

715 W. Mt. Vernon St., Nixa, MO 65714

# CITY OF NIXA, MISSOURI



## ANNUAL COMPREHENSIVE FINANCIAL REPORT

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For the fiscal year ended December 31, 2023

# CITY OF NIXA, MISSOURI

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## ANNUAL COMPREHENSIVE FINANCIAL REPORT

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FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2023

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REPORT PREPARED AND  
SUBMITTED BY THE FINANCE  
DEPARTMENT

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

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CITY OF NIXA, MISSOURI  
Annual Comprehensive Financial Report  
For the Fiscal Year Ended December 31, 2023

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**SECTION I - INTRODUCTORY SECTION**

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

May 28, 2024,

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

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2023.

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

Decker & Degood, Certified Public Accountants, have issued an unmodified opinion on the City of Nixa, Missouri's financial statements for the year ended December 31, 2023. The independent auditor's report is located at the front of the financial section of this report.

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

## **CITY OF NIXA, MISSOURI**

Nixa, located in the southwestern part of Missouri, is six miles south of Springfield and 30 miles north of Branson on Highway 60, just four miles west of U.S. Highway 65. As one of the fastest growing cities in Missouri, Nixa increased 367% from a population of 4,076 in 1990 to a population of 19,022 in 2010. Current population of Nixa is estimated at 25,405.

Nixa, Missouri has been named one of the safest cities in Missouri in 2022 and 2023 due to its police department's dedication to crime prevention and public safety. A 2024 study also found that Nixa is safer than almost 90% of US cities for property crimes.

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

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

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

## **PROFILE OF THE GOVERNMENT**

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

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

The City Administrator is the chief administrative officer of the City and is responsible to the Mayor and Council for the administration of all City affairs. The City Administrator is also responsible for the appointment of departmental directors and employees. In addition to the City Administrator, City Clerk, City Attorney and Chief of Police, the City employs six other directors – Director of Planning and Development, Director of Public Works, Director of Finance, Director of Parks and Recreation, Director of Human Resources and Director of Communications as well as an Assistant City Administrator. A total of 158 full-time positions were budgeted for 2023.

## **LOCAL ECONOMY**

In 2023, the City of Nixa issued 207 single-family building permits along with 11 apartment building permits. In total, the City will be adding 393 new dwelling units to its housing stock. There are also 645 single-family lots that have been preliminarily platted and ready



to be developed along with 212 single-family lots currently being developed. These will be ready for new home construction in the near future. There were 152 single-family lots available for new home construction at the start of 2024.

City sales and use taxes experienced increases over the previous year. An additional  $\frac{3}{4}$ -cent general sales tax for public safety was passed by the voters in April of 2023. The City began receiving this revenue in October and collected \$224,714.18 in the final quarter of 2023. The 1-cent general and  $\frac{1}{2}$ -cent transportation Sales taxes saw an increase of 1.86% over 2022, and since the use tax was passed in 2018, the city continues to see growth in use tax revenue as reflected in an increase of 35.62%. The additional sales tax and increases resulted in an additional \$658,740 in sales and use tax revenue over 2022.

## ECONOMIC DEVELOPMENT

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

## MAJOR INITIATIVES

During Fiscal Year 2023, the City of Nixa completed the following major initiatives:

- New shooting range and building for the Police Department
- A new inclusive playground
- Improvements to Truman Blvd.
- Tree farm
- Utility Billing Payment kiosks
- New ERP system conversion

Many major items, budgeted in 2023, have been carried forward into the 2024 budget for completion:

- LeAnn to Nicholas tie line (electric)
- AMI meter replacement for electric and water
- SCADA for water department
- Southwest regional lift station
- Clarifier lining
- Comprehensive plan update
- Pool repair and remodel
- Main St. and Tracker to CC Hwy improvements

- Northview Rd. extension
- North St. improvements

## **FINANCIAL INFORMATION**

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

### **Internal Budgeting Controls**

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

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

### **Relevant Financial Policies**

Several tools and policies have been developed and implemented by the City to ensure protection of the City's assets and to provide internal controls. In 2020, the Finance Department's Standard Operating Procedures manual was updated; the previous version had been in effect since 2015. The City's comprehensive Purchasing Policy and Investment Policy was updated and approved by Council in 2023. A Debt Management Policy was also introduced by staff in 2019 and approved by Council. Other adopted financial policies include an Identity Theft Prevention Program,

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

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

### **Cash Management**

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

### **Long-term Financial Planning**

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

To aid the various departments in the capital improvement program, initiatives are identified through the use of master plans. These plans, particularly electric, water and wastewater, are reviewed every three (3) to five (5) years, depending on the City achieving projected estimates (e.g. growth rates, market trends, infrastructure integrity and revenue). The City of Nixa's 2021 budget included monies to provide an electric system study. Based on the results of that study, new electric rates were adopted at the beginning of 2022. A water rate study was conducted in 2023 with proposed rates adopted through 2028. A sewer system study was conducted in 2019; a rate structure for 2020 – 2026 identified in this study was adopted by Council. The City reviewed its power purchasing contracts and rates to assess the current needs for providing electric energy to the community. As a result of that review, better alternatives were found to meet power needs while saving money. A Street master plan was presented to Council in January 2016. A survey conducted during the Street master plan process continues to assist Council in the prioritization of transportation and connectivity issues. A Parks Master Plan was completed and adopted in 2020.

### **Debt Administration**

The City of Nixa had an outstanding debt balance of \$4,622,249 on December 31, 2023 compared to a balance of \$4,950,000 as of December 31, 2022. Of this balance, \$0 is general obligation debt; the City made its final payment of \$165,300 of general obligation debt in 2021. In compliance with Missouri Statutes, the City's general obligation debt issuance is subject to legal limitation based on 20% of total assessed value of real and personal property.

The remainder of the debt balance is comprised as follows: in the proprietary funds - special obligation bonds, \$2,820,000; revenue bonds, \$175,000; and lease obligations, \$42,654. In the governmental funds – leasehold revenue bond, \$810,000; lease obligations, \$774,595.

## **OTHER INFORMATION**

### **Strategic Planning**

In 2020, the City of Nixa developed and adopted a new 5-year strategic plan. In order to enable anyone in the community to participate in this process, the city launched ImagineNixa.com. This website explained the vision and values set by council and provided everyone an opportunity to help the City brainstorm ideas for how to best accomplish the vision. The website was open to public comment from February through June and then staff reviewed and considered every single idea submitted. The City then invited 15 Nixa residents who represented a diverse cross section of the community to participate in a strategic planning advisory committee. This committee was charged with processing the ideas that were received through Imagine Nixa and with drafting a strategic plan, taking into consideration both the public's input and the expertise of staff. The advisory committee submitted their recommendations to council, who adopted the document as the City of Nixa's Strategic Plan on Nov. 23, 2020. The City has implemented many of the action plans identified in the plan, and communication back to the community has already begun as progress is made on the priorities outlined in the plan. The strategic plan is also the major driver behind the budgetary process. The City will update the strategic plan in 2025.

### **Independent Audit**

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

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City

of Nixa for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the eighth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized report that satisfied both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,



**Jimmy Liles** | City Administrator  
[jliles@nixa.com](mailto:jliles@nixa.com)



**Jennifer Evans** | Director of Finance  
[jevans@nixa.com](mailto:jevans@nixa.com)



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Nixa  
Missouri**

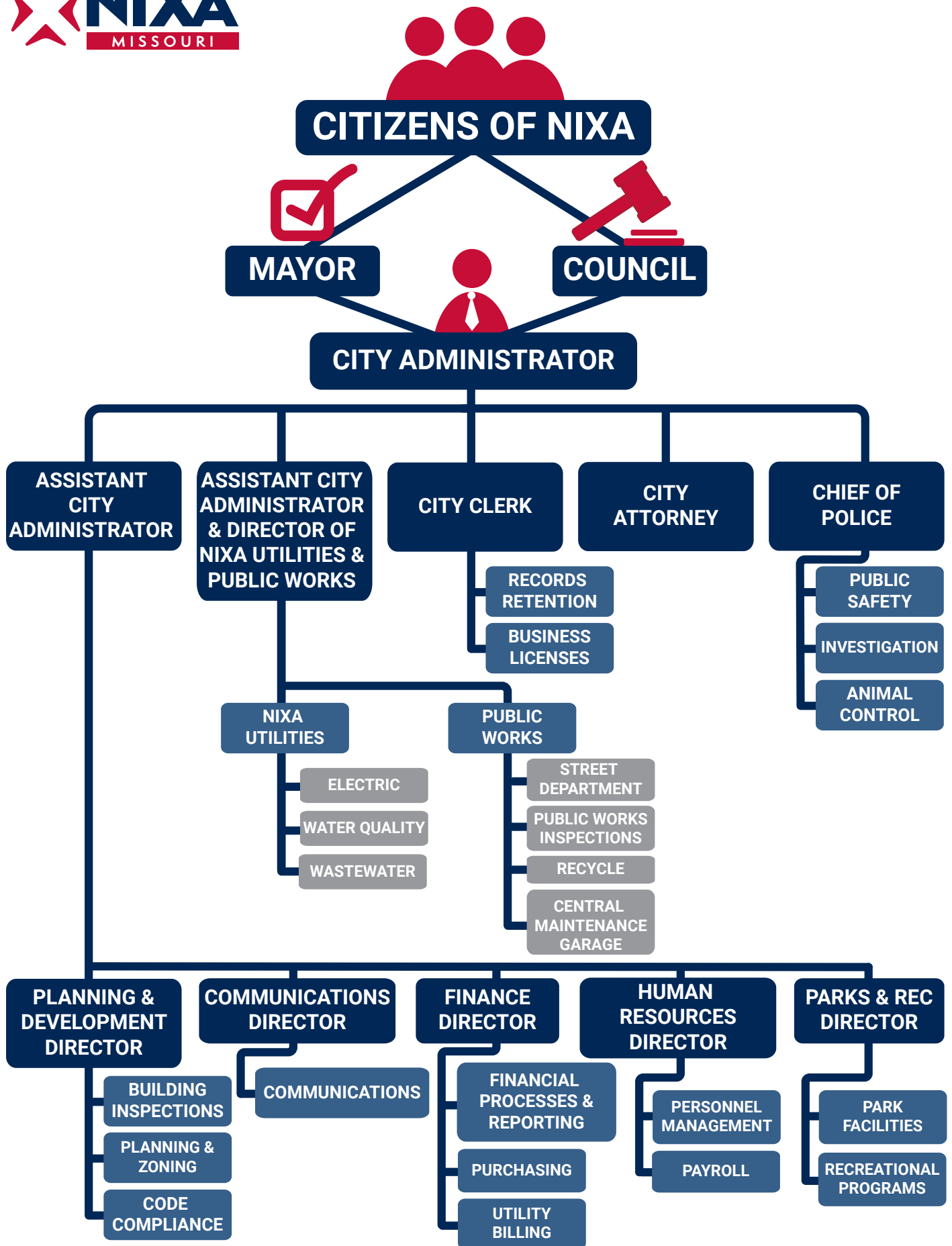
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO







## **City of Nixa, Missouri**

### **Principal Officials as of December 31, 2023**

Jarad Giddens, Mayor

Zern Vess, District I

Matt Ogden, District I

Shawn Lucas, District II

Aron Peterson, District II

Darlene Graham, District III

Kelly Morris, District III

### **Appointed**

City Administrator – Jimmy Liles

Chief of Police – Joe Campbell

City Attorney – Nick Woodman

City Clerk – Bekka Coffey

### **Leadership Team**

Assistant City Administrator – Cindy Robbins

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

Director of Planning and Development – Scott Godbey

Director of Parks and Recreation – Matt Crouse

Director of Human Resources – Amanda Hunsucker

Director of Communications – Drew Douglas

Director of Finance – Jennifer Evans

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**SECTION II - FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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

### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund, of the City of Nixa, Missouri, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Nixa, Missouri's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund, of the City of Nixa, Missouri, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Nixa, Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Nixa, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, and schedule of pension plan contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Nixa, Missouri's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2024, on our consideration of the City of Nixa, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Nixa, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Nixa, Missouri's internal control over financial reporting and compliance.

***Decker & DeGood, PC***

Decker & DeGood, PC  
Springfield, Missouri  
April 17, 2024



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## Management's Discussion and Analysis

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Nixa, Missouri we offer readers of the City of Nixa's financial statements this narrative overview and analysis of the financial activities of the City of Nixa for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page i of this report.

### Financial Highlights

- The assets and deferred outflows of resources of the City of Nixa exceeded its liabilities at the close of the most recent fiscal year by \$ 148,367,643 (net position). Of this amount, \$ 46,510,332 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- As of December 31, 2023, governmental activities and business-type activities had net positions of \$ 73,472,111 and \$ 74,895,532, respectively.
- At the end of the current fiscal year, the City of Nixa's governmental funds reported combined ending fund balances of \$ 14,946,280, an increase of \$ 699,150 in comparison with the prior year. Approximately 74.90% or \$ 11,194,489 is available for discretionary spending by the City of Nixa. The remaining fund balance is either restricted by outside parties or not in spendable form.
- The unassigned fund balance for the General Fund, \$ 11,194,489, is 99.23% of total General Fund expenditures, and is an increase in comparison with the prior year's unassigned fund balance.
- The City of Nixa's long-term debt obligations decreased by \$ 1,006,575, or 17.88% as compared to fiscal year 2022.

### 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 City of Nixa's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

### Government-wide Financial Statements

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

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

as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Nixa is improving or deteriorating.

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

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

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

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Nixa, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Nixa can be divided into two categories: governmental funds and proprietary funds.

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

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

The City of Nixa maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund

and street fund which are considered to be major funds.

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

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

**Proprietary funds.** The City of Nixa maintains three different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Nixa uses enterprise funds to account for its Waterworks, Wastewater, and Electric operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks, Wastewater, and Electric funds, which are considered to be major funds of the City of Nixa.

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

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-59 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of Nixa progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 60-64 of this report.

### **Government-Wide Overall Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City of Nixa, assets and deferred outflows exceeded liabilities and deferred inflows by \$ 148,367,643 at the close of the most recent fiscal year.

### City of Nixa's Net Position

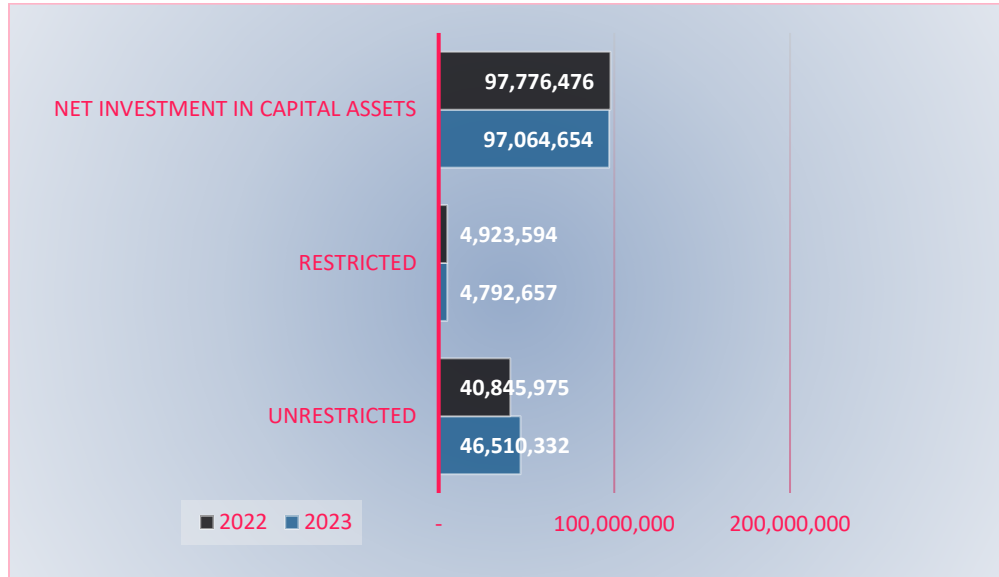
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current Assets and other assets	\$ 20,494,708	\$ 19,674,910	\$ 39,268,136	\$ 33,574,930	\$ 59,762,844	\$ 53,249,840
Capital Assets	59,709,937	60,808,061	41,996,335	42,621,997	101,706,272	103,430,058
Total Assets	80,204,645	80,482,971	81,264,471	76,196,927	161,469,116	156,679,898
Deferred Outflows of Resources						
Deferred on refunding	-	-	9,260	18,186	9,260	18,186
Deferred pension related	1,895,501	1,347,096	719,894	429,716	2,615,395	1,776,812
Total Deferred Outflows	1,895,501	1,347,096	729,154	447,902	2,624,655	1,794,998
Current Liabilities	5,533,862	5,310,638	2,692,131	2,674,407	8,225,993	7,985,045
Long-term Debt	2,954,968	2,034,007	3,603,325	4,069,531	6,558,293	6,103,538
Total Liabilities	8,488,830	7,344,645	6,295,456	6,743,938	14,784,286	14,088,583
Deferred Inflows						
Deferred on refunding	-	-	28,629	42,944	28,629	42,944
Deferred pension related	139,205	568,327	70,897	228,997	210,102	797,324
Deferred leases related	-	-	703,111	-	703,111	-
Total Deferred Inflows	139,205	568,327	802,637	271,941	238,731	840,268
Net Position:						
Invested in						
capital assets-net	58,125,342	59,093,691	38,939,312	38,682,785	97,064,654	97,776,476
Restricted	4,514,304	4,673,808	278,353	249,786	4,792,657	4,923,594
Unrestricted	10,832,465	10,149,596	35,677,867	30,696,379	46,510,332	40,845,975
Total net position	\$ 73,472,111	\$ 73,917,095	\$ 74,895,532	\$ 69,628,950	\$ 148,367,643	\$ 143,546,045

By far, the largest portion of the City of Nixa's net position (65.42%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Nixa uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City of Nixa's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Nixa's net position (3.23%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$46,510,332 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

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

City of Nixa, Net Position  
December 31, 2023, and 2022



However, the City of Nixa's overall net position increased \$ 4,821,598 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

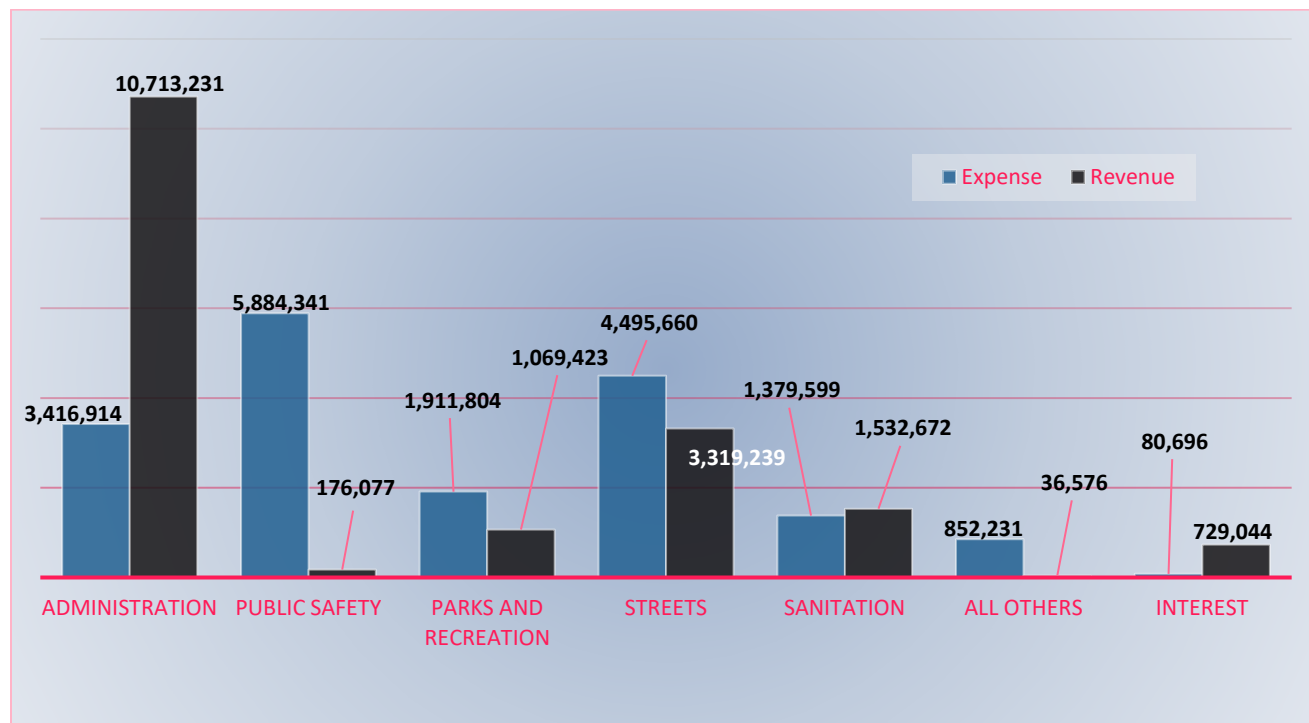
**Governmental activities.** Governmental activities decreased the City of Nixa's net position by (\$ 444,983) thereby accounting for 9.24% of the total decrease in the net position of the City of Nixa. Compared to last year's growth for Governmental activities, this was a decrease of \$ 1,817,746.



## City of Nixa's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for services	\$ 3,039,013	\$ 3,111,146	\$ 26,323,470	\$ 26,559,115	\$ 29,362,483	\$ 29,670,261
Operating grants and contributions	16,519	13,650	-	-	16,519	13,650
Capital grants and contributions	2,348,312	1,180,359	337,580	608,250	2,685,892	1,788,609
General Revenues:						
Taxes	10,333,680	8,995,224	-	-	10,333,680	8,995,224
Investment earnings	729,044	254,230	1,877,363	415,135	2,606,407	669,365
Other	36,576	80,412	-	-	36,576	80,412
Total Revenues	<u>16,503,144</u>	<u>13,635,021</u>	<u>28,538,413</u>	<u>27,582,500</u>	<u>45,041,557</u>	<u>41,217,521</u>
Expenses:						
Administration	3,416,915	1,426,861	-	-	3,416,915	1,426,861
Public Safety	5,884,341	4,559,539	-	-	5,884,341	4,559,539
Storm water	71,919	54,467	-	-	71,919	54,467
Planning and development	780,312	740,578	-	-	780,312	740,578
Sanitation	1,379,599	1,299,629	-	-	1,379,599	1,299,629
Parks and recreation	1,911,804	1,790,880	-	-	1,911,804	1,790,880
Streets	4,495,660	3,504,010	-	-	4,495,660	3,504,010
Interest	80,696	52,364	-	-	80,696	52,364
Waterworks	-	-	3,314,325	2,892,309	3,314,325	2,892,309
Wastewater	-	-	3,519,891	2,797,948	3,519,891	2,797,948
Electric	-	-	15,413,344	13,910,444	15,413,344	13,910,444
Total Expenses	<u>18,021,246</u>	<u>13,428,328</u>	<u>22,247,560</u>	<u>19,600,701</u>	<u>40,268,806</u>	<u>33,029,029</u>
Other sources and (uses)						
Gain of sale of capital assets	-	-	48,847	-	48,847	-
Transfers	1,073,118	1,166,070	(1,073,118)	(1,166,070)	-	-
Change in Net Position	(444,984)	1,372,763	5,266,582	6,815,729	4,821,598	8,188,492
Net Position, beginning	<u>73,917,095</u>	<u>72,544,332</u>	<u>69,628,950</u>	<u>62,813,221</u>	<u>143,546,045</u>	<u>135,357,553</u>
Net Position, ending	<u>\$ 73,472,111</u>	<u>\$ 73,917,095</u>	<u>\$ 74,895,532</u>	<u>\$ 69,628,950</u>	<u>\$ 148,367,643</u>	<u>\$ 143,546,045</u>

## Expenses and Program Revenues -Governmental Activities



**Business-type activities.** Business-type activities increased the City of Nixa's net position by \$ 5,266,582 thereby accounting for 109.24% of the total growth in the net position of the City of Nixa. This was a decrease of \$ 1,556,477 over the prior year.

### Financial Analysis of the City of Nixa's Funds

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

### Governmental Funds

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

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

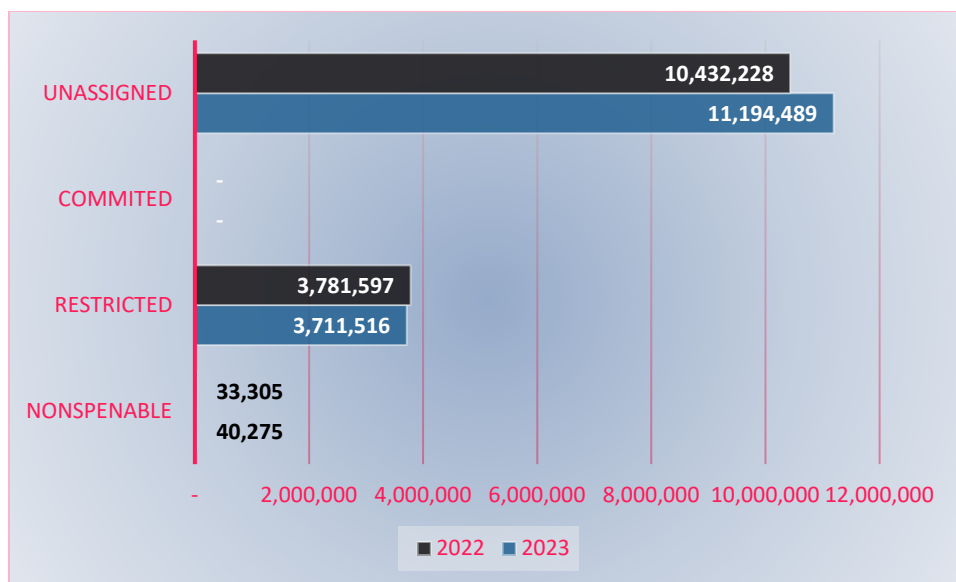
items and inventory. Restricted fund balance includes amounts restricted for specific purposes by external parties or amounts restricted for specific purposes such as streets and parks.

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

As of the end of the current fiscal year, the City of Nixa's governmental funds reported a combined ending fund balance of \$ 14,946,280 with an increase of \$ 782,563 compared to the prior fiscal year. Of the total balance, \$ 40,275 is Non-spendable, \$ 3,711,516 is restricted, and \$ 11,194,489 is unassigned.

The General Fund is the chief operating fund of the City of Nixa. At the end of the current fiscal year, the General Fund reported a fund balance of \$ 11,280,961 of which \$ 32,677 was nonspendable, \$ 53,795 restricted for stormwater, and \$ 11,194,489 was unassigned.

Governmental Funds  
Components of Fund Balance  
December 31, 2023, and 2022



The fund balance of the General Fund increased \$ 704,869 which was up from the prior year of \$ 1,221,116. As compared to the prior year, the General Fund had an increase in sales tax of \$ 903,056, franchise tax \$ 29,427, and earnings on investments of \$ 370,266. Expenditures showed an increase in Administration of \$ 14,349 and the Police \$ 782,340 as compared to the prior year.

The fund balance of the Street Fund decreased (\$ 5,719) which was a decrease over the prior year of (\$ 439,553) as a result of an increase in capital improvements of \$ 1,874,393 combined with the increase motor fuel taxes \$ 258,094 and grants \$ 924,616.

## Proprietary Funds

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

Unrestricted net position in the City of Nixa's major proprietary funds totaled the following: (1) \$ 6,544,501 in the Waterworks Fund, (2) \$ 7,323,615 in the Wastewater Fund and (3) \$21,809,781 in the Electric Fund. The finances of these funds were discussed earlier as part of the business-type activities.

## GENERAL FUND BUDGETARY HIGHLIGHTS

A few noteworthy revisions were made to the General Fund original expenditure budget. The original General Fund expenditure budget was forecasted at \$13,778,277 and the revised expenditure budget was increased by \$1,205,616.98 or 8.75% to \$14,983,896. Of this increase, \$570,939.53 was budgeted for capital projects that did not get rolled forward from the previous year's budget. \$90,041 was added to the expense budget for the hiring of 2 additional police officers mid-year. \$192,500 was added for repairs to the pool. \$281,886.45 was added to the expense budget for participation in a county-wide cost share for new police radios. Lastly, \$70,250 was added for engineering/design fees for stormwater and city hall remodel projects. Actual expenditures for the General Fund came in 16.88% under the revised expenditure budget for a savings of \$2,528,638.

## CAPITAL ASSET AND DEBT ADMINISTRATION (net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 2,882,802	\$ 2,882,802	\$ 854,960	\$ 854,960	\$ 3,737,762	\$ 3,737,762
Buildings	4,505,953	6,271,906	1,783,687	2,609,884	6,289,640	8,881,790
Improvements	8,184,025	6,485,279	35,026,475	35,280,469	43,210,500	41,765,748
Street	39,015,916	40,078,778	-	-	39,015,916	40,078,778
Equipment	1,020,446	1,062,516	1,793,087	1,428,387	2,813,533	2,490,903
Vehicles	623,357	930,085	797,888	951,882	1,421,245	1,881,967
Construction- In-Progress	3,477,439	2,887,590	1,740,238	1,496,416	5,217,677	4,384,006
	<u>\$ 59,709,938</u>	<u>\$ 60,598,956</u>	<u>\$ 41,996,335</u>	<u>\$ 42,621,998</u>	<u>\$ 101,706,273</u>	<u>\$ 103,220,954</u>

Additional information on the City of Nixa'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 of Nixa had \$ 4,622,249 in outstanding notes as compared to the prior year of \$ 5,628,824.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenue Bonds	\$ -	\$ -	\$ 175,000	\$ 800,000	\$ 175,000	\$ 800,000
Special O. Bonds	-	-	2,820,000	3,085,000	2,820,000	3,085,000
Lease Obligations	1,584,595	1,714,370	42,654	29,454	1,627,249	1,743,824
<b>TOTALS</b>	<b>\$ 1,584,595</b>	<b>\$ 1,714,370</b>	<b>\$ 3,037,654</b>	<b>\$ 3,914,454</b>	<b>\$ 4,622,249</b>	<b>\$ 5,628,824</b>

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

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2024 budget for the City of Nixa indicates \$62,450,237 in expenditures, and \$45,453,943 in revenue. Expenditures are comprised of \$38,859,860 for operations, \$2,185,011 for debt retirement and \$21,405,366 for capital improvement projects. Revenue for 2024 will cover 100% of operational expenses and debt retirement. Current year's revenue will provide for 15.41% of capital improvements; unassigned fund balance will cover remaining 84.59% or \$18,107,294.

General and transportation sales taxes for 2023 rose 1.86% over the previous year. The voters of the City of Nixa passed an additional ¼-cent general sales tax to be used for public safety which took effect in October of 2023. This new sales tax generated \$441,611.07. With the passage of use tax in 2018, the City continues to see growth in use tax revenue reflected in an increase of 46.08% in 2023 over 2022. The budget for 2024 reflects a 4% increase over 2023 projected amounts in sales and a 20% increase over 2023 projected amounts for use taxes.

In 2023, the City of Nixa issued 207 single-family building permits along with 11 apartment building permits. In total, the City will be adding 393 new dwelling units to its housing stock. There are also 645 single-family lots that have been preliminarily platted and ready to be developed along with 212 single-family lots currently being developed. These will be ready for new home construction in the near future. There were 152 single-family lots available for new home construction at the start of 2024.

Capital projects for 2024 are budgeted at \$21,405,366. Of this budget, \$2,296,235 has been appropriated for Improvements, \$1,562,138 for Buildings, \$1,333,734 for Vehicles, \$1,299,889 for Equipment, \$14,333,370 for Infrastructure and \$580,000 for Intangible Assets.

A few noteworthy Projects include: replacement and conversion to AMI Meters in both the Electric and Water Departments; a new regional lift station; City Hall remodel; new equipment and training materials for the shooting range building for the Police Department; improvements to several streets including sidewalk and lighting additions as well as widening; a new splash pad and pool improvements, and storm water improvements, just to name a few.

The City underwent a compensation study in 2023 and restructured many of its pay grades. The results of the study saw the City choosing to bring salaries within the 25<sup>th</sup> percentile of the market rates as well as including a 3% cost of living adjustment for all positions. These increases resulted in an additional \$1,428,775 to the personnel budget, an increase of 10.04% over 2023's budget. Along with pay increases, the City added 8 new positions including a Project Facilitator, Assistant City Attorney, Executive Assistant, Tree Trimmer, 2 Building and Grounds positions, Administrative Assistant and Wastewater Utility Worker. With the passage of the Public Safety Sales tax, the City plans to add additional Police Officers mid-year 2024.

The 2024 budget reflects many of the initiatives found in the City's recently adopted 5-year Strategic Plan. In both Capital planning and program and service offerings, the City continues to strive to serve the Citizens of Nixa by being a high performance government creating a safe community, reliable infrastructure, and sustainable economy with a vibrant atmosphere united by hometown spirit.

## **CONTACTING THE CITY OF NIXA'S FINANCIAL MANAGEMENT**

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



Jennifer Evans, CPFO  
Director of Finance

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## Basic Financial Statements

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**CITY OF NIXA, MISSOURI**  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalent	\$ 14,172,256	\$ 32,201,438	\$ 46,373,694
Receivables:			
Utility accounts, net	65,330	3,108,445	3,173,775
Lease receivable	-	724,018	724,018
Property taxes, net	941,622	-	941,622
Other taxes	1,200,994	-	1,200,994
Other	121,805	-	121,805
Materials and supply inventory	-	3,219,609	3,219,609
Prepaid items	40,275	14,626	54,901
Cash and cash equivalents-restricted			
Grants	3,952,426	-	3,952,426
Capital assets:			
Land	2,882,802	854,960	3,737,762
Construction in progress	3,477,438	1,740,238	5,217,676
Other capital assets, net of accumulated depreciation	53,349,697	39,401,137	92,750,834
<b>Total Assets</b>	<b>80,204,645</b>	<b>81,264,471</b>	<b>161,469,116</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred loss on refunding	-	9,260	9,260
Deferred amounts related to pensions	1,895,501	719,894	2,615,395
<b>Total Deferred Outflows of Resources</b>	<b>1,895,501</b>	<b>729,154</b>	<b>2,624,655</b>
<b>LIABILITIES</b>			
Accounts payable	1,272,179	1,450,950	2,723,129
Accrued wages and benefits	130,104	54,458	184,562
Accrued sales tax	-	19,331	19,331
Accrued interest	10,125	9,472	19,597
Unearned revenues	4,121,454	-	4,121,454
Deposits payable	-	1,157,920	1,157,920
Long-term liabilities:			
Amounts due within one year:			
Revenue bonds	-	400,000	400,000
Lease obligations	505,406	13,987	519,393
Compensated absences	32,391	41,873	74,264
Amounts due in more than one year:			
Net pension liability	953,509	370,644	1,324,153
Revenue bonds	-	2,595,000	2,595,000
Lease obligations	1,079,189	28,667	1,107,856
Compensated absences	384,473	153,154	537,627
<b>Total Liabilities</b>	<b>8,488,830</b>	<b>6,295,456</b>	<b>14,784,286</b>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred gain on refunding, net	-	28,629	28,629
Deferred inflows related to pensions	139,205	70,897	210,102
Deferred inflows related to leases	-	703,111	703,111
<b>Total Deferred Inflow of Resources</b>	<b>139,205</b>	<b>802,637</b>	<b>941,842</b>
<b>NET POSITION</b>			
Net investment in capital assets	58,125,342	38,939,312	97,064,654
Restricted for:			
Street improvements	3,657,721	-	3,657,721
Storm water improvements	53,795	-	53,795
Pensions	802,788	278,353	1,081,141
Unrestricted	10,832,465	35,677,867	46,510,332
<b>Total Net Position</b>	<b>\$ 73,472,111</b>	<b>\$ 74,895,532</b>	<b>\$ 148,367,643</b>

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



**CITY OF NIXA, MISSOURI**  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 3,416,915	\$ 68,358	\$ -	\$ -	\$ (3,348,557)	\$ -	\$ (3,348,557)
Public safety:							
Police	5,884,341	101,873	15,795	58,409	(5,708,264)	-	(5,708,264)
Planning	780,312	425,099	-	-	(355,213)	-	(355,213)
Sanitation	1,379,599	1,532,672	-	-	153,073	-	153,073
Park and recreation	1,911,804	911,011	724	157,688	(842,381)	-	(842,381)
Streets	4,495,660	-	-	2,132,215	(2,363,445)	-	(2,363,445)
Storm water	71,919	-	-	-	(71,919)	-	(71,919)
Interest on long-term debt	80,696	-	-	-	(80,696)	-	(80,696)
Total governmental activities	18,021,246	3,039,013	16,519	2,348,312	(12,617,402)	-	(12,617,402)
Business-type activities:							
Waterworks	3,314,325	3,912,042	-	-	-	597,717	597,717
Wastewater	3,519,891	3,962,665	-	337,580	-	780,354	780,354
Electric	15,413,344	18,448,763	-	-	-	3,035,419	3,035,419
Total business-type activities	22,247,560	26,323,470	-	337,580	-	4,413,490	4,413,490
Total Government	\$ 40,268,806	\$ 29,362,483	\$ 16,519	\$ 2,685,892	(12,617,402)	4,413,490	(8,203,912)
General Revenues:							
Property taxes for general purposes					1,177,085	-	1,177,085
Franchise taxes					683,690	-	683,690
Sales and use taxes					7,285,881	-	7,285,881
Missouri motor fuel taxes					1,187,024	-	1,187,024
Investment earnings					729,044	1,877,363	2,606,407
Miscellaneous					36,576	-	36,576
Gain on sale of capital assets					-	48,847	48,847
Transfer-Fee in Lieu Of					1,073,118	(1,073,118)	-
Total general revenues, special items, and transfers					12,172,418	853,092	13,025,510
Change in net position					(444,984)	5,266,582	4,821,598
Net position beginning					73,917,095	69,628,950	143,546,045
Net position ending					\$ 73,472,111	\$ 74,895,532	\$ 148,367,643

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

**CITY OF NIXA, MISSOURI**

BALANCE SHEET-  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023

ASSETS	General Fund	Street Fund	Total Governmental Funds
Cash and cash equivalent	\$ 9,816,566	\$ 4,355,690	\$ 14,172,256
Accounts receivable-			
Property taxes, (net)	941,622	-	941,622
Refuse (net)	65,330	-	65,330
Sales, franchise, and motor fuel taxes	934,882	266,112	1,200,994
Other	120,406	1,399	121,805
Prepaid items	32,677	7,598	40,275
Restricted cash-grants	3,952,426	-	3,952,426
	<u>15,863,909</u>	<u>4,630,799</u>	<u>20,494,708</u>
<b>Total Assets</b>	<b>\$ 15,863,909</b>	<b>\$ 4,630,799</b>	<b>\$ 20,494,708</b>
LIABILITIES			
Accounts payable	\$ 733,593	\$ 538,586	\$ 1,272,179
Accrued wages and benefits	117,304	12,800	130,104
Unearned revenues	3,707,360	414,094	4,121,454
	<u>4,558,257</u>	<u>965,480</u>	<u>5,523,737</u>
<b>Total Liabilities</b>	<b>4,558,257</b>	<b>965,480</b>	<b>5,523,737</b>
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax revenue	24,691	-	24,691
	<u>24,691</u>	<u>-</u>	<u>24,691</u>
FUND BALANCES			
Fund Balances -			
Nonspendable	32,677	7,598	40,275
Restricted-			
Streets	-	3,657,721	3,657,721
Storm water	53,795	-	53,795
Unassigned	11,194,489	-	11,194,489
	<u>11,280,961</u>	<u>3,665,319</u>	<u>14,946,280</u>
<b>Total Fund Balances</b>	<b>11,280,961</b>	<b>3,665,319</b>	<b>14,946,280</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 15,863,909</b>	<b>\$ 4,630,799</b>	<b>\$ 20,494,708</b>

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

**CITY OF NIXA, MISSOURI**  
RECONCILIATION OF THE GOVERNMENT FUNDS  
BALANCE SHEET TO THE GOVERNMENT-WIDE  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023

Total Fund Balances-Governmental Funds		\$ 14,946,280
<p>Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.</p>		
Non-depreciable assets	6,360,240	
Depreciable assets	<u>53,349,697</u>	
		59,709,937
<p>Property taxes assessed by the City, but not collected as of year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements.</p>		
		24,691
<p>Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:</p>		
Deferred outflows - pension related	1,895,501	
Pension liabilities	(953,509)	
Deferred inflows - pension related	<u>(139,205)</u>	
		802,787
<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>		
		(10,125)
<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>		
Lease Obligations payable	(1,584,595)	
Compensated absences	<u>(416,864)</u>	
		<u>(2,001,459)</u>
Net position of governmental activities		<u><u>\$ 73,472,111</u></u>

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

**CITY OF NIXA, MISSOURI**  
STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES	General Fund	Street Fund	Total Governmental Funds
Taxes:			
Property taxes	\$ 1,169,407	\$ -	\$ 1,169,407
Franchise taxes	683,690	-	683,690
Sales and use taxes	5,420,086	1,865,795	7,285,881
Intergovernmental taxes:			
Missouri motor fuel taxes	-	1,187,024	1,187,024
Licenses & permits	68,358	-	68,358
Charges for services:			
Sanitation	1,532,672	-	1,532,672
Park programs	909,911	-	909,911
Plan reviews and inspections	425,099	-	425,099
Fines & forfeitures	101,873	-	101,873
Investment earnings	571,980	157,064	729,044
Grants-			
Federal	613,383	1,538,565	2,151,948
State and local	519	-	519
Contributions	3,224	-	3,224
Rents	1,100	-	1,100
Impact fees	209,140	-	209,140
Miscellaneous	23,620	12,956	36,576
Total Revenues	<u>11,734,062</u>	<u>4,761,404</u>	<u>16,495,466</u>
EXPENDITURES			
Current:			
General government	1,336,754	-	1,336,754
Police	5,121,382	-	5,121,382
Streets	-	2,064,872	2,064,872
Planning/Economic development	731,307	-	731,307
Parks	1,604,840	-	1,604,840
Sanitation	1,379,599	-	1,379,599
Storm water	71,919	-	71,919
Capital outlay:			
General government	293,111	-	293,111
Police	617,213	-	617,213
Streets	-	2,720,564	2,720,564
Parks	737,838	-	737,838
Planning/Economic development	16,849	-	16,849
Storm water	21,915	-	21,915
Debt service:			-
Principal retirement	438,647	-	438,647
Interest and fiscal agent fees	83,884	-	83,884
Total Expenditures	<u>12,455,258</u>	<u>4,785,436</u>	<u>17,240,694</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	<u>(721,196)</u>	<u>(24,032)</u>	<u>(745,228)</u>
OTHER FINANCING SOURCES (USES)			
Lease issued	308,872		308,872
Sale of general capital assets	44,075	18,313	62,388
Transfer in-Fee in Lieu of Taxes	1,073,118	-	1,073,118
Total Other Financing Sources (Uses)	<u>1,426,065</u>	<u>18,313</u>	<u>1,444,378</u>
NET CHANGE IN FUND BALANCES	704,869	(5,719)	699,150
FUND BALANCES - BEGINNING	<u>10,576,092</u>	<u>3,671,038</u>	<u>14,247,130</u>
FUND BALANCES- ENDING	<u>\$ 11,280,961</u>	<u>\$ 3,665,319</u>	<u>\$ 14,946,280</u>

**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, 2023

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

Net change in fund balances - total governmental funds \$ 699,150

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

Capital outlays	4,407,490	
Depreciation expense	(5,359,162)	
Basis of assets retired	<u>(146,452)</u>	(1,098,124)

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

Lease obligations	(308,872)	
Principal payments	438,647	
Change in accrued interest payable	<u>3,188</u>	132,963

Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. In the statement of activities, however, which is presented on the accrual basis, revenues are reported regardless of when financial resources are available. This is the net adjustment to property tax revenue in converting to the full accrual basis. 7,678

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.

Compensated absences	(97,227)	
Change in LAGERS net pension obligation	<u>(89,424)</u>	<u>(186,651)</u>

Change in net position of governmental activities \$ (444,984)

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

## CITY OF NIXA, MISSOURI

### STATEMENT OF NET POSITION- PROPRIETARY FUNDS DECEMBER 31, 2023

<u>ASSETS</u>	Business-type Activities			Total Enterprise Funds
	Waterworks Fund	Wastewater Fund	Electric Fund	
Current assets:				
Cash and cash equivalent	\$ 5,898,955	\$ 7,006,186	\$ 19,296,297	\$ 32,201,438
Accounts receivable, net	471,292	496,220	2,140,933	3,108,445
Lease receivable	724,018	-	-	724,018
Material and supplies inventory	710,106	-	2,509,503	3,219,609
Prepaid items	4,308	4,150	6,168	14,626
Total Current Assets	7,808,679	7,506,556	23,952,901	39,268,136
Noncurrent assets:				
Capital assets:				
Land	116,751	149,255	588,954	854,960
Construction in progress	180,649	322,031	1,237,558	1,740,238
Property, plant and equipment (Net of accumulated depreciation)	12,060,136	15,749,057	11,591,944	39,401,137
Total Noncurrent Assets	12,357,536	16,220,343	13,418,456	41,996,335
Total Assets	20,166,215	23,726,899	37,371,357	81,264,471
 <u>DEFERRED OUTFLOW OF RESOURCES</u>				
Deferred loss on refunding, net	-	9,260	-	9,260
Deferred amounts related to pension	182,761	167,990	369,143	719,894
Total Deferred Outflows of Resources	182,761	177,250	369,143	729,154
 <u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	213,303	140,531	1,097,116	1,450,950
Accrued wages and benefits	16,092	13,308	25,058	54,458
Accrued sales tax	802	-	18,529	19,331
Accrued interest	9,071	401	-	9,472
Deposits payable	265,566	-	892,354	1,157,920
Debt due within one year:				
Compensated absences	4,819	9,565	27,489	41,873
Revenue bonds payable	280,000	120,000	-	400,000
Lease obligation	-	7,837	6,150	13,987
Total Current Liabilities	789,653	291,642	2,066,696	3,147,991
Noncurrent liabilities:				
Compensated absences	51,444	19,136	82,574	153,154
Revenue bonds payable	2,540,000	55,000	-	2,595,000
Lease obligation	-	14,287	14,380	28,667
Net pension liability	94,096	86,491	190,057	370,644
Total Noncurrent Liabilities	2,685,540	174,914	287,011	3,147,465
Total Liabilities	3,475,193	466,556	2,353,707	6,295,456
 <u>DEFERRED INFLOW OF RESOURCES</u>				
Deferred gain on refunding, net	-	28,629	-	28,629
Deferred inflows related to pensions	17,999	16,544	36,354	70,897
Deferred inflows related to leases	703,111	-	-	703,111
Total Deferred Inflows of Resources	721,110	45,173	36,354	802,637
 <u>NET POSITION</u>				
Net investment in capital assets	9,537,536	16,003,850	13,397,926	38,939,312
Restricted for pensions	70,666	64,955	142,732	278,353
Unrestricted	6,544,471	7,323,615	21,809,781	35,677,867
Total Net Position	\$ 16,152,673	\$ 23,392,420	\$ 35,350,439	\$ 74,895,532

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

**CITY OF NIXA, MISSOURI**  
STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities			Total Enterprise Funds
	Waterworks Fund	Wastewater Fund	Electric Fund	
OPERATING REVENUES:				
Charges for services	\$ 3,898,809	\$ 3,769,881	\$ 18,403,117	\$ 26,071,807
Recycling charges	-	181,509	-	181,509
Hookups, permits, and reconnect fees	7,950	-	45,646	53,596
Miscellaneous income	5,283	11,275	-	16,558
Total Operating Revenues	<u>3,912,042</u>	<u>3,962,665</u>	<u>18,448,763</u>	<u>26,323,470</u>
OPERATING EXPENSES:				
Administrative and professional fees	349,924	430,989	954,331	1,735,244
Computer supplies and expense	18,767	32,400	31,776	82,943
Contractual services	-	396,217	203,455	599,672
Depreciation	782,057	960,273	1,278,809	3,021,139
Dues and licenses	23,281	6,110	28,315	57,706
Economic development	26,000	26,000	26,000	78,000
Electricity purchased	-	-	9,601,105	9,601,105
Emergency management	-	-	50,696	50,696
Gasoline and diesel	18,294	40,823	31,798	90,915
Insurance	59,691	79,626	42,374	181,691
Repairs, maintenance, and supplies	739,118	539,622	691,325	1,970,065
Recycle expense	-	143,103	-	143,103
Safety program	1,187	1,952	17,561	20,700
Salaries and benefits	1,080,959	774,626	1,915,059	3,770,644
Telephone	3,605	2,967	6,907	13,479
Training	7,462	10,209	59,614	77,285
Tree trimming	-	-	452,265	452,265
Utilities	49,116	20,978	4,235	74,329
Vehicle expense	10,803	50,897	17,719	79,419
Total Operating Expenses	<u>3,170,264</u>	<u>3,516,792</u>	<u>15,413,344</u>	<u>22,100,400</u>
OPERATING INCOME	<u>741,778</u>	<u>445,873</u>	<u>3,035,419</u>	<u>4,223,070</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment earnings	289,192	498,267	950,796	1,738,255
Interest revenue-leases	139,108	-	-	139,108
Gain on sale of capital assets	-	24,140	24,707	48,847
Interest expense and agent fees	(144,061)	(3,099)	-	(147,160)
Total Non-operating Revenues (Expenses)	<u>284,239</u>	<u>519,308</u>	<u>975,503</u>	<u>1,779,050</u>
INCOME BEFORE TRANSFERS AND IMPACT FEES	1,026,017	965,181	4,010,922	6,002,120
TRANSFERS AND IMPACT FEES				
Transfer (out)-Fee in Lieu of Taxes to General Fund	(191,124)	-	(881,994)	(1,073,118)
Impact fees	-	337,580	-	337,580
CHANGE IN NET POSITION	834,893	1,302,761	3,128,928	5,266,582
TOTAL NET POSITION - BEGINNING	<u>15,317,780</u>	<u>22,089,659</u>	<u>32,221,511</u>	<u>69,628,950</u>
TOTAL NET POSITION - ENDING	<u>\$ 16,152,673</u>	<u>\$ 23,392,420</u>	<u>\$ 35,350,439</u>	<u>\$ 74,895,532</u>

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

**CITY OF NIXA, MISSOURI**  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities			Total Enterprise Funds
	Waterworks Fund	Wastewater Fund	Electric Fund	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 3,851,817	\$ 3,962,665	\$ 18,171,278	\$ 25,985,760
Payments to suppliers	(1,549,459)	(1,779,581)	(12,831,243)	(16,160,283)
Payments to employees	(1,094,711)	(785,112)	(1,866,437)	(3,746,260)
Net Cash Provided by Operating Activities	<u>1,207,647</u>	<u>1,397,972</u>	<u>3,473,598</u>	<u>6,079,217</u>
<b>CASH FLOWS FROM NONCAPITAL ACTIVITIES:</b>				
Transfer (out)-Fee in Lieu of Taxes	(191,124)	-	(881,994)	(1,073,118)
Net Cash Provided by (Used for) Noncapital Activities	<u>(191,124)</u>	<u>-</u>	<u>(881,994)</u>	<u>(1,073,118)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Impact fees	-	337,580	-	337,580
Proceeds from sale of capital assets	-	24,140	24,707	48,847
Payments for capital acquisitions	(507,953)	(1,113,429)	(1,141,558)	(2,762,940)
Principal Repayments	(305,000)	(205,919)	-	(510,919)
Interest paid	(139,834)	(12,785)	-	(152,619)
Net Cash (Used for) Capital and Related Financing Activities	<u>(952,787)</u>	<u>(970,413)</u>	<u>(1,116,851)</u>	<u>(3,040,051)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments	428,300	498,267	950,796	1,877,363
Net Cash Provided by Investing Activities	<u>428,300</u>	<u>498,267</u>	<u>950,796</u>	<u>1,877,363</u>
NET CASH INCREASE FOR THE YEAR	492,036	925,826	2,425,549	3,843,411
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,406,919	6,080,360	16,870,748	28,358,027
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 5,898,955</u>	<u>\$ 7,006,186</u>	<u>\$ 19,296,297</u>	<u>\$ 32,201,438</u>
<b>RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION</b>				
Cash and cash equivalents	\$ 5,898,955	\$ 7,006,186	\$ 19,296,297	\$ 32,201,438
Total Cash and Cash Equivalents	<u>\$ 5,898,955</u>	<u>\$ 7,006,186</u>	<u>\$ 19,296,297</u>	<u>\$ 32,201,438</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating Income	\$ 741,778	\$ 445,873	\$ 3,035,419	\$ 4,223,070
Adjustments to reconcile net operating income to net cash provided by operating activities:				
Depreciation	782,057	960,273	1,278,809	3,021,139
(Increase) Decrease in accounts receivable	(104,482)	(30,528)	(319,569)	(454,579)
(Increase) Decrease in inventories	(171,576)	-	(566,468)	(738,044)
(Increase) Decrease in prepaid items	(2,143)	(403)	(582)	(3,128)
Increase (Decrease) in accounts payable	(77,558)	33,483	(44,717)	(88,792)
Increase (Decrease) in accrued wages	3,344	3,892	5,765	13,001
Increase (Decrease) in sales tax	(9,079)	-	791	(8,288)
Increase (Decrease) in accrued interest	9,066	(240)	-	8,826
(Increase) Decrease in pensions related amounts	(27,972)	(15,259)	14,664	(28,567)
Increase (Decrease) in customer deposits	53,336	-	41,293	94,629
Increase (Decrease) in compensated absences	10,876	881	28,193	39,950
Net Cash Provided by Operating Activities	<u>\$ 1,207,647</u>	<u>\$ 1,397,972</u>	<u>\$ 3,473,598</u>	<u>\$ 6,079,217</u>

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



**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Nixa, Missouri (the "City") was formally established as the Village of Nixa in 1902 and currently covers 8.97 square miles in Christian County, Missouri. The City now operates under the Home Rule Charter form of government. The City Administrator is the chief administrative officer of the City who is responsible for the day-to-day operations of the City. The City provides services to approximately 25,405 residents in many areas, including law enforcement, engineering, streets, electric, waterworks, wastewater, parks and recreation and general administrative services.

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

**THE REPORTING ENTITY**

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

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund but distinguish between the City's governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – continued**

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

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

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

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

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

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

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

Wastewater Fund – Accounts for the provision of wastewater services to residents of

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary Fund Types - continued:**

the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

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

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recognized at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable, and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

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

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - continued**

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

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

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

**ASSETS, LIABILITIES AND NET POSITION/FUND BALANCE**

**Cash and Cash Equivalents**

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

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

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Cash Equivalents - continued**

purchased are considered to be cash equivalents.

**Statement of Cash Flows**

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

**Investments**

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

**Interfund activity**

Transactions among the City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved. Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund.

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

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

The City has the following types of interfund activity:

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

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Interfund activity-continued**

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

**Accounts Receivable and Allowances**

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

**Inventories**

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

**Prepaid items**

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

**Restricted assets**

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

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Assets and Depreciation**

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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

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

**Deferred Outflows of Resources/Loss on Refunded Debt**

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



**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Deferred Outflows of Resources/Loss on Refunded Debt - continued**

life of the refunded or refunding debt. The second is the amount related to pension outflows as per GASB 68.

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

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

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

**Obligation for Bond Arbitrage Rebate**

Pursuant to Section 148(f) of the U. S. Internal Revenue Code, the City must rebate to the United State Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. Arbitrage rebate, if any, is due and payable on each five-year anniversary of the respective debt issue. As of December 31, 2023, 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.



**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Long-term Debt**

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

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

**Fund Balances-Governmental Funds**

As of December 31, 2023, fund balances of the governmental funds are classified as follows:

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

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

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Balances-Governmental Funds - continued**

**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.

The fund balance of the City's General Fund and Street Fund have been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. Currently the General Fund has set aside \$3,255,132 and the Street Fund \$ 509,538. The Park Department has set aside \$659,689 for future repairs to the park pool, community center, and replacement of fitness equipment.

**Net Position**

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

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Net Position - continued**

by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

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

**Leases**

Lessee: The City of Nixa is a lessee for a noncancellable lease of vehicles. The City of Nixa recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City of Nixa recognizes lease liabilities with an initial, individual value of \$ 5,000 or more.

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

Key estimates and judgements related to leases include how the City of Nixa determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City of Nixa uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City of Nixa generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City of Nixa is reasonable certain to exercise

The city of Nixa monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Leases-continued**

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

Lessor: the City of Nixa is a lessor for a noncancellable lease of tower space. The City recognizes a lease receivable and a deferred inflow of resources in the waterworks fund and the business-type activities.

At the commencement of a lease, the City of Nixa initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the City of Nixa determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City of Nixa uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The city of Nixa monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Use of Estimates**

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

**Revenue Recognition - Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Revenue Recognition - Property Taxes - continued**

October 1 become delinquent January 1, of the following year. Valuation for 2023 was \$ 380,607,256 with the levy set at \$ .2981 for General Fund purposes only.

**Revenue Recognition - Sales Tax authorizations**

Sales tax authorizations consist of a one-cent general sales recorded in the General Fund(\$ 3,731,591), a Police  $\frac{3}{4}$  sales tax (\$ 441,611) a use tax of (\$ 1,246,884), one-half cent transportation sales tax to be used for street purposes in the Street Fund (\$1,865,795).

**Fee in Lieu of Taxes**

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

**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Excess of expenditures over appropriations**

For the year ended December 31, 2023, expenditures did not exceed appropriations in any fund.

**Debt restrictions**

*General obligation debt*

Article VI, Sections 26 (b) and (c), Constitution of Missouri, limits the outstanding amount of authorized general obligation debt of a City to 20 percent of the assessed valuation of taxable tangible property as shown by the last completed assessment for state or county purposes. Authorization for debt issuance requires four-sevenths at the general municipal election day, primary or general elections and two-thirds at all other elections, vote of the qualified electors thereof. The City on December 31, 2023, had no outstanding general obligation debt.

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023  
**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, 2023, all of the City's checking accounts, money markets, and short-term certificates of deposits were entirely secured or collateralized with securities held by the City or by its agent in the City's name. For the year ended the City did not have any accounts that would qualify as investments.

Investment Policies

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

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

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

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

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE C – RESTRICTED ASSETS**

For December 31, 2023, restricted cash accounts were as follows:

GENERAL FUND	<u>Actual Cash</u>
ARPA grant funds	<u><u>\$ 3,952,426</u></u>

**NOTE D – CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity for the year ended December 31, 2023, was as follows:

Governmental Activities:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 2,882,802		\$ -	\$ 2,882,802
Construction in progress	2,887,590	3,946,002	3,356,153	3,477,439
Total capital assets not being depreciated	<u>5,770,392</u>	<u>3,946,002</u>	<u>3,356,153</u>	<u>6,360,241</u>
Capital assets, being depreciated:				
Buildings	11,765,016	1,760,229	548,224	12,977,021
Improvements	8,143,097	3,325,244	636,650	10,831,691
Streets	64,612,785	-	-	64,612,785
Equipment	2,763,203	181,288	1,200,748	1,743,743
Right to use leased vehicles	859,603	308,872	-	392,715
Vehicles	1,825,677	131,875	357,486	1,957,552
Total capital assets being depreciated	<u>89,969,381</u>	<u>5,707,508</u>	<u>2,743,108</u>	<u>92,515,507</u>
Less: Accumulated depreciation for:				
Buildings	5,493,110	643,384	502	8,471,068
Improvements	1,657,818	62,432	163,738	2,647,666
Streets	24,534,007	1,062,862	-	25,596,869
Equipment	1,700,687	8,714	989,615	723,297
Right to use leased vehicles	157,783	38,610	-	196,393
Vehicles	1,653,540	126,840	180,314	1,530,517
Total accumulated depreciation	<u>35,196,945</u>	<u>1,942,842</u>	<u>1,334,169</u>	<u>39,165,810</u>
Total capital assets being depreciated, net	<u>54,772,436</u>	<u>3,764,666</u>	<u>1,408,939</u>	<u>53,349,697</u>
Governmental activities capital assets, net	<u><u>\$ 60,542,828</u></u>	<u><u>\$ 7,710,668</u></u>	<u><u>\$ 4,765,092</u></u>	<u><u>\$ 59,709,938</u></u>

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)**

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

Governmental activities:

General government	\$ 169,390
Police	296,990
Planning and development	21,159
Streets	1,292,098
Parks	<u>163,205</u>
	<u><u>\$1,942,842</u></u>

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**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)**

Business Type Activities:

	<b>WATERWORKS FUND</b>			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 116,751	\$ -	\$ -	\$ 116,751
Construction in progress	267,116	321,433	407,900	180,649
Total capital assets not being depreciated	\$ 383,867	\$ 321,433	\$ 407,900	\$ 297,400
Capital assets being depreciated:				
Buildings	\$ 875,706	\$ 71,099	\$ 169,498	\$ 777,307
Plant	15,996,192	336,800	621,968	15,711,024
Equipment	363,043	176,069	157,892	381,220
Vehicles	341,700	10,452	-	352,152
Total capital assets being depreciated	17,576,641	594,420	949,358	17,221,703
Less-Accumulated depreciation for:				
Buildings	200,507	344,911	169,498	375,920
Plant	4,664,054	283,567	621,968	4,325,653
Equipment	161,808	133,516	157,892	137,432
Vehicles	302,499	20,063	-	322,562
Total accumulated depreciation	5,328,868	782,057	949,358	5,161,567
Total capital assets being depreciated, net	\$12,247,773			\$ 12,060,136
Business-type activities capital assets, net	\$12,631,640			\$ 12,357,536

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2023

**NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)**

Business-type Activities:

	<b>WASTEWATER FUND</b>			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 149,255	\$ -	\$ -	\$ 149,255
Construction in progress	95,546	291,610	65,125	322,031
Total capital assets not being depreciated	\$ 244,801	\$291,610	\$ 65,125	\$ 471,286
Capital assets being depreciated:				
Buildings	\$ 1,724,187	\$ 65,126	\$ 594,143	\$ 1,195,170
Plant	24,649,069	-	104,956	24,544,113
Equipment	1,394,531	411,267	360,737	1,445,061
Vehicles	1,410,529	-	31,029	1,379,500
Total capital assets being depreciated	29,178,316	476,393	1,090,865	28,563,844
Less- Accumulated depreciation for:				
Buildings	698,859	457,919	594,143	562,635
Plant	10,867,982	-	104,956	10,763,026
Equipment	384,566	419,204	360,737	443,033
Vehicles	993,972	83,150	31,029	1,046,093
Total accumulated depreciation	12,945,379	960,273	1,090,865	12,814,787
Total capital assets being depreciated, net	\$ 16,232,937			\$ 15,749,057
Business-type activities capital assets, net	\$ 16,477,738			\$ 16,220,343

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)**

Business Type Activities:

	<b>ELECTRIC FUND</b>			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 588,954	\$ -	\$ -	\$ 588,954
Construction in progress	1,133,753	592,890	489,085	1,237,558
Total capital assets not being depreciated	\$ 1,722,707	\$ 592,890	\$ 489,085	\$ 1,826,512
Capital assets being depreciated:				
Buildings	\$ 1,303,056	\$ 79,911	\$ 424,345	\$ 958,622
Plant	18,839,523	508,778	1,566,583	17,781,718
Equipment	668,284	397,045	255,708	809,621
Right-to-use leased vehicle	-	34,126	-	34,126
Vehicles	1,483,137	36,841	46,529	1,473,449
Total capital assets being depreciated	22,294,000	1,056,701	2,293,165	21,057,536
Less- Accumulated depreciation for:				
Buildings	393,699	239,504	424,345	208,858
Plant	8,648,138	840,148	1,566,583	7,921,703
Equipment	451,097	62,416	255,708	257,805
Vehicles	987,014	136,741	46,529	1,077,226
	10,479,948	1,278,809	2,293,165	9,465,592
Total capital assets being depreciated, net	\$ 11,814,052			\$ 11,591,944
Business-type activities capital assets, net	\$ 13,536,759			\$ 13,418,456

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)**

Business-type Activities:

	<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 854,960	\$ -	\$ -	\$ 854,960
Construction in progress	1,496,415	1,205,933	962,110	1,740,238
Total capital assets not being depreciated	<u>\$ 2,351,375</u>	<u>\$ 1,205,933</u>	<u>\$ 962,110</u>	<u>\$ 2,595,198</u>
Capital assets being depreciated:				
Buildings	\$ 3,902,949	\$ 216,136	\$ 1,187,985	\$ 2,931,100
Plant	59,484,785	845,578	2,293,507	58,036,856
Equipment	2,421,313	984,381	774,337	2,631,357
Right-to-use lease vehicles	-	34,126	-	34,126
Vehicles	3,239,910	47,293	77,558	3,209,645
Total capital assets being depreciated	<u>69,048,957</u>	<u>2,127,514</u>	<u>4,333,387</u>	<u>66,843,084</u>
Less- Accumulated depreciation for:				
Buildings	1,293,065	1,042,333	1,187,985	1,147,413
Plant	24,180,173	1,123,715	2,293,507	23,010,381
Equipment	997,471	615,136	774,337	838,270
Right-to-use lease vehicles	-	-	-	-
Vehicles	2,283,486	239,955	77,558	2,445,883
	<u>28,754,195</u>	<u>3,021,139</u>	<u>4,333,387</u>	<u>27,441,947</u>
Total capital assets being depreciated, net	<u>\$ 40,294,762</u>			<u>\$ 39,401,137</u>
Business-type activities capital assets, net	<u>\$ 42,646,137</u>			<u>\$ 41,996,335</u>

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**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, 2023, as it relates to the business type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Revenue Bonds	\$ 800,000	\$ -	\$ 625,000	\$ 175,000	\$ 120,000
Special Obligations	3,085,000		265,000	2,820,000	280,000
Lease Obligations	29,454	25,317	12,117	42,654	13,987
Compensated absenc	155,077	122,493	82,543	195,027	41,873
Business-type activity					
long-term liabilities	\$ 4,069,531	\$ 147,810	\$ 984,660	\$ 3,232,681	\$ 455,860

As reported on the financial statement:

Amount due within one year:

Revenue bonds	\$ 120,000
Special Obligations	280,000
Leases	13,987
Compensated absences	41,873
Total within one year	455,860

Amount due in more than one year:

Revenue bonds	55,000
Special Obligations	2,540,000
Leases	28,667
Compensated absences	153,154
Total in more than one year	2,776,821
Total long-term liabilities	\$ 3,232,681

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

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE E – LONG-TERM DEBT (Continued)**

The Proprietary Funds long-term debt as of December 31, 2023, follows:

**Waterworks Fund**

\$ 3,085,000, Special Obligation Bond, issued for capital improvements to the waterworks, principal due in annual installments June 1, in payments ranging \$ 265,000 to \$ 355,000 and interest payments in semiannual payments at 3.86%. Matures June 1, 2032	<u>\$ 2,820,000</u>
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**Wastewater Fund**

On March 1, 2013, the City entered into a refunding issue for payment of existing bond issue. Payments are semiannual with principal ranging \$ 120,000 for 2024 and \$ 55,000, in 2025. Interest rate is 4.75% and matures June 1, 2025	<u>175,000</u>
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Total Business-type debt revenue bonds	<u><u>\$ 2,995,000</u></u>
--	----------------------------

In 2022, the City entered into a lease agreement for purchase of one vehicle for the sewer department at a present value of \$ 29,454 and then in 2023 a vehicle for the electric department at a present value of \$ 25,317.	<u><u>\$ 42,654</u></u>
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Year Ending December 31,	Principal	Interest	Total
2024	\$ 400,000	\$ 106,610	\$ 506,610
2025	340,000	93,300	433,300
2026	295,000	81,350	376,350
2027	300,000	69,866	369,866
2028	310,000	58,093	368,093
2029-2032	1,350,000	60,603	1,410,603
	\$ 2,995,000	\$ 469,822	\$ 3,464,822

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE E – LONG-TERM DEBT (Continued)**

The annual requirements to amortize lease is as of December 31, 2023:

Year Ending December 31,	Sewer Car		Electric Car	
	Principal	Interest	Principal	Interest
2024	\$ 7,837	\$ 1,246	\$ 6,150	\$ 1,324
2025	8,380	704	6,625	849
2026	5,907	150	7,136	338
2027	-	-	619	4
Totals	<u>\$ 22,124</u>	<u>\$ 2,100</u>	<u>\$ 20,530</u>	<u>\$ 2,515</u>

**Governmental activities**

The following is a summary of debt transactions of the City for the year ended December 31, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Lease Obligation	\$ 1,714,370	\$ 308,872	\$ 438,647	\$ 1,584,595	\$ 505,406
Compensated absences	319,637	298,179	200,952	416,864	32,391
Government activity long-term liabilities	<u>\$ 2,034,007</u>	<u>\$ 607,051</u>	<u>\$ 639,599</u>	<u>\$ 2,001,459</u>	<u>\$ 537,797</u>

As reported on the financial statement:

Amount due within one year:	
Leases	\$ 505,406
Compensated absences	32,391
Total due within one year	<u>537,797</u>
Amount due in more than one year:	
Lease Obligations	1,079,189
Compensated absences	384,473
Total due in more than one year	<u>1,463,662</u>
Total long-term liabilities	<u>\$ 2,001,459</u>

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE F – CAPITALIZED LEASE OBLIGATION**

Governmental Activities

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

\$ 810,000

Beginning August 2023, the City entered into a lease agreement for purchase of 12 police vehicles for a total of \$ 707,646 then in 2023 they added another 6 police vehicles all with a four year payback with payments and interest rate varying between vehicles. Accumulated depreciation to date is \$ 44,228. Issue will mature 2028.

\$ 774,595

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 lease.

On December 31, 2023, future minimum lease payments by year and the present value of future minimum lease payments were as follows:

Year Ending December 31,	City Hall		Police Vehicles	
	Principal	Interest	Principal	Interest
2024	\$ 260,000	\$ 24,300	\$ 245,406	\$ 47,518
2025	275,000	16,500	263,225	29,699
2026	275,000	8,250	206,373	11,341
2027	-	-	59,591	1,884
Totals	<u>\$ 810,000</u>	<u>\$ 49,050</u>	<u>\$ 774,595</u>	<u>\$ 90,442</u>



**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE G – OBLIGATION TO PURCHASE ELECTRIC POWER**

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

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

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

The City entered into a new 10-year purchase agreement with Evergy Kansas Central to cover all energy needs required above that which SWPA and Nixa Solar provide. The City's 2023 peak electric demand was 50.1 Megawatts of electricity. Beginning December 1, 2021, the City entered into capacity agreements with Evergy Kansas Central for 30 MW of power from Dogwood Energy and 15 MW from GRDA. At the same time, a 10 MW capacity agreement for wind power was activated with Nextera Energy to increase our percentage of renewable power.

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

**NOTE H – RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage for property damage and various Missouri Official's bonds. Management believes coverage is sufficient to preclude any significant uninsured losses to the City.

On December 31, 2023, the City maintained commercial insurance coverage for building and contents and employee theft. In the past three years the City had no losses that exceeded commercial insurance coverage.

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE I – DEFINED BENEFIT PENSION PLAN**

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

**Plan description**

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

**Benefits provided**

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

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)**

	2023 Valuation
Benefit Multiplier:	2.00%
Final Average Salary:	5 years
Member Contributions:	0.00%

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

**Employees covered by benefit terms**

On June 30, 2023, the following employees were covered by the benefits terms:

Inactive employees or beneficiaries currently receiving benefits	69
Inactive employees entitled to but not yet receiving benefits	77
Active employees	129
Total	275

**Contributions**

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Employer's contribution rates are 15.2% General and 14.3% Police of annual covered payroll.

**Net Pension Liability**

The employer's net pension liability was measured as June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2023.

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)**

**Actuarial assumptions**

The total pension liability in the February 28, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	43.00%	5.29%
Fixed Income	26.00%	2.23%
Real Assets	21.00%	3.31%
Strategic Assets	10.00%	5.73%

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE I –DEFINED BENEFIT PENSION PLAN (Continued)**

**Discount rate**

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

**Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
<b>Balances at 6/30/2022</b>	\$ 26,600,093	\$ 26,762,602	\$ (162,509)
Changes for the year:			
Service Cost	822,739		822,739
Interest	1,861,930		1,861,930
Difference between expected and actual experience	710,069		710,069
Contribution - employer	-	1,244,465	(1,244,465)
Net investment income	-	955,076	(955,076)
Benefit payments, including refunds	(824,960)	(824,960)	-
Administrative expense		(34,866)	34,866
Other changes		(256,599)	256,599
<b>Net changes</b>	<u>2,569,778</u>	<u>1,083,116</u>	<u>1,486,662</u>
<b>Balances at 6/30/2023</b>	<u>\$ 29,169,871</u>	<u>\$ 27,845,718</u>	<u>\$ 1,324,153</u>

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2023

**NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)**

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

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

	<b>Current Single Discount</b>		
	<b>1% Decrease</b>	<b>Rate Assumption</b>	<b>1% Increase</b>
	<b>6.00%</b>	<b>7.00%</b>	<b>8.00%</b>
Net Pension Liability (Asset)	\$ 6,132,544	\$ 1,324,153	\$ (2,588,049)

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

For the year ended December 31, 2023, the employer recognized pension expense of \$ 1,428,414. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences in actual and expected experience	\$ 1,511,291	\$ (93,213)
Changes in assumptions	7,562	(116,889)
Net differences between projected and actual earnings on plan investments	428,211	-
Pension contributions subsequent to measurement date	668,331	-
Total	\$ 2,615,395	\$ (210,102)

\*The amount of \$ 668,331 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending December 31, 2024.

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE I – DEFINED BENEFIT PENSION PLAN (Continued)**

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

Year ended:		
2024	\$	378,847
2025		73,246
2026		789,411
2027		386,022
2028		108,763
Thereafter		673
Total	\$	<u>1,736,962</u>

**Payable to the Pension Plan**

On December 31, 2023, the City of Nixa reported a payable of \$ 0.00 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2023.

**NOTE J – GRANTS**

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

**NOTE K – CONTINGENCIES**

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

**CITY OF NIXA, MISSOURI**  
 NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE L – FUND BALANCE**

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

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

**NOTE M – FEE IN LIEU OF TAXES**

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

Fee in Lieu of	<u>To</u>	<u>From</u>
General Fund	\$1,073,118	\$ -
Electric Fund	-	881,994
Waterworks Fund	-	191,124
	<u>\$1,073,118</u>	<u>\$ 1,073,118</u>

**NOTE N– PRIOR YEAR DEFEASANCE OF DEBT**

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's government-wide financial statements and proprietary funds financial statements. As of December 31, 2023, the amount of defeased debt outstanding amounted to \$1,495,000.



**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE O- 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, 2023, is as follows:

Project	Cost of Project	Construction in Progress	Remaining Cost to Complete
<b>Waterworks Fund</b>			
SCADA	\$ 553,700	\$ 53,700	\$ 500,000
Walnut Creek Loop	100,000	5,412	94,588
Bulk Fill Water Station #2	100,456	5,430	95,026
Payment Kiosks	128,107	116,107	12,000
	<u>882,263</u>	<u>180,649</u>	<u>701,614</u>
<b>Wastewater Fund</b>			
Manholes	56,560	49,914	6,646
SW Regional Lift station	2,936,130	236,130	2,700,000
SCADA	71,987	35,987	36,000
	<u>3,064,677</u>	<u>322,031</u>	<u>2,742,646</u>
<b>Electric Fund</b>			
Northeast Feeder Circuit 3			-
West Hwy 14 Lighting	125,688	688	125,000
Substation Security	8,000	318	7,682
LeeAnn to Nichols tie line	468,166	185,166	283,000
Tracker to Cheyenne Tie	1,487,301	693,301	794,000
South Truman	578,085	358,085	220,000
	<u>2,667,240</u>	<u>1,237,558</u>	<u>1,429,682</u>
<b>Total Proprietary Fund</b>	<u><u>\$ 6,614,180</u></u>	<u><u>\$ 1,740,238</u></u>	<u><u>\$ 4,873,942</u></u>

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE O – CONSTRUCTION IN PROGRESS (Continued)**

<u>Project</u>	<u>Cost of Project</u>	<u>Construction in Progress</u>	<u>Remaining Cost to Complete</u>
<b>Governmental Activities</b>			
<b>ADMINISTRATION</b>			
Downtown Parking Lots/Design	\$ 119,210	\$ 39,210	\$ 80,000
ERP System	905,840	475,840	430,000
<b>POLICE</b>			
Shooting Range	1,267,330	905,192	362,138
<b>STREET</b>			
North Street Improvements	590,992	336,241	254,751
Main, Tracker to CC	2,584,142	134,142	2,450,000
Dump truck	191,275	8,275	183,000
Northview Rd. Extension	861,567	513,807	347,760
Roundabout expansion	701,354	447,282	254,072
<b>Planning and Development</b>			
Comprehensive Plan	166,849	16,849	150,000
<b>PARK</b>			
Eoff Park Development	1,070,263	70,263	1,000,000
Trail extension McCauley Park	124,356	58,356	66,000
<b>STORMWATER</b>			
Cherry St. Project	971,981	471,981	500,000
Total Governmental Activities	<u>\$ 9,555,159</u>	<u>\$ 3,477,438</u>	<u>\$ 6,077,721</u>

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE P– FUTURE ACCOUNTING PRONOUNCEMENTS**

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

The City adopted the following statements during the year ended December 31, 2023:

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, issued March 2020, will be effective for the City beginning after June 15, 2022. This Statement primary objective is to improve financial reporting by addressing issues related to public-private partnership arrangements (PPP's).

GASB Statement No, 96, *Subscription-Based Information Technology Arrangements* issued May 2020. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITs) for government end users (governments) Effective date is June 15, 2022, with earlier application permitted.

GASB Statement No. 99, *Omnibus 2022*, issued April 2022, This statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The effective date of this requirement is for fiscal years ending after June 15, 2022.

GASB Statement No. 100, *Accounting Changes and Error Corrections-An Amendment of GASB, Statement No. 62.*, Issued June 2022, This Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The effective date of this requirement is for fiscal years ending after June 15, 2023. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences*, Issued June 2022., This statement is to better meet the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences. The effective date of this requirement is for fiscal years ending after December 15, 2023. Earlier application is encouraged.

GASB Statement No. 102, *Certain Risk Disclosures*, Issued December 2023., This statement is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The effective date of this requirement is for fiscal years ending after June 15, 2024. Earlier application is encouraged.

**CITY OF NIXA, MISSOURI**  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE P- FUTURE ACCOUNTING PRONOUNCEMENTS (Continued)**

The City did not have any changes to report for the year ending December 31, 2023, upon adopting GASB 94,96, 99, 100, 101 and 102.

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**Required Supplementary Information**

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**CITY OF NIXA, MISSOURI**  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-  
FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES	General Fund			
	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Property taxes	\$ 1,046,900	\$ 1,046,900	\$ 1,169,407	\$ 122,507
Franchise taxes	599,355	599,355	683,690	84,335
Sales taxes	4,445,546	4,445,546	5,420,086	974,540
Licenses & permits	47,400	47,400	68,358	20,958
Charges for services-				
Sanitation	1,417,085	1,417,085	1,532,672	115,587
Park programs	1,252,688	1,252,688	909,911	(342,777)
Plan reviews and inspections	369,000	369,000	425,099	56,099
Fines & forfeitures	31,620	31,620	101,873	70,253
Investment earnings	241,236	241,236	571,980	330,744
Grants	1,419,251	1,795,039	613,902	(1,181,137)
Contributions	-	-	3,224	3,224
Rents	-	-	1,100	1,100
Impact fees	96,000	96,000	209,140	113,140
Miscellaneous	-	-	23,620	23,620
Total Revenues	<u>10,966,081</u>	<u>11,341,869</u>	<u>11,734,062</u>	<u>392,193</u>
EXPENDITURES				
Current:				
General government	1,936,813	2,587,643	1,336,754	1,250,889
Police	4,553,358	4,553,358	5,121,382	(568,024)
Parks	1,947,690	1,947,690	1,604,840	342,850
Planning and development	692,882	692,882	731,307	(38,425)
Sanitation	1,288,455	1,288,455	1,379,599	(91,144)
Storm water	70,890	70,890	71,919	(1,029)
Capital outlay	2,538,139	3,092,928	1,686,926	1,406,002
Debt service:				
Principal	438,647	438,647	438,647	-
Interest and fees	311,403	311,403	83,884	227,519
Total Expenditures	<u>13,778,277</u>	<u>14,983,896</u>	<u>12,455,258</u>	<u>2,528,638</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURE	<u>(2,812,196)</u>	<u>(3,642,027)</u>	<u>(721,196)</u>	<u>2,920,831</u>
OTHER FINANCING SOURCES				
Lease issued	-	-	308,872	308,872
Sale of general capital assets	8,500	8,500	44,075	35,575
Transfers in-Fee in Lieu of Taxes	1,035,000	1,035,000	1,073,118	38,118
Total Other Financing Sources	<u>1,043,500</u>	<u>1,043,500</u>	<u>1,426,065</u>	<u>382,565</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,768,696)</u>	<u>\$ (2,598,527)</u>	704,869	<u>\$ 3,303,396</u>
FUND BALANCES - BEGINNING			<u>10,576,092</u>	
FUND BALANCES - ENDING			<u>\$ 11,280,961</u>	

**CITY OF NIXA, MISSOURI**  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-

FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES	Street Fund			Variance With Final Budget
	Budgeted Amounts		Actual	
	Original	Final		
Sales tax	\$ 1,813,370	\$ 1,813,370	\$ 1,865,795	\$ 52,425
Missouri motor fuel taxes	873,598	873,598	1,187,024	313,426
Investment earnings	77,664	77,664	157,064	79,400
Grants	5,061,540	4,181,300	1,538,565	(2,642,735)
Miscellaneous	7,000	7,000	12,956	5,956
Total Revenues	<u>7,833,172</u>	<u>6,952,932</u>	<u>4,761,404</u>	<u>(2,191,528)</u>
Current:				
Administration street department	2,707,958	2,707,958	2,064,872	643,086
Capital outlay	7,394,094	6,513,854	2,720,564	3,793,290
Total Expenditures	<u>10,102,052</u>	<u>9,221,812</u>	<u>4,785,436</u>	<u>4,436,376</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(2,268,880)	(2,268,880)	(24,032)	2,244,848
OTHER FINANCING SOURCES				
Sale of general capital assets	60,000	60,000	18,313	(41,687)
NET CHANGE IN FUND BALANCES	<u>\$ (2,208,880)</u>	<u>\$ (2,208,880)</u>	(5,719)	<u>\$ 2,203,161</u>
FUND BALANCES - BEGINNING			<u>3,671,038</u>	
FUND BALANCES - ENDING			<u>\$ 3,665,319</u>	

**CITY OF NIXA, MISSOURI**  
NOTES TO BUDGETARY COMPARISON INFORMATION  
DECEMBER 31, 2023

**BUDGETARY PROCESS**

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

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

For the year ended December 31, 2023, expenditures did not exceed appropriations in any of the funds.



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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability									
Service costs	\$ 822,739	\$ 808,574	\$ 763,549	\$ 686,873	\$ 618,568	\$ 572,290	\$ 556,665	\$ 543,631	\$ 533,393
Interest on Total Pension Liability	1,861,930	1,665,453	1,627,025	1,455,058	1,319,372	1,213,931	1,136,637	1,034,402	962,777
Difference between expected and actual experience	-	-	-	-	-	-	-	-	-
Changes of benefit terms	710,069	749,030	(174,599)	829,475	517,384	231,596	(105,615)	(251,934)	-
Benefit payments, including refunds	-	361,733	(200,050)	-	-	-	-	611,179	(12,003)
Net change in total pension liability	(824,960)	(746,250)	(630,968)	(643,044)	(592,523)	(580,077)	(480,177)	(585,065)	(420,337)
Total Pension Liability-beginning	2,569,778	2,838,540	1,384,957	2,328,362	1,862,801	1,437,740	1,107,510	1,352,213	1,063,830
Total Pension Liability-ending	26,600,093	23,761,553	22,376,596	20,048,234	18,185,433	16,747,693	15,640,183	14,287,970	13,224,140
	<u>\$ 29,169,871</u>	<u>\$ 26,600,093</u>	<u>\$ 23,761,553</u>	<u>\$ 22,376,596</u>	<u>\$ 20,048,234</u>	<u>\$ 18,185,433</u>	<u>\$ 16,747,693</u>	<u>\$ 15,640,183</u>	<u>\$ 14,287,970</u>
Plan Fiduciary Net Position									
Contributions - employer	\$ 1,244,465	\$ 1,000,357	\$ 775,206	\$ 535,549	\$ 601,013	\$ 530,611	\$ 480,580	\$ 460,415	\$ 473,749
Contributions - employee	-	168,804	277,668	335,843	233,011	208,495	195,959	218,647	185,775
Net investment income	955,076	24,013	5,587,287	254,126	1,201,358	2,000,382	1,720,421	9,174	293,114
Benefits payments, including refunds	(824,960)	(746,250)	(630,968)	(643,044)	(592,523)	(580,077)	(480,177)	(585,065)	(420,337)
Pension Plan Administrative Expense	(34,866)	(25,086)	(23,331)	44,358	(25,005)	(16,906)	(15,763)	(15,147)	(15,939)
Other (Net Transfer)	(256,599)	18,028	365,871	(372,217)	144,502	(136,435)	(100,668)	(104,583)	216,338
Net change in plan fiduciary net position	1,083,116	439,866	6,351,733	154,615	1,562,356	2,006,070	1,800,352	(16,559)	732,700
Plan Fiduciary Net Position-beginning	26,762,602	26,322,736	19,971,003	19,816,388	18,254,032	16,247,962	14,447,610	14,464,169	13,731,469
Plan Fiduciary Net Position-ending	<u>\$ 27,845,718</u>	<u>\$ 26,762,602</u>	<u>\$ 26,322,736</u>	<u>\$ 19,971,003</u>	<u>\$ 19,816,388</u>	<u>\$ 18,254,032</u>	<u>\$ 16,247,962</u>	<u>\$ 14,447,610</u>	<u>\$ 14,464,169</u>
Net Pension Liability/(Asset)	<u>\$ 1,324,153</u>	<u>\$ (162,509)</u>	<u>\$ (2,561,183)</u>	<u>\$ 2,405,593</u>	<u>\$ 231,846</u>	<u>\$ (68,599)</u>	<u>\$ 499,731</u>	<u>\$ 1,192,573</u>	<u>\$ (176,199)</u>
Plan fiduciary net position as a percentage of the total pension liability	95.46%	100.61%	110.78%	89.25%	98.84%	100.38%	97.02%	92.37%	101.23%
Covered payroll	\$ 7,414,190	\$ 7,175,964	\$ 6,782,795	\$ 6,466,678	\$ 5,569,749	\$ 5,063,047	\$ 4,665,209	\$ 4,676,232	\$ 4,639,087
Net Pension liability as a percentage of covered payroll	17.86%	-2.26%	-37.76%	37.20%	4.16%	-1.35%	10.71%	25.50%	-3.80%

**Notes to schedule:**

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

**CITY OF NIXA, MISSOURI**  
 REQUIRED SUPPLEMENTARY INFORMATION-UNAUDITED  
 SCHEDULE OF PENSION PLAN CONTRIBUTIONS  
 LAST TEN FISCAL YEARS  
FOR THE YEARS ENDED DECEMBER 31,

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Payroll	Contribution as Percentage
2014	\$ 469,748	\$ 469,747	\$ 1	\$ 4,551,541	10.32%
2015	469,685	469,685	-	4,656,347	10.09%
2016	451,306	451,307	(1)	4,821,345	9.36%
2017	517,418	517,418	-	5,055,416	10.23%
2018	558,418	558,419	(1)	5,502,654	10.15%
2019	642,482	642,482	-	6,143,583	10.46%
2020	738,803	738,803	-	6,896,714	10.71%
2021	873,642	850,205	23,437	7,299,574	11.65%
2021	873,642	850,205	23,437	7,299,574	11.65%
2022	1,148,983	1,148,983	-	7,695,256	14.93%
2023	1,292,223	1,292,223	-	8,441,702	15.31%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: February 28, 2023

Notes: The roll-forward of total pension liability from February 28, 2023 to June 30, 2023 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 7 to 18 years
Asset Valuation Method	5-Year smoothed market: 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% to 6.75% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

Other information: None

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## SECTION III - STATISTICAL SECTION

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(Unaudited)

### **Contents**

#### Financial Trends

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

*Pages 66-71*

#### Revenue Capacity

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

*Pages 72-78*

#### Debt Capacity

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

*Pages 79-83*

#### Demographic and Economic Information

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

*Pages 84-86*

#### Operating Information

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

*Pages 87-89*

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

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Governmental activities</b>										
Net investment in capital assets	\$ 58,125,342	\$ 59,093,691	\$ 57,752,253	\$ 57,417,307	\$ 57,032,587	\$ 57,812,956	\$ 58,201,075	\$ 58,122,232	\$ 57,018,946	\$ 56,636,607
Restricted	4,514,304	3,781,597	3,926,104	4,799,424	-	-	-	-	-	318,688
Unrestricted	10,832,465	11,041,807	10,865,975	8,403,852	12,311,100	12,365,400	11,586,278	10,553,571	10,556,098	9,788,360
<b>Total governmental activities net position</b>	<b>\$ 73,472,111</b>	<b>\$ 73,917,095</b>	<b>\$ 72,544,332</b>	<b>\$ 70,620,583</b>	<b>\$ 69,343,687</b>	<b>\$ 70,178,356</b>	<b>\$ 69,787,353</b>	<b>\$ 68,675,803</b>	<b>\$ 67,575,044</b>	<b>\$ 66,743,655</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 38,939,312	\$ 38,682,785	\$ 37,778,310	\$ 34,497,657	\$ 31,394,408	\$ 30,429,640	\$ 31,541,977	\$ 29,512,063	\$ 27,783,362	\$ 25,143,764
Restricted	278,353	-	50,492	64,379	69,602	73,133	566,070	560,871	595,622	712,504
Unrestricted	35,677,867	30,946,165	24,984,419	24,036,907	24,122,777	23,188,864	13,191,753	13,232,908	13,094,184	14,778,180
<b>Total business-type activities net position</b>	<b>\$ 74,895,532</b>	<b>\$ 69,628,950</b>	<b>\$ 62,813,221</b>	<b>\$ 58,598,943</b>	<b>\$ 55,586,787</b>	<b>\$ 53,691,637</b>	<b>\$ 45,299,800</b>	<b>\$ 43,305,842</b>	<b>\$ 41,473,168</b>	<b>\$ 40,634,448</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 97,064,654	\$ 97,776,476	\$ 95,530,563	\$ 91,914,964	\$ 88,426,995	\$ 88,242,596	\$ 89,743,052	\$ 87,634,295	\$ 84,802,308	\$ 81,780,371
Restricted	4,792,657	3,781,597	3,976,596	4,863,803	69,602	73,133	566,070	560,871	595,622	1,031,192
Unrestricted	46,510,332	41,987,972	35,850,394	32,440,759	36,433,877	35,554,264	24,778,031	23,786,479	23,650,282	24,566,540
<b>Total primary government net position</b>	<b>\$ 148,367,643</b>	<b>\$ 143,546,045</b>	<b>\$ 135,357,553</b>	<b>\$ 129,219,526</b>	<b>\$ 124,930,474</b>	<b>\$ 123,869,993</b>	<b>\$ 115,087,153</b>	<b>\$ 111,981,645</b>	<b>\$ 109,048,212</b>	<b>\$ 107,378,103</b>

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Expenses</b>										
Government Activities										
General government	\$ 3,416,915	\$ 1,426,861	\$ 1,051,197	\$ 1,694,678	\$ 1,282,609	\$ 1,218,761	\$ 1,132,388	\$ 1,217,058	\$ 1,242,757	\$ 2,346,453
Public Safety	5,884,341	4,559,539	3,712,319	3,527,463	3,370,743	3,112,497	2,767,226	2,548,304	2,328,959	2,243,976
Building Inspection*	-	-	371,479	390,341	369,224	280,711	234,574	239,664	336,370	211,108
Storm water	71,919	54,467	34,427	29,346	32,033	35,483	22,687	15,802	14,500	18,406
Planning	780,312	740,578	211,761	468,016	212,351	242,790	221,118	181,696	163,516	157,803
Sanitation	1,379,599	1,299,629	1,226,919	1,154,097	1,082,839	1,016,192	963,335	922,967	882,781	864,359
Parks and recreation	1,911,804	1,790,880	1,469,399	1,485,209	1,445,898	1,315,217	1,321,776	1,254,196	1,065,360	1,169,721
Streets	4,495,660	3,504,010	3,300,881	3,346,620	4,052,087	2,724,345	2,724,343	2,581,499	2,610,494	2,429,810
Interest	80,696	52,364	66,880	60,278	71,662	92,780	95,575	113,639	99,070	179,794
<b>Total Government Activities</b>	<b>18,021,246</b>	<b>13,428,328</b>	<b>11,445,262</b>	<b>12,156,048</b>	<b>11,919,446</b>	<b>10,038,776</b>	<b>9,483,022</b>	<b>9,074,825</b>	<b>8,743,807</b>	<b>9,621,430</b>
Business-type Activities										
Electric	15,413,344	13,910,444	15,976,608	17,268,566	17,210,310	17,423,304	16,408,381	15,720,083	15,606,434	14,367,080
Water	3,314,325	2,892,309	2,131,655	2,017,659	2,610,360	1,750,023	1,648,912	1,541,890	1,531,941	1,067,869
Wastewater	3,519,891	2,797,948	2,499,364	2,821,471	1,834,052	2,317,476	2,613,626	2,537,230	2,569,640	2,156,156
<b>Total Business-type Activities</b>	<b>22,247,560</b>	<b>19,600,701</b>	<b>20,607,627</b>	<b>22,107,696</b>	<b>21,654,722</b>	<b>21,490,803</b>	<b>20,670,919</b>	<b>19,799,203</b>	<b>19,708,015</b>	<b>17,591,105</b>
<b>Program Revenues</b>										
Government Activities										
Charges for services	3,039,013	3,111,146	2,922,897	2,544,487	2,791,791	2,696,924	2,527,046	2,358,285	2,140,072	2,127,634
Operating grants and contributions	16,519	13,650	403,305	901,264	26,279	14,436	47,976	132,417	45,125	26,045
Capital grants and contributions	2,348,312	1,180,359	563,926	1,332,983	176,391	168,049	936,941	665,849	409,722	91,648
<b>Total Government Activities</b>	<b>5,403,844</b>	<b>4,305,155</b>	<b>3,890,128</b>	<b>4,778,734</b>	<b>2,994,461</b>	<b>2,879,409</b>	<b>3,511,963</b>	<b>3,156,551</b>	<b>2,594,919</b>	<b>2,245,327</b>
Business-type Activities										
Charges for services										
Electric	18,448,763	19,154,282	18,715,457	19,077,888	17,910,578	18,599,532	17,411,291	16,770,047	15,972,035	15,741,500
Water	3,912,042	3,653,275	3,286,291	3,120,222	2,731,086	2,697,837	2,492,959	2,227,937	2,162,153	2,126,982
Wastewater	3,962,665	3,751,558	3,516,543	3,353,892	3,230,466	3,249,783	3,202,250	3,022,139	2,955,321	2,967,479
Operating grants and contributions	-	-	-	-	-	-	-	78,985	-	-
Capital grants and contributions	337,580	608,250	238,469	220,659	239,924	255,161	201,837	120,539	225,630	116,796
<b>Total Business-type Activities</b>	<b>26,661,050</b>	<b>27,167,365</b>	<b>25,756,760</b>	<b>25,772,661</b>	<b>24,112,054</b>	<b>24,802,313</b>	<b>23,308,337</b>	<b>22,219,647</b>	<b>21,315,139</b>	<b>20,952,757</b>

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

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Net (Expense)/Revenue</b>										
Government Activities	\$ (12,617,402)	\$ (9,123,173)	\$ (7,555,134)	\$ (7,377,314)	\$ (8,924,985)	\$ (7,159,367)	\$ (5,971,059)	\$ (5,918,274)	\$ (6,148,888)	\$ (7,376,103)
Business-type Activities	4,413,490	7,566,664	5,149,133	3,664,965	2,457,332	3,311,510	2,637,418	2,420,444	1,607,124	3,361,652
<b>Total Net Expense</b>	<b>(8,203,912)</b>	<b>(1,556,509)</b>	<b>(2,406,001)</b>	<b>(3,712,349)</b>	<b>(6,467,653)</b>	<b>(3,847,857)</b>	<b>(3,333,641)</b>	<b>(3,497,830)</b>	<b>(4,541,764)</b>	<b>(4,014,451)</b>
<b>General Revenues And Other Changes In Net Position</b>										
Government Activities										
Taxes	10,333,680	8,995,224	8,149,494	7,428,456	6,884,798	6,275,418	5,925,311	5,879,135	5,828,767	5,656,827
Investment earnings	729,044	254,230	56,575	158,306	210,845	212,140	159,738	74,706	69,230	62,564
Gain on sale of capital assets	-	-	150,000	-	-	-	-	-	-	-
Miscellaneous	36,576	80,412	62,863	105,077	33,438	56,731	75,796	62,733	134,560	23,939
Transfers In/(out)	1,073,118	1,166,070	1,059,951	962,371	961,235	972,723	921,764	1,002,459	947,720	1,884,419
<b>Total Government Activities</b>	<b>12,172,418</b>	<b>10,495,936</b>	<b>9,478,883</b>	<b>8,654,210</b>	<b>8,090,316</b>	<b>7,517,012</b>	<b>7,082,609</b>	<b>7,019,033</b>	<b>6,980,277</b>	<b>7,627,749</b>
Business-type Activities										
Taxes	-	-	-	-	-	-	-	-	-	-
Investment earnings	1,877,363	415,135	91,668	284,812	389,791	305,427	194,687	95,405	103,935	266,561
Gain on sale of capital assets	48,847	-	33,428	24,750	9,262	4,779,723	-	-	-	-
Miscellaneous	-	-	-	-	-	-	83,617	319,284	75,381	-
Transfers In/(out)	(1,073,118)	(1,166,070)	(1,059,951)	(962,371)	(961,235)	(972,723)	(921,764)	(1,002,459)	(947,720)	(1,884,419)
<b>Total Business-type Activities</b>	<b>853,092</b>	<b>(750,935)</b>	<b>(934,855)</b>	<b>(652,809)</b>	<b>(562,182)</b>	<b>4,112,427</b>	<b>(643,460)</b>	<b>(587,770)</b>	<b>(768,404)</b>	<b>(1,617,858)</b>
<b>Total Primary Government</b>	<b>13,025,510</b>	<b>9,745,001</b>	<b>8,544,028</b>	<b>8,001,401</b>	<b>7,528,134</b>	<b>11,629,439</b>	<b>6,439,149</b>	<b>6,431,263</b>	<b>6,211,873</b>	<b>6,009,891</b>
<b>Changes in Net Position</b>										
Government Activities	(444,984)	1,372,763	1,923,749	1,276,896	(834,669)	357,645	1,111,550	1,100,759	831,389	251,646
Business-type Activities	5,266,582	6,815,729	4,214,278	3,012,156	1,895,150	7,423,937	1,993,958	1,832,674	838,720	1,743,794
<b>Total Change in Net Position</b>	<b>\$ 4,821,598</b>	<b>\$ 8,188,492</b>	<b>\$ 6,138,027</b>	<b>\$ 4,289,052</b>	<b>\$ 1,060,481</b>	<b>\$ 7,781,582</b>	<b>\$ 3,105,508</b>	<b>\$ 2,933,433</b>	<b>\$ 1,670,109</b>	<b>\$ 1,995,440</b>

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Fund</b>										
Nonspendable	\$ 32,677	\$ 26,292	\$ 29,881	\$ 19,418	\$ 19,711	\$ 32,167	\$ 29,544	\$ 13,424	\$ 14,169	\$ 10,973
Restricted	53,795	117,572	696,734	717,252	-	-	-	-	-	318,669
Committed	-	-	83,089	2,287,628	1,758,645	1,307,865	1,074,889	715,929	-	-
Unassigned	11,194,489	10,432,228	10,283,635	6,398,183	6,498,084	6,649,410	6,484,103	6,101,397	5,626,047	5,108,565
<b>Total General Fund</b>	<b>\$ 11,280,961</b>	<b>\$ 10,576,092</b>	<b>\$ 11,093,339</b>	<b>\$ 9,422,481</b>	<b>\$ 8,276,440</b>	<b>\$ 7,989,442</b>	<b>\$ 7,588,536</b>	<b>\$ 6,830,750</b>	<b>\$ 5,640,216</b>	<b>\$ 5,438,207</b>
<b>Street Fund</b>										
Nonspendable	\$ 7,598	\$ 7,013	\$ 7,834	\$ 7,094	\$ 7,886	\$ 7,414	\$ 6,618	\$ 6,355	\$ 6,925	\$ 5,960
Restricted	3,657,721	3,664,025	3,229,370	3,479,337	3,520,611	3,973,050	3,434,399	2,961,312	3,965,329	3,940,682
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total Street Fund</b>	<b>\$ 3,665,319</b>	<b>\$ 3,671,038</b>	<b>\$ 3,237,204</b>	<b>\$ 3,486,431</b>	<b>\$ 3,528,497</b>	<b>\$ 3,980,464</b>	<b>\$ 3,441,017</b>	<b>\$ 2,967,667</b>	<b>\$ 3,972,254</b>	<b>\$ 3,946,642</b>
<b>All Other Governmental Funds*</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ 5,964	\$ 5,960	\$ 4,640	\$ 7,394	\$ 3,708	\$ 4,151	\$ 4,771
Restricted	-	-	-	602,835	96,812	92,237	93,391	336,372	368,732	387,376
Committed	-	-	-	35,552	440,133	405,543	368,215	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 644,351</b>	<b>\$ 542,905</b>	<b>\$ 502,420</b>	<b>\$ 469,000</b>	<b>\$ 340,080</b>	<b>\$ 372,883</b>	<b>\$ 392,147</b>
<b>Total Governmental Fund Balances</b>	<b>\$ 14,946,280</b>	<b>\$ 14,247,130</b>	<b>\$ 14,330,543</b>	<b>\$ 13,553,263</b>	<b>\$ 12,347,842</b>	<b>\$ 12,472,326</b>	<b>\$ 11,498,553</b>	<b>\$ 10,138,497</b>	<b>\$ 9,985,353</b>	<b>\$ 9,776,996</b>

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

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>REVENUES</b>										
Taxes	\$ 9,138,978	\$ 8,069,136	\$ 7,328,900	\$ 6,680,734	\$ 5,989,084	\$ 5,453,084	\$ 5,077,670	\$ 5,099,976	\$ 4,975,982	\$ 4,810,904
Intergovernmental taxes	1,187,024	1,143,092	822,531	821,437	889,892	840,909	856,985	859,888	869,108	871,995
Licenses and permits	68,358	48,715	47,480	51,211	72,067	31,935	36,283	209,666	159,025	138,296
Charges for services	2,867,682	3,032,224	2,784,795	2,405,103	2,538,108	2,473,148	2,308,504	1,945,066	1,778,750	1,681,012
Fines and forfeitures	101,873	29,007	59,862	78,101	153,217	161,975	182,259	177,571	182,474	286,009
Investment earnings	729,044	254,230	56,575	158,306	210,845	212,140	159,738	74,706	69,230	62,564
Grants and contributions	2,155,691	811,287	814,944	2,035,059	38,328	29,196	78,693	618,249	390,807	46,867
Rents	1,100	1,200	30,760	10,072	28,399	29,866	19,628	25,982	19,823	22,317
Impact fees	209,140	168,560	152,287	124,188	164,342	153,289	196,364	75,017	64,040	70,826
Miscellaneous	36,576	80,412	62,863	105,077	33,438	56,731	75,796	66,503	134,560	22,847
Interfund reimbursements	-	-	-	-	-	-	-	-	-	1,309,878
<b>Total Revenues</b>	<b>\$ 16,495,466</b>	<b>\$ 13,637,863</b>	<b>\$ 12,160,997</b>	<b>\$ 12,469,288</b>	<b>\$ 10,117,720</b>	<b>\$ 9,442,273</b>	<b>\$ 8,991,920</b>	<b>\$ 9,152,624</b>	<b>\$ 8,643,799</b>	<b>\$ 9,323,515</b>
<b>EXPENDITURES</b>										
Current:										
General government	\$ 1,336,754	\$ 1,322,405	\$ 1,259,068	\$ 1,362,737	\$ 1,145,287	\$ 1,028,176	\$ 847,903	\$ 917,894	\$ 920,402	\$ 2,158,129
Police/Public Safety	5,121,382	4,339,042	3,790,052	3,313,543	3,213,251	2,841,589	2,619,736	2,421,788	2,250,998	2,121,032
Building inspection*	-	-	388,588	351,960	357,816	272,441	220,446	225,504	208,771	203,936
Streets	2,064,872	2,128,047	1,984,107	2,009,931	2,757,923	1,437,246	1,439,612	1,340,766	1,407,478	1,230,304
Planning/Economic Development	731,307	737,900	236,265	455,433	216,719	242,790	215,286	172,600	163,516	157,803
Parks	1,604,840	1,560,425	1,318,465	1,230,624	1,239,139	1,101,543	1,091,462	1,037,978	1,028,313	986,767
Sanitation	1,379,599	1,299,629	1,226,919	1,154,097	1,082,839	1,016,192	963,335	922,967	882,781	864,359
Storm water	71,919	54,467	34,427	29,346	32,033	35,483	22,687	15,802	14,500	18,406
Administrative fees	-	-	-	-	-	-	-	-	-	174,364
Capital outlay	4,407,490	3,794,375	1,879,219	1,729,946	573,285	821,093	633,654	2,912,388	1,286,581	315,638
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal retirement	438,647	303,276	405,300	524,200	509,200	588,324	567,537	595,922	620,172	580,253
Interest and fiscal agent fees	83,884	55,426	71,258	64,421	75,947	89,704	97,509	112,081	128,841	185,935
<b>Total Expenditures</b>	<b>\$ 17,240,694</b>	<b>\$ 15,594,992</b>	<b>\$ 12,593,668</b>	<b>\$ 12,226,238</b>	<b>\$ 11,203,439</b>	<b>\$ 9,474,581</b>	<b>\$ 8,719,167</b>	<b>\$ 10,675,690</b>	<b>\$ 8,912,353</b>	<b>\$ 8,996,926</b>

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



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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Excess (Deficiency) Of Revenues Over Expenditures</b>	(745,228)	(1,957,129)	(432,671)	243,050	(1,085,719)	(32,308)	272,753	(1,523,066)	(268,554)	326,589
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfer from other funds	1,073,118	36,541	-	841,000	443,000	319,000	193,000	276,000	456,000	487,500
Transfer to other funds	-	(42,236)	-	(841,000)	(443,000)	(319,000)	(193,000)	(276,000)	(456,000)	(487,500)
Capital contribution	-	-	-	-	-	-	-	-	-	-
Bonds/refunding bonds issued	-	-	-	-	-	-	-	-	(318,687)	-
Debt issuance cost	-	-	-	-	-	-	-	-	-	-
Debt proceeds	-	-	-	-	-	-	-	258,751	-	-
Lease proceeds	308,872	707,646	-	-	-	-	-	-	-	-
Sale of capital assets	62,388	-	150,000	-	-	-	-	415,000	-	-
Restitution	-	-	-	-	-	-	-	-	-	1,092
Extraordinary loss	-	-	-	-	-	-	-	-	-	-
Fee in Lieu of Taxes	-	1,171,765	1,059,951	962,371	961,235	972,723	921,764	1,002,459	947,720	748,905
<b>Total Other Financing Sources (Uses)</b>	<b>1,444,378</b>	<b>1,873,716</b>	<b>1,209,951</b>	<b>962,371</b>	<b>961,235</b>	<b>972,723</b>	<b>921,764</b>	<b>1,676,210</b>	<b>629,033</b>	<b>749,997</b>
<b>Net Change in Fund Balances</b>	<b>699,150</b>	<b>(83,413)</b>	<b>777,280</b>	<b>1,205,421</b>	<b>(124,484)</b>	<b>940,415</b>	<b>1,194,517</b>	<b>153,144</b>	<b>360,479</b>	<b>1,076,586</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>4.07%</b>	<b>3.04%</b>	<b>4.45%</b>	<b>5.61%</b>	<b>5.50%</b>	<b>7.84%</b>	<b>8.23%</b>	<b>9.12%</b>	<b>9.82%</b>	<b>8.83%</b>

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

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Sales Tax - City &amp; County</b>	<b>City Use Tax</b>	<b>Franchise Tax - Cable &amp; Gas</b>	<b>Missouri Motor Fuel Tax</b>	<b>Other Taxes</b>	<b>Total Revenues</b>
2023	\$ 1,168,042	\$ 6,038,996	\$ 1,246,885	\$ 683,690	\$ 1,187,024	\$ 1,365	10,326,002
2022	1,064,689	5,495,176	853,580	654,263	928,930	1,428	8,998,066
2021	1,019,900	5,128,680	685,078	494,222	822,531	1,020	8,151,431
2020	962,502	4,709,046	603,597	480,589	746,437	27	7,502,198
2019	894,793	4,265,490	414,994	527,395	776,305	1,784	6,880,761
2018	881,566	4,037,259	109,462	499,796	765,909	1,471	6,295,463
2017	829,169	3,893,990	-	442,262	769,235	724	5,935,380
2016	768,433	3,966,201	-	468,972	754,888	1,371	5,959,866
2015	766,135	3,816,625	-	517,433	744,108	789	5,845,090
2014	740,922	3,684,084	-	536,765	720,523	605	5,682,899

Note:

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

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Nixa (Real Only)	0.2990	0.2990	0.2990	0.3246	0.3246	0.3286	0.3286	0.3316	0.3316	0.3316
Nixa Schools	4.5091	4.5091	4.5032	4.7000	4.7000	4.2896	4.2876	4.2875	4.2961	4.3000
Nixa Fire District	0.6911	0.6911	0.6911	0.7291	0.7291	0.7338	0.7338	0.7339	0.7339	0.6549
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County of Christian	0.0446	0.0446	0.0576	0.0664	0.0540	0.0620	0.0557	0.0715	0.0715	0.0000
Library	0.1875	0.1875	0.1875	0.2009	0.2009	0.2150	0.2009	0.0887	0.0887	0.0887
Junior College	0.1911	0.1911	0.1875	0.1996	0.1990	0.2023	0.1498	0.1500	0.1494	0.1494
Ambulance	0.1242	0.1242	0.1242	0.1311	0.1311	0.1324	0.1324	0.1324	0.1324	0.1324
Senate Bill 40 Board	0.0749	0.0749	0.0749	0.0790	0.0790	0.0799	0.0799	0.0799	0.0799	0.0799
Health	0.0416	0.0416	0.0416	0.0439	0.0439	0.0444	0.0444	0.0444	0.0444	0.0444
Senior Citizens	0.0469	0.0469	0.0469	0.0495	0.0495	0.0500	0.0500	0.0500	0.0500	0.0500
<b>Total District Overlapping</b>	6.2400	6.2400	6.2435	6.5541	6.5411	6.1680	6.0931	5.9999	6.0079	5.8613

Source: Christian County Clerk

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

<b>Fiscal Year Ended December 31</b>	<b>Residential</b>	<b>Agricultural</b>	<b>Commercial</b>	<b>Local Railroad and Utilities</b>	<b>Commercial/ State RRU</b>	<b>Total Taxable Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>	<b>Total Direct Levy</b>
2023	\$ 317,402,140	\$ 36,830	\$ 62,960,380	\$ 11,080	\$ 191,686	\$ 380,602,116	1,868,229,327	20.4%	0.2981
2022	280,543,510	38,320	58,543,490	24,030	3,503,587	342,652,937	1,670,836,332	20.5%	0.299
2021	267,475,110	39,780	57,796,330	48,200	2,834,806	328,194,226	1,597,718,162	20.5%	0.299
2020	228,070,460	57,640	53,618,620	3,250	2,515,251	284,265,221	1,376,279,679	20.7%	0.3246
2019	213,272,790	50,900	52,969,210	16,410	2,523,396	268,832,706	1,296,378,210	20.7%	0.3246
2018	199,283,200	71,550	51,686,110	8,870	203,667	251,253,397	1,211,638,469	20.7%	0.3286
2017	187,722,190	70,700	50,838,510	3,200	208,307	238,842,907	1,148,131,996	20.8%	0.3286
2016	179,636,100	86,210	47,240,550	5,680	235,654	227,204,194	1,094,552,462	20.8%	0.3316
2015	174,294,980	57,440	45,527,240	22,040	214,885	220,116,585	1,060,833,682	20.7%	0.3316
2014	167,525,240	63,390	44,587,280	1,660	209,659	212,387,229	1,022,235,661	20.8%	0.3316

Source: Christian County Clerk

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

**CITY OF NIXA, MISSOURI**  
**Principal Property Taxpayers**  
**Current Year and 2014**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Spire (Missouri Gas Energy)	\$ 3,984,930	1	1.05%	\$ 1,509,180	2	0.71%
Wal-Mart	2,497,150	2	0.66%	2,497,150	1	1.18%
Lester E Cox Medical Centers	2,015,040	3				
Nixa Senior Community LLC	1,640,590	4	0.43%			
Associated Nixa LLC	1,420,960	5	0.37%	1,317,220	3	0.62%
Peoples Bank of Ozarks	-	0	0.00%	1,179,900	4	0.56%
Carnahan Investments Enterprise Inc.	1,156,320	6	0.30%	1,157,730	6	0.55%
St. John's Health Systems	1,114,080	7	0.29%	1,179,620	5	0.56%
Southernwood Condominium LLC	1,022,310	8	0.27%	932,900	7	0.44%
Fountain Plaza Group	915,260	9	0.24%	779,870	9	0.37%
Christian County Apartments LLC	881,300	10	0.23%			
Warren Davis Properties XXXIII LLC	-	0	0.00%	803,260	8	0.38%
Diversified Plastics Corp				674,080	10	0.32%
<b>Total</b>	<b>\$ 16,647,940</b>		<b>3.84%</b>	<b>\$ 12,030,910</b>		<b>5.67%</b>

Source: Christian County Assessor

Total Assessed Valuation for 2023	380,602,116
Total Assessed Valuation for 2014	212,175,910

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

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections as of 12/31/23	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2023	\$ 1,133,970	\$ 1,097,723	96.8%	\$ -	1,097,723	96.8%
2022	1,013,985	985,172	97.2%	25,216	1,010,388	99.6%
2021	972,681	944,073	97.1%	27,473	971,546	99.9%
2020	914,540	886,343	96.9%	27,560	913,903	99.9%
2019	864,414	835,774	96.7%	28,640	864,414	100.0%
2018	824,920	801,823	97.2%	23,097	824,920	100.0%
2017	784,133	757,395	96.6%	26,730	784,125	100.0%
2016	752,265	708,618	94.2%	43,993	752,611	100.0%
2015	729,121	702,289	96.3%	26,805	729,094	100.0%
2014	703,576	673,691	95.8%	29,969	703,660	100.0%

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

Source: Christian County Collector's Office

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

Fiscal Year	Direct Sales and Use Tax Rate	1% General Sales	0.75% Additional general (public safety) (1)	0.50% Transportation Sales	2.25% General Use	Total
2023	2.25%	\$ 3,731,590	\$ 441,611	\$ 1,865,795	\$ 1,246,885	\$ 7,285,881
2022	1.50%	3,663,450		1,831,726	853,580	6,348,756
2021	1.50%	3,419,120		1,709,560	685,078	5,813,758
2020	1.50%	3,089,364		1,544,682	603,597	5,237,643
2019	1.50%	2,767,935		1,383,968	414,994	4,566,897
2018	1.50%	2,641,506		1,320,753	109,462	4,071,721
2017	1.50%	2,537,493		1,268,746	-	3,806,240
2016	1.50%	2,574,134		1,287,067	-	3,861,201
2015	1.50%	2,461,554		1,230,071	-	3,691,625
2014	1.50%	2,355,075		1,177,537	-	3,532,612

Source: Missouri Department of Revenue

(1) Additional 3/4-cent general sales tax for public safety was passed in April of 2023. Collection of this tax began in October of 2023

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

Fiscal Year	City Direct Rate	Christian County 911	Christian County Rate	State Rate	Total Rate
2023 (1)	2.250%	0.250%	1.500%	4.225%	8.225%
2022	1.500%	0.250%	1.500%	4.225%	7.475%
2021	1.500%	0.250%	1.500%	4.225%	7.475%
2020	1.500%	0.250%	1.500%	4.225%	7.475%
2019	1.500%	0.250%	1.500%	4.225%	7.475%
2018	1.500%	0.250%	1.500%	4.225%	7.475%
2017	1.500%	0.250%	1.500%	4.225%	7.475%
2016	1.500%	0.250%	1.500%	4.225%	7.475%
2015	1.500%	0.250%	1.500%	4.225%	7.475%
2014	1.500%	0.250%	1.500%	4.225%	7.475%

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

Source: Missouri Department of Revenue

(1) Additional 3/4-cent sales tax for public safety was passed in April of 2023. Collection of this tax began in October of 2023



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

Fiscal Year	Lease Obligations	General Obligation Bonds	Special Obligation Bonds	Lease Obligations	Certificates of Participation	Revenue Bonds	Total Outstanding Debt	Percentage of Personal Income	Debt Per Capita
	Governmental		Business-Type						
2023	\$ 1,584,595	\$ -	\$ 2,820,000	\$ 42,654	\$ 175,000	\$ -	4,622,249	0.58%	182
2022	1,714,370	-	3,085,000	29,454	290,000	510,000	5,628,824	0.79%	227
2021	1,310,000	-			405,000	1,152,000	2,867,000	0.44%	123
2020	1,550,000	165,300		-	515,000	1,755,000	3,985,300	0.64%	171
2019	1,785,000	454,500		-	630,000	2,443,000	5,312,500	1.01%	235
2018	2,015,000	733,700		-	740,000	3,115,000	6,603,700	1.29%	300
2017	2,329,124	1,007,900		-	845,000	7,652,000	11,834,024	2.39%	556
2016	2,627,761	1,276,800		-	950,000	8,888,000	13,742,561	2.85%	664
2015	2,701,632	1,540,100		-	1,055,000	10,149,000	15,445,732	3.27%	762
2014	3,214,404	1,797,500		-	1,155,000	11,663,000	17,829,904	3.81%	849

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

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

Fiscal Year	General Obligation Bonds	Fund Balance Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property (1)	Net Bonded Debt per Capita
2023	\$ -	-	\$ -	0.00%	-
2022	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2020	165,300	-	165,300	0.01%	7
2019	454,500	-	454,500	0.04%	20
2018	733,700	-	733,700	0.06%	33
2017	1,007,900	-	1,007,900	0.09%	47
2016	1,276,800	-	1,276,800	0.12%	62
2015	1,540,100	-	1,540,100	0.15%	76
2014	1,797,500	318,688	1,478,812	0.14%	70

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

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

**CITY OF NIXA, MISSOURI**  
**Direct and Overlapping Governmental Activities Debt**  
**December 31, 2023**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated share of direct and overlapping debt
Nixa School District	\$ 105,792,066	61.00%	\$ 64,528,653
Nixa Fire District	7,253,000	59.05%	4,283,220
City of Nixa direct debt	<u>1,584,595</u>	100%	<u>1,584,595</u>
Subtotal, overlapping debt	113,045,066		68,811,873
Subtotal, direct debt	1,584,595		1,584,595
Total direct and overlapping debt	<u>\$ 114,629,661</u>		<u>\$ 70,396,468</u>

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

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

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

**CITY OF NIXA, MISSOURI**  
**Legal Debt Margin Information**  
**December 31, 2023**

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed Value	<u>\$ 380,602,116</u>
Debt limit (20% of assessed value)	<u>\$ 76,120,423</u>
City Debt applicable to debt Limit:	
General obligation bonds	-
Total net debt applicable to limit	<u>\$ -</u>
Legal debt margin	<u>\$ 76,120,423</u>

	Last Ten Fiscal Years									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assessed valuation, January 1	<u>\$ 380,602,116</u>	<u>\$ 342,652,937</u>	<u>\$ 328,194,226</u>	<u>\$ 284,265,221</u>	<u>\$ 268,832,706</u>	<u>\$ 251,253,397</u>	<u>\$ 238,842,907</u>	<u>\$ 227,204,194</u>	<u>\$ 220,116,585</u>	<u>\$ 212,387,229</u>
Debt limit	76,120,423	68,530,587	65,638,845	56,853,044	53,766,541	50,250,679	47,768,581	45,440,839	44,023,317	42,477,446
Total net debt applicable to limit	-	-	-	165,300	454,500	733,700	1,007,900	1,276,800	1,540,100	1,478,812
Legal debt margin	<u>\$ 76,120,423</u>	<u>\$ 68,530,587</u>	<u>\$ 65,638,845</u>	<u>\$ 56,687,744</u>	<u>\$ 53,312,041</u>	<u>\$ 49,516,979</u>	<u>\$ 46,760,681</u>	<u>\$ 44,164,039</u>	<u>\$ 42,483,217</u>	<u>\$ 40,998,634</u>
Total net debt applicable to the limit as a percentage	0.00%	0.00%	0.00%	0.29%	0.85%	1.48%	2.16%	2.89%	3.63%	3.61%

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

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

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

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

**Electric system revenue bond coverage (1)**

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2023	\$ 18,448,763	\$ 15,413,344	3,035,419	\$ -	\$ -	\$ -	
2022	19,154,282	13,910,444	5,243,838	-	-	-	
2021	18,715,457	15,976,608	2,738,849	-	-	-	
2020	19,077,888	17,268,566	1,809,322	-	-	-	
2019	17,910,578	17,210,310	700,268	-	-	-	
(4) 2018	18,599,532	17,265,997	1,333,535	3,880,000	275,336	4,155,336	0.32
2017	17,411,291	16,259,966	1,151,325	600,000	116,025	716,025	1.61
2016	16,928,777	15,551,024	1,377,753	635,000	136,670	771,670	1.79
2015	15,999,418	15,422,038	577,380	775,000	146,267	921,267	0.63
2014	15,741,500	14,580,383	1,161,117	755,000	177,502	932,502	1.25

**Water system revenue bond coverage (1)**

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2023	\$ 3,912,042	\$ 3,170,264	\$ 741,778	\$ 305,000	\$ 130,938	\$ 435,938	1.70
2022	3,653,275	2,843,019	810,256	130,000	44,994	174,994	4.63
2021	3,286,291	2,121,815	1,164,476	130,000	5,543	135,543	8.59
2020	3,120,222	2,004,255	1,115,967	225,000	9,108	234,108	4.77
2019	2,731,086	1,811,875	919,211	220,000	22,177	242,177	3.80
2018	2,539,093	1,727,376	811,717	215,000	18,351	233,351	3.48
2017	2,340,321	1,622,815	717,506	205,000	21,798	226,798	3.16
2016	2,266,282	1,511,164	755,118	205,000	26,429	231,429	3.26
2015	2,047,718	1,497,457	550,261	205,000	30,158	235,158	2.34
2014	1,991,287	1,402,963	588,324	205,000	20,304	225,304	2.61

**Wastewater system revenue bond coverage (1)**

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2023	\$ 3,962,665	\$ 3,516,792	\$ 445,873	\$ 585,000	\$ 18,000	\$ 603,000	0.74
2022	3,751,558	2,766,927	984,631	629,336	40,705	670,041	1.47
2021	3,516,543	2,467,073	1,049,470	583,000	40,976	623,976	1.68
2020	3,353,892	2,776,510	577,382	578,000	54,645	632,645	0.91
2019	3,230,466	2,556,418	674,048	562,000	58,239	620,239	1.09
2018	3,249,783	2,245,733	1,004,050	547,000	81,427	628,427	1.60
2017	3,202,250	2,534,516	667,734	536,000	88,797	624,797	1.07
2016	3,062,204	2,438,863	623,341	526,000	108,082	634,082	0.98
2015	2,976,631	2,453,613	523,018	634,000	82,254	716,254	0.73
2014	2,967,479	2,209,688	757,791	609,000	125,340	734,340	1.03

(1) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the interest.

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

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

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

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

Fiscal Year	Population (1)	Median Age (1)	Per Capita Income (1)	Median Household Income (1)	Public School Enrollment (2)	Unemployment Rate (3)
2023	25,405	36.1	31,335	74,814	6,758	2.3%
2022	24,749	34.8	28,680	66,264	6,718	2.0%
2021	23,257	34.8	27,995	63,176	6,648	3.2%
2020	23,246	35.6	26,825	58,402	6,500	4.9%
2019	22,647	34.9	23,313	50,480	6,485	2.8%
2018	21,980	34.9	23,313	50,480	6,424	2.5%
2017	21,275	34.9	23,313	50,480	6,122	2.7%
2016	20,684	34.2	23,313	50,480	6,180	3.3%
2015	20,264	34.2	23,313	50,480	6,057	3.4%
2014	20,056	34.2	23,313	50,480	5,926	4.0%

Sources:

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

**CITY OF NIXA, MISSOURI**  
**Prinicpal Employers**  
**Current Year and 2014**

Employer	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Nixa School District	832	1	13.87%	629	1	11.90%
Wal-Mart	388	2	6.47%	372	2	7.04%
Diversified Plastic	190	3	3.17%	125	3	2.37%
City of Nixa	158	4	2.63%	124	4	2.35%
Nixa Nursing & Rehab	77	5	1.28%			
The Castlewoods Senior Living	76	6	1.27%			
Total Highspeed	73	7	1.22%			
Nixa Hardware	72	8	1.20%			
Springfield Marine	71	9	1.18%			
Alliance Bus Company	70	10	1.17%			
Price Cutter				96	5	1.82%
Mercy				89	6	1.68%
Christian County Health Care				82	7	1.55%
People's Bank				76	8	1.44%
Ozarks Community Hospital				65	9	1.23%
Cabinet & Bath Supply				62	10	1.17%
<b>Total</b>	<b>2,007</b>		<b>33.45%</b>	<b>1,720</b>		<b>23.65%</b>

Source: City Clerk's Office and Planning Department

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

Fiscal Year	Total Estimated Actual Value (1)	New Construction (2)						Building Demolitions
		Residential		Commercial		Alterations and Additions		
		Number of Permits	Estimated Cost of Construction	Number of Permits	Estimated Cost of Construction	Number of Permits	Estimated Cost of Construction	
2023	\$ 1,868,229,327	207	\$ 82,169,665	2	\$ 1,900,000	15	\$ 25,000	3
2022	1,670,836,332	190	60,968,121	7	19,300,000	17	16,800	5
2021	1,597,718,162	277	77,537,435	4	1,190,000	20	1,215,000	3
2020	1,376,279,679	222	49,107,913	14	16,881,000	16	10,445,000	6
2019	1,296,378,210	247	50,832,184	10	16,035,000	13	2,185,000	5
2018	1,211,638,469	250	60,126,558	18	7,185,201	22	1,000,000	4
2017	1,148,131,996	211	45,563,615	6	465,000	45	25,000	2
2016	1,094,552,462	127	25,509,400	8	47,148,000	71	1,220,000	4
2015	1,060,833,682	105	17,935,210	5	4,892,000	68	157,500	5
2014	1,022,235,661	127	22,014,389	17	12,113,000	78	24,300	4

(1) Source: Christian County Assessor

(2) Source: City of Nixa Building Inspection Department



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

Function/Programs	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General government										
Administrative Services	8	8	7	6	5	5	5	5	5	5
Municipal Court	0	0	2	2	2	2	2	2	2	2
Human Resources	2	2	2	2	2	2	2	2	2	2
Planning & Development	4	4	4	4	4	4	3	3	3	3
Building Inspections	4	4	4	4	4	4	4	3	3	3
Finance	6	6	6	6	6	6	6	6	6	7
Information Technology	0	0	0	1	1	1	1	0	0	0
Municipal property maintenance	2	2	2	2	2	2	2	2	2	2
Police										
Officers	45	43	42	40	36	34	34	29	27	27
Civilians	6	6	6	6	6	6	6	6	6	5
Parks and recreation	10	10	10	10	10	10	9	9	9	8
Utility Billing	11	10	9	10	10	11	11	11	11	11
Public Works										
Administration	6	6	6	6	5	4	4	4	3	3
Vehicle maintenance	2	2	2	2	2	2	2	2	2	2
Street Maintenance	15	15	15	13	13	13	13	13	13	13
Electric	16	16	16	18	18	14	14	14	14	14
Water	9	6	6	6	6.5	6.5	5.5	5.5	5.5	5.5
Wastewater	10	9.8	9.8	9.8	9.3	9.3	9.3	9.3	9.3	9.3
Recycling	2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
<b>Total</b>	<b>158</b>	<b>152</b>	<b>151</b>	<b>150</b>	<b>144</b>	<b>138</b>	<b>135</b>	<b>128</b>	<b>125</b>	<b>124</b>

Source: City of Nixa Human Resource Department

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

Function/Programs	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General government</b>										
Business licenses issued	706	785	780	726	677	659	685	685	644	594
New Residential building permits issued	207	190	277	222	247	250	211	127	105	127
New Commercial building permits issued	2	7	4	14	10	18	6	8	5	17
Building inspections completed	5144	6171	4508	4,989	5,450	5,563	4,056	2,704	2,589	3,114
Rental inspections completed	1028	973	844	942	1,016	1,064	1,116	1,250	1,301	1,368
<b>Police-Patrol</b>										
Calls for Services	40,001	35,862	41,215	38,904	38,258	28,862	25,686	24,390	18,899	19,764
Arrests	570	471	631	363	568	887	941	682	772	865
Tickets issued	1,272	1,242	1,874	1,628	2,569	2,519	2,862	2,963	2,263	2,703
Accidents	300	336	329	319	312	364	343	328	362	349
<b>Public Works</b>										
Streets resurfaced (miles)	12	5.3	6.5	8.4	4.6	2.5	3.8	3.2	3.4	4.6
Number of water towers	8	8	8	7	7	7	7	7	7	7
Number of wells	12	12	9	9	9	9	9	9	9	9
Number of water meters	11,008	10,917	9,369	9,214	8,892	8,654	8,378	8,161	8,083	7,945
Number of Stand Pipes*	2	2								
Number of Ground Storage Tanks*	1	1								
Average daily well production (MGD)	3.1	3.4	2.5	2.7	2.4	2.4	2.4	2.3	2.8	2.2
Number of electric meter accounts	11,289	11,247	10,947	10,704	10,367	10,120	9,795	9,530	9,487	9,351
Number of electric sold (MWh)	171,911	164,699	158,270	150,996	152,947	158,710	152,303	152,104	147,191	146,361
WWTP average daily flow (MGD)	1.738	1.5	1.6	1.7	1.5	1.4	1.4	1.3	1.6	1.2
<b>Recreation</b>										
Number of recreational programs	58	55	52	49	47	45	45	42	42	48
Number of special events offered	12	12	12	11	8	8	8	8	10	16
Number of Fitness Center memberships	2916	2985	2551	2,290	2,340	2,193	1,954	1,775	1,351	1,089

Source: City department records.

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

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

Function	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General government										
Area (square miles)	8.57	8.57	8.57	8.57	8.57	8.97	8.97	8.82	8.53	8.53
Number of general governmental buildings	2	2	2	2	2	2	2	2	2	2
Public Safety										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Number of street lights	2390	2338	2302	2,220	2,168	2,077	2,049	1,980	1,950	1,892
Miles of water mains	177.2	147.3	144.6	142.0	140.4	138.3	137.0	134.0	130.1	130.026
Miles of sanitary sewers	133.34	130	127.8	125.5	123.9	121.8	120.6	117.0	115.5	115.5
Miles of sanitary force mains	13.9	13.9	13.4	13.38	13.38	13.38	13.30	12.79	12.79	12.79
Wastewater treatment capacity (MGD)	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Number of Electric Substations	4	4	4	4	4	4	4	4	4	4
Miles of electric line	215.1	210	204.1	210.0	196.0	203.0	200.1	195.0	195.0	188.0
Electric Poles**	2773	3004	2745	2,950	3,196	3,143	3,133	4,310	4,293	2,986
Recreation										
Number of parks	3	3	3	3	3	3	3	3	4	4
Park acreage	177	177	177	177	122	122	122	63	101	101
Number of recreational facilities	1	1	1	1	1	1	1	1	1	1
Number of baseball/softball fields	3	3	3	3	3	3	3	3	3	3
Number of soccer fields	3	3	3	3	3	3	3	3	3	3

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

Source: City departmental records.

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**SECTION IV - SINGLE AUDIT**

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

To the City Council  
City of Nixa, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund, of City of Nixa, Missouri, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise City of Nixa, Missouri's basic financial statements, and have issued our report thereon dated April 17, 2024.

### **Report on Internal Control over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

*Decker & DeGood, PC*

Decker & DeGood, PC

Springfield, Missouri

April 17, 2024

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the City Council  
City of Nixa, Missouri

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited City of Nixa, Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Nixa, Missouri's major federal programs for the year ended December 31, 2023. City of Nixa, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Nixa, Missouri complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

#### ***Basis for Opinion on Each Major Federal Program***

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

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

#### ***Responsibilities of Management for Compliance***

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

#### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Nixa, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Nixa, Missouri's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

***Decker & DeGood, PC***

Decker & DeGood, PC

Springfield, Missouri

April 17, 2024

**CITY OF NIXA, MISSOURI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Account Listing Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Disbursements Expenditures</u>
<u>Department of Transportation</u>			
Passed-through programs from:			
Missouri Department of Transportation			
DWI Enforcement and Checkpoints	20.607	23-154-AL-070	\$ 6,416
Hazardous Moving Violations	20.600	23-PT-02-089	4,303
Surface Transportation Program	20.205	STBG-9901(833)	42,396
Surface Transportation Program	20.205	STBG-9901(831)	106,886
Surface Transportation Program	20.205	STBG-9901(832)	1,313,518
Subtotal Department of Transportation			<u>1,473,519</u>
<u>Department of Justice</u>			
Passed-through programs from:			
State of Missouri			
Bullet Proof Vest	16.607	FY2021BV	6,957
Subtotal Department of Justice			<u>6,957</u>
<u>Department of Treasury</u>			
Passed-through programs from:			
State of Missouri			
American Recovery Plan Act (NEU)	21.027		593,131
Subtotal Department of Treasury			<u>593,131</u>
Total Expenditures of Federal Awards			<u>\$ 2,073,607</u>

See accompanying note to schedule of expenditures of federal awards.

**NOTE TO SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS**

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal activity of the City of Nixa, Missouri, under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of City of Nixa, Missouri, it is not intended to and does not present the financial position, changes in net position, or cash flows of City of Nixa, Missouri.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on accounting principles generally accepted in the United States of America. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE C - INDIRECT COST RATE**

City of Nixa, Missouri, has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**CITY OF NIXA, MISSOURI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**A. SUMMARY OF AUDIT RESULTS**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes ✓ no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes ✓ none reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ yes ✓ no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes ✓ no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes ✓ none reported

Type of auditor's report issued on compliance for major programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes ✓ no

The programs tested as major programs were:  
 CFDA Number: 20.205 Surface Transportation Program

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes ✓ no

**B. FINANCIAL STATEMENTS FINDINGS-**

None

**C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS-**

None

**CITY OF NIXA, MISSOURI**  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECMEBER 31, 2023

<u>Reference Number</u>	<u>Finding</u>	<u>Questioned Costs</u>
N/A	The City of Nixa, Missouri had no federal grants in the prior year that had any findings to correct or report.	



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65714**

**[www.nixa.com](http://www.nixa.com)**