The City of Pittsburg, Kansas

Annual Comprehensive Financial Report

For The Year Ended December 31, 2022

City of Pittsburg

Forward Together.

ANNUAL COMPREHENSIVE FINANCIAL REPORT
CITY OF PITTSBURG, KANSAS

For the Fiscal Year Ended
December 31, 2022

Prepared by

DEPARTMENT OF FINANCE

City of Pittsburg, Kansas

CITY OF PITTSBURG, KANSAS
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
Year Ended December 31, 2022

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City of Pittsburg
Forward Together.

FINANCE AND ADMINISTRATION

201 West 4th Street · Pittsburg KS 66762

(620) 231-4100

www.pittks.org

June 5, 2023

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, 2022. 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, 2022. 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. For a list of major employers, refer to page 115 in the statistical section. 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 5,858 students.

Comparing 2022 tax receipts to the prior fiscal year, retail sales tax receipts increased by 13.18%, property tax receipts were up increasing by 2.11% and franchise tax receipts increased 21.48%. The 2021 property valuation assessments to support the 2022 budget increased by 6.61%.

The Pittsburg micro-area (Crawford County) unemployment rate increased slightly from 2.1 percent in November 2021 to 2.7 percent in November 2022.

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. Initiation and substantial work completed on 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 2022 include the Waste Water Treatment Plant design.

The City Hall exterior entrance and accessibility improvements were substantially completed in 2022.

Major initiatives for the future. The City will be constructing a new wastewater treatment plant scheduled to begin in 2024. The Fire department has plans to purchase a new ladder truck and the Parks department will be remodeling the miniature golf course and installing 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 ACFR for the fiscal year ended December 31, 2021. This was the twenty-sixth 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



Ronda Shelton
Director of Finance

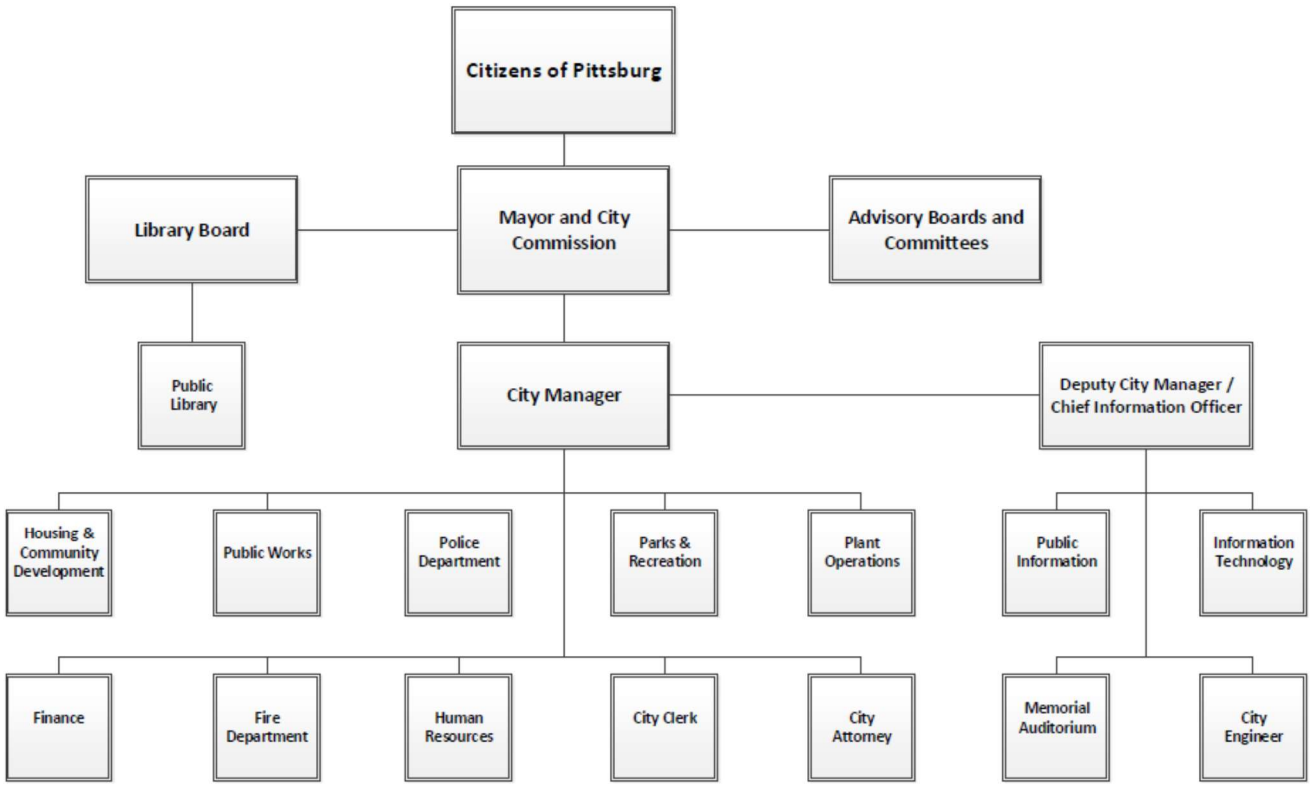
CITY OF PITTSBURG, KANSAS

LIST OF PRINCIPAL OFFICIALS

DECEMBER 31, 2022

TITLE	NAME
ELECTED:	
Mayor	F. Ronald Seglie, M.D.
President of the Board	Stu Hite
Commissioner	Cheryl Brooks
Commissioner	Dawn McNay
Commissioner	Chuck Munsell
APPOINTED:	
City Manager	Daron Hall
Deputy City Manager	Jay Byers
City Attorney	Henry Menghini
City Clerk	Tammy Nagel
Director of Finance	Ronda Shelton
Director of Housing & Community Development	Kim Froman
Director of Human Resources	Kim Vogel
Director of Parks and Recreation	Toby Book
Director of Public Utilities	Matt Bacon
Fire Chief	Taylor Cerne
Police Chief	Brent Narges

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, 2021

Christopher P. Morrill

Executive Director/CEO

BT & Co. P.A.
Certified Public Accountants

4301 SW Huntoon St. Topeka, KS 66604 | t:785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandcocpa.com

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, 2022, 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, 2022, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the City implemented Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

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 5, 2023, 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 5, 2023
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, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

Financial Highlights

- The City earned $12,189,555 from sales tax for fiscal year 2022, an increase of 13.18% over the prior fiscal year.

- The assets of the City exceeded its liabilities at the close of 2022 by $105,204,707. Of this amount, $13,700,620 is unrestricted in use.

- At the close of 2022, the City's general fund reports an ending fund balance of $13,660,142 which is an increase of $3,153,967 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 17-19 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 nineteen 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 thirteen 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 20-29 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 30-34 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 35-75 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. 4th Street, Pittsburg, KS 66762.

Government-wide Financial Analysis

Net Position

	2021 Governmental Activities	2022 Governmental Activities	2021 Business-Type Activities	2022 Business-Type Activities	2021 Total Primary Government	2022 Total Primary Government
Current and other assets	$ 41,780,515	$ 47,506,386	$ 7,856,219	$ 8,322,770	$ 49,636,734	$ 55,829,156
Capital assets	51,936,137	52,460,293	50,458,839	49,607,958	102,394,976	102,068,251
Total assets	93,716,652	99,966,679	58,315,058	57,930,728	152,031,710	157,897,407
Deferred outflows of resources	2,809,904	4,449,855	261,441	608,777	3,071,345	5,058,632
Long-term liabilities outstanding	27,542,344	35,261,137	9,260,547	9,940,332	36,802,891	45,201,469
Other liabilities	6,224,445	3,621,133	572,690	471,936	6,797,135	4,093,069
Total liabilities	33,766,789	38,882,270	9,833,237	10,412,268	43,600,026	49,294,538
Deferred inflows of resources	10,102,538	8,266,751	518,191	190,043	10,620,729	8,456,794
Net position:						
Net investment in capital assets	32,705,263	33,473,388	42,105,237	41,840,418	74,810,500	75,313,806
Restricted	17,480,247	16,190,281	-	-	17,480,247	16,190,281
Unrestricted	2,471,719	7,603,844	6,119,834	6,096,776	8,591,553	13,700,620
Total Net Position	$ 52,657,229	$ 57,267,513	$ 48,225,071	$ 47,937,194	$ 100,882,300	$ 105,204,707

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 $16,499,855 as of December 31, 2022. 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 60-72 in the Notes to the Basic Financial Statements.

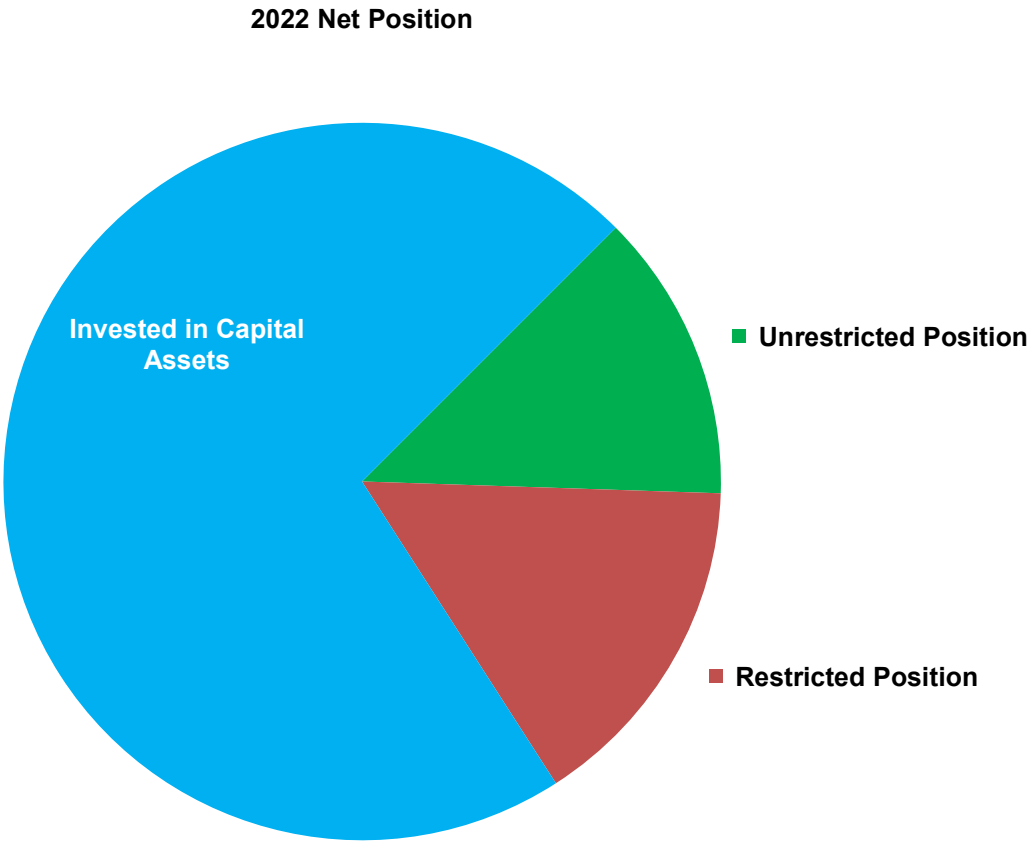
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $105,204,707 at the close of the 2022 fiscal year. Capital assets (land, buildings, machinery, equipment and infrastructure) represent 71.59% 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, 2022 restricted funds total $16,190,281 or 15.39% 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 $13,700,620 or 13.02% 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.

	2021 Governmental Activities	2022 Governmental Activities	2021 Business-Type Activities	2022 Business-Type Activities	2021 Total Primary Government	2022 Total Primary Government
Revenues						
Program revenues:						
Charges for services	$ 3,026,215	$ 3,291,185	$ 10,057,137	$ 10,078,390	$ 13,083,352	$ 13,369,575
Operating grants and contributions	3,232,972	3,367,627	-	-	3,232,972	3,367,627
Capital grants and contributions	1,132,676	1,519,953	-	-	1,132,676	1,519,953
General revenues						
Taxes	19,728,811	21,706,469	-	-	19,728,811	21,706,469
Other	630,214	1,805,827	4,358	104,880	634,572	1,910,707
Total revenues	27,750,888	31,691,061	10,061,495	10,183,270	37,812,383	41,874,331
Expenses						
General government	4,685,751	5,352,351	-	-	4,685,751	5,352,351
Public Safety	8,807,374	9,913,402	-	-	8,807,374	9,913,402
Public Works	4,170,020	4,983,272	-	-	4,170,020	4,983,272
Sanitation and Health	178,258	184,268	-	-	178,258	184,268
Culture and Recreation	3,087,843	3,643,056	-	-	3,087,843	3,643,056
Industrial Promotion	1,212,710	1,054,588	-	-	1,212,710	1,054,588
Economic Development	33,750	149,919	-	-	33,750	149,919
Social Welfare	1,970,866	1,838,668	-	-	1,970,866	1,838,668
Interest on Long Term Debt	525,506	530,575	-	-	525,506	530,575
Water/Wastewater Utility	-	-	6,331,138	7,926,942	6,331,138	7,926,942
Stormwater Utility	-	-	731,128	918,573	731,128	918,573
Total expenses	24,672,078	27,650,099	7,062,266	8,845,515	31,734,344	36,495,614
Increase in net position before transfers	3,078,810	4,040,962	2,999,229	1,337,755	6,078,039	5,378,717
Transfers	1,600,000	1,609,966	(1,600,000)	(1,609,966)	-	-
Increase in net position	4,678,810	5,650,928	1,399,229	(272,211)	6,078,039	5,378,717
Net position, beginning	47,978,419	52,657,229	46,825,842	48,225,071	94,804,261	100,882,300
Change in accounting principle	-	(1,040,644)	-	(15,666)	-	(1,056,310)
Net position, ending	$ 52,657,229	$ 57,267,513	$ 48,225,071	$ 47,937,194	$ 100,882,300	$ 105,204,707

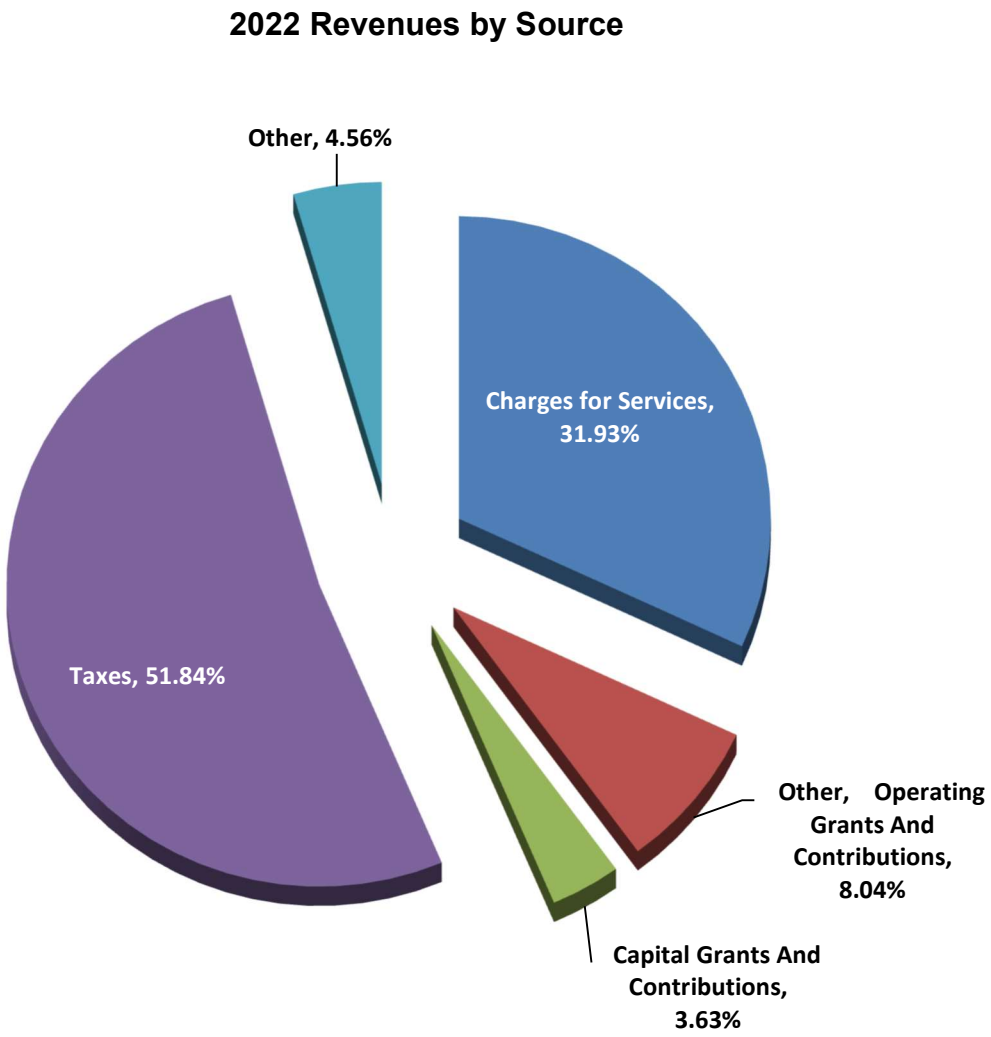
This section will provide a brief discussion and analysis of the major changes in the City's revenue sources and costs for services.

Governmental activities comprised 75.68% of the total revenues generated by the City and 75.76% of the City's expenses. Comparing 2022 to 2021, tax revenues increased by 10.02%; this is due to an increase in sales tax collections, property tax collections, and franchise tax collections.

The governmental capital grants and contributions increased by 34.19% in 2022 compared to 2021.

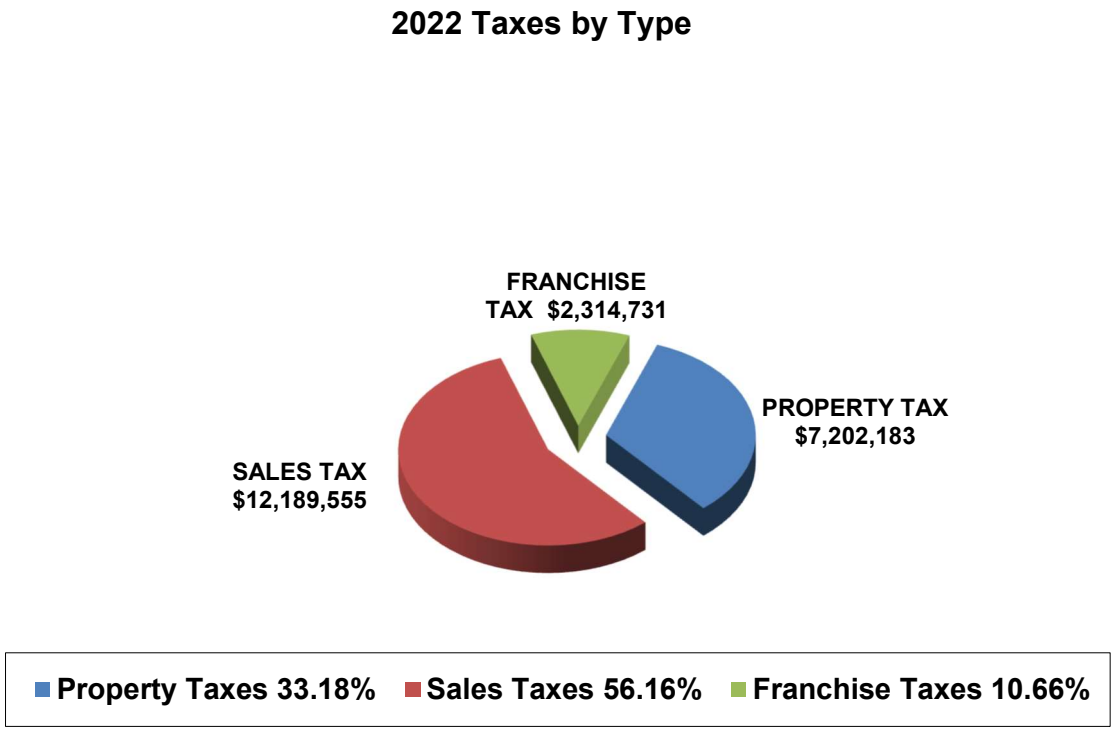
The governmental activities total expenses increased $2,978,021 when comparing 2022 to 2021.

The following pie chart shows the composition of the 2022 primary government revenues.

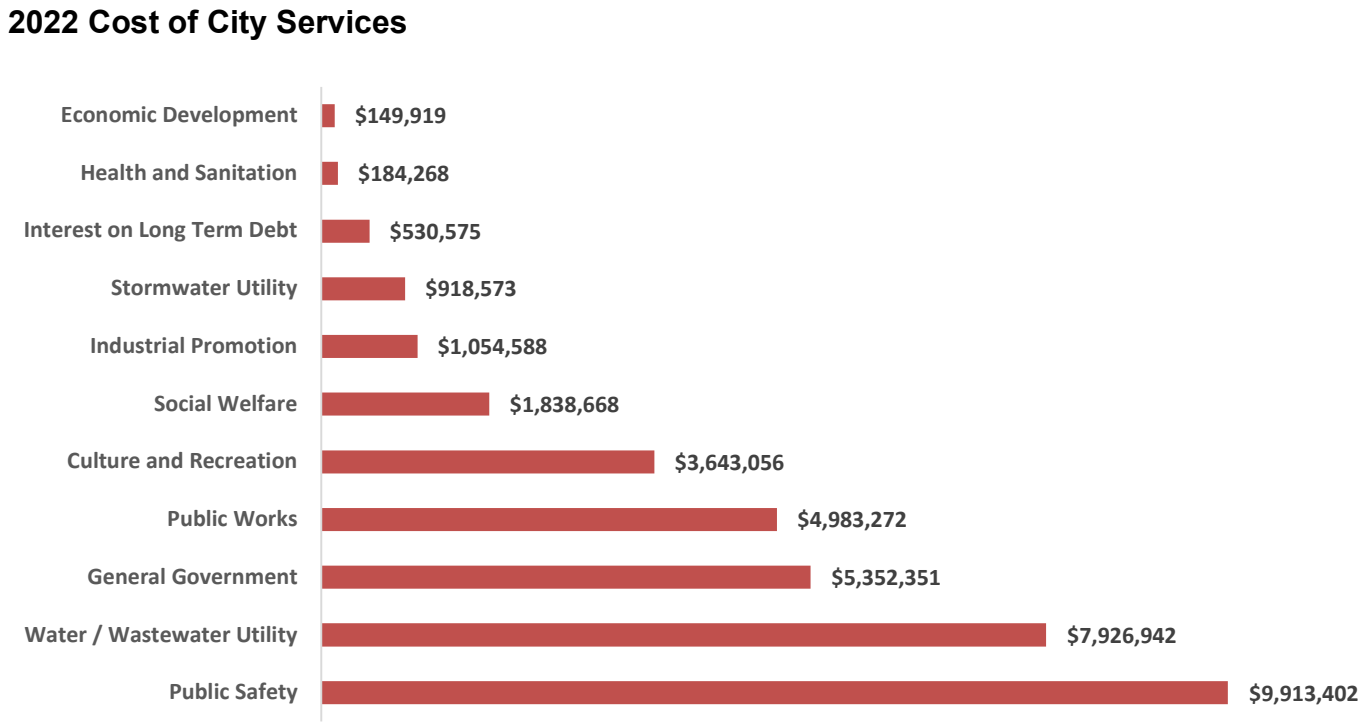


The components of the City's taxes are property tax, sales tax and franchise tax. Total tax revenues were $21,706,469 in 2022 with sales tax being the City's largest tax revenue source.

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



The following bar graph shows the composition of the 2022 primary government expenses.



The City's public safety and water/wastewater utility activities are the dominant expense categories. These two activities account for 48.88% of the total cost of City services for 2022. The total cost of services of the City's primary government for 2022 is $36,495,614. This represents an increase of $4,761,270 (15.00%) compared to 2021. The portion of these services paid by the City's taxpayers is $18,238,459 (49.97%).

The City's mill levy rate remained relatively flat due to the City Commission's desire to not raise the mill levy rate in 2022. 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

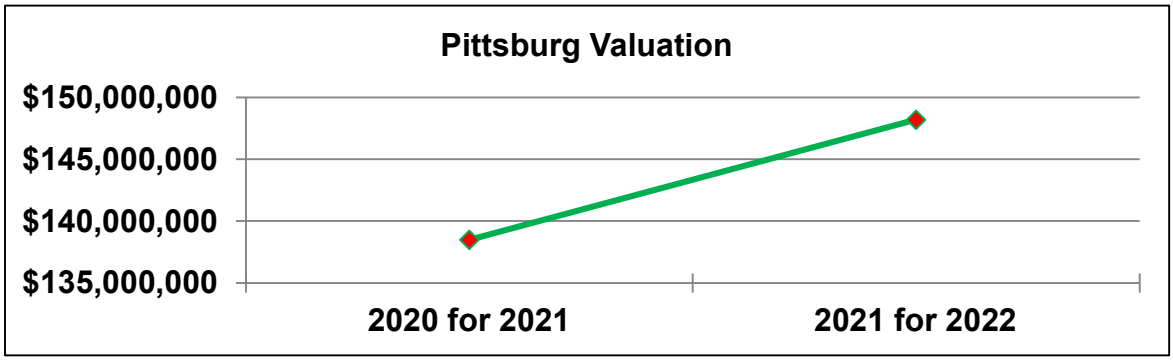
	2020 Levy To support 2021 Budget	2021 Levy To support 2022 Budget	Increase/ (Decrease) over prior year	% Change
General Fund	$ 37.403	$ 37.520	$ 0.117	0.3 %
Debt Service Fund	8.000	8.025	0.025	0.3 %
Component Unit	6.072	6.091	0.019	0.3 %
Total Mill Levy	$ 51.475	$ 51.636	$ 0.161	0.3 %

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

City of Pittsburg's Assessed Valuation

	2020 Valuation To support 2021 Budget	2021 Valuation To support 2022 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 %
Total	$138,905,416	$148,123,666	$ 9,218,250	6.64 %

The change in assessed valuation increased significantly when comparing 2022 to 2021.



Analysis of the Fund Financial Statements

Governmental Funds

The City's governmental funds ending fund balances increased a total of $4,281,145 from the prior year. The general fund increased its fund balance by $3,153,967 primarily due to a sharp increase in property tax valuation over the prior year and an increase in realized gains received on investments. The street and highway fund balance increased by $1,228,722 in 2022, primarily due to a decrease in actual capital outlay expenditures. The revolving loan fund increased by $1,933,042 in 2022 due to the increase in tax revenue. In 2022 the American Rescue fund balance had no change remaining at zero. The 2022 capital projects fund decreased by $2,193,562 due to the increase in capital projects. Lastly, the debt service fund ending balance increased by $379,378, primarily due to increased investment income and other financing sources transfers coupled with increased scheduled debt service payments.

Compared to 2021 the total governmental fund revenues before transfers increased by $3,720,277 while the total governmental fund expenditures before transfers increased by $6,259,960. The increase in expenses is due to the startup and completion of projects that were put on hold during the pandemic.

Before transfers, general fund revenues were up 16% and general fund expenditures were up 9% compared to 2021. The general fund revenues increased due to higher sales tax and franchise tax collections. The general fund expenditures increased due to higher public safety expense and higher public works expense caused by nationwide inflation and lingering effects from the pandemic.

Proprietary Funds

The water and wastewater utility fund had an increase of $207,189 in cash and cash equivalents for 2022. There was an increase of $391,161 in current assets and an increase in current liabilities of $16,677 compared to 2021. These changes contributed to a decrease in unrestricted net position.

The stormwater utility fund had an increase of $70,748 in cash and cash equivalents for 2022. There was an increase of $75,390 in current assets and an increase in current liabilities of $55,299 compared to 2021. These changes contributed to an increase in unrestricted net position.

Utility infrastructure projects completed during 2022 include the Georgia street stormwater project, 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, 2022 was $102,068,251, net of accumulated depreciation. The net capital assets decreased by 0.32% from the 2021 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	
	2021	2022	2021	2022
Land	$ 4,767,017	$ 4,522,897	$ 582,812	$ 582,812
Buildings and improvements	16,392,675	15,429,471	15,696,248	15,355,214
Machinery and equipment	4,306,129	2,911,995	3,211,482	2,581,812
Leased assets	-	2,615,401	-	147,882
Infrastructure	24,860,657	23,867,028	29,577,527	28,964,353
Construction in progress	1,609,659	3,113,501	1,390,770	1,975,885
Total	$ 51,936,137	$ 52,460,293	$ 50,458,839	$ 49,607,958

For additional information on capital assets, please refer in the notes to the basic financial statements on pages 49-51.

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	
	2021	2022	2021	2022
General Obligation Bonds	$ 6,834,545	$ 9,341,465	$ 4,120,455	$ 3,423,535
Special Assessment Bonds	5,430,000	5,150,000	-	-
K.D.H.E. Construction Loans	-	-	3,535,342	3,864,550
Tax Increment Bonds (TIF)	1,150,000	460,000	-	-
Transportation Development District Bonds (TDD)	595,000	475,000	-	-
Notes Payable	1,424,233	876,627	480,602	137,668
Lease Obligations	-	2,422,225	-	148,718
Total	$ 15,433,778	$18,725,317	$ 8,136,399	$ 7,574,471

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 $46,539,476 which is significantly higher than the general obligation bond outstanding debt.

The City's outstanding general obligation bonds at December 31, 2022, totaled $12,765,000; of this $9,341,465 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 $280,000 in 2022. 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 2022 while $696,920 was retired in 2022. 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 52-60.

BASIC FINANCIAL STATEMENTS

CITY OF PITTSBURG, KANSAS
STATEMENT OF NET POSITION
December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Library
Assets:				
Cash and cash equivalents	$ 27,977,227	$ 6,299,893	$ 34,277,120	$ 621,610
Restricted cash and investments	525,018	236,656	761,674	-
Receivables, net of allowance for uncollectibles:				
Taxes	9,099,839	-	9,099,839	872,281
Special assessments	6,107,950	-	6,107,950	-
Accounts	144,319	1,078,739	1,223,058	-
Intergovernmental	469,419	-	469,419	-
Interest	68,983	68,983	137,966	-
Loans receivable	2,261,707	-	2,261,707	-
Leases receivable	533,753	-	533,753	-
Inventory	106,545	606,192	712,737	-
Prepaid items	211,626	32,307	243,933	6,701
Capital assets, nondepreciable:				
Land	4,522,897	582,812	5,105,709	215,415
Construction in progress	3,113,501	1,975,885	5,089,386	-
Capital assets, net of accumulated depreciation/amortization:				
Building and improvements	15,429,471	15,355,214	30,784,685	1,749,263
Machinery and equipment	5,527,396	2,729,694	8,257,090	151,067
Infrastructure	23,867,028	28,964,353	52,831,381	-
Total assets	99,966,679	57,930,728	157,897,407	3,616,337
Deferred outflows of resources:				
Deferred outflows - pension	4,413,087	601,339	5,014,426	151,823
Deferred outflows - OPEB	36,768	7,438	44,206	2,375
Total deferred outflows of resources	4,449,855	608,777	5,058,632	154,198
Liabilities:				
Accounts payable and other current liabilities	1,114,628	174,658	1,289,286	24,931
Accrued interest payable	156,240	60,622	216,862	-
Liabilities payable from restricted cash	-	236,656	236,656	-
Unearned revenue	2,350,265	-	2,350,265	-
Noncurrent liabilities:				
Due within one year	3,456,150	1,425,576	4,881,726	16,608
Due in more than one year	31,804,987	8,514,756	40,319,743	538,553
Total liabilities	38,882,270	10,412,268	49,294,538	580,092
Deferred inflows of resources:				
Deferred inflows - pension	408,590	26,533	435,123	6,698
Deferred inflows - OPEB	808,130	163,510	971,640	52,218
Deferred inflows - property taxes	6,522,417	-	6,522,417	872,281
Deferred inflows - leases	527,614	-	527,614	-
Total deferred inflows of resources	8,266,751	190,043	8,456,794	931,197
Net position:				
Net investment in capital assets	33,473,388	41,840,418	75,313,806	2,115,745
Restricted for:				
Debt service	8,317,444	-	8,317,444	-
Housing	683,502	-	683,502	-
Street and highway	4,522,852	-	4,522,852	-
Capital projects	2,525,578	-	2,525,578	-
Other purposes	140,905	-	140,905	-
Unrestricted	7,603,844	6,096,776	13,700,620	143,501
Total net position	$ 57,267,513	$ 47,937,194	$ 105,204,707	$ 2,259,246

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

Functions/Program	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Government activities:				
General government	$ 5,352,351	$ 1,385,939	$ 1,050,094	$ 97,512
Public safety	9,913,402	195,757	256,368	235,000
Public works	4,983,272	1,043,279	145,460	1,011,341
Health and sanitation	184,268	-	-	-
Culture and recreation	3,643,056	595,159	257,131	176,100
Industrial promotion	1,054,588	65,787	-	-
Economic development	149,919	-	15,000	-
Social welfare	1,838,668	5,264	1,643,574	-
Interest on long-term debt	530,575	-	-	-
Total governmental activities	27,650,099	3,291,185	3,367,627	1,519,953
Business-type activities:				
Water/wastewater	7,926,942	9,208,613	-	-
Stormwater	918,573	869,777	-	-
Total business-type activities	8,845,515	10,078,390	-	-
Total primary government	$ 36,495,614	$ 13,369,575	$ 3,367,627	$ 1,519,953
Component unit:				
Public library	$ 1,247,030	$ 2,855	$ 266,330	$ -

(Continued)

CITY OF PITTSBURG, KANSAS
STATEMENT OF ACTIVITIES
(Continued)
Year Ended December 31, 2022

Functions/Program	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Library
Government activities:				
General government	$ (2,818,806)	$ -	$ (2,818,806)	$ -
Public safety	(9,226,277)	-	(9,226,277)	-
Public works	(2,783,192)	-	(2,783,192)	-
Health and sanitation	(184,268)	-	(184,268)	-
Culture and recreation	(2,614,666)	-	(2,614,666)	-
Industrial promotion	(988,801)	-	(988,801)	-
Economic development	(134,919)	-	(134,919)	-
Social welfare	(189,830)	-	(189,830)	-
Interest on long-term debt	(530,575)	-	(530,575)	-
Total governmental activities	(19,471,334)	-	(19,471,334)	-
Business-type activities:				
Water/wastewater	-	1,281,671	1,281,671	-
Stormwater	-	(48,796)	(48,796)	-
Total business-type activities	-	1,232,875	1,232,875	-
Total primary government	(19,471,334)	1,232,875	(18,238,459)	-
Component unit:				
Public library	-	-	-	(977,845)
General revenues:				
Property taxes	7,202,183	-	7,202,183	918,209
Sales taxes	12,189,555	-	12,189,555	-
Franchise taxes	2,314,731	-	2,314,731	-
Unrestricted investment earnings	222,892	104,880	327,772	3,046
Gain on sale of capital assets	219,292	-	219,292	-
Miscellaneous	1,363,643	-	1,363,643	-
Transfers	1,609,966	(1,609,966)	-	-
Total general revenues and transfers	25,122,262	(1,505,086)	23,617,176	921,255
Change in net position	5,650,928	(272,211)	5,378,717	(56,590)
Net position, beginning of year	52,657,229	48,225,071	100,882,300	2,315,836
Change in accounting principle	(1,040,644)	(15,666)	(1,056,310)	-
Net position, beginning of year restated	51,616,585	48,209,405	99,825,990	2,315,836
Net position, end of year	$ 57,267,513	$ 47,937,194	$ 105,204,707	$ 2,259,246

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2022

	General	Street and Highway	Revolving Loans	American Rescue Plan	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:								
Cash and cash equivalents	$ 12,026,584	$ 3,841,642	$ 4,353,902	$ 2,341,960	$ 2,859,131	$ 1,783,297	$ 770,711	$ 27,977,227
Receivables (net of allowance for uncollectibles):								
Taxes	7,057,923	549,337	266,013	-	-	1,206,665	19,901	9,099,839
Special assessments	-	-	-	-	-	6,107,950	-	6,107,950
Accounts	86,695	-	-	-	-	-	57,624	144,319
Intergovernmental	235,000	181,268	-	-	-	-	53,151	469,419
Interest	68,983	-	-	-	-	-	-	68,983
Restricted investments	-	-	-	-	-	525,018	-	525,018
Loans receivable	-	-	2,241,155	-	-	-	20,552	2,261,707
Leases receivable	297,625	-	236,128	-	-	-	-	533,753
Due from other funds	8,317	-	-	-	-	-	-	8,317
Inventory	103,474	3,071	-	-	-	-	-	106,545
Prepaid items	81,153	8,074	122,399	-	-	-	-	211,626
Total assets	$ 19,965,754	$ 4,583,392	$ 7,219,597	$ 2,341,960	$ 2,859,131	$ 9,622,930	$ 921,939	$ 47,514,703
Liabilities, deferred inflows of resources and fund balances:								
Liabilities:								
Accounts payable	$ 181,045	$ 30,877	$ 11,450	$ -	$ 333,553	$ -	$ 55,598	$ 612,523
Accrued payroll	346,650	18,518	-	-	-	-	5,411	370,579
Accrued self-insurance claims	13,019	-	-	-	-	-	-	13,019
Unearned revenue	-	-	-	2,341,960	-	-	8,305	2,350,265
Due to other funds	-	-	-	-	-	-	8,317	8,317
Other	98,606	-	-	-	-	-	19,901	118,507
Total liabilities	639,320	49,395	11,450	2,341,960	333,553	-	97,532	3,473,210
Deferred inflows of resources:								
Deferred inflows - property taxes	5,373,171	-	-	-	-	1,149,246	-	6,522,417
Deferred inflows - special assessments	-	-	-	-	-	6,107,950	-	6,107,950
Deferred inflows - leases	293,121	-	234,493	-	-	-	-	527,614
Total deferred inflows of resources	5,666,292	-	234,493	-	-	7,257,196	-	13,157,981
Fund balances:								
Nonspendable	184,627	11,145	122,399	-	-	-	-	318,171
Restricted:								
Debt service	-	-	-	-	-	2,365,734	-	2,365,734
Capital projects	-	4,522,852	-	-	2,525,578	-	-	7,048,430
Housing	-	-	-	-	-	-	683,502	683,502
Other	-	-	-	-	-	-	140,905	140,905
Assigned:								
Industrial promotion	137,666	-	6,851,255	-	-	-	-	6,988,921
Unassigned	13,337,849	-	-	-	-	-	-	13,337,849
Total fund balances	13,660,142	4,533,997	6,973,654	-	2,525,578	2,365,734	824,407	30,883,512
Total liabilities, deferred inflows of resources and fund balances	$ 19,965,754	$ 4,583,392	$ 7,219,597	$ 2,341,960	$ 2,859,131	$ 9,622,930	$ 921,939	$ 47,514,703

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, 2022

Total fund balance in Governmental Funds Balance Sheet		$ 30,883,512
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	112,112,234	
Accumulated depreciation and amortization is	(59,651,941)	52,460,293
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.		4,449,855
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.		(1,216,720)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		6,107,950
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	(660,326)	
Total OPEB liability	(917,121)	
Net pension liability	(14,696,785)	
General obligation bonds payable	(9,575,601)	
Special assessment bonds payable	(5,177,452)	
Notes payable - financed purchases	(876,627)	
Lease obligations payable	(2,422,225)	
Revenue bonds payable	(935,000)	
Accrued interest on the bonds	(156,240)	(35,417,377)
Net position of governmental activities		$ 57,267,513

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, 2022

	General	Street and Highway	Revolving Loans	American Rescue Plan Projects	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes:								
Property	$ 5,655,740	$ -	$ -	$ -	$ -	$ 1,546,443	$ -	$ 7,202,183
Sales	7,445,105	2,864,164	1,331,998	-	-	548,288	-	12,189,555
Franchise	2,314,731	-	-	-	-	-	-	2,314,731
Licenses and permits	438,906	-	-	-	-	-	-	438,906
Intergovernmental	905,250	776,339	-	504,237	660,497	-	1,925,571	4,771,894
Charges for services	2,531,444	-	-	-	-	-	-	2,531,444
Fines and forfeitures	196,172	-	-	-	-	-	-	196,172
Special assessments	25,516	-	-	-	-	455,198	-	480,714
Investment earnings	154,195	17,812	23,828	-	9,905	13,750	3,402	222,892
Lease income	-	-	65,787	-	-	-	-	65,787
Miscellaneous	783,641	11,535	598,440	-	76,028	-	22,997	1,492,641
Total revenues	20,450,700	3,669,850	2,020,053	504,237	746,430	2,563,679	1,951,970	31,906,919
Expenditures:								
Current:								
General government	4,653,117	-	-	-	-	-	-	4,653,117
Public safety	9,062,908	-	-	-	-	-	-	9,062,908
Public works	1,315,644	2,062,321	-	-	-	-	-	3,377,965
Sanitation and health	83,865	-	-	-	-	-	99,566	183,431
Economic development	-	-	-	-	-	-	25,914	25,914
Culture and recreation	2,277,434	-	128	-	-	-	-	2,277,562
Industrial promotion	-	-	497,694	289,853	-	-	-	787,547
Social welfare	-	-	-	-	-	-	1,817,484	1,817,484
Debt service:								
Principal	720,910	-	45,958	-	3,590,000	2,208,080	-	6,564,948
Interest	25,617	-	6,643	-	26,926	380,672	-	439,858
Debt issuance costs and other	-	-	-	-	72,224	6,549	-	78,773
Capital outlay	949,615	858,807	-	214,384	2,603,960	-	91,005	4,717,771
Total expenditures	19,089,110	2,921,128	550,423	504,237	6,293,110	2,595,301	2,033,969	33,987,278
Excess/deficiency of revenues over (under) expenditures	1,361,590	748,722	1,469,630	-	(5,546,680)	(31,622)	(81,999)	(2,080,359)
Other financing sources (uses):								
Notes payable - financed purchases	581,195	-	-	-	-	-	-	581,195
General obligation bonds	-	-	-	-	3,625,000	-	-	3,625,000
Premium on general obligation bonds	-	-	-	-	81,931	-	-	81,931
Sale of capital assets	-	-	463,412	-	-	-	-	463,412
Transfers in	1,738,403	480,000	-	-	37,187	411,000	-	2,666,590
Transfers out	(527,221)	-	-	-	(391,000)	-	(138,403)	(1,056,624)
Total other financing sources (uses)	1,792,377	480,000	463,412	-	3,353,118	411,000	(138,403)	6,361,504
Net change in fund balances	3,153,967	1,228,722	1,933,042	-	(2,193,562)	379,378	(220,402)	4,281,145
Fund balances, beginning of year	10,506,175	3,305,275	5,040,612	-	4,719,140	1,986,356	1,044,809	26,602,367
Fund balances, end of year	$ 13,660,142	$ 4,533,997	$ 6,973,654	$ -	$ 2,525,578	$ 2,365,734	$ 824,407	$ 30,883,512

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, 2022

Net change in fund balances - total governmental funds		$ 4,281,145
Amounts reported for governmental activities in the statement of activities are different because:		
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 depreciation and amortization exceeds capital outlay in the period.		
Capital outlay	3,302,781	
Depreciation and amortization expense	(3,564,574)	(261,793)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(435,154)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position		(244,120)
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	(9,461)	
Other postemployment benefits	52,040	
Pension	(8,607)	
Amortization of premiums	34,777	
Amortization of discounts	(7,338)	61,411
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.		2,287,242
Change in net position of governmental activities		$ 5,650,928

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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ 17,479,140	$ 17,479,140	$ 19,797,532	$ 2,318,392
Intergovernmental	523,000	523,000	670,399	147,399
Licenses and permits	160,000	160,000	438,906	278,906
Charges for services	3,360,932	3,360,932	3,595,835	234,903
Fines and forfeitures	325,450	325,450	196,172	(129,278)
Interest	5,000	5,000	83,207	78,207
Miscellaneous	202,040	202,040	807,092	605,052
Total revenues	22,055,562	22,055,562	25,589,143	3,533,581
Expenditures:				
General government:				
General administration:				
Personnel services	1,044,809	1,044,809	1,008,321	36,488
Contractual services	188,333	188,333	197,487	(9,154)
Commodities	20,600	20,600	40,521	(19,921)
Total general administration	1,253,742	1,253,742	1,246,329	7,413
Group hospitalization:				
Claims paid	1,923,300	1,923,300	1,711,215	212,085
Operating reserve	1,625,758	1,625,758	-	1,625,758
Total group hospitalization	3,549,058	3,549,058	1,711,215	1,837,843
Human resources:				
Personnel services	167,513	167,513	181,920	(14,407)
Contractual services	130,285	130,285	155,610	(25,325)
Commodities	6,300	6,300	15,030	(8,730)
Total human resources	304,098	304,098	352,560	(48,462)
Information systems:				
Personnel services	358,165	358,165	378,751	(20,586)
Contractual services	270,423	270,423	390,535	(120,112)
Commodities	77,700	77,700	101,866	(24,166)
Capital outlay	50,000	50,000	46,776	3,224
Total information systems	756,288	756,288	917,928	(161,640)
Facility maintenance:				
Personnel services	250,113	250,113	236,482	13,631
Contractual services	9,665	9,665	14,866	(5,201)
Commodities	102,700	102,700	163,966	(61,266)
Total facility maintenance	$ 362,478	$ 362,478	$ 415,314	$ (52,836)

(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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
General government (continued):				
Municipal court:				
Personnel services	$ 305,350	$ 305,350	$ 209,218	$ 96,132
Contractual services	50,536	50,536	46,155	4,381
Commodities	6,000	6,000	5,128	872
Total municipal court	361,886	361,886	260,501	101,385
Sales tax capital outlay:				
Capital outlay	464,150	464,150	451,271	12,879
Reserve	122,698	122,698	-	122,698
Total sales tax capital outlay	586,848	586,848	451,271	135,577
Total general government	7,174,398	7,174,398	5,355,118	1,819,280
Public safety:				
Police department:				
Personnel services	4,679,673	4,679,673	4,330,432	349,241
Contractual services	717,247	717,247	762,789	(45,542)
Commodities	257,975	257,975	255,387	2,588
Capital outlay	488,552	488,552	645,405	(156,853)
Total police department	6,143,447	6,143,447	5,994,013	149,434
Fire department:				
Personnel services	2,702,239	2,702,239	2,557,679	144,560
Contractual services	185,196	185,196	206,165	(20,969)
Commodities	155,700	155,700	190,051	(34,351)
Capital outlay	223,266	223,266	220,978	2,288
Total fire department	3,266,401	3,266,401	3,174,873	91,528
Public safety - other:				
Building services:				
Personnel services	297,696	297,696	378,955	(81,259)
Contractual services	16,091	16,091	22,062	(5,971)
Commodities	12,600	12,600	20,395	(7,795)
Total building services	326,387	326,387	421,412	(95,025)
Codes enforcement:				
Personnel services	94,407	94,407	94,389	18
Contractual services	21,776	21,776	17,125	4,651
Commodities	6,350	6,350	9,832	(3,482)
Total codes enforcement	$ 122,533	$ 122,533	$ 121,346	$ 1,187

(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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Public safety - other (continued):				
Animal control:				
Personnel services	$ 97,671	$ 97,671	$ 101,605	$ (3,934)
Contractual services	22,431	22,431	25,254	(2,823)
Commodities	7,900	7,900	8,957	(1,057)
Total animal control	128,002	128,002	135,816	(7,814)
Planning and housing:				
Personnel services	301,509	301,509	304,414	(2,905)
Contractual services	45,554	45,554	36,623	8,931
Commodities	2,200	2,200	3,699	(1,499)
Total planning and housing	349,263	349,263	344,736	4,527
Total public safety - other	926,185	926,185	1,023,310	(97,125)
Total public safety	10,336,033	10,336,033	10,192,196	143,837
Public works:				
Engineering department:				
Personnel services	220,765	220,765	163,603	57,162
Contractual services	77,350	77,350	136,063	(58,713)
Commodities	8,900	8,900	8,848	52
Total engineering department	307,015	307,015	308,514	(1,499)
Atkinson Airport:				
Personnel services	158,685	158,685	172,930	(14,245)
Contractual services	65,836	65,836	76,671	(10,835)
Commodities	453,550	453,550	852,174	(398,624)
Capital outlay	25,000	25,000	6,837	18,163
Reserve	65,435	65,435	-	65,435
Total Atkinson Airport	768,506	768,506	1,108,612	(340,106)
Total public works	$ 1,075,521	$ 1,075,521	$ 1,417,126	$ (341,605)

(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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Sanitation and health:				
Mt. Olive Cemetery:				
Personnel services	$ 68,018	$ 68,018	$ 66,800	$ 1,218
Contractual services	12,916	12,916	15,515	(2,599)
Commodities	12,740	12,740	6,919	5,821
Total sanitation and health	93,674	93,674	89,234	4,440
Culture and recreation:				
Parks and recreation:				
Personnel services	838,139	838,139	895,454	(57,315)
Contractual services	142,765	142,765	176,207	(33,442)
Commodities	125,000	125,000	134,960	(9,960)
Total parks and recreation	1,105,904	1,105,904	1,206,621	(100,717)
Aquatic center:				
Personnel services	89,762	89,762	109,596	(19,834)
Contractual services	36,030	36,030	40,433	(4,403)
Commodities	46,900	46,900	44,543	2,357
Total aquatic center	172,692	172,692	194,572	(21,880)
JC ballpark turf reserve:				
Capital outlay	2,500	2,500	1,187	1,313
Reserve	83,557	83,557	-	83,557
Total JC ballpark turf reserve	86,057	86,057	1,187	84,870
Four Oaks Complex:				
Personnel services	230,790	230,790	276,638	(45,848)
Contractual services	57,972	57,972	70,147	(12,175)
Commodities	66,900	66,900	80,094	(13,194)
Capital outlay	-	-	2,948	(2,948)
Total Four Oaks Complex	355,662	355,662	429,827	(74,165)
Memorial Auditorium and Convention Center:				
Personnel services	507,662	507,662	382,642	125,020
Contractual services	134,128	134,128	111,688	22,440
Commodities	61,000	61,000	57,936	3,064
Capital outlay	20,000	20,000	-	20,000
Operating reserve	120,044	120,044	2,678	117,366
Total Memorial Auditorium and Convention Center	$ 842,834	$ 842,834	$ 554,944	$ 287,890

(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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Culture and recreation (continued):				
Farmers market:				
Personnel services	$ 4,312	$ 4,312	$ 5,389	$ (1,077)
Contractual services	11,236	11,236	11,557	(321)
Commodities	1,000	1,000	962	38
Operating reserve	11,968	11,968	-	11,968
Total farmers market	28,516	28,516	17,908	10,608
Total culture and recreation	2,591,665	2,591,665	2,405,059	186,606
Operating reserve	6,614,659	6,614,659	-	6,614,659
Total expenditures	27,885,950	27,885,950	19,458,733	8,427,217
Excess of revenues over (under) expenditures	(5,830,388)	(5,830,388)	6,130,410	11,960,798
Other financing sources (uses):				
Transfers in	1,600,000	1,600,000	3,209,600	1,609,600
Transfers out	(4,222,106)	(4,222,106)	(6,624,031)	(2,401,925)
Total other financing sources (uses)	(2,622,106)	(2,622,106)	(3,414,431)	(792,325)
Net change in fund balances	(8,452,494)	(8,452,494)	2,715,979	11,168,473
Fund balance, beginning of year	8,452,494	8,452,494	9,001,282	548,788
Fund balance, end of year	$ -	$ -	$ 11,717,261	$ 11,717,261

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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Sales tax	$ 2,306,707	$ 2,306,707	$ 2,783,521	$ 476,814
Intergovernmental	735,000	735,000	768,286	33,286
Interest	1,500	1,500	17,812	16,312
Miscellaneous	250	250	11,537	11,287
Total revenues	3,043,457	3,043,457	3,581,156	537,699
Expenditures:				
Personnel services	529,037	529,037	515,422	13,615
Contractual services	469,129	469,129	389,857	79,272
Commodities	777,100	777,100	1,056,119	(279,019)
Capital outlay	2,000,000	2,000,000	207,675	1,792,325
Operating reserves	958,299	958,299	-	958,299
Total expenditures	4,733,565	4,733,565	2,169,073	2,564,492
Excess (deficiency) of revenues over (under) expenditures	(1,690,108)	(1,690,108)	1,412,083	3,102,191
Other financing sources (uses):				
Transfer in	325,000	325,000	480,000	155,000
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,365,108)	(1,365,108)	1,892,083	3,257,191
Fund balance, beginning of year	1,365,108	1,365,108	1,896,755	531,647
Fund balance, end of year	$ -	$ -	$ 3,788,838	$ 3,788,838

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2022

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Assets:			
Current assets:			
Cash and cash equivalents	$ 5,635,178	$ 664,715	$ 6,299,893
Restricted cash - customer deposits	236,656	-	236,656
Accounts receivable, net of allowance for uncollectibles	1,047,138	31,601	1,078,739
Interest receivable	68,983	-	68,983
Inventory	606,192	-	606,192
Prepaid expenses	28,534	3,773	32,307
Total current assets	7,622,681	700,089	8,322,770
Noncurrent assets:			
Capital assets, nondepreciable:			
Land	474,742	108,070	582,812
Construction in progress	1,975,885	-	1,975,885
Capital assets, net of accumulated depreciation/amortization	82,220,198	7,225,503	89,445,701
Total noncurrent assets	84,670,825	7,333,573	92,004,398
Less accumulated depreciation/amortization	(40,113,375)	(2,283,065)	(42,396,440)
Noncurrent assets, net	44,557,450	5,050,508	49,607,958
Total assets	52,180,131	5,750,597	57,930,728
Deferred outflows of resources:			
Deferred outflows - pension	515,008	86,331	601,339
Deferred outflows - OPEB	6,321	1,117	7,438
Total deferred outflows of resources	521,329	87,448	608,777
Total assets and deferred outflows of resources	$ 52,701,460	$ 5,838,045	$ 58,539,505

(Continued)

CITY OF PITTSBURG, KANSAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
(Continued)
December 31, 2022

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Liabilities:			
Current liabilities:			
Accounts payable	$ 99,325	$ 2,105	$ 101,430
Accrued payroll	63,999	9,229	73,228
Accrued interest payable	60,622	-	60,622
Customer deposits payable	236,656	-	236,656
Current portion of compensated absences	167,446	16,714	184,160
Current portion of notes payable - financed purchases	111,441	12,971	124,412
Current portion of general obligation bonds payable	718,525	-	718,525
Current portion of construction loans payable	324,581	-	324,581
Current portion of lease obligations payable	64,199	9,699	73,898
Total current liabilities	1,846,794	50,718	1,897,512
Noncurrent liabilities:			
Total OPEB liability	157,675	27,887	185,562
Net pension liability	1,544,213	258,857	1,803,070
Notes payable - financed purchases	-	13,256	13,256
General obligation bonds payable	2,898,079	-	2,898,079
Construction loans payable	3,539,969	-	3,539,969
Lease obligations payable	65,000	9,820	74,820
Total noncurrent liabilities	8,204,936	309,820	8,514,756
Total liabilities	10,051,730	360,538	10,412,268
Deferred inflows of resources:			
Deferred inflows - pension	22,724	3,809	26,533
Deferred inflows - OPEB	138,937	24,573	163,510
Total deferred inflows of resources	161,661	28,382	190,043
Total liabilities and deferred inflows of resources	10,213,391	388,920	10,602,311
Net position:			
Net investment in capital assets	36,835,656	5,004,762	41,840,418
Unrestricted	5,652,413	444,363	6,096,776
Total net position	$ 42,488,069	$ 5,449,125	$ 47,937,194

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, 2022

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Operating revenues:			
Charges for sales and services:			
Water charges	$ 4,716,429	$ -	$ 4,716,429
Wastewater charges	4,072,341	-	4,072,341
Stormwater charges	-	860,382	860,382
Other charges	419,843	9,395	429,238
Total operating revenues	9,208,613	869,777	10,078,390
Operating expenses:			
Cost of sales and services	3,027,881	170,297	3,198,178
Administration	2,559,090	534,535	3,093,625
Depreciation and amortization	2,177,262	213,741	2,391,003
Total operating expenses	7,764,233	918,573	8,682,806
Operating income (loss)	1,444,380	(48,796)	1,395,584
Nonoperating revenues (expenses):			
Interest revenue	101,002	3,878	104,880
Interest expense	(162,709)	-	(162,709)
Total nonoperating revenues (expenses)	(61,707)	3,878	(57,829)
Income (loss) before transfers	1,382,673	(44,918)	1,337,755
Transfers out	(1,609,966)	-	(1,609,966)
Change in net position	(227,293)	(44,918)	(272,211)
Net position, beginning of year	42,728,973	5,496,098	48,225,071
Change in accounting principle	(13,611)	(2,055)	(15,666)
Net position, beginning of year restated	42,715,362	5,494,043	48,209,405
Net position, end of year	$ 42,488,069	$ 5,449,125	$ 47,937,194

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
Year Ended December 31, 2022

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Cash flows from operating activities:			
Receipts from customers and users	$ 9,434,796	$ 864,934	$ 10,299,730
Payments to suppliers	(3,408,179)	(228,682)	(3,636,861)
Payments to employees	(2,046,979)	(447,955)	(2,494,934)
Net cash provided by operating activities	3,979,638	188,297	4,167,935
Cash flows from capital and related financing activities:			
Proceeds from capitalization grant/construction loan payable	628,974	-	628,974
Payments of capitalization grant/construction loan payable	(299,766)	-	(299,766)
Acquisition and construction of capital assets	(1,456,545)	(99,130)	(1,555,675)
Principal paid on notes payable - financed purchases	(108,521)	(12,702)	(121,223)
Principal paid on lease obligations payable	(63,511)	(9,595)	(73,106)
Principal paid on general obligation bonds	(696,920)	-	(696,920)
Interest paid on notes payable - financed purchases	(198,898)	-	(198,898)
Net cash used in capital and related financing activities	(2,195,187)	(121,427)	(2,316,614)
Cash flows from noncapital financing activities:			
Interest received	32,704	3,878	36,582
Cash flows from noncapital financing activities:			
Transfers out	(1,609,966)	-	(1,609,966)
Net increase in cash and cash equivalents	207,189	70,748	277,937
Cash and cash equivalents, beginning of year	5,664,645	593,967	6,258,612
Cash and cash equivalents, end of year	$ 5,871,834	$ 664,715	$ 6,536,549

(Continued)

CITY OF PITTSBURG, KANSAS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
(Continued)
Year Ended December 31, 2022

	Water/ Wastewater	Stormwater	Total Enterprise Funds
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	$ 1,444,380	$ (48,796)	$ 1,395,584
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization expense	2,177,262	213,741	2,391,003
Changes in assets and liabilities:			
Decrease (increase) in accounts receivable	228,348	(4,843)	223,505
Decrease (increase) in inventory	(338,896)	-	(338,896)
Decrease (increase) in prepaid expenses	(5,126)	201	(4,925)
Decrease (increase) in deferred outflows - pension	(293,426)	(52,551)	(345,977)
Decrease (increase) in deferred outflows - OPEB	(1,016)	(343)	(1,359)
Increase (decrease) in accounts payable	(36,276)	(58,586)	(94,862)
Increase (decrease) in accrued payroll	8,102	226	8,328
Increase (decrease) in customer deposits	(2,165)	-	(2,165)
Increase (decrease) in compensated absences payable	25,200	2,945	28,145
Increase (decrease) in deferred inflows - pension	(315,055)	(54,014)	(369,069)
Increase (decrease) in deferred inflows - OPEB	33,694	7,227	40,921
Increase (decrease) in net pension liability	1,132,594	184,896	1,317,490
Increase (decrease) in net OPEB liability	(77,982)	(1,806)	(79,788)
Net cash provided by operating activities	$ 3,979,638	$ 188,297	$ 4,167,935
Cash consists of:			
Cash and cash equivalents	$ 5,635,178	$ 664,715	$ 6,299,893
Restricted cash	236,656	-	236,656
	$ 5,871,834	$ 664,715	$ 6,536,549

See accompanying notes to basic financial statements.

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 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.

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, 2022, interest earnings allocated to the various funds were $ 327,772.

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	$	5,373,171
Debt service fund property taxes receivable		1,149,246
Debt service fund special assessments receivable		6,107,950
General fund leases receivable		293,121
Revolving loans fund leases receivable		234,493
	$	13,157,981

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 2022 levy was based was $ 134,352,548.

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 2022 tax levy per $ 1,000 of assessed valuation was as follows:

General Fund	$	37.520
Debt Service Fund		8.025
Component unit:		
Library		6.091
	$	51.636

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.

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 are 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 12 and Note 13 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. Three items are reported in the governmental funds balance sheet and the governmental activities in the government-wide statement of net position. The governmental funds report deferred inflows from property taxes, special assessments and leases receivable. Governmental activities report deferred inflows only from property taxes and leases receivable. The final two items, *deferred inflows for pension* and *deferred inflows for OPEB*, are reported in the government-wide and proprietary funds statements of net position. See Note 12 and Note 13 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.

Leases

The City is a party as lessor and lessee for various noncancellable long-term leases. The corresponding lease receivable or lease obligation payable are recorded in an amount equal to the present value of the expected future minimum lease payments received or paid, respectively, discounted by an applicable interest rate.

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 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, 2022, 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.

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. 87, *Leases* – This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement resulted in the reclassification of certain capital leases as financed purchases and reporting certain lease receivables, lease obligations, and leased assets, along with deferred inflows of resources and accumulated amortization. Beginning net position was decreased by $ 1,040,644 in governmental activities and $ 15,666 in business-type activities to reclassify the City's lease activity in accordance with the new standard.

Pending Governmental Accounting Standards Board Statements

At December 31, 2022, 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. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, provides guidance for the financial reporting of public-private and public-public partnerships and availability payment arrangements. The requirements of this statement are effective for periods beginning after June 15, 2022.

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 requirements of this statement are effective for periods beginning after June 15, 2022.

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 leases, PPPs, and SBITAs will be effective for the City in the fiscal year ending June 30, 2023. 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 June 30, 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 June 30, 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 June 30, 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 $ 2,287,242 difference are as follows:

Debt issued or incurred:		
General obligation bonds	$	(3,625,000)
General obligation bonds - premium		(81,931)
Notes payable - financed purchases		(581,195)
Principal repayments:		
General obligation bonds		1,398,080
Bond anticipation notes payable		3,590,000
Notes payable - financed purchases		341,774
Lease obligations payable		435,514
Revenue bonds		810,000
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	2,287,242

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 MIH Grants fund, the Land Bank fund, the PHA/Presbyterian Church Housing fund, the Northgate CID fund, the revolving loans fund, the COVID Spark Funds fund, the Opioid Settlement Fund, the RHID Districts Fund, and the American Rescue Plan 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 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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 20th. The City did hold a revenue neutral rate hearing for fiscal year 2022.

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 2022, the City amended the budget for the Special Parks and Recreation Fund.

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	$ 3,153,967	$ 1,228,722
Change in:		
Taxes receivable	(247,056)	(80,641)
Grants receivable	(235,000)	(8,052)
Interest receivable	(68,298)	-
Lease receivable	(4,504)	-
Inventories	(49,720)	-
Prepaid items	(9,337)	(1,131)
Encumbrances	137,322	745,133
Salaries payable	40,630	8,052
Health care payable	(2,025)	-
Net change in fund balances, non-GAAP basis	$ 2,715,979	$ 1,892,083

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.

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, 2022, the City's carrying amount of deposits, including certificates of deposit, was not exposed to custodial credit risk.

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, 2022, the City had the following investments:

		Investment Maturities in Years			
Level 1 Investment	Fair Value	Less Than 1	1-5	6-10	More Than 10
Goldman Sachs Financial Square Government Fund	$ 525,018	$ 525,018	$ -	$ -	$ -

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.

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, 2022.

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, 2022, the City's investments were not exposed to custodial credit risk.

At December 31, 2022, the City's deposit and investment balances were as follows:

	Carrying Amount		
	City	Component Unit - Public Library	Total
Cash and cash equivalents	$ 34,277,120	$ 621,610	$ 34,898,730
Restricted cash and cash equivalents	761,674	-	761,674
	$ 35,038,794	$ 621,610	$ 35,660,404

6 - Loans Receivable

Loans receivable, aggregating $ 2,261,707 at December 31, 2022, 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.

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, 2022, the value of the lease receivable is $ 228,198. 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, 2022 was $ 223,890, and the City recognized lease revenue of $ 38,937 during the fiscal year. The lessee has 1 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, 2022, the value of the lease receivable is $ 10,299. 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, 2022 was $ 10,270, 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, 2022, the value of the lease receivable is $ 236,127. 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, 2022 was $ 234,493, 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, 2022, the value of the lease receivable is $ 59,129. 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, 2022 was $ 58,961 and the City recognized lease revenue of $ 13,350 during the fiscal year.

8 - Capital Assets

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

Primary Government	Balance at 12/31/2021	Increase	Decrease	Transfers	Balance at 12/31/2022
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 4,767,017	$ -	$ (244,120)	$ -	$ 4,522,897
Construction in progress	1,609,659	2,221,173	(717,331)	-	3,113,501
Total capital assets not being depreciated	6,376,676	2,221,173	(961,451)	-	7,636,398
Other capital assets:					
Capital assets, being depreciated:					
Building and improvements	39,832,403	-	-	-	39,832,403
Machinery and equipment	14,320,165	364,278	(1,980,477)	(10,490)	12,693,476
Infrastructure	48,374,887	717,331	-	-	49,092,218
Total capital assets being depreciated	102,527,455	1,081,609	(1,980,477)	(10,490)	101,618,097
Less accumulated depreciation for:					
Building and improvements	23,439,728	963,204	-	-	24,402,932
Machinery and equipment	10,014,036	812,944	(1,042,613)	(2,886)	9,781,481
Infrastructure	23,514,230	1,710,960	-	-	25,225,190
Total accumulated depreciation	56,967,994	3,487,108	(1,042,613)	(2,886)	59,409,603
Leased assets being amortized:					
Leased assets - machinery and equipment	-	2,857,739	-	-	2,857,739
Less accumulated amortization - machinery and equipment	-	242,338	-	-	242,338
Total leased assets being amortized, net	-	2,615,401	-	-	2,615,401
Other capital assets, net	45,559,461	209,902	(937,864)	(7,604)	44,823,895
Governmental activities capital assets, net	$ 51,936,137	$ 2,431,075	$ (1,899,315)	$ (7,604)	$ 52,460,293

Primary Government	Balance at 12/31/2021	Increase	Decrease	Transfers	Balance at 12/31/2022
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 582,812	$ -	$ -	$ -	$ 582,812
Construction in progress	1,390,770	800,875	(215,760)	-	1,975,885
Total capital assets not being depreciated	1,973,582	800,875	(215,760)	-	2,558,697
Capital assets, being depreciated:					
Building and improvements	30,496,158	303,000	-	-	30,799,158
Machinery and equipment	7,752,421	158,506	(380,295)	10,490	7,541,122
Infrastructure	50,363,225	520,373	-	-	50,883,598
Total capital assets being depreciated	88,611,804	981,879	(380,295)	10,490	89,223,878
Less accumulated depreciation for:					
Building and improvements	14,799,910	644,034	-	-	15,443,944
Machinery and equipment	4,540,939	600,086	(184,601)	2,886	4,959,310
Infrastructure	20,785,698	1,133,547	-	-	21,919,245
Total accumulated depreciation	40,126,547	2,377,667	(184,601)	2,886	42,322,499
Leased assets being amortized:					
Leased assets - machinery and equipment	-	221,823	-	-	221,823
Less accumulated amortization - machinery and equipment	-	73,941	-	-	73,941
Total leased assets being amortized, net	-	147,882	-	-	147,882
Other capital assets, net	48,485,257	(1,247,906)	(195,694)	7,604	47,049,261
Business-type activities capital assets, net	$ 50,458,839	$ (447,031)	$ (411,454)	$ 7,604	$ 49,607,958

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

Governmental activities:		
General government	$	73,339
Public safety		842,050
Public works		1,465,542
Sanitation and health		837
Industrial promotion		44,425
Culture and recreation		1,058,782
Social welfare		2,133
Total depreciation expense - governmental activities	$	3,487,108
Business-type activities:		
Water/wastewater	$	2,165,679
Stormwater		211,988
Total depreciation expense - business-type activities	$	2,377,667

Amortization expense of $ 77,466 and $ 13,336 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, 2022 was as follows:

	Balance at 12/31/2021	Increase	Decrease	Balance at 12/31/2022
Capital assets, not being depreciated				
Land	$ 215,415	$ -	$ -	$ 215,415
Total capital assets not being depreciated	215,415	-	-	215,415
Capital assets, being depreciated:				
Building and improvements	3,643,808	-	-	3,643,808
Machinery and equipment	142,195	149,277	(38,884)	252,588
Total capital assets being depreciated	3,786,003	149,277	(38,884)	3,896,396
Less accumulated depreciation for:				
Building and improvements	1,819,174	75,371	-	1,894,545
Machinery and equipment	106,140	34,265	(38,884)	101,521
Total accumulated depreciation	1,925,314	109,636	(38,884)	1,996,066
Total capital assets being depreciated, net	1,860,689	39,641	-	1,900,330
Business-type activities capital assets, net	$ 2,076,104	$ 39,641	$ -	$ 2,115,745

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, 2022 for capital projects compared to the amount authorized:

	Costs to Date	Amount Authorized
General government:		
General	$ 272,693	$ 1,100,000
Airport projects	137,708	242,500
Parks and recreation projects	61,055	61,055
Road and bridge projects	10,982,870	13,119,425
Wastewater	1,975,885	2,474,851
	$ 13,430,211	$ 16,997,831

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, 2022 are comprised of the following issues:

General Obligation Bonds	Interest Rates	Original Issue	Final Maturity Date	Principal Payments During 2022	Outstanding December 31, 2022
Governmental activities:					
Series 2012-A	1.00% to 2.00%	$ 855,000	2022	$ 95,000	$ -
Series 2013-A	0.70% to 2.15%	1,420,000	2023	160,000	80,000
Series 2014-A	1.50% to 2.65%	3,398,395	2025	353,080	906,465
Series 2016-A	2.00%	5,000,000	2031	320,000	3,165,000
Series 2019-A	2.30% to 5.00%	2,100,000	2029	190,000	1,565,000
Series 2022-A	3.00%	3,625,000	2032	-	3,625,000
				1,118,080	9,341,465
Business-type activities:					
Series 2014-A	1.50% to 2.65%	1,606,605	2025	166,920	428,535
Series 2015-A	3.00%	6,370,000	2030	530,000	2,995,000
				696,920	3,423,535
				$ 1,815,000	$ 12,765,000
Special assessment bonds:					
Governmental activities:					
Series 2016-B	2.00% to 3.25%	6,500,000	2037	$ 280,000	$ 5,150,000

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

General Obligation Bonds	Installment Range Low	Installment Range High
Governmental activities:		
Series 2013-A	$ 80,000	$ 80,000
Series 2014-A	176,540	373,450
Series 2016-A	325,000	385,000
Series 2019-A	200,000	250,000
Series 2022-A	290,000	415,000
Business-type activities:		
Series 2014-A	83,460	176,550
Series 2015-A	320,000	550,000
Special assessment bonds:		
Governmental activities:		
Series 2016-B	285,000	420,000

The future annual requirements for general obligation bonds outstanding as of December 31, 2022 are as follows:

Year	General Obligation Bonds				Special Assessment Bonds	
	Governmental Activities		Business-type Activities		Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ 1,251,475	$ 278,111	$ 718,525	$ 100,179	$ 285,000	$ 139,042
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 - 2032	3,930,000	274,020	1,110,000	67,200	1,690,000	452,684
2033 - 2037	-	-	-	-	1,975,000	193,397
	$ 9,341,465	$ 1,214,137	$ 3,423,535	$ 410,878	$ 5,150,000	$ 1,281,993

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 $ 660,185 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, 2022 are as follows:

Year	Principal	Interest
2023	$ 69,737	$ 16,586
2024	71,725	14,774
2025	73,769	12,911
2026	75,871	10,994
2027	78,033	9,023
2028 - 2032	291,050	15,229
	$ 660,185	$ 79,517

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 $ 1,118,701 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, 2022 are as follows:

Year	Principal	Interest
2023	$ 228,727	$ 27,830
2024	234,874	22,257
2025	241,187	16,536
2026	247,670	10,660
2027	166,243	4,626
	$ 1,118,701	$ 81,909

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 $ 377,875 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, 2022 are as follows:

Year	Principal	Interest
2023	$ 26,117	$ 7,948
2024	26,771	7,385
2025	27,442	6,809
2026	28,130	6,218
2027	28,834	5,612
2028 - 2032	155,378	18,430
2033 - 2037	85,203	2,757
	$ 377,875	$ 55,159

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, 2022, the City has drawn $ 1,707,789 on this loan. The outstanding balance of $ 1,707,789 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 2022 principal and interest for the revenue bonds was $ 146,520 and the pledged revenues recognized for 2022 were $ 143,785. 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.

The future annual requirements for Transportation Development District Sales Tax Revenue bonds outstanding as of December 31, 2022 are as follows:

	Principal	Interest	Total
2023	$ 95,000	$ 24,840	$ 119,840
2024	100,000	20,160	120,160
2025	110,000	15,120	125,120
2026	115,000	9,720	124,720
2027	55,000	3,480	58,480
	$ 475,000	$ 73,320	$ 548,320

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 2022 principal and interest for the revenue bonds was $ 733,365 and the pledged revenues recognized for 2022 were $ 737,754. 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 future annual requirements for TIF Revenue bonds outstanding as of December 31, 2022 are as follows:

	Principal	Interest	Total
2023	$ 460,000	$ 22,907	$ 482,907

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 $ 2,511,796. The annual debt service requirements to service the outstanding notes payable – financed purchases at December 31, 2022 are as follows:

	Governmental Activities		Business-type Activities	
Year	Principal	Interest	Principal	Interest
2023	$ 289,034	$ 22,672	$ 124,412	$ 3,578
2024	258,448	14,227	13,256	293
2025	115,499	7,841	-	-
2026	94,372	4,950	-	-
2027	59,057	2,346	-	-
2028	60,217	1,188	-	-
	$ 876,627	$ 53,224	$ 137,668	$ 3,871

Lease Obligations Payable

The City entered into a 20-month lease as lessee for the use of All Aboard Foundation. An initial lease liability was recorded in the amount of $ 362,256. As of December 31, 2022, the value of the lease liability is $ 335,447. The City is required to make monthly fixed payments of $ 2,448. The lease has an interest rate of 1.272 %. The value of the right to use asset as of December 31, 2022 of $ 362,256 with accumulated amortization of $ 31,051 is included in Infrastructure in the capital asset schedule in note 8.

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, 2022, the value of the lease liability is $ 60,980. The City is required to make monthly fixed payments of $ 1,276. The lease has an interest rate of 0.686%. The value of the right to use asset as of December 31, 2022 of $ 72,732 with accumulated amortization of $ 15,366 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, 2022, the value of the lease liability

is $ 1,579,948. The City is required to make annual fixed payments of $ 175,000. The lease has an interest rate of 1.751%. The value of the right to use asset as of December 31, 2022 of $ 2,100,000 with accumulated amortization of $ 185,567 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, 2022, the value of the lease liability is $ 249,572. The City is required to make annual fixed payments of $ 254,191. The lease has an interest rate of 1.8510%. The value of the right to use asset as of December 31, 2022 of $ 494,607 with accumulated amortization of $ 356,117 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, 2022, the value of the lease liability is $ 40,497. 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, 2022 of $ 61,029 with accumulated amortization of $ 26,155 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, 2022, the value of the lease liability is $ 304,499. 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, 2022 of $ 453,937 with accumulated amortization of $ 155,458 is included with Equipment in the capital asset schedule in note 8.

The annual debt service requirements to service the outstanding lease obligations payable at December 31, 2022 are as follows:

	Governmental Activities		Business-type Activities	
Year	Principal	Interest	Principal	Interest
2023	$ 415,315	$ 39,466	$ 73,898	$ 1,859
2024	168,453	32,608	74,820	938
2025	71,037	30,326	-	-
2026	68,338	29,391	-	-
2027	57,351	28,512	-	-
2028 - 2032	307,729	129,222	-	-
2033 - 2037	177,614	109,518	-	-
2038 - 2042	167,529	95,477	-	-
2043 - 2047	182,719	80,287	-	-
2048 - 2052	199,286	63,720	-	-
2053 - 2057	217,356	45,650	-	-
2058 - 2062	237,063	25,943	-	-
2063 - 2065	152,435	5,369	-	-
	$ 2,422,225	$ 715,489	$ 148,718	$ 2,797

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Prior Period Adjustments	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental activities:						
Bonds payable:						
General obligation bonds	$ 6,834,545	$ -	$ 3,625,000	$ 1,118,080	$ 9,341,465	$ 1,251,475
Less bond discount	(14,676)	-	-	(7,338)	(7,338)	-
Plus bond premium	192,359	-	81,931	32,816	241,474	-
Net general obligation bonds	7,012,228	-	3,706,931	1,143,558	9,575,601	1,251,475
Special assessment bonds	5,430,000	-	-	280,000	5,150,000	285,000
Plus bond premium	29,413	-	-	1,961	27,452	-
Net special assessment bonds	5,459,413	-	-	281,961	5,177,452	285,000
Transportation development district sales tax revenue bonds - direct borrowing	595,000	-	-	120,000	475,000	95,000
Special obligation tax increment revenue bonds - direct borrowing	1,150,000	-	-	690,000	460,000	460,000
Notes payable - financed purchases - direct borrowing	1,424,233	(787,027)	581,195	341,774	876,627	289,034
Lease obligations payable - direct borrowing	-	-	2,857,739	435,514	2,422,225	415,315
Total OPEB liability	1,108,587	-	87,863	358,987	837,463	-
Total OPEB liability - KPERS	111,764	-	22,742	54,848	79,658	-
Net pension liability	10,030,254	-	4,666,531	-	14,696,785	-
Compensated absences	650,865	-	813,891	804,430	660,326	660,326
	15,070,703	(787,027)	9,029,961	2,805,553	20,508,084	1,919,675
Governmental activities long-term liabilities	$ 27,542,344	$ (787,027)	$ 12,736,892	$ 4,231,072	$ 35,261,137	$ 3,456,150

	Beginning Balance	Prior Period Adjustments	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Business-type activities:						
Bonds payable:						
General obligation bonds	$ 4,120,455	$ -	$ -	$ 696,920	$ 3,423,535	$ 718,525
Plus bond premium	217,203	-	-	24,134	193,069	-
Net general obligation bonds	4,337,658	-	-	721,054	3,616,604	718,525
Construction loans payable - direct borrowing	3,535,342	-	628,974	299,766	3,864,550	324,581
Notes payable - financed purchases - direct borrowing	480,602	(221,711)	-	121,223	137,668	124,412
Lease obligations payable - direct borrowing	-	-	200,599	51,881	148,718	73,898
Total OPEB liability	243,565	-	19,149	91,467	171,247	-
Total OPEB liability - KPERS	21,785	-	4,957	12,427	14,315	-
Net pension liability	485,580	-	1,317,490	-	1,803,070	-
Compensated absences	156,015	-	174,824	146,679	184,160	184,160
Business-type activity long-term liabilities	$ 9,260,547	$ (221,711)	$ 2,345,993	$ 1,444,497	$ 9,940,332	$ 1,425,576
Component unit activities:						
Total OPEB liability	$ 51,151	$ -	$ 3,057	$ -	$ 54,208	$ -
Total OPEB liability - KPERS	10,100	-	-	5,051	5,049	-
Net pension liability	272,173	-	183,059	-	455,232	-
Compensated absences	43,358	-	3,222	5,908	40,672	16,608
Component unit activity long-term liabilities	$ 376,782	$ -	$ 189,338	$ 10,959	$ 555,161	$ 16,608

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, 2022, Industrial Revenue Bonds outstanding had an aggregate principal amount payable of $ 16,203,520.

11 - Bond Anticipation Notes Payable

During the prior year, the City issued bond anticipation notes to fund City improvements.

Bond anticipation note activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Bond anticipation notes:				
Governmental activities	$ 3,590,000	$ -	$ 3,590,000	$ -

12 - 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.

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.

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 increase over the prior year contribution rate is 1.2% of total payroll for the KPERS fiscal year ended June 30, 2022.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for KPERS and 22.99% for KP&F for the year ended December 31, 2022. Contributions to the Pension Plan from the City were $ 630,242 for KPERS and $ 954,576 for KP&F for the year ended December 31, 2022.

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

At December 31, 2022, the City reported a liability of $ 16,499,855 and the Library reported a liability of $ 455,232 for their proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2022, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022.

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, 2022. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2022 the City's proportion for KPERS was .345%, which was an increase of .003% from its proportion measured as of June 30, 2021. At June 30, 2022, the City's proportion for KP&F was .700%, which was the same as its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the City recognized pension expense of $ 825,006 for KPERS and $ 1,367,669 for KP&F. The Library's portion of the KPERS pension expense was $ 34,273. At December 31, 2022, 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	$ 670,521	$ 11,299
Net difference between projected and actual earnings on pension plan investments	1,234,880	-
Changes in assumptions	2,320,823	-
Changes in proportionate share	31,219	423,824
Contributions subsequent to measurement date	756,983	-
Total	$ 5,014,426	$ 435,123

	Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 17,318	$ 1,008
Net difference between projected and actual earnings on pension plan investments	38,758	-
Changes in assumptions	73,187	-
Changes in proportionate share	2,231	5,690
Contributions subsequent to measurement date	20,329	-
Total	$ 151,823	$ 6,698

The $ 756,983 for the City and the $ 20,329 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, 2023. 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
2023	$ 1,032,291	$ 34,027
2024	969,479	31,992
2025	453,829	15,442
2026	1,315,153	41,681
2027	51,568	1,654
Total	$ 3,822,320	$ 124,796

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2021 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.

The actuarial assumptions used in the December 31, 2021 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%
Private Equity	8%	9.50%
Private Real Estate	11%	4.45%
Yield Driven	8%	4.70%
Real Return	11%	3.25%
Fixed Income	11%	1.55%
Short-term investments	4%	0.25%
Total	100%	

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.

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	$ 9,209,603	$ 6,410,996	$ 4,079,350
KP&F	13,838,347	10,088,859	6,969,069
Total	$ 23,047,950	$ 16,499,855	$ 11,048,419

	Library		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
KPERS	$ 653,955	$ 455,232	$ 289,666

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

13 - 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). 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 2022, the City did not contribute to the Plan.
At December 31, 2022, Plan membership consisted of the following:

Active employees	189
Retirees and covered spouses	3
	192

The total OPEB liability was measured as of December 31, 2022 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 1/1/2022	$ 1,352,152	$ 51,151	$ 1,403,303
Service cost	85,367	14,854	100,221
Interest	21,645	11,129	32,774
Benefit payments	(89,224)	(4,541)	(93,765)
Changes in assumptions	(171,860)	(8,747)	(180,607)
Differences between expected and actual experience	(189,370)	(9,638)	(199,008)
Balance at 12/31/2022	$ 1,008,710	$ 54,208	$ 1,062,918

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	4.31%
Healthcare cost trend rates	7.75% for 2022, decreasing 0.25% per year to an ultimate rate of 4.50% for 2035 and later years
Current rate	7.75%
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.

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

1. Discount rate was increased from 2.25% to 4.31%.
2. Per-capita costs were updated to reflect experience since the previous valuation
3. Immediate medical trend was increased to 7.75%, and the annual decrement was decreased from 0.5% to 0.25%.
4. Annual dental trend was decreased from 4.5% to 4.0%.

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:

	City		
	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB liability - City	$ 1,129,272	$ 1,008,710	$ 901,655
Total OPEB liability - Library	60,687	54,208	48,455

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	$ 874,330	$ 1,008,710	$ 1,170,062
Total OPEB liability - Library	46,987	54,208	62,880

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

For the year ended December 31, 2022, the City recognized OPEB expense of $ 3,206. At December 31, 2022, 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	$ 35,764	$ 243,005	$ 1,922	$ 13,059
Differences between expected and actual experience	-	590,731	-	31,748
	$ 35,764	$ 833,736	$ 1,922	$ 44,807

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
2023	$ (123,170)	$ (6,619)
2024	(123,170)	(6,619)
2025	(123,170)	(6,619)
2026	(123,170)	(6,619)
2027	(123,562)	(6,641)
Thereafter	(181,731)	(9,767)
Total	$ (797,973)	$ (42,884)

Disability Benefits and Life Insurance

The City and the Library participate in a multiple-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, 2022 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, 66⅔ 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 65th 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.

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, 2021, the following employees were covered by the benefit terms.

Active employees	149
Disabled members	-
	149

The total OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation performed as of December 31, 2021.

	City	Library	Total
Balances at 1/1/2022	$ 133,549	$ 10,100	$ 143,649
Service cost	24,272	1,675	25,947
Interest	3,427	236	3,663
Effect of economic/demographic gains or losses	(32,136)	(3,393)	(35,529)
Changes of assumptions/methodology	(35,139)	(3,569)	(38,708)
Balances at 12/31/2022	$ 93,973	$ 5,049	$ 99,022

The total OPEB liability in the December 31, 2021 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, 2021
Actuarial cost method	Entry age normal
Inflation rate	2.75%
Salary increases	3.50% (composed of 2.75% inflation and .75% productivity)
Payroll growth	4.00% long-term growth for actuarial valuation. 3.00% near-term growth
Discount rate	3.54%
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.

The actuarial assumptions used in the December 31, 2021 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 (2.54 percent) or 1-percentage-point higher (3.54 percent) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability - City	$ 98,222	$ 93,973	$ 89,530
Total OPEB liability - Library	5,277	5,049	4,810

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:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability - City	$ 93,973	$ 93,973	$ 93,973
Total OPEB liability - Library	5,049	5,049	5,049

For the year ended December 31, 2022, the City recognized OPEB expense of $ 11,204. At December 31, 2022, 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	$ -	$ 102,434	$ -	$ 5,505
Changes in assumptions	8,442	35,470	453	1,906
	$ 8,442	$ 137,904	$ 453	$ 7,411

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

Year Ended June 30,	City	Library
2023	$ (17,467)	$ (939)
2024	(17,467)	(939)
2025	(17,467)	(939)
2026	(17,330)	(931)
2027	(16,211)	(871)
Thereafter	(43,520)	(2,339)
Total	$ (129,462)	$ (6,958)

Aggregate Other Postemployment Healthcare Benefit Information

The aggregate amount of OPEB expenses for the two OPEB plans for the year ended December 31, 2022 was $ 14,410 for the City.

	Balances at December 31, 2022		
	Health Insurance	Disability Benefits and Life Insurance	Total
City:			
Total OPEB liability	$ 1,008,710	$ 93,973	$ 1,102,683
Total deferred outflows of resources	35,764	8,442	44,206
Total deferred inflows of resources	833,736	137,904	971,640
Library:			
Total OPEB liability	54,208	5,049	59,257
Total deferred outflows of resources	1,922	453	2,375
Total deferred inflows of resources	44,807	7,411	52,218

14 - 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 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 $ 13,019 reported at December 31, 2022 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, 2022 and 2021 are as follows:

	2022	2021
Unpaid claims, January 1	$ 15,044	$ 5,889
Incurred claims (including IBNRs)	1,063,633	1,229,014
Claim payments	(1,065,658)	(1,219,859)
Unpaid claims, December 31	$ 13,019	$ 15,044

15 - 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, 2022, consisted of the following:

Fund	Transfers In	Transfers Out
Major governmental funds:		
General	$ 1,738,403	$ 527,221
Capital projects	37,187	391,000
Debt service	411,000	-
Street and highway	480,000	-
Nonmajor governmental funds	-	138,403
Major proprietary funds:		
Water/wastewater	-	1,609,966
	$ 2,666,590	$ 2,666,590

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.

At December 31, 2022, the Community Development Block Grant Fund owed the General Fund $ 8,317 resulting from elimination of negative cash balances caused by project timing, which was recorded as due to/from other funds.

16 - 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, 2022, the City's encumbrances were recorded as follows:

General fund	$	137,666
Street and highway fund		25,000
Water/wastewater fund		1,021,895
Stormwater fund		60,768
Total encumbrances	$	1,245,329

17 - 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.

18 - 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, 2022:

Entity		Amount of Taxes Abated During the Fiscal Year
Millers, Inc.	$	136,067
E & J Investment, LLC		15,863
La Quinta Inn & Suites		69,202
Kendall Packaging Corporation		28,551
Pinamonti Physical Therapy, PA		51,162
Rallison, LP (Progressive Products)		16,737
Total	$	317,582

The Millers, Inc. and E & J Investments, LLC 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 Pinamonti Physical Therapy, PA, 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.

19 - 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 Eight Fiscal Years[1]

	2022	2021	2020	2019
City's proportion of the collective net position liability:				
KPERS	0.345%	0.342%	0.351%	0.353%
KP&F	0.700%	0.700%	0.737%	0.750%
City's proportionate share of the collective net pension liability	$ 16,955,087	$ 10,788,007	$ 15,172,209	$ 12,527,470
City's covered payroll	$ 10,836,008	$ 10,306,272	$ 10,580,091	$ 10,518,770
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	156%	105%	143%	119%
Plan fiduciary net position as a percentage of the total pension liability	69.75%	76.40%	66.30%	69.88%

	2018	2017	2016	2015
City's proportion of the collective net position liability:				
KPERS	0.352%	0.357%	0.349%	0.355%
KP&F	0.777%	0.819%	0.822%	0.799%
City's proportionate share of the collective net pension liability	$ 12,387,128	$ 12,849,413	$ 13,043,469	$ 10,471,737
City's covered payroll	$ 10,127,727	$ 9,954,433	$ 10,133,030	$ 9,337,999
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	122%	129%	129%	112%
Plan fiduciary net position as a percentage of the total pension liability	68.88%	67.12%	65.10%	64.95%

[1] 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 Eight Fiscal Years[1]

	2022	2021	2020	2019
KPERS contractually required contribution	$ 630,242	$ 573,389	$ 552,871	$ 586,773
KP&F contractually required contribution	954,576	903,465	861,851	911,891
Contributions in relation to the contractually required contribution	(1,584,818)	(1,476,854)	(1,414,722)	(1,498,664)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
City's covered payroll	$ 11,233,650	$ 10,425,041	$ 10,351,298	$ 10,720,980
Contributions as a percentage of covered payroll	14.11%	14.17%	13.67%	13.98%

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

[1] 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 Six Fiscal Years[1]

	2022	2021	2020
Total OPEB liability:			
Service cost	$ 100,221	$ 104,227	$ 93,475
Interest	32,774	28,401	52,541
Benefit paid	(93,765)	(17,502)	4,781
Difference between expected and actual experience	(199,008)	(37,569)	(342,415)
Changes in assumptions	(180,607)	(50,300)	51,831
Net change in total OPEB liability	(340,385)	27,257	(139,787)
Total OPEB liability--beginning	1,403,303	1,376,046	1,515,833
Total OPEB liability--ending	$ 1,062,918	$ 1,403,303	$ 1,376,046
Covered-employee payroll	$ 8,900,793	$ 8,128,198	$ 8,493,758
City's total OPEB liability as a percentage of covered-employee payroll	11.94%	17.26%	16.20%

	2019	2018	2017
Total OPEB liability:			
Service cost	$ 89,327	$ 119,636	$ 101,402
Interest	55,069	58,337	61,974
Benefit paid	(104,260)	(64,261)	(108,229)
Difference between expected and actual experience	(327,940)	-	-
Changes in assumptions	(100,181)	5,856	-
Net change in total OPEB liability	(387,985)	119,568	55,147
Total OPEB liability--beginning	1,903,818	1,784,250	1,729,103
Total OPEB liability--ending	$ 1,515,833	$ 1,903,818	$ 1,784,250
Covered-employee payroll	$ 8,468,953	$ 8,812,378	$ 8,812,378
City's total OPEB liability as a percentage of covered-employee payroll	17.90%	21.60%	20.25%

[1] 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 Five Fiscal Years[1]

	2022	2021	2020	2019	2018
Total OPEB liability:					
Service cost	$ 25,947	$ 27,850	$ 24,409	$ 22,769	$ 22,566
Interest	3,663	3,874	5,567	5,920	5,444
Difference between expected and actual experience	(35,529)	(35,780)	(27,857)	(26,366)	(25,504)
Changes in assumptions	(38,708)	252	10,671	2,140	(1,799)
Net change in total OPEB liability	(44,627)	(3,804)	12,790	4,463	707
Total OPEB liability, beginning	143,649	147,453	134,663	130,200	129,493
Total OPEB liability, ending	$ 99,022	$ 143,649	$ 147,453	$ 134,663	$ 130,200
Covered-employee payroll	$ 6,243,067	$ 6,108,792	$ 6,437,606	$ 6,228,174	$ 6,077,814
Total OPEB liability as a percentage of covered-employee payroll	1.59%	2.35%	2.29%	2.16%	2.14%

[1]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 (CDBGP).

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.

MIH Grants Fund – to account for a grant from the State of Kansas Housing Resource Corporation for the purpose of providing assistance to moderate-income households that don't qualify for federal housing assistance.

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.

COVID Spark Fund – to account for Coronavirus Relief Fund (CRF) monies distributed by the State of Kansas through Crawford County to address medical or public health needs related to the pandemic.

Opioid Settlement Fund – to account for opioid settlement monies distributed by the State of Kanas 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.

CITY OF PITTSBURG, KANSAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
December 31, 2022

	Special Revenue					
	Special Parks and Recreation	Special Alcohol and Drug	PHA/ Presbyterian Church Housing	Section 8	Community Development Block Grant	CDBG TBRA Grants
ASSETS						
Cash and cash equivalents	$ -	$ 86,673	$ 562,823	$ 44,050	$ -	$ 8,305
Receivables (net of allowance for uncollectibles):						
Taxes	-	-	-	-	-	-
Accounts	-	-	57,624	-	-	-
Intergovernmental	-	-	-	-	53,151	-
Loans receivable	-	-	20,552	-	-	-
Total assets	$ -	$ 86,673	$ 640,999	$ 44,050	$ 53,151	$ 8,305
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ -	$ 290	$ -	$ 4,861	$ 36,109	$ -
Accrued payroll	-	-	-	5,411	-	-
Unearned revenue	-	-	-	-	-	8,305
Due to other funds	-	-	-	-	8,317	
Other	-	-	-	-	-	-
Total liabilities	-	290	-	10,272	44,426	8,305
Fund balances:						
Restricted:						
Housing	-	-	640,999	33,778	8,725	-
Other	-	86,383	-	-	-	-
Total fund balances	-	86,383	640,999	33,778	8,725	-
Total liabilities and fund balances	$ -	$ 86,673	$ 640,999	$ 44,050	$ 53,151	$ 8,305

(Continued)

CITY OF PITTSBURG, KANSAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2022

	Special Revenue							Total Nonmajor Governmental Funds
	Demolition	MIH Grants	Land Bank	Northgate CID	COVID Spark	Opioid Settlement	RHID Districts	
ASSETS								
Cash and cash equivalents	$ 31,693	$ -	$ 21,922	$ 9,485	$ -	$ 4,907	$ 853	$ 770,711
Receivables (net of allowance for uncollectibles):								
Taxes	-	-	-	19,901	-	-	-	19,901
Accounts	-	-	-	-	-	-	-	57,624
Intergovernmental	-	-	-	-	-	-	-	53,151
Loans receivable	-	-	-	-	-	-	-	20,552
Total assets	$ 31,693	$ -	$ 21,922	$ 29,386	$ -	$ 4,907	$ 853	$ 921,939
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ 4,000	$ -	$ -	$ 9,485	$ -	$ -	$ 853	$ 55,598
Accrued payroll	-	-	-	-	-	-	-	5,411
Unearned revenue	-	-	-	-	-	-	-	8,305
Due to other funds	-	-	-	-	-	-	-	8,317
Other	-	-	-	19,901	-	-	-	19,901
Total liabilities	4,000	-	-	29,386	-	-	853	97,532
Fund balances:								
Restricted:								
Housing	-	-	-	-	-	-	-	683,502
Other	27,693	-	21,922	-	-	4,907	-	140,905
Total fund balances	27,693	-	21,922	-	-	4,907	-	824,407
Total liabilities and fund balances	$ 31,693	$ -	$ 21,922	$ 29,386	$ -	$ 4,907	$ 853	$ 921,939

CITY OF PITTSBURG, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2022

	Special Revenue						
	Special Parks and Recreation	Special Alcohol and Drug	PHA/ Presbyterian Church Housing	Section 8	Community Development Block Grant	CDBG TBRA Grants	Demolition
Revenues:							
Intergovernmental	$ 138,403	$ 138,403	$ -	$ 1,445,855	$ 119,254	$ 73,558	$ -
Investment earnings	-	-	2,850	283	-	-	175
Miscellaneous	-	-	-	5,264	-	-	2,125
Total revenues	138,403	138,403	2,850	1,451,402	119,254	73,558	2,300
Expenditures:							
Current:							
Sanitation and health	-	99,566	-	-	-	-	-
Economic development	-	-	-	-	-	-	1,842
Social welfare	-	-	79	1,591,749	151,888	73,558	-
Capital outlay	-	-	-	-	-	-	91,005
Total expenditures	-	99,566	79	1,591,749	151,888	73,558	92,847
Excess (deficiency) of revenues over (under) expenditures	138,403	38,837	2,771	(140,347)	(32,634)	-	(90,547)
Other financing uses:							
Transfers out	(138,403)	-	-	-	-	-	-
Total other financing sources (uses)	(138,403)	-	-	-	-	-	-
Net change in fund balances	-	38,837	2,771	(140,347)	(32,634)	-	(90,547)
Fund balances, beginning of year	-	47,546	638,228	174,125	41,359	-	118,240
Fund balances, end of year	$ -	$ 86,383	$ 640,999	$ 33,778	$ 8,725	$ -	$ 27,693

(Continued)

CITY OF PITTSBURG, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
(Continued)
Year Ended December 31, 2022

	Special Revenue						
	MIH Grants	Land Bank	Northgate CID	COVID Spark	Opioid Settlement	RHID Districts	Total Nonmajor Governmental Funds
Revenues:							
Intergovernmental	$ 5,191	$ -	$ -	$ -	$ 4,907	$ -	$ 1,925,571
Investment earnings	-	94	-	-	-	-	3,402
Miscellaneous	-	15,608	-	-	-	-	22,997
Total revenues	5,191	15,702	-	-	4,907	-	1,951,970
Expenditures:							
Current:							
Sanitation and health	-	-	-	-	-	-	99,566
Economic development	5,191	18,881	-	-	-	-	25,914
Social welfare	-	-	-	210	-	-	1,817,484
Capital outlay	-	-	-	-	-	-	91,005
Total expenditures	5,191	18,881	-	210	-	-	2,033,969
Excess (deficiency) of revenues over (under) expenditures	-	(3,179)	-	(210)	4,907	-	(81,999)
Other financing uses:							
Transfers out	-	-	-	-	-	-	(138,403)
Total other financing sources (uses)	-	-	-	-	-	-	(138,403)
Net change in fund balances	-	(3,179)	-	(210)	4,907	-	(220,402)
Fund balances, beginning of year	-	25,101	-	210	-	-	1,044,809
Fund balances, end of year	$ -	$ 21,922	$ -	$ -	$ 4,907	$ -	$ 824,407

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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	$ 110,000	$ 140,000	$ 138,403	$ (1,597)
Total revenues	110,000	140,000	138,403	(1,597)
Other financing sources:				
Transfer out	110,000	140,000	(138,403)	1,597
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	$ 110,000	$ 110,000	$ 138,403	$ 28,403
Total Revenues	110,000	110,000	138,403	28,403
Expenditures:				
Administration	82,500	82,500	82,500	-
Police D.A.R.E.	23,000	23,000	17,066	5,934
Operating reserves	37,990	37,990	-	37,990
Total expenditures	143,490	143,490	99,566	43,924
Net change in fund balance	(33,490)	(33,490)	38,837	72,327
Fund balance, beginning of year	33,490	33,490	47,546	14,056
Fund balance, end of year	$ -	$ -	$ 86,383	$ 86,383

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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	$ 1,730,000	$ 1,730,000	$ 1,516,169	$ (213,831)
Investment earnings	25	25	283	258
Miscellaneous	4,000	4,000	5,771	1,771
Total revenues	1,734,025	1,734,025	1,522,223	(211,802)
Expenditures:				
Personnel services	159,905	159,905	166,896	(6,991)
Contractual services	1,491,950	1,491,950	1,354,225	137,725
Commodities	9,350	9,350	8,092	1,258
Operating reserves	188,979	188,979	-	188,979
Total expenditures	1,850,184	1,850,184	1,529,213	320,971
Net change in fund balance	(116,159)	(116,159)	(6,990)	109,169
Fund balance, beginning of year	116,159	116,159	41,980	(74,179)
Fund balance, end of year	$ -	$ -	$ 34,990	$ 34,990

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, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	$ 1,248,173	$ 1,248,173	$ 1,213,193	$ (34,980)
Special assessments	432,000	432,000	455,198	23,198
Investment earnings	1,500	1,500	9,773	8,273
Total revenues	1,681,673	1,681,673	1,678,164	(3,509)
Expenditures:				
Principal	3,517,411	3,517,411	3,204,765	312,646
Interest	583,551	583,551	580,906	2,645
Operating reserves	1,731,059	1,731,059	-	1,731,059
Total expenditures	5,832,021	5,832,021	3,785,671	2,046,350
Excess (deficiency) of revenues over (under) expenditures	(4,150,348)	(4,150,348)	(2,107,507)	2,042,841
Other financing sources:				
Transfers in	2,772,895	2,772,895	2,466,005	(306,890)
Net change in fund balance	(1,377,453)	(1,377,453)	358,498	1,735,951
Fund balance, beginning of year	1,377,453	1,377,453	1,424,800	47,347
Fund balance, end of year	$ -	$ -	$ 1,783,298	$ 1,783,298

CITY OF PITTSBURG, KANSAS
BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT
December 31, 2022

ASSETS

Cash and cash equivalents	$	621,610
Taxes receivable		872,281
Prepaid items		6,701
Total assets	$	1,500,592

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES

Liabilities:		
Accounts payable	$	4,346
Accrued payroll		20,585
Total liabilities		24,931
Deferred inflows of resources:		
Deferred inflow - property taxes		872,281
Fund balances:		
Nonspendable:		
Not in spendable form		6,701
Assigned		596,679
Total fund balances		603,380
Total liabilities, deferred inflows of resources and fund balances	$	1,500,592

CITY OF PITTSBURG, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DISCRETELY PRESENTED COMPONENT UNIT
Year Ended December 31, 2022

Revenues:		
Taxes	$	918,209
Fines and fees		2,855
Investment earnings		3,046
Miscellaneous		266,330
Total revenues		1,190,440
Expenditures:		
Current:		
Education		1,258,135
Total expenditures		1,258,135
Net change in fund balances		(67,695)
Fund balances, beginning of year		671,075
Fund balances, end of year	$	603,380

CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINANCIAL DATA - ASSETS AND LIABILITIES -
PITTSBURG HOUSING AUTHORITY
December 31, 2022

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	$ -	$ -	$ -
113	Cash - other restricted	-	52,636	52,636
100	Total cash	-	52,636	52,636
150	Total current assets	-	52,636	52,636
	Noncurrent assets:			
	Capital assets:			
161	Land	1,000	-	1,000
164	Furniture, equipment & machinery - administration	30,666	-	30,666
166	Accumulated depreciation	(30,666)	-	(30,666)
160	Total capital assets, net of accumulated depreciation	1,000	-	1,000
180	Total non-current assets	1,000	-	1,000
290	Total assets and deferred outflow of resources	$ 1,000	$ 52,636	$ 53,636
	Liabilities and net assets:			
	Liabilities:			
	Current liabilities:			
312	Accounts payable <= 90 days	$ 8,447	$ -	$ 8,447
321	Accrued wage/payroll taxes payable	4,810	-	4,810
310	Total current liabilities	13,257	-	13,257
300	Total liabilities	13,257	-	13,257
	Net position:			
508	Invested in capital assets	1,000	-	1,000
511	Restricted net position	-	-	-
512	Unrestricted net position	(13,257)	52,636	39,379
513	Total net position	(12,257)	52,636	40,379
600	Total liabilities and net position	$ 1,000	$ 52,636	$ 53,636

CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINANCIAL DATA - REVENUES AND EXPENSES -
PITTSBURG HOUSING AUTHORITY
Year Ended December 31, 2022

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	$ 1,393,262	$ 52,593	$ 1,445,855
70800	Other government grants	-	-	-
71100	Investment income - unrestricted	283	-	283
71400-010	Fraud recovery - housing assistance payment	10,528	-	10,528
70000	Total revenues	1,404,073	52,593	1,456,666
	Expenses:			
	Administrative:			
91100	Administrative salaries	127,690	-	127,690
91400	Advertising and marketing	443	-	443
91500	Employee benefit contributions - administrative	34,604	-	34,604
91600	Office expenses	15,427	-	15,427
91800	Travel	4,590	-	4,590
91900	Other	37,075	-	37,075
	Ordinary maintenance and operation:			
94200	Materials and other	2,974	-	2,974
	General expenses:			
96200	Other general expenses	(2,008)	-	(2,008)
96900	Total operating expenses	220,795	-	220,795
97000	Excess operating revenue over operating expenses	1,183,278	52,593	1,235,871
97300	Housing assistance payments	1,308,382	62,235	1,370,617
90000	Total expenses	1,529,177	62,235	1,591,412
10000	Excess of total expenses over total revenue	$ (125,104)	$ (9,642)	$ (134,746)
Memo account information:				
11030	Beginning equity	$ 112,847	$ 62,278	$ 175,125
11190	Unit months available	3,370		
11210	Number of unit months leased	3,370		

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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Financial Trends 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
Revenue Capacity 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
Debt Capacity 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
Demographic and Economic Information 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
Operating Information 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)

	2013	2014	2015	2016	2017
Governmental activities					
Net investment in capital assets	$ 23,765,245	$ 28,739,435	$ 34,093,008	$ 36,171,156	$ 32,140,844
Restricted	3,177,272	2,804,765	2,916,067	3,485,786	4,048,669
Unrestricted	9,809,685	9,511,979	(1,028,149)	(587,544)	(1,428,617)
Total governmental activities net position	$ 36,752,202	$ 41,056,179	$ 35,980,926	$ 39,069,398	$ 34,760,896
Business-type activities					
Net investment in capital assets	$ 29,959,386	$ 30,210,876	$ 32,890,346	$ 33,201,935	$ 40,291,436
Unrestricted	2,981,447	3,112,516	2,135,910	2,917,487	3,407,022
Total business-type activities net position	$ 32,940,833	$ 33,323,392	$ 35,026,256	$ 36,119,422	$ 43,698,458
Primary government					
Net investment in capital assets	$ 53,724,631	$ 58,950,311	$ 66,983,354	$ 69,373,091	$ 72,432,280
Restricted	3,177,272	2,804,765	2,916,067	3,485,786	4,048,669
Unrestricted	12,791,132	12,624,495	1,107,761	2,329,943	1,978,405
Total primary government net position	$ 69,693,035	$ 74,379,571	$ 71,007,182	$ 75,188,820	$ 78,459,354

	2018	2019	2020	2021	2022
Governmental activities					
Net investment in capital assets	$ 33,767,698	$ 32,858,544	$ 33,645,157	$ 32,705,263	$ 33,473,388
Restricted	4,609,440	13,327,692	13,608,484	17,480,247	16,190,281
Unrestricted	(1,848,201)	(561,335)	724,778	2,471,719	7,603,844
Total governmental activities net position	$ 36,528,937	$ 45,624,901	$ 47,978,419	$ 52,657,229	$ 57,267,513
Business-type activities					
Net investment in capital assets	$ 41,007,984	$ 41,212,874	$ 42,181,760	$ 42,105,237	$ 41,840,418
Unrestricted	3,738,156	4,674,500	4,644,082	6,119,834	6,096,776
Total business-type activities net position	$ 44,746,140	$ 45,887,374	$ 46,825,842	$ 48,225,071	$ 47,937,194
Primary government					
Net investment in capital assets	$ 74,775,682	$ 74,071,418	$ 75,826,917	$ 74,810,500	$ 75,313,806
Restricted	4,609,440	13,327,692	13,608,484	17,480,247	16,190,281
Unrestricted	1,889,955	4,113,165	5,368,860	8,591,553	13,700,620
Total primary government net position	$ 81,275,077	$ 91,512,275	$ 94,804,261	$ 100,882,300	$ 105,204,707

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

	2013	2014	2015	2016	2017
Expenses					
Governmental activities:					
General government	$ 3,667,028	$ 3,671,547	$ 3,642,682	$ 3,898,821	$ 4,374,506
Public safety	6,871,779	7,689,357	8,386,332	8,669,238	8,945,264
Public works	3,649,089	4,185,439	4,336,369	4,185,851	4,819,435
Sanitation and health	161,315	160,574	157,904	165,314	170,443
Culture and recreation	2,189,608	2,304,505	2,142,337	2,441,061	2,351,318
Industrial promotion	2,496,209	1,526,378	1,667,559	981,068	1,813,667
Economic development	137,119	70,061	87,670	35,878	6,306,088
Social welfare	1,620,300	1,482,944	1,760,555	1,803,091	1,715,860
Interest on long-term debt	984,191	809,605	697,179	824,065	643,577
Total governmental expenses	21,776,638	21,900,410	22,878,587	23,004,387	31,140,158
Business-type activities:					
Water/wastewater	6,336,671	6,310,606	6,275,894	6,039,288	5,803,266
Stormwater	710,254	622,936	621,388	588,850	560,282
Total business-type activities expenses	7,046,925	6,933,542	6,897,282	6,628,138	6,363,548
Total primary government expenses	$ 28,823,563	$ 28,833,952	$ 29,775,869	$ 29,632,525	$ 37,503,706
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 1,178,192	$ 872,883	$ 998,382	$ 1,014,900	$ 961,705
Public safety	-	-	-	-	2,069
Public works	966,929	903,934	743,700	676,310	690,791
Industrial promotion	390,500	220,146	218,933	270,156	536,648
Other activities	570,848	524,786	543,441	518,249	153,006
Operating grants and contributions	2,456,994	1,406,645	1,341,055	1,278,576	865,936
Capital grants and contributions	656,148	3,855,619	4,268,203	3,334,419	3,955,343
Total governmental activities program revenues	6,219,611	7,784,013	8,113,714	7,092,610	7,165,498
Business-type activities:					
Charges for services:					
Water/wastewater	7,513,502	7,662,110	7,664,369	8,022,592	7,965,780
Stormwater	782,531	778,950	801,867	823,722	814,904
Operating grants and contribtutions	-	-	-	-	-
Capital grants and contributions	72,927	445,697	2,649,087	41,080	6,354,177
Total business-type activities program revenues	8,368,960	8,886,757	11,115,323	8,887,394	15,134,861
Total primary government program revenues	$ 14,588,571	$ 16,670,770	$ 19,229,037	$ 15,980,004	$ 22,300,359
Net (Expense)/Revenue					
Governmental activities	$ (15,557,027)	$ (14,116,397)	$ (14,764,873)	$ (15,911,777)	$ (23,974,660)
Business-type activities	1,322,035	1,953,215	4,218,041	2,259,256	8,771,313
Total primary government net expense	$ (14,234,992)	$ (12,163,182)	$ (10,546,832)	$ (13,652,521)	$ (15,203,347)
General Revenues and other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	$ 5,487,516	$ 5,371,012	$ 5,925,018	$ 5,920,213	$ 6,374,304
Sales taxes	6,953,940	9,248,806	9,300,242	9,460,294	9,606,398
Franchise taxes	1,900,264	2,018,024	1,881,901	1,934,284	1,934,474
Invesment earnings	10,476	7,595	10,921	26,016	102,715
Miscellaneous	-	204,718	586,532	488,411	803,660
Transfers	1,288,988	1,408,389	1,682,976	1,171,031	1,167,821
Total governmental activities	15,641,184	18,258,544	19,387,590	19,000,249	19,989,372
Business-type activities					
Investment earnings	1,157	828	907	4,941	41,504
Transfers	(1,288,988)	(1,408,389)	(1,682,976)	(1,171,031)	(1,167,821)
Total business-type activities	(1,287,831)	(1,407,561)	(1,682,069)	(1,166,090)	(1,126,317)
Total primary government	$ 14,353,353	$ 16,850,983	$ 17,705,521	$ 17,834,159	$ 18,863,055
Change in Net Position					
Governmental activities	$ 84,157	$ 4,142,147	$ 4,622,717	$ 3,088,472	$ (3,985,288)
Business-type activities	34,204	545,654	2,535,972	1,093,166	7,644,996
Total primary government	$ 118,361	$ 4,687,801	$ 7,158,689	$ 4,181,638	$ 3,659,708

(Continued)

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

	2018	2019	2020	2021	2022
Expenses					
Governmental activities:					
General government	$ 4,451,763	$ 5,142,761	$ 5,490,317	$ 4,685,751	$ 5,352,351
Public safety	8,908,637	9,260,971	8,771,582	8,807,374	9,913,402
Public works	4,858,335	4,683,519	4,043,650	4,170,020	4,983,272
Sanitation and health	203,076	209,768	154,301	178,258	184,268
Culture and recreation	2,336,420	2,463,901	2,077,902	3,087,843	3,643,056
Industrial promotion	2,050,712	755,760	883,682	1,212,710	1,054,588
Economic development	148,081	260,836	59,862	33,750	149,919
Social welfare	1,772,291	1,775,831	2,114,027	1,970,866	1,838,668
Interest on long-term debt	572,765	663,463	575,209	525,506	530,575
Total governmental expenses	25,302,080	25,216,810	24,170,532	24,672,078	27,650,099
Business-type activities:					
Water/wastewater	6,034,171	6,260,080	6,273,694	6,331,138	7,926,942
Stormwater	588,843	643,446	798,286	731,128	918,573
Total business-type activities expenses	6,623,014	6,903,526	7,071,980	7,062,266	8,845,515
Total primary government expenses	$ 31,925,094	$ 32,120,336	$ 31,242,512	$ 31,734,344	$ 36,495,614
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 895,885	$ 1,245,824	$ 1,230,736	$ 1,178,463	$ 1,385,939
Public safety	823,390	432,481	281,588	269,139	195,757
Public works	219,695	727,097	518,988	837,547	1,043,279
Industrial promotion	545,829	183,541	205,336	191,817	65,787
Other activities	965,543	496,978	271,660	549,249	600,423
Operating grants and contributions	4,051,151	2,594,572	2,936,163	3,232,972	3,367,627
Capital grants and contributions	-	1,118,350	860,725	1,132,676	1,519,953
Total governmental activities program revenues	7,501,493	6,798,843	6,305,196	7,391,863	8,178,765
Business-type activities:					
Charges for services:					
Water/wastewater	8,204,765	8,552,391	8,685,550	9,161,061	9,208,613
Stormwater	833,671	853,994	855,651	896,076	869,777
Operating grants and contribtutions	-	28,754	-	-	-
Capital grants and contributions	4,536	-	-	-	-
Total business-type activities program revenues	9,042,972	9,435,139	9,541,201	10,057,137	10,078,390
Total primary government program revenues	$ 16,544,465	$ 16,233,982	$ 15,846,397	$ 17,449,000	$ 18,257,155
Net (Expense)/Revenue					
Governmental activities	$ (17,800,587)	$ (18,417,967)	$ (17,865,336)	$ (17,280,215)	$ (19,471,334)
Business-type activities	2,419,958	2,531,613	2,469,221	2,994,871	1,232,875
Total primary government net expense	$ (15,380,629)	$ (15,886,354)	$ (15,396,115)	$ (14,285,344)	$ (18,238,459)
General Revenues and other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	$ 6,615,702	$ 6,956,114	$ 6,989,489	$ 7,053,560	$ 7,202,183
Sales taxes	8,785,802	9,150,441	9,591,694	10,769,860	12,189,555
Franchise taxes	1,958,611	1,938,900	1,797,503	1,905,391	2,314,731
Invesment earnings	233,093	321,325	98,485	11,326	222,892
Miscellaneous	704,820	268,877	191,683	618,888	1,582,935
Transfers	1,420,296	1,467,999	1,550,000	1,600,000	1,609,966
Total governmental activities	19,718,324	20,103,656	20,218,854	21,959,025	25,122,262
Business-type activities					
Investment earnings	66,149	77,620	19,247	4,358	104,880
Transfers	(1,420,296)	(1,467,999)	(1,550,000)	(1,600,000)	(1,609,966)
Total business-type activities	(1,354,147)	(1,390,379)	(1,530,753)	(1,595,642)	(1,505,086)
Total primary government	$ 18,364,177	$ 18,713,277	$ 18,688,101	$ 20,363,383	$ 23,617,176
Change in Net Position					
Governmental activities	$ 1,917,737	$ 1,685,689	$ 2,353,518	$ 4,678,810	$ 5,650,928
Business-type activities	1,065,811	1,141,234	938,468	1,399,229	(272,211)
Total primary government	$ 2,983,548	$ 2,826,923	$ 3,291,986	$ 6,078,039	$ 5,378,717

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

	2013	2014	2015	2016	2017
General Fund					
Nonspendable	$ 104,178	$ 90,753	$ 83,747	$ 79,189	$ 84,368
Restricted	-	-	-	-	-
Assigned	31,050	491,723	52,635	140,307	24,778
Unassigned	4,323,574	4,568,229	4,130,258	4,504,641	5,399,833
Total general fund	$ 4,458,802	$ 5,150,705	$ 4,266,640	$ 4,724,137	$ 5,508,979
All Other Governmental Funds					
Nonspendable	$ 8,048	$ 8,077	$ 7,498	$ 7,154	$ 6,846
Restricted	3,890,319	5,213,206	4,620,043	15,796,917	8,764,289
Assigned	5,669,041	5,508,042	5,161,920	5,515,485	5,013,356
Unassigned	-	-	-	(5,981)	-
Total all other governmental funds	$ 9,567,408	$ 10,729,325	$ 9,789,461	$ 21,313,575	$ 13,784,491

	2018	2019	2020	2021	2022
General Fund					
Nonspendable	$ 101,844	$ 104,723	$ 110,714	$ 125,570	$ 184,627
Restricted	-	-	-	-	-
Assigned	110,956	23,873	93,742	274,988	137,666
Unassigned	6,074,236	7,061,086	8,725,067	10,105,617	13,337,849
Total general fund	$ 6,287,036	$ 7,189,682	$ 8,929,523	$ 10,506,175	$ 13,660,142
All Other Governmental Funds					
Nonspendable	$ 8,281	$ 6,609	$ 7,414	$ 7,972	$ 133,544
Restricted	6,318,359	6,017,194	6,767,991	11,048,637	10,238,571
Assigned	4,207,988	4,784,360	5,131,620	5,039,583	6,851,255
Unassigned	-	-	-	-	-
Total all other governmental funds	$ 10,534,628	$ 10,808,163	$ 11,907,025	$ 16,096,192	$ 17,223,370

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

	2013	2014	2015	2016	2017
Revenues					
Taxes	$ 14,341,720	$ 16,637,842	$ 17,107,161	$ 17,314,791	$ 17,915,176
Licenses and permits	177,002	220,146	218,933	270,156	153,006
Intergovernmental	2,952,796	3,093,518	3,348,281	4,309,329	4,110,600
Charges for services	1,975,714	1,896,616	1,845,086	1,782,057	1,821,897
Fines and forfeitures	395,412	404,985	440,437	427,402	369,316
Special assessments	79,853	60,492	86,237	60,470	57,341
Investment earnings	10,476	7,595	10,921	26,016	102,715
Lease income	477,201	455,573	435,687	325,931	301,926
Miscellanous	333,960	204,718	830,947	488,411	776,114
Total revenues	20,744,134	22,981,485	24,323,690	25,004,563	25,608,091
Expenditures					
General government	3,232,327	3,470,159	3,394,359	3,665,567	3,858,674
Public safety	6,173,852	6,837,194	7,589,464	7,554,178	7,438,225
Public works	2,202,971	2,389,336	2,372,048	2,188,866	2,222,757
Sanitation and health	157,626	159,189	157,174	158,228	169,187
Economic development	1,748,883	1,802,360	1,780,057	1,842,473	58,368
Culture and recreation	2,273,568	1,490,191	1,677,501	944,718	1,893,042
Industrial promotion	100,932	159,481	87,670	35,878	1,771,053
Social welfare	1,447,316	1,485,190	1,765,442	1,798,485	1,714,382
Capital outlay	2,751,344	2,818,806	4,400,038	3,517,187	10,076,283
Debt service principal	4,170,782	4,486,892	4,124,389	3,516,895	3,807,327
Debt service interest	929,887	776,781	713,974	551,880	653,748
Debt issuance costs	68,533	118,202	12,894	259,557	10,050
Total expenditures	25,258,021	25,993,781	28,075,010	26,033,912	33,673,096
Excess of revenues over (under) expenditures	(4,513,887)	(3,012,296)	(3,751,320)	(1,029,349)	(8,065,005)
Other Financing Sources (Uses)					
General obligation bonds issued	1,420,000	3,398,395	-	5,000,000	-
Special assessment bonds issued	-	-	-	6,500,000	-
Bond premium	-	60,597	-	183,181	-
Bond anticipation notes issued	-	-	-	-	-
Notes payable financed purchases	-	-	244,415	156,748	152,942
Sale of capital assets	-	-	-	-	-
Transfers in	3,752,132	4,320,102	5,465,416	4,410,292	4,371,099
Transfers out	(2,457,466)	(2,911,713)	(3,782,440)	(3,239,261)	(3,203,278)
Total other financing sources (uses)	2,714,666	4,867,381	1,927,391	13,010,960	1,320,763
Net change in fund balances	$ (1,799,221)	$ 1,855,085	$ (1,823,929)	$ 11,981,611	$ (6,744,242)
Debt service as a percentage of noncapital expenditures	22.97%	23.22%	20.49%	19.22%	18.95%

(Continued)

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

	2018	2019	2020	2021	2022
Revenues					
Taxes	$ 17,360,115	$ 18,045,455	$ 18,378,686	$ 19,728,811	$ 21,706,469
Licenses and permits	219,695	150,150	192,078	234,255	438,906
Intergovernmental	4,217,529	3,599,171	3,748,032	4,234,202	4,771,894
Charges for services	2,362,233	2,252,758	1,782,945	2,279,110	2,531,444
Fines and forfeitures	321,625	382,358	266,712	254,408	196,172
Special assessments	490,899	482,411	451,980	494,001	480,714
Investment earnings	233,093	321,325	98,485	11,326	222,892
Lease income	239,471	183,541	205,336	191,817	65,787
Miscellanous	747,291	453,985	289,853	758,712	1,492,641
Total revenues	26,191,951	25,871,154	25,414,107	28,186,642	31,906,919
Expenditures					
General government	4,501,516	4,519,952	4,434,791	4,530,880	4,653,117
Public safety	7,749,072	8,301,051	7,737,398	7,994,066	9,062,908
Public works	2,468,212	2,644,864	2,435,541	2,688,692	3,377,965
Sanitation and health	198,801	208,941	153,546	177,565	183,431
Economic development	1,912,498	105,016	19,240	33,750	25,914
Culture and recreation	2,036,343	1,954,134	1,543,301	2,004,813	2,277,562
Industrial promotion	100,840	755,756	889,042	1,168,285	787,547
Social welfare	1,771,207	1,775,912	2,114,535	1,965,211	1,817,484
Capital outlay	6,783,769	5,225,272	3,292,616	3,922,714	4,717,771
Debt service principal	2,185,651	2,389,025	2,469,307	2,667,189	6,564,948
Debt service interest	555,158	562,143	538,353	525,570	439,858
Debt issuance costs	40,174	120,749	24,640	48,583	78,773
Total expenditures	30,303,241	28,562,815	25,652,310	27,727,318	33,987,278
Excess of revenues over (under) expenditures	(4,111,290)	(2,691,661)	(238,203)	459,324	(2,080,359)
Other Financing Sources (Uses)					
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
Notes payable financed purchases	219,188	179,467	1,526,906	116,495	581,195
Sale of capital assets	-	-	-	-	463,412
Transfers in	1,941,914	2,019,503	2,243,161	3,504,424	2,666,590
Transfers out	(521,618)	(551,504)	(693,161)	(1,904,424)	(1,056,624)
Total other financing sources (uses)	1,639,484	3,867,842	3,076,906	5,306,495	6,361,504
Net change in fund balances	$ (2,471,806)	$ 1,176,181	$ 2,838,703	$ 5,765,819	$ 4,281,145
Debt service as a percentage of noncapital expenditures	11.82%	13.16%	13.56%	13.24%	22.83%

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

Fiscal Year	State of Kansas (5)	Crawford County	City Memorial Auditorium	City Capital Outlay	City Economic Development	City Public Safety Debt (2)	City Street Improvements (3)	City Public Safety (4)	Total City Wide	Additional in North Broadway T.D.D. (1)	Additional in Northgate Plaza C.I.D. (6)
2013	6.150	1.000	0.125	0.125	0.250	0.500	0.250	0.000	8.400	0.300	0.000
2014	6.150	1.000	0.125	0.125	0.250	0.500	0.250	0.500	8.900	0.300	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
2016	6.500	1.000	0.125	0.125	0.250	0.500	0.250	0.500	9.250	0.300	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
2018	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	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
2020	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900
2021	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900
2022	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900

(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. Additonal one quarter percent effective Ocotber 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

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

Fiscal Year	Retail Trade	Accommodations and Food Services	Utilities	Wholesale Trade	Information	Other Services	Manufacturing	Construction	All other	Total
2013	$ 209,429,325	$ 33,857,854	$ 18,492,316	$ 12,247,961	$ 13,315,255	$ 8,451,689	$ 4,257,309	$ 4,345,014	$ 73,033,056	$ 377,429,779
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

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

Fiscal Year	Retail Trade	Accommodations and Food Services	Utilities	Wholesale Trade	Information	Other Services	Manufacturing	Construction	All other	Total
2013	55.49%	8.97%	4.90%	3.25%	3.53%	2.24%	1.13%	1.15%	19.35%	100.00%
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%

Source: Kansas Department of Revenue

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

Fiscal Year 2022

Business	Category	Taxable Sales	%
A	Retail Trade	$ 98,214,089	20.94%
B	Retail Trade	37,521,114	8.00%
C	Utility	21,446,577	4.57%
D	Retail Trade	14,135,377	3.01%
E	Utility	8,527,231	1.82%
F	Retail Trade	7,875,747	1.68%
G	Retail Trade	7,764,871	1.66%
H	Retail Trade	7,572,919	1.61%
I	Retail Trade	6,040,992	1.29%
J	Retail Trade	5,417,243	1.16%
Subtotal (10 largest)		214,516,159	45.74%
Balance from other payers		254,483,334	54.26%
Grand totals		$ 468,999,493	100.00%

Fiscal Year 2013

Business	Category	Taxable Sales	%
A	Retail Trade	$ 70,726,627	18.74%
B	Retail Trade	22,049,052	5.84%
C	Utility	17,212,238	4.56%
D	Retail Trade	11,120,614	2.95%
E	Retail Trade	9,824,975	2.60%
F	Utility	6,811,689	1.80%
G	Retail Trade	5,671,093	1.50%
H	Retail Trade	4,721,929	1.25%
I	Food Service	4,086,249	1.08%
J	Retail Trade	3,904,542	1.03%
Subtotal (10 largest)		156,129,008	41.37%
Balance from other payers		221,300,771	58.63%
Grand totals		$ 377,429,779	100.00%

Source: Kansas Department of Revenue

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

Fiscal Year	Crawford County (1)	City Memorial Auditorium	City Capital Outlay	City Economic Development	City Public Safety Debt (2)	City Street Improvements (3)	City Public Safety (4)	City Tax Increment Financing (5)	City North Broadway T.D.D. (6)	Total
2013	$ 1,991,874	$ 432,927	$ 432,927	$ 865,853	$ 1,888,324	$ 944,162	$ -	$ 313,233	$ 84,640	$ 6,953,940
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

(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

Fiscal Year	Gallons of Water Produced	Gallons of Water Consumed	Gallons of Water Unbilled	Average Percent Unbilled	Gallons of Wastewater Treated	Total Direct Rate			
						Water		Sewer	
						Base Rate (1)	Usage Rate (2)	Base Rate	Usage Rate
2013	846	669	177	20.92%	1,252	$ 11.01	Variable	$ 19.20	Variable
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

Note: Gallons are presented in millions.

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

Fiscal Year	Water Meter Taps Sold	Sewer Taps Sold	Total Taps
2013	17	24	41
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

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

	WATER			
Fiscal Year	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	OTHER
2013	7,730	523	52	236
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

	SEWER			
Fiscal Year	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	OTHER
2013	7,020	497	41	153
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

	TOTAL	
Fiscal Year	WATER	SEWER
2013	8,541	7,711
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	

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

	Effective Jan 1st 2013	Effective Jan 1st 2014	Effective Jan 1st 2015	Effective Jan 1st 2016	Effective Jan 1st 2017
WATER RATES PER MONTH, INSIDE CITY LIMITS					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 11.01	$ 11.01	$ 11.34	$ 11.45	$ 11.56
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	4.56	4.56	4.70	4.75	4.80
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	4.30	4.30	4.43	4.47	4.51
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.10	4.10	4.22	4.26	4.30
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.81	3.81	3.92	3.96	4.00
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.61	3.61	3.72	3.76	3.80
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.36	3.36	3.46	3.49	3.52
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.04	3.04	3.13	3.16	3.19
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.81	2.81	2.89	3.16	3.19
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.59	2.59	2.67	3.16	3.19
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.38	2.38	2.45	3.16	3.19
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.21	2.21	2.28	3.16	3.19
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.03	2.03	2.09	3.16	3.19
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	1.87	1.87	1.93	3.16	3.19
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	1.73	1.73	1.78	3.16	3.19
WATER RATES PER MONTH, OUTSIDE CITY LIMITS					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 21.98	$ 21.98	$ 22.64	$ 22.87	$ 23.10
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	8.09	8.09	8.33	8.41	8.49
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	6.30	6.30	6.49	6.55	6.62
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.56	4.56	4.70	4.75	4.80
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.30	4.30	4.43	4.47	4.51
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.10	4.10	4.22	4.26	4.30
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.81	3.81	3.92	3.96	4.00
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.61	3.61	3.72	3.76	3.80
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.19	3.19	3.29	3.76	3.80
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.99	2.99	3.08	3.76	3.80
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.72	2.72	2.80	3.76	3.80
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.51	2.51	2.59	3.76	3.80
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.33	2.33	2.40	3.76	3.80
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.15	2.15	2.21	3.76	3.80
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	1.99	1.99	2.05	3.76	3.80
SANITARY SEWER RATES PER MONTH, INSIDE CITY LIMITS					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 19.20	$ 19.20	$ 19.78	$ 19.98	$ 20.18
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	2.76	2.76	2.84	2.87	2.90
SANITARY SEWER RATES PER MONTH, OUTSIDE CITY LIMITS					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 38.24	$ 38.24	$ 39.39	$ 39.78	$ 40.18
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	5.42	5.42	5.58	5.64	5.70
STORMWATER RATES PER MONTH, INSIDE CITY LIMITS ONLY (1)					
1. PER ERU	$ 3.67	$ 3.67	$ 3.78	$ 3.82	$ 3.86

(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

WATER RATES PER MONTH, INSIDE CITY LIMITS	Effective Jan 1st 2018	Effective Jan 1st 2019	Effective Jan 1st 2020	Effective Jan 1st 2021	Effective Jan 1st 2022
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 11.68	$ 11.80	$ 11.80	$ 11.80	$ 12.15
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	4.85	4.90	4.90	4.90	5.05
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	4.56	4.61	4.61	4.61	4.75
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.34	4.38	4.38	4.38	4.51
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.04	4.08	4.08	4.08	4.20
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.56	3.60	3.60	3.60	3.71
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25	3.25	3.35
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25	3.25	3.35
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25	3.25	3.35
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25	3.25	3.35
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25	3.25	3.35
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25	3.25	3.35
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25	3.25	3.35
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	3.22	3.25	3.25		3.35
WATER RATES PER MONTH, OUTSIDE CITY LIMITS					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 23.33	$ 23.56	$ 23.56	$ 23.56	$ 24.27
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	8.57	8.66	8.66	8.66	8.92
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	6.69	6.76	6.76	6.76	6.96
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.85	4.90	4.90	4.90	5.05
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.56	4.61	4.61	4.61	4.75
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.34	4.38	4.38	4.38	4.51
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	4.04	4.08	4.08	4.08	4.20
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	3.84	3.88	3.88	3.88	4.00
SANITARY SEWER RATES PER MONTH, INSIDE CITY LIMITS					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 20.38	$ 20.58	$ 20.58	$ 20.58	$ 21.20
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	2.93	2.96	2.96	2.96	3.05
SANITARY SEWER RATES PER MONTH, OUTSIDE CITY LIMITS					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	$ 40.58	$ 40.99	$ 40.99	$ 40.99	$ 42.22
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	5.76	5.82	5.82	5.82	5.99
STORMWATER RATES PER MONTH, INSIDE CITY LIMITS ONLY (1)					
1. PER ERU	$ 3.90	$ 3.94	$ 3.94	$ 3.94	$ 3.98

(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

		Fiscal Year 2022			
		Water Revenue		Sewer Revenue	
Customer	Category	Amount	%	Amount	%
Sugar Creek Packing Company	Food Products	$ 424,530	9.05%	$ 531,082	13.13%
Pittsburg State University	Education	167,004	3.56%	58,354	1.44%
Acension Via Christi Hospital	Medical	93,193	1.99%	30,519	0.75%
Crimson Villas	Housing	59,819	1.28%	38,262	0.95%
Parkview	Housing	54,392	1.16%	14,972	0.37%
Acension Living Via Christi	Medical	50,445	1.08%	30,519	0.75%
Sanderson Pipe	Manufacturing	46,180	0.98%	27,986	0.69%
Summerscape LLC	Housing	26,540	0.57%	22,316	0.55%
Diamond Senior Development	Housing	20,888	0.45%	12,437	0.31%
Hampton Inn & Suites	Hospitality	15,423	0.33%	10,644	0.26%
Subtotal (10 largest)		958,413	20.44%	777,092	19.21%
Balance from other customers		3,730,694	79.56%	3,267,928	80.79%
Grand totals		$ 4,689,108	100.00%	$ 4,045,020	100.00%

		Fiscal Year 2013			
		Water Revenue		Sewer Revenue	
Customer	Category	Amount	%	Amount	%
Sugar Creek Packing Company	Food Products	$ 208,795	5.91%	$ 323,650	10.43%
Pittsburg State University	Education	170,911	4.84%	63,470	2.05%
Via Christi Hospital	Medical	46,147	1.31%	36,264	1.17%
Crimson Villas	Housing	52,212	1.48%	27,649	0.89%
USD 250 Public Schools	Education	28,045	0.79%	19,402	0.63%
Parkview Community	Housing	28,987	0.82%	16,910	0.55%
Sycamore Village Residences	Housing	22,932	0.65%	21,868	0.70%
University Commons	Housing	25,238	0.71%	12,844	0.41%
Corner Stone Village	Medical	22,959	0.65%	14,193	0.46%
Summerscape LLC	Landscaping	21,966	0.62%	10,913	0.35%
Subtotal (10 largest)		628,192	17.79%	547,163	17.64%
Balance from other customers		2,903,895	82.21%	2,555,288	82.36%
Grand totals		$ 3,532,087	100.00%	$ 3,102,451	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

	Governmental Activities					
Fiscal Year	General Obligation Bonds	Special Assessment	Notes Payable Financed Purchases	Lease Obligations Payable	Sales Tax Transportation District Bonds (1)	Tax Increment Financing Bonds (2)
2013	$ 13,959,346	$ -	$ -	$ -	$ 1,195,000	$ 4,735,000
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	7,012,228	5,459,413	1,424,233	-	595,000	1,150,000
2022	9,575,601	5,177,452	876,627	2,422,225	475,000	460,000

	Business-type Activities					
Fiscal Year	General Obligation Bonds (3)	Notes Payable Financed Purchases	Lease Obligations Payable	K.D.H.E. Loans	Total Primary Government	Per Capita
2013	$ 1,580,654	$ -	$ -	$ 13,531,466	$ 19,889,346	$ 975
2014	2,824,408	-	-	13,686,824	21,826,667	1,070
2015	8,743,797	-	-	4,126,327	17,666,738	866
2016	8,143,564	-	-	3,873,650	25,618,393	1,258
2017	7,151,757	-	-	3,740,442	21,565,050	1,067
2018	6,428,274	-	-	3,362,262	19,190,106	949
2019	5,725,135	428,551	-	3,190,598	19,178,605	950
2020	5,038,897	680,009	-	2,899,186	19,223,080	953
2021	4,337,658	480,602	-	3,535,342	23,994,476	1,190
2022	3,616,604	137,668	148,718	3,864,550	26,754,445	1,295

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

(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

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	General Bonded Debt Outstanding: Less Amount Available in Debt Service Fund	General Bonded Debt Outstanding: Total	Actual Taxable Value of Property (1)	Percentage of Actual Taxable Value of Property	Per Capita
2013	$ 15,540,000	$ 908,051	$ 14,631,949	$ 816,860,679	1.79%	717
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	11,349,886	1,424,800	9,925,086	936,120,634	1.06%	492
2022	13,192,205	1,783,297	11,408,908	948,150,545	1.20%	552

(1) Source: Crawford County Clerk

City of Pittsburg, Kansas
Direct and Overlapping Governmental Activities Debt
As of December 31, 2022

Governmental Unit	Debt Outstanding (1)	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Crawford County	$ 2,307,200	52.25%	$ 1,205,512
Pittsburg U.S.D. 250	50,855,000	84.29%	42,865,680
Subtotal, overlapping debt			44,071,192
City direct debt (2)			18,986,905
Total direct and overlapping debt			$ 63,058,097

(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 2022

Assessed Valuation (1)	$ 155,131,588
Legal Debt Limit (2)	46,539,476
General Obligation Bonds	12,765,000
Less Amount Available in Debt Service Fund	1,783,297
Total net debt applicable to limit	10,981,703
Legal debt margin	$ 35,557,773

	2013	2014	2015	2016	2017
Debt limit	$ 40,699,087	$ 40,682,291	$ 40,750,814	$ 40,980,164	$ 44,002,299
Total net debt applicable to limit	14,201,425	16,379,543	18,587,300	11,502,295	15,095,472
Legal debt margin	$ 26,497,662	$ 24,302,748	$ 22,163,514	$ 29,477,869	$ 28,906,827
Total net debt applicable to the limit as a percentage of debt limit	34.89%	40.26%	45.61%	28.07%	34.31%

	2018	2019	2020	2021	2022
Debt limit	$ 44,686,812	$ 44,714,579	$ 46,177,396	$ 46,413,952	$ 46,539,476
Total net debt applicable to limit	13,331,182	13,523,458	11,627,489	9,530,200	10,981,703
Legal debt margin	$ 31,355,630	$ 31,191,121	$ 34,549,907	$ 36,883,752	$ 35,557,773
Total net debt applicable to the limit as a percentage of debt limit	29.83%	30.24%	25.18%	20.53%	23.60%

(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)

Fiscal Year	Sales Tax Increment	City Subsidy	Other Income	Less Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2013	$ 84,640	$ 23,605	$ 2	$ 1,752	$ 106,495	$ 40,000	$ 58,320	1.08
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	110,000	31,920	0.97
2022	143,785	-	980	1,750	143,015	120,000	26,520	0.98

Tax Increment Financing Bonds (2)

Fiscal Year	Sales Tax Increment	Property Tax Increment	Other Income	Less Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2013	$ 313,233	$ 275,924	$ 14	$ 3,014	$ 586,157	$ 275,000	$ 234,883	1.15
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	625,000	74,848	1.01
2022	404,503	333,251	2,997	3,000	737,751	690,000	43,365	1.01

(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

Fiscal Year	Pittsburg Population (1)	Pittsburg Micropolitan Area Population (1)	Pittsburg Micropolitan Area Median Income (1)	Pittsburg Public School Enrollment (2)	Pittsburg State University Enrollment (3)	Pittsburg Micropolitan Area Unemployment Rate (4)	Pittsburg Median Age (1)
2013	20,398	39,312	$ 33,927	2,897	7,400	5.0%	26.2
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

(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

		2022			2013		
Employer	Product	Estimated Number of Employees	Rank	Percentage of Total Employment (3)	Estimated Number of Employees	Rank	Percentage of Total Employment (3)
Pittsburg State University	University	1,593	1	8.41%	1,867	1	10.13%
Ascension Via Christi Hospital	Regional Hospital	775	2	4.09%	677	3	3.67%
Sugar Creek Packing (2)	Food Products	750	3	3.96%	na	na	na
Pittsburg U.S.D. # 250	Public School K-12	684	4	3.61%	684	2	3.71%
CDL Electric Company	Contractor	460	5	2.43%	na	na	na
Community Health Center of SEK	Health Care	387	6	2.04%	164	7	0.89%
Pitt Plastics Inc.	Polyethylene Bags	304	7	1.61%	293	4	1.59%
Miller's Inc.	Professional Photo Finishing	302	8	1.59%	287	5	1.56%
Masonite International	Manufacturing	300	9	1.58%	na	na	na
Kansas Crossing Casino & Hotel	Entertainment	260	10	1.37%	na	na	na
City of Pittsburg (4)	City Government	241	11	1.27%	208	6	1.13%
Mpix	Professional Photo Finishing	200	12	1.06%	na	na	na
Diamond Pet Foods (2)	Pet food products	195	13	1.03%	na	na	na
Leisure Time Products	Outdoor Playsets	182	14	0.96%	na	na	na
Mercy Specialty Hospitals of SEK	Health Care	178	15	0.94%	na	na	na
Total		6,811		35.95%	4,180		22.66%

(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.

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

	2013		2014		2015		2016		2017	
	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
Governmental-type Activities										
Administration										
City Manager	2	1.0%	2	0.9%	2	0.9%	2	0.9%	3	1.3%
City Attorney	1	0.5%	1	0.5%	1	0.4%	1	0.4%	1	0.4%
City Clerk	1	0.5%	1	0.5%	1	0.4%	1	0.4%	1	0.4%
Finance Department	5	2.4%	5	2.3%	5	2.2%	5	2.2%	5	2.2%
Human Resources Division	2	1.0%	2	0.9%	2	0.9%	2	0.9%	2	0.9%
Information Systems Division	3	1.5%	3	1.4%	3	1.3%	4	1.8%	4	1.8%
Total Administration	14	6.8%	14	6.4%	14	6.3%	15	6.7%	16	7.0%
Public Safety										
Police Division	54	26.2%	69	31.4%	70	31.4%	71	31.6%	73	32.0%
Fire Division	35	17.0%	35	15.9%	35	15.7%	35	15.6%	35	15.4%
Building Services Division	-	0.0%	5	2.3%	5	2.2%	5	2.2%	4	1.8%
Codes Enforcement Division	7	3.4%	4	1.8%	4	1.8%	2	0.9%	2	0.9%
Animal Control Division	2	1.0%	2	0.9%	2	0.9%	2	0.9%	2	0.9%
Municipal Court Division	6	2.9%	6	2.7%	6	2.7%	6	2.7%	6	2.6%
Total Public Safety	104	50.6%	121	55.1%	122	54.8%	121	53.9%	122	53.6%
Public Works										
Engineering Division	2	1.0%	2	0.9%	3	1.3%	3	1.3%	3	1.3%
Facility Maintenance Division	3	1.5%	3	1.4%	3	1.3%	3	1.3%	3	1.3%
Street & Highway Division	12	5.8%	11	5.0%	11	4.9%	10	4.4%	10	4.4%
Atkinson Airport Division	3	1.5%	3	1.4%	3	1.3%	3	1.3%	3	1.3%
Total Public Safety	20	9.7%	19	8.6%	20	9.0%	19	8.4%	19	8.3%
Sanitation and Health										
Mt. Olive Cemetery Division	1	0.5%	1	0.5%	1	0.4%	1	0.4%	1	0.4%
Culture and Recreation										
Parks Division	8	3.9%	8	3.6%	8	3.6%	8	3.6%	8	3.5%
Recreation Division	2	1.0%	2	0.9%	2	0.9%	3	1.3%	3	1.3%
Golf Course Division	3	1.5%	3	1.4%	3	1.3%	3	1.3%	3	1.3%
Memorial Auditorium Division	5	2.4%	5	2.3%	5	2.2%	5	2.2%	5	2.2%
Total Culture and Recreation	18	8.7%	18	8.2%	18	8.1%	19	8.4%	19	8.3%
Education										
Component Unit (Public Library)	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Industrial Development										
Economic Development Division	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Social Welfare										
Community Development and Housing	3	1.5%	3	1.4%	4	1.8%	5	2.2%	6	2.6%
Total for Governmental-type Activities	160	77.7%	176	80.0%	179	80.3%	180	80.0%	183	80.3%
Business-type Activities										
Water-Wastewater Utility										
Water Treatment Division	9	4.2%	9	3.9%	9	3.9%	11	4.9%	11	4.8%
Water Distribution Division	12	5.6%	14	6.2%	14	6.1%	14	6.2%	14	6.1%
Wastewater Treatment Division	7	3.2%	7	3.0%	7	3.0%	6	2.7%	6	2.6%
Wastewater Collections Division	6	2.7%	6	2.5%	6	2.5%	5	2.2%	5	2.2%
Customer Service Division	6	2.9%	3	1.4%	3	1.3%	3	1.3%	3	1.3%
Total Water-Wastewater Utility	38	18.6%	37	17.0%	37	16.8%	39	17.3%	39	17.1%
Storm Water Utility										
Stormwater Division	8	3.7%	7	3.0%	7	3.0%	6	2.7%	6	2.6%
Total for Business-type Activities	46	22.3%	44	20.0%	44	19.7%	45	20.0%	45	19.7%
Total Full-time Employees	206	100.0%	220	100.0%	223	100.0%	225	100.0%	228	100.0%
Component Unit	8		8		8		8		9	

(Continued)

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

	2018		2019		2020		2021		2022	
	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
Governmental-type Activities										
Administration										
City Manager	3	1.3%	3	1.3%	3	1.3%	4	1.7%	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%	6	2.6%
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%	4	1.7%
Total Administration	17	7.4%	17	7.4%	17	7.3%	18	7.8%	17	7.4%
Public Safety										
Police Division	74	32.3%	74	32.0%	74	31.9%	74	31.9%	74	32.0%
Fire Division	35	15.3%	35	15.2%	35	15.1%	35	15.1%	35	15.2%
Building Services Division	3	1.3%	4	1.7%	4	1.7%	4	1.7%	5	2.2%
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%	6	2.6%
Total Public Safety	122	53.4%	123	53.3%	123	53.1%	123	53.0%	124	53.7%
Public Works										
Engineering Division	4	1.7%	4	1.7%	4	1.7%	3	1.3%	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	4.4%	10	4.3%	10	4.3%	10	4.3%	10	4.3%
Atkinson Airport Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Public Safety	21	9.2%	21	9.1%	21	9.1%	20	8.6%	19	8.2%
Sanitation and Health										
Mt. Olive Cemetery Division	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
Culture and Recreation										
Parks Division	8	3.5%	8	3.5%	8	3.4%	8	3.4%	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%	5	2.2%
Total Culture and Recreation	19	8.3%	19	8.2%	19	8.2%	19	8.2%	19	8.2%
Education										
Component Unit (Public Library)	-	0.0%	-	0.0%	-	0.0%				
Industrial Development										
Economic Development Division	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Social Welfare										
Community Development and Housing	6	2.6%	7	3.0%	7	3.0%	7	3.0%	7	3.0%
Total for Governmental-type Activities	186	81.2%	188	81.4%	188	81.0%	188	81.0%	187	81.0%
Business-type Activities										
Water-Wastewater Utility										
Water Treatment Division	10	4.4%	10	4.3%	10	4.3%	10	4.3%	10	4.3%
Water Distribution Division	13	5.7%	13	5.6%	14	6.0%	14	6.0%	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	16.2%	37	16.0%	38	16.4%	38	16.4%	38	16.5%
Storm Water Utility										
Stormwater Division	6	2.6%	6	2.6%	6	2.6%	6	2.6%	6	2.6%
Total for Business-type Activities	43	18.8%	43	18.6%	44	19.0%	44	19.0%	44	19.0%
Total Full-time Employees	229	100.0%	231	100.0%	232	100.0%	232	100.0%	231	100.0%
Component Unit	10		10		10		10		10	

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

Function/Program	2013	2014	2015	2016	2017
General government					
Building permits issued	527	510	1,068	1,264	1,297
Building inspections conducted	550	672	1,503	1,676	1,625
Memorial auditorium (events)	437	380	334	325	458
Police (1)					
Physical arrests	1,328	1,255	1,613	1,601	1,547
Parking violations	792	-	-	-	-
Traffic violations	1,916	1,685	2,249	2,596	2,124
Accident Reports	-	583	679	374	615
Fire					
Fire calls	287	109	111	122	150
Emergency calls/EMS	720	736	1,021	952	996
Other calls	887	1,496	1,302	1,355	1,175
Other public works					
Street resurfacing (tons of asphalt)	8,834	8,230	5,981	5,564	15,963
Airport (gallons sold)	191,721	188,070	209,364	215,365	196,381
Parks and recreation (2)					
Aquatic center (attendance)	18,460	18,105	28,615	19,330	19,126
Golf course (rounds of golf)	7,148	8,152	8,683	7,924	6,292
Water					
Average daily consumption (gallons)	2,282,000	2,086,733	2,059,320	2,236,650	2,072,758
Peak daily consumption (gallons)	6,059,000	4,111,000	3,964,000	3,421,000	3,123,000
Wastewater					
Average daily sewage treatment (gallons)	3,430,959	2,547,397	4,015,616	2,878,356	3,738,904

Function/Program	2018	2019	2020	2021	2022
General government					
Building permits issued	1,402	1,295	1,238	1,374	1,358
Building inspections conducted	2,141	2,301	2,200	2,701	1,522
Memorial auditorium (events)	505	501	126	276	320
Police (1)					
Physical arrests	1,452	1,514	794	1,114	1,030
Parking violations	-	-	-	-	-
Traffic violations	1,735	2,050	2,957	2,975	1,355
Accident Reports	569	518	373	445	375
Fire					
Fire calls	405	431	543	294	178
Emergency calls/EMS	900	1,023	816	687	1,250
Other calls	848	1,081	416	689	624
Other public works					
Street resurfacing (tons of asphalt)	11,233	19,738	19,242	5,614	-
Airport (gallons sold)	204,858	190,550	145,468	203,430	182,246
Parks and recreation (2)					
Aquatic center (attendance)	22,352	22,346	-	15,769	18,075
Golf course (rounds of golf)	7,031	6,864	7,204	9,790	19,234
Water					
Average daily consumption (gallons)	2,141,825	2,078,767	2,253,066	2,504,184	2,162,558
Peak daily consumption (gallons)	3,687,000	3,028,000	4,061,000	4,108,000	5,404,000
Wastewater					
Average daily sewage treatment (gallons)	3,136,164	5,235,890	4,563,288	4,412,877	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.
(2) The Aquatic Center did not open in 2020 due to COVID-19

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

Function/Program	2013	2014	2015	2016	2017
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	2,041	2,039	2,042	2,042	2,047
Traffic Signals	40	39	42	42	42
Parks and recreation					
Public parks	10	10	14	14	14
Swimming pools	2	2	2	2	2
Golf courses	1	1	1	1	1
Firsbee golf courses	-	-	2	2	2
Baseball/softball fields	9	9	9	9	9
Tennis courts	8	8	8	8	6
Pickle ball Courts	-	-	-	-	-
Community centers	3	3	3	3	2
Water					
Water mains (miles)	172	172	172	172	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	127	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

Function/Program	2018	2019	2020	2021	2022
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
Firsbee 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, 2022

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	$ 6,428	$ -
Total SNAP Cluster		6,428	-
Total U.S. Department of Agriculture		6,428	-
U.S. Department of Housing and Urban Development:			
Section 8 Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871	1,393,262	-
COVID 19 - Section 8 Housing Emergency Housing Vouchers	14.871	52,593	-
Total Section 8 Housing Voucher Cluster		1,445,855	-
Passed through Kansas Housing Resources Corporation:			
Emergency Solutions Grant	14.231	142,768	34,936
COVID-19 - Emergency Solutions Grant	14.231	32,545	20,734
Kansas Moderate Income Housing	14.231	5,191	-
HOME Investment Partnerships Program	14.239	73,558	-
Total U.S. Department of Housing and Urban Development		1,699,917	55,670
U.S. Department of the Interior:			
Passed through Kansas Department of Wildlife and Parks:			
Schlanger Splash Pad	15.914	4,908	-
Passed through Kansas Historical Society:			
Historic Preservation Downtown	15.916	104,411	-
Total U.S. Department of the Interior		109,319	-
U.S. Department of Justice:			
Acquisition of Less Lethal Law Enforcement Technology	16.753	235,290	-
Total U.S. Department of Justice		235,290	-
U.S. Department of Transportation:			
Passed through the Federal Aviation Administration:			
Airport Improvement Program	20.106	51,952	-
Passed through the Kansas Department of Transportation:			
Highway Safety Cluster:			
Alcohol Impaired Driving Countermeasures Incentive Grants	20.600	3,332	-
Total Highway Safety Cluster		3,332	-
Total U.S. Department of Transportation		55,284	-
U.S. Department of Treasury:			
Passed through the State of Kansas:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	504,236	-
Total U.S. Department of Treasury		504,236	-
U.S. Department of Health and Human Services:			
Passed through the Family Kansas Resource Center:			
Police Response Advocate	93.590	114,633	-
Total U.S. Department of Health and Human Services		114,633	-
Total expenditures of federal awards		$ 2,725,107	$ 55,670

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, 2022

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, 2022. 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, 2022

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:	
Assistance Listing Number	Name of Federal Program
14.871	Section 8 Housing Choice Vouchers
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

BT & Co. P.A.
Certified Public Accountants

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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, 2022, 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 5, 2023.

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.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

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 5, 2023
Topeka, Kansas

BT & Co. P.A.
Certified Public Accountants

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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, 2022. 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, 2022.

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.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

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 5, 2023
Topeka, Kansas