

*The City of* **Pittsburg, Kansas**  
Annual Comprehensive  
Financial Report  
*For The Year Ended December 31, 2023*



ANNUAL COMPREHENSIVE FINANCIAL REPORT  
CITY OF PITTSBURG, KANSAS

For the Fiscal Year Ended  
December 31, 2023

Prepared by

DEPARTMENT OF FINANCE

City of Pittsburg, Kansas

CITY OF PITTSBURG, KANSAS  
ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
Year Ended December 31, 2023

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June 24, 2024

To the Honorable Mayor, Members of the City Commission and the Citizens of Pittsburg:

This document is the Annual Comprehensive Financial Report (ACFR) of the City of Pittsburg (the City) for the fiscal year ended December 31, 2023. The report was prepared by the City's Department of Finance. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the management of the City. We believe the report, as presented, is accurate in all material respects. We also believe it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. Finally, we believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

Management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state awards, the City is also responsible for establishing and maintaining an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluations by management and the independent auditor.

Kansas Statute Annotated 75-1122 requires an annual audit of the books of account, financial records and transactions of all departments of the City by independent certified public accountants. The accounting firm of BT & Co, P.A. was selected by the City Commission to audit the records of the City for the year ended December 31, 2023. The independent auditor's report is included in the financial section of this report. The independent auditor's reports that relate specifically to the single audit requirements are included in the single audit section.

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. MD&A complement this letter of transmittal and should be read in conjunction with it.

## **Profile of the City of Pittsburg**

The City of Pittsburg was incorporated in 1880 and is the largest city in southeast Kansas. The official population per the 2020 census is 19,918. The most recent census estimate has the population at 20,810. The City is located approximately 5 miles west of the Missouri border and 40 miles north of the Oklahoma border. The City of Pittsburg is empowered to levy a property tax on both real and personal property located within its boundaries. The City's current incorporated area is 13.1 square miles.

The City of Pittsburg has operated under the commission-manager form of government since 1949. Policy-making and legislative authority are vested in a governing commission consisting of the mayor and 4 commission members, all elected at large and on a non-partisan basis. The commission appoints the government's manager, which in turn appoints the heads of the various departments. The mayor is selected each year by the commissioners themselves and serves a one year term.

The City provides its citizens with a full range of services which include police and fire protection, construction and maintenance of its streets and highways, community development and planning, water, wastewater and stormwater utility services, municipal airport, municipal auditorium and parks and recreational activities.

The annual budget provides a foundation for the City's financial planning and control. Per Kansas statute the following year's adopted annual budget must be submitted to the State of Kansas by the end of August of the current year. The City Commission is also required by Kansas statute to hold a public hearing to discuss the budget prior to adoption. The budget is prepared by fund, function (e.g., public safety) and department (e.g., police). Budget to actual comparisons are provided in this report.

The activities of the Pittsburg Public Library are presented as a component unit of the City. The City Commission has appointive authority of the Library Board and its annual operating budget is also subject to the approval of the City Commission.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is best understood when it is considered from the specific environment within which the City operates.

**Local economy.** The local economy is varied and diverse with the City's principal employers comprised of education, medical, manufacturing and retail. The area is also served by several financial institutions and insurance companies. Pittsburg State University is the area's major economic presence with a current enrollment of approximately 5,732 students.

**Long-term financial planning.** The City utilizes a five year financial forecast and plan. Three prior year actuals, the current year estimated and four future years are projected in the forecast. This allows for better budget planning and data based decision making.

The City also uses a five year Capital Improvements Program (CIP) to plan for future capital expenditures. The CIP outlines by fiscal year the details of the City's capital

projects and equipment needs. It also specifies the projected funding sources for these future periods.

The City utilizes the following funding sources to meet the CIP needs: bond anticipation notes, general obligation bonds, capital leases, low interest loans provided by the Kansas Department of Health and Environment (KDHE), utility operating funds, one fourth of the City's one half percent general sales tax revenue, the special street improvement sales tax, the City's public safety sales tax and federal and state grant awards.

**Major initiatives for the year.** Substantially completed road widening and improvement on East Quincy Street between Joplin and Rouse. This project consisted of the removal of the existing roadway, the construction of the new roadway, relocating the water lines, pouring new concrete sidewalks, installing new storm sewer, grading and erosion control.

Major utility projects completed for 2023 include the Waste Water Treatment Plant design.

**Major initiatives for the future.** The City will be constructing a new wastewater treatment plant scheduled to begin in 2024. The Parks department will be finishing the miniature golf course and install lighting at the driving range both located at Four Oaks Golf course.

### **Awards and acknowledgments**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 2022. This was the twenty-seventh consecutive year that the City has received this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements. We believe our current ACFR continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the ACFR was truly a team effort and was made possible by the dedicated efforts of the entire staff of the Department of Finance. In closing, credit must also be given to the Mayor and the City Commission for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Pittsburg's finances. We look forward to the challenges and opportunities of the future.

Respectfully submitted,



Daron Hall  
City Manager



Allison Ramsey  
Director of Finance



**CITY OF PITTSBURG, KANSAS**  
**LIST OF PRINCIPAL OFFICIALS**  
**DECEMBER 31, 2023**

**TITLE**

**NAME**

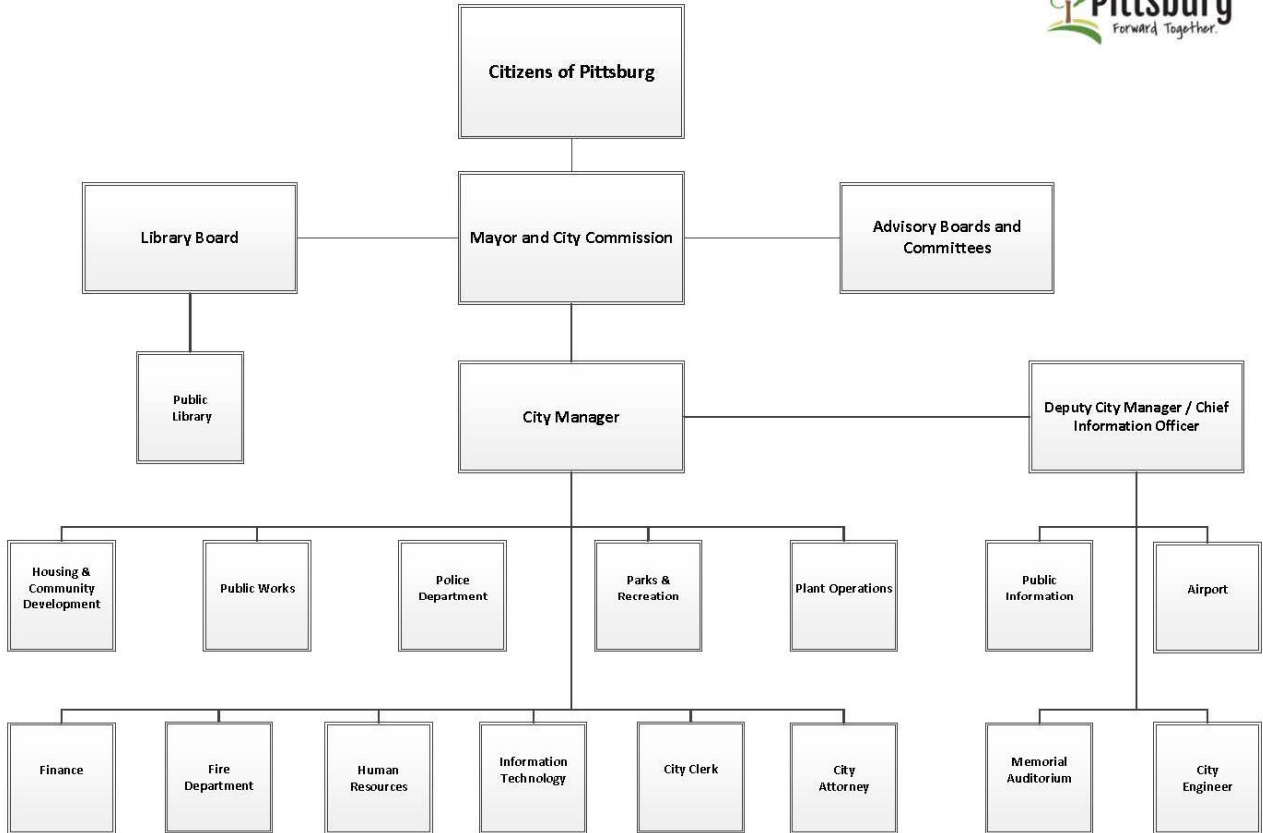
**ELECTED:**

<b>Mayor</b>	<b>Stu Hite</b>
<b>President of the Board</b>	<b>Dawn McNay</b>
<b>Commissioner</b>	<b>Cheryl Brooks</b>
<b>Commissioner</b>	<b>F. Ronald Seglie, M.D.</b>
<b>Commissioner</b>	<b>Chuck Munsell</b>

**APPOINTED:**

<b>City Manager</b>	<b>Daron Hall</b>
<b>Deputy City Manager</b>	<b>Jay Byers</b>
<b>City Attorney</b>	<b>Henry Menghini</b>
<b>City Clerk</b>	<b>Tammy Nagel</b>
<b>Director of Finance</b>	<b>Allison Ramsey</b>
<b>Director of Housing &amp; Community Development</b>	<b>Kim Froman</b>
<b>Director of Human Resources</b>	<b>Kim Vogel</b>
<b>Director of Parks and Recreation</b>	<b>Toby Book</b>
<b>Director of Public Utilities</b>	<b>Matt Bacon</b>
<b>Fire Chief</b>	<b>Taylor Cerne</b>
<b>Police Chief</b>	<b>Brent Narges</b>

CITY OF PITTSBURG  
ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Pittsburg  
Kansas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO



## **INDEPENDENT AUDITORS' REPORT**

The Honorable Mayor and  
City Commissioners  
City of Pittsburg, Kansas

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pittsburg, Kansas (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the street and highway fund 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

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

### ***Other 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 auditors' 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 June 24, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*BT & Co., P.A.*

June 24, 2024  
Topeka, Kansas

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Pittsburg (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City 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 pages i-iii of this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

### Financial Highlights

- The City earned \$11,955,704 from sales tax for fiscal year 2023, a decrease of 2% over the prior fiscal year.
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2023 by \$107,916,702. Of this amount, \$11,992,136 is unrestricted in use.
- At the close of 2023, the City's general fund reports an ending fund balance of \$14,399,862 which is an increase of \$739,720 compared to the prior fiscal year.

### Overview of the Financial Statements

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

#### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The objective is to improve financial reporting by clarifying the appropriate use of the financial statement elements to ensure consistency in financial reporting.

The statement of net position presents information on all of the City'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 is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the City include general government, public safety, public works, sanitation and health, culture and recreation, industrial promotion and social welfare. The business-type activities of the City include water, wastewater and stormwater utilities.

The government-wide financial statements not only include the City itself (known as the primary government), but also a legally separate Library for which the City is financially accountable. Financial information presented for this component unit is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 15-17 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, 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 can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial 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 maintains eighteen individual governmental funds. Major fund 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, street and highway fund, revolving loan fund, American rescue plan fund, capital projects, and the debt service fund. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City 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 18-27 of this report.

The City maintains two proprietary funds. These funds are presented as business-type activities in the government-wide financial statements. The City's proprietary funds are used to account for its Water/Wastewater operations and the Stormwater operation. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements provide information for the water and wastewater operation and the stormwater operation which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages 28-32 of this report.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-75 of this report.



### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Pittsburg's progress in funding its obligation to provide pension and post-employment benefits to its employees. This required supplementary information can be found on pages 76-79.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to basic financial statements. These combining and individual funds statements can be found on pages 81-84 of this report.

### **Requests for Information**

This financial report is intended to give the reader a general overview of the City's finances. Questions about information contained in this report or requests for additional information should be directed to the Director of Finance or the Deputy Director of Finance, 201 W. 4<sup>th</sup> Street, Pittsburg, KS 66762.

### **Government-wide Financial Analysis**

#### Net Position

	2022	2023	2022	2023	2022	2023
	Governmental	Governmental	Business-Type	Business-Type	Total Primary	Total Primary
	Activities	Activities	Activities	Activities	Government	Government
Current and other assets	\$ 47,506,386	\$ 46,870,618	\$ 8,322,770	\$ 7,412,942	\$ 55,829,156	\$ 54,283,560
Capital assets	52,460,293	56,086,088	49,607,958	49,007,119	102,068,251	105,093,207
Total assets	99,966,679	102,956,706	57,930,728	56,420,061	157,897,407	159,376,767
Deferred outflows of resources	4,449,855	4,112,078	608,777	567,325	5,058,632	4,679,403
Total assets and deferred outflows of resources	104,416,534	107,068,784	58,539,505	56,987,386	162,956,039	164,056,170
Long-term liabilities outstanding	35,261,137	33,896,670	9,940,332	8,725,966	45,201,469	42,622,636
Other liabilities	3,621,133	3,432,746	471,936	534,219	4,093,069	3,966,965
Total liabilities	38,882,270	37,329,416	10,412,268	9,260,185	49,294,538	46,589,601
Deferred inflows of resources	8,266,751	9,376,048	190,043	173,819	8,456,794	9,549,867
Total liabilities and deferred inflows of resources	47,149,021	46,705,464	10,602,311	9,434,004	57,751,332	56,139,468
Net position:						
Net investment in capital assets	33,473,388	38,520,668	41,840,418	42,576,541	75,313,806	81,097,209
Restricted	16,190,281	14,827,357	-	-	16,190,281	14,827,357
Unrestricted	7,603,844	7,015,295	6,096,776	4,976,841	13,700,620	11,992,136
Total net position	\$ 57,267,513	\$ 60,363,320	\$ 47,937,194	\$ 47,553,382	\$ 105,204,707	\$ 107,916,702

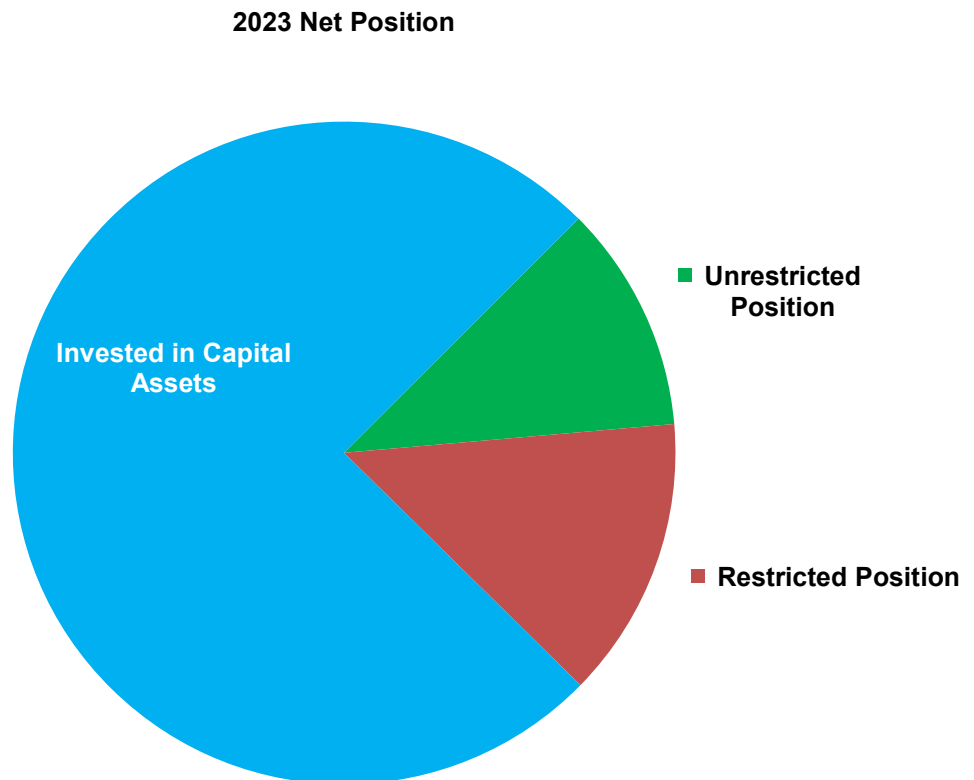
The accounting and financial reporting for pensions has an impact on deferred outflows of resources, deferred inflows of resources and the non-current liability. The City's net pension liability is \$16,388,420 as of December 31, 2023. This liability impacts the unrestricted net position of the City. For more information on the City's pensions and other post-employment benefits see pages 60-71 in the Notes to the Basic Financial Statements.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$107,916,702 at the close of the 2023 fiscal year. Capital assets (land, buildings, machinery, equipment and infrastructure) represent 75.15% of the City's net position less any outstanding debt used to acquire the assets.

The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

At December 31, 2023 restricted funds total \$14,827,357 or 13.74% of the City's net position and represent resources that are subject to external restrictions on how they may be used. Unrestricted net position balance of \$11,992,136 or 11.11% may be used to meet the City's ongoing obligations to citizens and creditors without outside restrictions.

The pie chart below reflects the composition of the primary government's net position.



Primary Government Activities

The table below shows the condensed revenues, expenses and the changes in net position.

**City of Pittsburg's Changes in Net Position**

	2022	2023	2022	2023	2022	2023
	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 3,291,185	\$ 4,215,164	\$ 10,078,390	\$ 10,409,228	\$ 13,369,575	\$ 14,624,392
Operating grants and contributions	3,367,627	3,304,324	-	-	3,367,627	3,304,324
Capital grants and contributions	1,519,953	2,249,390	-	-	1,519,953	2,249,390
General revenues						
Taxes	21,706,469	21,542,398	-	-	21,706,469	21,542,398
Other	1,805,827	2,485,268	104,880	376,125	1,910,707	2,861,393
<b>Total revenues</b>	<b>31,691,061</b>	<b>33,796,544</b>	<b>10,183,270</b>	<b>10,785,353</b>	<b>41,874,331</b>	<b>44,581,897</b>
Expenses						
General government	5,352,351	6,421,961	-	-	5,352,351	6,421,961
Public safety	9,913,402	11,146,655	-	-	9,913,402	11,146,655
Public works	4,983,272	6,145,710	-	-	4,983,272	6,145,710
Sanitation and health	184,268	425,160	-	-	184,268	425,160
Culture and recreation	3,643,056	3,920,294	-	-	3,643,056	3,920,294
Industrial promotion	1,054,588	1,572,787	-	-	1,054,588	1,572,787
Economic development	149,919	50,853	-	-	149,919	50,853
Social welfare	1,838,668	2,127,200	-	-	1,838,668	2,127,200
Interest on long term debt	530,575	472,435	-	-	530,575	472,435
Water/wastewater utility	-	-	7,926,942	8,664,575	7,926,942	8,664,575
Stormwater utility	-	-	918,573	922,272	918,573	922,272
<b>Total expenses</b>	<b>27,650,099</b>	<b>32,283,055</b>	<b>8,845,515</b>	<b>9,586,847</b>	<b>36,495,614</b>	<b>41,869,902</b>
Increase in net position						
before transfers	4,040,962	1,513,489	1,337,755	1,198,506	5,378,717	2,711,995
Transfers	1,609,966	1,582,318	(1,609,966)	(1,582,318)	-	-
Increase in net position	5,650,928	3,095,807	(272,211)	(383,812)	5,378,717	2,711,995
Net position, beginning	52,657,229	57,267,513	48,225,071	47,937,194	100,882,300	105,204,707
Change in accounting principle						
	(1,040,644)	-	(15,666)	-	(1,056,310)	-
<b>Net position, ending</b>	<b>\$ 57,267,513</b>	<b>\$ 60,363,320</b>	<b>\$ 47,937,194</b>	<b>\$ 47,553,382</b>	<b>\$ 105,204,707</b>	<b>\$ 107,916,702</b>

This section will provide a brief discussion and analysis of the major changes in the City's revenue sources and costs for services.

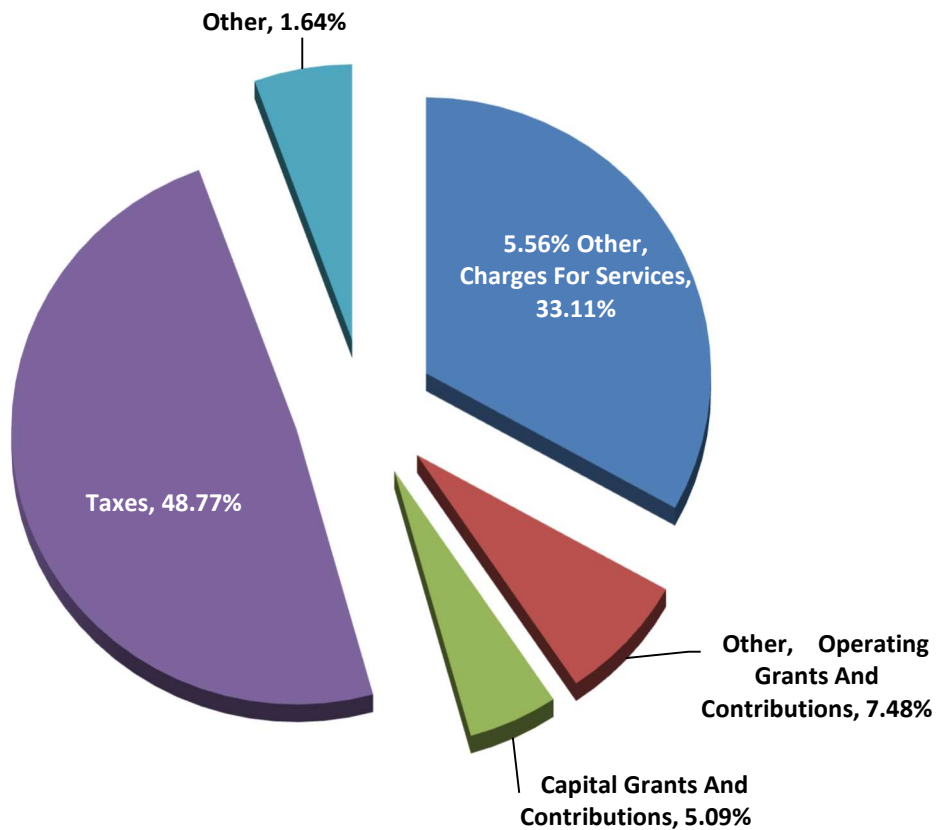
Governmental activities comprised 75.58% of the total revenues generated by the City and 76.68% of the City's expenses. Comparing 2023 to 2022, tax revenues decreased by .76%; this is due to an decrease in franchise tax collections primarily due to declining sales for cable and landline phone services.

The governmental capital grants and contributions increased by 47.99% in 2023 due to the revenue received from the FAA for the airport Apron reconstruction project.

The governmental activities total expenses increased \$4,632,956 when comparing 2023 to 2022. In 2023, the increase in governmental activities expenses is primarily due to various special projects including the Quincy Street project.

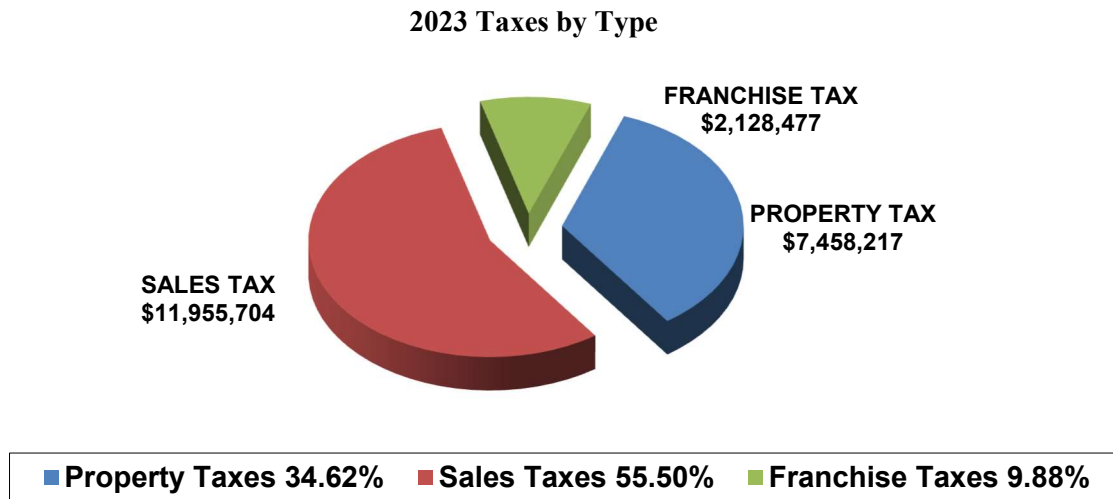
The following pie chart shows the composition of the 2023 primary government revenues.

**2023 Revenues by Source**

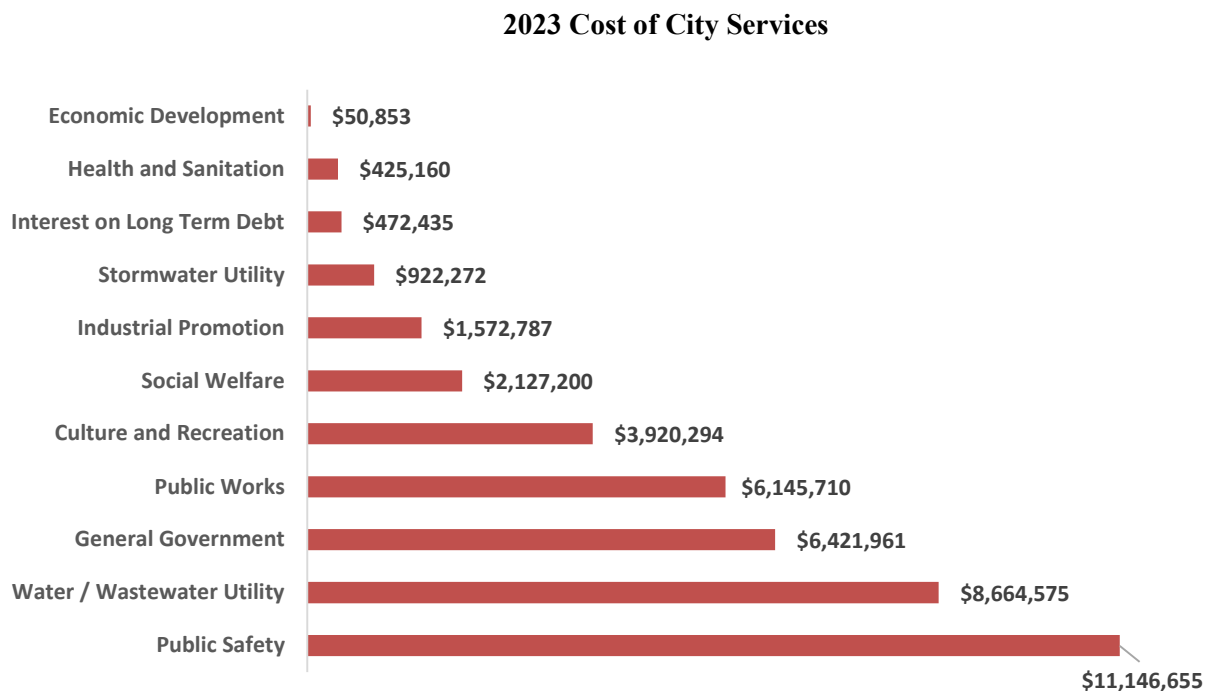


The components of the City's taxes are property tax, sales tax and franchise tax. Total tax revenues were \$21,542,398 in 2023 with sales tax being the City's largest tax revenue source.

The pie chart below depicts the City’s tax revenues by source.



The following bar graph shows the composition of the 2023 primary government expenses.



The City’s public safety and water/wastewater utility activities are the dominant expense categories. These two activities account for 47.78% of the total cost of City services for 2023. The total cost of services of the City’s primary government for 2023 is \$41,869,902. This represents an increase of \$5,374,288 (14.73%) compared to 2022. This increase is primarily due to the increase in commodity prices and the completion of special projects. The portion of these services paid by the City’s taxpayers is \$21,285,439 (51.34%).

The City’s mill levy rate remained relatively flat due to the City Commission’s desire to not raise the mill levy rate in 2023. The table below reflects the changes in the City’s mill levy for the past two fiscal periods.

**City of Pittsburg's Mill Levy Rates**

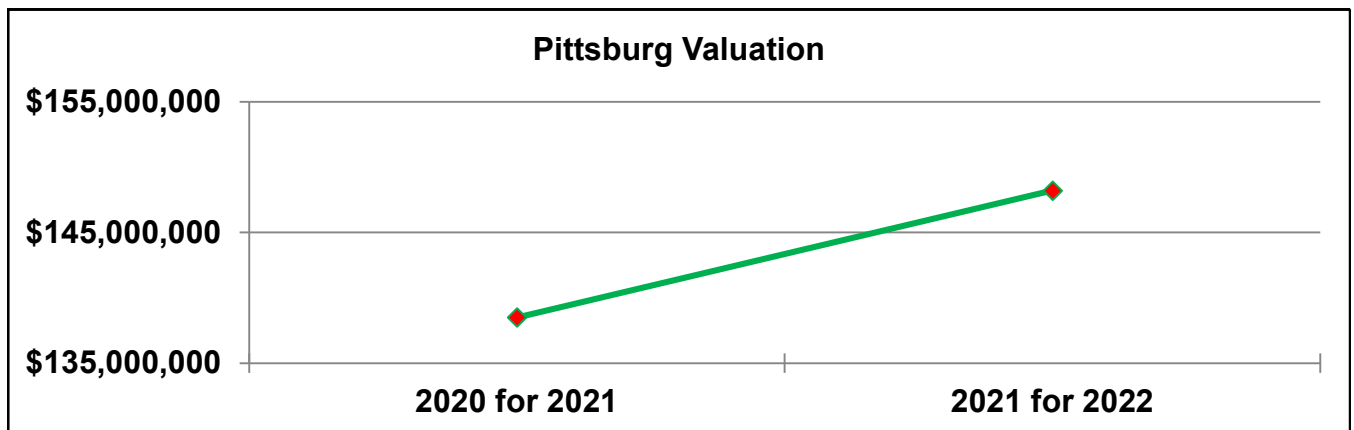
	2021 Levy to support 2022 Budget	2022 Levy to support 2023 Budget	Increase/ (Decrease) over prior year	% change
General fund	\$ 37.520	\$ 36.982	\$ (0.538)	1.43%
Debt service fund	8.025	7.910	(0.115)	1.43%
Component unit	6.091	6.004	(0.087)	1.43%
<b>Total mill levy</b>	<b>\$ 51.636</b>	<b>\$ 50.896</b>	<b>\$ (0.740)</b>	<b>1.43%</b>

The table below reflects the changes in the City’s assessed valuation for the past two fiscal periods.

**City of Pittsburg's Assessed Valuation**

	2021 Valuation to support 2022 Budget	2022 Valuation to support 2023 Budget	Increase/ (Decrease) over prior year	% change
Real Property	\$ 127,003,870	\$ 136,592,082	\$ 9,588,212	7.55%
Personal Property	3,511,631	2,876,456	(635,175)	-18.09%
State Assessed	8,389,915	8,655,128	265,213	3.16%
<b>Total</b>	<b>\$ 138,905,416</b>	<b>\$ 148,123,666</b>	<b>\$ 9,218,250</b>	<b>6.64%</b>

The change in assessed valuation increased significantly when comparing 2023 to 2022.



## Analysis of the Fund Financial Statements

### Governmental Funds

The City's governmental funds ending fund balances decreased by a total of \$607,435 from the prior year. The general fund increased its fund balance by \$739,720 due to the increase in property tax revenue of 4%, which went to operating reserves. The Street and Highway fund balance increased by \$1,982,365 in 2023. The revolving loan fund increased by \$391,812 in 2023. In 2023 the American rescue fund balance remained at zero. The 2023 capital projects fund decreased by \$3,170,718 due to the increase in capital projects. Lastly, the debt service fund ending balance decreased by \$629,623.

Compared to 2022 the total governmental fund revenues before transfers increased by \$2,324,077 while the total governmental fund expenditures before transfers increased by \$4,510,641. The increase in expenditures is due to the startup and completion of projects that were put on hold during the pandemic.

Before transfers, general fund revenues were up 7% and general fund expenditures were up 13% compared to 2022. The general fund revenues increased due to higher property tax collections. The general fund expenditures increased due to higher public safety expense and higher public works expenditures caused by nationwide inflation and lingering effects from the pandemic.

### Proprietary Funds

The water and wastewater utility fund had a decrease of \$602,083 in cash and cash equivalents for 2023. There was a decrease of \$909,828 in current assets and an increase in current liabilities of \$62,283 compared to 2022. These changes contributed to a decrease in unrestricted net position.

Utility infrastructure projects completed during 2023 include new water meters, and various sanitary sewer line improvements throughout the City.

## General Fund Budgetary Highlights

The following general fund revenue and expenditure categories experienced significant differences between the budgeted amount and the actual amount. A brief explanation of the differences is included.

CATEGORY	EXPLANATION
General government	The general government expenditures are under budget due to lower than expected group hospitalization health claims expense.
Culture and Recreation	Culture and Recreation expenditures are under budget due to Memorial Auditorium expenditures being less than anticipated.
Public Works	Public Works expenditures are over budget due to an increase in airport traffic that lead to purchase of more fuel for the airplanes.
Public Safety	Public Safety expenditures are under budget due to police patrol and fire personnel not being fully staffed during the year.

## Capital Asset and Debt Administration

### Capital Assets

The total investment in capital assets for the primary government at December 31, 2023 was \$105,093,207, net of accumulated depreciation. The net capital assets increased by 2.96% from the 2022 total.

The following table categorizes the City's capital asset balances by type of asset.

#### City of Pittsburg's Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities	
	2022	2023	2022	2023
Land	\$ 4,522,897	\$ 4,303,605	\$ 582,812	\$ 582,812
Buildings and improvements	15,429,471	14,502,202	15,355,214	14,886,664
Machinery and equipment	2,911,995	4,376,908	2,581,812	2,170,873
Leased assets	2,615,401	2,857,942	147,882	255,829
Infrastructure	23,867,028	22,579,623	28,964,353	28,159,059
Construction in progress	3,113,501	7,465,808	1,975,885	2,951,882
Total	<u>\$ 52,460,293</u>	<u>\$ 56,086,088</u>	<u>\$ 49,607,958</u>	<u>\$ 49,007,119</u>

For additional information on capital assets, please refer in the notes to the basic financial statements on pages 48-50.

### Debt Administration

The following table reflects the City's outstanding long-term debt for the past two fiscal periods.

#### City of Pittsburg's Outstanding Debt

	Governmental Activities		Business-Type Activities	
	2022	2023	2022	2023
General Obligation Bonds	\$ 9,341,465	\$ 8,089,990	\$ 3,423,535	\$ 2,705,010
Special Assessment Bonds	5,150,000	4,865,000	-	-
K.D.H.E. Construction Loans	-	-	3,864,550	3,285,066
Tax Increment Bonds (TIF)	460,000	-	-	-
Transportation Development District Bonds (TDD)	475,000	340,000	-	-
Notes Payable	876,627	1,548,216	137,668	13,258
Lease Obligations	2,422,225	2,490,625	148,718	258,308
Total	<u>\$ 18,725,317</u>	<u>\$ 17,333,831</u>	<u>\$ 7,574,471</u>	<u>\$ 6,261,642</u>

The City finances capital projects in a variety of ways: bond anticipation notes, general obligation bonds, special revenue bonds, intergovernmental grants and Kansas Department of Health and Environment (KDHE) loans. The City's most recent general obligation bonds are rated AA- by Standard and Poor's Ratings Services. Kansas State



Statutes limit the amount of general obligation bonds a City can issue to 30% of its equalized tangible valuation. The current limitation for the City is \$49,195,812 which is significantly higher than the general obligation bond outstanding debt.

The City's outstanding general obligation bonds at December 31, 2023, totaled \$10,795,000; of this \$8,089,990 is considered direct tax supported debt.

The special assessment bonds were issued to pay for the utility infrastructure of the Kansas Crossing Casino. The special assessment bond balance was reduced by \$285,000 in 2023. This debt is being repaid solely by the Casino through a special assessment placed upon the property.

No new business-type activity bonded debt was issued in 2023. The remaining KDHE loans are for improvements at the wastewater plant, water treatment plant and collection systems.

The City's lease obligations and notes payable are repaid from dedicated sales tax revenues and business-type activities.

The tax increment finance (TIF) bonds are for improvements to the northeast redevelopment district. These bonds are to be repaid with sales tax and property tax collected within the TIF district only. The transportation development district (TDD) bonds are for infrastructure improvements in the TIF district of the City. The TDD bonds are to be repaid with a special 3/10 percent sales tax in the TIF district only. For additional information on outstanding debt, please refer to note 10 in the notes to basic financial statements on pages 51-59.

## **BASIC FINANCIAL STATEMENTS**

CITY OF PITTSBURG, KANSAS  
STATEMENT OF NET POSITION  
December 31, 2023

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Library
<b>Assets:</b>				
Cash and cash equivalents	\$ 28,100,410	\$ 5,084,191	\$ 33,184,601	\$ 670,543
Restricted cash and investments	135,173	225,611	360,784	-
Receivables, net of allowance for uncollectibles:				
Taxes	9,489,756	-	9,489,756	961,788
Special assessments	5,673,496	-	5,673,496	-
Accounts	197,390	1,273,040	1,470,430	-
Intergovernmental	424,178	-	424,178	-
Interest	255,588	255,588	511,176	-
Loans receivable	1,761,679	-	1,761,679	-
Leases receivable	423,299	-	423,299	-
Inventory	74,009	538,347	612,356	-
Prepaid items	335,640	36,165	371,805	7,363
Capital assets, nondepreciable:				
Land	4,303,605	582,812	4,886,417	215,415
Construction in progress	7,465,808	2,951,882	10,417,690	-
Capital assets, net of accumulated depreciation/amortization:				
Building and improvements	14,502,202	14,886,664	29,388,866	1,673,892
Machinery and equipment	7,234,850	2,426,702	9,661,552	46,624
Infrastructure	22,579,623	28,159,059	50,738,682	-
<b>Total assets</b>	<b>102,956,706</b>	<b>56,420,061</b>	<b>159,376,767</b>	<b>3,575,625</b>
<b>Deferred outflows of resources:</b>				
Deferred outflows - pension	4,052,647	555,302	4,607,949	140,201
Deferred outflows - OPEB	59,431	12,023	71,454	3,839
<b>Total deferred outflows of resources</b>	<b>4,112,078</b>	<b>567,325</b>	<b>4,679,403</b>	<b>144,040</b>
<b>Liabilities:</b>				
Accounts payable and other current liabilities	1,164,218	243,412	1,407,630	26,826
Accrued interest payable	118,437	65,196	183,633	-
Liabilities payable from restricted cash	-	225,611	225,611	-
Unearned revenue	2,150,091	-	2,150,091	-
Noncurrent liabilities:				
Due within one year	3,302,525	1,110,274	4,412,799	6,081
Due in more than one year	30,594,145	7,615,692	38,209,837	579,935
<b>Total liabilities</b>	<b>37,329,416</b>	<b>9,260,185</b>	<b>46,589,601</b>	<b>612,842</b>
<b>Deferred inflows of resources:</b>				
Deferred inflows - pension	1,063,059	30,922	1,093,981	7,807
Deferred inflows - OPEB	706,253	142,897	849,150	45,636
Deferred inflows - property taxes	7,191,301	-	7,191,301	961,788
Deferred inflows - leases	415,435	-	415,435	-
<b>Total deferred inflows of resources</b>	<b>9,376,048</b>	<b>173,819</b>	<b>9,549,867</b>	<b>1,015,231</b>
<b>Net position:</b>				
Net investment in capital assets	38,520,668	42,576,541	81,097,209	1,935,931
Restricted for:				
Debt service	7,291,170	-	7,291,170	-
Housing	672,305	-	672,305	-
Street and highway	6,507,637	-	6,507,637	-
Other purposes	356,245	-	356,245	-
Unrestricted	7,015,295	4,976,841	11,992,136	155,661
<b>Total net position</b>	<b>\$ 60,363,320</b>	<b>\$ 47,553,382</b>	<b>\$ 107,916,702</b>	<b>\$ 2,091,592</b>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
STATEMENT OF ACTIVITIES  
Year Ended December 31, 2023

Functions/Program	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Government activities:				
General government	\$ 6,421,961	\$ 2,292,150	\$ 758,297	\$ 1,249,768
Public safety	11,146,655	185,819	252,464	-
Public works	6,145,710	806,353	142,088	645,804
Health and sanitation	425,160	-	-	-
Culture and recreation	3,920,294	849,994	148,096	353,818
Industrial promotion	1,572,787	77,281	-	-
Economic development	50,853	-	-	-
Social welfare	2,127,200	3,567	2,003,379	-
Interest on long-term debt	472,435	-	-	-
Total governmental activities	<u>32,283,055</u>	<u>4,215,164</u>	<u>3,304,324</u>	<u>2,249,390</u>
Business-type activities:				
Water/wastewater	8,664,575	9,530,215	-	-
Stormwater	922,272	879,013	-	-
Total business-type activities	<u>9,586,847</u>	<u>10,409,228</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 41,869,902</u>	<u>\$ 14,624,392</u>	<u>\$ 3,304,324</u>	<u>\$ 2,249,390</u>
Component unit:				
Public library	<u>\$ 1,290,572</u>	<u>\$ 2,630</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

CITY OF PITTSBURG, KANSAS  
STATEMENT OF ACTIVITIES  
(Continued)  
Year Ended December 31, 2023

Functions/Program	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Library
Government activities:				
General government	\$ (2,121,746)	\$ -	\$ (2,121,746)	\$ -
Public safety	(10,708,372)	-	(10,708,372)	-
Public works	(4,551,465)	-	(4,551,465)	-
Health and sanitation	(425,160)	-	(425,160)	-
Culture and recreation	(2,568,386)	-	(2,568,386)	-
Industrial promotion	(1,495,506)	-	(1,495,506)	-
Economic development	(50,853)	-	(50,853)	-
Social welfare	(120,254)	-	(120,254)	-
Interest on long-term debt	(472,435)	-	(472,435)	-
Total governmental activities	<u>(22,514,177)</u>	<u>-</u>	<u>(22,514,177)</u>	<u>-</u>
Business-type activities:				
Water/wastewater	-	865,640	865,640	-
Stormwater	-	(43,259)	(43,259)	-
Total business-type activities	<u>-</u>	<u>822,381</u>	<u>822,381</u>	<u>-</u>
Total primary government	<u>(22,514,177)</u>	<u>822,381</u>	<u>(21,691,796)</u>	<u>-</u>
Component unit:				
Public library	-	-	-	<u>(1,287,942)</u>
General revenues:				
Property taxes	7,458,217	-	7,458,217	952,838
Sales taxes	11,955,704	-	11,955,704	-
Franchise taxes	2,128,477	-	2,128,477	-
Unrestricted investment earnings	1,208,398	376,125	1,584,523	21,221
Miscellaneous	1,276,870	-	1,276,870	146,229
Transfers	1,582,318	(1,582,318)	-	-
Total general revenues and transfers	<u>25,609,984</u>	<u>(1,206,193)</u>	<u>24,403,791</u>	<u>1,120,288</u>
Change in net position	3,095,807	(383,812)	2,711,995	(167,654)
Net position, beginning of year	<u>57,267,513</u>	<u>47,937,194</u>	<u>105,204,707</u>	<u>2,259,246</u>
Net position, end of year	<u>\$ 60,363,320</u>	<u>\$ 47,553,382</u>	<u>\$ 107,916,702</u>	<u>\$ 2,091,592</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
December 31, 2023

	General	Street and Highway	Revolving Loans	American Rescue Plan	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>								
Cash and cash equivalents	\$ 12,280,948	\$ 5,932,932	\$ 5,192,996	\$ 2,120,463	\$ -	\$ 1,577,749	\$ 995,322	\$ 28,100,410
Receivables (net of allowance for uncollectibles):								
Taxes	7,439,619	487,237	243,618	-	8,573	1,290,301	20,408	9,489,756
Special assessments	-	-	-	-	-	5,673,496	-	5,673,496
Accounts	123,892	8,323	-	-	-	-	65,175	197,390
Intergovernmental	235,000	171,075	-	-	-	-	18,103	424,178
Interest	255,588	-	-	-	-	-	-	255,588
Restricted investments	-	-	-	-	-	135,173	-	135,173
Loans receivable	-	-	1,754,797	-	-	-	6,882	1,761,679
Leases receivable	243,178	-	180,121	-	-	-	-	423,299
Inventory	74,009	-	-	-	-	-	-	74,009
Prepaid items	82,117	8,725	244,798	-	-	-	-	335,640
Due from other funds	669,090	-	-	-	-	-	-	669,090
<b>Total assets</b>	<b>\$ 21,403,441</b>	<b>\$ 6,608,292</b>	<b>\$ 7,616,330</b>	<b>\$ 2,120,463</b>	<b>\$ 8,573</b>	<b>\$ 8,676,719</b>	<b>\$ 1,105,890</b>	<b>\$ 47,539,708</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 308,649	\$ 75,025	\$ 73,798	\$ -	\$ 77,204	\$ -	\$ 54,037	\$ 588,713
Accrued payroll	389,813	16,905	-	-	-	-	6,024	412,742
Accrued self-insurance claims	4,706	-	-	-	-	-	-	4,706
Unearned revenue	-	-	-	2,120,463	-	-	29,628	2,150,091
Due to other funds	-	-	-	-	576,509	-	92,581	669,090
Other	137,853	-	-	-	-	-	20,204	158,057
<b>Total liabilities</b>	<b>841,021</b>	<b>91,930</b>	<b>73,798</b>	<b>2,120,463</b>	<b>653,713</b>	<b>-</b>	<b>202,474</b>	<b>3,983,399</b>
<b>Deferred inflows of resources:</b>								
Deferred inflows - property taxes	5,924,189	-	-	-	-	1,267,112	-	7,191,301
Deferred inflows - special assessments	-	-	-	-	-	5,673,496	-	5,673,496
Deferred inflows - leases	238,369	-	177,066	-	-	-	-	415,435
<b>Total deferred inflows of resources</b>	<b>6,162,558</b>	<b>-</b>	<b>177,066</b>	<b>-</b>	<b>-</b>	<b>6,940,608</b>	<b>-</b>	<b>13,280,232</b>
<b>Fund balances:</b>								
Nonspendable	156,126	8,725	244,798	-	-	-	-	409,649
Restricted:								
Debt service	-	-	-	-	-	1,736,111	-	1,736,111
Capital projects	-	6,507,637	-	-	-	-	-	6,507,637
Housing	-	-	-	-	-	-	672,305	672,305
Other	-	-	-	-	-	-	356,245	356,245
Assigned:								
Industrial promotion	24,659	-	7,120,668	-	-	-	-	7,145,327
Unassigned	14,219,077	-	-	-	(645,140)	-	(125,134)	13,448,803
<b>Total fund balances</b>	<b>14,399,862</b>	<b>6,516,362</b>	<b>7,365,466</b>	<b>-</b>	<b>(645,140)</b>	<b>1,736,111</b>	<b>903,416</b>	<b>30,276,077</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 21,403,441</b>	<b>\$ 6,608,292</b>	<b>\$ 7,616,330</b>	<b>\$ 2,120,463</b>	<b>\$ 8,573</b>	<b>\$ 8,676,719</b>	<b>\$ 1,105,890</b>	<b>\$ 47,539,708</b>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION  
December 31, 2023

Total fund balance in Governmental Funds Balance Sheet		\$ 30,276,077
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
The cost of capital and leased assets is	117,944,258	
Accumulated depreciation and amortization is	<u>(61,858,170)</u>	56,086,088
Pension and OPEB contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position.		
		4,112,078
Pension and OPEB fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position.		
		(1,769,312)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
		5,673,496
The following liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. These liabilities at year-end consist of:		
Compensated absences	(777,912)	
Total OPEB liability	(1,039,054)	
Net pension liability	(14,514,284)	
General obligation bonds payable	(8,296,088)	
Special assessment bonds payable	(4,890,491)	
Notes payable - financed purchases	(1,548,216)	
Lease obligations payable	(2,490,625)	
Revenue bonds payable	(340,000)	
Accrued interest on the bonds	<u>(118,437)</u>	<u>(34,015,107)</u>
Net position of governmental activities		<u>\$ 60,363,320</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
Year Ended December 31, 2023

	General	Street and Highway	Revolving Loans	American Rescue Plan	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>								
<b>Taxes:</b>								
Property	\$ 5,869,031	\$ -	\$ -	\$ -	\$ -	\$ 1,589,186	\$ -	\$ 7,458,217
Sales	7,592,005	2,808,461	1,404,229	-	327	149,914	768	11,955,704
Franchise	2,128,477	-	-	-	-	-	-	2,128,477
Licenses and permits	250,754	-	-	-	-	-	-	250,754
Intergovernmental	652,728	787,892	-	221,497	1,419,383	-	2,286,011	5,367,511
Charges for services	3,509,356	-	-	-	126,150	-	-	3,635,506
Fines and forfeitures	185,969	-	-	-	-	-	-	185,969
Special assessments	25,183	-	-	-	-	449,043	-	474,226
Investment earnings	778,601	153,500	151,019	-	23,707	81,329	20,241	1,208,397
Lease income	-	-	77,281	-	-	-	-	77,281
Miscellaneous	373,194	691,241	131,225	-	136,431	-	156,863	1,488,954
<b>Total revenues</b>	<b>21,365,298</b>	<b>4,441,094</b>	<b>1,763,754</b>	<b>221,497</b>	<b>1,705,998</b>	<b>2,269,472</b>	<b>2,463,883</b>	<b>34,230,996</b>
<b>Expenditures:</b>								
<b>Current:</b>								
General government	5,837,845	-	-	-	-	-	-	5,837,845
Public safety	10,023,871	-	-	-	-	-	-	10,023,871
Public works	1,153,338	2,451,245	-	-	-	-	130	3,604,713
Sanitation and health	324,062	-	-	-	-	-	100,634	424,696
Economic development	-	-	-	-	-	-	13,318	13,318
Culture and recreation	2,652,710	-	-	-	-	-	-	2,652,710
Industrial promotion	7,970	-	1,119,341	104,608	10,595	-	-	1,242,514
Social welfare	-	-	-	-	-	-	2,090,807	2,090,807
<b>Debt service:</b>								
Principal	993,600	-	24,936	-	-	2,131,475	10,427	3,160,438
Interest	51,146	-	27,665	-	-	448,944	1,573	529,328
Debt issuance costs and other	-	-	-	-	-	10,909	-	10,909
<b>Capital outlay</b>	<b>3,176,084</b>	<b>487,484</b>	<b>200,000</b>	<b>116,889</b>	<b>4,867,013</b>	<b>-</b>	<b>59,300</b>	<b>8,906,770</b>
<b>Total expenditures</b>	<b>24,220,626</b>	<b>2,938,729</b>	<b>1,371,942</b>	<b>221,497</b>	<b>4,877,608</b>	<b>2,591,328</b>	<b>2,276,189</b>	<b>38,497,919</b>
Excess/deficiency of revenues over (under) expenditures	(2,855,328)	1,502,365	391,812	-	(3,171,610)	(321,856)	187,694	(4,266,923)
<b>Other financing sources (uses):</b>								
Notes payable - financed purchases	1,229,701	-	-	-	-	-	-	1,229,701
Notes payable - leases	847,469	-	-	-	-	-	-	847,469
Transfers in	2,004,523	480,000	-	-	892	5,753	-	2,491,168
Transfers out	(486,645)	-	-	-	-	(313,520)	(108,685)	(908,850)
<b>Total other financing sources (uses)</b>	<b>3,595,048</b>	<b>480,000</b>	<b>-</b>	<b>-</b>	<b>892</b>	<b>(307,767)</b>	<b>(108,685)</b>	<b>3,659,488</b>
<b>Net change in fund balances</b>	<b>739,720</b>	<b>1,982,365</b>	<b>391,812</b>	<b>-</b>	<b>(3,170,718)</b>	<b>(629,623)</b>	<b>79,009</b>	<b>(607,435)</b>
Fund balances, beginning of year	13,660,142	4,533,997	6,973,654	-	2,525,578	2,365,734	824,407	30,883,512
Fund balances, end of year	\$ 14,399,862	\$ 6,516,362	\$ 7,365,466	\$ -	\$ (645,140)	\$ 1,736,111	\$ 903,416	\$ 30,276,077

See accompanying notes to basic financial statements.



CITY OF PITTSBURG, KANSAS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2023

Net change in fund balances - total governmental funds		\$ (607,435)
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation and amortization expenses in the statement of activities. This is the amount by which capital outlay exceeds depreciation and amortization in the period.</p>		
Capital outlay	8,040,938	
Depreciation and amortization expense	<u>(3,700,568)</u>	4,340,370
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(434,454)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position		(406,357)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		37,803
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	(117,586)	
Other postemployment benefits	2,607	
Pension	(832,410)	
Amortization of premiums	37,337	
Amortization of discounts	<u>(7,338)</u>	(917,390)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.		<u>1,083,270</u>
Change in net position of governmental activities		<u>\$ 3,095,807</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - NON-GAAP BASIS  
GENERAL FUND  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 18,985,492	\$ 18,985,492	\$ 20,235,282	\$ 1,249,790
Intergovernmental	576,058	576,058	657,610	81,552
Licenses and permits	255,000	255,000	250,754	(4,246)
Charges for services	3,745,509	3,745,509	3,513,831	(231,678)
Fines and forfeitures	255,400	255,400	185,969	(69,431)
Interest	15,000	15,000	589,511	574,511
Miscellaneous	219,195	219,195	400,284	181,089
Total revenues	<u>24,051,654</u>	<u>24,051,654</u>	<u>25,833,241</u>	<u>1,781,587</u>
<b>Expenditures:</b>				
General government:				
General administration:				
Personnel services	1,067,911	1,067,911	1,079,209	(11,298)
Contractual services	194,876	194,876	283,985	(89,109)
Commodities	28,750	28,750	27,466	1,284
Capital outlay	-	-	1,578	(1,578)
Total general administration	<u>1,291,537</u>	<u>1,291,537</u>	<u>1,392,238</u>	<u>(100,701)</u>
Group hospitalization:				
Claims paid	1,982,932	1,982,932	2,104,067	(121,135)
Operating reserve	1,558,008	1,558,008	-	1,558,008
Total group hospitalization	<u>3,540,940</u>	<u>3,540,940</u>	<u>2,104,067</u>	<u>1,436,873</u>
Human resources:				
Personnel services	194,926	194,926	193,234	1,692
Contractual services	153,731	153,731	148,644	5,087
Commodities	6,200	6,200	15,134	(8,934)
Total human resources	<u>354,857</u>	<u>354,857</u>	<u>357,012</u>	<u>(2,155)</u>
Information systems:				
Personnel services	416,580	416,580	408,667	7,913
Contractual services	301,662	301,662	455,267	(153,605)
Commodities	87,050	87,050	124,937	(37,887)
Capital outlay	55,000	55,000	58,807	(3,807)
Total information systems	<u>860,292</u>	<u>860,292</u>	<u>1,047,678</u>	<u>(187,386)</u>
Facility maintenance:				
Personnel services	193,334	193,334	193,798	(464)
Contractual services	9,104	9,104	14,081	(4,977)
Commodities	157,950	157,950	440,082	(282,132)
Total facility maintenance	<u>\$ 360,388</u>	<u>\$ 360,388</u>	<u>\$ 647,961</u>	<u>\$ (287,573)</u>

(Continued)

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - NON-GAAP BASIS

(Continued)  
GENERAL FUND  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
General government (continued):				
Municipal court:				
Personnel services	\$ 271,699	\$ 271,699	\$ 215,922	\$ 55,777
Contractual services	50,153	50,153	46,010	4,143
Commodities	8,500	8,500	5,206	3,294
Total municipal court	<u>330,352</u>	<u>330,352</u>	<u>267,138</u>	<u>63,214</u>
Total general government	<u>6,738,366</u>	<u>6,738,366</u>	<u>5,816,094</u>	<u>922,272</u>
Public safety:				
Police department:				
Personnel services	5,245,297	5,245,297	4,578,606	666,691
Contractual services	764,557	764,557	789,210	(24,653)
Commodities	282,250	282,250	328,308	(46,058)
Capital outlay	576,552	576,552	908,253	(331,701)
Total police department	<u>6,868,656</u>	<u>6,868,656</u>	<u>6,604,377</u>	<u>264,279</u>
Fire department:				
Personnel services	2,722,387	2,722,387	2,626,323	96,064
Contractual services	167,809	167,809	215,122	(47,313)
Commodities	178,200	178,200	256,890	(78,690)
Capital outlay	361,680	361,680	523,223	(161,543)
Total fire department	<u>3,430,076</u>	<u>3,430,076</u>	<u>3,621,558</u>	<u>(191,482)</u>
Public safety - other:				
Building services:				
Personnel services	425,581	425,581	443,267	(17,686)
Contractual services	23,451	23,451	37,304	(13,853)
Commodities	22,200	22,200	26,898	(4,698)
Capital Outlay	75,000	75,000	17,116	57,884
Total building services	<u>546,232</u>	<u>546,232</u>	<u>524,585</u>	<u>21,647</u>
Codes enforcement:				
Personnel services	99,249	99,249	96,940	2,309
Contractual services	28,195	28,195	33,743	(5,548)
Commodities	8,300	8,300	13,215	(4,915)
Capital outlay	-	-	4,018	(4,018)
Total codes enforcement	<u>\$ 135,744</u>	<u>\$ 135,744</u>	<u>\$ 147,916</u>	<u>\$ (12,172)</u>

(Continued)

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - NON-GAAP BASIS

(Continued)

GENERAL FUND

Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Public safety - other (continued):				
Animal control:				
Personnel services	\$ 105,441	\$ 105,441	\$ 104,624	\$ 817
Contractual services	22,536	22,536	28,003	(5,467)
Commodities	10,400	10,400	21,140	(10,740)
Capital outlay	-	-	2,510	(2,510)
Total animal control	<u>138,377</u>	<u>138,377</u>	<u>156,277</u>	<u>(17,900)</u>
Planning and housing:				
Personnel services	330,396	330,396	332,941	(2,545)
Contractual services	37,595	37,595	110,074	(72,479)
Commodities	3,000	3,000	2,364	636
Total planning and housing	<u>370,991</u>	<u>370,991</u>	<u>445,379</u>	<u>(74,388)</u>
Total public safety - other	<u>1,191,344</u>	<u>1,191,344</u>	<u>1,274,157</u>	<u>(82,813)</u>
Total public safety	<u>11,490,076</u>	<u>11,490,076</u>	<u>11,500,092</u>	<u>(10,016)</u>
Public works:				
Engineering department:				
Personnel services	169,647	169,647	163,012	6,635
Contractual services	132,605	132,605	98,613	33,992
Commodities	9,310	9,310	17,282	(7,972)
Capital outlay	141,278	141,278	162,123	(20,845)
Total engineering department	<u>452,840</u>	<u>452,840</u>	<u>441,030</u>	<u>11,810</u>
Atkinson Airport:				
Personnel services	183,636	183,636	180,602	3,034
Contractual services	76,237	76,237	76,383	(146)
Commodities	739,750	739,750	570,860	168,890
Capital outlay	59,017	59,017	231,832	(172,815)
Reserve	182,349	182,349	-	182,349
Total Atkinson Airport	<u>1,240,989</u>	<u>1,240,989</u>	<u>1,059,677</u>	<u>181,312</u>
Total public works	<u>\$ 1,693,829</u>	<u>\$ 1,693,829</u>	<u>\$ 1,500,707</u>	<u>\$ 193,122</u>

(Continued)

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - NON-GAAP BASIS

(Continued)

GENERAL FUND

Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Sanitation and health:				
Mt. Olive Cemetery:				
Personnel services	\$ 71,285	\$ 71,285	\$ 51,642	\$ 19,643
Contractual services	15,022	15,022	211,789	(196,767)
Commodities	15,050	15,050	64,187	(49,137)
Total sanitation and health	<u>101,357</u>	<u>101,357</u>	<u>327,618</u>	<u>(226,261)</u>
Culture and recreation:				
Parks and recreation:				
Personnel services	952,136	952,136	997,209	(45,073)
Contractual services	172,286	172,286	208,908	(36,622)
Commodities	148,000	148,000	150,704	(2,704)
Capital outlay	93,753	93,753	213,041	(119,288)
Total parks and recreation	<u>1,366,175</u>	<u>1,366,175</u>	<u>1,569,862</u>	<u>(203,687)</u>
Aquatic center:				
Personnel services	89,877	89,877	119,194	(29,317)
Contractual services	35,793	35,793	40,797	(5,004)
Commodities	50,850	50,850	74,567	(23,717)
Capital outlay	60,000	60,000	-	60,000
Total aquatic center	<u>236,520</u>	<u>236,520</u>	<u>234,558</u>	<u>1,962</u>
JC ballpark turf reserve:				
Capital outlay	2,500	2,500	5,250	(2,750)
Reserve	143,557	143,557	-	143,557
Total JC ballpark turf reserve	<u>146,057</u>	<u>146,057</u>	<u>5,250</u>	<u>140,807</u>
Four Oaks Complex:				
Personnel services	261,933	261,933	320,305	(58,372)
Contractual services	59,517	59,517	70,769	(11,252)
Commodities	76,900	76,900	92,882	(15,982)
Capital outlay	92,100	92,100	22,853	69,247
Total Four Oaks Complex	<u>490,450</u>	<u>490,450</u>	<u>506,809</u>	<u>(16,359)</u>
Memorial Auditorium and Convention Center:				
Personnel services	456,440	456,440	380,019	76,421
Contractual services	128,422	128,422	122,329	6,093
Commodities	57,250	57,250	54,878	2,372
Capital outlay	80,000	80,000	4,781	75,219
Operating reserve	391,110	391,110	-	391,110
Total Memorial Auditorium and Convention Center	<u>\$ 1,113,222</u>	<u>\$ 1,113,222</u>	<u>\$ 562,007</u>	<u>\$ 551,215</u>

(Continued)

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - NON-GAAP BASIS

(Continued)

GENERAL FUND

Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Culture and recreation (continued):				
Farmers market:				
Personnel services	\$ 4,849	\$ 4,849	\$ 11,322	\$ (6,473)
Contractual services	9,834	9,834	7,671	2,163
Commodities	1,000	1,000	2,152	(1,152)
Operating reserve	16,188	16,188	-	16,188
Total farmers market	31,871	31,871	21,145	10,726
Total culture and recreation	3,384,295	3,384,295	2,899,631	484,664
Operating reserve	7,794,345	7,794,345	10,169	7,784,176
Total expenditures	31,202,268	31,202,268	22,054,311	9,147,957
Excess of revenues over (under) expenditures	(7,150,614)	(7,150,614)	3,778,930	10,929,544
Other financing sources (uses):				
Transfers in	1,600,000	1,600,000	1,708,685	108,685
Transfers out	(4,802,134)	(4,802,134)	(4,967,972)	(165,838)
Total other financing sources (uses)	(3,202,134)	(3,202,134)	(3,259,287)	(57,153)
Net change in fund balances	(10,352,748)	(10,352,748)	519,643	10,872,391
Fund balance, beginning of year	10,352,748	10,352,748	11,717,261	1,364,513
Fund balance, end of year	\$ -	\$ -	\$ 12,236,904	\$ 12,236,904

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - NON-GAAP BASIS  
STREET AND HIGHWAY FUND  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 770,000	\$ 770,000	\$ 798,086	\$ 28,086
Interest	5,250	5,250	153,500	148,250
Miscellaneous	-	-	691,240	691,240
	<u>775,250</u>	<u>775,250</u>	<u>1,642,826</u>	<u>867,576</u>
Total revenues				
Expenditures:				
Personnel services	678,401	678,401	645,274	33,127
Contractual services	501,662	501,662	518,335	(16,673)
Commodities	879,000	879,000	1,289,899	(410,899)
Capital outlay	2,000,000	2,000,000	1,243,989	756,011
Operating reserves	1,622,809	1,622,809	-	1,622,809
	<u>5,681,872</u>	<u>5,681,872</u>	<u>3,697,497</u>	<u>1,984,375</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(4,906,622)</u>	<u>(4,906,622)</u>	<u>(2,054,671)</u>	<u>2,851,951</u>
Other financing sources:				
Transfer in	<u>3,036,802</u>	<u>3,036,802</u>	<u>3,350,560</u>	<u>313,758</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,869,820)	(1,869,820)	1,295,889	3,165,709
Fund balance, beginning of year	<u>1,869,820</u>	<u>1,869,820</u>	<u>3,788,838</u>	<u>1,919,018</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,084,727</u>	<u>\$ 5,084,727</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
December 31, 2023

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Assets:			
Current assets:			
Cash and cash equivalents	\$ 4,234,572	\$ 849,619	\$ 5,084,191
Restricted cash - customer deposits	225,611	-	225,611
Accounts receivable, net of allowance for uncollectibles	1,224,286	48,754	1,273,040
Interest receivable	255,588	-	255,588
Inventory	538,347	-	538,347
Prepaid expenses	31,896	4,269	36,165
	<u>6,510,300</u>	<u>902,642</u>	<u>7,412,942</u>
Total current assets			
Noncurrent assets:			
Capital assets, nondepreciable:			
Land	474,742	108,070	582,812
Construction in progress	2,951,882	-	2,951,882
Capital assets, depreciable	82,812,347	7,236,173	90,048,520
Less accumulated depreciation/amortization	<u>(42,093,263)</u>	<u>(2,482,832)</u>	<u>(44,576,095)</u>
	<u>44,145,708</u>	<u>4,861,411</u>	<u>49,007,119</u>
Total noncurrent assets			
	<u>50,656,008</u>	<u>5,764,053</u>	<u>56,420,061</u>
Total assets			
Deferred outflows of resources:			
Deferred outflows - pension	475,580	79,722	555,302
Deferred outflows - OPEB	10,217	1,806	12,023
	<u>485,797</u>	<u>81,528</u>	<u>567,325</u>
Total deferred outflows of resources			
	<u>\$ 51,141,805</u>	<u>\$ 5,845,581</u>	<u>\$ 56,987,386</u>
Total assets and deferred outflows of resources			

(Continued)



CITY OF PITTSBURG, KANSAS  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
(Continued)  
December 31, 2023

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Liabilities:			
Current liabilities:			
Accounts payable	\$ 152,388	\$ 7,107	\$ 159,495
Accrued payroll	72,963	10,954	83,917
Accrued interest payable	65,196	-	65,196
Customer deposits payable	225,611	-	225,611
Current portion of compensated absences	131,222	15,996	147,218
Current portion of notes payable - financed purchases	-	13,258	13,258
Current portion of general obligation bonds payable	496,550	-	496,550
Current portion of construction loans payable	316,226	-	316,226
Current portion of lease obligations payable	118,620	18,402	137,022
	<u>1,578,776</u>	<u>65,717</u>	<u>1,644,493</u>
Total current liabilities			
Noncurrent liabilities:			
Total OPEB liability	178,639	31,595	210,234
Net pension liability	1,605,076	269,060	1,874,136
Compensated absences	56,867	6,933	63,800
General obligation bonds payable	2,377,396	-	2,377,396
Construction loans payable	2,968,840	-	2,968,840
Lease obligations payable	104,552	16,734	121,286
	<u>7,291,370</u>	<u>324,322</u>	<u>7,615,692</u>
Total noncurrent liabilities			
Total liabilities	<u>8,870,146</u>	<u>390,039</u>	<u>9,260,185</u>
Deferred inflows of resources:			
Deferred inflows - pension	26,483	4,439	30,922
Deferred inflows - OPEB	121,421	21,476	142,897
	<u>147,904</u>	<u>25,915</u>	<u>173,819</u>
Total deferred inflows of resources			
Total liabilities and deferred inflows of resources	<u>9,018,050</u>	<u>415,954</u>	<u>9,434,004</u>
Net position:			
Net investment in capital assets	37,763,524	4,813,017	42,576,541
Unrestricted	4,360,231	616,610	4,976,841
	<u>\$ 42,123,755</u>	<u>\$ 5,429,627</u>	<u>\$ 47,553,382</u>
Total net position			

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
Year Ended December 31, 2023

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Operating revenues:			
Charges for sales and services:			
Water charges	\$ 5,019,824	\$ -	\$ 5,019,824
Wastewater charges	4,184,312	-	4,184,312
Stormwater charges	-	872,005	872,005
Other charges	326,079	7,008	333,087
Total operating revenues	<u>9,530,215</u>	<u>879,013</u>	<u>10,409,228</u>
Operating expenses:			
Cost of sales and services	3,872,615	174,917	4,047,532
Administration	2,423,541	514,537	2,938,078
Depreciation and amortization	2,201,731	232,192	2,433,923
Total operating expenses	<u>8,497,887</u>	<u>921,646</u>	<u>9,419,533</u>
Operating income (loss)	<u>1,032,328</u>	<u>(42,633)</u>	<u>989,695</u>
Nonoperating revenues (expenses):			
Interest revenue	352,364	23,761	376,125
Interest expense	(166,688)	(626)	(167,314)
Total nonoperating revenues (expenses)	<u>185,676</u>	<u>23,135</u>	<u>208,811</u>
Income (loss) before transfers	1,218,004	(19,498)	1,198,506
Transfers in	17,682	-	17,682
Transfers out	(1,600,000)	-	(1,600,000)
Change in net position	(364,314)	(19,498)	(383,812)
Net position, beginning of year	<u>42,488,069</u>	<u>5,449,125</u>	<u>47,937,194</u>
Net position, end of year	<u>\$42,123,755</u>	<u>\$ 5,429,627</u>	<u>\$47,553,382</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS  
Year Ended December 31, 2023

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Cash flows from operating activities:			
Receipts from customers and users	\$ 9,342,022	\$ 861,860	\$ 10,203,882
Payments to suppliers	(3,755,069)	(170,411)	(3,925,480)
Payments to employees	(2,290,332)	(489,233)	(2,779,565)
	<u>3,296,621</u>	<u>202,216</u>	<u>3,498,837</u>
Cash flows from capital and related financing activities:			
Payments of capitalization grant/construction loan payable	(579,484)	-	(579,484)
Acquisition and construction of capital assets	(1,620,730)	(16,003)	(1,636,733)
Principal paid on notes payable - financed purchases	(111,439)	(12,971)	(124,410)
Principal paid on lease obligations payable	(75,289)	(11,475)	(86,764)
Principal paid on general obligation bonds	(718,525)	-	(718,525)
Interest paid on capital debt	(186,246)	(624)	(186,870)
	<u>(3,291,713)</u>	<u>(41,073)</u>	<u>(3,332,786)</u>
Cash flows from noncapital financing activities:			
Interest received	165,759	23,761	189,520
Cash flows from noncapital financing activities:			
Transfers in	17,682	-	17,682
Transfers out	(1,600,000)	-	(1,600,000)
	<u>(1,582,318)</u>	<u>-</u>	<u>(1,582,318)</u>
Net increase (decrease) in cash and cash equivalents	(1,411,651)	184,904	(1,226,747)
Cash and cash equivalents, beginning of year	5,871,834	664,715	6,536,549
Cash and cash equivalents, end of year	<u>\$ 4,460,183</u>	<u>\$ 849,619</u>	<u>\$ 5,309,802</u>

(Continued)

CITY OF PITTSBURG, KANSAS  
STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS  
(Continued)  
Year Ended December 31, 2023

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 1,032,328	\$ (42,633)	\$ 989,695
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization expense	2,201,731	232,192	2,433,923
Changes in assets and liabilities:			
Decrease (increase) in accounts receivable	(177,148)	(17,153)	(194,301)
Decrease (increase) in inventory	67,845	-	67,845
Decrease (increase) in prepaid expenses	(3,362)	(496)	(3,858)
Decrease (increase) in deferred outflows - pension	39,428	6,609	46,037
Decrease (increase) in deferred outflows - OPEB	(3,896)	(689)	(4,585)
Increase (decrease) in accounts payable	53,063	5,002	58,065
Increase (decrease) in accrued payroll	8,964	1,725	10,689
Increase (decrease) in customer deposits	(11,045)	-	(11,045)
Increase (decrease) in compensated absences payable	20,643	6,215	26,858
Increase (decrease) in deferred inflows - pension	3,759	630	4,389
Increase (decrease) in deferred inflows - OPEB	(17,516)	(3,097)	(20,613)
Increase (decrease) in net pension liability	60,863	10,203	71,066
Increase (decrease) in net OPEB liability	20,964	3,708	24,672
Net cash provided by operating activities	<u>\$ 3,296,621</u>	<u>\$ 202,216</u>	<u>\$ 3,498,837</u>
Cash consists of:			
Cash and cash equivalents	\$ 4,234,572	\$ 849,619	\$ 5,084,191
Restricted cash	225,611	-	225,611
	<u>\$ 4,460,183</u>	<u>\$ 849,619</u>	<u>\$ 5,309,802</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
December 31, 2023

1 - Summary of Significant Accounting Policies

Reporting Entity

The City of Pittsburg, Kansas (the City) is a municipal corporation governed under an elected five-member commission. The accompanying basic financial statements present the City (the primary government) and its component unit, an entity for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

Discretely Presented Component Unit

The Pittsburg Public Library (the Library) is operated by a Library Board which is appointed by the City Commission. The City levies and collects a special library tax to subsidize the Library's operations. The Library's operating budget is subject to the approval of the City Commission. The City must approve acquisition or disposition of real property by the Library, but the Library owns the capital assets. Bond issuances must also be approved by the City. The Library is presented as a governmental fund type. Separately issued financial statements for the Library are not available.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are generally considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. A 90-day availability period is used for revenue recognition for all governmental funds revenues except property taxes for which a 60-day availability period is used. 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 and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Property taxes, sales taxes, franchise taxes, interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City. While property taxes receivable are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year end because statutory provisions prohibit their use until the year for which they were levied and budgeted. Instead, they are offset by unavailable revenue accounts.

The City reports the following major governmental funds:

General Fund – The general fund is used to account for all financial resources except those required to be accounted for in another fund.

Street and Highway Fund – The street and highway fund is used to account for the construction, reconstruction, alteration, repair and maintenance of the streets and highways of the City and for payment of bonds and interest associated with street and highway projects. Financing is through motor vehicle tax receipts distributed to cities from the State of Kansas and from transfers from the City's General Fund.

Revolving Loans Fund – The revolving loans fund is used to account for revolving loan proceeds involving various revenue sources including local sales tax proceeds utilized for industrial development purposes, revolving funds from rental rehabilitation grants, and revolving funds received from industrial development grants.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

American Rescue Plan Fund – The American rescue plan fund is used to account for American Rescue Plan Act (ARPA) monies distributed by the State of Kansas to address medical or public health needs related to the pandemic.

Capital Projects Fund – The capital projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Debt Service Fund – The debt service fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The City reports the following major proprietary funds:

Water/Wastewater Fund – The water/wastewater fund is used to account for the operation and maintenance activities of the City’s water and wastewater collection and treatment systems.

Stormwater Fund – The stormwater fund is used to account for the operation and maintenance activities of the City’s stormwater utility.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City’s water and wastewater 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.

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 operations. The principal operating revenues of the water/wastewater fund and the stormwater fund are charges to customers for sales and services. Operating expenses for the water/wastewater fund and the stormwater 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.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Investments

In accordance with the City’s formal investment policy adopted by the governing body, the City may form a pool that is managed by the Director of Finance. Each fund’s equity in the pool is included in cash and cash equivalents in the financial statements. These pooled investments consist of operating accounts and nonnegotiable certificates of deposit that are recorded at cost because they are not affected by market rate changes. Investment earnings, including interest income, are allocated to the funds required to accumulate interest; other investment earnings are allocated based on management discretion and upon their average daily equity balances. If a fund is not required to account for its own earnings by law or regulation, the earnings are allocated to the General Fund. For the fiscal year ended December 31, 2023, interest earnings allocated to the various funds were \$ 1,584,523.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

The investments consist of money market mutual funds, which are recorded at fair value.

Cash Flows Statement

For purposes of the cash flows statement, the City considers deposits and highly liquid investments with an original maturity of three months or less to be cash equivalents.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

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

All trade accounts receivable are shown net of an allowance for uncollectibles. Management records an allowance equal to 5% of the trade accounts receivable.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the governmental funds unavailable revenue is reported as follows:

General fund property taxes receivable	\$ 5,924,189
Debt service fund property taxes receivable	1,267,112
Debt service fund special assessments receivable	<u>5,673,496</u>
	<u>\$ 12,864,797</u>

Property Taxes

The City's property taxes are levied each year on the assessed value of all real estate listed as of the prior January 1, the lien date. Assessed values are established by Crawford County. The assessed value upon which the 2023 levy was based was \$ 148,123,666.

Property taxes are legally restricted for use in financing operations of the ensuing year. Accordingly, the City defers revenue recognition until the year for which they are to be used. Property taxes are levied on November 1. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. Property taxes become delinquent on December 20 of each fiscal year if the taxpayer has not remitted at least one-half of the amount due. The 2023 tax levy per \$ 1,000 of assessed valuation was as follows:



CITY OF PITTSBURG, KANSAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 (Continued)

General Fund	\$	36.982
Debt Service Fund		7.910
Component unit:		
Library		6.004
	\$	50.896

Special Assessments Receivable

As required by State statutes, projects financed in part by special assessments are financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Further, State statutes permit levying additional general ad valorem property taxes in the City's debt service fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable are accounted for within the City's debt service fund. Special assessment taxes are levied over a ten or twenty-year period and the annual installments are due and payable with annual ad valorem property taxes. At December 31, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the debt service fund and accrued as revenues in the statement of activities. Since they are not considered available spendable resources for the governmental funds, the special assessment receivables are reported as unavailable revenue in the fund financial statements.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items of governmental funds are recorded as expenditures when consumed rather than when purchased.

Restricted Assets

The State of Kansas requires the City to maintain customer utility deposits separate from City assets. Interest earned is credited back to customers as required by State statutes. Restricted investments are set aside for debt service payments and for required debt reserves.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, curbs and gutters, sidewalks and similar items) and construction in progress 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 individual cost of more than \$ 1,000 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, donated works of art and similar items, and capital assets received in service concession arrangements are recorded at acquisition value. Right-to-use lease assets are measured as discussed below.

CITY OF PITTSBURG, KANSAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Property, plant and equipment of the primary government, as well as the component unit, is depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	20 – 50 years
Office equipment	3 – 10 years
Machinery and equipment	3 – 10 years
Water and sewer treatment plants	50 years
Water and sewer mains	50 years
Infrastructure	15 – 100 years

Deferred Outflow/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for pension and OPEB in the government-wide and proprietary funds statements of net position. See Note 11 and Note 12 for more information on the deferred outflows for the pension and OPEB plans, respectively.

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 that time. The City has several items that qualify for reporting in this category. The governmental funds balance sheet reports deferred inflows from property taxes, special assessments and leases receivable. Deferred inflows from property taxes and leases receivable are only reported in the governmental activities in the statement of net position. *Deferred inflows for pension* and *deferred inflows for OPEB* are reported in the government-wide and proprietary funds statements of net position. See Note 11 and Note 12 for more information on the deferred inflows for the pension and OPEB plans, respectively.

Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

Leases

The City is a lessee for leases of machinery and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the statement of net position. The City recognizes lease liabilities with an initial, individual value of \$ 5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of lease payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments 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 judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liabilities.

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

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of KPERS and additions to/deductions from KPERS's fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2023, fund balances for governmental funds are made up of the following:

*Nonspendable fund balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

*Restricted fund balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

*Committed fund balance* – includes amounts that can only be used for specific purposes determined by a formal action (resolution) of the City’s highest level of decision-making authority, the City Commission. Commitments may be changed or lifted only by the City Commission taking the same formal action that imposed the constraint originally (resolution).

*Assigned fund balance* – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City Commission or (2) the City Manager to which the City Commission has delegated the authority to assign amounts to be used for specific purposes. The authority for management to assign fund balance is provided by the City’s purchasing policy.

*Unassigned fund balance* – is the residual classification for the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

Net Position

The City's net position is classified as follows:

Net investment in capital assets – This represents the City's total investment in capital assets, net of accumulated depreciation and related debt.

Restricted net position – This includes resources that are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties.

Unrestricted net position – This includes resources derived from charges for services, property taxes, state appropriations and interest. The resources are used for transactions relating to the general operations of the City and may be used to meet current expenses in accordance with approved budgets.

Concentrations of Credit Risk

Loans are extended, on a fully secured basis, to local industries under the revolving economic development loan program. Credit is extended to citizens for special assessments levied by the City for capital improvements. These special assessments are secured by liens on the related properties. Unsecured credit is extended to customers for water, sewer and refuse fees and charges for services.

Intergovernmental receivables include unsecured amounts due from federal, state and county agencies for various grant programs.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Standard

During the year, the City adopted the following accounting standard:

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The City had no material SBITAs to record in accordance with the new standard.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

Pending Governmental Accounting Standards Board Statements

At December 31, 2023, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 99, *Omnibus 2022*, has objectives that are 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 requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance by the City. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will become effective for the City in the fiscal year ended December 31, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, has an objective 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. This Statement will become effective for the City in the fiscal year ended December 31, 2024.

GASB Statement No. 101, *Compensated Absences*, has an objective to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for the City in the fiscal year ended December 31, 2024.

GASB Statement No. 102, *Certain Risk Disclosures* – The statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. That objective is achieved by assessing whether a concentration or constraint makes the primary government reporting units vulnerable to the risk of substantial impact. This Statement will become effective for the City in the fiscal year ended December 31, 2025.

2 - Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$ 1,083,270 difference are as follows:

CITY OF PITTSBURG, KANSAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 (Continued)

Debt issued or incurred:	
Notes payable - financed purchases	\$ (1,229,701)
Lease obligations payable	(847,468)
Principal repayments:	
General obligation bonds	1,536,475
Notes payable - financed purchases	558,112
Lease obligations payable	470,852
Revenue bonds	595,000
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	\$ 1,083,270

3 - Stewardship, Compliance and Accountability

Budgetary Information

The City is required by State statute to legally adopt annual operating budgets for all funds unless exempted by a specific statute. The City has legally adopted annual budgets for the general fund, the debt service fund, the street and highway fund, the special alcohol and drug fund, the special parks and recreation fund, and the Section 8 fund. Budgets were not prepared for the Community Development Block Grant fund, the capital projects fund, the CDBG TBRA Grants fund, the Demolition fund, the Land Bank fund, the PHA/Presbyterian Church Housing fund, the Northgate CID fund, the revolving loans fund, the Opioid Settlement fund, the RHID Districts fund, the American Rescue Plan fund and the Downtown Restoration fund.

The statutes provide for the following sequence and timetable in adoption of budgets:

1. Preparation of the proposed budget for the succeeding calendar year on or before August 1<sup>st</sup>.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5<sup>th</sup>.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget is adjusted to on or before September 20<sup>th</sup>. The City did hold a revenue neutral rate hearing for fiscal year 2023.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. This process requires a notice of public hearing to amend the budget to be published in a local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. During 2023, the City amended the budget for the Special Parks and Recreation Fund and Section 8 Fund.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management has the authority to revise departmental budgets within a fund; however, the City Commission must approve changes to the appropriations at the fund level.

All budgets are prepared utilizing the cash basis further modified by the encumbrance method of accounting – that is, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. Any unused budgeted expenditure authority lapses at the end of the year. Encumbered appropriations are not re-appropriated in the ensuing year’s budget but are carried forward until liquidated or canceled.

Controls over spending in funds which are not subject to legal budgets are maintained by other statutes or by using internal spending limits established by management.

4 - Budgetary Basis of Accounting

The General Fund and Street and Highway Fund Statements of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual are presented in accordance with the budget basis to provide a meaningful comparison of actual results with the budget. The following reconciliation is presented to provide a correlation between the different bases of accounting for reporting in accordance with GAAP and for reporting on the budget basis:

	General Fund	Street and Highway Fund
Net change in fund balances, GAAP basis	\$ 739,720	\$ 1,982,365
Change in:		
Taxes receivable	(263,387)	62,100
Grants receivable	-	10,193
Interest receivable	(186,605)	-
Lease receivable	53,695	-
Inventories	29,465	-
Prepaid items	(964)	(651)
Encumbrances	113,007	(756,505)
Salaries payable	43,025	(1,613)
Health care payable	(8,313)	-
	\$ 519,643	\$ 1,295,889
Net change in fund balances, non-GAAP basis		

A Budget and Actual Statement was not prepared for the revolving loans fund or the American Rescue Plan Project fund because those funds are not required to have a legally adopted budget.



CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

5 - Deposits and Investments

Deposits

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the City.

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is included in cash and investments on the balance sheet. At December 31, 2023, the City's carrying amount of deposits, including certificates of deposit, was exposed to custodial credit risk with \$ 600,051 of deposits being unsecured.

The carrying amount of deposits for the Library, a discretely presented component unit, was not exposed to custodial credit risk.

Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of December 31, 2023, the City had the following investments:

Level 1 Investment	Fair Value	Investment Maturities in Years			More Than 10
		Less Than 1	1-5	6-10	
Goldman Sachs Financial Square Government Fund	\$ 135,173	\$ 135,173	\$ -	\$ -	\$ -

The money market investments are composed of U.S. Government securities that are fully collateralized. The City's investments are rated Aaa by Moody's and AAA by Standard & Poor's.

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to fair value losses arising from increasing interest rates, the City has a formally adopted investment policy that limits investment maturities. The policy states that the City must attempt to match investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not invest in securities maturing more than two years from the date of purchase. The City is not exposed to significant interest rate risk.

CITY OF PITTSBURG, KANSAS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 (Continued)

*Credit Risk*

Kansas statutes authorize the City and the Library, with certain restrictions, to deposit or invest in temporary notes; no-fund warrants; open accounts, time deposits, and certificates of deposit with allowable financial institutions; U.S. government securities; repurchase agreements; and the Kansas Municipal Investment Pool. The City's investment policy authorizes the purchases of U.S. Treasury securities, certificates of deposit, and temporary notes. The Library held no investments at December 31, 2023.

*Concentrations of Credit Risk*

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial Credit Risk-Investments*

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2023, the City's investments were not exposed to custodial credit risk.

At December 31, 2023, the City's deposit and investment balances were as follows:

	Carrying Amount		Total
	City	Component Unit - Public Library	
Cash and cash equivalents	\$ 33,184,601	\$ 670,543	\$ 33,855,144
Restricted cash and cash equivalents	360,784	-	360,784
	\$ 33,545,385	\$ 670,543	\$ 34,215,928

6 - Loans Receivable

Loans receivable, aggregating \$ 1,761,679 at December 31, 2023, consist of economic development and rental rehabilitation low interest loans funded through the U.S. Department of Housing and Urban Development's Community Development Block Grant and Rental Rehabilitation Programs, the Presbyterian Church Fund Program and the City's Revolving Loans Fund.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

7 - Leases Receivable

The City entered into an 81-month lease as lessor for the use of Tower 101 N. Locust. An initial lease receivable was recorded in the amount of \$ 262,828. As of December 31, 2023, the value of the lease receivable is \$ 189,427. The lessee is required to make monthly fixed payments of \$ 2,959. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of December 31, 2023 was \$ 184,953, and the City recognized lease revenue of \$ 38,937 during the fiscal year. The lessee has one extension option for 48 months.

The City entered into a 62-month lease as lessor for the use of Atkinson Airport Hangar - Land. An initial lease receivable was recorded in the amount of \$ 12,735. As of December 31, 2023, the value of the lease receivable is \$ 7,854. The lessee is required to make monthly fixed payments of \$ 209. The lease has an interest rate of 0.6860%. The value of the deferred inflow of resources as of December 31, 2023 was \$ 7,805, and the City recognized lease revenue of \$ 2,465 during the fiscal year.

The City entered into a 62-month lease as lessor for the use of Atkinson Airport Hangar - Building. An initial lease receivable was recorded in the amount of \$ 291,920. As of December 31, 2023, the value of the lease receivable is \$ 180,121. The lessee is required to make monthly fixed payments of \$ 4,788. The lease has an interest rate of 0.6860%. The value of the deferred inflow of resources as of December 31, 2023 was \$ 177,066, and the City recognized lease revenue of \$ 57,427 during the fiscal year.

The City entered into a 60-month lease as lessor for use of an antenna collocation. An initial lease receivable was recorded in the amount of \$ 72,311. As of December 31, 2023, the value of the lease receivable is \$ 45,897. The lessee is required to make monthly fixed payments of \$ 1,133. The lease has an interest rate of 0.6860%. The value of the deferred inflow of resources as of December 31, 2023 was \$ 45,611 and the City recognized lease revenue of \$ 13,350 during the fiscal year.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Capital Assets

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

Primary Government	Balance at 12/31/2022	Increase	Decrease	Transfers	Balance at 12/31/2023
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 4,522,897	\$ -	\$ (219,292)	\$ -	\$ 4,303,605
Construction in progress	3,113,501	4,625,000	-	(272,693)	7,465,808
 Total capital assets not being depreciated	 7,636,398	 4,625,000	 (219,292)	 (272,693)	 11,769,413
Other capital assets:					
Capital assets, being depreciated:					
Building and improvements	39,832,403	284,187	(1,110,437)	-	39,006,153
Machinery and equipment	12,693,476	2,229,648	(516,929)	-	14,406,195
Infrastructure	49,092,218	54,635	-	272,693	49,419,546
 Total capital assets being depreciated	 101,618,097	 2,568,470	 (1,627,366)	 272,693	 102,831,894
Less accumulated depreciation for:					
Building and improvements	24,402,932	851,456	(750,437)	-	24,503,951
Machinery and equipment	9,781,481	876,749	(681,801)	52,858	10,029,287
Infrastructure	25,225,190	1,667,591	-	(52,858)	26,839,923
 Total accumulated depreciation	 59,409,603	 3,395,796	 (1,432,238)	 -	 61,373,161
Leased assets being amortized:					
Leased assets - machinery and equipment	2,857,739	847,468	(362,256)	-	3,342,951
Less accumulated amortization - machinery and equipment	242,338	304,772	(62,101)	-	485,009
 Total leased assets being amortized, net	 2,615,401	 542,696	 (300,155)	 -	 2,857,942
 Other capital assets, net	 44,823,895	 (284,630)	 (495,283)	 272,693	 44,316,675
 Governmental activities capital assets, net	 \$ 52,460,293	 \$ 4,340,370	 \$ (714,575)	 \$ -	 \$ 56,086,088

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

Primary Government	Balance at 12/31/2022	Increase	Decrease	Transfers	Balance at 12/31/2023
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 582,812	\$ -	\$ -	\$ -	\$ 582,812
Construction in progress	1,975,885	975,997	-	-	2,951,882
 Total capital assets not being depreciated	 2,558,697	 975,997	 -	 -	 3,534,694
Capital assets, being depreciated:					
Building and improvements	30,799,158	196,669	-	-	30,995,827
Machinery and equipment	7,541,122	124,824	(254,270)	-	7,411,676
Infrastructure	50,883,598	339,240	-	-	51,222,838
 Total capital assets being depreciated	 89,223,878	 660,733	 (254,270)	 -	 89,630,341
Less accumulated depreciation for:					
Building and improvements	15,443,944	665,219	-	-	16,109,163
Machinery and equipment	4,959,310	535,761	(254,268)	-	5,240,803
Infrastructure	21,919,245	1,144,534	-	-	23,063,779
 Total accumulated depreciation	 42,322,499	 2,345,514	 (254,268)	 -	 44,413,745
Leased assets being amortized:					
Leased assets - machinery and equipment	221,823	196,356	-	-	418,179
Less accumulated amortization - machinery and equipment	73,941	88,409	-	-	162,350
 Total leased assets being amortized, net	 147,882	 107,947	 -	 -	 255,829
 Other capital assets, net	 47,049,261	 (1,576,834)	 (2)	 -	 45,472,425
 Business-type activities capital assets, net	 \$ 49,607,958	 \$ (600,837)	 \$ (2)	 \$ -	 \$ 49,007,119

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

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

Governmental activities:	
General government	\$ 59,320
Public safety	892,622
Public works	1,444,338
Sanitation and health	349
Industrial promotion	8,425
Culture and recreation	988,786
Social welfare	1,956
	<hr/>
Total depreciation expense - governmental activities	<u>\$ 3,395,796</u>
Business-type activities:	
Water/wastewater	\$ 2,177,678
Stormwater	228,444
	<hr/>
Total depreciation expense - business-type activities	<u>\$ 2,406,122</u>

Amortization expense of \$ 304,772 and \$ 88,409 was charged to governmental activities and business-type activities, respectively.

Capital asset activity for the Public Library component unit for the year ended December 31, 2023 was as follows:

	Balance at 12/31/2022	Increase	Decrease	Balance at 12/31/2023
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets, not being depreciated				
Land	\$ 215,415	\$ -	\$ -	\$ 215,415
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets not being depreciated	215,415	-	-	215,415
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets, being depreciated:				
Building and improvements	3,643,808	-	-	3,643,808
Machinery and equipment	252,588	36,946	(128,225)	161,309
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets being depreciated	3,896,396	36,946	(128,225)	3,805,117
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation for:				
Building and improvements	1,894,545	75,371	-	1,969,916
Machinery and equipment	101,521	38,521	(25,357)	114,685
	<hr/>	<hr/>	<hr/>	<hr/>
Total accumulated depreciation	1,996,066	113,892	(25,357)	2,084,601
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets being depreciated, net	1,900,330	(76,946)	(102,868)	1,720,516
	<hr/>	<hr/>	<hr/>	<hr/>
Business-type activities capital assets, net	<u>\$ 2,115,745</u>	<u>\$ (76,946)</u>	<u>\$ (102,868)</u>	<u>\$ 1,935,931</u>

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Capital Projects

The City is currently working on paving projects and performing various improvements. These projects are being funded primarily with federal grant monies and by the issuance of bonds.

Following is a summary of costs to December 31, 2023 for capital projects compared to the amount authorized:

	Costs to Date	Amount Authorized
Airport projects	\$ 1,480,540	\$ 2,448,474
Road and bridge projects	10,531,939	13,119,425
Wastewater	2,743,036	2,783,851
	\$ 14,755,515	\$ 18,351,750

10 - Long-Term Debt

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds payable at December 31, 2023 are comprised of the following issues:

General Obligation Bonds	Interest Rates	Original Issue	Final Maturity Date	Principal Payments During 2023	Outstanding December 31, 2023
Governmental activities:					
Series 2013-A	0.70% to 2.15%	\$ 1,420,000	2023	\$ 80,000	\$ -
Series 2014-A	1.50% to 2.65%	3,398,395	2025	356,475	549,990
Series 2016-A	2.00%	5,000,000	2031	325,000	2,840,000
Series 2019-A	2.30% to 5.00%	2,100,000	2029	200,000	1,365,000
Series 2022-A	3.00%	3,625,000	2032	290,000	3,335,000
				1,251,475	8,089,990
Business-type activities:					
Series 2014-A	1.50% to 2.65%	1,606,605	2025	168,525	260,010
Series 2015-A	3.00%	6,370,000	2030	550,000	2,445,000
				718,525	2,705,010
				\$ 1,970,000	\$ 10,795,000
Special assessment bonds:					
Governmental activities:					
Series 2016-B	2.00% to 3.25%	6,500,000	2037	\$ 285,000	\$ 4,865,000

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

The installment ranges for the general obligation bonds are the following:

General Obligation Bonds	Installment Range	
	Low	High
Governmental activities:		
Series 2014-A	\$ 176,540	\$ 373,450
Series 2016-A	330,000	385,000
Series 2019-A	210,000	250,000
Series 2022-A	330,000	415,000
Business-type activities:		
Series 2014-A	83,460	176,550
Series 2015-A	320,000	380,000
Special assessment bonds:		
Governmental activities:		
Series 2016-B	290,000	420,000

The future annual requirements for general obligation bonds outstanding as of December 31, 2023 are as follows:

Year	General Obligation Bonds				Special Assessment Bonds	
	Governmental Activities		Business-type Activities		Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 1,243,450	\$ 213,218	\$ 496,550	\$ 79,887	\$ 290,000	\$ 133,342
2025	1,061,540	177,068	413,460	65,962	295,000	127,542
2026	910,000	147,040	335,000	53,850	305,000	121,348
2027	945,000	124,680	350,000	43,800	310,000	114,638
2028	970,000	101,145	360,000	33,300	320,000	107,508
2029 - 2033	2,960,000	172,875	750,000	33,900	1,740,000	407,114
2034 - 2038	-	-	-	-	1,605,000	131,459
	<u>\$ 8,089,990</u>	<u>\$ 936,026</u>	<u>\$ 2,705,010</u>	<u>\$ 310,699</u>	<u>\$ 4,865,000</u>	<u>\$ 1,142,951</u>



CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

Construction Loans Payable

During 2010, the City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow \$ 2,508,311 to finance the improvements to the City's wastewater system. The loan will be repaid over twenty years at an interest rate of 2.83%. The outstanding balance of \$ 590,448 is shown as a liability in the water/wastewater fund. The future annual debt service requirements for the construction loan payable as of December 31, 2023 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 71,725	\$ 14,774
2025	73,769	12,911
2026	75,871	10,994
2027	78,033	9,023
2028	80,257	6,995
2029 - 2033	210,793	8,234
	<u>\$ 590,448</u>	<u>\$ 62,931</u>

During 2006, the City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow \$ 4,447,522 to finance improvements to the wastewater system. The loan will be repaid over twenty years at an interest rate of 2.67%. The outstanding balance of \$ 906,671 is shown as a liability in the water/wastewater fund. The future annual debt service requirements for the construction loan payable as of December 31, 2023 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 217,730	\$ 20,633
2025	223,583	15,328
2026	229,592	9,882
2027	235,766	4,289
	<u>\$ 906,671</u>	<u>\$ 50,132</u>

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

The City entered into a loan agreement with the Kansas Department of Health and Environment’s Kansas Public Water Supply Loan Fund. The agreement enabled the City to borrow \$ 554,592 to finance improvements to the water system. The loan will be repaid over twenty years at an interest rate of 2.49%. The outstanding balance of \$ 351,758 is shown as a liability in the water/wastewater fund. The future annual debt service requirements for the construction loan payable as of December 31, 2023 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 26,771	\$ 7,385
2025	27,442	6,809
2026	28,130	6,218
2027	28,834	5,612
2028	29,557	4,991
2029 - 2033	159,271	15,084
2034 - 2035	51,753	1,112
	<u>\$ 351,758</u>	<u>\$ 47,211</u>

During 2021, the City entered into a loan agreement with the Kansas Department of Health and Environment’s Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow \$ 5,136,830 to finance improvements to the wastewater system. The loan will be repaid over twenty years at an interest rate of 1.30%. As of December 31, 2023, the City has drawn \$ 1,707,789 on this loan. The outstanding balance of \$ 1,436,189 is shown as a liability in the water/wastewater fund. The debt service requirements to the maturity date will not be determinable until the final draws have been made.

Transportation Development District Sales Tax Revenue Bonds

In 2006, the City issued Transportation Development District Sales Tax Revenue bonds in the amount of \$ 1,395,000. The proceeds were used to finance the North Broadway – Pittsburg Town Center Project. A sales tax has been imposed on purchases made within the transportation development district. The sales tax collected has been pledged, in the amount of \$ 2,359,794, to retire the bonds through the maturity date of April 1, 2027. The percent of the sales tax pledged is 100%.

The 2023 principal and interest for the revenue bonds was \$ 155,520 and the pledged revenues recognized for 2023 were \$ 149,914. The bonds are considered a special, limited obligation of the City secured by a pledge of the sales tax revenues. The bonds are not a general obligation of the City, nor do they go against the City’s debt limit.

CITY OF PITTSBURG, KANSAS  
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The future annual requirements for Transportation Development District Sales Tax Revenue bonds outstanding as of December 31, 2023 are as follows:

	Principal	Interest	Total
2024	\$ 100,000	\$ 13,920	\$ 113,920
2025	110,000	8,880	118,880
2026	115,000	3,480	118,480
2027	15,000	360	15,360
	\$ 340,000	\$ 26,640	\$ 366,640

The bonds are subject to optional redemption provisions starting on April 1, 2016, and on any interest payment date thereafter, at par plus accrued interest. The term bonds maturing on April 1, 2027 are subject to mandatory redemption and payment prior to maturity pursuant to the requirements of a mandatory redemption schedule, at par plus accrued interest.

Special Obligation Tax Increment Revenue Bonds

In 2016, the City issued Special Obligation Tax Increment (TIF) Revenue bonds in the amount of \$ 6,310,000. The proceeds were used to finance certain redevelopment costs in connection with the North Broadway Redevelopment – Pittsburg Town Center Project. An incremental increase in ad valorem tax revenues and certain sales tax revenues from the redevelopment district will be used to retire the bonds. The property and sales tax collected has been pledged, in the amount of \$ 9,970,784, to retire the bonds through the maturity date of April 1, 2024. The percent of the sales tax pledged is 100%. The 2023 principal and interest for the revenue bonds was \$ 471,270 and the pledged revenues recognized for 2023 were \$ 333,540. The bonds are considered a special, limited obligation of the City, secured by a pledge of and lien on the incremental increase in ad valorem tax and certain sales tax revenues. The bonds are not a general obligation of the City nor do they go against the City’s debt limit.

The bonds are subject to optional redemption provisions starting on April 1, 2016 and on any interest payment date thereafter, at par plus accrued interest.

Notes Payable – Financed Purchases

The City entered into various notes payable – financed purchase agreements for the acquisition of certain equipment in the amount of \$ 3,923,602. The annual debt service requirements to service the outstanding notes payable – financed purchases at December 31, 2023 are as follows:

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Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 482,294	\$ 59,458	\$ 13,258	\$ 293
2025	349,883	42,535	-	-
2026	339,791	28,608	-	-
2027	316,033	14,448	-	-
2028	60,215	1,188	-	-
	<u>\$ 1,548,216</u>	<u>\$ 146,237</u>	<u>\$ 13,258</u>	<u>\$ 293</u>

Lease Obligations Payable

The City entered into a 56-month lease as lessee for the use of Toshiba Copiers. An initial lease liability was recorded in the amount of \$ 72,732. As of December 31, 2023, the value of the lease liability is \$ 44,872. The City is required to make monthly fixed payments of \$ 1,373. The lease has an interest rate of 0.686%. The value of the right to use asset as of December 31, 2023 of \$ 77,006 with accumulated amortization of \$ 32,538 is included with Equipment in the capital asset schedule in Note 8. The City has the option to purchase the equipment for \$ 66,425.

The City entered into a 135-month lease as lessee for the use of PSU Indoor Event Facility. An initial lease liability was recorded in the amount of \$ 2,100,000. As of December 31, 2023, the value of the lease liability is \$ 1,555,011. The City is required to make annual fixed payments of \$ 52,601. The lease has an interest rate of 1.751%. The value of the right to use asset as of December 31, 2023 of \$ 1,625,905 with accumulated amortization of \$ 75,071 is included with Infrastructure in the capital asset schedule in Note 8.

The City entered into a 25-month lease as lessee for the use of LEC I.T. Equipment. An initial lease liability was recorded in the amount of \$ 494,607. As of December 31, 2023, the lease liability has been paid in full. The lease has an interest rate of 1.8510%. The value of the right to use asset as of December 31, 2023 of \$ 499,182 with accumulated amortization of \$ 142,624 is included with Equipment in the capital asset schedule in Note 8.

The City entered into a 28-month lease as lessee for the use of a Front Loader. An initial lease liability was recorded in the amount of \$ 61,029. As of December 31, 2023, the value of the lease liability is \$ 20,437. The City is required to make annual fixed payments of \$ 20,818. The lease has an interest rate of 1.8700%. The value of the right to use asset as of December 31, 2023 of \$ 61,030 with accumulated amortization of \$ 17,437 is included with Equipment in the capital asset schedule in Note 8.

The City entered into a 37-month lease as lessee for the use of certain Equipment. An initial lease liability was recorded in the amount of \$ 453,937. As of December 31, 2023, the value of the lease liability is \$ 153,193. The City is required to make annual fixed payments of \$ 155,112. The lease has an interest rate of 1.2500%. The value of the right to use asset as of December 31, 2023 of \$ 454,184 with accumulated amortization of \$ 302,789 is included with Equipment in the capital asset schedule in Note 8.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

On August 1, 2023, the City entered into a 36 month lease as lessee for the use of Fleet Vehicles. An initial lease liability was recorded in the amount of \$ 1,043,824. As of December 31, 2023, the value of the lease liability is \$ 975,420. The City is required to make monthly fixed payments of \$ 34,481. The lease has an interest rates varying by vehicle ranging from 0.6783% to 0.7392%. The value of the right to use asset as of December 31, 2023 of \$ 1,043,823 with accumulated amortization of \$ 76,900 is included in the capital asset schedule in note 8.

The annual debt service requirements to service the outstanding lease obligations payable at December 31, 2023 are as follows:

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 408,869	\$ 110,105	\$ 137,022	\$ 19,718
2025	310,614	108,184	62,203	18,780
2026	257,066	91,611	50,620	15,079
2027	63,254	40,754	8,463	3,439
2028	27,197	25,404	-	-
2029 - 2033	143,299	119,707	-	-
2034 - 2038	156,292	106,714	-	-
2039 - 2043	170,463	92,543	-	-
2044 - 2048	185,918	77,087	-	-
2049 - 2053	202,776	60,230	-	-
2054 - 2058	221,161	41,844	-	-
2059 - 2063	241,214	21,792	-	-
2064 - 2065	102,502	2,700	-	-
	<u>\$ 2,490,625</u>	<u>\$ 898,675</u>	<u>\$ 258,308</u>	<u>\$ 57,016</u>

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NOTES TO BASIC FINANCIAL STATEMENTS  
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Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 9,341,465	\$ -	\$ 1,251,475	\$ 8,089,990	\$ 1,243,450
Less bond discount	(7,338)	-	(7,338)	-	-
Plus bond premium	241,474	-	35,376	206,098	-
Net general obligation bonds	9,575,601	-	1,279,513	8,296,088	1,243,450
Special assessment bonds	5,150,000	-	285,000	4,865,000	290,000
Plus bond premium	27,452	-	1,961	25,491	-
Net special assessment bonds	5,177,452	-	286,961	4,890,491	290,000
Transportation development district sales tax revenue bonds - direct borrowing	475,000	-	135,000	340,000	100,000
Special obligation tax increment revenue bonds - direct borrowing	460,000	-	460,000	-	-
Notes payable - financed purchases - direct borrowing	876,627	1,229,701	558,112	1,548,216	482,294
Lease obligations payable - direct borrowing	2,422,225	847,468	779,068	2,490,625	408,869
Total OPEB liability	837,463	129,660	15,841	951,282	-
Total OPEB liability - KPERS	79,658	15,858	7,744	87,772	-
Net pension liability	14,696,785	-	182,501	14,514,284	-
Compensated absences	660,326	967,251	849,665	777,912	777,912
	20,508,084	3,189,938	2,987,931	20,710,091	1,769,075
Governmental activities long-term liabilities	\$ 35,261,137	\$ 3,189,938	\$ 4,554,405	\$ 33,896,670	\$ 3,302,525

CITY OF PITTSBURG, KANSAS  
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(Continued)

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 3,423,535	\$ -	\$ 718,525	\$ 2,705,010	\$ 496,550
Plus bond premium	193,069		24,133	168,936	-
	<u>3,616,604</u>	<u>-</u>	<u>742,658</u>	<u>2,873,946</u>	<u>496,550</u>
Net general obligation bonds	3,616,604	-	742,658	2,873,946	496,550
Construction loans payable - direct borrowing	3,864,550	-	579,484	3,285,066	316,226
Notes payable - financed purchases - direct borrowing	137,668	-	124,410	13,258	13,258
Lease obligations payable - direct borrowing	148,718	196,354	86,764	258,308	137,022
Total OPEB liability	171,247	26,237	3,205	194,279	-
Total OPEB liability - KPERS	14,315	3,208	1,568	15,955	-
Net pension liability	1,803,070	71,066	-	1,874,136	-
Compensated absences	184,160	174,617	147,759	211,018	147,218
	<u>9,940,332</u>	<u>471,482</u>	<u>1,685,848</u>	<u>8,725,966</u>	<u>1,110,274</u>
Business-type activity long-term liabilities					
	<u>\$ 9,940,332</u>	<u>\$ 471,482</u>	<u>\$ 1,685,848</u>	<u>\$ 8,725,966</u>	<u>\$ 1,110,274</u>
Component unit activities:					
Total OPEB liability	\$ 54,208	\$ 8,378	\$ 1,024	\$ 61,562	\$ -
Total OPEB liability - KPERS	5,049	1,025	500	5,574	-
Net pension liability	455,232	17,942	-	473,174	-
Compensated absences	40,672	11,288	6,254	45,706	6,081
	<u>555,161</u>	<u>38,633</u>	<u>7,778</u>	<u>586,016</u>	<u>6,081</u>
Component unit activity long-term liabilities					
	<u>\$ 555,161</u>	<u>\$ 38,633</u>	<u>\$ 7,778</u>	<u>\$ 586,016</u>	<u>\$ 6,081</u>

For the governmental activities, compensated absences, net pension and net OPEB liabilities are generally liquidated by the general fund.

Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance.

Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2023, Industrial Revenue Bonds outstanding had an aggregate principal amount payable of \$ 14,950,050.

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11 - Defined Benefit Pension Plan

General Information About the Pension Plan

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

- Public employees, which includes:
  - State/School employees
  - Local employees
- Police and Firemen
- Judges

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

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

KPERs issues an annual comprehensive financial report, which is available on the KPERs website at [www.kpers.org](http://www.kpers.org).

*Benefits Provided.* Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 points (police and firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, member employees may withdraw their contributions from their individual accounts, including interest. Member employees who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Member employees choose one of seven payment options for their monthly retirement benefits. At retirement a member employee may receive a lump-sum payment of up to 50% of the actuarial present value of the member employee's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.



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The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan was created for new hires starting January 1, 2015. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes the Police and Firemen (KP&F) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation for each of the three state-wide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement groups are funded on an actuarial reserve basis.

For KPERS fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap decreased over the prior year contribution rate is 1.2% of total payroll for the KPERS fiscal year ended June 30, 2023.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.43% for KPERS and 22.86% for KP&F for the year ended December 31, 2023. Contributions to the Pension Plan from the City were \$ 645,643 for KPERS and \$ 978,451 for KP&F for the year ended December 31, 2023.

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

At December 31, 2023, the City reported a liability of \$ 16,388,420 and the Library reported a liability of \$ 473,174 for their proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2023, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The City's proportion of the collective net pension liability was based on the ratio of the City's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions of the Local group and Police and Firemen group within KPERS for the KPERS fiscal year ended June 30, 2023. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2023 the City's proportion for KPERS was 0.340%, which was an decrease of 0.005% from its proportion measured as of June 30, 2022. At June 30, 2023, the City's proportion for KP&F was 0.608%, which decrease of 0.092% from its proportion as of June 30, 2022.

For the year ended December 31, 2023, the City recognized pension expense of \$ 1,035,498 for KPERS and \$ 1,501,002 for KP&F. The Library's portion of the KPERS pension expense was \$ 73,529. At December 31, 2023, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	City	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,454,246	\$ 939
Net difference between projected and actual earnings on pension plan investments	827,283	-
Changes in assumptions	22,564	1,093,042
Changes in proportionate share	1,493,635	-
Contributions subsequent to measurement date	810,221	-
Total	\$ 4,607,949	\$ 1,093,981

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	Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 39,335	\$ 66
Net difference between projected and actual earnings on pension plan investments	27,636	-
Changes in assumptions	1,603	7,741
Changes in proportionate share	50,150	-
Contributions subsequent to measurement date	21,477	-
Total	\$ 140,201	\$ 7,807

The \$ 810,221 for the City and the \$ 21,477 for the Library reported as deferred outflows of resources related to pensions resulting from the City's and Library's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	City	Library
2024	\$ 920,213	\$ 36,777
2025	448,163	20,578
2026	1,248,206	46,287
2027	85,687	7,098
2028	1,478	177
Total	\$ 2,703,747	\$ 110,917

*Actuarial assumptions.* The total pension liability for KPERS in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.75 percent
Salary increases, including price inflation	3.50 to 12.00 percent
Long-term rate of return net of investment expense, and including price inflation	7.00 percent

Mortality rates were based on the RP-2014 Mortality Tables with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

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The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study which covered the three-year period ending December 31, 2018. The experience study is dated January 7, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocations as of the most recent experience study, dated January 7, 2020 are summarized in the following table:

Asset Class	Long-Term Target Allocation	Long-Term Expected Rate of Return
U.S. Equities	23.5%	5.20%
Non-U.S. Equities	23.5%	6.40%
Fixed Income	11%	1.55%
Yield Driven	8%	4.70%
Real Return	11%	3.25%
Real Estate	11%	4.45%
Alternatives	8%	9.50%
Short-term investments	4%	0.25%
Total	<u>100%</u>	

*Discount rate.* The discount rate used by KPERS to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation first passed in 1993, and subsequent legislation, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in the future. Employers contribute the full actuarial determined rate for KPERS. Future employer contribution rates were also modeled for KP&F assuming all actuarial assumptions are met in the future. Employers contribute the full actuarial determined rate for KP&F. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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*Sensitivity of the City's proportionate share of the collective net pension liability to changes in the discount rate.* The following presents the City's and the Library's proportionate share of the collective net pension liability calculated using the discount rate of 7.00%, as well as what the proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	City		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
KPERS	\$ 9,555,018	\$ 6,663,689	\$ 4,254,910
KP&F	13,113,866	9,724,731	6,895,089
<b>Total</b>	<b>\$ 22,668,884</b>	<b>\$ 16,388,420</b>	<b>\$ 11,149,999</b>
	Library		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
KPERS	\$ 678,481	\$ 473,174	\$ 302,132

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

12 - Other Postemployment Benefits

Health Insurance

The City offers postemployment health and life insurance to retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan (the Plan) administered by the City. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The health insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. The City also provides life insurance benefits to retirees. The life insurance benefits continue for lifetime. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue a stand-alone financial report.

The City provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statutes, which may be amended by the state legislature, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125 percent of the premium cost for other similarly situated employees. The City requires participating retirees to contribute approximately 85 percent of the blended premium cost of active employees up to age 65 (including the employer and employee share).

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Retirees contribute 100 percent of their life insurance premiums. The City appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. In 2023, the City did not contribute to the Plan.

At December 31, 2023, Plan membership consisted of the following:

Active employees	189
Retirees and covered spouses	3
	192
	192

The total OPEB liability was measured as of December 31, 2023 and was determined by an actuarial valuation as of December 31, 2022. Changes in the total OPEB liability are as follows:

	City	Library	Total
Balance at 1/1/2023	\$ 1,008,710	\$ 54,208	\$ 1,062,918
Service cost	66,067	3,551	69,618
Interest	46,425	2,495	48,920
Benefit payments	4,693	252	4,945
Changes in assumptions	38,712	2,080	40,792
Differences between expected and actual experience	(19,046)	(1,024)	(20,070)
Balance at 12/31/2023	\$ 1,145,561	\$ 61,562	\$ 1,207,123

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	December 31, 2022
Actuarial cost method	Entry age normal as a level percentage of payroll
Inflation rate	2.50%
Salary increases	2.75%
Discount rate	4.00%
Healthcare cost trend rates	7.50% for 2023, decreasing 0.25% per year to an ultimate rate of 4.50% for 2035 and later years
Current rate	7.50%
Ultimate rate	4.50%
Year ultimate rate is reached	2035

The discount rate was based on an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

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Changes and items of impact relative from the beginning to the end of year measurement were as follows:

1. Discount rate was decreased from 4.31% to 4.00%.

The following presents the total OPEB liability of the City and the Library, as well as what their total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total OPEB liability - City	\$ 1,280,439	\$ 1,145,561	\$ 1,025,674
Total OPEB liability - Library	68,812	61,562	55,121

The following represents the total OPEB liability of the City and the Library as well as what their total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability - City	\$ 984,888	\$ 1,145,561	\$ 1,340,110
Total OPEB liability - Library	52,929	61,562	72,019

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City recognized OPEB expense of \$ 8,962. At December 31, 2023, the City and the Library reported deferred outflows and inflows of resources related to OPEB from the following sources:

	City		Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 64,269	\$ 208,101	\$ 3,453	\$ 11,182
Differences between expected and actual experience	-	513,478	-	27,596
	\$ 64,269	\$ 721,579	\$ 3,453	\$ 38,778

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

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

Year Ended June 30,	City	Library
2024	\$ (120,997)	\$ (6,503)
2025	(120,997)	(6,503)
2026	(120,997)	(6,503)
2027	(121,390)	(6,524)
2028	(87,221)	(4,687)
Thereafter	(85,708)	(4,605)
Total	<u>\$ (657,310)</u>	<u>\$ (35,325)</u>

Disability Benefits and Life Insurance

The City and the Library participate in a single-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Employer contributions are established and may be amended by state statute. Members are not required to contribute. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2023 totaled \$ 0.

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60 percent (prior to January 1, 2006, 66 $\frac{2}{3}$  percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$ 100 and a maximum of \$ 5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65<sup>th</sup> birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.



CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

As of the valuation date of December 31, 2022, the following employees were covered by the benefit terms.

Active employees	156	
Disabled members	-	
		156

The total OPEB liability was measured as of June 30, 2023 and was determined by an actuarial valuation performed as of December 31, 2022.

	City	Library	Total
Balance at 1/1/2023	\$ 93,973	\$ 5,049	\$ 99,022
Service cost	15,201	817	16,018
Interest	3,864	208	4,072
Effect of economic/demographic gains or losses	(8,801)	(473)	(9,274)
Changes of assumptions/methodology	(510)	(27)	(537)
	\$ 103,727	\$ 5,574	\$ 109,301

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	December 31, 2022
Actuarial cost method	Entry age normal as a level percentage of payroll
Inflation rate	2.50%
Salary increases	2.75%
Payroll growth	3.00%
Discount rate	3.65%
Mortality rates	Local Males: 90% of RP-2014 M Total Dataset +2 Local Females: 90% of RP-2014 F Total Dataset +1 Generational mortality improvements were projected for future years using MP-2021

The discount rate was based on the Bond Buyer General Obligation 20-Year Municipal Index.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2016 through December 31, 2018.

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

1. The discount rate was updated in accordance with the requirements of GASB 75.
2. The Disability Rates, Estimated Offsets, Waiver Mortality Rates and Claim Cost Assumption have been updated based on recent experience.
3. The overall impact of the new assumptions is a decrease in the benefit obligations.

The following presents the total OPEB liability of the City and Library, as well as what the City and Library's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current discount rate:

	City		
	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability - City	\$ 108,224	\$ 103,727	\$ 98,981
Total OPEB liability - Library	5,816	5,574	5,318

The following represents the total OPEB liability of the City and Library as well as what the City and Library's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase
Total OPEB liability - City	\$ 103,727	\$ 103,727	\$ 103,727
Total OPEB liability - Library	5,574	5,574	5,574

For the year ended December 31, 2023, the City recognized OPEB expense of \$ 717. At December 31, 2023, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	City		Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 95,897	\$ -	\$ 5,154
Changes in assumptions	7,185	31,674	386	1,704
	\$ 7,185	\$ 127,571	\$ 386	\$ 6,858

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

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

Year Ended June 30,	City	Library
2024	\$ (18,385)	\$ (988)
2025	(18,385)	(988)
2026	(18,247)	(981)
2027	(17,129)	(920)
2028	(14,646)	(787)
Thereafter	(33,594)	(1,808)
Total	<u>\$ (120,386)</u>	<u>\$ (6,472)</u>

Aggregate Other Postemployment Healthcare Benefit Information

The aggregate amount of OPEB expenses for the two OPEB plans for the year ended December 31, 2023 was \$ 8,245 for the City.

	Balances at December 31, 2023		
	Health Insurance	Disability Benefits and Life Insurance	Total
City:			
Total OPEB liability	\$ 1,145,561	\$ 103,727	\$ 1,249,288
Total deferred outflows of resources	64,269	7,185	71,454
Total deferred inflows of resources	721,579	127,571	849,150
Library:			
Total OPEB liability	61,562	5,574	67,136
Total deferred outflows of resources	3,453	386	3,839
Total deferred inflows of resources	38,778	6,858	45,636

13 - Risk Management

The City is exposed to various risks of loss related to torts; that is, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to employee health benefits. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in claims from prior years.

*Group Hospitalization.* The City maintains a partially self-funded health insurance plan covering substantially all full-time employees. A monthly premium is paid to an insurance company for individual and aggregate stop-loss coverage and includes an amount for administrative costs. The maximum liability of the City for each individual covered is \$ 75,000 per plan year. Any claims paid in excess of this amount will be reimbursed to the City by the insurance company at the end of the plan year. The

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

transactions of the health insurance plan are accounted for in the Group Hospitalization department in the General Fund and are subsequently allocated to various departments and/or funds. The rates are based on past historical costs for individual and family coverage and expected future claims. The claims liability of \$ 4,706 reported at December 31, 2023 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The changes in health care claims payable for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
Unpaid claims, January 1	\$ 13,019	\$ 15,044
Incurred claims (including IBNRs)	1,427,627	1,063,633
Claim payments	(1,435,940)	(1,065,658)
Unpaid claims, December 31	<u>\$ 4,706</u>	<u>\$ 13,019</u>

14 - Interfund Activity

Interfund transfers reflect the flow of resources from one fund to another fund, generally from the fund in which the resources are received or reside to the fund in which the resources will be expended. Interfund transfers for the year ended December 31, 2023, consisted of the following:

Fund	Transfers In	Transfers Out
Major governmental funds:		
General	\$ 2,004,523	\$ 486,645
Capital projects	892	-
Debt service	5,753	313,520
Street and highway	480,000	-
Nonmajor governmental funds	-	108,685
Major proprietary funds:		
Water/wastewater	17,682	1,600,000
	<u>\$ 2,508,850</u>	<u>\$ 2,508,850</u>

Transfers are used to (1) move revenues from the fund that statutes or the budget requires to collect them to the fund that statutes or the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) eliminate negative cash balances in the payable funds due to project payment timing.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

At December 31, 2023, due to/from other funds were recorded as a result of elimination of negative cash balances caused by project timing. Due to/from balances consisted of the following:

Fund	Due To	Due From
Major governmental funds:		
General	\$ -	\$ 669,090
Capital projects	576,509	-
Nonmajor governmental funds	92,581	-
	\$ 669,090	\$ 669,090

15 - Commitments and Contingencies - Encumbrances

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At December 31, 2023, the City's encumbrances were recorded as follows:

General fund	\$ 24,659
Street and highway fund	756,505
Water/wastewater fund	736,906
Stormwater fund	7,238
Total encumbrances	\$ 1,525,308

16 - Contingencies

The City is involved in various lawsuits incurred through normal operations. It is the opinion of the City's management that the outcome of this litigation will not result in a material loss to the City in excess of applicable insurance coverage.

17 - Tax Abatements

The City negotiates property tax abatement agreements on an individual basis. The City has tax abatement agreements with six entities as of December 31, 2023:

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

<u>Entity</u>	<u>Amount of Taxes Abated During the Fiscal Year</u>
Millers, Inc.	\$ 68,716
E & J Investment, LLC	17,371
La Quinta Inn & Suites	71,724
Kendall Packaging Corporation	29,581
Atkinson Industries, Inc.	2,988
Rallison, LP (Progressive Products)	14,316
	14,316
Total	\$ 204,696

The Millers, Inc., E & J Investments, LLC, and Atkinson Industries, Inc. agreements have been negotiated under Section 13 of Article 11 of the Kansas Constitution, which specifies that the property for which the exemption is granted will be used for manufacturing articles of commerce, conducting research and development or storing goods or commodities which are sold or traded in interstate commerce. The exemption may be granted for a maximum of ten years. The City's Tax Exemption and Incentives for Economic Development Policy governs the issuance of tax exemptions within the City and dictates the following procedures: 1) The applicant shall apply for a tax exemption by filing a written application, 2) The City shall then determine whether the requested tax exemption may be lawfully granted and should be granted, 3) If it is determined that some tax exemption should be granted, a 100% exemption of the property of the business legally eligible for the exemption shall be provided, 4) The amount of the tax incentive, which will be an amount less than the taxes otherwise payable if the property were not exempt, will then be determined in accordance with the policy, and 5) Upon the failure of the business to fully and timely pay the in lieu tax payments, as may be required as a condition of granting of an exemption, or to provide reports or other information requested by the City and reasonably necessary for the implementation of the policy, the City may either deny, revoke, or not renew the authorization of such an exemption. All requests for a tax exemption for economic development purposes shall be considered and acted upon in accordance with the City's Tax Exemption and Incentives for Economic Development Policy.

The La Quinta Inn & Suites, Kendall Packaging Corporation, and Rallison, LP (Progressive Products) agreements have been negotiated under K.S.A. 12-1740 et seq, which authorizes the City to issue industrial revenue bonds to pay for the costs of facilities used for commercial, industrial and manufacturing purposes. The City must prepare an analysis of the costs and benefits of each exemption and conduct a public hearing on the granting of such exemption. The notice of public hearing must be published at least seven days prior to the hearing in the official City newspaper.

The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities. The City has chosen to disclose information about its tax abatement agreements individually.

CITY OF PITTSBURG, KANSAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
(Continued)

18 - Subsequent Events

The City has evaluated subsequent events through the date of the independent auditors' report, which is the date the financial statements are available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**



CITY OF PITTSBURG, KANSAS  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Kansas Public Employees Retirement System  
Last Nine Fiscal Years<sup>1</sup>

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the collective net position liability:				
KPERS	0.340%	0.345%	0.342%	0.351%
KP&F	0.608%	0.700%	0.700%	0.737%
City's proportionate share of the collective net pension liability	\$ 16,861,594	\$ 16,955,087	\$ 10,788,007	\$ 15,172,209
City's covered payroll	\$ 11,339,232	\$ 10,836,008	\$ 10,306,272	\$ 10,580,091
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	149%	156%	105%	143%
Plan fiduciary net position as a percentage of the total pension liability	70.70%	69.75%	76.40%	66.30%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
City's proportion of the collective net position liability:				
KPERS	0.353%	0.352%	0.357%	0.349%
KP&F	0.750%	0.777%	0.819%	0.822%
City's proportionate share of the collective net pension liability	\$ 12,527,470	\$ 12,387,128	\$ 12,849,413	\$ 13,043,469
City's covered payroll	\$ 10,518,770	\$ 10,127,727	\$ 9,954,433	\$ 10,133,030
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	119%	122%	129%	129%
Plan fiduciary net position as a percentage of the total pension liability	69.88%	68.88%	67.12%	65.10%

<sup>1</sup>GASB 68 requires presentation of 10 years. Data was not available prior to fiscal year 2015.

CITY OF PITTSBURG, KANSAS  
Schedule of the City's Contributions  
Kansas Public Employees Retirement System  
Last Nine Fiscal Years<sup>1</sup>

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
KPERS contractually required contribution	\$ 645,643	\$ 630,242	\$ 573,389	\$ 552,871
KP&F contractually required contribution	978,451	954,576	903,465	861,851
Contributions in relation to the contractually required contribution	<u>(1,624,094)</u>	<u>(1,584,818)</u>	<u>(1,476,854)</u>	<u>(1,414,722)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,806,620	\$ 11,233,650	\$ 10,425,041	\$ 10,351,298
Contributions as a percentage of covered payroll	13.76%	14.11%	14.17%	13.67%

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
KPERS contractually required contribution	\$ 586,773	\$ 533,338	\$ 525,818	\$ 552,205	\$ 583,953
KP&F contractually required contribution	911,891	795,471	744,524	893,395	959,523
Contributions in relation to the contractually required contribution	<u>(1,498,664)</u>	<u>(1,328,809)</u>	<u>(1,270,342)</u>	<u>(1,445,600)</u>	<u>(1,543,476)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,720,980	\$ 10,316,358	\$ 10,127,727	\$ 9,954,433	\$ 10,133,030
Contributions as a percentage of covered payroll	13.98%	12.88%	12.54%	14.52%	15.23%

<sup>1</sup> GASB 68 requires presentation of ten years. Required information was not available prior to fiscal year 2015; therefore, ten years of data is unavailable.

CITY OF PITTSBURG, KANSAS  
Schedule of Changes in the City's Total  
OPEB Liability and Related Ratios  
Last Seven Fiscal Years<sup>1</sup>

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability:			
Service cost	\$ 69,618	\$ 100,221	\$ 104,227
Interest	48,920	32,774	28,401
Benefit paid	4,945	(93,765)	(17,502)
Difference between expected and actual experience	(20,070)	(199,008)	(37,569)
Changes in assumptions	40,792	(180,607)	(50,300)
Net change in total OPEB liability	144,205	(340,385)	27,257
Total OPEB liability--beginning	<u>1,062,918</u>	<u>1,403,303</u>	<u>1,376,046</u>
Total OPEB liability--ending	<u>\$ 1,207,123</u>	<u>\$ 1,062,918</u>	<u>\$ 1,403,303</u>
Covered-employee payroll	\$ 11,086,142	\$ 8,900,793	\$ 8,128,198
City's total OPEB liability as a percentage of covered-employee payroll	10.89%	11.94%	17.26%

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:				
Service cost	\$ 93,475	\$ 89,327	\$ 119,636	\$ 101,402
Interest	52,541	55,069	58,337	61,974
Benefit paid	4,781	(104,260)	(64,261)	(108,229)
Difference between expected and actual experience	(342,415)	(327,940)	-	-
Changes in assumptions	51,831	(100,181)	5,856	-
Net change in total OPEB liability	(139,787)	(387,985)	119,568	55,147
Total OPEB liability--beginning	<u>1,515,833</u>	<u>1,903,818</u>	<u>1,784,250</u>	<u>1,729,103</u>
Total OPEB liability--ending	<u>\$ 1,376,046</u>	<u>\$ 1,515,833</u>	<u>\$ 1,903,818</u>	<u>\$ 1,784,250</u>
Covered-employee payroll	\$ 8,493,758	\$ 8,468,953	\$ 8,812,378	\$ 8,812,378
City's total OPEB liability as a percentage of covered-employee payroll	16.20%	17.90%	21.60%	20.25%

<sup>1</sup>GASB 75 requires presentation of 10 years. Data was not available prior to fiscal year 2017.

Note: No assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

CITY OF PITTSBURG, KANSAS  
Schedule of Changes in the City's Total  
OPEB Liability and Related Ratios - KPERs  
Last Six Fiscal Years<sup>1</sup>

	2023	2022
Total OPEB liability:		
Service cost	\$ 16,018	\$ 25,947
Interest	4,072	3,663
Difference between expected and actual experience	(9,274)	(35,529)
Changes in assumptions	(537)	(38,708)
Net change in total OPEB liability	10,279	(44,627)
Total OPEB liability, beginning	99,022	143,649
Total OPEB liability, ending	\$ 109,301	\$ 99,022
Covered-employee payroll	\$ 6,926,497	\$ 6,243,067
Total OPEB liability as a percentage of covered-employee payroll	1.58%	1.59%

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	\$ 27,850	\$ 24,409	\$ 22,769	\$ 22,566
Interest	3,874	5,567	5,920	5,444
Difference between expected and actual experience	(35,780)	(27,857)	(26,366)	(25,504)
Changes in assumptions	252	10,671	2,140	(1,799)
Net change in total OPEB liability	(3,804)	12,790	4,463	707
Total OPEB liability, beginning	147,453	134,663	130,200	129,493
Total OPEB liability, ending	\$ 143,649	\$ 147,453	\$ 134,663	\$ 130,200
Covered-employee payroll	\$ 6,108,792	\$ 6,437,606	\$ 6,228,174	\$ 6,077,814
Total OPEB liability as a percentage of covered-employee payroll	2.35%	2.29%	2.16%	2.14%

<sup>1</sup>GASB 75 requires the presentation of 10 years. Data was not available prior to fiscal year 2018. Therefore, 10 years of data is unavailable.

Note: No assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

**OTHER SUPPLEMENTARY INFORMATION**

**COMBINING FINANCIAL STATEMENTS  
AND  
INDIVIDUAL FUND SCHEDULES**

## GOVERNMENTAL FUNDS DESCRIPTIONS

### **NONMAJOR SPECIAL REVENUE FUNDS**

The primary purpose of the Special Revenue Funds is to account for and report the proceeds of specific sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following nonmajor Special Revenue Funds are reported:

Special Parks and Recreation Fund – to account for park and recreation programs and activities. Financing is through the State of Kansas’s 10% tax on the sale of liquor. One-third of the liquor tax proceeds is returned to the cities in which the tax is collected to be used to finance park and recreation programs and activities.

Special Alcohol and Drug Fund – to account for alcohol and drug rehabilitation programs. Financing is through the State of Kansas’s 10% tax on the sale of liquor. One-third of the liquor tax proceeds is returned to the cities in which the tax is collected to be used to finance alcohol and drug rehabilitation programs.

PHA/Presbyterian Church Housing Fund – to account for funds which must be used to promote the expansion of the supply of low- and moderate-income housing in the City and in Crawford County, Kansas.

Section 8 Fund – to account for federal grants under the Department of Housing and Urban Development (HUD) Program.

Community Development Block Grant Fund – to account for federal grants under the HUD Community Development Block Grant Program (CDBG).

CDBG TBRA Grants Fund – to account for a grant funded through the State of Kansas Housing Resource Corporation for the purpose of providing supportive assistance to the homeless and/or at risk of becoming homeless in the Pittsburg community.

Demolition Fund – to account for funds set aside to assist with the demolition of dilapidated or unsafe structures within the City.

Land Bank Fund – to account for the sale of vacant property owned by the City while eliminating the liabilities imposed on the City by vacant, dilapidated, or abandoned parcels.

Northgate Community Improvement District (CID) Fund – to account for the special CID sales tax of 0.9% on retail sales made at the Northgate Plaza retail area. The CID sales tax is remitted to the City by the State of Kansas and the City then remits these funds to the developer upon receipt of expenditures for improvements specified in the CID project document.

Opioid Settlement Fund – to account for opioid settlement monies distributed by the State of Kansas to address public health needs related to addiction.

RHID Districts Fund – to account for funds set aside for development of housing infrastructure and renovations with rural communities.

Downtown Restoration Fund – to account for funds which must be used to restore buildings in the downtown district.

CITY OF PITTSBURG, KANSAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2023

	Special Revenue					
	Special Parks and Recreation	Special Alcohol and Drug	PHA/ Presbyterian Church Housing	Section 8	Community Development Block Grant	CDBG TBRA Grants
<u>ASSETS</u>						
Cash and cash equivalents	\$ 33,431	\$ 127,065	\$ 587,873	\$ -	\$ -	\$ -
Receivables (net of allowance for uncollectibles):						
Taxes	-	-	-	-	-	-
Accounts	-	-	65,175	-	-	-
Intergovernmental	-	-	-	-	14,399	3,704
Loans receivable	-	-	6,882	-	-	-
<b>Total assets</b>	<b>\$ 33,431</b>	<b>\$ 127,065</b>	<b>\$ 659,930</b>	<b>\$ -</b>	<b>\$ 14,399</b>	<b>\$ 3,704</b>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 2,629	\$ -	\$ -
Accrued payroll	-	-	-	6,024	-	-
Unearned revenue	-	-	-	29,628	-	-
Due to other funds	-	-	-	82,915	2,024	3,704
Other	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>121,196</b>	<b>2,024</b>	<b>3,704</b>
Fund balances:						
Restricted:						
Housing	-	-	659,930	-	12,375	-
Other	33,431	127,065	-	-	-	-
Unassigned	-	-	-	(121,196)	-	-
<b>Total fund balances</b>	<b>33,431</b>	<b>127,065</b>	<b>659,930</b>	<b>(121,196)</b>	<b>12,375</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 33,431</b>	<b>\$ 127,065</b>	<b>\$ 659,930</b>	<b>\$ -</b>	<b>\$ 14,399</b>	<b>\$ 3,704</b>

(Continued)

CITY OF PITTSBURG, KANSAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
 (Continued)  
 December 31, 2023

	Special Revenue						Total Nonmajor Governmental Funds
	Demolition	Land Bank	Northgate CID	Opioid Settlement	RHID Districts	Downtown Restoration	
<u>ASSETS</u>							
Cash and cash equivalents	\$ -	\$ 14,194	\$ 564	\$ 60,641	\$ 96,554	\$ 75,000	\$ 995,322
Receivables (net of allowance for uncollectibles):							
Taxes	-	-	20,408	-	-	-	20,408
Accounts	-	-	-	-	-	-	65,175
Intergovernmental	-	-	-	-	-	-	18,103
Loans receivable	-	-	-	-	-	-	6,882
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 14,194</b>	<b>\$ 20,972</b>	<b>\$ 60,641</b>	<b>\$ 96,554</b>	<b>\$ 75,000</b>	<b>\$ 1,105,890</b>
<u>LIABILITIES AND FUND BALANCES</u>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 51,408	\$ -	\$ 54,037
Acerued payroll	-	-	-	-	-	-	6,024
Unearned revenue	-	-	-	-	-	-	29,628
Due to other funds	3,938	-	-	-	-	-	92,581
Other	-	-	20,204	-	-	-	20,204
<b>Total liabilities</b>	<b>3,938</b>	<b>-</b>	<b>20,204</b>	<b>-</b>	<b>51,408</b>	<b>-</b>	<b>202,474</b>
Fund balances:							
Restricted:							
Housing	-	-	-	-	-	-	672,305
Other	-	14,194	768	60,641	45,146	75,000	356,245
Unassigned	(3,938)	-	-	-	-	-	(125,134)
<b>Total fund balances</b>	<b>(3,938)</b>	<b>14,194</b>	<b>768</b>	<b>60,641</b>	<b>45,146</b>	<b>75,000</b>	<b>903,416</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 14,194</b>	<b>\$ 20,972</b>	<b>\$ 60,641</b>	<b>\$ 96,554</b>	<b>\$ 75,000</b>	<b>\$ 1,105,890</b>



CITY OF PITTSBURG, KANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR GOVERNMENTAL FUNDS  
 Year Ended December 31, 2023

	Special Revenue					CDBG TBRA Grants
	Special Parks and Recreation	Special Alcohol and Drug	PHA/ Presbyterian Church Housing	Section 8	Community Development Block Grant	
Revenues:						
Intergovernmental	\$ 141,316	\$ 141,316	\$ -	\$ 1,797,342	\$ 72,734	\$ 77,569
Sales Tax	-	-	-	-	-	-
Investment earnings	-	-	18,931	401	-	-
Miscellaneous	800	-	-	3,567	-	-
<b>Total revenues</b>	<b>142,116</b>	<b>141,316</b>	<b>18,931</b>	<b>1,801,310</b>	<b>72,734</b>	<b>77,569</b>
Expenditures:						
Current:						
Sanitation and health	-	100,634	-	-	-	-
Economic development	-	-	-	-	-	-
Social welfare	-	-	-	1,944,154	69,084	77,569
Industrial promotion	-	-	-	-	-	-
Public works	-	-	-	130	-	-
Debt service:						
Principal	-	-	-	10,427	-	-
Interest	-	-	-	1,573	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>100,634</b>	<b>-</b>	<b>1,956,284</b>	<b>69,084</b>	<b>77,569</b>
Excess (deficiency) of revenues over (under) expenditures	142,116	40,682	18,931	(154,974)	3,650	-
Other financing uses:						
Transfers out	(108,685)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(108,685)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	33,431	40,682	18,931	(154,974)	3,650	-
Fund balances, beginning of year	-	86,383	640,999	33,778	8,725	-
Fund balances, end of year	\$ 33,431	\$ 127,065	\$ 659,930	\$ (121,196)	\$ 12,375	\$ -

(Continued)

CITY OF PITTSBURG, KANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR GOVERNMENTAL FUNDS  
 (Continued)  
 Year Ended December 31, 2023

	Special Revenue						Total Nonmajor Governmental Funds
	Demolition	Land Bank	Northgate CID	Opioid Settlement	RHID Districts	Downtown Restoration	
Revenues:							
Intergovernmental	\$ -	\$ -	\$ -	\$ 55,734	\$ -	\$ -	\$ 2,286,011
Sales Tax	-	-	768	-	-	-	768
Investment earnings	319	590	-	-	-	-	20,241
Miscellaneous	2,350	5,000	-	-	45,146	100,000	156,863
<b>Total revenues</b>	<b>2,669</b>	<b>5,590</b>	<b>768</b>	<b>55,734</b>	<b>45,146</b>	<b>100,000</b>	<b>2,463,883</b>
Expenditures:							
Current:							
Sanitation and health	-	-	-	-	-	-	100,634
Economic development	-	13,318	-	-	-	-	13,318
Social welfare	-	-	-	-	-	-	2,090,807
Industrial promotion	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	130
Debt service:							
Principal	-	-	-	-	-	-	10,427
Interest	-	-	-	-	-	-	1,573
Capital outlay	34,300	-	-	-	-	25,000	59,300
<b>Total expenditures</b>	<b>34,300</b>	<b>13,318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>2,276,189</b>
Excess (deficiency) of revenues over (under) expenditures	(31,631)	(7,728)	768	55,734	45,146	75,000	187,694
Other financing uses:							
Transfers out	-	-	-	-	-	-	(108,685)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(108,685)</b>
Net change in fund balances	(31,631)	(7,728)	768	55,734	45,146	75,000	79,009
Fund balances, beginning of year	27,693	21,922	-	4,907	-	-	824,407
Fund balances, end of year	<u>\$ (3,938)</u>	<u>\$ 14,194</u>	<u>\$ 768</u>	<u>\$ 60,641</u>	<u>\$ 45,146</u>	<u>\$ 75,000</u>	<u>\$ 903,416</u>

CITY OF PITTSBURG, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - NON-GAAP BASIS  
SPECIAL PARKS AND RECREATION FUND  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 110,000	\$ 145,000	\$ 141,316	\$ (3,684)
Miscellaneous revenue	-	-	800	800
Total revenues	<u>110,000</u>	<u>145,000</u>	<u>142,116</u>	<u>(2,884)</u>
Other financing uses:				
Transfer out	<u>(110,000)</u>	<u>(145,000)</u>	<u>(108,685)</u>	<u>36,315</u>
Net change in fund balance	-	-	33,431	33,431
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 33,431</u></u>	<u><u>\$ 33,431</u></u>

CITY OF PITTSBURG, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - NON-GAAP BASIS  
SPECIAL ALCOHOL AND DRUG FUND  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 110,000	\$ 110,000	\$ 141,316	\$ 31,316
Total revenues	110,000	110,000	141,316	31,316
Expenditures:				
Administration	85,000	85,000	85,000	-
Police D.A.R.E.	23,000	23,000	15,634	7,366
Operating reserves	54,046	54,046	-	54,046
Total expenditures	162,046	162,046	100,634	61,412
Net change in fund balance	(52,046)	(52,046)	40,682	92,728
Fund balance, beginning of year	52,046	52,046	86,383	34,337
Fund balance, end of year	\$ -	\$ -	\$ 127,065	\$ 127,065

CITY OF PITTSBURG, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - NON-GAAP BASIS  
SECTION 8 FUND  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,665,000	\$ 1,905,541	\$ 1,826,970	\$ (78,571)
Investment earnings	200	200	401	201
Miscellaneous	4,500	4,500	3,567	(933)
Total revenues	<u>1,669,700</u>	<u>1,910,241</u>	<u>1,830,938</u>	<u>(79,303)</u>
Expenditures:				
Personnel services	178,460	187,148	184,274	2,874
Contractual services	1,487,245	1,718,048	1,675,850	42,198
Commodities	8,400	9,450	13,376	(3,926)
Operating reserves	40,354	40,354	-	40,354
Total expenditures	<u>1,714,459</u>	<u>1,955,000</u>	<u>1,873,500</u>	<u>81,500</u>
Net change in fund balance	(44,759)	(44,759)	(42,562)	2,197
Fund balance, beginning of year	<u>44,759</u>	<u>44,759</u>	<u>34,990</u>	<u>(9,769)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,572)</u>	<u>\$ (7,572)</u>

CITY OF PITTSBURG, KANSAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - NON-GAAP BASIS  
DEBT SERVICE FUND  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,321,246	\$ 1,321,246	\$ 1,255,645	\$ (65,601)
Special assessments	432,000	432,000	449,043	17,043
Investment earnings	1,500	1,500	70,174	68,674
Total revenues	<u>1,754,746</u>	<u>1,754,746</u>	<u>1,774,862</u>	<u>20,116</u>
Expenditures:				
Principal	4,344,862	4,344,862	3,407,049	937,813
Interest	-	-	657,470	(657,470)
Operating reserves	1,933,715	1,933,715	-	1,933,715
Total expenditures	<u>6,278,577</u>	<u>6,278,577</u>	<u>4,064,519</u>	<u>2,214,058</u>
Excess (deficiency) of revenues over (under) expenditures	(4,523,831)	(4,523,831)	(2,289,657)	2,234,174
Other financing sources:				
Transfers in	<u>2,778,743</u>	<u>2,778,743</u>	<u>2,084,107</u>	<u>(694,636)</u>
Net change in fund balance	(1,745,088)	(1,745,088)	(205,550)	1,539,538
Fund balance, beginning of year	<u>1,745,088</u>	<u>1,745,088</u>	<u>1,783,298</u>	<u>38,210</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,577,748</u></u>	<u><u>\$ 1,577,748</u></u>

CITY OF PITTSBURG, KANSAS  
BALANCE SHEET  
DISCRETELY PRESENTED COMPONENT UNIT  
December 31, 2023

ASSETS

Cash and cash equivalents	\$	670,543
Taxes receivable		961,788
Prepaid items		7,363
Total assets	\$	1,639,694

LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES AND FUND BALANCES

Liabilities:		
Accounts payable	\$	4,723
Accrued payroll		22,103
Total liabilities		26,826
Deferred inflows of resources:		
Deferred inflow - property taxes		961,788
Fund balances:		
Nonspendable:		
Not in spendable form		7,363
Assigned		643,717
Total fund balances		651,080
Total liabilities, deferred inflows of resources and fund balances	\$	1,639,694

CITY OF PITTSBURG, KANSAS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 DISCRETELY PRESENTED COMPONENT UNIT  
 Year Ended December 31, 2023

Revenues:	
Taxes	\$ 952,838
Fines and fees	2,630
Investment earnings	21,221
Miscellaneous	<u>146,229</u>
Total revenues	<u>1,122,918</u>
Expenditures:	
Current:	
Education	<u>1,075,218</u>
Total expenditures	<u>1,075,218</u>
Net change in fund balances	47,700
Fund balances, beginning of year	<u>603,380</u>
Fund balances, end of year	<u><u>\$ 651,080</u></u>



CITY OF PITTSBURG, KANSAS  
SCHEDULE OF FINANCIAL DATA - ASSETS AND LIABILITIES -  
PITTSBURG HOUSING AUTHORITY  
December 31, 2023

Line Item	Account Description	Section 8 Housing Choice Voucher Program 14.871	EHV Cares Act Funding 14.EHV	Total
Assets:				
Current assets:				
Cash:				
111	Cash - unrestricted	\$ 11,105	\$ -	\$ 11,105
113	Cash - other restricted	-	71,159	71,159
100	Total cash	<u>11,105</u>	<u>71,159</u>	<u>82,264</u>
150	Total current assets	<u>11,105</u>	<u>71,159</u>	<u>82,264</u>
Noncurrent assets:				
Capital assets:				
161	Land	1,000	-	1,000
164	Furniture, equipment & machinery - administration	30,666	-	30,666
166	Accumulated depreciation	<u>(30,666)</u>	<u>-</u>	<u>(30,666)</u>
160	Total capital assets, net of accumulated depreciation	<u>1,000</u>	<u>-</u>	<u>1,000</u>
180	Total non-current assets	<u>1,000</u>	<u>-</u>	<u>1,000</u>
290	Total assets and deferred outflow of resources	<u>\$ 12,105</u>	<u>\$ 71,159</u>	<u>\$ 83,264</u>
Liabilities and net assets:				
Liabilities:				
Current liabilities:				
312	Accounts payable <= 90 days	\$ 167,808	\$ -	\$ 167,808
321	Accrued wage/payroll taxes payable	6,024	-	6,024
342	Unearned revenue	<u>11,105</u>	<u>18,523</u>	<u>29,628</u>
310	Total current liabilities	<u>184,937</u>	<u>18,523</u>	<u>203,460</u>
300	Total liabilities	<u>184,937</u>	<u>18,523</u>	<u>203,460</u>
Net position:				
508	Invested in capital assets	1,000	-	1,000
511	Restricted net position	-	52,636	52,636
512	Unrestricted net position	<u>(173,832)</u>	<u>-</u>	<u>(173,832)</u>
513	Total net position	<u>(172,832)</u>	<u>52,636</u>	<u>(120,196)</u>
600	Total liabilities and net position	<u>\$ 12,105</u>	<u>\$ 71,159</u>	<u>\$ 83,264</u>

CITY OF PITTSBURG, KANSAS  
SCHEDULE OF FINANCIAL DATA - REVENUES AND EXPENSES -  
PITTSBURG HOUSING AUTHORITY  
Year Ended December 31, 2023

Line Item	Account Description	Section 8 Housing Choice Voucher Program 14.871	EHV Cares Act Funding 14.EHV	Total
Revenues:				
70600-010	HUD PHA grants	\$ 1,720,079	\$ 77,263	\$ 1,797,342
70800	Other government grants	-	-	-
71100	Investment income - unrestricted	401	-	401
71400-010	Fraud recovery - housing assistance payment	7,134	-	7,134
70000	Total revenues	<u>1,727,614</u>	<u>77,263</u>	<u>1,804,877</u>
Expenses:				
Administrative:				
91100	Administrative salaries	146,081	-	146,081
91400	Advertising and marketing	1,177	-	1,177
91500	Employee benefit contributions - administrative	38,804	-	38,804
91600	Office expenses	19,348	-	19,348
91800	Travel	1,685	-	1,685
91900	Other	36,442	-	36,442
Tenant services				
92400	Tenant services - other	-	148	148
Ordinary maintenance and operation:				
94200	Materials and other	7,158	-	7,158
General expenses:				
96200	Other general expenses	46	-	46
96900	Total operating expenses	<u>250,741</u>	<u>148</u>	<u>250,889</u>
97000	Excess operating revenue over operating expenses	<u>1,476,873</u>	<u>77,115</u>	<u>1,553,988</u>
97300	Housing assistance payments	<u>1,637,448</u>	<u>77,115</u>	<u>1,714,563</u>
90000	Total expenses	<u>1,888,189</u>	<u>77,263</u>	<u>1,965,452</u>
10000	Excess of total expenses over total revenue	<u>\$ (160,575)</u>	<u>\$ -</u>	<u>\$ (160,575)</u>
Memo account information:				
11030	Beginning equity	<u>\$ (12,257)</u>	<u>\$ 52,636</u>	<u>\$ 40,379</u>
11190	Unit months available	<u>3,555</u>	<u>154</u>	
11210	Number of unit months leased	<u>3,555</u>	<u>154</u>	

## STATISTICAL SECTION

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

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<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	93 - 98
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its most significant local revenue sources, the sales tax and water and wastewater revenues.	99 - 108
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	109 - 113
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.	114 - 115
<b>Operating Information</b>	
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	116 - 119

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

**City of Pittsburg, Kansas**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities					
Net investment in capital assets	\$ 28,739,435	\$ 34,093,008	\$ 36,171,156	\$ 32,140,844	\$ 33,767,698
Restricted	2,804,765	2,916,067	3,485,786	4,048,669	4,609,440
Unrestricted	9,511,979	(1,028,149)	(587,544)	(1,428,617)	(1,848,201)
Total governmental activities net position	<u>\$ 41,056,179</u>	<u>\$ 35,980,926</u>	<u>\$ 39,069,398</u>	<u>\$ 34,760,896</u>	<u>\$ 36,528,937</u>
Business-type activities					
Net investment in capital assets	\$ 30,210,876	\$ 32,890,346	\$ 33,201,935	\$ 40,291,436	\$ 41,007,984
Unrestricted	3,112,516	2,135,910	2,917,487	3,407,022	3,738,156
Total business-type activities net position	<u>\$ 33,323,392</u>	<u>\$ 35,026,256</u>	<u>\$ 36,119,422</u>	<u>\$ 43,698,458</u>	<u>\$ 44,746,140</u>
Primary government					
Net investment in capital assets	\$ 58,950,311	\$ 66,983,354	\$ 69,373,091	\$ 72,432,280	\$ 74,775,682
Restricted	2,804,765	2,916,067	3,485,786	4,048,669	4,609,440
Unrestricted	12,624,495	1,107,761	2,329,943	1,978,405	1,889,955
Total primary government net position	<u>\$ 74,379,571</u>	<u>\$ 71,007,182</u>	<u>\$ 75,188,820</u>	<u>\$ 78,459,354</u>	<u>\$ 81,275,077</u>
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities					
Net investment in capital assets	\$ 32,858,544	\$ 33,645,157	\$ 32,705,263	\$ 33,473,388	\$ 38,520,668
Restricted	13,327,692	13,608,484	17,480,247	16,190,281	14,827,357
Unrestricted	(561,335)	724,778	2,471,719	7,603,844	7,015,295
Total governmental activities net position	<u>\$ 45,624,901</u>	<u>\$ 47,978,419</u>	<u>\$ 52,657,229</u>	<u>\$ 57,267,513</u>	<u>\$ 60,363,320</u>
Business-type activities					
Net investment in capital assets	\$ 41,212,874	\$ 42,181,760	\$ 42,105,237	\$ 41,840,418	\$ 42,576,541
Unrestricted	4,674,500	4,644,082	6,119,834	6,096,776	4,976,841
Total business-type activities net position	<u>\$ 45,887,374</u>	<u>\$ 46,825,842</u>	<u>\$ 48,225,071</u>	<u>\$ 47,937,194</u>	<u>\$ 47,553,382</u>
Primary government					
Net investment in capital assets	\$ 74,071,418	\$ 75,826,917	\$ 74,810,500	\$ 75,313,806	\$ 81,097,209
Restricted	13,327,692	13,608,484	17,480,247	16,190,281	14,827,357
Unrestricted	4,113,165	5,368,860	8,591,553	13,700,620	11,992,136
Total primary government net position	<u>\$ 91,512,275</u>	<u>\$ 94,804,261</u>	<u>\$ 100,882,300</u>	<u>\$ 105,204,707</u>	<u>\$ 107,916,702</u>

**City of Pittsburg, Kansas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2014	2015	2016	2017	2018
Expenses					
Governmental activities:					
General government	\$ 3,671,547	\$ 3,642,682	\$ 3,898,821	\$ 4,374,506	\$ 4,451,763
Public safety	7,689,357	8,386,332	8,669,238	8,945,264	8,908,637
Public works	4,185,439	4,336,369	4,185,851	4,819,435	4,858,335
Sanitation and health	160,574	157,904	165,314	170,443	203,076
Culture and recreation	2,304,505	2,142,337	2,441,061	2,351,318	2,336,420
Industrial promotion	1,526,378	1,667,559	981,068	1,813,667	2,050,712
Economic development	70,061	87,670	35,878	6,306,088	148,081
Social welfare	1,482,944	1,760,555	1,803,091	1,715,860	1,772,291
Interest on long-term debt	809,605	697,179	824,065	643,577	572,765
Total governmental expenses	<u>21,900,410</u>	<u>22,878,587</u>	<u>23,004,387</u>	<u>31,140,158</u>	<u>25,302,080</u>
Business-type activities:					
Water/wastewater	6,310,606	6,275,894	6,039,288	5,803,266	6,034,171
Stormwater	622,936	621,388	588,850	560,282	588,843
Total business-type activities expenses	<u>6,933,542</u>	<u>6,897,282</u>	<u>6,628,138</u>	<u>6,363,548</u>	<u>6,623,014</u>
Total primary government expenses	<u>\$ 28,833,952</u>	<u>\$ 29,775,869</u>	<u>\$ 29,632,525</u>	<u>\$ 37,503,706</u>	<u>\$ 31,925,094</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 872,883	\$ 998,382	\$ 1,014,900	\$ 961,705	\$ 895,885
Public safety	-	-	-	2,069	823,390
Public works	903,934	743,700	676,310	690,791	219,695
Industrial promotion	220,146	218,933	270,156	536,648	545,829
Other activities	524,786	543,441	518,249	153,006	965,543
Operating grants and contributions	1,406,645	1,341,055	1,278,576	865,936	4,051,151
Capital grants and contributions	3,855,619	4,268,203	3,334,419	3,955,343	-
Total governmental activities program revenues	<u>7,784,013</u>	<u>8,113,714</u>	<u>7,092,610</u>	<u>7,165,498</u>	<u>7,501,493</u>
Business-type activities:					
Charges for services:					
Water/wastewater	7,662,110	7,664,369	8,022,592	7,965,780	8,204,765
Stormwater	778,950	801,867	823,722	814,904	833,671
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	445,697	2,649,087	41,080	6,354,177	4,536
Total business-type activities program revenues	<u>8,886,757</u>	<u>11,115,323</u>	<u>8,887,394</u>	<u>15,134,861</u>	<u>9,042,972</u>
Total primary government program revenues	<u>\$ 16,670,770</u>	<u>\$ 19,229,037</u>	<u>\$ 15,980,004</u>	<u>\$ 22,300,359</u>	<u>\$ 16,544,465</u>
Net (Expense)/Revenue					
Governmental activities	\$ (14,116,397)	\$ (14,764,873)	\$ (15,911,777)	\$ (23,974,660)	\$ (17,800,587)
Business-type activities	1,953,215	4,218,041	2,259,256	8,771,313	2,419,958
Total primary government net expense	<u>\$ (12,163,182)</u>	<u>\$ (10,546,832)</u>	<u>\$ (13,652,521)</u>	<u>\$ (15,203,347)</u>	<u>\$ (15,380,629)</u>
General Revenues and other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 5,371,012	\$ 5,925,018	\$ 5,920,213	\$ 6,374,304	\$ 6,615,702
Sales taxes	9,248,806	9,300,242	9,460,294	9,606,398	8,785,802
Franchise taxes	2,018,024	1,881,901	1,934,284	1,934,474	1,958,611
Investment earnings	7,595	10,921	26,016	102,715	233,093
Miscellaneous	204,718	586,532	488,411	803,660	704,820
Transfers	1,408,389	1,682,976	1,171,031	1,167,821	1,420,296
Total governmental activities	<u>18,258,544</u>	<u>19,387,590</u>	<u>19,000,249</u>	<u>19,989,372</u>	<u>19,718,324</u>
Business-type activities					
Investment earnings	828	907	4,941	41,504	66,149
Transfers	(1,408,389)	(1,682,976)	(1,171,031)	(1,167,821)	(1,420,296)
Total business-type activities	<u>(1,407,561)</u>	<u>(1,682,069)</u>	<u>(1,166,090)</u>	<u>(1,126,317)</u>	<u>(1,354,147)</u>
Total primary government	<u>\$ 16,850,983</u>	<u>\$ 17,705,521</u>	<u>\$ 17,834,159</u>	<u>\$ 18,863,055</u>	<u>\$ 18,364,177</u>
Change in Net Position					
Governmental activities	\$ 4,142,147	\$ 4,622,717	\$ 3,088,472	\$ (3,985,288)	\$ 1,917,737
Business-type activities	545,654	2,535,972	1,093,166	7,644,996	1,065,811
Total primary government	<u>\$ 4,687,801</u>	<u>\$ 7,158,689</u>	<u>\$ 4,181,638</u>	<u>\$ 3,659,708</u>	<u>\$ 2,983,548</u>

(Continued)

**City of Pittsburg, Kansas**  
**Changes in Net Position**  
**(Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2019	2020	2021	2022	2023
Expenses					
Governmental activities:					
General government	\$ 5,142,761	\$ 5,490,317	\$ 4,685,751	\$ 5,352,351	\$ 6,421,961
Public safety	9,260,971	8,771,582	8,807,374	9,913,402	11,146,655
Public works	4,683,519	4,043,650	4,170,020	4,983,272	6,145,710
Sanitation and health	209,768	154,301	178,258	184,268	425,160
Culture and recreation	2,463,901	2,077,902	3,087,843	3,643,056	3,920,294
Industrial promotion	755,760	883,682	1,212,710	1,054,588	1,572,787
Economic development	260,836	59,862	33,750	149,919	50,853
Social welfare	1,775,831	2,114,027	1,970,866	1,838,668	2,127,200
Interest on long-term debt	663,463	575,209	525,506	530,575	472,435
Total governmental expenses	<u>25,216,810</u>	<u>24,170,532</u>	<u>24,672,078</u>	<u>27,650,099</u>	<u>32,283,055</u>
Business-type activities:					
Water/wastewater	6,260,080	6,273,694	6,331,138	7,926,942	8,664,575
Stormwater	643,446	798,286	731,128	918,573	922,272
Total business-type activities expenses	<u>6,903,526</u>	<u>7,071,980</u>	<u>7,062,266</u>	<u>8,845,515</u>	<u>9,586,847</u>
Total primary government expenses	<u>\$ 32,120,336</u>	<u>\$ 31,242,512</u>	<u>\$ 31,734,344</u>	<u>\$ 36,495,614</u>	<u>\$ 41,869,902</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,245,824	\$ 1,230,736	\$ 1,178,463	\$ 1,385,939	\$ 2,292,150
Public safety	432,481	281,588	269,139	195,757	185,819
Public works	727,097	518,988	837,547	1,043,279	806,353
Industrial promotion	183,541	205,336	191,817	65,787	77,281
Other activities	496,978	271,660	549,249	600,423	853,561
Operating grants and contributions	2,594,572	2,936,163	3,232,972	3,367,627	3,304,324
Capital grants and contributions	1,118,350	860,725	1,132,676	1,519,953	2,249,390
Total governmental activities program revenues	<u>6,798,843</u>	<u>6,305,196</u>	<u>7,391,863</u>	<u>8,178,765</u>	<u>9,768,878</u>
Business-type activities:					
Charges for services:					
Water/wastewater	8,552,391	8,685,550	9,161,061	9,208,613	9,530,215
Stormwater	853,994	855,651	896,076	869,777	879,013
Operating grants and contributions	28,754	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>9,435,139</u>	<u>9,541,201</u>	<u>10,057,137</u>	<u>10,078,390</u>	<u>10,409,228</u>
Total primary government program revenues	<u>\$ 16,233,982</u>	<u>\$ 15,846,397</u>	<u>\$ 17,449,000</u>	<u>\$ 18,257,155</u>	<u>\$ 20,178,106</u>
Net (Expense)/Revenue					
Governmental activities	\$ (18,417,967)	\$ (17,865,336)	\$ (17,280,215)	\$ (19,471,334)	\$ (22,514,177)
Business-type activities	2,531,613	2,469,221	2,994,871	1,232,875	822,381
Total primary government net expense	<u>\$ (15,886,354)</u>	<u>\$ (15,396,115)</u>	<u>\$ (14,285,344)</u>	<u>\$ (18,238,459)</u>	<u>\$ (21,691,796)</u>
General Revenues and other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 6,956,114	\$ 6,989,489	\$ 7,053,560	\$ 7,202,183	\$ 7,458,217
Sales taxes	9,150,441	9,591,694	10,769,860	12,189,555	11,955,704
Franchise taxes	1,938,900	1,797,503	1,905,391	2,314,731	2,128,477
Investment earnings	321,325	98,485	11,326	222,892	1,208,398
Miscellaneous	268,877	191,683	618,888	1,582,935	1,276,870
Transfers	1,467,999	1,550,000	1,600,000	1,609,966	1,582,318
Total governmental activities	<u>20,103,656</u>	<u>20,218,854</u>	<u>21,959,025</u>	<u>25,122,262</u>	<u>25,609,984</u>
Business-type activities					
Investment earnings	77,620	19,247	4,358	104,880	376,125
Transfers	(1,467,999)	(1,550,000)	(1,600,000)	(1,609,966)	(1,582,318)
Total business-type activities	<u>(1,390,379)</u>	<u>(1,530,753)</u>	<u>(1,595,642)</u>	<u>(1,505,086)</u>	<u>(1,206,193)</u>
Total primary government	<u>\$ 18,713,277</u>	<u>\$ 18,688,101</u>	<u>\$ 20,363,383</u>	<u>\$ 23,617,176</u>	<u>\$ 24,403,791</u>
Change in Net Position					
Governmental activities	\$ 1,685,689	\$ 2,353,518	\$ 4,678,810	\$ 5,650,928	\$ 3,095,807
Business-type activities	1,141,234	938,468	1,399,229	(272,211)	(383,812)
Total primary government	<u>\$ 2,826,923</u>	<u>\$ 3,291,986</u>	<u>\$ 6,078,039</u>	<u>\$ 5,378,717</u>	<u>\$ 2,711,995</u>

**City of Pittsburg, Kansas**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund					
Nonspendable	\$ 90,753	\$ 83,747	\$ 79,189	\$ 84,368	\$ 101,844
Restricted	-	-	-	-	-
Assigned	491,723	52,635	140,307	24,778	110,956
Unassigned	4,568,229	4,130,258	4,504,641	5,399,833	6,074,236
Total general fund	<u>\$ 5,150,705</u>	<u>\$ 4,266,640</u>	<u>\$ 4,724,137</u>	<u>\$ 5,508,979</u>	<u>\$ 6,287,036</u>
All Other Governmental Funds					
Nonspendable	\$ 8,077	\$ 7,498	\$ 7,154	\$ 6,846	\$ 8,281
Restricted	5,213,206	4,620,043	15,796,917	8,764,289	6,318,359
Assigned	5,508,042	5,161,920	5,515,485	5,013,356	4,207,988
Unassigned	-	-	(5,981)	-	-
Total all other governmental funds	<u>\$ 10,729,325</u>	<u>\$ 9,789,461</u>	<u>\$ 21,313,575</u>	<u>\$ 13,784,491</u>	<u>\$ 10,534,628</u>
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund					
Nonspendable	\$ 104,723	\$ 110,714	\$ 125,570	\$ 184,627	\$ 156,126
Restricted	-	-	-	-	-
Assigned	23,873	93,742	274,988	137,666	24,659
Unassigned	7,061,086	8,725,067	10,105,617	13,337,849	14,219,077
Total general fund	<u>\$ 7,189,682</u>	<u>\$ 8,929,523</u>	<u>\$ 10,506,175</u>	<u>\$ 13,660,142</u>	<u>\$ 14,399,862</u>
All Other Governmental Funds					
Nonspendable	\$ 6,609	\$ 7,414	\$ 7,972	\$ 133,544	\$ 253,523
Restricted	6,017,194	6,767,991	11,048,637	10,238,571	9,272,298
Assigned	4,784,360	5,131,620	5,039,583	6,851,255	7,120,668
Unassigned	-	-	-	-	(770,274)
Total all other governmental funds	<u>\$ 10,808,163</u>	<u>\$ 11,907,025</u>	<u>\$ 16,096,192</u>	<u>\$ 17,223,370</u>	<u>\$ 15,876,215</u>

**City of Pittsburg, Kansas**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Revenues</b>					
Taxes	\$ 16,637,842	\$ 17,107,161	\$ 17,314,791	\$ 17,915,176	\$ 17,360,115
Licenses and permits	220,146	218,933	270,156	153,006	219,695
Intergovernmental	3,093,518	3,348,281	4,309,329	4,110,600	4,217,529
Charges for services	1,896,616	1,845,086	1,782,057	1,821,897	2,362,233
Fines and forfeitures	404,985	440,437	427,402	369,316	321,625
Special assessments	60,492	86,237	60,470	57,341	490,899
Investment earnings	7,595	10,921	26,016	102,715	233,093
Lease income	455,573	435,687	325,931	301,926	239,471
Miscellaneous	204,718	830,947	488,411	776,114	747,291
<b>Total revenues</b>	<u>22,981,485</u>	<u>24,323,690</u>	<u>25,004,563</u>	<u>25,608,091</u>	<u>26,191,951</u>
<b>Expenditures</b>					
General government	3,470,159	3,394,359	3,665,567	3,858,674	4,501,516
Public safety	6,837,194	7,589,464	7,554,178	7,438,225	7,749,072
Public works	2,389,336	2,372,048	2,188,866	2,222,757	2,468,212
Sanitation and health	159,189	157,174	158,228	169,187	198,801
Economic development	1,802,360	1,780,057	1,842,473	58,368	1,912,498
Culture and recreation	1,490,191	1,677,501	944,718	1,893,042	2,036,343
Industrial promotion	159,481	87,670	35,878	1,771,053	100,840
Social welfare	1,485,190	1,765,442	1,798,485	1,714,382	1,771,207
Capital outlay	2,818,806	4,400,038	3,517,187	10,076,283	6,783,769
Debt service principal	4,486,892	4,124,389	3,516,895	3,807,327	2,185,651
Debt service interest	776,781	713,974	551,880	653,748	555,158
Debt issuance costs	118,202	12,894	259,557	10,050	40,174
<b>Total expenditures</b>	<u>25,993,781</u>	<u>28,075,010</u>	<u>26,033,912</u>	<u>33,673,096</u>	<u>30,303,241</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(3,012,296)</u>	<u>(3,751,320)</u>	<u>(1,029,349)</u>	<u>(8,065,005)</u>	<u>(4,111,290)</u>
<b>Other Financing Sources (Uses)</b>					
Notes payable financed purchases	-	244,415	156,748	152,942	219,188
General obligation bonds issued	3,398,395	-	5,000,000	-	-
Special assessment bonds issued	-	-	6,500,000	-	-
Bond premium	60,597	-	183,181	-	-
Bond anticipation notes issued	-	-	-	-	-
Transfers in	4,320,102	5,465,416	4,410,292	4,371,099	1,941,914
Transfers out	(2,911,713)	(3,782,440)	(3,239,261)	(3,203,278)	(521,618)
<b>Total other financing sources (uses)</b>	<u>4,867,381</u>	<u>1,927,391</u>	<u>13,010,960</u>	<u>1,320,763</u>	<u>1,639,484</u>
<b>Net change in fund balances</b>	<u>\$ 1,855,085</u>	<u>\$ (1,823,929)</u>	<u>\$ 11,981,611</u>	<u>\$ (6,744,242)</u>	<u>\$ (2,471,806)</u>
<b>Debt service as a percentage of noncapital expenditures</b>	23.22%	20.49%	19.22%	18.95%	11.82%

(Continued)



**City of Pittsburg, Kansas**  
**Changes in Fund Balances, Governmental Funds**  
**(Continued)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Revenues</b>					
Taxes	\$ 18,045,455	\$ 18,378,686	\$ 19,728,811	\$ 21,706,469	\$ 21,542,398
Licenses and permits	150,150	192,078	234,255	438,906	250,754
Intergovernmental	3,599,171	3,748,032	4,234,202	4,771,894	5,367,511
Charges for services	2,252,758	1,782,945	2,279,110	2,531,444	3,635,506
Fines and forfeitures	382,358	266,712	254,408	196,172	185,969
Special assessments	482,411	451,980	494,001	480,714	474,226
Investment earnings	321,325	98,485	11,326	222,892	1,208,397
Lease income	183,541	205,336	191,817	65,787	77,281
Miscellaneous	453,985	289,853	758,712	1,492,641	1,488,954
<b>Total revenues</b>	<u>25,871,154</u>	<u>25,414,107</u>	<u>28,186,642</u>	<u>31,906,919</u>	<u>34,230,996</u>
<b>Expenditures</b>					
General government	4,519,952	4,434,791	4,530,880	4,653,117	5,837,845
Public safety	8,301,051	7,737,398	7,994,066	9,062,908	10,023,871
Public works	2,644,864	2,435,541	2,688,692	3,377,965	3,604,713
Sanitation and health	208,941	153,546	177,565	183,431	424,696
Economic development	105,016	19,240	33,750	25,914	13,318
Culture and recreation	1,954,134	1,543,301	2,004,813	2,277,562	2,652,710
Industrial promotion	755,756	889,042	1,168,285	787,547	1,242,514
Social welfare	1,775,912	2,114,535	1,965,211	1,817,484	2,090,807
Capital outlay	5,225,272	3,292,616	3,922,714	4,717,771	8,906,770
Debt service principal	2,389,025	2,469,307	2,667,189	6,564,948	3,160,438
Debt service interest	562,143	538,353	525,570	439,858	529,328
Debt issuance costs	120,749	24,640	48,583	78,773	10,909
<b>Total expenditures</b>	<u>28,562,815</u>	<u>25,652,310</u>	<u>27,727,318</u>	<u>33,987,278</u>	<u>38,497,919</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(2,691,661)</u>	<u>(238,203)</u>	<u>459,324</u>	<u>(2,080,359)</u>	<u>(4,266,923)</u>
<b>Other Financing Sources (Uses)</b>					
Notes payable financed purchases	179,467	1,526,906	116,495	581,195	1,229,701
General Obligation Bonds issued	2,100,000	-	-	3,625,000	-
Special Assessment Bonds issued	-	-	-	-	-
Bond Premium	120,376	-	-	-	-
Bond anticipation notes issued	-	-	3,590,000	81,931	-
Sale of capital assets	-	-	-	463,412	847,469
Transfers in	2,019,503	2,243,161	3,504,424	2,666,590	2,491,168
Transfers out	(551,504)	(693,161)	(1,904,424)	(1,056,624)	(908,850)
<b>Total other financing sources (uses)</b>	<u>3,867,842</u>	<u>3,076,906</u>	<u>5,306,495</u>	<u>6,361,504</u>	<u>3,659,488</u>
<b>Net change in fund balances</b>	<u>\$ 1,176,181</u>	<u>\$ 2,838,703</u>	<u>\$ 5,765,819</u>	<u>\$ 4,281,145</u>	<u>\$ (607,435)</u>
<b>Debt service as a percentage of noncapital expenditures</b>	13.16%	13.56%	13.24%	22.83%	12.11%

**City of Pittsburg, Kansas  
Sales Tax Rates  
Direct and Overlapping Rates  
Last Ten Fiscal Years  
(in percent)**

<b>Fiscal Year</b>	<b>State of Kansas (4)</b>	<b>Crawford County</b>	<b>City Memorial Auditorium</b>	<b>City Capital Outlay</b>	<b>City Economic Development</b>	<b>City Public Safety Debt (2)</b>	<b>City Street Improvements (3)</b>	<b>City Public Safety (4)</b>	<b>Total City Wide</b>	<b>Additional in North Broadway T.D.D. (1)</b>	<b>Additional in Northgate Plaza C.I.D. (6)</b>	<b>Additional in Town Center C.I.D. (7)</b>
2014	6.150	1.000	0.125	0.125	0.250	0.500	0.250	0.500	8.900	0.300	0.000	0.000
2015	6.500	1.000	0.125	0.125	0.250	0.500	0.250	0.500	9.250	0.300	0.000	0.000
2016	6.500	1.000	0.125	0.125	0.250	0.500	0.250	0.500	9.250	0.300	0.000	0.000
2017	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.000	0.000
2018	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.000	0.000
2019	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2020	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2021	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2022	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2023	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.300

(1) North Broadway Transportation Development District effective January 1, 2005

(2) City public safety debt sales tax effective January 1, 2007, expired September 30, 2017.

(3) City street improvements sales tax effective April 1, 2011, renewed April 1, 2016. Additional one quarter percent effective October 1, 2017.  
In 2020, the two sales tax were combined to 0.50%

(4) City public safety sales tax effective January 1, 2014.

(5) State of Kansas sales tax effective July 1, 2015.

(6) Northgate Plaza Community Improvement District effective July 1, 2019

(7) Town Center Community Improvement District effective April 1, 2023

**City of Pittsburg, Kansas  
Total City Taxable Sales by Category  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Retail Trade</b>	<b>Accommodations and Food Services</b>	<b>Utilities</b>	<b>Wholesale Trade</b>	<b>Information</b>	<b>Other Services</b>	<b>Manufacturing</b>	<b>Construction</b>	<b>All other</b>	<b>Total</b>
2014	\$ 204,290,683	\$ 33,121,485	\$ 25,994,661	\$ 12,143,421	\$ 13,785,146	\$ 7,765,314	\$ 8,634,803	\$ 5,894,334	\$ 73,829,515	\$ 385,459,362
2015	215,806,522	47,758,050	25,353,963	19,121,025	17,563,571	12,806,606	10,054,030	7,478,028	41,183,719	397,125,514
2016	205,499,605	33,626,265	26,504,285	14,511,977	11,144,854	7,572,471	8,478,408	7,999,663	79,622,992	394,960,520
2017	203,310,581	49,345,940	26,340,646	7,960,643	15,748,696	9,292,193	6,453,767	8,606,610	76,964,031	404,023,107
2018	199,393,019	54,661,073	25,983,555	10,350,015	15,261,912	7,074,028	5,082,451	9,570,919	71,543,667	398,920,639
2019	221,243,413	56,070,307	25,258,799	11,465,405	13,766,233	23,059,379	5,137,580	6,385,164	59,783,153	422,169,433
2020	244,729,107	50,986,420	23,994,835	10,488,456	11,753,837	22,905,532	4,772,300	4,535,990	36,983	374,203,460
2021	264,652,880	62,217,106	24,939,894	11,188,883	12,095,878	8,682,976	6,021,092	5,488,091	18,881,880	414,168,680
2022	277,823,340	66,104,534	31,398,278	13,634,140	12,459,277	8,931,165	12,582,367	20,290,862	25,775,530	468,999,493
2023	287,243,793	68,460,520	28,604,505	13,188,512	12,544,667	9,351,070	7,446,667	11,536,687	25,937,339	464,313,760

**Total City Taxable Sales by Category as Percentage  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Retail Trade</b>	<b>Accommodations and Food Services</b>	<b>Utilities</b>	<b>Wholesale Trade</b>	<b>Information</b>	<b>Other Services</b>	<b>Manufacturing</b>	<b>Construction</b>	<b>All other</b>	<b>Total</b>
2014	53.00%	8.59%	6.74%	3.15%	3.58%	2.01%	2.24%	1.53%	19.15%	100.00%
2015	54.34%	12.03%	6.38%	4.81%	4.42%	3.22%	2.53%	1.88%	10.37%	100.00%
2016	52.03%	8.51%	6.71%	3.67%	2.82%	1.92%	2.15%	2.03%	20.16%	100.00%
2017	50.32%	12.21%	6.52%	1.97%	3.90%	2.30%	1.60%	2.13%	19.05%	100.00%
2018	49.98%	13.70%	6.51%	2.59%	3.83%	1.77%	1.27%	2.40%	17.93%	100.00%
2019	52.41%	13.28%	5.98%	2.72%	3.26%	5.46%	1.22%	1.71%	14.16%	100.00%
2020	65.40%	13.63%	6.41%	2.80%	3.14%	6.12%	1.28%	1.21%	0.01%	100.00%
2021	63.90%	15.02%	6.02%	2.70%	2.92%	2.10%	1.45%	1.33%	4.56%	100.00%
2022	59.24%	14.09%	6.69%	2.91%	2.66%	1.90%	2.68%	4.33%	5.50%	100.00%
2023	61.86%	14.74%	6.16%	2.84%	2.70%	2.01%	1.60%	2.48%	5.59%	100.00%

Source: Kansas Department of Revenue

**City of Pittsburg, Kansas  
Ten Largest Sales Tax Payers  
Current Year and Nine Years Ago**

**Fiscal Year 2023**

<u>Business</u>	<u>Category</u>	<u>Taxable Sales</u>	<u>%</u>
A	Retail Trade	\$ 103,869,811	22.37%
B	Retail Trade	38,770,007	8.35%
C	Utility	20,241,358	4.36%
D	Retail Trade	14,565,727	3.14%
E	Construction	10,372,615	2.23%
F	Utility	9,697,019	2.09%
G	Retail Trade	8,287,815	1.78%
H	Retail Trade	8,174,568	1.76%
I	Retail Trade	7,753,042	1.67%
J	Retail Trade	7,472,397	1.61%
Subtotal (10 largest)		229,204,359	49.36%
Balance from other payers		235,109,401	50.64%
Grand totals		<u>\$ 464,313,760</u>	<u>100.00%</u>

**Fiscal Year 2014**

<u>Business</u>	<u>Category</u>	<u>Taxable Sales</u>	<u>%</u>
A	Retail Trade	\$ 70,362,973	18.25%
B	Retail Trade	24,734,756	6.42%
C	Utility	18,940,722	4.91%
D	Retail Trade	12,305,752	3.19%
E	Retail Trade	11,353,109	2.95%
F	Retail Trade	10,165,071	2.64%
G	Retail Trade	6,136,740	1.59%
H	Utility	5,001,739	1.30%
I	Retail Trade	4,300,659	1.12%
J	Accomodations and Food Services	4,143,722	1.08%
Subtotal (10 largest)		167,445,243	43.44%
Balance from other payers		218,014,119	56.56%
Grand totals		<u>\$ 385,459,362</u>	<u>100.00%</u>

Source: Kansas Department of Revenue

**City of Pittsburg, Kansas  
Sales Tax Collections  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Crawford County (1)</u>	<u>City Memorial Auditorium</u>	<u>City Capital Outlay</u>	<u>City Economic Development</u>	<u>City Public Safety Debt (2)</u>	<u>City Street Improvements (3)</u>	<u>City Public Safety (4)</u>	<u>City Tax Increment Financing (5)</u>	<u>City North Broadway T.D.D. (6)</u>	<u>Total</u>
2014	\$ 2,086,490	\$ 440,826	\$ 440,826	\$ 882,338	\$ 1,961,492	\$ 981,089	\$ 1,961,492	\$ 395,003	\$ 99,250	\$ 9,248,806
2015	2,162,857	454,826	454,826	910,340	1,968,285	984,487	1,968,285	296,587	99,749	9,300,242
2016	2,249,353	461,813	461,813	924,323	1,991,158	995,927	1,991,158	286,419	98,330	9,460,294
2017	2,397,115	479,151	479,151	959,151	1,550,373	1,288,354	2,063,270	291,941	97,891	9,606,397
2018	2,400,397	473,422	473,422	948,070	-	2,044,448	2,044,448	300,293	101,302	8,785,802
2019	2,405,837	501,806	501,806	1,004,908	-	2,162,011	2,162,011	308,279	103,783	9,150,441
2020	2,521,298	515,735	515,735	1,032,821	-	2,252,673	2,252,673	378,116	122,643	9,591,694
2021	2,843,735	573,228	573,228	1,147,967	-	2,518,584	2,518,584	449,835	144,699	10,769,860
2022	3,250,333	665,304	665,304	1,331,998	-	2,864,164	2,864,164	404,503	143,785	12,189,555
2023	3,415,757	713,879	713,879	1,427,758	-	2,870,560	2,870,560	34,623	141,978	12,188,995

(1) Based upon State of Kansas formula the City receives a portion of the county sales tax for the general fund.

(2) City public safety debt sales tax became effective January 1, 2007 and is used to repay debt on the law enforcement complex and fire station #1, expired September 30, 2017.

(3) City street improvements sales tax became effective April 1, 2011 and is used for City street improvements, In 2020, the two sales tax were combined to 0.50% This sales tax is set to sunset May 31, 2031.

(4) City public safety sales tax became effective January 1, 2014 and is used to supplement and enhance public safety in the general fund. This sales tax is set to sunset December 31, 2023.

(5) City Tax Increment Financing district receives a portion of the City and County sales tax and is used to repay debt on development improvements within the district.

(6) City Transportation Development District sales tax is used to repay debt on City infrastructure improvements within the district..

**City of Pittsburg, Kansas**  
**Water Produced and Consumed and Wastewater Treated**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Gallons of Water Produced</b>	<b>Gallons of Water Consumed</b>	<b>Gallons of Water Unbilled</b>	<b>Average Percent Unbilled</b>	<b>Gallons of Wastewater Treated</b>	<b>Total Direct Rate</b>			
						<b>Water</b>		<b>Sewer</b>	
						<b>Base Rate (1)</b>	<b>Usage Rate (2)</b>	<b>Base Rate</b>	<b>Usage Rate</b>
2014	848	673	175	20.64%	929	\$ 11.01	Variable	\$ 19.20	Variable
2015	793	676	118	14.88%	1,466	\$ 11.34	Variable	\$ 19.78	Variable
2016	819	696	123	15.02%	1,051	\$ 11.45	Variable	\$ 19.98	Variable
2017	784	691	93	11.86%	757	\$ 11.56	Variable	\$ 20.18	Variable
2018	821	711	110	13.40%	1,145	\$ 11.68	Variable	\$ 20.38	Variable
2019	788	706	83	10.53%	1,911	\$ 11.80	Variable	\$ 20.58	Variable
2020	825	678	147	17.82%	1,666	\$ 11.80	Variable	\$ 20.58	Variable
2021	914	737	177	19.37%	1,855	\$ 11.80	Variable	\$ 20.58	Variable
2022	1,035	789	245	23.67%	2,114	\$ 12.15	Variable	\$ 21.20	Variable
2023	941	589	183	19.45%	1,069	\$ 12.51	Variable	\$ 21.83	Variable

Note: Gallons are presented in millions.

**City of Pittsburg, Kansas  
Annual Tap Sales  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Water Meter Taps Sold</u>	<u>Sewer Taps Sold</u>	<u>Total Taps</u>
2014	19	8	27
2015	10	9	19
2016	14	7	21
2017	11	7	18
2018	16	12	28
2019	19	26	45
2020	17	17	34
2021	33	23	56
2022	71	0	71
2023	45	-	45

**City of Pittsburg, Kansas**  
**Number of Water and Sewer Customers by Type**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>WATER</u>			
	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>INDUSTRIAL</u>	<u>OTHER</u>
2014	7,716	537	50	224
2015	7,722	541	49	224
2016	7,605	540	46	216
2017	7,673	630	46	142
2018	7,520	559	41	231
2019	7,651	568	43	229
2020	7,667	538	36	280
2021	7,668	574	37	304
2022	7,680	583	39	307
2023	7,589	574	38	299

<u>Fiscal Year</u>	<u>SEWER</u>			
	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>INDUSTRIAL</u>	<u>OTHER</u>
2014	7,124	497	44	136
2015	7,029	513	43	137
2016	7,050	510	42	138
2017	7,559	554	46	219
2018	6,998	521	37	146
2019	7,104	534	39	150
2020	7,124	508	33	303
2021	7,216	537	35	221
2022	7,151	537	35	223
2023	7,161	539	36	221

<u>Fiscal Year</u>	<u>TOTAL</u>	
	<u>WATER</u>	<u>SEWER</u>
2014	8,527	7,801
2015	8,536	7,722
2016	8,407	7,740
2017	8,491	8,378
2018	8,351	7,702
2019	8,491	7,827
2020	8,521	7,968
2021	8,583	8,009
2022	8,609	7,946
2023	8,500	7,957



**City of Pittsburg, Kansas**  
**Water, Sewer and Stormwater Rates**  
**Last Ten Fiscal Years**

	<u>Effective</u> Jan 1st <u>2014</u>	<u>Effective</u> Jan 1st <u>2015</u>	<u>Effective</u> Jan 1st <u>2016</u>	<u>Effective</u> Jan 1st <u>2017</u>	<u>Effective</u> Jan 1st <u>2018</u>
<b><u>WATER RATES PER MONTH, INSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 11.01	\$ 11.34	\$ 11.45	\$ 11.56	\$ 11.68
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	4.56	4.70	4.75	4.80	4.85
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	4.30	4.43	4.47	4.51	4.56
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.10	4.22	4.26	4.30	4.34
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.81	3.92	3.96	4.00	4.04
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.61	3.72	3.76	3.80	3.84
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.36	3.46	3.49	3.52	3.56
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.04	3.13	3.16	3.19	3.22
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.81	2.89	3.16	3.19	3.22
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.59	2.67	3.16	3.19	3.22
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.38	2.45	3.16	3.19	3.22
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.21	2.28	3.16	3.19	3.22
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.03	2.09	3.16	3.19	3.22
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	1.87	1.93	3.16	3.19	3.22
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	1.73	1.78	3.16	3.19	3.22
<b><u>WATER RATES PER MONTH, OUTSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 21.98	\$ 22.64	\$ 22.87	\$ 23.10	\$ 23.33
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	8.09	8.33	8.41	8.49	8.57
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	6.30	6.49	6.55	6.62	6.69
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.56	4.70	4.75	4.80	4.85
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.30	4.43	4.47	4.51	4.56
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.10	4.22	4.26	4.30	4.34
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.81	3.92	3.96	4.00	4.04
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.61	3.72	3.76	3.80	3.84
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.19	3.29	3.76	3.80	3.84
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.99	3.08	3.76	3.80	3.84
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.72	2.80	3.76	3.80	3.84
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.51	2.59	3.76	3.80	3.84
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.33	2.40	3.76	3.80	3.84
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.15	2.21	3.76	3.80	3.84
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	1.99	2.05	3.76	3.80	3.84
<b><u>SANITARY SEWER RATES PER MONTH, INSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 19.20	\$ 19.78	\$ 19.98	\$ 20.18	\$ 20.38
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	2.76	2.84	2.87	2.90	2.93
<b><u>SANITARY SEWER RATES PER MONTH, OUTSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 38.24	\$ 39.39	\$ 39.78	\$ 40.18	\$ 40.58
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	5.42	5.58	5.64	5.70	5.76
<b><u>STORMWATER RATES PER MONTH, INSIDE CITY LIMITS ONLY (1)</u></b>					
1. PER ERU	\$ 3.67	\$ 3.78	\$ 3.82	\$ 3.86	\$ 3.90

(1) One ERU (equivalent residential unit) = 3,106 square feet of impervious area.

(Continued)

**City of Pittsburg, Kansas**  
**Water, Sewer and Stormwater Rates**  
**(Continued)**  
**Last Ten Fiscal Years**

	<u>Effective</u> Jan 1st <u>2019</u>	<u>Effective</u> Jan 1st <u>2020</u>	<u>Effective</u> Jan 1st <u>2021</u>	<u>Effective</u> Jan 1st <u>2022</u>	<u>Effective</u> Jan 1st <u>2023</u>
<b><u>WATER RATES PER MONTH, INSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 11.80	\$ 11.80	\$ 11.80	\$ 12.15	\$ 12.51
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	4.90	4.90	4.90	5.05	5.20
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	4.61	4.61	4.61	4.75	4.89
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.38	4.38	4.38	4.51	4.65
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.08	4.08	4.08	4.20	4.32
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.60	3.60	3.60	3.71	3.82
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.25	3.35	3.45
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.25	3.35	3.45
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.25	3.35	3.45
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.25	3.35	3.45
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.25	3.35	3.45
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.25	3.35	3.45
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.25	3.35	3.45
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25		3.35	3.45
<b><u>WATER RATES PER MONTH, OUTSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 23.56	\$ 23.56	\$ 23.56	\$ 24.27	\$ 24.99
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	8.66	8.66	8.66	8.92	9.18
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	6.76	6.76	6.76	6.96	7.16
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.90	4.90	4.90	5.05	5.20
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.61	4.61	4.61	4.75	4.89
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.38	4.38	4.38	4.51	4.64
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	4.08	4.08	4.08	4.20	4.32
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	3.88	4.00	4.12
<b><u>SANITARY SEWER RATES PER MONTH, INSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 20.58	\$ 20.58	\$ 20.58	\$ 21.20	\$ 21.83
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	2.96	2.96	2.96	3.05	3.14
<b><u>SANITARY SEWER RATES PER MONTH, OUTSIDE CITY LIMITS</u></b>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 40.99	\$ 40.99	\$ 40.99	\$ 42.22	\$ 43.48
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	5.82	5.82	5.82	5.99	6.16
<b><u>STORMWATER RATES PER MONTH, INSIDE CITY LIMITS ONLY (1)</u></b>					
1. PER ERU	\$ 3.94	\$ 3.94	\$ 3.94	\$ 3.98	\$ 4.05

(1) One ERU (equivalent residential unit) = 3,106 square feet of impervious area.

**City of Pittsburg, Kansas  
Ten Largest Utility Customers  
Current Year and Nine Years Ago**

Customer	Category	Fiscal Year 2023			
		Water Revenue		Sewer Revenue	
		Amount	%	Amount	%
Sugar Creek Packing Company	Food Products	\$ 481,983	9.65%	\$ 589,921	14.19%
Pittsburg State University	Education	208,412	4.17%	208,412	5.01%
Acension Via Christi Hospital	Medical	147,702	2.96%	147,702	3.55%
Crimson Villas	Housing	41,320	0.83%	68,415	1.65%
Parkview	Housing	77,464	1.55%	77,464	1.86%
Acension Living Via Christi	Medical	89,859	1.80%	89,859	2.16%
Sanderson Pipe	Manufacturing	57,168	1.15%	57,168	1.38%
Summerscape LLC	Housing	28,206	0.56%	28,206	0.68%
Diamond Senior Development	Housing	36,917	0.74%	36,917	0.89%
Hampton Inn & Suites	Hospitality	31,695	0.63%	31,695	0.76%
Subtotal (10 largest)		1,200,724	24.05%	1,335,759	32.13%
Balance from other customers		3,791,778	75.95%	2,821,231	67.87%
Grand totals		\$ 4,992,502	100.00%	\$ 4,156,990	100.00%

Customer	Category	Fiscal Year 2014			
		Water Revenue		Sewer Revenue	
		Amount	%	Amount	%
Sugar Creek Packing Company	Food Products	\$ 233,130	5.95%	\$ 353,970	10.20%
Pittsburg State University	Education	165,711	4.23%	60,184	1.73%
Via Christi Hospital	Medical	59,699	1.52%	41,867	1.21%
Crimson Villas	Housing	42,730	1.09%	39,557	1.14%
USD 250 Public Schools	Education	23,956	0.61%	24,873	0.72%
Parkview Community	Housing	29,057	0.74%	18,201	0.52%
Sycamore Village Residences	Housing	29,024	0.74%	17,738	0.51%
University Commons	Housing	16,693	0.43%	22,922	0.66%
Corner Stone Village	Medical	24,544	0.63%	11,097	0.32%
Summerscape LLC	Landscaping	22,492	0.57%	11,990	0.35%
Subtotal (10 largest)		647,036	16.52%	602,399	17.36%
Balance from other customers		3,269,683	83.48%	2,866,735	82.64%
Grand totals		\$ 3,916,719	100.00%	\$ 3,469,134	100.00%

Note: Dollar values reflected include base rate charges, as well as multiple meters on various accounts.

**City of Pittsburg, Kansas**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					
	General Obligation Bonds	Special Assessment	Notes Payable Financed Purchases	Lease Obligations Payable	Sales Tax Transportation District Bonds (1)	Tax Increment Financing Bonds (2)
2014	\$ 14,405,592	\$ -	\$ 1,881,075	\$ -	\$ 1,150,000	\$ 4,390,000
2015	10,651,203	-	1,845,535	-	1,100,000	4,070,000
2016	12,519,325	6,539,218	1,639,850	-	1,045,000	3,875,000
2017	9,348,679	6,537,257	1,404,114	-	970,000	3,305,000
2018	7,994,708	6,275,296	1,225,102	-	890,000	2,805,000
2019	9,183,731	6,008,335	946,539	-	805,000	2,235,000
2020	9,115,479	5,736,374	1,891,227	-	705,000	1,775,000
2021	7,012,227	5,459,413	1,424,233	-	625,000	1,280,000
2022	9,575,601	5,177,452	876,627	2,422,225	475,000	460,000
2023	8,296,088	4,890,491	1,548,216	2,490,625	340,000	-

Fiscal Year	Business-type Activities					
	General Obligation Bonds (3)	Notes Payable Financed Purchases	Lease Obligations Payable	K.D.H.E. Loans	Total Primary Government	Per Capita
2014	\$ 2,824,408	\$ -	\$ -	\$ 13,686,824	\$ 38,337,899	\$ 1,879
2015	8,743,797	-	-	4,126,327	30,536,862	1,497
2016	8,143,564	-	-	3,873,650	37,635,607	1,848
2017	7,151,757	-	-	3,740,442	32,457,249	1,606
2018	6,428,274	-	-	3,362,262	28,980,642	1,434
2019	5,725,135	428,551	-	3,190,598	28,522,889	1,414
2020	5,038,897	680,009	-	2,899,186	27,841,172	1,380
2021	4,337,658	480,602	-	2,452,309	23,071,442	1,144
2022	3,616,604	137,668	148,718	3,864,550	26,754,445	1,295
2023	2,873,946	13,258	258,308	3,285,066	23,995,998	1,164

(1) Sales tax transportation development district bonds to be retired with special .3% sales tax within transportation development district.

(2) Tax increment financing bonds to be retired with property tax and sales tax generated within increment district.

(3) Business-type activity general obligation bonds are paid with business-type revenues.

**City of Pittsburg, Kansas**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>			<b>Actual Taxable Value of Property (1)</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Less Amount Available in Debt Service Fund</b>	<b>Total</b>			
2014	\$ 17,230,000	\$ 850,457	\$ 16,379,543	\$ 861,828,805	1.90%	803
2015	19,395,000	807,700	18,587,300	843,786,180	2.20%	911
2016	20,662,889	882,012	19,780,877	857,536,477	2.31%	971
2017	16,500,436	964,528	15,535,908	895,052,217	1.74%	768
2018	14,422,982	683,818	13,739,164	902,468,903	1.52%	680
2019	14,908,866	901,542	14,007,324	903,133,619	1.55%	694
2020	14,154,376	1,087,511	13,066,865	934,439,912	1.40%	648
2021	11,349,885	1,424,800	9,925,085	936,120,634	1.06%	492
2022	14,551,703	1,783,297	12,768,406	948,150,545	1.35%	618
2023	11,170,034	1,577,749	9,592,285	1,018,655,375	0.94%	465

(1) Source: Crawford County Clerk

**City of Pittsburg, Kansas**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2023**

<u>Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Crawford County	\$ 2,101,000	52.25%	\$ 1,097,773
Pittsburg U.S.D. 250	50,855,000	84.29%	<u>42,865,680</u>
Subtotal, overlapping debt			43,963,452
City direct debt (2)			<u>17,565,420</u>
Total direct and overlapping debt			<u><u>\$ 61,528,872</u></u>

(1) Source: Crawford County Clerk, USD 249 and USD 250.

(2) The City's direct debt total excludes business-type activities debt. The Special Obligation Tax Increment Revenue Bonds (TIF) are included, however the the City bears no responsibility on repaying the TIF bonds. The debt burden for the TIF bonds is not borne by the residents of the City of Pittsburg.

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

**City of Pittsburg, Kansas  
Legal Debt Margin Information  
Last Ten Fiscal Years**

**Legal Debt Margin Calculation for Fiscal Year 2023**

Assessed Valuation (1)	\$ 163,986,040
Legal Debt Limit (2)	49,195,812
General Obligation Bonds	11,170,034
Less Amount Available in Debt Service Fund	1,577,749
Total net debt applicable to limit	9,592,285
Legal debt margin	\$ 39,603,527

	2014	2015	2016	2017	2018
Debt limit	\$ 40,682,291	\$ 40,750,814	\$ 40,980,164	\$ 44,002,299	\$ 44,686,812
Total net debt applicable to limit	16,379,543	18,587,300	11,502,295	15,095,472	13,331,182
Legal debt margin	\$ 24,302,748	\$ 22,163,514	\$ 29,477,869	\$ 28,906,827	\$ 31,355,630
Total net debt applicable to the limit as a percentage of debt limit	40.26%	45.61%	28.07%	34.31%	29.83%

	2019	2020	2021	2022	2023
Debt limit	\$ 44,714,579	\$ 46,177,396	\$ 46,413,952	\$ 46,539,476	\$ 49,195,812
Total net debt applicable to limit	13,523,458	11,627,489	9,530,200	12,768,406	9,592,285
Legal debt margin	\$ 31,191,121	\$ 34,549,907	\$ 36,883,752	\$ 33,771,070	\$ 39,603,527
Total net debt applicable to the limit as a percentage of debt limit	30.24%	25.18%	20.53%	27.44%	19.50%

(1) Includes motor vehicle assessed valuation, source Crawford County Clerk.

(2) Debt limit is set at 30% of assessed valuation per state statute.

**City of Pittsburg, Kansas  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

**Sales Tax Transportation District Bonds (1)**

<b>Fiscal Year</b>	<b>Sales Tax Increment</b>	<b>City Subsidy</b>	<b>Other Income</b>	<b>Less Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		<b>Coverage</b>
						<b>Principal</b>	<b>Interest</b>	
2014	\$ 99,250	\$ 13,250	\$ 2	\$ 1,752	\$ 110,750	\$ 45,000	\$ 56,280	1.09
2015	99,749	13,925	2	1,752	111,924	50,000	54,000	1.08
2016	98,330	9,800	10	1,760	106,380	55,000	51,480	1.00
2017	97,891	13,600	398	1,941	109,948	85,000	48,720	0.82
2018	101,302	29,705	1,259	1,860	130,406	80,000	45,000	1.04
2019	103,783	19,200	1,869	1,995	122,857	85,000	41,040	0.97
2020	119,043	27,000	403	1,819	144,627	100,000	36,840	1.06
2021	139,367	-	27	1,750	137,644	80,000	31,920	1.23
2022	145,339	20,000	980	1,750	164,569	120,000	26,520	1.12
2023	149,520	5,753	4,756	1,308	158,721	135,000	20,520	1.02

**Tax Increment Financing Bonds (2)**

<b>Fiscal Year</b>	<b>Sales Tax Increment</b>	<b>Property Tax Increment</b>	<b>Other Income</b>	<b>Less Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		<b>Coverage</b>
						<b>Principal</b>	<b>Interest</b>	
2014	\$ 395,003	\$ 178,132	\$ 20	\$ 3,020	\$ 570,135	\$ 345,000	\$ 222,057	1.01
2015	296,587	265,509	19	3,019	559,096	320,000	205,850	1.06
2016	286,419	282,370	122	3,122	565,789	195,000	194,263	1.45
2017	291,941	283,892	2,115	4,173	573,775	570,000	180,810	0.76
2018	300,293	283,300	4,834	3,901	584,526	500,000	152,145	0.90
2019	308,279	298,877	5,324	3,688	608,792	570,000	126,910	0.87
2020	365,442	292,702	1,134	3,190	656,088	460,000	98,245	1.18
2021	436,734	275,039	88	3,000	708,861	495,000	74,848	1.24
2022	441,279	333,251	2,997	3,000	774,527	690,000	43,365	1.06
2023	34,623	333,540	6,398	500	374,060	460,000	11,270	0.79

(1) Sales tax transportation development district bonds to be retired with special .3% sales tax within transportation development district.

(2) Tax increment financing bonds to be retired with property tax and sales tax generated within increment district.

Note: this statement presents non-general obligation long-term debt backed by pledged sales and property tax revenues. The purpose of these bonds was for redevelopment of the northeast retail district.



**City of Pittsburg, Kansas  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Pittsburg Population (1)</b>	<b>Pittsburg Micropolitan Area Population (1)</b>	<b>Pittsburg Micropolitan Area Median Income (1)</b>	<b>Pittsburg Public School Enrollment (2)</b>	<b>Pittsburg State University Enrollment (3)</b>	<b>Pittsburg Micropolitan Area Unemployment Rate (4)</b>	<b>Pittsburg Median Age (1)</b>
2014	20,398	39,327	\$ 33,654	2,861	7,479	4.5%	26.2
2015	20,398	39,231	34,145	2,945	7,244	4.3%	26.2
2016	20,366	39,164	34,508	2,934	7,102	4.4%	26.2
2017	20,216	39,333	36,912	3,006	6,907	3.5%	26.1
2018	20,216	39,281	38,017	2,930	6,625	3.5%	25.8
2019	20,178	39,019	40,174	3,028	6,645	3.4%	25.8
2020	20,171	38,968	41,004	3,180	6,398	3.5%	25.9
2021	20,171	38,968	41,004	3,276	6,645	2.3%	25.9
2022	20,667	39,018	45,191	3,306	5,858	2.7%	26.0
2023	20,610	39,012	46,642	3,306	5,732	3.0%	25.7

(1) Source: CensusReporter (excludes Pittsburg State University population)

(2) Source: Pittsburg USD 250 (Ksreportcard.ksde.org)

(3) Source: Pittsburg State University Admissions

(4) Source: Kansas Department of Labor (Pittsburg Micro Area/Crawford County)

**City of Pittsburg, Kansas  
Principal Employers (1)  
Current Year and Nine Years Ago**

<u>Employer</u>	<u>Product</u>	<u>2023</u>			<u>2014</u>		
		<u>Estimated Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment (3)</u>	<u>Estimated Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment (3)</u>
Pittsburg State University	University	1,593	1	8.71%	1867	1	9.22%
Ascension Via Christi Hospital	Regional Hospital	775	2	4.24%	677	3	3.34%
Sugar Creek Packing (2)	Food Products	750	4	4.10%	na	na	na
Pittsburg U.S.D. # 250	Public School K-12	684	3	3.74%	684	2	3.38%
CDL Electric Company	Contractor	460	4	2.52%	na	na	na
Community Health Center of SEK	Health Care	387	5	2.12%	164	11	0.81%
Wal-mart	Retailer	322	6	1.76%	380	4	1.88%
Pitt Plastics Inc.	Polyethylene Bags	304	7	1.66%	293	5	1.45%
Miller's Inc.	Professional Photo Finishing	302	8	1.65%	287	6	1.42%
Masonite International	Manufacturing	300	9	1.64%	225	8	na
Kansas Crossing Casino & Hotel	Entertainment	260	10	1.42%	na	na	na
SEKCAP	Non-Profit	250	11		na	na	na
City of Pittsburg (4)	City Government	241	12	1.32%	228	10	1.13%
Mpix	Professional Photo Finishing	200	13	1.09%	na	na	na
Diamond Pet Foods (2)	Pet food products	195	14	1.07%	na	na	na
Leisure Time Products	Outdoor Playsets	182	15	1.00%	na	na	na
<b>Total</b>		<u>7,205</u>		38.02%	<u>4,805</u>		<u>22.61%</u>

(1) Source: Pittsburg Chamber of Commerce

(2) Outside City Limits

(3) Source: Kansas Department of Labor

(4) Includes Component Unit (Pittsburg Public Library).

Note: na means data unavailable.

TOTAL EMPLOYMENT FOR CRAWFORD COUNTY (SOURCE: KDOL)

18,290

20,252

<https://klic.dol.ks.gov/gsipub/index.asp?docid=697>

**City of Pittsburg, Kansas**  
**Full-time Employees by Department**  
**Last Ten Fiscal Years**

	2014		2015		2016		2017		2018	
	Number of Employees	Percent of Total	Number of Employees	Percent of Total	Number of Employees	Percent of Total	Number of Employees	Percent of Total	Number of Employees	Percent of Total
<b>Governmental-type Activities</b>										
<u>Administration</u>										
City Manager	2	0.9%	2	0.9%	2	0.9%	3	1.3%	3	1.3%
City Attorney	1	0.5%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
City Clerk	1	0.5%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
Finance Department	5	2.3%	5	2.2%	5	2.2%	5	2.2%	6	2.6%
Human Resources Division	2	0.9%	2	0.9%	2	0.9%	2	0.9%	2	0.9%
Information Systems Division	3	1.4%	3	1.3%	4	1.8%	4	1.8%	4	1.7%
Total Administration	14	6.4%	14	6.3%	15	6.7%	16	7.0%	17	7.4%
<u>Public Safety</u>										
Police Division	69	31.4%	70	31.4%	71	31.6%	73	32.0%	74	32.3%
Fire Division	35	15.9%	35	15.7%	35	15.6%	35	15.4%	35	15.3%
Building Services Division	5	2.3%	5	2.2%	5	2.2%	4	1.8%	3	1.3%
Codes Enforcement Division	4	1.8%	4	1.8%	2	0.9%	2	0.9%	2	0.9%
Animal Control Division	2	0.9%	2	0.9%	2	0.9%	2	0.9%	2	0.9%
Municipal Court Division	6	2.7%	6	2.7%	6	2.7%	6	2.6%	6	2.6%
Total Public Safety	121	55.1%	122	54.8%	121	53.9%	122	53.6%	122	53.4%
<u>Public Works</u>										
Engineering Division	2	0.9%	3	1.3%	3	1.3%	3	1.3%	4	1.7%
Facility Maintenance Division	3	1.4%	3	1.3%	3	1.3%	3	1.3%	4	1.7%
Street & Highway Division	11	5.0%	11	4.9%	10	4.4%	10	4.4%	10	4.4%
Atkinson Airport Division	3	1.4%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Public Works	19	8.6%	20	9.0%	19	8.4%	19	8.3%	21	9.2%
<u>Sanitation and Health</u>										
Mt. Olive Cemetery Division	1	0.5%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
<u>Culture and Recreation</u>										
Parks Division	8	3.6%	8	3.6%	8	3.6%	8	3.5%	8	3.5%
Recreation Division	2	0.9%	2	0.9%	3	1.3%	3	1.3%	3	1.3%
Golf Course Division	3	1.4%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Memorial Auditorium Division	5	2.3%	5	2.2%	5	2.2%	5	2.2%	5	2.2%
Total Culture and Recreation	18	8.2%	18	8.1%	19	8.4%	19	8.3%	19	8.3%
<u>Education</u>										
Component Unit (Public Library)	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Industrial Development</u>										
Economic Development Division	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Social Welfare</u>										
Community Development and Housing	3	1.4%	4	1.8%	5	2.2%	6	2.6%	6	2.6%
<b>Total for Governmental-type Activities</b>	<b>176</b>	<b>80.0%</b>	<b>179</b>	<b>80.3%</b>	<b>180</b>	<b>80.0%</b>	<b>183</b>	<b>80.3%</b>	<b>186</b>	<b>81.2%</b>
<b>Business-type Activities</b>										
<u>Water-Wastewater Utility</u>										
Water Treatment Division	9	3.9%	9	3.9%	11	4.9%	11	4.8%	10	4.4%
Water Distribution Division	14	6.2%	14	6.1%	14	6.2%	14	6.1%	13	5.7%
Wastewater Treatment Division	7	3.0%	7	3.0%	6	2.7%	6	2.6%	6	2.6%
Wastewater Collections Division	6	2.5%	6	2.5%	5	2.2%	5	2.2%	5	2.2%
Customer Service Division	3	1.4%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Water-Wastewater Utility	37	17.0%	37	16.8%	39	17.3%	39	17.1%	37	16.2%
<u>Storm Water Utility</u>										
Stormwater Division	7	3.0%	7	3.0%	6	2.7%	6	2.6%	6	2.6%
<b>Total for Business-type Activities</b>	<b>44</b>	<b>20.0%</b>	<b>44</b>	<b>19.7%</b>	<b>45</b>	<b>20.0%</b>	<b>45</b>	<b>19.7%</b>	<b>43</b>	<b>18.8%</b>
<b>Total Full-time Employees</b>	<b>220</b>	<b>100.0%</b>	<b>223</b>	<b>100.0%</b>	<b>225</b>	<b>100.0%</b>	<b>228</b>	<b>100.0%</b>	<b>229</b>	<b>100.0%</b>
Component Unit	8		8		8		9		10	

(Continued)

**City of Pittsburg, Kansas**  
**Full-time Employees by Department**  
**(Continued)**  
**Last Ten Fiscal Years**

	2019		2020		2021		2022		2023	
	Number of Employees	Percent of Total	Number of Employees	Percent of Total	Number of Employees	Percent of Total	Number of Employees	Percent of Total	Number of Employees	Percent of Total
<b>Governmental-type Activities</b>										
<u>Administration</u>										
City Manager	3	1.3%	3	1.3%	4	1.7%	3	1.3%	3	1.3%
City Attorney	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
City Clerk	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
Finance Department	6	2.6%	6	2.6%	6	2.6%	6	2.6%	5	2.2%
Human Resources Division	2	0.9%	2	0.9%	2	0.9%	2	0.9%	2	0.9%
Information Systems Division	4	1.7%	4	1.7%	4	1.7%	4	1.7%	5	2.2%
Total Administration	17	7.4%	17	7.3%	18	7.8%	17	7.4%	17	7.4%
<u>Public Safety</u>										
Police Division	74	32.0%	74	31.9%	74	31.9%	74	32.0%	73	31.9%
Fire Division	35	15.2%	35	15.1%	35	15.1%	35	15.2%	35	15.3%
Building Services Division	4	1.7%	4	1.7%	4	1.7%	5	2.2%	6	2.6%
Codes Enforcement Division	2	0.9%	2	0.9%	2	0.9%	2	0.9%	2	0.9%
Animal Control Division	2	0.9%	2	0.9%	2	0.9%	2	0.9%	2	0.9%
Municipal Court Division	6	2.6%	6	2.6%	6	2.6%	6	2.6%	5	2.2%
Total Public Safety	123	53.3%	123	53.1%	123	53.0%	124	53.7%	123	53.7%
<u>Public Works</u>										
Engineering Division	4	1.7%	4	1.7%	3	1.3%	2	0.9%	2	0.9%
Facility Maintenance Division	4	1.7%	4	1.7%	4	1.7%	4	1.7%	4	1.7%
Street & Highway Division	10	4.3%	10	4.3%	10	4.3%	10	4.3%	9	3.9%
Atkinson Airport Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Public Safety	21	9.1%	21	9.1%	20	8.6%	19	8.2%	18	7.9%
<u>Sanitation and Health</u>										
Mt. Olive Cemetery Division	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
<u>Culture and Recreation</u>										
Parks Division	8	3.5%	8	3.4%	8	3.4%	8	3.5%	8	3.5%
Recreation Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Golf Course Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Memorial Auditorium Division	5	2.2%	5	2.2%	5	2.2%	5	2.2%	6	2.6%
Total Culture and Recreation	19	8.2%	19	8.2%	19	8.2%	19	8.2%	20	8.7%
<u>Education</u>										
Component Unit (Public Library)	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Industrial Development</u>										
Economic Development Division	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Social Welfare</u>										
Community Development and Housing	7	3.0%	7	3.0%	7	3.0%	7	3.0%	7	3.1%
Total for Governmental-type Activities	188	81.4%	188	81.0%	188	81.0%	187	81.0%	186	81.2%
<b>Business-type Activities</b>										
<u>Water-Wastewater Utility</u>										
Water Treatment Division	10	4.3%	10	4.3%	10	4.3%	10	4.3%	10	4.4%
Water Distribution Division	13	5.6%	14	6.0%	14	6.0%	14	6.1%	14	6.1%
Wastewater Treatment Division	6	2.6%	6	2.6%	6	2.6%	6	2.6%	6	2.6%
Wastewater Collections Division	5	2.2%	5	2.2%	5	2.2%	5	2.2%	5	2.2%
Customer Service Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Water-Wastewater Utility	37	16.0%	38	16.4%	38	16.4%	38	16.5%	38	16.6%
<u>Storm Water Utility</u>										
Stormwater Division	6	2.6%	6	2.6%	6	2.6%	6	2.6%	5	2.2%
Total for Business-type Activities	43	18.6%	44	19.0%	44	19.0%	44	19.0%	43	18.8%
Total Full-time Employees	231	100.0%	232	100.0%	232	100.0%	231	100.0%	229	100.0%
Component Unit	10		10		10		10		10	

**City of Pittsburg, Kansas**  
**Operating Indicators by Function/program**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General government					
Building permits issued	510	1,068	1,264	1,297	1,402
Building inspections conducted	672	1,503	1,676	1,625	2,141
Memorial auditorium (events)	380	334	325	458	505
Police (1)					
Physical arrests	1,255	1,613	1,601	1,547	1,452
Parking violations	-	-	-	-	-
Traffic violations	1,685	2,249	2,596	2,124	1,735
Accident Reports	583	679	374	615	569
Fire					
Fire calls	109	111	122	150	405
Emergency calls/EMS	736	1,021	952	996	900
Other calls	1,496	1,302	1,355	1,175	848
Other public works					
Street resurfacing (tons of asphalt)	8,230	5,981	5,564	15,963	11,233
Airport (gallons sold)	188,070	209,364	215,365	196,381	204,858
Parks and recreation (2)					
Aquatic center (attendance)	18,105	28,615	19,330	19,126	22,352
Golf course (rounds of golf)	8,152	8,683	7,924	6,292	7,031
Water					
Average daily consumption (gallons)	2,086,733	2,059,320	2,236,650	2,072,758	2,141,825
Peak daily consumption (gallons)	4,111,000	3,964,000	3,421,000	3,123,000	3,687,000
Wastewater					
Average daily sewage treatment (gallons)	2,547,397	4,015,616	2,878,356	3,738,904	3,136,164

<u>Function/Program</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government					
Building permits issued	1,295	1,238	1,374	1,358	1,055
Building inspections conducted	2,301	2,200	2,701	1,522	2,210
Memorial auditorium (events)	501	126	276	320	369
Police (1)					
Physical arrests	1,514	794	1,114	1,030	758
Parking violations	-	-	-	-	-
Traffic violations	2,050	2,957	2,975	1,355	1,038
Accident Reports	518	373	445	375	428
Fire					
Fire calls	431	543	294	178	353
Emergency calls/EMS	1,023	816	687	1,250	1,178
Other calls	1,081	416	689	624	288
Other public works					
Street resurfacing (tons of asphalt)	19,738	19,242	5,614	-	-
Airport (gallons sold)	190,550	145,468	203,430	182,246	156,729
Parks and recreation (2)					
Aquatic center (attendance)	22,346	-	15,769	18,075	17,239
Golf course (rounds of golf)	6,864	7,204	9,790	19,234	14,609
Water					
Average daily consumption (gallons)	2,078,767	2,253,066	2,504,184	2,162,558	2,929,586
Peak daily consumption (gallons)	3,028,000	4,061,000	4,108,000	5,404,000	5,404,000
Wastewater					
Average daily sewage treatment (gallons)	5,235,890	4,563,288	4,412,877	3,340,822	3,340,822

Sources: Various city departments.

(1) The parking enforcement officer was eliminated in 2013. Going forward accident reports will be tracked in lieu of parking violations.

**City of Pittsburg, Kansas**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

	2014	2015	2016	2017	2018
<u>Function/Program</u>					
Police					
Stations	1	1	1	1	1
Patrol units	4	4	4	4	4
Fire Stations	3	3	3	3	3
Other public works					
Streets (miles)	142	142	142	142	142
Streetlights	2,039	2,042	2,042	2,047	2,047
Traffic Signals	39	42	42	42	42
Parks and recreation					
Public parks	10	14	14	14	14
Swimming pools	2	2	2	2	2
Golf courses	1	1	1	1	1
Frisbee golf courses	-	2	2	2	2
Baseball/softball fields	9	9	9	9	9
Tennis courts	8	8	8	6	6
Pickle ball Courts	-	-	-	-	4
Community centers	3	3	3	2	2
Water					
Water mains (miles)	172	172	172	175	175
Storage capacity (gallons)	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Wastewater					
Sanitary sewers (miles)	127	127	127	130	130
Treatment daily capacity (gallons)	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Stormwater					
Storm sewers (miles)	19	19	19	19	19

	2019	2020	2021	2022	2023
<u>Function/Program</u>					
Police					
Stations	1	1	1	1	1
Patrol units	4	4	4	4	4
Fire Stations	3	3	3	3	3
Other public works					
Streets (miles)	142	142	142	142	142
Streetlights	2,047	2,047	2,047	2,047	2,047
Traffic Signals	42	42	42	42	42
Parks and recreation					
Public parks	14	14	14	14	14
Swimming pools	2	2	2	2	2
Golf courses	1	1	1	1	1
Frisbee golf courses	2	2	2	2	2
Baseball/softball fields	9	9	9	9	9
Tennis courts	6	6	6	6	6
Pickle ball Courts	4	4	4	4	4
Community centers	2	2	2	2	2
Water					
Water mains (miles)	175	175	175	175	175
Storage capacity (gallons)	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Wastewater					
Sanitary sewers (miles)	130	130	130	130	130
Treatment daily capacity (gallons)	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Stormwater					
Storm sewers (miles)	19	19	19	19	19

Sources: Various city departments.

CITY OF PITTSBURG, KANSAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Expenditures	Amounts Paid to Subrecipients
U.S. Department of Agriculture:			
Passed through the State of Kansas:			
SNAP Cluster:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 4,735	\$ -
Total SNAP Cluster		<u>4,735</u>	<u>-</u>
Total U.S. Department of Agriculture		<u>4,735</u>	<u>-</u>
U.S. Department of Housing and Urban Development:			
Section 8 Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871	1,720,079	-
COVID 19 - Section 8 Housing Emergency Housing Vouchers	14.871	<u>77,263</u>	<u>-</u>
Total Section 8 Housing Voucher Cluster		<u>1,797,342</u>	<u>-</u>
Passed through Kansas Housing Resources Corporation:			
Emergency Solutions Grant	14.231	69,085	55,000
COVID-19 - Emergency Solutions Grant	14.231	3,649	-
HOME Investment Partnerships Program	14.239	<u>77,569</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development		<u>1,947,645</u>	<u>55,000</u>
U.S. Department of the Interior:			
Passed through Kansas Department of Wildlife and Parks:			
Schlanger Splash Pad	15.914	56,833	-
Passed through Kansas Historical Society:			
Historic Preservation Downtown	15.916	<u>4,111</u>	<u>-</u>
Total U.S. Department of the Interior		<u>60,944</u>	<u>-</u>
U.S. Department of Transportation:			
Passed through the Federal Aviation Administration:			
Airport Improvement Program	20.106	<u>1,209,996</u>	<u>-</u>
Passed through the Kansas Department of Transportation:			
Highway Safety Cluster:			
Alcohol Impaired Driving Countermeasures Incentive Grants	20.600	<u>1,167</u>	<u>-</u>
Total Highway Safety Cluster		<u>1,167</u>	<u>-</u>
Total U.S. Department of Transportation		<u>1,211,163</u>	<u>-</u>
U.S. Department of Treasury:			
Passed through the State of Kansas:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>221,498</u>	<u>-</u>
Total U.S. Department of Treasury		<u>221,498</u>	<u>-</u>
Environmental Protection Agency:			
Brownfields Multipurpose Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	<u>86,470</u>	<u>-</u>
Total Environmental Protection Agency		<u>86,470</u>	<u>-</u>
U.S. Department of Health and Human Services:			
Passed through the Family Kansas Resource Center:			
Police Response Advocate	93.590	<u>109,981</u>	<u>-</u>
Total U.S. Department of Health and Human Services		<u>109,981</u>	<u>-</u>
Total expenditures of federal awards		<u>\$ 3,642,436</u>	<u>\$ 55,000</u>

See accompanying notes to schedule of  
expenditures of federal awards.

CITY OF PITTSBURG, KANSAS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2023

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Pittsburg, Kansas (the City) under programs of the federal government for the year ended December 31, 2023. The City's reporting entity is defined in Note 1 to the City's basic financial statements. All federal awards passed through other government agencies are included on the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the net position, changes in net position or cash flows of the City.

2 - Summary of Significant Accounting Policies

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



CITY OF PITTSBURG, KANSAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 Year Ended December 31, 2023

**Section I – Summary of Auditors’ Results**

Financial Statements

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

Federal Awards

Type of auditors’ report issued on compliance for major program	Unmodified
Internal control over major program:	
Material weaknesses identified	None
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	None
Identification of major program:	
<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
20.106	Airport Improvement Program
Dollar threshold used to distinguish between Type A and Type B programs	\$ 750,000
Auditee qualified as a low-risk auditee:	Yes

**Section II – Financial Statement Findings** None

**Section III – Federal Award Findings and Questioned Costs** None



Certified Public Accountants

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

Mayor and City Commissioners  
City of Pittsburg, Kansas:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pittsburg, Kansas (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 24, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

BT + Co., P.A.

June 24, 2024  
Topeka, Kansas



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE**

Mayor and City Commissioners  
City of Pittsburg, Kansas:

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Program***

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

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

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

## ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

### **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 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. 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.

*BT + Co., P.A.*

June 24, 2024  
Topeka, Kansas