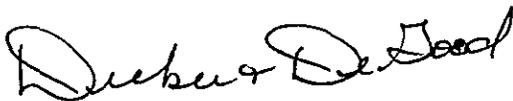
Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis and budgetary comparison information* on pages 3 through 11 and pages 50 through 51, be presented to supplement the basic financial statements. Such information, although not 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

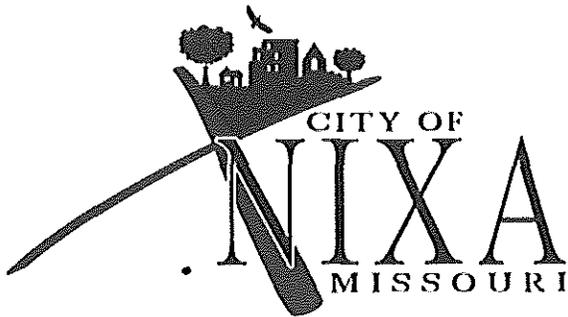
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of funding progress are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of funding progress has 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 provided any assurance on it.



Decker & DeGood
Springfield, Missouri
April 1, 2015



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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Nixa's financial performance provides an overview of the City's financial activities for the year ended December 31, 2014. Please read it in conjunction with the City's financial statements, which begin on page 12.

Financial Highlights and Significant Events

- On a government-wide basis the assets of the City exceeded its liabilities for the most recent fiscal year by \$ 106,38,021. The City has unrestricted net assets totaling \$ 23,826,458.
- The following system improvements were completed in 2014:
 - Double circuit from North East Electric Substation, allowing equalization of system loads and back feed options for maintenance and emergencies.
 - Well water #10 with a depth of 1,700 feet and pump capacity of 1,100 gallons per minute.
 - Tracker Road 8" Water Loop Line between US 160 and Eaglecrest Street.
 - East Gravity Sewer Line to allow for elimination of City's oldest lift station and reduced maintenance costs.

Overview of the Financial Statements

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

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 private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the City. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

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

The Statement of Activities presents information showing how the government's net assets changed during the current fiscal year. All changes in net assets 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 not result in cash flows until 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 include general government, judiciary, public safety, transportation, culture and recreation. The business-type activities include the water, sewer, and electric systems.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law, while others are established to help control and manage money for a particular purpose. The City's two kinds of funds are as follows:

- Governmental funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the accrual method of accounting, which measures cash when earned and expenditures incurred. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements.

The City of Nixa adopts an annual budget for its governmental funds and a comparison of actual to budget has been provided to demonstrate compliance with the authorized budget. The Statement of Revenues, Expenditures and Changes in Fund Balance on a Budgetary Basis can be found on page 49-50.

The basic governmental fund financial statements (Balance Sheet and Statement of Revenues, Expenditures and Change in Fund Balance) can be found on pages 14 and 16 of this report.

- Proprietary funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise fund is the same as the business-type activities we report in the government-wide statements but provides more detail and additional information, such as cash flows. The basic proprietary fund financial statements (Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows) can be found on pages 18-20 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-47 of this report.

Required Supplemental Information

In addition to the basic financial statements the required supplementary information can be found on pages 49-51 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The City's governmental activities net assets exceeded liabilities by \$ 66 million at December 31, 2014. This was a slight increase from the prior year.

The City's business-type activities net assets exceeded liabilities by \$ 40.4 million at December 31, 2014. This increase was due to growth in the proprietary funds by \$ 1.7 million of which was from normal operations.

As of December 31, 2014, net position changed as follows:

	Governmental Activities		Business-type Activities	
	2014	2013	2014	2013
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$ 8,820,520	\$ 9,015,562	\$ 16,006,473	\$ 15,544,279
Noncurrent Assets	61,967,199	63,357,855	39,377,176	39,491,538
Total Assets	<u>70,787,719</u>	<u>72,373,417</u>	<u>55,383,649</u>	<u>55,035,817</u>
Current Liabilities	1,428,353	1,213,584	2,901,450	3,626,857
Long-term Debt	4,421,732	5,185,444	12,040,912	12,884,874
Total Liabilities	<u>5,850,085</u>	<u>6,399,028</u>	<u>14,942,362</u>	<u>16,511,731</u>
Net Position:				
Invested in capital assets-net	56,636,607	57,446,516	25,143,764	24,600,879
Restricted	318,688	256,377	712,504	606,694
Unrestricted	9,241,439	8,271,496	14,585,019	13,490,849
Total net position	<u>\$ 66,196,734</u>	<u>\$ 65,974,389</u>	<u>\$ 40,441,287</u>	<u>\$ 38,698,422</u>

**City of Nixa
Changes in Net Position**

Government-Wide Financial Analysis-continued

	Governmental Activities		Business-type Activities	
	2014	2013	2014	2013
Revenues:				
Program Revenues:				
Charge for services	\$ 2,127,634	\$ 1,833,837	\$ 20,835,961	\$ 20,055,100
Operating grants and contributions	26,045	136,127	-	-
Capital grants and contributions	91,648	129,647	116,796	128,882
General Revenues:				
Taxes	5,656,827	5,194,475	-	-
Interest	62,564	73,986	266,561	138,358
Other	23,939	6,695	-	500,000
Transfers	1,884,419	1,821,792	(1,884,419)	(1,821,792)
Total Revenue	<u>9,873,076</u>	<u>9,196,559</u>	<u>19,334,899</u>	<u>19,000,548</u>
Expenses:				
Administration	2,346,453	2,322,352	17,591,105	16,599,839
Public Safety	2,243,976	2,287,874	-	-
Building inspection	211,108	234,737	-	-
Storm water	18,406	24,987	-	-
Planning	157,803	164,477	-	-
Sanitation	864,359	843,906	-	-
Parks and recreation	1,169,721	1,156,083	-	-
Streets	2,429,810	2,400,347	-	-
Interest	179,794	226,046	-	-
Total Expense	<u>9,621,430</u>	<u>9,660,809</u>	<u>17,591,105</u>	<u>16,599,839</u>
Change in Net Position	251,646	(464,250)	1,743,794	2,400,709
Net Position, beginning	<u>65,945,088</u>	<u>66,438,639</u>	<u>38,697,493</u>	<u>36,297,713</u>
Net Position, ending	<u>\$ 66,196,734</u>	<u>\$ 65,974,389</u>	<u>\$ 40,441,287</u>	<u>\$ 38,698,422</u>

Financial Analysis of the Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

Some significant items are presented below for comparison and analysis.

	Percent of Total	2014	2013	Change	
				Amount	%
Revenues					
Property taxes	7.95%	\$ 740,922	\$ 726,937	\$ 13,985	1.92%
Franchise taxes (cable/gas)	5.76%	536,765	495,580	41,185	8.31%
Sales taxes	39.51%	3,684,084	3,268,889	415,195	12.70%
Missouri motor fuel taxes	7.73%	720,523	690,083	30,440	4.41%
Licenses & permits	1.48%	138,296	144,535	(6,239)	-4.32%
Charge for services	18.03%	1,681,012	1,431,333	249,679	17.44%
Fines & forfeits	3.07%	286,009	257,969	28,040	10.87%
Interest	0.67%	62,564	73,986	(11,422)	-15.44%
Interfund	14.05%	1,309,878	1,239,132	70,746	5.71%
Grants	0.35%	33,007	32,450	557	1.72%
Miscellaneous	1.40%	130,455	111,323	19,132	17.19%
Total	100.00%	9,323,515	8,472,217	851,298	10.05%
Expenditures:					
General government	24.46%	2,158,129	2,129,815	28,314	1.33%
Police	24.04%	2,121,032	2,186,938	(65,906)	-3.01%
Building inspection	2.31%	203,936	231,697	(27,761)	-11.98%
Streets	13.94%	1,230,304	1,186,874	43,430	3.66%
Planning	1.79%	157,803	164,173	(6,370)	-3.88%
Parks	11.18%	986,767	991,749	(4,982)	-0.50%
Sanitation	9.80%	864,359	843,906	20,453	2.42%
Storm water	0.21%	18,406	24,987	(6,581)	-26.34%
Capital outlay	3.58%	315,638	1,278,652	(963,014)	-75.31%
Debt service	8.68%	766,188	762,332	3,856	0.51%
	100.00%	8,822,562	9,801,123	(978,561)	-9.98%

Most notably increases was in Sales tax which was up 9.69% or \$ 306,199 due to better local economy and Park Program fees up \$ 221,921 as all other items had slight increases. Expenditures remained relatively the same with a significant less amount spent on capital expenditures.

Business-type Activities

In reviewing the current to the past year on the water, sewer, and electric fund, we noted the following:

	2014	2013	Amount	%
Waterworks Fund				
Revenue	\$ 1,991,287	\$ 1,577,953	\$ 413,334	26.19%
Expense net of Depreciation and interfund	793,102	804,108	(11,006)	-1.37%
Operating Income	588,324	190,203	398,121	209.31%
Sewer Fund				
Revenue	2,967,479	2,791,848	175,631	6.29%
Expense net of Depreciation and interfund	1,243,651	1,201,017	42,634	3.55%
Operating Income	757,791	647,157	110,634	17.10%
Electric Fund				
Revenue	15,741,500	15,548,362	193,138	1.24%
Expense net of Depreciation and interfund	13,512,085	12,656,618	855,467	6.76%
Cost of power purchased	11,976,805	11,041,630	935,175	8.47%
Operating Income	1,161,117	1,843,963	(682,846)	-37.03%

Waterworks Fund and Sewer Fund showed a significant increase in revenue with that going to the bottom line of operating income with the Electric Fund cost of power purchased offset by an increase in revenue posting a net decrease.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City Council revised the budget for capital improvements as needed. The budget amendment was only slightly increased for additional line items that the Council felt they had the additional monies to go ahead and include in 2014.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land & Buildings	\$ 12,731,722	\$ 12,686,948	\$ 3,716,315	\$ 3,952,269	\$ 16,448,037	\$ 16,639,217
Improvements	2,517,521	2,509,286	49,560,602	48,022,827	52,078,123	50,532,113
Street	64,612,785	64,612,785	-	-	64,612,785	64,612,785
Equipment	2,125,130	2,720,966	1,027,915	1,344,481	3,153,045	4,065,447
Vehicles	1,378,277	1,502,011	2,052,524	2,587,632	3,430,801	4,089,643
Construction -in-Progress	305,473	181,908	292,976	582,718	598,449	764,626
	<u>\$ 83,670,908</u>	<u>\$ 84,213,904</u>	<u>\$ 56,650,332</u>	<u>\$ 56,489,927</u>	<u>\$ 140,321,240</u>	<u>\$ 140,703,831</u>

This year's additions and deletions include:

North East Feeder Circuit	\$ 444,404
Vehicles	160,148
Well number 10	510,484
Other improvements and projects in process	<u>425,405</u>
Increase in Business-Type Activities	<u>1,540,441</u>
Public Utilities garage and salt shed	44,776
Vehicles	38,583
Equipment	100,479
Other improvements and projects in process	<u>8,234</u>
Increase in Governmental Activities	<u>192,072</u>
Total Increase	<u>\$ 1,732,513</u>

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

Debt

At year-end, the City had \$ 17,829,904 outstanding notes as compared to the prior year of \$ 19,979,157.

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenue Bonds	\$ -	\$ -	\$ 11,663,000	\$ 13,137,000	\$ 11,663,000	\$ 13,137,000
G.O. Bonds	1,797,500	2,057,700	-	-	1,797,500	2,057,700
Lease Obligations	3,214,404	3,534,457	1,155,000	1,250,000	4,369,404	4,784,457
TOTALS	\$ 5,011,904	\$ 5,592,157	\$ 12,818,000	\$ 14,387,000	\$ 17,829,904	\$ 19,979,157

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's 2015 Budget reflects revenue of \$ 34,327,190 and expenditures of \$ 39,683,269. Expenditures are comprised of \$ 27,618,162 in operating expense, \$ 2,796,311 for debt retirement, and \$ 9,268,796 in capital improvement projects. And additional \$ 167,201 was approved by amendment in January, 2015 for capital improvements.

The 2015 budget for the Street Fund provides \$ 5,035,100 for street improvements - \$ 2,298,100 for the intersection of Highway 14 and US 160, and \$ 2,737,000 for the intersection of Tracker and Main Streets, along with an additional \$ 120,000 for sidewalk improvements. The project for Highway 14 and US 160 will be supplemented with \$ 1,199,514 from Missouri Department of Transportation. The 2015 Budget identified \$ 1,052,948 from the Surface Transportation Program (STP) for the Tracker and Main Street project. At the beginning of 2015, the City was informed that an additional \$ 370,264 was to be received in STP monies. The remainder for these street projects will be funded by surplus reserves.

The 2015 budget includes improvements of \$ 1,394,150 for the Electric System, \$ 1,150,201 for Water System, and \$ 694,000 for the Sewer System. The following transfers were approved for the Park Fund Capital Program: \$ 15,000 from General Fund surplus for Fitness Center floor upgrade, \$ 42,000 from Park Building Reserves for painting of the Community Center, and an additional \$ 25,000 from Aquatics Reserves to afford aquatic improvements.

Other capital improvements include \$ 288,300 for various building improvements, \$ 442,246 for equipment, and \$ 230,000 for vehicles (with one additional vehicle for Police fleet to be afforded with Impact Fees).

All rates and fees imposed by the City are monitored on a continuous basis. An electric study was conducted in 2014 with new rates effective December 1, 2014. Water and Wastewater rate studies were conducted in 2013 with proposed minimal annual increases. Budgeted reserves reflect those increases.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

A handwritten signature in cursive script that reads "Donna Swatzell".

Donna Swatzell,
Finance Director

CITY OF NIXA, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalent	\$ 8,658,938	\$ 13,745,528	\$ 22,404,466
Accounts receivable	1,398,978	1,240,456	2,639,434
Reimbursements receivable	-	36,937	36,937
Prepaid expenses	21,704	10,619	32,323
Materials and supply inventory	-	972,933	972,933
Restricted assets-cash			
Debt reserves	318,688	713,016	1,031,704
Capital assets:			
Land	1,545,798	918,683	2,464,481
Construction in progress	305,473	292,976	598,449
Other capital assets, net of accumulated depreciation	59,797,240	37,301,982	97,099,222
Total Assets	72,046,819	55,233,130	127,279,949
DEFERRED OUTFLOW OF RESOURCES			
Deferred loss on debt refunding, net	-	150,519	150,519
LIABILITIES			
Accounts payable	143,018	1,138,076	1,281,094
Accrued wages	82,243	30,307	112,550
Accrued payroll taxes and benefits	5,140	-	5,140
Accrued sales tax	-	19,943	19,943
Accrued interest	56,151	47,611	103,762
Builders deposits	353,688	-	353,688
Compensated absences	197,941	51,513	249,454
Noncurrent liabilities:			
Amounts due within one year	590,172	1,614,000	2,204,172
Amounts due in more than one year:			
Revenue Bonds	-	10,149,000	10,149,000
General Obligation Bonds	1,540,100	-	1,540,100
Capital Lease Obligations	2,881,632	1,055,000	3,936,632
Customer deposits	-	836,912	836,912
Total Liabilities	5,850,085	14,942,362	20,792,447
NET POSITION			
Net investment in capital assets	56,636,607	25,143,764	81,780,371
Restricted for:			
Debt service	318,688	712,504	1,031,192
Unrestricted	9,241,439	14,585,019	23,826,458
Total Net Position	\$ 66,196,734	\$ 40,441,287	\$ 106,638,021

The accompanying notes are an integral
part of these financial statements.

CITY OF NIXA, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Functions/Programs	Expenses	Indirect Expense Allocation	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	\$ 2,346,453	\$ 1,309,878	\$ 26,018	\$ -	\$ -	\$ (1,010,557)	\$ -	\$ (1,010,557)
Public safety:								
Police	2,243,976	-	286,009	26,045	70,826	(1,861,096)	-	(1,861,096)
Building inspections	211,108	-	158,486	-	-	(52,622)	-	(52,622)
Storm water	18,406	-	648	-	-	(17,758)	-	(17,758)
Planning	157,803	-	-	-	-	(157,803)	-	(157,803)
Sanitation	864,359	-	967,183	-	-	102,824	-	102,824
Park and recreation	1,169,721	-	689,290	-	20,822	(459,609)	-	(459,609)
Streets	2,429,810	(174,364)	-	-	-	(2,604,174)	-	(2,604,174)
Interest on long-term debt	179,794	-	-	-	-	(179,794)	-	(179,794)
Total governmental activities	9,621,430	1,135,514	2,127,634	26,045	91,648	(6,240,589)	-	(6,240,589)
Business-type activities:								
Water	1,067,869	373,320	2,126,982	-	-	-	685,793	685,793
Sewer	2,156,156	339,014	2,967,479	-	116,796	-	589,105	589,105
Electric	14,367,080	423,180	15,741,500	-	-	-	951,240	951,240
Total business-type activities	17,591,105	1,135,514	20,835,961	-	116,796	-	2,226,138	2,226,138
Total Primary Government	\$ 27,212,535		\$ 22,963,595	\$ 26,045	\$ 208,444	(6,240,589)	2,226,138	(4,014,451)
General Revenues								
Taxes:								
Property taxes for general purposes						714,850	-	714,850
Franchise taxes						536,765	-	536,765
Sales taxes						3,684,084	-	3,684,084
Financial institutional taxes						605	-	605
Missouri motor fuel taxes						720,523	-	720,523
Fee in Lieu of Taxes						748,905	(748,905)	-
Interest on investments						62,564	266,561	329,125
Miscellaneous						22,847	-	22,847
Restitution						1,092	-	1,092
Total general revenues, transfers, and special items						<u>6,492,235</u>	<u>(482,344)</u>	<u>6,009,891</u>
Change in net position						251,646	1,743,794	1,995,440
Net position beginning - Restated						<u>65,945,088</u>	<u>38,697,493</u>	<u>104,642,581</u>
Net position ending						<u>\$ 66,196,734</u>	<u>\$ 40,441,287</u>	<u>\$ 106,638,021</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NIXA, MISSOURI

BALANCE SHEET-
GOVERNMENTAL FUNDS

DECEMBER 31, 2014

ASSETS	General Fund	Street Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalent	\$ 4,272,427	\$ 3,975,926	\$ 410,585	\$ 8,658,938
Restricted assets: Cash				
Debt reserve	318,688	-	-	318,688
Accounts receivable-				
Real estate taxes	631,756	-	-	631,756
Refuse	54,523	-	-	54,523
Sales, franchise, and motor fuel taxes	396,695	194,015	-	590,710
Grants	-	104,413	17,576	121,989
Prepaid expenses	10,973	5,960	4,771	21,704
 Total Assets	 <u>\$ 5,685,062</u>	 <u>\$ 4,280,314</u>	 <u>\$ 432,932</u>	 <u>\$ 10,398,308</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 119,423	\$ 14,176	\$ 9,419	\$ 143,018
Accrued wages	63,423	7,438	8,791	79,652
Accrued payroll taxes and benefits	5,140	-	-	5,140
Deposits and prepaid fees	21,646	312,058	22,575	356,279
 Total Liabilities	 <u>209,632</u>	 <u>333,672</u>	 <u>40,785</u>	 <u>584,089</u>
 DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	37,223	-	-	37,223
 FUND BALANCES				
Fund Balances -				
Nonspendable	10,973	5,960	4,771	21,704
Restricted	318,669	3,940,682	387,376	4,646,727
Unassigned	5,108,565	-	-	5,108,565
 Total Fund Balances	 <u>5,438,207</u>	 <u>3,946,642</u>	 <u>392,147</u>	 <u>9,776,996</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
	<u>\$ 5,685,062</u>	<u>\$ 4,280,314</u>	<u>\$ 432,932</u>	<u>\$ 10,398,308</u>

The accompanying notes are an integral
part of these financial statements.

CITY OF NIXA, MISSOURI
RECONCILIATION OF THE GOVERNMENT FUNDS
BALANCE SHEET TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2014

Total Fund Balances-Governmental Funds		\$ 9,776,996
<p>Capital assets, net of accumulated depreciation, used in governmental activities not financial resources and, therefore, are not reported as assets in the governmental funds.</p>		
Non-depreciable assets	1,851,271	
Depreciable assets	<u>59,797,240</u>	
		61,648,511
<p>Revenue that is deferred in the funds financial statement because it is not available and recognized as revenue in the government-wide financial statements.</p>		
		37,223
<p>Interest on long-term debt is accrued as a liability in the government-wide statements but is not recognized in the government funds until due.</p>		
		(56,151)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.</p>		
<p>Long-term liabilities at year-end consist of:</p>		
Bonds payable	(5,011,904)	
Compensated absences payable	<u>(197,941)</u>	
		<u>(5,209,845)</u>
Net position of governmental activities		<u><u>\$ 66,196,734</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF NIXA, MISSOURI
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2014

REVENUES	General Fund	Street Fund	Other Governmental Funds	Total Governmental Funds
Taxes:				
Property taxes	\$ 740,922	\$ -	\$ -	\$ 740,922
Franchise taxes	536,765	-	-	536,765
Sales taxes	2,355,075	1,177,537	-	3,532,612
Financial institutional tax	605	-	-	605
Intergovernmental taxes:				
Missouri motor fuel taxes	-	720,523	-	720,523
Christian County sales tax	-	151,472	-	151,472
Licenses & permits	26,018	-	112,278	138,296
Charges for services:				
Sanitation	967,183	-	-	967,183
Park programs	-	-	666,973	666,973
Plan reviews and inspections	-	-	46,856	46,856
Fines & forfeitures	286,009	-	-	286,009
Interest	35,233	24,342	2,989	62,564
Grants	26,045	-	6,962	33,007
Donations	-	-	13,860	13,860
Rents	-	-	22,317	22,317
Impact fees	70,826	-	-	70,826
Miscellaneous	2,796	14,707	5,344	22,847
Interfund reimbursements -Administration fee	1,309,878	-	-	1,309,878
Total Revenues	<u>6,357,355</u>	<u>2,088,581</u>	<u>877,579</u>	<u>9,323,515</u>
EXPENDITURES				
Current:				
General government	2,158,129	-	-	2,158,129
Police	2,121,032	-	-	2,121,032
Building inspection	-	-	203,936	203,936
Streets	-	1,230,304	-	1,230,304
Planning	157,803	-	-	157,803
Parks	-	-	986,767	986,767
Sanitation	864,359	-	-	864,359
Storm water	-	-	18,406	18,406
Administrative fees	-	174,364	-	174,364
Capital outlay:				
General government	18,750	-	-	18,750
Police	41,054	-	-	41,054
Streets	-	221,659	-	221,659
Parks	-	-	19,379	19,379
Planning	7,930	-	-	7,930
Building inspection	-	-	6,866	6,866
Debt service:				
Principal retirement	496,286	-	83,967	580,253
Interest and fiscal agent fees	183,109	-	2,826	185,935
Total Expenditures	<u>6,048,452</u>	<u>1,626,327</u>	<u>1,322,147</u>	<u>8,996,926</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>308,903</u>	<u>462,254</u>	<u>(444,568)</u>	<u>326,589</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	487,500	487,500
Transfers to other funds	(487,500)	-	-	(487,500)
Restitution	-	1,092	-	1,092
Fee in Lieu of Taxes	748,905	-	-	748,905
Total Other Sources (Uses)	<u>261,405</u>	<u>1,092</u>	<u>487,500</u>	<u>749,997</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>570,308</u>	<u>463,346</u>	<u>42,932</u>	<u>1,076,586</u>
FUND BALANCES - BEGINNING	<u>4,867,899</u>	<u>3,483,296</u>	<u>349,215</u>	<u>8,700,410</u>
FUND BALANCES- ENDING	<u>\$ 5,438,207</u>	<u>\$ 3,946,642</u>	<u>\$ 392,147</u>	<u>\$ 9,776,996</u>

The accompanying notes are an integral part of these financial statements.

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, 2014

Net change in fund balances--total governmental funds	\$ 1,076,586
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because:</p>	
<p>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.</p>	
Capital expenditures	315,638
Less: Current year depreciation	(1,676,499)
<p>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</p>	
Payment of bond principal	580,253
<p>Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measureable 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.</p>	
	(26,072)
<p>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.</p>	
Compensated absences	(24,401)
Accrued interest on bonded debt	6,141
	6,141
Change in net position of governmental activities	\$ 251,646

The accompanying notes are an integral part of these financial statements.

CITY OF NIXA, MISSOURI
STATEMENT OF NET POSITION-
PROPRIETARY FUNDS
DECEMBER 31, 2014

<u>ASSETS</u>	Waterworks Fund	Sewer Fund	Electric Fund	Total
Current assets:				
Cash and cash equivalent	\$ 2,706,145	\$ 3,003,634	\$ 8,035,749	\$ 13,745,528
Utility accounts receivable	102,468	171,025	966,963	1,240,456
Reimbursement receivable	-	36,937	-	36,937
Material and supplies inventory	130,304	-	842,629	972,933
Prepaid expenses	2,634	3,097	4,888	10,619
Total Current Assets	<u>2,941,551</u>	<u>3,214,693</u>	<u>9,850,229</u>	<u>16,006,473</u>
Noncurrent assets:				
Restricted assets: Cash				
Debt service reserve	-	88,485	624,531	713,016
Capital assets:				
Land	116,751	149,255	652,677	918,683
Construction in progress	109,743	124,618	58,615	292,976
Property, plant and equipment (Net of accumulated depreciation)	6,262,562	16,161,060	14,878,360	37,301,982
Total Noncurrent Assets	<u>6,489,056</u>	<u>16,523,418</u>	<u>16,214,183</u>	<u>39,226,657</u>
 Total Assets	 <u>9,430,607</u>	 <u>19,738,111</u>	 <u>26,064,412</u>	 <u>55,233,130</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>				
Deferred loss on debt refunding, net	38,699	-	215,198	253,897
 <u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	6,863	54,556	1,076,657	1,138,076
Accrued wages	7,000	10,342	12,965	30,307
Accrued sales tax	1,414	-	18,529	19,943
Accrued interest	2,688	2,154	42,769	47,611
Compensated absences	17,918	12,951	20,644	51,513
Debt due within one year:				
Revenue bonds payable	205,000	534,000	775,000	1,514,000
Capital lease obligation	-	100,000	-	100,000
Total Current Liabilities	<u>240,883</u>	<u>714,003</u>	<u>1,946,564</u>	<u>2,901,450</u>
Noncurrent liabilities:				
Revenue bonds payable	1,370,000	3,664,000	5,115,000	10,149,000
Capital lease obligation	-	1,055,000	-	1,055,000
Customer deposits	168,475	-	668,437	836,912
Total Noncurrent Liabilities	<u>1,538,475</u>	<u>4,719,000</u>	<u>5,783,437</u>	<u>12,040,912</u>
Total Liabilities	<u>1,779,358</u>	<u>5,433,003</u>	<u>7,730,001</u>	<u>14,942,362</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>				
Deferred gain on debt refunding, net	-	103,378	-	103,378
 <u>NET POSITION</u>				
Net investment in capital assets	4,957,022	10,983,184	9,203,558	25,143,764
Restricted for revenue bond retirement	-	88,485	624,019	712,504
Unrestricted	2,732,926	3,130,061	8,722,032	14,585,019
Total Net Position	<u>\$ 7,689,948</u>	<u>\$ 14,201,730</u>	<u>\$ 18,549,609</u>	<u>\$ 40,441,287</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NIXA, MISSOURI
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

OPERATING REVENUES:	Waterworks Fund	Sewer Fund	Electric Fund	Total
Charges for services	\$ 1,923,423	\$ 2,717,153	\$ 15,667,226	\$ 20,307,802
Recycling charges	-	148,526	-	148,526
Hookups, permits, and reconnect fees	46,558	4,681	40,431	91,670
Miscellaneous income	21,306	97,119	33,843	152,268
Total Operating Revenue	<u>1,991,287</u>	<u>2,967,479</u>	<u>15,741,500</u>	<u>20,700,266</u>
OPERATING EXPENSES:				
Administrative fee to General Fund	373,320	339,014	423,180	1,135,514
Chemicals	4,559	43,723	-	48,282
Computer supplies and expense	20,968	25,719	22,013	68,700
Contract labor	2,773	9,550	67,633	79,956
Depreciation	236,541	627,023	645,118	1,508,682
Dues and licenses	14,475	12,177	11,714	38,366
Electricity purchased	-	-	11,976,805	11,976,805
Employee insurance	55,899	86,249	121,687	263,835
Employee retirement	27,653	38,045	57,156	122,854
Gasoline and diesel	19,778	26,652	23,674	70,104
Insurance	41,317	56,552	55,840	153,709
Miscellaneous	15,423	2,649	4,057	22,129
Office supplies and postage	45,423	47,027	44,755	137,205
Payroll taxes	20,018	28,073	43,627	91,718
Professional fees	1,495	2,138	89,373	93,006
Repairs & maintenance	102,415	293,072	33,383	428,870
Recycle expense	-	119,978	-	119,978
Safety program	561	598	10,338	11,497
Salaries	257,936	366,997	560,152	1,185,085
Supplies	137,029	38,991	249,510	425,530
Telephone	6,385	6,771	7,782	20,938
Tests and permits	11,495	11,220	395	23,110
Training	-	5,186	19,328	24,514
Tree trimming	-	-	78,386	78,386
Utilities	1,981	7,877	4,485	14,343
Uniforms	2,353	3,679	12,354	18,386
Vehicle expense	3,166	10,728	17,638	31,532
Total Operating Expenses	<u>1,402,963</u>	<u>2,209,688</u>	<u>14,580,383</u>	<u>18,193,034</u>
OPERATING INCOME	<u>588,324</u>	<u>757,791</u>	<u>1,161,117</u>	<u>2,507,232</u>
NON-OPERATING REVENUES (EXPENSES):				
Interest income-checking and savings	20,063	19,932	62,835	102,830
Interest income SRF bond reserves	-	163,731	-	163,731
Tower lease	135,695	-	-	135,695
Interest expense and agent fees	(38,226)	(285,482)	(209,877)	(533,585)
Total Non-operating Revenues (Expenses)	<u>117,532</u>	<u>(101,819)</u>	<u>(147,042)</u>	<u>(131,329)</u>
INCOME BEFORE OPERATING TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>705,856</u>	<u>655,972</u>	<u>1,014,075</u>	<u>2,375,903</u>
CAPITAL CONTRIBUTIONS AND SPECIAL ITEMS				
Fee in Lieu of Taxes to General Fund	(91,013)	-	(657,892)	(748,905)
Impact fees	-	116,796	-	116,796
Total Capital Contributions and Special items	<u>(91,013)</u>	<u>116,796</u>	<u>(657,892)</u>	<u>(632,109)</u>
CHANGE IN NET POSITION	<u>614,843</u>	<u>772,768</u>	<u>356,183</u>	<u>1,743,794</u>
TOTAL NET POSITION - BEGINNING (RESTATED)	<u>7,075,105</u>	<u>13,428,962</u>	<u>18,193,426</u>	<u>38,697,493</u>
TOTAL NET POSITION - ENDING	<u>\$ 7,689,948</u>	<u>\$ 14,201,730</u>	<u>\$ 18,549,609</u>	<u>\$ 40,441,287</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NIXA, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Waterworks Fund	Sewer Fund	Electric Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 1,984,223	\$ 2,962,899	\$ 15,718,070	\$ 20,665,192
Payments to suppliers	(839,621)	(1,055,691)	(13,131,620)	(15,026,932)
Payments to employees	(364,292)	(492,686)	(790,514)	(1,647,492)
Net Cash Provided by Operating Activities	<u>780,310</u>	<u>1,414,522</u>	<u>1,795,936</u>	<u>3,990,768</u>
CASH FLOWS FROM NONCAPITAL ACTIVITIES:				
Fee in Lieu of Taxes	(91,013)	-	(657,892)	(748,905)
Net Cash (Used for) Noncapital Activities	<u>(91,013)</u>	<u>-</u>	<u>(657,892)</u>	<u>(748,905)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Impact fees	-	116,796	-	116,796
Payments for capital acquisitions	(705,718)	(412,299)	(135,423)	(1,253,440)
Principal Repayments	(205,000)	(609,000)	(755,000)	(1,569,000)
Interest paid	(20,304)	(125,340)	(177,502)	(323,146)
Net Cash (Used for) Capital and Related Financing Activities	<u>(931,022)</u>	<u>(1,029,843)</u>	<u>(1,067,925)</u>	<u>(3,028,790)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest earned	20,063	19,932	62,835	102,830
Tower lease	135,695	-	-	135,695
Net Cash Provided by Investing Activities	<u>155,758</u>	<u>19,932</u>	<u>62,835</u>	<u>238,525</u>
NET CASH INCREASE (DECREASE) FOR THE YEAR	(85,967)	404,611	132,954	451,598
CASH AT BEGINNING OF YEAR	2,792,112	2,687,508	8,527,326	14,006,946
CASH AT END OF YEAR	<u>\$ 2,706,145</u>	<u>\$ 3,092,119</u>	<u>\$ 8,660,280</u>	<u>\$ 14,458,544</u>
SUMMARY OF CASH				
Cash and cash equivalents	\$ 2,706,145	\$ 3,003,634	\$ 8,035,749	\$ 13,745,528
Restricted assets-Cash	-	88,485	624,531	713,016
	<u>\$ 2,706,145</u>	<u>\$ 3,092,119</u>	<u>\$ 8,660,280</u>	<u>\$ 14,458,544</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating Income	\$ 588,324	\$ 757,791	\$ 1,161,117	\$ 2,507,232
Adjustments to reconcile net operating income to net cash provided by operating activities:				
Depreciation	236,541	627,023	645,118	1,508,682
(Increase) Decrease in accounts receivable	(18,276)	(4,580)	(49,185)	(72,041)
(Increase) Decrease in inventories	(17,052)	-	65,477	48,425
(Increase) Decrease in prepaid expenses	(207)	(447)	(507)	(1,161)
Increase (Decrease) in accounts payable	(17,105)	36,288	(38,284)	(19,101)
Increase (Decrease) in accrued wages	1,437	3,017	(1,166)	3,288
Increase (Decrease) in sales tax	612	-	-	612
Increase (Decrease) in accrued interest	(341)	(158)	(5,663)	(6,162)
Increase in customer deposits	10,600	-	25,755	36,355
Increase (Decrease) in compensated absences	(4,223)	(4,412)	(6,726)	(15,361)
Net Cash Provided by Operating Activities	<u>\$ 780,310</u>	<u>\$ 1,414,522</u>	<u>\$ 1,795,936</u>	<u>\$ 3,990,768</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Nixa, Missouri, (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.

FINANCIAL STATEMENTS PRESENTATION

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 or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements. The fund financial statements report information about the City's funds. Separate columns are presented for each major governmental fund and for each major enterprise fund.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major governmental funds:

General Fund – This fund is the principal fund of the City. 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.

The City reports the following major proprietary funds:

Waterworks Fund – This fund is used to account for operations of the City’s water department.

Sewer Fund – This fund is used to account for operations of the City’s sewer department.

Electrical Fund—This fund is used to account for operations of the City’s electric department.

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.

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 is 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.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 60 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 water, sewer, 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.

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.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents-continued

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.

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.

Due to and due from other funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Accounts Receivable

All receivables were stated at gross because the amounts were collected within the following 30 days except for refuse, electric, water and sewer utilities receivable which had allowances of \$ 13,645 refuse, \$ 200,453 electric, \$ 33,275 water and \$ 60,641 for sewer.

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

Payment made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items in both the government-wide and fund financial statements.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

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 fair 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 FINANCIAL STATEMENTS
DECEMBER 31, 2014

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 2014 and interest cost information for the enterprise funds for the year ended December 31, 2014 is as follows:

	Water Fund	Wastewater Fund	Electric Fund
Total interest costs	\$ 38,266	\$ 285,482	\$ 209,877

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At this time, the City has one item that meet the definition of deferred outflows of resources. It 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.

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.

At this time, the City has one item 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.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2014 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

Pension cost is recorded as an expense when submitted to the trustee.

Long-term Obligations

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

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

Fund Balances-Governmental Funds

As of December 31, 2014, 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.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances-Governmental Funds- continued

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.

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 position is available.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position-continued

The following schedule shows the breakdown of reserves as required by debt issues and capital improvements:

Proprietary Fund Types-Business Type Activities

<u>Fund</u>	<u>Debt Service</u>	<u>Bond Reserve</u>	<u>Total</u>
Sewer	\$ -	\$ 88,485	\$ 88,485
Electric	624,019	-	624,019
	<u>\$ 624,019</u>	<u>\$ 88,485</u>	<u>\$ 712,504</u>

Governmental Fund Types-General Fund

General

Debt reserves	<u>\$ 318,688</u>
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Indirect Expenses Allocation

General administrative overhead costs are charged to all City functions, based on the proportionate benefit to each function, as determined through the City's annually-prepared cost allocation plan. These indirect expenses are identified in a separate column on the government-wide statement of activities.

Use of Estimates

In 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 2014 was \$ 212,175,910 with the levy set at \$.3316 for General Fund purposes only.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition - Sales Tax authorizations

Sales tax authorizations consist of a one-cent general sales recorded in the General Fund (\$ 2,355,075), one-half cent transportation sales tax to be used for street purposes in the Street Fund (\$ 1,177,537) and also in the Street Fund a Christian County sales tax for streets (\$ 151,472).

Fee in Lieu of Taxes

The Water 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.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The City is required by Missouri State Law RsMo 105.485 to prepare a budget each year based on estimates of revenues and expected expenditures which include at a minimum a budget message, budget summary, schedule with prior year comparison of estimated revenue and expenditures, schedule of bonded debt obligations and budget approval letter. The accompanying statement of revenues, expenditures and changes in fund balance—budget and actual includes the budgeted expenditures for the year, along with management’s estimate of revenues for the year for both the original budget and the final budget which is reflective of any amendments throughout the fiscal year. The legal level of budgetary control is at the total fund level.

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (modified accrual basis) for all governmental funds.

Excess of expenditures over appropriations

For the year ended December 31, 2014, expenditures did not exceed appropriations in any fund.

Reporting Compliance on Court Fines

Court fines for 2014 totaled \$ 286,009 which was 4.50% of General Operating Revenues.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY-continued

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 is by 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, 2014, was:

Constitutional Debt Limit	\$ 42,435,182
Outstanding G.O. Bonds	<u>(1,797,500)</u>
Legal debt margin	<u><u>\$ 40,637,682</u></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, 2014, the City was in compliance with this requirement

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

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, 2014 the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

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 FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE C -- RESTRICTED ASSETS

For December 31, 2014, restricted cash accounts were as follows:

	<u>Actual Cash</u>	<u>Required Per Bond Agreements</u>
ENTERPRISE FUND		
Sewer		
Debt Reserves	<u>\$ 624,531</u>	<u>\$ 624,019</u>
Electric		
Debt Reserves	<u>\$ 88,485</u>	<u>\$ 88,485</u>
GRAND TOTAL	<u><u>\$ 713,016</u></u>	<u><u>\$ 712,504</u></u>
GOVERNMENTAL TYPE FUNDS		
General Fund		
Debt Reserves	<u>\$ 318,688</u>	<u>\$ 318,688</u>

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE D – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2014 was as follows:

Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,545,798	\$ -	\$ -	\$ 1,545,798
Construction in progress	181,908	123,565	-	305,473
Subtotal	<u>1,727,706</u>	<u>123,565</u>	<u>-</u>	<u>1,851,271</u>
Capital assets, being depreciated:				
Buildings	11,141,148	44,776	-	11,185,924
Improvements	2,509,287	8,234	-	2,517,521
Streets	64,612,785	-	-	64,612,785
Equipment	2,024,651	100,479	-	2,125,130
Vehicles	1,339,694	38,583	-	1,378,277
Subtotal	<u>81,627,565</u>	<u>192,072</u>	<u>-</u>	<u>81,819,637</u>
Accumulated depreciation:				
Buildings	2,933,292	279,502	-	3,212,794
Improvements	195,818	76,864	-	272,682
Streets	14,966,900	1,064,211	-	16,031,111
Equipment	1,408,934	111,453	-	1,520,387
Vehicles	840,955	144,468	-	985,423
Subtotal	<u>20,345,899</u>	<u>1,676,498</u>	<u>-</u>	<u>22,022,397</u>
Net other capital assets	<u>61,281,666</u>	<u>3,073,494</u>	<u>-</u>	<u>59,797,240</u>
Capital Assets	<u>\$ 63,009,372</u>	<u>\$ (1,360,861)</u>	<u>\$ -</u>	<u>\$ 61,648,511</u>

Depreciation was charged to functions/programs as follows:

Governmental activities:

General government	\$ 186,892
Police	104,002
Building inspections	5,705
Streets	1,204,369
Parks	175,530
	<u>\$ 1,676,498</u>

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business Type Activities:

WATERWORKS FUND				
	Beginning Balance	Increases	Decreases	Ending Balance
Land	\$ 116,751	\$ -	\$ -	\$ 116,751
Construction in progress	56,903	52,840	-	109,743
Total	\$ 173,654	\$ 52,840	\$ -	\$ 226,494
Buildings	\$ 413,633	\$ 12,175	\$ -	\$ 425,808
Plant	7,982,620	548,468	-	8,531,088
Equipment	154,275	14,181	13,619	154,837
Vehicles	282,137	78,054	54,261	305,930
Total	8,832,665	652,878	67,880	9,417,663
Accumulated depreciation	(2,972,733)	(236,541)	(54,173)	(3,155,101)
Other capital assets, net of depreciation	\$ 5,859,932			\$ 6,262,562

SEWER FUND				
	Beginning Balance	Increases	Decreases	Ending Balance
Land	\$ 149,255	\$ -	\$ -	\$ 149,255
Construction in progress	78,634	45,984	-	124,618
Total	\$ 227,889	\$ 45,984	\$ -	\$ 273,873
Buildings	\$ 1,280,174	\$ 15,145	\$ 1,700	\$ 1,293,619
Plant	20,844,502	258,806	-	21,103,308
Equipment	313,636	53,409	90	366,955
Vehicles	705,014	38,955	5,429	738,540
Total	23,143,326	366,315	7,219	23,502,422
Accumulated depreciation	(6,721,467)	(627,023)	(7,128)	(7,341,362)
Other capital assets, net of depreciation	\$ 16,421,859			\$ 16,161,060

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business Type Activities:

ELECTRIC FUND				
	Beginning Balance	Increases	Decreases	Ending Balance
Land	\$ 652,677	\$ -	\$ -	\$ 652,677
Construction in progress	447,181	-	388,566	58,615
Total	\$ 1,099,858	\$ -	\$ 388,566	\$ 711,292
Buildings	\$ 1,053,681	\$ 24,524	\$ -	\$ 1,078,205
Plant	19,481,802	444,404	-	19,926,206
Equipment	507,666	9,181	10,724	506,123
Vehicles	981,049	43,139	16,134	1,008,054
Total	22,024,198	521,248	26,858	22,518,588
Accumulated depreciation	(7,021,968)	(645,118)	(26,858)	(7,640,228)
Other capital assets, net of depreciation	\$ 15,002,230			\$ 14,878,360

TOTAL BUSINESS-TYPE ACTIVITIES				
	Beginning Balance	Increases	Decreases	Ending Balance
Land	\$ 918,683	\$ -	\$ -	\$ 918,683
Construction in progress	582,718	98,824	388,566	292,976
Total	\$ 1,501,401	\$ 98,824	\$ 388,566	\$ 1,211,659
Buildings	\$ 2,747,488	\$ 51,844	\$ 1,700	\$ 2,797,632
Plant	48,308,924	1,251,678	-	49,560,602
Equipment	975,577	76,771	24,433	1,027,915
Vehicles	1,968,200	160,148	75,824	2,052,524
Total	54,000,189	1,540,441	101,957	55,438,673
Accumulated depreciation	(16,716,168)	(1,508,682)	(88,159)	(18,136,691)
Other capital assets, net of depreciation	\$ 37,284,021			\$ 37,301,982

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

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, 2014 as it relates to the business type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Revenue Bonds	\$ 13,137,000	\$ -	\$ 1,474,000	\$ 11,663,000	\$ 1,514,000
Lease Obligations	1,250,000	-	95,000	1,155,000	100,000
Totals	<u>\$ 14,387,000</u>	<u>\$ -</u>	<u>\$ 1,569,000</u>	<u>\$ 12,818,000</u>	<u>\$ 1,614,000</u>
Compensated absences	<u>\$ 66,874</u>	<u>\$ 75,922</u>	<u>\$ 91,283</u>	<u>\$ 51,513</u>	<u>\$ 51,513</u>

As reported on the financial statement:

Amount due within one year	\$ 1,614,000
Amount due in more than one year:	
Revenue bonds	10,149,000
Capital Lease Obligation	<u>1,055,000</u>
	<u>\$ 12,818,000</u>

The bond ordinances require that the City establish rates and charges for its electric, water and sewer services, such that the revenues derived from the electric, water and sewer 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, water and sewer system.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE E – LONG-TERM DEBT (Continued)

The Proprietary Funds long-term debt as of December 31, 2014 follows:

Electric Fund	
\$ 7,865,000, 2011 Series, Electric System Refunding Revenue Bonds due in annual installments of principal ranging from \$ 485,000 to \$ 775,000 and semi-annual interest payments of 2.375% to 3.125% debt matures April 1, 2023	\$ 5,890,000
	<hr/>
Total Electric Fund	5,890,000
	<hr/>
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	1,575,000
	<hr/>
Total Water Fund	1,575,000
	<hr/>
Sewer Fund	
\$ 1,940,000, 1994 Series, State Revolving Fund Sewer Financing due in monthly payments as set every six months with interest rates ranging from 5.25% to 7.2%, matures January 1, 2016	123,000
\$ 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	245,000
\$ 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	3,830,000
	<hr/>
Total Sewer Fund	4,198,000
	<hr/>
Total Business-type debt revenue bonds	<u>\$ 11,663,000</u>

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE E – LONG-TERM DEBT (Continued)

The annual requirements to amortize bonded debt as of December 31, 2014 follows:

Year Ending December 31,	Principal	Interest	Total
2015	\$ 1,514,000	\$ 393,728	\$ 1,907,728
2016	1,261,000	344,711	1,605,711
2017	1,236,000	300,439	1,536,439
2018	1,272,000	255,829	1,527,829
2019	1,307,000	211,975	1,518,975
2020-2023	5,073,000	408,688	5,481,688
	<u>\$ 11,663,000</u>	<u>\$ 1,915,370</u>	<u>\$ 13,578,370</u>

Governmental activities

The following is a summary of debt transactions of the City for the year ended December 31, 2014:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
General Obligation Bonds	\$ 2,057,700	\$ -	\$ 260,200	\$ 1,797,500	\$ 257,400
Capital Lease Obligation	3,534,457	-	320,053	3,214,404	332,772
	<u>\$ 5,592,157</u>	<u>\$ -</u>	<u>\$ 580,253</u>	<u>\$ 5,011,904</u>	<u>\$ 590,172</u>
Compensated absences	\$ 173,540	\$ 179,832	\$ 155,431	\$ 197,941	\$ 197,941

As reported on the financial statement:

Amount due within one year	\$ 580,253
Amount due in more than one year:	
General Obligation bonds	1,797,500
Capital Lease Obligations	<u>3,214,404</u>
Total	<u>\$ 5,592,157</u>

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE E – LONG-TERM DEBT (Continued)

The Governmental long-term debt as of December 31, 2014 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 \$ 1,797,500

The annual requirement to amortize bonded debt as of December 31, 2014 follows:

Year Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2015	\$ 257,400	\$ 41,720	\$ 299,120
2016	263,300	35,211	298,511
2017	268,900	28,559	297,459
2018	274,200	21,770	295,970
2019	279,200	14,852	294,052
2020-2021	<u>454,500</u>	<u>9,813</u>	<u>464,313</u>
	<u>\$ 1,797,500</u>	<u>\$ 151,925</u>	<u>\$ 1,949,425</u>

NOTE F – CAPITALIZED LEASE OBLIGATION

Governmental Activities

On August 1, 2014, the City entered into a cancelable lease for the expansion of City Hall. The expansion has been capitalized at cost in the Governmental Activities for the original amount of \$ 4,250,000 with accumulated depreciation to date of \$ 733,814. Matures August 1, 2026. \$ 3,035,000

On February 13, 2014, the City entered into a cancelable lease for the fitness equipment. The equipment has been capitalized at cost in the Governmental Activities for the original amount of \$ 255,448 with accumulated depreciation to date of \$ 44,704 March 1, 2016. \$ 107,166

On December 18, 2012, the City entered into a cancelable lease for the Police vehicles. The vehicles have been capitalized at cost in the Governmental Activities for the original amount of \$ 215,000 with accumulated depreciation to date of \$ 91,583 July 5, 2015. \$ 72,238

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE F – CAPITALIZED LEASE OBLIGATION (Continued)

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.

At December 31, 2014 future minimum lease payments by year and the present value of future minimum capital lease payments were as follows:

Year Ending <u>December 31,</u>	<u>City Hall</u>	<u>Fitness Equipment</u>	<u>Police Cars</u>
2015	\$ 309,763	\$ 86,794	\$ 73,408
2016	312,413	21,698	-
2017	314,550	-	-
2018	310,970	-	-
2019	312,170	-	-
2020-2024	1,562,030	-	-
2025-2026	936,150	-	-
	<hr/>	<hr/>	<hr/>
Total minimum lease payment	4,058,046	108,492	73,408
Less: amount representing interest	<u>(1,023,046)</u>	<u>(1,326)</u>	<u>(1,170)</u>
Present value of future minimum lease payment	<u>\$ 3,035,000</u>	<u>\$ 107,166</u>	<u>\$ 72,238</u>

Business-type Activities

Sewer Fund

On March 1, 2014, the City entered into a cancelable lease for the refunding 2006 lease for extension of the sewer 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.

\$ 1,155,000

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE F – CAPITALIZED LEASE OBLIGATION (Continued)

At December 31, 2014 future minimum lease payments by year and the present value of future minimum capital lease payments were as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Total</u>
2015	\$ 124,844
2016	127,794
2017	125,694
2018	123,594
2019	126,444
2020-2024	619,390
2025	<u>55,756</u>
Total minimum lease payment	1,303,516
Less: amount representing interest	<u>(148,516)</u>
Present value of future minimum lease payment	<u><u>\$ 1,155,000</u></u>

NOTE G – 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.

NOTE H – DEFINED BENEFIT PENSION PLAN

Plan Description

The City of Nixa participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries.

LAGERS was created and governed by statute, section RSMo. 700.600-70.755. As such, it is the system's 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 401a and is tax exempt.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE H – DEFINED BENEFIT PENSION PLAN (Continued)

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, PO Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

Funding Status

Full-time employees of the City of Nixa contribute 4% of their gross pay to the pension plan. The June 30th statutorily required contribution rates are 10.6% (General) and 9.4% (Police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost (APC) and Net Pension Obligation (NPO)

The subdivision's annual pension cost and net pension obligation for the current year were as follows:

Annual required contribution	\$ 477,285
Interest on net pension obligation	1,715
Adjustment to annual required contribution	<u>(1,761)</u>
Annual pension cost	477,239
Actual contributions	<u>477,285</u>
Increase (decrease) in NPO	(46)
NPO beginning of year	<u>23,652</u>
NPO end of year	<u><u>\$ 23,606</u></u>

The annual required contribution (ARC) was determined as part of the February 29, 2012 and February 28, 2013 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014 included (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 year for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period at February 29, 2012 was 20 years for the General division and 20 years for the Police division. The amortization period as of February 28, 2013 was 19 years for the General division and 20 years for the Police division.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE H – DEFINED BENEFIT PENSION PLAN (Continued)

Three-Year Trend Information

<u>Year Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$ 475,245	99.1%	\$ 20,750
2013	480,191	99.4%	23,652
2014	477,239	100.0%	23,606

NOTE I – 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 J – 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.

NOTE K – 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	\$ -	\$ 487,500
Park Fund	424,000	-
Building Inspection	48,500	-
Storm Water	15,000	-
	<u>\$ 487,500</u>	<u>\$ 487,500</u>

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE L – FEE IN LIEU OF TAXES

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

Fee in Lieu of	To	From
General Fund	\$ 748,905	\$ -
Electric Fund	-	657,892
Water Fund	-	91,013
	<u>\$ 748,905</u>	<u>\$ 748,905</u>

NOTE M – 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	\$ 1,309,878	\$ -
Street Fund	-	174,364
Electric Fund	-	423,180
Water Fund	-	373,320
Sewer Fund	-	339,014
	<u>\$ 1,309,878</u>	<u>\$ 1,309,878</u>

NOTE N – BUILDERS DEPOSITS

Builders deposits in the Street Fund consist of advances from developers for reimbursement to the City for their cost of improvements to streets adjacent to their projects. As the projects are completed the deferred revenue will be decreased and credited against the cost of the project.

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE O – PRIOR YEARS’ DEBT DEFEASANCE

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, 2014, the amount of defeased debt outstanding amounted to \$ 8,960,000.

NOTE P – TOWER LEASES

The City leases space on the City’s water towers to various wireless providers for the placement of antennae. A total of \$ 130,476 was received during the year ended December 31, 2014 and is reported in the Water Fund. For the next five years, scheduled payments to receive are:

2015	\$ 140,000
2016	146,000
2017	152,000
2018	158,000
2019	164,000

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE Q – CONSTRUCTION IN PROGRESS

Construction in progress is authorized by actions of the City Council (governing body). A summary of construction in progress as of December 31, 2014 is as follows:

Project	Cost of Project	Construction in Progress	Remaining Cost to Complete
Electric Fund			
SCADA System	\$ 286,519	\$ 36,519	\$ 250,000
Tie NE2, DT1 and D2 Circuits	580,981	20,981	560,000
Underground line	86,116	1,116	85,000
	<u>953,616</u>	<u>58,616</u>	<u>895,000</u>
Waterworks Fund			
Inman Road & M Highway Loop Line	265,571	10,571	255,000
Water SCADA System	109,897	9,897	100,000
Disinfection System Design	474,209	74,008	400,201
SWPA Water Line extension	197,267	15,267	182,000
	<u>1,046,944</u>	<u>109,743</u>	<u>937,201</u>
Sewer Fund			
SCADA System	210,622	60,622	150,000
Ditch #3 Improvements	196,112	24,112	172,000
Hard Surface Ditchline	51,272	21,272	30,000
WWTP Entrance	143,612	18,612	125,000
	<u>601,618</u>	<u>124,618</u>	<u>477,000</u>
Total Proprietary Funds	<u>\$ 2,602,178</u>	<u>\$ 292,977</u>	<u>\$ 2,309,201</u>
Governmental Activities			
Improvements Tracker & Main	<u>\$ 3,042,473</u>	<u>\$ 305,473</u>	<u>\$ 2,737,000</u>

CITY OF NIXA, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE R – PRIOR PERIOD ADJUSTMENT

In reviewing the depreciation schedules the City elected to delete fully depreciated items and assets that were previously recorded but below \$ 5,000 definition of a depreciable asset. The results of changes to Net Assets is as follows:

	<u>Balance per Prior Period</u>	<u>Adjustment</u>	<u>Balance Restated</u>
Governmental Activities	\$ 65,974,389	\$ (27,933)	\$ 65,946,456
Waterworks Fund	7,073,690	1,415	7,075,105
Sewer Fund	13,469,172	(40,210)	13,428,962
Electric Fund	18,155,560	37,866	18,193,426

CITY OF NIXA, MISSOURI
SCHEDULE OF FUNDING PROGRESS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

Missouri Local Government Employees Retirement System (LAGERS)

	(a)	(b)	(b-a)		(c)	[(b-1)/c]
Actuarial Valuation	Actuarial Value	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	Annual Covered Payroll	ULA as a Percentage of Covered Payroll
<u>Date</u>	<u>of Assets</u>	<u>Liability</u>	<u>(UAL)</u>	<u>Ratio</u>	<u>Payroll</u>	<u>Payroll</u>
2/29/2012	\$ 6,211,988	\$ 8,050,507	\$ 1,838,519	77%	\$ 4,336,660	42%
2/28/2013	7,098,630	8,571,962	1,473,332	83%	4,343,164	34%
2/28/2014	7,400,854	8,841,623	1,440,769	84%	4,495,335	32%

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuation. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

CITY OF KANSAS, MISSOURI
SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

REVENUES	General Fund			Variance With Final Budget
	Budgeted Amounts		Actual	
	Original	Final		
Property taxes	\$ 712,000	\$ 712,000	\$ 740,922	\$ 28,922
Franchise taxes	490,000	490,000	536,765	46,765
Sales taxes	2,080,000	2,080,000	2,355,075	275,075
Financial institutional tax	500	500	605	105
Licenses & permits	26,700	26,700	26,018	(682)
Charges for services-				
Sanitation	953,000	953,000	967,183	14,183
Fines & forfeitures	236,500	236,500	286,009	49,509
Interest	25,000	25,000	35,233	10,233
Grants	22,544	22,544	26,045	3,501
Impact fees	-	-	70,826	70,826
Miscellaneous	1,400	1,400	2,796	1,396
Interfund reimbursements	1,309,878	1,309,878	1,309,878	-
Total Revenues	<u>5,857,522</u>	<u>5,857,522</u>	<u>6,357,355</u>	<u>499,833</u>
EXPENDITURES				
Current:				
General government	2,229,250	2,230,000	2,158,129	71,871
Police	2,175,280	2,176,030	2,121,032	54,998
Planning	168,350	168,350	157,803	10,547
Sanitation	859,950	859,950	864,359	(4,409)
Capital outlay	149,865	149,865	67,734	82,131
Debt service:				
Principal	496,286	496,286	496,286	-
Interest and fees	185,152	185,152	183,109	2,043
Total Expenditures	<u>6,264,133</u>	<u>6,265,633</u>	<u>6,048,452</u>	<u>217,181</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>(406,611)</u>	<u>(408,111)</u>	<u>308,903</u>	<u>717,014</u>
OTHER FINANCING SOURCES (USES)				
Transfers (to) other funds	(658,200)	(658,200)	(487,500)	170,700
Fee in Lieu of Taxes	785,000	785,000	748,905	(36,095)
	<u>126,800</u>	<u>126,800</u>	<u>261,405</u>	<u>134,605</u>
EXCESS OF REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND (USES)	<u>\$ (279,811)</u>	<u>\$ (281,311)</u>	<u>570,308</u>	<u>\$ 851,619</u>
FUND BALANCES - BEGINNING			<u>4,867,899</u>	
FUND BALANCES - ENDING			<u>\$ 5,438,207</u>	

CITY OF IRMA, MISSOURI
 SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
 MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

REVENUES	Street Fund			Variance With Final Budget
	Budgeted Amounts		Actual	
	Original	Final		
Sales tax	\$ 1,040,000	\$ 1,040,000	\$ 1,177,537	\$ 137,537
Missouri motor fuel taxes	670,000	670,000	720,523	50,523
Christian County Sales Tax	150,000	150,000	151,472	1,472
Interest	18,000	18,000	24,342	6,342
Grants	1,052,948	1,052,948	-	(1,052,948)
Miscellaneous	7,500	7,500	14,707	7,207
Total Revenues	<u>2,938,448</u>	<u>2,938,448</u>	<u>2,088,581</u>	<u>(849,867)</u>
Current:				
Administration street department	1,478,339	1,489,089	1,404,668	84,421
Capital outlay	2,887,200	2,887,200	221,659	2,665,541
Total Expenditures	<u>4,365,539</u>	<u>4,376,289</u>	<u>1,626,327</u>	<u>2,749,962</u>
EXCESS OF REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND (USES)	<u>\$ (1,427,091)</u>	<u>\$ (1,437,841)</u>	462,254	<u>\$ 1,900,095</u>
OTHER FINANCING SOURCES				
Restitution			<u>1,092</u>	
REVENUES AND SOURCES IN EXCESS OF EXPENDITURES			463,346	
FUND BALANCES - BEGINNING			<u>3,483,296</u>	
FUND BALANCES - ENDING			<u>\$ 3,946,642</u>	

CITY OF NIXA, MISSOURI
COMBINING BALANCE SHEET-
NON MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	Building Inspection Fund	Storm Water Fund	Park Fund	Total
ASSETS				
Cash and investments	\$ 7,533	\$ 5,572	\$ 397,480	\$ 410,585
Accounts receivable-grants	-	-	17,576	17,576
Prepaid expense	2,272	-	2,499	4,771
TOTAL ASSETS	<u>\$ 9,805</u>	<u>\$ 5,572</u>	<u>\$ 417,555</u>	<u>\$ 432,932</u>
LIABILITIES				
LIABILITIES				
Accounts payable	\$ 1,589	\$ -	\$ 7,830	\$ 9,419
Accrued wages	-	-	8,791	8,791
Deposits and prepaid fees	2,591	-	19,984	22,575
Total Liabilities	<u>4,180</u>	<u>-</u>	<u>36,605</u>	<u>40,785</u>
FUND BALANCES				
Nonspendable	2,272	-	2,499	4,771
Restricted	3,353	5,572	378,451	387,376
Total Fund Balances	<u>5,625</u>	<u>5,572</u>	<u>380,950</u>	<u>392,147</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,805</u>	<u>\$ 5,572</u>	<u>\$ 417,555</u>	<u>\$ 432,932</u>

CITY OF NIXA, MISSOURI
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NON MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Building Inspection Fund	Storm Water Fund	Park Fund	Total
REVENUES;				
Licenses and permits	\$ 112,278	\$ -	\$ -	\$ 112,278
Charges for services:				
Park programs	-	-	666,973	666,973
Plan reviews and inspections	46,208	648	-	46,856
Interest	-	-	2,989	2,989
Grants	-	-	6,962	6,962
Donations	-	-	13,860	13,860
Rents	-	-	22,317	22,317
Miscellaneous	2,262	3,082	-	5,344
Total Revenues	<u>160,748</u>	<u>3,730</u>	<u>713,101</u>	<u>877,579</u>
EXPENDITURES:				
Current: Administration	203,936	18,406	986,767	1,209,109
Capital outlay	6,866	-	19,379	26,245
Debt service:				
Principal	-	-	83,967	83,967
Interest and fees	-	-	2,826	2,826
Total Expenditures	<u>210,802</u>	<u>18,406</u>	<u>1,092,939</u>	<u>1,322,147</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(50,054)	(14,676)	(379,838)	(444,568)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	<u>48,500</u>	<u>15,000</u>	<u>424,000</u>	<u>487,500</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(1,554)	324	44,162	42,932
FUND BALANCES - BEGINNING	<u>7,179</u>	<u>5,248</u>	<u>336,788</u>	<u>349,215</u>
FUND BALANCES - ENDING	<u>\$ 5,625</u>	<u>\$ 5,572</u>	<u>\$ 380,950</u>	<u>\$ 392,147</u>