

The City of **Pittsburg, Kansas**
Annual Comprehensive
Financial Report
For The Year Ended December 31, 2024



ANNUAL COMPREHENSIVE FINANCIAL REPORT
CITY OF PITTSBURG, KANSAS

For the Fiscal Year Ended
December 31, 2024

Prepared by
DEPARTMENT OF FINANCE
City of Pittsburg, Kansas

CITY OF PITTSBURG, KANSAS
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
Year Ended December 31, 2024

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September 19, 2025

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, 2024. 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, 2024. 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 20,646. The City is located approximately 5 miles west of the Missouri border and 40 miles north of the Oklahoma border. The City of Pittsburg is empowered to levy a property tax on both real and personal property located within its boundaries. The City's current incorporated area is 13.1 square miles.

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

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

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

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

Factors Affecting Financial Condition

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

Local economy. The local economy is varied and diverse with the City's principal employers comprised of education, medical, manufacturing and retail. The area is also served by several financial institutions and insurance companies. Pittsburg State University is the area's major economic presence with a current enrollment of approximately 5,700 students.

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

The City also uses a five-year Capital Improvements Program (CIP) to plan for future capital expenditures. The CIP outlines by fiscal year the details of the City's capital projects and equipment needs. It also specifies the projected funding sources for these future periods.

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

Major initiatives for the year. Completed road widening and improvement on East Quincy Street between Joplin and Rouse. This project consisted of the removal of the existing roadway, the construction of the new roadway, relocating the water lines, pouring new concrete sidewalks, installing new storm sewer, grading and erosion control. Major utility projects completed for 2024 include the finalization of Waste Water Treatment Plant design, bid documents, and bid letting.

Major initiatives for the future. The City will be constructing a new wastewater treatment plant and new economic development projects with the construction of a new building for the Kansas Bureau of Investigations, expansion of EaglePicher's manufacturing facilities, and construction of a prove-out facility connected to PSU's Tyler Research Center all scheduled to begin in 2025. The City will begin the planning phase to implement a new financial management software at the end of 2026 or in early 2027.

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, 2023. This was the twenty-eighth 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



Jay Byers
Acting Director of Finance

CITY OF PITTSBURG, KANSAS
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2024

TITLE

NAME

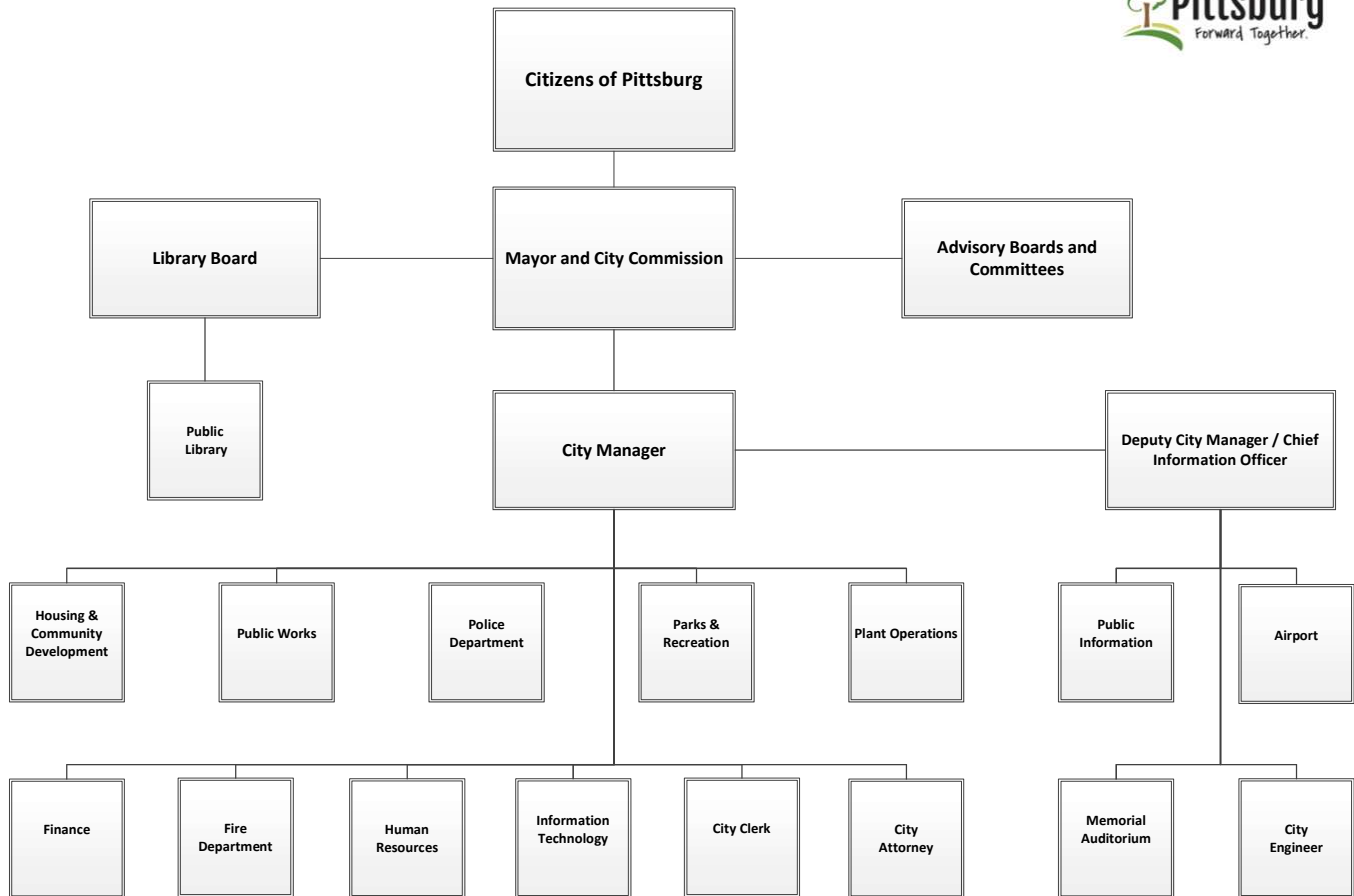
ELECTED:

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

APPOINTED:

City Manager	Daron Hall
Deputy City Manager	Jay Byers
City Attorney	Henry Menghini
City Clerk	Tammy Nagel
Director of Finance	Open
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, 2023

Christopher P. Morill

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
City Commissioners
City of Pittsburg, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pittsburg, Kansas (the City), as of and for the year ended December 31, 2024, 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, 2024, 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. 101, *Compensated Absences*. 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.

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 September 19, 2025, 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.

September 19, 2025
Topeka, Kansas

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Pittsburgh (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, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iii of this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

Financial Highlights

- The City earned \$22,750,495 from tax revenues in fiscal year 2024 including an increase of 7.2% in sales tax revenues due to increased retail sales over the prior fiscal year.
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2024 by \$106,365,578. Of this amount, \$7,416,461 is unrestricted in use.
- At the close of 2024, the City's general fund reports an ending fund balance of \$10,207,033 which is a decrease of \$4,192,829 compared to the prior fiscal year due to increased economic development projects including Gorilla Rising.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The statement of net position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

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

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

Fund Financial Statements

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

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

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

The City maintains twenty individual governmental funds. Major fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, street and highway fund, revolving loan fund, American rescue plan fund, capital projects, and the debt service fund. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 18-27 of this report.

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-74 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 75-78.

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 81-86 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

	2023		2024		2023		2024		2023		2024	
	Governmental		Governmental		Business-Type		Business-Type		Total Primary		Total Primary	
	Activities		Activities		Activities		Activities		Government		Government	
Current and other assets	\$	46,870,618	\$	45,276,495	\$	7,412,942	\$	8,658,050	\$	54,283,560	\$	53,934,545
Capital assets		56,086,088		57,145,240		49,007,119		48,906,489		105,093,207		106,051,729
Total assets		102,956,706		102,421,735		56,420,061		57,564,539		159,376,767		159,986,274
Deferred outflows of resources		4,112,078		3,620,196		567,325		556,005		4,679,403		4,176,201
Total assets and deferred outflows of resources		107,068,784		106,041,931		56,987,386		58,120,544		164,056,170		164,162,475
Long-term liabilities outstanding		33,896,670		30,615,880		8,725,966		8,850,630		42,622,636		39,466,510
Other liabilities		3,432,746		7,148,444		534,219		1,736,015		3,966,965		8,884,459
Total liabilities		37,329,416		37,764,324		9,260,185		10,586,645		46,589,601		48,350,969
Deferred inflows of resources		9,376,048		9,272,459		173,819		173,469		9,549,867		9,445,928
Total liabilities and deferred inflows of resources		46,705,464		47,036,783		9,434,004		10,760,114		56,139,468		57,796,897
Net position:												
Net investment in capital assets		38,520,668		40,852,733		42,576,541		41,609,904		81,097,209		82,462,637
Restricted		14,827,357		16,486,480		-		-		14,827,357		16,486,480
Unrestricted		7,015,295		1,665,935		4,976,841		5,750,526		11,992,136		7,416,461
Total net position	\$	60,363,320	\$	59,005,148	\$	47,553,382	\$	47,360,430	\$	107,916,702	\$	106,365,578

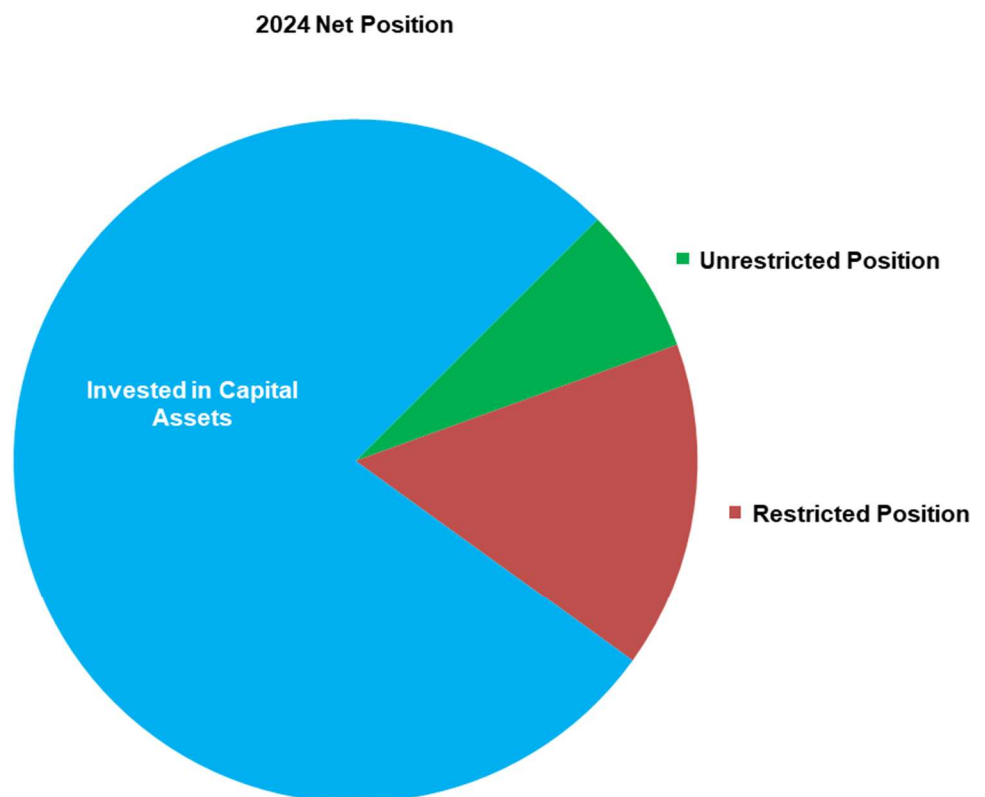
The accounting and financial reporting for pensions has an impact on deferred outflows of resources, deferred inflows of resources and the non-current liability. The City's net pension liability is \$17,016,861 as of December 31, 2024. This liability impacts the unrestricted net position of the City. For more information on the City's pensions and other post-employment benefits see pages 58-70 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 \$106,365,578 at the close of the 2024 fiscal year. Capital assets (land, buildings, machinery, equipment and infrastructure) represent 77.53% 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, 2024 restricted funds total \$16,486,480 or 15.50% 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 \$7,416,461 or 6.97% may be used to meet the City's ongoing obligations to citizens and creditors without outside restrictions.

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



Primary Government Activities

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

City of Pittsburg's Changes in Net Position

	2023	2024	2023	2024	2023	2024
	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 4,215,164	\$ 4,487,500	\$ 10,409,228	\$ 10,911,031	\$ 14,624,392	\$ 15,398,531
Operating grants and contributions	3,304,324	4,264,910	-	-	3,304,324	4,264,910
Capital grants and contributions	2,249,390	4,329,787	-	-	2,249,390	4,329,787
General revenues						
Taxes	21,542,398	22,750,495	-	-	21,542,398	22,750,495
Other	2,485,268	2,511,385	376,125	174,062	2,861,393	2,685,447
Total revenues	33,796,544	38,344,077	10,785,353	11,085,093	44,581,897	49,429,170
Expenses						
General government	6,421,961	8,162,848	-	-	6,421,961	8,162,848
Public safety	11,146,655	11,980,164	-	-	11,146,655	11,980,164
Public works	6,145,710	5,977,879	-	-	6,145,710	5,977,879
Sanitation and health	425,160	410,338	-	-	425,160	410,338
Culture and recreation	3,920,294	8,446,522	-	-	3,920,294	8,446,522
Industrial promotion	1,572,787	2,108,651	-	-	1,572,787	2,108,651
Economic development	50,853	901,403	-	-	50,853	901,403
Social welfare	2,127,200	2,136,047	-	-	2,127,200	2,136,047
Interest on long term debt	472,435	536,244	-	-	472,435	536,244
Water/wastewater utility	-	-	8,664,575	8,153,921	8,664,575	8,153,921
Stormwater utility	-	-	922,272	1,124,941	922,272	1,124,941
Property and Sanitation utility	-	-	-	397,148	-	397,148
Total expenses	32,283,055	40,660,096	9,586,847	9,676,010	41,869,902	50,336,106
Increase in net position before transfers	1,513,489	(2,316,019)	1,198,506	1,409,083	2,711,995	(906,936)
Transfers	1,582,318	1,410,877	(1,582,318)	(1,410,877)	-	-
Increase in net position	3,095,807	(905,142)	(383,812)	(1,794)	2,711,995	(906,936)
Net position, beginning	57,267,513	60,363,320	47,937,194	47,553,382	105,204,707	107,916,702
Change in accounting principle	-	(453,030)	-	(191,158)	-	(644,188)
Net position, ending	\$ 60,363,320	\$ 59,005,148	\$ 47,553,382	\$ 47,360,430	\$ 107,916,702	\$ 106,365,578

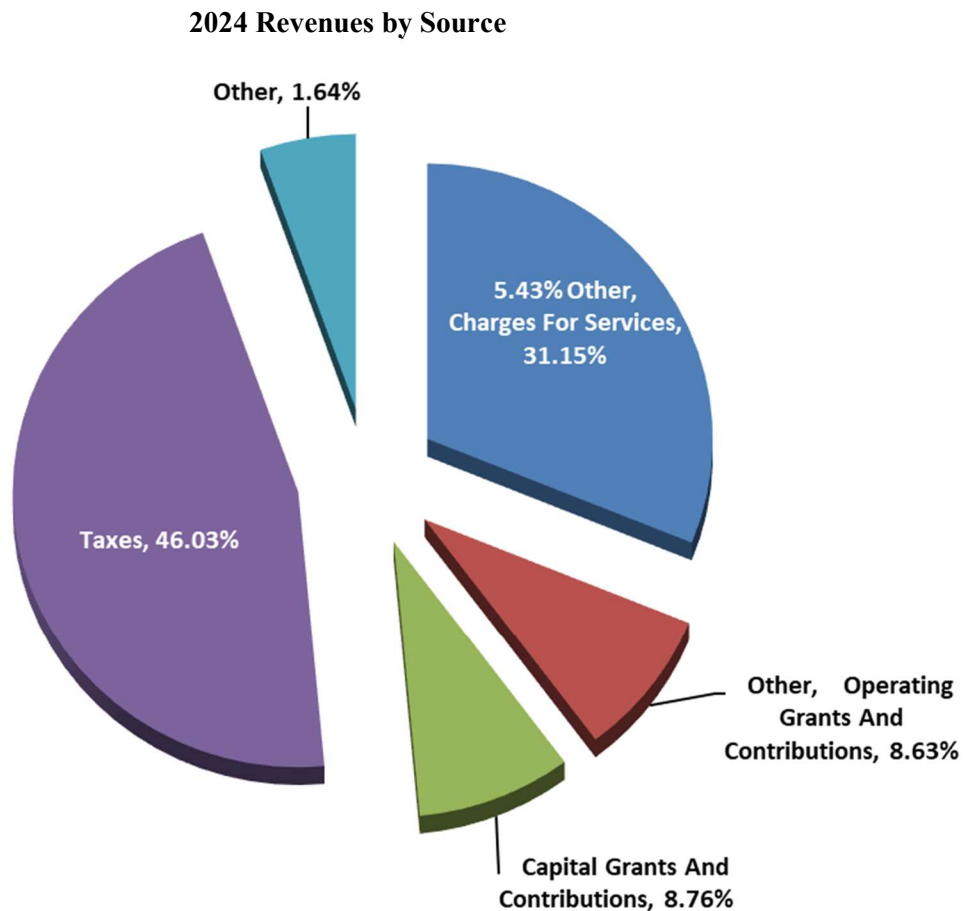
This section will provide a brief discussion and analysis of the major changes in the City's revenue sources and costs for services.

Governmental activities comprised 77.57% of the total revenues generated by the City and 80.78% of the City's expenses. Comparing 2024 to 2023, tax revenues increased by 5.6% with increases in property, sales and franchise taxes receipts due to increased assessed valuations, retail sales and electric utilities.

Governmental capital grants and contributions increased by 92.49% in 2024 due to the revenue received from the MIH-ARPA for the Smithsonian project and from the state for the Quincy street project.

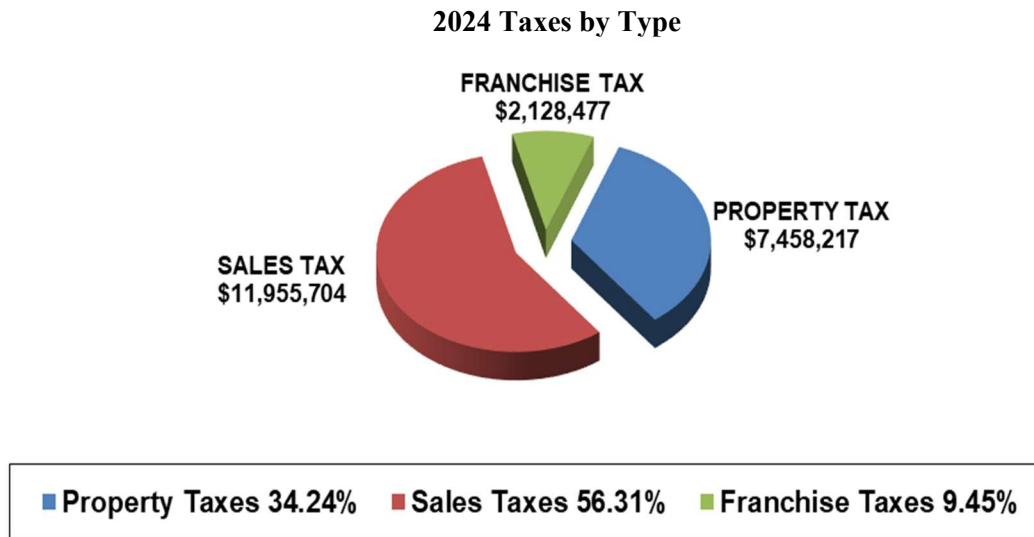
The governmental activities total expenses increased \$8,377,041 when comparing 2024 to 2023. In 2024 the increase in governmental activity expenses is primarily due to various special projects including the Quincy Street project and economic development projects including the Smithsonian and Gorilla Rising.

The following pie chart shows the composition of the 2024 primary government revenues.

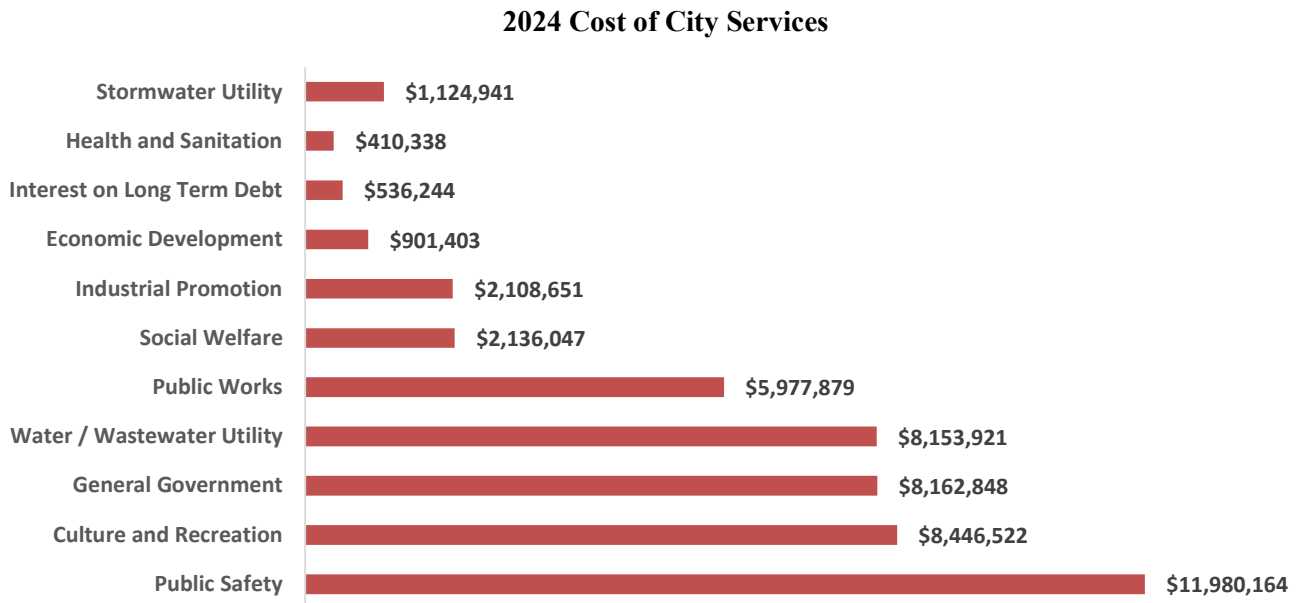


The components of the City's taxes are property tax, sales tax and franchise tax. Total tax revenues were \$22,750,495 in 2024 with sales tax being the City's largest tax revenue source.

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



The following bar graph shows the composition of the 2024 primary government expenses.



The City's public safety and culture and recreation activities are the dominant expense categories. These two activities account for 40.58% of the total cost of City services for 2024. The total cost of services of the City's primary government for 2024 is \$50,336,106. This represents an increase of \$8,466,204 (20.22%) compared to 2023. This increase is primarily due to the increase the completion of special projects and economic development projects.

The City's mill levy rate remained relatively flat due to the City Commission's desire to not raise the mill levy rate in 2024. The table below reflects the changes in the City's mill levy for the past two fiscal periods.

City of Pittsburgh's Mill Levy Rates

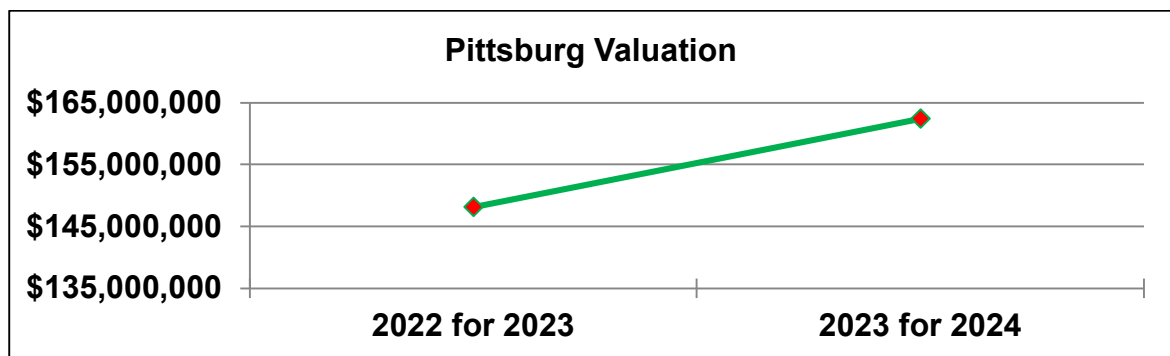
	2022 Levy to support 2023 Budget	2023 Levy to support 2024 Budget	Increase/ (Decrease) over prior year	% change
General fund	\$ 36.982	\$ 36.982	\$ -	0.00%
Debt service fund	7.910	7.910	-	0.00%
Component unit	6.004	6.004	-	0.00%
Total mill levy	<u>\$ 50.896</u>	<u>\$ 50.896</u>	<u>\$ -</u>	0.00%

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

City of Pittsburgh's Assessed Valuation

	2022 Valuation to support 2023 Budget	2023 Valuation to support 2024 Budget	Increase/ (Decrease) over prior year	% change
Real Property	\$ 136,592,082	\$ 151,103,371	\$ 14,511,289	10.62%
Personal Property	2,876,456	2,750,031	(126,425)	-0.04%
State Assessed	8,655,128	8,552,945	(102,183)	-0.01%
Total	<u>\$ 148,123,666</u>	<u>\$ 162,406,347</u>	<u>\$ 14,282,681</u>	9.64%

The change in assessed valuation increased significantly when comparing 2024 to 2023.



Analysis of the Fund Financial Statements

Governmental Funds

The City's governmental funds ending fund balances decreased by a total of \$2,048,229 from the prior year. The general fund decreased its fund balance by \$4,192,829, largely due to economic development incentives for projects including Gorilla Rising. The Street and Highway fund balance increased by \$1,734,488 in 2024 due to the timing of street projects. The revolving loan fund decreased by \$228,095 in 2024. In 2024 the American rescue fund balance remained at zero. The 2024 capital projects fund increased by \$184,207 due to the timing of capital projects. Lastly, the debt service fund ending balance increased by \$53,815.

Compared to 2023 the total governmental fund revenues before transfers increased by \$4,546,742 while the total governmental fund expenditures before transfers increased by \$5,274,396. The increase in revenues is due to grants for construction projects and expenditures is due to the initiation and continuation of projects started in prior fiscal years.

Before transfers, general fund revenues were up 13% and general fund expenditures were up 14% compared to 2023. The general fund revenues increased due to increased property, sales and franchise tax receipts. The general fund expenditures increased due to more economic development projects activity and increased information technology costs.

Proprietary Funds

The water and wastewater utility fund had an increase of \$1,250,791 in cash and cash equivalents for 2024. There was an increase of \$1,268,963 in current assets and an increase in current liabilities of \$115,377 compared to 2023. These changes contributed to an increase in unrestricted net position of \$773,685.

Utility infrastructure projects completed during 2024 include new water meters, and various sanitary sewer and water line improvements throughout the City and design of a new wastewater treatment plant.

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, 2024 was \$106,051,729, net of accumulated depreciation. The net capital assets increased by 0.9% from the 2023 total. Construction in progress for governmental activities increased in 2024 due to the ongoing airport apron reconstruction and Quincy street projects. Business-type activities also saw an increase in construction in progress due to the ongoing wastewater treatment plant new construction project.

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	
	2023	2024	2023	2024
Land	\$ 4,303,605	\$ 4,303,605	\$ 582,812	\$ 582,812
Buildings and improvements	14,502,202	13,891,978	14,886,664	14,246,286
Machinery and equipment	4,376,908	4,679,480	2,170,873	3,045,638
Leased assets	2,857,942	3,238,610	255,829	213,639
Infrastructure	22,579,623	20,991,270	28,159,059	27,229,603
Construction in progress	7,465,808	10,040,297	2,951,882	3,588,511
Total	<u>\$ 56,086,088</u>	<u>\$ 57,145,240</u>	<u>\$ 49,007,119</u>	<u>\$ 48,906,489</u>

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

Debt Administration

The following table reflects the City's outstanding long-term debt for the past two fiscal periods. The decrease in outstanding debt is due to the completion and expiration of the TIF.

City of Pittsburg's Outstanding Debt

	Governmental Activities		Business-Type Activities	
	2023	2024	2023	2024
General Obligation Bonds	\$ 8,089,990	\$ 6,846,540	\$ 2,705,010	\$ 2,208,460
Special Assessment Bonds	4,865,000	4,575,000	-	-
K.D.H.E. Construction Loans	-	-	3,285,066	3,748,637
Tax Increment Bonds (TIF)	-	-	-	-
Transportation Development District Bonds (TDD)	340,000	195,000	-	-
Notes Payable	1,548,216	1,498,596	13,258	972,706
Lease Obligations	2,490,625	2,977,058	258,308	221,980
Total	<u>\$ 17,333,831</u>	<u>\$ 16,092,194</u>	<u>\$ 6,261,642</u>	<u>\$ 7,151,783</u>

The City finances capital projects in a variety of ways: bond anticipation notes, general obligation bonds, special revenue bonds, intergovernmental grants and Kansas Department of Health and Environment (KDHE) loans. The City's most recent general obligation bonds are rated AA- by Standard and Poor's Ratings Services. Kansas State Statutes limit the amount of general obligation bonds a City can issue to 30% of its equalized tangible valuation. The current limitation for the City is \$49,195,812 which is significantly higher than the general obligation bond outstanding debt.

The City's outstanding general obligation bonds at December 31, 2024, totaled \$9,055,000; of this \$6,846,540 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 \$290,000 in 2024. 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 2024. 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 transportation development district (TDD) bonds are for infrastructure improvements in the TIF district of the City. The TDD bonds are to be repaid with a special 3/10 percent sales tax in the TIF district only. For additional information on outstanding debt, please refer to note 10 in the notes to basic financial statements on pages 51-58.

BASIC FINANCIAL STATEMENTS

CITY OF PITTSBURG, KANSAS
STATEMENT OF NET POSITION
December 31, 2024

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Library
Assets:				
Cash and cash equivalents	\$ 26,424,730	\$ 6,334,982	\$ 32,759,712	\$ 847,765
Restricted cash and investments	148,840	197,128	345,968	-
Receivables, net of allowance for uncollectibles:				
Taxes	10,485,930	-	10,485,930	1,011,435
Special assessments	5,239,843	-	5,239,843	-
Accounts	254,282	1,295,486	1,549,768	-
Intergovernmental	177,108	-	177,108	-
Interest	161,406	161,406	322,812	-
Loans receivable	1,535,900	-	1,535,900	-
Leases receivable	311,970	-	311,970	-
Internal balances	23,855	(23,855)	-	-
Inventory	76,716	628,629	705,345	-
Prepaid items	435,915	64,274	500,189	11,893
Capital assets, nondepreciable:				
Land	4,303,605	582,812	4,886,417	215,415
Construction in progress	10,040,297	3,588,511	13,628,808	-
Capital assets, net of accumulated depreciation/amortization:				
Building and improvements	13,891,978	14,246,286	28,138,264	1,598,521
Machinery and equipment	7,918,090	3,259,277	11,177,367	42,714
Infrastructure	20,991,270	27,229,603	48,220,873	-
Total assets	102,421,735	57,564,539	159,986,274	3,727,743
Deferred outflows of resources:				
Deferred outflows - pension	3,266,085	479,830	3,745,915	94,153
Deferred outflows - OPEB	354,111	76,175	430,286	19,927
Total deferred outflows of resources	3,620,196	556,005	4,176,201	114,080
Liabilities:				
Accounts payable and other current liabilities	1,846,754	335,307	2,182,061	29,179
Accrued interest payable	102,857	56,668	159,525	-
Liabilities payable from restricted cash	-	197,128	197,128	-
Unearned revenue	2,096,025	-	2,096,025	-
Noncurrent liabilities:				
Due within one year	3,102,808	1,146,912	4,249,720	4,678
Due in more than one year	30,615,880	8,850,630	39,466,510	510,485
Total liabilities	37,764,324	10,586,645	48,350,969	544,342
Deferred inflows of resources:				
Deferred inflows - pension	781,965	39,134	821,099	7,679
Deferred inflows - OPEB	624,469	134,335	758,804	35,141
Deferred inflows - property taxes	7,562,768	-	7,562,768	1,011,435
Deferred inflows - leases	303,257	-	303,257	-
Total deferred inflows of resources	9,272,459	173,469	9,445,928	1,054,255
Net position:				
Net investment in capital assets	40,852,733	41,609,904	82,462,637	1,856,650
Restricted for:				
Debt service	6,926,912	-	6,926,912	-
Housing	699,324	-	699,324	-
Street and highway	8,244,151	-	8,244,151	-
Other purposes	616,093	-	616,093	-
Unrestricted	1,665,935	5,750,526	7,416,461	386,576
Total net position	\$ 59,005,148	\$ 47,360,430	\$ 106,365,578	\$ 2,243,226

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

Functions/Program	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Government activities:				
General government	\$ 8,162,848	\$ 2,485,771	\$ 561,647	\$ 1,092,831
Public safety	11,980,164	261,851	259,623	-
Public works	5,977,879	725,005	148,832	3,146,301
Health and sanitation	410,338	-	-	-
Culture and recreation	8,446,522	941,344	984,983	90,655
Industrial promotion	2,108,651	72,361	-	-
Economic development	901,403	-	-	-
Social welfare	2,136,047	1,168	2,309,825	-
Interest on long-term debt	536,244	-	-	-
Total governmental activities	<u>40,660,096</u>	<u>4,487,500</u>	<u>4,264,910</u>	<u>4,329,787</u>
Business-type activities:				
Water/wastewater	8,153,921	9,880,245	-	-
Stormwater	1,124,941	897,936	-	-
Property and sanitation	397,148	132,850	-	-
Total business-type activities	<u>9,676,010</u>	<u>10,911,031</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 50,336,106</u>	<u>\$ 15,398,531</u>	<u>\$ 4,264,910</u>	<u>\$ 4,329,787</u>
Component unit:				
Public library	<u>\$ 1,078,360</u>	<u>\$ 2,304</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

CITY OF PITTSBURG, KANSAS
STATEMENT OF ACTIVITIES
(Continued)
Year Ended December 31, 2024

Functions/Program	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit Library
	Governmental Activities	Business-Type Activities	Total	
Government activities:				
General government	\$ (4,022,599)	\$ -	\$ (4,022,599)	\$ -
Public safety	(11,458,690)	-	(11,458,690)	-
Public works	(1,957,741)	-	(1,957,741)	-
Health and sanitation	(410,338)	-	(410,338)	-
Culture and recreation	(6,429,540)	-	(6,429,540)	-
Industrial promotion	(2,036,290)	-	(2,036,290)	-
Economic development	(901,403)	-	(901,403)	-
Social welfare	174,946	-	174,946	-
Interest on long-term debt	(536,244)	-	(536,244)	-
Total governmental activities	(27,577,899)	-	(27,577,899)	-
Business-type activities:				
Water/wastewater	-	1,726,324	1,726,324	-
Stormwater	-	(227,005)	(227,005)	-
Property and sanitation	-	(264,298)	(264,298)	-
Total business-type activities	-	1,235,021	1,235,021	-
Total primary government	(27,577,899)	1,235,021	(26,342,878)	-
Component unit:				
Public library	-	-	-	(1,076,056)
General revenues:				
Property taxes	7,788,755	-	7,788,755	1,041,686
Sales taxes	12,811,797	-	12,811,797	-
Franchise taxes	2,149,943	-	2,149,943	-
Unrestricted investment earnings	1,261,479	174,062	1,435,541	36,063
Miscellaneous	1,249,906	-	1,249,906	157,474
Transfers	1,410,877	(1,410,877)	-	-
Total general revenues and transfers	26,672,757	(1,236,815)	25,435,942	1,235,223
Change in net position	(905,142)	(1,794)	(906,936)	159,167
Net position, beginning of year	60,363,320	47,553,382	107,916,702	2,091,592
Restatement	(453,030)	(191,158)	(644,188)	(7,533)
Net position, beginning of year, as restated	59,910,290	47,362,224	107,272,514	2,084,059
Net position, end of year	\$ 59,005,148	\$ 47,360,430	\$ 106,365,578	\$ 2,243,226

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2024

	General	Street and Highway	Revolving Loans	American Rescue Plan	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:								
Cash and cash equivalents	\$ 8,715,348	\$ 7,535,899	\$ 5,057,955	\$ 2,080,124	\$ -	\$ 1,614,057	\$ 1,421,347	\$ 26,424,730
Receivables (net of allowance for uncollectibles):								
Taxes	8,100,765	624,190	312,095	-	38,915	1,359,603	50,362	10,485,930
Special assessments	-	-	-	-	-	5,239,843	-	5,239,843
Accounts	97,425	440	-	-	87,398	-	69,019	254,282
Intergovernmental	-	173,822	-	-	-	-	3,286	177,108
Interest	161,406	-	-	-	-	-	-	161,406
Restricted investments	-	-	-	-	-	148,840	-	148,840
Loans receivable	-	-	1,535,900	-	-	-	-	1,535,900
Leases receivable	188,242	-	123,728	-	-	-	-	311,970
Inventory	72,803	3,913	-	-	-	-	-	76,716
Prepaid items	65,932	2,786	367,197	-	-	-	-	435,915
Due from other funds	447,569	-	-	-	-	-	-	447,569
Total assets	\$ 17,849,490	\$ 8,341,050	\$ 7,396,875	\$ 2,080,124	\$ 126,313	\$ 8,362,343	\$ 1,544,014	\$ 45,700,209
Liabilities, deferred inflows of resources and fund balances:								
Liabilities:								
Accounts payable	\$ 494,205	\$ 67,198	\$ 139,864	\$ -	\$ 178,963	\$ -	\$ 156,460	\$ 1,036,690
Accrued payroll	497,056	23,002	-	-	-	-	7,611	527,669
Accrued self-insurance claims	56,301	-	-	-	-	-	-	56,301
Unearned revenue	-	-	-	2,080,124	-	-	15,901	2,096,025
Due to other funds	-	-	-	-	382,368	-	41,346	423,714
Other	181,084	-	-	-	25,915	-	19,095	226,094
Total liabilities	1,228,646	90,200	139,864	2,080,124	587,246	-	240,413	4,366,493
Deferred inflows of resources:								
Deferred inflows - property taxes	6,230,194	-	-	-	-	1,332,574	-	7,562,768
Deferred inflows - special assessments	-	-	-	-	-	5,239,843	-	5,239,843
Deferred inflows - leases	183,617	-	119,640	-	-	-	-	303,257
Total deferred inflows of resources	6,413,811	-	119,640	-	-	6,572,417	-	13,105,868
Fund balances:								
Nonspendable	138,735	6,699	367,197	-	-	-	-	512,631
Restricted:								
Debt service	-	-	-	-	-	1,789,926	-	1,789,926
Capital projects	-	8,244,151	-	-	-	-	-	8,244,151
Housing	-	-	-	-	-	-	699,324	699,324
Other	-	-	-	-	-	-	616,093	616,093
Assigned:								
Industrial promotion	41,313	-	6,770,174	-	-	-	-	6,811,487
Unassigned	10,026,985	-	-	-	(460,933)	-	(11,816)	9,554,236
Total fund balances	10,207,033	8,250,850	7,137,371	-	(460,933)	1,789,926	1,303,601	28,227,848
Total liabilities, deferred inflows of resources and fund balances	\$ 17,849,490	\$ 8,341,050	\$ 7,396,875	\$ 2,080,124	\$ 126,313	\$ 8,362,343	\$ 1,544,014	\$ 45,700,209

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, 2024

Total fund balance in Governmental Funds Balance Sheet		\$ 28,227,848
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	119,721,857	
Accumulated depreciation and amortization is	<u>(62,576,617)</u>	57,145,240
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.		
		3,620,196
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.		
		(1,406,434)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
		5,239,843
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	(1,302,681)	
Total OPEB liability	(1,447,344)	
Net pension liability	(14,676,157)	
General obligation bonds payable	(7,023,322)	
Special assessment bonds payable	(4,598,530)	
Notes payable - financed purchases	(1,498,596)	
Lease obligations payable	(2,977,058)	
Revenue bonds payable	(195,000)	
Accrued interest on the bonds	<u>(102,857)</u>	<u>(33,821,545)</u>
Net position of governmental activities		<u>\$ 59,005,148</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	General	Street and Highway	Revolving Loans	American Rescue Plan	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes:								
Property	\$ 6,416,327	\$ -	\$ -	\$ -	\$ -	\$ 1,372,428	\$ -	\$ 7,788,755
Sales	8,114,774	3,016,626	1,508,313	-	1,270	169,830	984	12,811,797
Franchise	2,149,943	-	-	-	-	-	-	2,149,943
Licenses and permits	360,523	-	-	-	-	-	-	360,523
Intergovernmental	656,986	783,729	-	40,339	3,578,904	-	3,400,453	8,460,411
Charges for services	3,638,857	-	-	-	92,000	-	-	3,730,857
Fines and forfeitures	258,929	-	-	-	-	-	-	258,929
Special assessments	27,216	-	-	-	-	453,898	-	481,114
Investment earnings	652,019	254,244	218,311	-	13,570	94,967	28,368	1,261,479
Lease income	-	-	72,361	-	-	-	-	72,361
Miscellaneous	765,703	257,649	31,675	-	86,825	-	259,717	1,401,569
Total revenues	<u>23,041,277</u>	<u>4,312,248</u>	<u>1,830,660</u>	<u>40,339</u>	<u>3,772,569</u>	<u>2,091,123</u>	<u>3,689,522</u>	<u>38,777,738</u>
Expenditures:								
Current:								
General government	7,180,801	-	-	-	-	-	-	7,180,801
Public safety	10,833,995	-	-	-	-	-	-	10,833,995
Public works	992,511	2,084,443	-	-	-	-	-	3,076,954
Sanitation and health	327,833	-	-	-	-	-	82,505	410,338
Economic development	-	-	-	-	-	-	863,868	863,868
Culture and recreation	6,709,898	-	-	-	-	-	-	6,709,898
Industrial promotion	14,909	-	1,805,879	-	38,826	-	-	1,859,614
Social welfare	-	-	-	-	-	-	2,136,047	2,136,047
Debt service:								
Principal	997,292	-	25,373	-	-	1,678,450	-	2,701,115
Interest	184,769	-	27,228	-	-	360,481	-	572,478
Debt issuance costs and other	8,873	-	-	-	-	1,750	-	10,623
Capital outlay	2,578,117	973,317	200,275	40,339	3,549,536	-	75,000	7,416,584
Total expenditures	<u>29,828,998</u>	<u>3,057,760</u>	<u>2,058,755</u>	<u>40,339</u>	<u>3,588,362</u>	<u>2,040,681</u>	<u>3,157,420</u>	<u>43,772,315</u>
Excess/deficiency of revenues over (under) expenditures	<u>(6,787,721)</u>	<u>1,254,488</u>	<u>(228,095)</u>	<u>-</u>	<u>184,207</u>	<u>50,442</u>	<u>532,102</u>	<u>(4,994,577)</u>
Other financing sources (uses):								
Notes payable - financed purchases	520,369	-	-	-	-	-	-	520,369
Notes payable - leases	1,015,102	-	-	-	-	-	-	1,015,102
Transfers in	1,731,917	480,000	-	-	-	3,373	-	2,215,290
Transfers out	(672,496)	-	-	-	-	-	(131,917)	(804,413)
Total other financing sources (uses)	<u>2,594,892</u>	<u>480,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,373</u>	<u>(131,917)</u>	<u>2,946,348</u>
Net change in fund balances	<u>(4,192,829)</u>	<u>1,734,488</u>	<u>(228,095)</u>	<u>-</u>	<u>184,207</u>	<u>53,815</u>	<u>400,185</u>	<u>(2,048,229)</u>
Fund balances, beginning of year	14,399,862	6,516,362	7,365,466	-	(645,140)	1,736,111	903,416	30,276,077
Fund balances, end of year	<u>\$ 10,207,033</u>	<u>\$ 8,250,850</u>	<u>\$ 7,137,371</u>	<u>\$ -</u>	<u>\$ (460,933)</u>	<u>\$ 1,789,926</u>	<u>\$ 1,303,601</u>	<u>\$ 28,227,848</u>

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, 2024

Net change in fund balances - total governmental funds		\$ (2,048,229)
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 capital outlay exceeds depreciation and amortization in the period.		
Capital outlay	3,680,733	
Depreciation and amortization expense	<u>(4,015,349)</u>	(334,616)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		433,653
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.		15,580
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	(71,739)	
Other postemployment benefits	31,826	
Pension	(175,485)	
Amortization of premiums	<u>31,277</u>	(184,121)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.		<u>1,212,591</u>
Change in net position of governmental activities		<u><u>\$ (905,142)</u></u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - NON-GAAP BASIS
GENERAL FUND
Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
Revenues:				
Taxes	\$ 20,741,430	\$ 20,741,430	\$ 16,327,658	\$ (4,413,772)
Intergovernmental	607,500	607,500	1,615,279	1,007,779
Licenses and permits	244,000	244,000	360,523	116,523
Charges for services	3,768,804	3,768,804	2,913,852	(854,952)
Fines and forfeitures	255,500	255,500	258,928	3,428
Interest	15,000	15,000	744,204	729,204
Miscellaneous	230,096	230,096	793,962	563,866
Total revenues	25,862,330	25,862,330	23,014,406	(2,847,924)
Expenditures:				
Principal	-	-	3,800,000	(3,800,000)
General government:				
General administration:				
Personnel services	1,163,655	1,163,655	1,146,152	17,503
Contractual services	226,180	226,180	248,075	(21,895)
Commodities	31,900	31,900	22,699	9,201
Capital outlay	-	-	8,873	(8,873)
Total general administration	1,421,735	1,421,735	1,425,799	(4,064)
Group hospitalization:				
Claims paid	1,958,832	1,958,832	2,729,660	(770,828)
Total group hospitalization	1,958,832	1,958,832	2,729,660	(770,828)
Human resources:				
Personnel services	210,022	210,022	206,784	3,238
Contractual services	162,145	162,145	144,519	17,626
Commodities	6,700	6,700	7,551	(851)
Total human resources	378,867	378,867	358,854	20,013
Information systems:				
Personnel services	415,668	415,668	420,978	(5,310)
Contractual services	314,315	314,315	1,141,357	(827,042)
Commodities	101,563	101,563	154,931	(53,368)
Capital outlay	55,000	55,000	117,223	(62,223)
Total information systems	886,546	886,546	1,834,489	(947,943)
Facility maintenance:				
Personnel services	207,509	207,509	209,735	(2,226)
Contractual services	12,855	12,855	6,669	6,186
Commodities	208,200	208,200	371,936	(163,736)
Capital outlay	-	-	79,718	(79,718)
Total facility maintenance	\$ 428,564	\$ 428,564	\$ 668,058	\$ (239,494)

(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, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
General government (continued):				
Municipal court:				
Personnel services	\$ 267,915	\$ 267,915	\$ 222,184	\$ 45,731
Contractual services	47,955	47,955	38,211	9,744
Commodities	8,000	8,000	13,556	(5,556)
Capital outlay	-	-	5,273	(5,273)
Total municipal court	323,870	323,870	279,224	44,646
Total general government	5,398,414	5,398,414	7,296,084	(1,897,670)
Public safety:				
Police department:				
Personnel services	5,205,888	5,205,888	4,829,790	376,098
Contractual services	791,360	791,360	835,744	(44,384)
Commodities	317,400	317,400	415,947	(98,547)
Capital outlay	447,000	447,000	297,194	149,806
Total police department	6,761,648	6,761,648	6,378,675	382,973
Fire department:				
Personnel services	2,753,487	2,753,487	2,857,861	(104,374)
Contractual services	224,089	224,089	180,211	43,878
Commodities	181,250	181,250	178,254	2,996
Capital outlay	534,734	534,734	564,265	(29,531)
Total fire department	3,693,560	3,693,560	3,780,591	(87,031)
Public safety - other:				
Building services:				
Personnel services	451,787	451,787	479,458	(27,671)
Contractual services	21,594	21,594	37,511	(15,917)
Commodities	23,355	23,355	15,563	7,792
Capital Outlay	-	-	53,621	(53,621)
Total building services	496,736	496,736	586,153	(89,417)
Codes enforcement:				
Personnel services	152,028	152,028	103,654	48,374
Contractual services	31,525	31,525	27,661	3,864
Commodities	8,500	8,500	17,871	(9,371)
Capital outlay	-	-	13,425	(13,425)
Total codes enforcement	\$ 192,053	\$ 192,053	\$ 162,611	\$ 29,442

(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, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
Public safety - other (continued):				
Animal control:				
Personnel services	\$ 108,663	\$ 108,663	\$ 105,669	\$ 2,994
Contractual services	28,773	28,773	25,549	3,224
Commodities	10,925	10,925	31,587	(20,662)
Capital outlay	-	-	14,578	(14,578)
Total animal control	148,361	148,361	177,383	(29,022)
Planning and housing:				
Personnel services	348,647	348,647	364,823	(16,176)
Contractual services	148,771	148,771	283,120	(134,349)
Commodities	3,000	3,000	6,817	(3,817)
Total planning and housing	500,418	500,418	654,760	(154,342)
Total public safety - other	1,337,568	1,337,568	1,580,907	(243,339)
Total public safety	11,792,776	11,792,776	11,740,173	52,603
Public works:				
Engineering department:				
Personnel services	171,052	171,052	136,354	34,698
Contractual services	133,595	133,595	66,677	66,918
Commodities	10,875	10,875	8,048	2,827
Capital outlay	141,278	141,278	281,901	(140,623)
Total engineering department	456,800	456,800	492,980	(36,180)
Atkinson Airport:				
Personnel services	185,756	185,756	183,020	2,736
Contractual services	86,752	86,752	113,471	(26,719)
Commodities	799,230	799,230	491,092	308,138
Capital outlay	44,017	44,017	107,361	(63,344)
Total Atkinson Airport	1,115,755	1,115,755	894,944	220,811
Total public works	\$ 1,572,555	\$ 1,572,555	\$ 1,387,924	\$ 184,631

(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, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
Sanitation and health:				
Mt. Olive Cemetery:				
Personnel services	\$ 60,602	\$ 60,602	\$ 51,551	\$ 9,051
Contractual services	177,345	177,345	238,340	(60,995)
Commodities	35,150	35,150	43,940	(8,790)
Capital outlay	2,321	2,321	-	2,321
Total sanitation and health	275,418	275,418	333,831	(58,413)
Culture and recreation:				
Parks and recreation:				
Personnel services	1,026,184	1,026,184	1,093,225	(67,041)
Contractual services	205,902	205,902	216,923	(11,021)
Commodities	150,450	150,450	134,808	15,642
Capital outlay	100,000	100,000	322,878	(222,878)
Total parks and recreation	1,482,536	1,482,536	1,767,834	(285,298)
Aquatic center:				
Personnel services	123,047	123,047	121,197	1,850
Contractual services	42,499	42,499	41,164	1,335
Commodities	64,700	64,700	68,717	(4,017)
Capital outlay	75,000	75,000	73,889	1,111
Total aquatic center	305,246	305,246	304,967	279
JC ballpark turf reserve:				
Capital outlay	2,500	2,500	-	2,500
Total JC ballpark turf reserve	2,500	2,500	-	2,500
Four Oaks Complex:				
Personnel services	330,560	330,560	370,260	(39,700)
Contractual services	73,523	73,523	55,785	17,738
Commodities	88,467	88,467	115,314	(26,847)
Capital outlay	420,000	420,000	203,339	216,661
Total Four Oaks Complex	912,550	912,550	744,698	167,852
Memorial Auditorium and Convention Center:				
Personnel services	459,630	459,630	393,012	66,618
Contractual services	131,065	131,065	176,985	(45,920)
Commodities	167,160	167,160	82,703	84,457
Capital outlay	80,000	80,000	30,268	49,732
Total Memorial Auditorium and Convention Center	\$ 837,855	\$ 837,855	\$ 682,968	\$ 154,887

(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, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
Culture and recreation (continued):				
Farmers market:				
Personnel services	\$ 5,329	\$ 5,329	\$ 7,796	\$ (2,467)
Contractual services	12,289	12,289	6,076	6,213
Commodities	1,000	1,000	3,526	(2,526)
Total farmers market	18,618	18,618	17,398	1,220
Total culture and recreation	3,559,305	3,559,305	3,517,865	41,440
Operating reserve	11,307,338	11,307,338	675	11,306,663
Total expenditures	33,905,806	33,905,806	28,076,552	5,829,254
Excess (deficiency) of revenues over (under) expenditures	(8,043,476)	(8,043,476)	(5,062,146)	2,981,330
Other financing sources (uses):				
Transfers in	1,600,000	1,600,000	1,731,917	131,917
Transfers out	(4,967,648)	(4,967,648)	(672,496)	4,295,152
Total other financing sources (uses)	(3,367,648)	(3,367,648)	1,059,421	4,427,069
Net change in fund balances	(11,411,124)	(11,411,124)	(4,002,725)	7,408,399
Fund balance, beginning of year	11,411,124	11,411,124	12,236,904	825,780
Fund balance, end of year	\$ -	\$ -	\$ 8,234,179	\$ 8,234,179

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, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
Revenues:				
Intergovernmental	\$ 765,000	\$ 765,000	\$ 780,981	\$ 15,981
Interest	5,000	5,000	254,244	249,244
Miscellaneous	250	250	257,649	257,399
Total revenues	770,250	770,250	1,292,874	522,624
Expenditures:				
Personnel services	686,910	686,910	603,334	83,576
Contractual services	565,797	565,797	480,273	85,524
Commodities	1,002,250	1,002,250	988,799	13,451
Capital outlay	3,100,000	3,100,000	195,372	2,904,628
Operating reserves	1,266,479	1,266,479	-	1,266,479
Total expenditures	6,621,436	6,621,436	2,267,778	4,353,658
Excess (deficiency) of revenues over (under) expenditures	(5,851,186)	(5,851,186)	(974,904)	4,876,282
Other financing sources:				
Transfer in	3,375,975	3,375,975	3,359,673	(16,302)
Net change in fund balances	(2,475,211)	(2,475,211)	2,384,769	4,859,980
Fund balance, beginning of year	2,694,579	2,694,579	5,084,727	2,390,148
Fund balance, end of year	\$ 219,368	\$ 219,368	\$ 7,469,496	\$ 7,250,128

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2024

	Water/ Wastewater	Stormwater	Property and Sanitation	Total Enterprise Funds
Assets:				
Current assets:				
Cash and cash equivalents	\$ 5,348,115	\$ 986,867	\$ -	\$ 6,334,982
Restricted cash - customer deposits	197,128	-	-	197,128
Accounts receivable, net of allowance for uncollectibles	1,196,985	42,447	56,054	1,295,486
Interest receivable	161,406	-	-	161,406
Inventory	628,629	-	-	628,629
Prepaid expenses	62,948	1,326	-	64,274
Total current assets	<u>7,595,211</u>	<u>1,030,640</u>	<u>56,054</u>	<u>8,681,905</u>
Noncurrent assets:				
Capital assets, nondepreciable:				
Land	474,742	108,070	-	582,812
Construction in progress	3,588,511	-	-	3,588,511
Capital assets, depreciable	83,840,014	7,083,001	736,485	91,659,500
Less accumulated depreciation/amortization	<u>(44,281,654)</u>	<u>(2,601,088)</u>	<u>(41,592)</u>	<u>(46,924,334)</u>
Total noncurrent assets	<u>43,621,613</u>	<u>4,589,983</u>	<u>694,893</u>	<u>48,906,489</u>
Total assets	<u>51,216,824</u>	<u>5,620,623</u>	<u>750,947</u>	<u>57,588,394</u>
Deferred outflows of resources:				
Deferred outflows - pension	387,946	66,952	24,932	479,830
Deferred outflows - OPEB	<u>60,540</u>	<u>11,775</u>	<u>3,860</u>	<u>76,175</u>
Total deferred outflows of resources	<u>448,486</u>	<u>78,727</u>	<u>28,792</u>	<u>556,005</u>
Total assets and deferred outflows of resources	<u>\$ 51,665,310</u>	<u>\$ 5,699,350</u>	<u>\$ 779,739</u>	<u>\$ 58,144,399</u>

(Continued)

CITY OF PITTSBURG, KANSAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
(Continued)
December 31, 2024

	Water/ Wastewater	Stormwater	Property and Sanitation	Total Enterprise Funds
Liabilities:				
Current liabilities:				
Accounts payable	\$ 141,795	\$ 2,146	\$ 66,685	\$ 210,626
Accrued payroll	91,370	16,803	16,508	124,681
Accrued interest payable	56,668	-	-	56,668
Customer deposits payable	197,128	-	-	197,128
Due to other funds	-	-	23,855	23,855
Current portion of total OPEB liability	439	85	28	552
Current portion of compensated absences	91,090	14,656	6,862	112,608
Current portion of notes payable - financed purchases	129,711	-	61,682	191,393
Current portion of general obligation bonds payable	413,460	-	-	413,460
Current portion of construction loans payable	324,794	-	-	324,794
Current portion of lease obligations payable	85,285	18,820	-	104,105
Total current liabilities	<u>1,531,740</u>	<u>52,510</u>	<u>175,620</u>	<u>1,759,870</u>
Noncurrent liabilities:				
Total OPEB liability	247,004	48,040	15,752	310,796
Net pension liability	1,582,038	273,034	101,676	1,956,748
Compensated absences	279,389	31,096	9,768	320,253
General obligation bonds payable	1,939,802	-	-	1,939,802
Construction loans payable	3,423,843	-	-	3,423,843
Financed purchases payable	427,534	-	353,779	781,313
Lease obligations payable	81,891	35,984	-	117,875
Total noncurrent liabilities	<u>7,981,501</u>	<u>388,154</u>	<u>480,975</u>	<u>8,850,630</u>
Total liabilities	<u>9,513,241</u>	<u>440,664</u>	<u>656,595</u>	<u>10,610,500</u>
Deferred inflows of resources:				
Deferred inflows - pension	31,640	5,461	2,033	39,134
Deferred inflows - OPEB	106,761	20,765	6,809	134,335
Total deferred inflows of resources	<u>138,401</u>	<u>26,226</u>	<u>8,842</u>	<u>173,469</u>
Total liabilities and deferred inflows of resources	<u>9,651,642</u>	<u>466,890</u>	<u>665,437</u>	<u>10,783,969</u>
Net position:				
Net investment in capital assets	36,795,293	4,535,179	279,432	41,609,904
Unrestricted	5,218,375	697,281	(165,130)	5,750,526
Total net position	<u>\$ 42,013,668</u>	<u>\$ 5,232,460</u>	<u>\$ 114,302</u>	<u>\$ 47,360,430</u>

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, 2024

	Water/ Wastewater	Stormwater	Property and Sanitation	Total Enterprise Funds
Operating revenues:				
Charges for sales and services:				
Water charges	\$ 5,118,782	\$ -	\$ -	\$ 5,118,782
Wastewater charges	4,449,698	-	-	4,449,698
Stormwater charges	-	895,774	-	895,774
Sanitation charges	-	-	132,759	132,759
Other charges	311,765	2,162	91	314,018
	<u>9,880,245</u>	<u>897,936</u>	<u>132,850</u>	<u>10,911,031</u>
Total operating revenues				
Operating expenses:				
Cost of sales and services	2,963,888	263,003	67,492	3,294,383
Administration	2,749,098	607,544	288,064	3,644,706
Depreciation and amortization	2,313,704	254,394	41,592	2,609,690
	<u>8,026,690</u>	<u>1,124,941</u>	<u>397,148</u>	<u>9,548,779</u>
Total operating expenses				
Operating income (loss)	<u>1,853,555</u>	<u>(227,005)</u>	<u>(264,298)</u>	<u>1,362,252</u>
Nonoperating revenues (expenses):				
Interest revenue	134,572	39,490	-	174,062
Interest expense	(126,043)	-	-	(126,043)
Loss on sale of capital assets	(1,188)	-	-	(1,188)
	<u>7,341</u>	<u>39,490</u>	<u>-</u>	<u>46,831</u>
Total nonoperating revenues (expenses)				
Income (loss) before transfers	1,860,896	(187,515)	(264,298)	1,409,083
Transfers in	-	-	378,600	378,600
Transfers out	(1,789,477)	-	-	(1,789,477)
	<u>71,419</u>	<u>(187,515)</u>	<u>114,302</u>	<u>(1,794)</u>
Change in net position				
Net position, beginning of year	42,123,755	5,429,627	-	47,553,382
Restatement	(181,506)	(9,652)	-	(191,158)
	<u>41,942,249</u>	<u>5,419,975</u>	<u>-</u>	<u>47,362,224</u>
Net position, beginning of year, as restated				
Net position, end of year	<u>\$ 42,013,668</u>	<u>\$ 5,232,460</u>	<u>\$ 114,302</u>	<u>\$ 47,360,430</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
Year Ended December 31, 2024

	Water/ Wastewater	Stormwater	Property and Sanitation	Total Enterprise Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 9,879,063	\$ 904,243	\$ 76,796	\$ 10,860,102
Payments to suppliers	(3,095,815)	(265,021)	(807)	(3,361,643)
Payments to employees	(2,656,233)	(564,908)	(157,420)	(3,378,561)
Net cash provided by (used in) operating activities	4,127,015	74,314	(81,431)	4,119,898
Cash flows from capital and related financing activities:				
Issuance of capitalization grant/construction loan payable	1,050,427	-	-	1,050,427
Payments of capitalization grant/construction loan payable	(586,856)	-	-	(586,856)
Acquisition and construction of capital assets	(1,714,851)	62,422	(736,485)	(2,388,914)
Issuance of notes payable - financed purchases	713,592	-	496,296	1,209,888
Principal paid on notes payable - financed purchases	(156,347)	(13,258)	(80,835)	(250,440)
Principal paid on lease obligations payable	(131,942)	(25,720)	-	(157,662)
Principal paid on general obligation bonds	(496,550)	-	-	(496,550)
Interest paid on capital debt	(158,705)	-	-	(158,705)
Net cash provided by (used in) capital and related financing activities	(1,481,232)	23,444	(321,024)	(1,778,812)
Cash flows from noncapital financing activities:				
Interest received	228,754	39,490	-	268,244
Cash flows from noncapital financing activities:				
Transfers in	-	-	402,455	402,455
Transfers out	(1,789,477)	-	-	(1,789,477)
Net cash provided by (used in) noncapital financing activities	(1,789,477)	-	402,455	(1,387,022)
Net increase in cash and cash equivalents	1,085,060	137,248	-	1,222,308
Cash and cash equivalents, beginning of year	4,460,183	849,619	-	5,309,802
Cash and cash equivalents, end of year	\$ 5,545,243	\$ 986,867	\$ -	\$ 6,532,110

(Continued)

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
(Continued)
Year Ended December 31, 2024

	Water/ Wastewater	Stormwater	Stormwater	Total Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 1,853,555	\$ (227,005)	\$ (264,298)	\$ 1,362,252
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization expense	2,313,704	254,394	41,592	2,609,690
Changes in assets and liabilities:				
Decrease (increase) in accounts receivable	27,301	6,307	(56,054)	(22,446)
Decrease (increase) in inventory	(90,282)	-	-	(90,282)
Decrease (increase) in prepaid expenses	(31,052)	2,943	-	(28,109)
Decrease (increase) in deferred outflows - pension	87,634	12,770	(24,932)	75,472
Decrease (increase) in deferred outflows - OPEB	(50,323)	(9,969)	(3,860)	(64,152)
Increase (decrease) in accounts payable	(10,593)	(4,961)	66,685	51,131
Increase (decrease) in accrued payroll	18,407	5,849	16,508	40,764
Increase (decrease) in customer deposits	(28,483)	-	-	(28,483)
Increase (decrease) in compensated absences payable	884	13,171	16,630	30,685
Increase (decrease) in deferred inflows - pension	5,157	1,022	2,033	8,212
Increase (decrease) in deferred inflows - OPEB	(14,660)	(711)	6,809	(8,562)
Increase (decrease) in net pension liability	(23,038)	3,974	101,676	82,612
Increase (decrease) in net OPEB liability	68,804	16,530	15,780	101,114
Net cash provided by (used in) operating activities	<u>\$ 4,127,015</u>	<u>\$ 74,314</u>	<u>\$ (81,431)</u>	<u>\$ 4,119,898</u>
Noncash capital and investing activities:				
Right-to-use assets acquired through lease obligations	<u>\$ 50,070</u>	<u>\$ 42,219</u>	<u>\$ -</u>	<u>\$ 92,289</u>
Cash consists of:				
Cash and cash equivalents	\$ 5,348,115	\$ 986,867	\$ -	\$ 6,334,982
Restricted cash	<u>197,128</u>	<u>-</u>	<u>-</u>	<u>197,128</u>
	<u>\$ 5,545,243</u>	<u>\$ 986,867</u>	<u>\$ -</u>	<u>\$ 6,532,110</u>

See accompanying notes to basic financial statements.

CITY OF PITTSBURG, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024

1 - Summary of Significant Accounting Policies

Reporting Entity

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

Discretely Presented Component Unit

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

Government-Wide Financial Statements

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

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

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

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

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

The City reports the following major proprietary funds:

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

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

Property and Sanitation Fund – The property and sanitation fund is used to account for the operation and maintenance activities of the City's solid waste 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, the stormwater fund, and the property and sanitation fund are charges to customers for sales and services. Operating expenses for the water/wastewater fund, the stormwater fund, and the property and sanitation 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

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

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, 2024, interest earnings allocated to the various funds were \$ 1,435,541.

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	\$ 6,230,194
General fund leases receivable	183,617
Street and highway fund leases receivable	119,640
Debt service fund property taxes receivable	1,332,574
Debt service fund special assessments receivable	5,239,843
	<hr/>
	\$ 13,105,868
	<hr/> <hr/>

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 2024 levy was based was \$ 162,427,572.

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

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

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 2024 tax levy per \$ 1,000 of assessed valuation was as follows:

General Fund	\$ 36.977
Debt Service Fund	7.909
Component unit:	
Library	6.003
	<hr/>
	\$ 50.889
	<hr/>

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 \$ 5,000 and an

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

estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in service concession arrangements are recorded at acquisition value. Right-to-use lease assets are measured as discussed below.

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

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

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

Deferred Outflow/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has several items that qualify for reporting in this category. The governmental funds balance sheet reports deferred inflows from property taxes, special assessments and leases receivable. Deferred inflows from property taxes and leases receivable are also reported in the governmental activities in the statement of net position. *Deferred inflows for pension* and *deferred inflows for OPEB* are reported in the government-wide and proprietary funds statements of net position. See Note 11 and Note 12 for more information on the deferred inflows for the pension and OPEB plans, respectively.

Compensated Absences

It is the City's policy to permit employees to accrue vacation and sick leave in varying amounts. Certain employees also accrue compensatory time. The government-wide and proprietary funds financial statements recognize liability for accrued compensated absences for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability is also recognized for leave that has been used but not yet paid in cash or settled through noncash means. In the

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

governmental fund financial statements, a liability is accrued for the amount that normally would be liquidated with expendable available financial resources.

Leases

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

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

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

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

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

The City is a lessor for leases of buildings and land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

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

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

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

Long-Term Obligations

In the government-wide financial statements and proprietary 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, 2024, 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).

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

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

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

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 Standards

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

GASB statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. This Statement enhances 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.

GASB statement No. 101, *Compensated Absences*. This Statement better meets 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. Beginning net position was adjusted by the adoption of this statement.

Pending Governmental Accounting Standards Board Statements

At December 31, 2024, 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. 102, *Certain Risk Disclosures* – The statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. That objective is achieved by assessing whether a concentration or constraint makes the primary government reporting units vulnerable to the risk of substantial impact. This Statement will become effective for the City in the fiscal year ended December 31, 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this statement will become effective for the City in the fiscal year ended December 31, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34 and additional disclosures for capital assets held for sale. The requirements of this Statement will become effective for the City in the fiscal year ended December 31, 2026.

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

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 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.” The details of this \$ 1,212,591 difference are as follows:

Debt issued or incurred:	
Notes payable - financed purchases	\$ (520,369)
Lease obligations payable	(1,015,101)
Principal repayments:	
General obligation bonds	1,533,450
Notes payable - financed purchases	569,989
Lease obligations payable	499,622
Revenue bonds	<u>145,000</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u><u>\$ 1,212,591</u></u>

3 - Stewardship, Compliance and Accountability

Budgetary Information

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

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

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 2024.

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 2024, the City amended the budget for the Section 8 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.

In fiscal year 2024, actual expenditures exceeded budget expenditures in the Section 8 Fund which is a violation of KSA. 79-2935.

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.

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

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	\$ (4,192,829)	\$ 1,734,488
Change in:		
Taxes receivable	(298,837)	(136,953)
Grants receivable	235,000	(2,747)
Interest receivable	94,182	-
Lease receivable	184	-
Inventories	1,206	-
Prepaid items	16,185	5,939
Encumbrances	(16,654)	777,945
Salaries payable	107,243	6,097
Health care payable	51,595	-
Net change in fund balances, non-GAAP basis	<u>\$ (4,002,725)</u>	<u>\$ 2,384,769</u>

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, 2024, 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.

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

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, 2024, the City had the following investments:

Level 1 Investment	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
Goldman Sachs Financial Square Government Fund	\$ 148,840	\$ 148,840	\$ -	\$ -	\$ -

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, 2024.

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, 2024, the City's investments were not exposed to custodial credit risk.

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

At December 31, 2024, the City's deposit and investment balances were as follows:

	Carrying Amount		
	City	Component Unit - Public Library	Total
Cash and cash equivalents	\$ 32,759,712	\$ 847,765	\$ 33,607,477
Restricted cash and cash equivalents	345,968	-	345,968
	<u>\$ 33,105,680</u>	<u>\$ 847,765</u>	<u>\$ 33,953,445</u>

6 - Loans Receivable

Loans receivable, aggregating \$ 1,535,900 at December 31, 2024, 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, 2024, the value of the lease receivable is \$ 150,275. 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, 2024 was \$ 146,015, and the City recognized lease revenue of \$ 38,937 during the fiscal year. The lessee has one extension option for 48 months.

The City entered into a 62-month lease as lessor for the use of Atkinson Airport Hangar - Land. An initial lease receivable was recorded in the amount of \$ 12,735. As of December 31, 2024, the value of the lease receivable is \$ 5,392. 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, 2024 was \$ 5,340, 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, 2024, the value of the lease receivable is \$ 123,728. 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, 2024 was \$ 119,640, 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, 2024, the value of the lease receivable is \$ 32,575. 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, 2024 was \$ 32,262 and the City recognized lease revenue of \$ 13,350 during the fiscal year.

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

8 - Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

Primary Government	Balance at 12/31/2023	Increase	Decrease	Transfers	Balance at 12/31/2024
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 4,303,605	\$ -	\$ -	\$ -	\$ 4,303,605
Construction in progress	7,465,808	2,574,489	-	-	10,040,297
Total capital assets not being depreciated	11,769,413	2,574,489	-	-	14,343,902
Other capital assets:					
Capital assets, being depreciated:					
Building and improvements	39,006,153	207,897	-	-	39,214,050
Machinery and equipment	14,406,195	1,328,793	(3,318,803)	-	12,416,185
Infrastructure	49,419,546	-	-	-	49,419,546
Total capital assets being depreciated	102,831,894	1,536,690	(3,318,803)	-	101,049,781
Less accumulated depreciation for:					
Building and improvements	24,503,951	818,121	-	-	25,322,072
Machinery and equipment	10,029,287	1,003,387	(3,295,969)	-	7,736,705
Infrastructure	26,839,923	1,588,353	-	-	28,428,276
Total accumulated depreciation	61,373,161	3,409,861	(3,295,969)	-	61,487,053
Leased assets being amortized:					
Leased assets - machinery and equipment	3,342,951	1,015,102	-	(29,879)	4,328,174
Less accumulated amortization - machinery and equipment	485,009	605,488	-	(933)	1,089,564
Total leased assets being amortized, net	2,857,942	409,614	-	(28,946)	3,238,610
Other capital assets, net	44,316,675	(1,463,557)	(22,834)	(28,946)	42,801,338
Governmental activities capital assets, net	\$ 56,086,088	\$ 1,110,932	\$ (22,834)	\$ (28,946)	\$ 57,145,240

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

Primary Government	Balance at 12/31/2023	Increase	Decrease	Transfers	Balance at 12/31/2024
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 582,812	\$ -	\$ -	\$ -	\$ 582,812
Construction in progress	2,951,882	636,629	-	-	3,588,511
Total capital assets not being depreciated	3,534,694	636,629	-	-	4,171,323
Capital assets, being depreciated:					
Building and improvements	30,995,827	28,000	-	-	31,023,827
Machinery and equipment	7,411,676	1,570,393	(326,025)	-	8,656,044
Infrastructure	51,222,838	216,444	-	-	51,439,282
Total capital assets being depreciated	89,630,341	1,814,837	(326,025)	-	91,119,153
Less accumulated depreciation for:					
Building and improvements	16,109,163	668,378	-	-	16,777,541
Machinery and equipment	5,240,803	631,987	(262,384)	-	5,610,406
Infrastructure	23,063,779	1,145,900	-	-	24,209,679
Total accumulated depreciation	44,413,745	2,446,265	(262,384)	-	46,597,626
Leased assets being amortized:					
Leased assets - machinery and equipment	418,179	92,289	-	29,879	540,347
Less accumulated amortization - machinery and equipment	162,350	163,425	-	933	326,708
Total leased assets being amortized, net	255,829	(71,136)	-	28,946	213,639
Other capital assets, net	45,472,425	(702,564)	(63,641)	28,946	44,735,166
Business-type activities capital assets, net	\$ 49,007,119	\$ (65,935)	\$ (63,641)	\$ 28,946	\$ 48,906,489

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

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

Governmental activities:	
General government	\$ 168,896
Public safety	1,146,169
Public works	1,469,542
Economic development	45,960
Culture and recreation	1,184,782
	<hr/>
Total depreciation and amortization expense - governmental activities	\$ 4,015,349
	<hr/>
Business-type activities:	
Water/wastewater	\$ 2,313,704
Stormwater	254,394
Sanitation	41,592
	<hr/>
Total depreciation and amortization expense - business-type activities	\$ 2,609,690
	<hr/>

Amortization expense of \$ 605,488 and \$ 163,425 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, 2024 was as follows:

	Balance at 12/31/2023	Increase	Decrease	Balance at 12/31/2024
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets, not being depreciated				
Land	\$ 215,415	\$ -	\$ -	\$ 215,415
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets not being depreciated	215,415	-	-	215,415
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets, being depreciated:				
Building and improvements	3,643,808	-	-	3,643,808
Machinery and equipment	161,309	33,599	(54,188)	140,720
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets being depreciated	3,805,117	33,599	(54,188)	3,784,528
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation for:				
Building and improvements	1,969,916	75,371	-	2,045,287
Machinery and equipment	114,685	37,509	(54,188)	98,006
	<hr/>	<hr/>	<hr/>	<hr/>
Total accumulated depreciation	2,084,601	112,880	(54,188)	2,143,293
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets being depreciated, net	1,720,516	(79,281)	-	1,641,235
	<hr/>	<hr/>	<hr/>	<hr/>
Business-type activities capital assets, net	\$ 1,935,931	\$ (79,281)	\$ -	\$ 1,856,650
	<hr/>	<hr/>	<hr/>	<hr/>

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

9 - Capital Projects

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

Following is a summary of costs to December 31, 2024 for capital projects compared to the amount authorized:

	<u>Costs to Date</u>	<u>Amount Authorized</u>
Airport projects	\$ 2,610,260	\$ 2,610,260
Road and bridge projects	7,253,848	8,529,425
Wastewater	<u>3,588,511</u>	<u>63,315,677</u>
	<u>\$ 13,452,619</u>	<u>\$ 74,455,362</u>

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, 2024 are comprised of the following issues:

General Obligation Bonds	Interest Rates	Original Issue	Final Maturity Date	Principal Payments During 2024	Outstanding December 31, 2024
Governmental activities:					
Series 2014-A	1.50% to 2.65%	\$ 3,398,395	2025	\$ 373,450	\$ 176,540
Series 2016-A	2.00%	5,000,000	2031	330,000	2,510,000
Series 2019-A	2.30% to 5.00%	2,100,000	2029	210,000	1,155,000
Series 2022-A	3.00%	3,625,000	2032	<u>330,000</u>	<u>3,005,000</u>
				<u>1,243,450</u>	<u>6,846,540</u>
Business-type activities:					
Series 2014-A	1.50% to 2.65%	1,606,605	2025	176,550	83,460
Series 2015-A	3.00%	6,370,000	2030	<u>320,000</u>	<u>2,125,000</u>
				<u>496,550</u>	<u>2,208,460</u>
				<u>\$ 1,740,000</u>	<u>\$ 9,055,000</u>
Special assessment bonds:					
Governmental activities:					
Series 2016-B	2.00% to 3.25%	6,500,000	2037	<u>\$ 290,000</u>	<u>\$ 4,575,000</u>

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

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

General Obligation Bonds	Installment Range	
	Low	High
Governmental activities:		
Series 2014-A	\$ 176,540	\$ 176,540
Series 2016-A	335,000	385,000
Series 2019-A	215,000	250,000
Series 2022-A	335,000	415,000
Business-type activities:		
Series 2014-A	83,460	83,460
Series 2015-A	330,000	380,000
Special assessment bonds:		
Governmental activities:		
Series 2016-B	295,000	420,000

The future annual requirements for general obligation bonds outstanding as of December 31, 2024 are as follows:

Year	General Obligation Bonds				Special Assessment Bonds	
	Governmental Activities		Business-type Activities		Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,061,540	\$ 177,068	\$ 413,460	\$ 65,962	\$ 295,000	\$ 127,542
2026	910,000	147,040	335,000	53,850	305,000	121,348
2027	945,000	124,680	350,000	43,800	310,000	114,638
2028	970,000	101,145	360,000	33,300	320,000	107,508
2029	995,000	76,725	370,000	22,500	330,000	99,828
2030 - 2034	1,965,000	96,150	380,000	11,400	1,790,000	358,308
2035 - 2037	-	-	-	-	1,225,000	80,437
	<u>\$ 6,846,540</u>	<u>\$ 722,808</u>	<u>\$ 2,208,460</u>	<u>\$ 230,812</u>	<u>\$ 4,575,000</u>	<u>\$ 1,009,609</u>

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

Construction Loans Payable

During 2010, the City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow \$ 2,508,311 to finance the improvements to the City's wastewater system. The loan will be repaid over twenty years at an interest rate of 2.83%. The outstanding balance of \$ 518,723 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, 2024 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 73,769	\$ 12,911
2026	75,871	10,994
2027	78,033	9,023
2028	80,257	6,995
2029	82,545	4,910
2030 - 2031	128,248	3,324
	<u>\$ 518,723</u>	<u>\$ 48,157</u>

During 2006, the City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow \$ 4,447,522 to finance improvements to the wastewater system. The loan will be repaid over twenty years at an interest rate of 2.67%. The outstanding balance of \$ 688,939 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, 2024 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 223,583	\$ 15,328
2026	229,592	9,882
2027	235,764	4,289
	<u>\$ 688,939</u>	<u>\$ 29,499</u>

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

The City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Public Water Supply Loan Fund. The agreement enabled the City to borrow \$ 554,592 to finance improvements to the water system. The loan will be repaid over twenty years at an interest rate of 2.49%. The outstanding balance of \$ 324,987 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, 2024 are as follows:

Year	Principal	Interest
2025	\$ 27,442	\$ 6,809
2026	28,130	6,218
2027	28,834	5,612
2028	29,557	4,991
2029	30,297	4,355
2030 - 2034	163,262	11,654
2035	17,465	187
	\$ 324,987	\$ 39,826

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, 2024, the City has drawn \$ 2,758,216 on this loan. The outstanding balance of \$ 2,215,988 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 2024 principal and interest for the revenue bonds was \$ 158,920 and the pledged revenues recognized for 2024 were \$ 169,830. The bonds are considered a special, limited obligation of the City secured by a pledge of the sales tax revenues. The bonds are not a general obligation of the City, nor do they go against the City's debt limit.

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

The future annual requirements for Transportation Development District Sales Tax Revenue bonds outstanding as of December 31, 2024 are as follows:

	Principal	Interest	Total
2025	\$ 110,000	\$ 8,880	\$ 118,880
2026	70,000	3,480	73,480
2027	15,000	360	15,360
	<u>\$ 195,000</u>	<u>\$ 12,720</u>	<u>\$ 207,720</u>

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.

Notes Payable – Financed Purchases

The City entered into various notes payable – financed purchase agreements for the acquisition of certain equipment in the amount of \$ 3,535,045. The annual debt service requirements to service the outstanding notes payable – financed purchases at December 31, 2024 are as follows:

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 367,709	\$ 64,736	\$ 191,393	\$ 45,789
2026	383,320	49,123	200,437	36,745
2027	361,715	32,810	209,908	27,274
2028	108,157	17,291	219,827	17,355
2029	50,311	13,732	73,867	6,968
2030 - 2033	227,384	28,788	77,274	3,562
	<u>\$ 1,498,596</u>	<u>\$ 206,480</u>	<u>\$ 972,706</u>	<u>\$ 137,693</u>

Lease Obligations Payable

The City entered into a 56-month lease as lessee for the use of Toshiba Copiers. An initial lease liability was recorded in the amount of \$ 72,732. As of December 31, 2024, the value of the lease liability is \$ 28,651. The City is required to make monthly fixed payments of \$ 1,373. The lease has an interest rate of 0.686%. The value of the right to use asset as of December 31, 2024 of \$ 77,006 with accumulated amortization of \$ 48,807 is included with Equipment in the capital asset schedule in Note 8. The City has the option to purchase the equipment for \$ 66,425.

CITY OF PITTSBURG, KANSAS
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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, 2024, the value of the lease liability is \$ 1,529,638. The City is required to make annual fixed payments of \$ 52,601. The lease has an interest rate of 1.751%. The value of the right to use asset as of December 31, 2024 of \$ 1,625,905 with accumulated amortization of \$ 112,606 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, 2024, the lease liability has been paid in full. The lease has an interest rate of 1.8510%. The value of the right to use asset as of December 31, 2024 of \$ 499,182 with accumulated amortization of \$ 213,935 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, 2024, the lease liability has been paid in full. 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, 2024 of \$ 61,030 with accumulated amortization of \$ 26,156 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, 2024, the lease liability has been paid in full. 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, 2024 of \$ 454,184 with accumulated amortization of \$ 454,184 is included with Equipment in the capital asset schedule in Note 8.

On August 1, 2023, the City entered into a 36 month lease as lessee for the use of Fleet Vehicles. An initial lease liability was recorded in the amount of \$ 1,043,824. As of December 31, 2024, the value of the lease liability is \$ 657,786. The City is required to make monthly fixed payments of \$ 34,481. The lease has an interest rates varying by vehicle ranging from 0.6783% to 0.7392%. The value of the right to use asset as of December 31, 2024 of \$ 1,043,824 with accumulated amortization of \$ 417,572 is included with Equipment in the capital asset schedule in note 8.

In 2024, the City entered into various leases with 36 to 60 months lease as lessee for the use of Fleet Vehicles. An initial lease liability was recorded in the amount of \$ 1,107,390. As of December 31, 2024, the value of the lease liability is \$ 982,963. The City is required to make monthly fixed payments ranging from \$ 504 to \$ 1,280. The lease has interest rates varying by vehicle ranging from 0.5767% to 0.7100%. The value of the right to use asset as of December 31, 2024 of \$ 1,107,390 with accumulated amortization of \$ 143,012 is included with Equipment in the capital asset schedule in note 8.

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

The annual debt service requirements to service the outstanding lease obligations payable at December 31, 2024 are as follows:

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 552,032	\$ 155,881	\$ 104,105	\$ 27,007
2026	494,233	139,858	88,228	22,824
2027	270,821	79,747	19,872	4,845
2028	168,014	58,682	9,022	2,238
2029	96,006	42,014	753	187
2030 - 2034	145,808	117,198	-	-
2035 - 2039	159,028	103,978	-	-
2040 - 2044	173,447	89,558	-	-
2045 - 2049	189,174	73,832	-	-
2050 - 2054	206,326	56,680	-	-
2055 - 2059	225,034	37,972	-	-
2060 - 2064	245,438	17,568	-	-
2065	51,697	905	-	-
	<u>\$ 2,977,058</u>	<u>\$ 973,873</u>	<u>\$ 221,980</u>	<u>\$ 57,101</u>

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Restatement	Beginning Balance, as restated	Additions / Transfers	Deletions / Transfers	Ending Balance	Amounts Due Within One Year
Governmental activities:							
Bonds payable:							
General obligation bonds	\$ 8,089,990	\$ -	\$ 8,089,990	\$ -	\$ 1,243,450	\$ 6,846,540	\$ 1,061,540
Plus bond premium	206,098	-	206,098	-	29,316	176,782	-
Net general obligation bonds	<u>8,296,088</u>	<u>-</u>	<u>8,296,088</u>	<u>-</u>	<u>1,272,766</u>	<u>7,023,322</u>	<u>1,061,540</u>
Special assessment bonds	4,865,000	-	4,865,000	-	290,000	4,575,000	295,000
Plus bond premium	25,491	-	25,491	-	1,961	23,530	-
Net special assessment bonds	<u>4,890,491</u>	<u>-</u>	<u>4,890,491</u>	<u>-</u>	<u>291,961</u>	<u>4,598,530</u>	<u>295,000</u>
Transportation development district sales tax revenue bonds - direct borrowing	340,000	-	340,000	-	145,000	195,000	110,000
Notes payable - financed purchases - direct borrowing	1,548,216	-	1,548,216	520,369	569,989	1,498,596	367,709
Lease obligations payable - direct borrowing	2,490,625	-	2,490,625	1,015,101	528,668	2,977,058	552,032
Total OPEB liability	951,282	-	951,282	442,537	36,983	1,356,836	2,726
Total OPEB liability - KPERS	87,772	-	87,772	17,868	15,132	90,508	-
Net pension liability	14,514,284	-	14,514,284	161,873	-	14,676,157	-
Compensated absences	777,912	453,030	1,230,942	649,677	577,938	1,302,681	713,801
	<u>20,710,091</u>	<u>453,030</u>	<u>21,163,121</u>	<u>2,807,425</u>	<u>1,873,710</u>	<u>22,096,836</u>	<u>1,746,268</u>
Governmental activities long-term liabilities	<u>\$ 33,896,670</u>	<u>\$ 453,030</u>	<u>\$ 34,349,700</u>	<u>\$ 2,807,425</u>	<u>\$ 3,438,437</u>	<u>\$ 33,718,688</u>	<u>\$ 3,102,808</u>

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

	Beginning Balance	Restatement	Beginning Balance, as restated	Additions / Transfers	Deletions / Transfers	Ending Balance	Amounts Due Within One Year
Business-type activities:							
Bonds payable:							
General obligation bonds	\$ 2,705,010	\$ -	\$ 2,705,010	\$ -	\$ 496,550	\$ 2,208,460	\$ 413,460
Plus bond premium	168,936	-	168,936	-	24,134	144,802	-
Net general obligation bonds	2,873,946	-	2,873,946	-	520,684	2,353,262	413,460
Construction loans payable - direct borrowing	3,285,066	-	3,285,066	1,050,427	586,856	3,748,637	324,794
Notes payable - financed purchases - direct borrowing	13,258	-	13,258	1,209,888	250,440	972,706	191,393
Lease obligations payable - direct borrowing	258,308	-	258,308	92,289	128,617	221,980	104,105
Total OPEB liability	194,279	-	194,279	105,084	7,484	291,879	552
Total OPEB liability - KPERS	15,955	-	15,955	5,383	1,869	19,469	-
Net pension liability	1,874,136	-	1,874,136	82,612	-	1,956,748	-
Compensated absences	211,018	191,158	402,176	108,144	77,459	432,861	112,608
Business-type activity long- term liabilities	<u>\$ 8,725,966</u>	<u>\$ 191,158</u>	<u>\$ 8,917,124</u>	<u>\$ 2,653,827</u>	<u>\$ 1,573,409</u>	<u>\$ 9,997,542</u>	<u>\$ 1,146,912</u>
Component unit activities:							
Total OPEB liability	\$ 61,562	\$ -	\$ 61,562	\$ 16,854	\$ 2,059	\$ 76,357	152
Total OPEB liability - KPERS	5,574	-	5,574	1,077	1,556	5,095	-
Net pension liability	473,174	-	473,174	-	89,218	383,956	-
Compensated absences	45,706	7,533	53,239	-	3,484	49,755	4,526
Component unit activity long-term liabilities	<u>\$ 586,016</u>	<u>\$ 7,533</u>	<u>\$ 593,549</u>	<u>\$ 17,931</u>	<u>\$ 96,317</u>	<u>\$ 515,163</u>	<u>\$ 4,678</u>

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

Conduit Debt Obligations

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

Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2024, Industrial Revenue Bonds outstanding had an aggregate principal amount payable of \$ 13,672,410.

11 - Defined Benefit Pension Plan

General Information About the Pension Plan

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

CITY OF PITTSBURG, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
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- 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.

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

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, 2024.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for KPERS and 23.10% for KP&F for the year ended December 31, 2024. Contributions to the Pension Plan from the City were \$ 749,144 for KPERS and \$ 1,055,435 for KP&F for the year ended December 31, 2024.

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

At December 31, 2024, the City reported a liability of \$ 16,632,905 and the Library reported a liability of \$ 383,956 for their proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2024, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024.

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

CITY OF PITTSBURG, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
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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, 2024. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2024 the City's proportion for KPERS was 0.335%, which was a decrease of 0.005% from its proportion measured as of June 30, 2023. At June 30, 2024, the City's proportion for KP&F was 0.621%, which was an increase of 0.013% from its proportion as of June 30, 2023.

For the year ended December 31, 2024, the City recognized pension expense of \$ 1,059,573 for KPERS and \$ 1,476,879 for KP&F. The Library's portion of the KPERS pension expense was \$ 60,483. At December 31, 2024, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	City	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,674,622	\$ -
Net difference between projected and actual earnings on pension plan investments	88,424	-
Changes in assumptions	141,260	821,099
Changes in proportionate share	934,210	-
Contributions subsequent to measurement date	907,399	-
Total	<u>\$ 3,745,915</u>	<u>\$ 821,099</u>

	Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 46,706	\$ -
Net difference between projected and actual earnings on pension plan investments	2,352	-
Changes in assumptions	885	7,679
Changes in proportionate share	23,208	-
Contributions subsequent to measurement date	21,002	-
Total	<u>\$ 94,153</u>	<u>\$ 7,679</u>

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

The \$ 907,399 for the City and the \$ 21,002 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, 2025. 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
2025	\$ 511,803	\$ 18,100
2026	1,318,866	38,719
2027	145,070	7,312
2028	41,678	1,341
Total	<u>\$ 2,017,417</u>	<u>\$ 65,472</u>

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2023 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 15.50 percent
Long-term rate of return net of investment expense, and including price inflation	7.00 percent

Mortality rates were based on the Pub 2010 Mortality Mortality Tables, with age setbacks and age set forwards based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study which covered the four-year period ending December 31, 2022. The experience study is dated January 29, 2024.

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 29, 2024 are summarized in the following table:

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NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Asset Class	Long-Term Target Allocation	Long-Term Expected Rate of Return
Global Equities	43%	8.20%
Private Equities	11%	12.00%
Real Estate	15%	5.70%
Yield Driven	12%	5.30%
Infrastructure	3%	6.80%
Core Fixed Income	13%	2.20%
Short-term investments	3%	0.03%
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	\$ 9,737,886	\$ 6,726,329	\$ 4,209,491
KP&F	13,553,770	9,906,576	6,856,489
Total	\$ 23,291,656	\$ 16,632,905	\$ 11,065,980

	Library		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
KPERS	\$ 555,862	\$ 383,956	\$ 240,288

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NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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

12 - Other Postemployment Benefits

Health Insurance

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

The City provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statutes, which may be amended by the state legislature, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125 percent of the premium cost for other similarly situated employees. The City requires participating retirees to contribute approximately 85 percent of the blended premium cost of active employees up to age 65 (including the employer and employee share). 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 2024, the City did not contribute to the Plan.

At December 31, 2024, Plan membership consisted of the following:

Active employees	210
Retirees and covered spouses	5
	<hr/>
	215
	<hr/> <hr/>

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NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

The total OPEB liability was measured as of December 31, 2024 and was determined by an actuarial valuation as of December 31, 2024. Changes in the total OPEB liability are as follows:

	City	Library	Total
Balance at 1/1/2024	\$ 1,145,561	\$ 61,562	\$ 1,207,123
Service cost	73,051	3,383	76,434
Interest	49,135	2,276	51,411
Benefit payments	3,278	152	3,430
Changes in assumptions	422,157	11,043	433,200
Differences between expected and actual experience	(44,467)	(2,059)	(46,526)
Balance at 12/31/2024	<u>\$ 1,648,715</u>	<u>\$ 76,357</u>	<u>\$ 1,725,072</u>

The total OPEB liability in the December 31, 2023 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, 2024
Actuarial cost method	Entry age normal as a level percentage of payroll
Inflation rate	2.50%
Salary increases	2.75%
Discount rate	4.28%
Healthcare cost trend rates	7.25% for 2025, decreasing 0.25% per year to an ultimate rate of 4.50% for 2036 and later years
Current rate	7.25%
Ultimate rate	4.50%
Year ultimate rate is reached	2036

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 4.00% to 4.28%.
2. Premium equivalent and retiree contribution rates were increased.

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

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

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
Total OPEB liability - City	\$ 1,847,247	\$ 1,648,715	\$ 1,473,221
Total OPEB liability - Library	85,551	76,357	68,229

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	\$ 1,426,421	\$ 1,648,715	\$ 1,918,259
Total OPEB liability - Library	66,062	76,357	88,840

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

For the year ended December 31, 2024, the City recognized OPEB expense of \$ 43,071. At December 31, 2024, 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	\$ 422,722	\$ 174,424	\$ 19,577	\$ 8,078
Differences between expected and actual experience	-	459,695	-	21,289
	<u>\$ 422,722</u>	<u>\$ 634,119</u>	<u>\$ 19,577</u>	<u>\$ 29,367</u>

CITY OF PITTSBURG, KANSAS
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(Continued)

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

Year Ended June 30,	City	Library
2025	\$ (81,022)	\$ (3,752)
2026	(81,022)	(3,752)
2027	(81,417)	(3,771)
2028	(47,005)	(2,177)
2029	(12,913)	(598)
Thereafter	91,982	4,260
Total	<u>\$ (211,397)</u>	<u>\$ (9,790)</u>

Disability Benefits and Life Insurance

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

Employer contributions are established and may be amended by state statute. Members are not required to contribute. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2024 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.

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

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

As of the valuation date of December 31, 2023, the following employees were covered by the benefit terms.

Active employees	151
Disabled members	-
	<u>151</u>

The total OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation performed as of December 31, 2023.

	City	Library	Total
Balance at 1/1/2024	\$ 103,727	\$ 5,574	\$ 109,301
Service cost	17,049	790	17,839
Interest	4,435	205	4,640
Effect of economic/demographic gains or losses	(17,001)	(1,556)	(18,557)
Changes of assumptions/methodology	1,767	82	1,849
Balance at 12/31/2024	<u>\$ 109,977</u>	<u>\$ 5,095</u>	<u>\$ 115,072</u>

The total OPEB liability in the December 31, 2023 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, 2023
Actuarial cost method	Entry age normal as a level percentage of payroll
Inflation rate	2.75%
Salary increases	2.75%
Payroll growth	3.00%
Discount rate	3.93%
Mortality rates	Local Males: General Below Median Employees +0 Local Females: General Below Median Employees +1 Generational mortality improvements were projected for future years using MP-2021

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

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

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2019 through December 31, 2022.

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

1. The demographic assumptions have been updated based upon the most recent KPERs experience study.
2. The discount rate was updated in accordance with the requirements of GASB 75.
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 (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate:

	City		
	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability - City	\$ 114,619	\$ 109,977	\$ 105,077
Total OPEB liability - Library	5,308	5,095	4,866

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

	Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase
Total OPEB liability - City	\$ 109,977	\$ 109,977	\$ 109,977
Total OPEB liability - Library	5,095	5,095	5,095

For the year ended December 31, 2024, the City recognized OPEB expense of \$ 1,458. At December 31, 2024, 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	\$ -	\$ 97,118	\$ -	\$ 4,498
Changes in assumptions	7,564	27,567	350	1,276
	<u>\$ 7,564</u>	<u>\$ 124,685</u>	<u>\$ 350</u>	<u>\$ 5,774</u>

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

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

Year Ended June 30,	City	Library
2025	\$ (20,091)	\$ (930)
2026	(19,952)	(924)
2027	(18,825)	(872)
2028	(16,325)	(756)
2029	(14,406)	(667)
Thereafter	(27,522)	(1,275)
Total	<u>\$ (117,121)</u>	<u>\$ (5,424)</u>

Aggregate Other Postemployment Healthcare Benefit Information

The aggregate amount of OPEB expenses for the two OPEB plans for the year ended December 31, 2024 was \$ 44,529 for the City.

	Balances at December 31, 2024		
	Health Insurance	Disability Benefits and Life Insurance	Total
City:			
Total OPEB liability	\$ 1,648,715	\$ 109,977	\$ 1,758,692
Total deferred outflows of resources	422,722	7,564	430,286
Total deferred inflows of resources	634,119	124,685	758,804
Library:			
Total OPEB liability	76,357	5,095	81,452
Total deferred outflows of resources	19,577	350	19,927
Total deferred inflows of resources	29,367	5,774	35,141

13 - Risk Management

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

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

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

transactions of the health insurance plan are accounted for in the Group Hospitalization department in the General Fund and are subsequently allocated to various departments and/or funds. The rates are based on past historical costs for individual and family coverage and expected future claims. The claims liability of \$ 56,301 reported at December 31, 2024 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, 2024 and 2023 are as follows:

	2024	2023
Unpaid claims, January 1	\$ 4,706	\$ 13,019
Incurred claims (including IBNRs)	1,888,303	1,427,627
Claim payments	(1,836,708)	(1,435,940)
Unpaid claims, December 31	<u>\$ 56,301</u>	<u>\$ 4,706</u>

14 - Interfund Activity

Interfund transfers reflect the flow of resources from one fund to another fund, generally from the fund in which the resources are received or reside to the fund in which the resources will be expended. Interfund transfers for the year ended December 31, 2024, consisted of the following:

Fund	Transfers In	Transfers Out
Major governmental funds:		
General	\$ 1,731,917	\$ 672,496
Debt service	3,373	-
Street and highway	480,000	-
Nonmajor governmental funds	-	131,917
Major proprietary funds:		
Water/wastewater	-	1,789,477
Property and sanitation	378,600	-
	<u>\$ 2,593,890</u>	<u>\$ 2,593,890</u>

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

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

At December 31, 2024, due to/from other funds were recorded as a result of elimination of negative cash balances caused by project timing. Due to/from balances consisted of the following:

Fund	Due To	Due From
Major governmental funds:		
General	\$ -	\$ 447,569
Capital projects	382,368	-
Nonmajor governmental funds	41,346	-
Major proprietary funds:		
Property and Sanitation fund	23,855	-
	\$ 447,569	\$ 447,569

15 - Commitments and Contingencies - Encumbrances

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At December 31, 2024, the City's encumbrances were recorded as follows:

General fund	\$ 41,313
Capital projects fund	25,635
Water/wastewater fund	15,864
	\$ 82,812
Total encumbrances	\$ 82,812

16 - Contingencies

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

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

17 - Tax Abatements

The City negotiates property tax abatement agreements on an individual basis. The City has tax abatement agreements with six entities as of December 31, 2024:

<u>Entity</u>	<u>Amount of Taxes Abated During the Fiscal Year</u>
Millers, Inc.	\$ 70,199
E & J Investments, LLC	18,947
La Quinta Inn & Suites	73,200
Kendall Packaging Corporation	34,987
Atkinson Industries, Inc.	3,004
Rallison, LP (Progressive Products)	16,031
	<hr/>
Total	\$ 216,368
	<hr/>

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

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

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

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

18 - Subsequent Events

In February 2025, the City entered into a construction commitment with Crossland Construction Company, Inc. for improvements to the Wastewater Treatment Plant in the amount of \$ 59,727,166. In addition, in March 2025 the City issued \$ 5,630,000 of Taxable General Obligation Bonds, Series 2025-A, to finance a new economic development construction project.

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 Ten Fiscal Years

	2024	2023	2022	2021	2020
City's proportion of the collective net position liability:					
KPERS	0.335%	0.340%	0.345%	0.342%	0.351%
KP&F	0.621%	0.608%	0.700%	0.700%	0.737%
City's proportionate share of the collective net pension liability	\$ 17,016,861	\$ 16,861,594	\$ 16,955,087	\$ 10,788,007	\$ 15,172,209
City's covered payroll	\$ 12,098,759	\$ 11,339,232	\$ 10,836,008	\$ 10,306,272	\$ 10,580,091
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	141%	149%	156%	105%	143%
Plan fiduciary net position as a percentage of the total pension liability	72.75%	70.70%	69.75%	76.40%	66.30%
	2019	2018	2017	2016	2015
City's proportion of the collective net position liability:					
KPERS	0.353%	0.352%	0.357%	0.349%	0.355%
KP&F	0.750%	0.777%	0.819%	0.822%	0.799%
City's proportionate share of the collective net pension liability	\$ 12,527,470	\$ 12,387,128	\$ 12,849,413	\$ 13,043,469	\$ 10,471,737
City's covered payroll	\$ 10,518,770	\$ 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	119%	122%	129%	129%	112%
Plan fiduciary net position as a percentage of the total pension liability	69.88%	68.88%	67.12%	65.10%	64.95%

CITY OF PITTSBURG, KANSAS
Schedule of the City's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
KPERS contractually required contribution	\$ 749,144	\$ 645,643	\$ 630,242	\$ 573,389	\$ 552,871
KP&F contractually required contribution	1,055,435	978,451	954,576	903,465	861,851
Contributions in relation to the contractually required contribution	<u>(1,804,579)</u>	<u>(1,624,094)</u>	<u>(1,584,818)</u>	<u>(1,476,854)</u>	<u>(1,414,722)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 12,596,628	\$ 11,806,620	\$ 11,233,650	\$ 10,425,041	\$ 10,351,298
Contributions as a percentage of covered payroll	14.33%	13.76%	14.11%	14.17%	13.67%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
KPERS contractually required contribution	\$ 586,773	\$ 533,338	\$ 525,818	\$ 552,205	\$ 583,953
KP&F contractually required contribution	911,891	795,471	744,524	893,395	959,523
Contributions in relation to the contractually required contribution	<u>(1,498,664)</u>	<u>(1,328,809)</u>	<u>(1,270,342)</u>	<u>(1,445,600)</u>	<u>(1,543,476)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,720,980	\$ 10,316,358	\$ 10,127,727	\$ 9,954,433	\$ 10,133,030
Contributions as a percentage of covered payroll	13.98%	12.88%	12.54%	14.52%	15.23%

CITY OF PITTSBURG, KANSAS
Schedule of Changes in the City's Total
OPEB Liability and Related Ratios
Last Eight Fiscal Years¹

	2024	2023	2022	2021
Total OPEB liability:				
Service cost	\$ 76,434	\$ 69,618	\$ 100,221	\$ 104,227
Interest	51,411	48,920	32,774	28,401
Benefit paid	3,430	4,945	(93,765)	(17,502)
Difference between expected and actual experience	(46,526)	(20,070)	(199,008)	(37,569)
Changes in assumptions	433,200	40,792	(180,607)	(50,300)
Net change in total OPEB liability	517,949	144,205	(340,385)	27,257
Total OPEB liability--beginning	1,207,123	1,062,918	1,403,303	1,376,046
Total OPEB liability--ending	<u>\$ 1,725,072</u>	<u>\$ 1,207,123</u>	<u>\$ 1,062,918</u>	<u>\$ 1,403,303</u>
Covered-employee payroll	\$ 10,815,951	\$ 11,086,142	\$ 8,900,793	\$ 8,128,198
City's total OPEB liability as a percentage of covered-employee payroll	15.95%	10.89%	11.94%	17.26%
	2020	2019	2018	2017
Total OPEB liability:				
Service cost	\$ 93,475	\$ 89,327	\$ 119,636	\$ 101,402
Interest	52,541	55,069	58,337	61,974
Benefit paid	4,781	(104,260)	(64,261)	(108,229)
Difference between expected and actual experience	(342,415)	(327,940)	-	-
Changes in assumptions	51,831	(100,181)	5,856	-
Net change in total OPEB liability	(139,787)	(387,985)	119,568	55,147
Total OPEB liability--beginning	1,515,833	1,903,818	1,784,250	1,729,103
Total OPEB liability--ending	<u>\$ 1,376,046</u>	<u>\$ 1,515,833</u>	<u>\$ 1,903,818</u>	<u>\$ 1,784,250</u>
Covered-employee payroll	\$ 8,493,758	\$ 8,468,953	\$ 8,812,378	\$ 8,812,378
City's total OPEB liability as a percentage of covered-employee payroll	16.20%	17.90%	21.60%	20.25%

¹GASB 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 Seven Fiscal Years¹

	2024	2023	2022
Total OPEB liability:			
Service cost	\$ 17,839	\$ 16,018	\$ 25,947
Interest	4,640	4,072	3,663
Difference between expected and actual experience	(18,557)	(9,274)	(35,529)
Changes in assumptions	1,849	(537)	(38,708)
Net change in total OPEB liability	5,771	10,279	(44,627)
Total OPEB liability, beginning	109,301	99,022	143,649
Total OPEB liability, ending	<u>\$ 115,072</u>	<u>\$ 109,301</u>	<u>\$ 99,022</u>
Covered-employee payroll	\$ 7,272,202	\$ 6,926,497	\$ 6,243,067
Total OPEB liability as a percentage of covered-employee payroll	1.58%	1.58%	1.59%

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

¹GASB 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.

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

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

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

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

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

(Continued)

GOVERNMENTAL FUNDS DESCRIPTIONS (Continued)

MIH Grants Fund – to account for grant funds used to rehabilitate the historic Smith Clinic building at 902 N. Broadway, Pittsburg, KS into fourteen rental housing units.

CDBG Point Forward Fund – to account for point forward used to renovate a school into a child care facility.

CITY OF PITTSBURG, KANSAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
December 31, 2024

	Special Revenue				
	Special Parks and Recreation	Special Alcohol and Drug	PHA/ Presbyterian Church Housing	Section 8	Community Development Block Grant
<u>ASSETS</u>					
Cash and cash equivalents	\$ 26,828	\$ 169,995	\$ 616,753	\$ 12,602	\$ 34,871
Receivables (net of allowance for uncollectibles):					
Taxes	-	-	-	-	-
Accounts	-	-	69,019	-	-
Intergovernmental	-	-	-	-	-
Total assets	<u>\$ 26,828</u>	<u>\$ 169,995</u>	<u>\$ 685,772</u>	<u>\$ 12,602</u>	<u>\$ 34,871</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 3,935	\$ 6,595
Accrued payroll	-	121	-	7,490	-
Unearned revenue	-	-	-	-	15,901
Due to other funds	-	-	-	-	-
Other	-	-	-	-	-
Total liabilities	<u>-</u>	<u>121</u>	<u>-</u>	<u>11,425</u>	<u>22,496</u>
Fund balances:					
Restricted:					
Housing	-	-	685,772	1,177	12,375
Other	26,828	169,874	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>26,828</u>	<u>169,874</u>	<u>685,772</u>	<u>1,177</u>	<u>12,375</u>
Total liabilities and fund balances	<u>\$ 26,828</u>	<u>\$ 169,995</u>	<u>\$ 685,772</u>	<u>\$ 12,602</u>	<u>\$ 34,871</u>

(Continued)

CITY OF PITTSBURG, KANSAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2024

	Special Revenue				
	CDBG TBRA Grants	Demolition	Land Bank	Northgate CID	Opioid Settlement
<u>ASSETS</u>					
Cash and cash equivalents	\$ -	\$ -	\$ 45,447	\$ -	\$ 122,708
Receivables (net of allowance for uncollectibles):					
Taxes	-	-	-	50,362	-
Accounts	-	-	-	-	-
Intergovernmental	3,286	-	-	-	-
Total assets	<u>\$ 3,286</u>	<u>\$ -</u>	<u>\$ 45,447</u>	<u>\$ 50,362</u>	<u>\$ 122,708</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 3,271	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Due to other funds	15	3,864	-	29,515	-
Other	-	-	-	19,095	-
Total liabilities	<u>3,286</u>	<u>3,864</u>	<u>-</u>	<u>48,610</u>	<u>-</u>
Fund balances:					
Restricted:					
Housing	-	-	-	-	-
Other	-	-	45,447	1,752	122,708
Unassigned	-	(3,864)	-	-	-
Total fund balances	<u>-</u>	<u>(3,864)</u>	<u>45,447</u>	<u>1,752</u>	<u>122,708</u>
Total liabilities and fund balances	<u>\$ 3,286</u>	<u>\$ -</u>	<u>\$ 45,447</u>	<u>\$ 50,362</u>	<u>\$ 122,708</u>

(Continued)

CITY OF PITTSBURG, KANSAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2024

	Special Revenue				Total Nonmajor Governmental Funds
	RHID Districts	Downtown Restoration	MIH Grants	CDBG Point Forward	
<u>ASSETS</u>					
Cash and cash equivalents	\$ 214,083	\$ 178,060	\$ -	\$ -	\$ 1,421,347
Receivables (net of allowance for uncollectibles):					
Taxes	-	-	-	-	50,362
Accounts	-	-	-	-	69,019
Intergovernmental	-	-	-	-	3,286
Total assets	<u>\$ 214,083</u>	<u>\$ 178,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,544,014</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 114,599	\$ 28,060	\$ -	\$ -	\$ 156,460
Accrued payroll	-	-	-	-	7,611
Unearned revenue	-	-	-	-	15,901
Due to other funds	-	-	-	7,952	41,346
Other	-	-	-	-	19,095
Total liabilities	<u>114,599</u>	<u>28,060</u>	<u>-</u>	<u>7,952</u>	<u>240,413</u>
Fund balances:					
Restricted:					
Housing	-	-	-	-	699,324
Other	99,484	150,000	-	-	616,093
Unassigned	-	-	-	(7,952)	(11,816)
Total fund balances	<u>99,484</u>	<u>150,000</u>	<u>-</u>	<u>(7,952)</u>	<u>1,303,601</u>
Total liabilities and fund balances	<u>\$ 214,083</u>	<u>\$ 178,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,544,014</u>

CITY OF PITTSBURG, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	Special Revenue				
	Special Parks and Recreation	Special Alcohol and Drug	PHA/ Presbyterian Church Housing	Section 8	Community Development Block Grant
Revenues:					
Intergovernmental	\$ 125,314	\$ 125,314	\$ -	\$ 2,126,614	\$ 56,322
Sales tax	-	-	-	-	-
Investment earnings	-	-	25,842	1,541	-
Miscellaneous	-	-	-	1,169	-
Total revenues	125,314	125,314	25,842	2,129,324	56,322
Expenditures:					
Current:					
Sanitation and health	-	82,505	-	-	-
Economic development	-	-	-	-	-
Social welfare	-	-	-	2,006,951	56,322
Industrial promotion	-	-	-	-	-
Public works	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	82,505	-	2,006,951	56,322
Excess (deficiency) of revenues over (under) expenditures	125,314	42,809	25,842	122,373	-
Other financing uses:					
Transfers out	(131,917)	-	-	-	-
Total other financing sources (uses)	(131,917)	-	-	-	-
Net change in fund balances	(6,603)	42,809	25,842	122,373	-
Fund balances, beginning of year	33,431	127,065	659,930	(121,196)	12,375
Fund balances, end of year	\$ 26,828	\$ 169,874	\$ 685,772	\$ 1,177	\$ 12,375

(Continued)

CITY OF PITTSBURG, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
Year Ended December 31, 2024

	Special Revenue				
	CDBG TBRA Grants	Demolition	Land Bank	Northgate CID	Opioid Settlement
Revenues:					
Intergovernmental	\$ 64,822	\$ -	\$ -	\$ -	\$ 62,067
Sales tax	-	-	-	984	-
Investment earnings	-	74	911	-	-
Miscellaneous	-	-	54,210	-	-
Total revenues	64,822	74	55,121	984	62,067
Expenditures:					
Current:					
Sanitation and health	-	-	-	-	-
Economic development	-	-	23,868	-	-
Social welfare	64,822	-	-	-	-
Industrial promotion	-	-	-	-	-
Public works	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	64,822	-	23,868	-	-
Excess (deficiency) of revenues over (under) expenditures	-	74	31,253	984	62,067
Other financing uses:					
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	-	74	31,253	984	62,067
Fund balances, beginning of year	-	(3,938)	14,194	768	60,641
Fund balances, end of year	\$ -	\$ (3,864)	\$ 45,447	\$ 1,752	\$ 122,708

(Continued)

CITY OF PITTSBURG, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
Year Ended December 31, 2024

	Special Revenue				Total Nonmajor Governmental Funds
	RHID Districts	Downtown Restoration	MIH Grants	CDBG Point Forward	
Revenues:					
Intergovernmental	\$ -	\$ -	\$ 840,000	\$ -	\$ 3,400,453
Sales tax	-	-	-	-	984
Investment earnings	-	-	-	-	28,368
Miscellaneous	54,338	150,000	-	-	259,717
Total revenues	54,338	150,000	840,000	-	3,689,522
Expenditures:					
Current:					
Sanitation and health	-	-	-	-	82,505
Economic development	-	-	840,000	-	863,868
Social welfare	-	-	-	7,952	2,136,047
Industrial promotion	-	-	-	-	-
Public works	-	-	-	-	-
Debt service:			-		-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	75,000	-	-	75,000
Total expenditures	-	75,000	840,000	7,952	3,157,420
Excess (deficiency) of revenues over (under) expenditures	54,338	75,000	-	(7,952)	532,102
Other financing uses:					
Transfers out	-	-	-	-	(131,917)
Total other financing sources (uses)	-	-	-	-	(131,917)
Net change in fund balances	54,338	75,000	-	(7,952)	400,185
Fund balances, beginning of year	45,146	75,000	-	-	903,416
Fund balances, end of year	\$ 99,484	\$ 150,000	\$ -	\$ (7,952)	\$ 1,303,601

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, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 146,500	\$ 146,500	\$ 125,314	\$ (21,186)
Other financing uses:				
Transfer out	(146,500)	(146,500)	(131,917)	14,583
Net change in fund balance	-	-	(6,603)	(6,603)
Fund balance, beginning of year	-	-	33,431	33,431
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,828</u>	<u>\$ 26,828</u>

CITY OF PITTSBURG, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - NON-GAAP BASIS
SPECIAL ALCOHOL AND DRUG FUND
Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 146,500	\$ 146,500	\$ 125,314	\$ (21,186)
Total revenues	146,500	146,500	125,314	(21,186)
Expenditures:				
Administration	120,000	120,000	64,042	55,958
Police D.A.R.E.	27,000	27,000	18,342	8,658
Operating reserves	89,881	89,881	-	89,881
Total expenditures	236,881	236,881	82,384	154,497
Net change in fund balance	(90,381)	(90,381)	42,930	133,311
Fund balance, beginning of year	90,381	90,381	127,065	36,684
Fund balance, end of year	\$ -	\$ -	\$ 169,995	\$ 169,995

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, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,717,400	\$ 1,960,635	\$ 2,096,986	\$ 136,351
Investment earnings	200	1,540	1,541	1
Miscellaneous	4,500	1,025	1,168	143
Total revenues	1,722,100	1,963,200	2,099,695	136,495
Expenditures:				
Personnel services	192,755	192,755	199,684	(6,929)
Contractual services	1,549,260	1,760,960	1,798,235	(37,275)
Commodities	9,485	9,485	7,206	2,279
Operating reserves	34,668	-	-	-
Total expenditures	1,786,168	1,963,200	2,005,125	(41,925)
Net change in fund balance	(64,068)	-	94,570	94,570
Fund balance, beginning of year	64,068	-	(7,572)	(7,572)
Fund balance, end of year	\$ -	\$ -	\$ 86,998	\$ 86,998

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, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,412,849	\$ 1,412,849	\$ 1,538,418	\$ 125,569
Special assessments	449,000	449,000	453,898	4,898
Investment earnings	1,500	1,500	260,956	259,456
Total revenues	1,863,349	1,863,349	2,253,272	389,923
Expenditures:				
Principal	2,685,640	2,685,640	2,720,640	(35,000)
Interest	554,623	554,623	552,772	1,851
Operating reserves	2,335,791	2,335,791	-	2,335,791
Total expenditures	5,576,054	5,576,054	3,273,412	2,302,642
Excess (deficiency) of revenues over (under) expenditures	(3,712,705)	(3,712,705)	(1,020,140)	2,692,565
Other financing sources (uses):				
Transfers in	1,755,061	1,755,061	1,236,105	(518,956)
Net change in fund balance	(1,957,644)	(1,957,644)	215,965	2,173,609
Fund balance, beginning of year	1,957,644	1,957,644	1,577,748	(379,896)
Fund balance, end of year	\$ -	\$ -	\$ 1,793,713	\$ 1,793,713

CITY OF PITTSBURG, KANSAS
BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT
December 31, 2024

ASSETS

Cash and cash equivalents	\$ 847,765
Taxes receivable	1,011,435
Prepaid items	<u>11,893</u>
Total assets	<u><u>\$ 1,871,093</u></u>

LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCES

Liabilities:	
Accounts payable	\$ 3,330
Accrued payroll	<u>25,849</u>
Total liabilities	<u>29,179</u>
Deferred inflows of resources:	
Deferred inflow - property taxes	<u>1,011,435</u>
Fund balances:	
Nonspendable:	
Prepaid items	11,893
Assigned	<u>818,586</u>
Total fund balances	<u>830,479</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 1,871,093</u></u>

CITY OF PITTSBURG, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DISCRETELY PRESENTED COMPONENT UNIT
Year Ended December 31, 2024

Revenues:	
Taxes	\$ 1,041,686
Fines and fees	2,304
Investment earnings	36,063
Miscellaneous	<u>157,474</u>
Total revenues	<u>1,237,527</u>
Expenditures:	
Current:	
Education	1,057,784
Capital outlay	<u>344</u>
Total expenditures	<u>1,058,128</u>
Net change in fund balances	179,399
Fund balances, beginning of year	<u>651,080</u>
Fund balances, end of year	<u><u>\$ 830,479</u></u>

CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINANCIAL DATA - ASSETS AND LIABILITIES -
PITTSBURG HOUSING AUTHORITY
December 31, 2024

Line Item	Account Description	Section 8 Housing Choice Voucher Program 14.871	EHV Cares Act Funding 14.EHV	Total
	Assets:			
	Current assets:			
	Cash:			
113	Cash - other restricted	\$ 2,827	\$ 90,908	\$ 93,735
100	Total cash	2,827	90,908	93,735
150	Total current assets	2,827	90,908	93,735
	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	\$ 3,827	\$ 90,908	\$ 94,735
	Liabilities and net assets:			
	Liabilities:			
	Current liabilities:			
312	Accounts payable <= 90 days	\$ 85,033	\$ 35	\$ 85,068
321	Accrued wage/payroll taxes payable	7,490	-	7,490
310	Total current liabilities	92,523	35	92,558
300	Total liabilities	92,523	35	92,558
	Net position:			
508	Invested in capital assets	1,000	-	1,000
511	Restricted net position	-	90,873	90,873
512	Unrestricted net position	(89,696)	-	(89,696)
513	Total net position	(88,696)	90,873	2,177
600	Total liabilities and net position	\$ 3,827	\$ 90,908	\$ 94,735

CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINANCIAL DATA - REVENUES AND EXPENSES -
PITTSBURG HOUSING AUTHORITY
Year Ended December 31, 2024

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	\$ 2,011,150	\$ 115,464	\$ 2,126,614
71100	Investment income - unrestricted	1,541	-	1,541
71400-010	Fraud recovery - housing assistance payment	4,458	-	4,458
70000	Total revenues	2,017,149	115,464	2,132,613
Expenses:				
Administrative:				
91100	Administrative salaries	158,937	-	158,937
91400	Advertising and marketing	208	-	208
91500	Employee benefit contributions - administrative	42,099	-	42,099
91600	Office expenses	16,590	-	16,590
91800	Travel	3,914	-	3,914
91900	Other	44,784	-	44,784
Ordinary maintenance and operation:				
94200	Materials and other	2,617	-	2,617
Insurance Premiums				
96130	Workmen's compensation	114	-	114
General expenses:				
96200	Other general expenses	2,212	35	2,247
96900	Total operating expenses	271,475	35	271,510
97000	Excess operating revenue over operating expenses	1,745,674	115,429	1,861,103
97300	Housing assistance payments	1,661,538	77,192	1,738,730
90000	Total expenses	1,933,013	77,227	2,010,240
10000	Excess of total expenses over total revenue	\$ 84,136	\$ 38,237	\$ 122,373
Memo account information:				
11030	Beginning equity	\$ (172,832)	\$ 52,636	\$ (120,196)
11190	Unit months available	3,555	154	
11210	Number of unit months leased	3,555	154	

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.

Contents

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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. 95 - 100

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. 101 - 110

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. 111 - 115

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. 116 - 117

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. 118 - 121

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)

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 34,093,008	\$ 36,171,156	\$ 32,140,844	\$ 33,767,698	\$ 32,858,544
Restricted	2,916,067	3,485,786	4,048,669	4,609,440	13,327,692
Unrestricted	(1,028,149)	(587,544)	(1,428,617)	(1,848,201)	(561,335)
Total governmental activities net position	<u>\$ 35,980,926</u>	<u>\$ 39,069,398</u>	<u>\$ 34,760,896</u>	<u>\$ 36,528,937</u>	<u>\$ 45,624,901</u>
Business-type activities					
Net investment in capital assets	\$ 32,890,346	\$ 33,201,935	\$ 40,291,436	\$ 41,007,984	\$ 41,212,874
Unrestricted	2,135,910	2,917,487	3,407,022	3,738,156	4,674,500
Total business-type activities net position	<u>\$ 35,026,256</u>	<u>\$ 36,119,422</u>	<u>\$ 43,698,458</u>	<u>\$ 44,746,140</u>	<u>\$ 45,887,374</u>
Primary government					
Net investment in capital assets	\$ 66,983,354	\$ 69,373,091	\$ 72,432,280	\$ 74,775,682	\$ 74,071,418
Restricted	2,916,067	3,485,786	4,048,669	4,609,440	13,327,692
Unrestricted	1,107,761	2,329,943	1,978,405	1,889,955	4,113,165
Total primary government net position	<u>\$ 71,007,182</u>	<u>\$ 75,188,820</u>	<u>\$ 78,459,354</u>	<u>\$ 81,275,077</u>	<u>\$ 91,512,275</u>
	2020	2021	2022	2023	2024
Governmental activities					
Net investment in capital assets	\$ 33,645,157	\$ 32,705,263	\$ 33,473,388	\$ 38,520,668	\$ 40,852,733
Restricted	13,608,484	17,480,247	16,190,281	14,827,357	16,486,480
Unrestricted	724,778	2,471,719	7,603,844	7,015,295	1,665,935
Total governmental activities net position	<u>\$ 47,978,419</u>	<u>\$ 52,657,229</u>	<u>\$ 57,267,513</u>	<u>\$ 60,363,320</u>	<u>\$ 59,005,148</u>
Business-type activities					
Net investment in capital assets	\$ 42,181,760	\$ 42,105,237	\$ 41,840,418	\$ 42,576,541	\$ 41,609,904
Unrestricted	4,644,082	6,119,834	6,096,776	4,976,841	5,750,526
Total business-type activities net position	<u>\$ 46,825,842</u>	<u>\$ 48,225,071</u>	<u>\$ 47,937,194</u>	<u>\$ 47,553,382</u>	<u>\$ 47,360,430</u>
Primary government					
Net investment in capital assets	\$ 75,826,917	\$ 74,810,500	\$ 75,313,806	\$ 81,097,209	\$ 82,462,637
Restricted	13,608,484	17,480,247	16,190,281	14,827,357	16,486,480
Unrestricted	5,368,860	8,591,553	13,700,620	11,992,136	7,416,461
Total primary government net position	<u>\$ 94,804,261</u>	<u>\$ 100,882,300</u>	<u>\$ 105,204,707</u>	<u>\$ 107,916,702</u>	<u>\$ 106,365,578</u>

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

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 3,642,682	\$ 3,898,821	\$ 4,374,506	\$ 4,451,763	\$ 5,142,761
Public safety	8,386,332	8,669,238	8,945,264	8,908,637	9,260,971
Public works	4,336,369	4,185,851	4,819,435	4,858,335	4,683,519
Sanitation and health	157,904	165,314	170,443	203,076	209,768
Culture and recreation	2,142,337	2,441,061	2,351,318	2,336,420	2,463,901
Industrial promotion	1,667,559	981,068	1,813,667	2,050,712	755,760
Economic development	87,670	35,878	6,306,088	148,081	260,836
Social welfare	1,760,555	1,803,091	1,715,860	1,772,291	1,775,831
Interest on long-term debt	697,179	824,065	643,577	572,765	663,463
Total governmental expenses	<u>22,878,587</u>	<u>23,004,387</u>	<u>31,140,158</u>	<u>25,302,080</u>	<u>25,216,810</u>
Business-type activities:					
Water/wastewater	6,275,894	6,039,288	5,803,266	6,034,171	6,260,080
Stormwater	621,388	588,850	560,282	588,843	643,446
Property and sanitation	-	-	-	-	-
Total business-type activities expenses	<u>6,897,282</u>	<u>6,628,138</u>	<u>6,363,548</u>	<u>6,623,014</u>	<u>6,903,526</u>
Total primary government expenses	<u>\$ 29,775,869</u>	<u>\$ 29,632,525</u>	<u>\$ 37,503,706</u>	<u>\$ 31,925,094</u>	<u>\$ 32,120,336</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 998,382	\$ 1,014,900	\$ 961,705	\$ 895,885	\$ 1,245,824
Public safety	-	-	2,069	823,390	432,481
Public works	743,700	676,310	690,791	219,695	727,097
Industrial promotion	218,933	270,156	536,648	545,829	183,541
Other activities	543,441	518,249	153,006	965,543	496,978
Operating grants and contributions	1,341,055	1,278,576	865,936	4,051,151	2,594,572
Capital grants and contributions	4,268,203	3,334,419	3,955,343	-	1,118,350
Total governmental activities program revenues	<u>8,113,714</u>	<u>7,092,610</u>	<u>7,165,498</u>	<u>7,501,493</u>	<u>6,798,843</u>
Business-type activities:					
Charges for services:					
Water/wastewater	7,664,369	8,022,592	7,965,780	8,204,765	8,552,391
Stormwater	801,867	823,722	814,904	833,671	853,994
Property and sanitation	-	-	-	-	-
Operating grants and contributions	-	-	-	-	28,754
Capital grants and contributions	2,649,087	41,080	6,354,177	4,536	-
Total business-type activities program revenues	<u>11,115,323</u>	<u>8,887,394</u>	<u>15,134,861</u>	<u>9,042,972</u>	<u>9,435,139</u>
Total primary government program revenues	<u>\$ 19,229,037</u>	<u>\$ 15,980,004</u>	<u>\$ 22,300,359</u>	<u>\$ 16,544,465</u>	<u>\$ 16,233,982</u>
Net (Expense)/Revenue					
Governmental activities	\$ (14,764,873)	\$ (15,911,777)	\$ (23,974,660)	\$ (17,800,587)	\$ (18,417,967)
Business-type activities	4,218,041	2,259,256	8,771,313	2,419,958	2,531,613
Total primary government net expense	<u>\$ (10,546,832)</u>	<u>\$ (13,652,521)</u>	<u>\$ (15,203,347)</u>	<u>\$ (15,380,629)</u>	<u>\$ (15,886,354)</u>
General Revenues and other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 5,925,018	\$ 5,920,213	\$ 6,374,304	\$ 6,615,702	\$ 6,956,114
Sales taxes	9,300,242	9,460,294	9,606,398	8,785,802	9,150,441
Franchise taxes	1,881,901	1,934,284	1,934,474	1,958,611	1,938,900
Investment earnings	10,921	26,016	102,715	233,093	321,325
Miscellaneous	586,532	488,411	803,660	704,820	268,877
Transfers	1,682,976	1,171,031	1,167,821	1,420,296	1,467,999
Total governmental activities	<u>19,387,590</u>	<u>19,000,249</u>	<u>19,989,372</u>	<u>19,718,324</u>	<u>20,103,656</u>
Business-type activities					
Investment earnings	907	4,941	41,504	66,149	77,620
Transfers	(1,682,976)	(1,171,031)	(1,167,821)	(1,420,296)	(1,467,999)
Total business-type activities	<u>(1,682,069)</u>	<u>(1,166,090)</u>	<u>(1,126,317)</u>	<u>(1,354,147)</u>	<u>(1,390,379)</u>
Total primary government	<u>\$ 17,705,521</u>	<u>\$ 17,834,159</u>	<u>\$ 18,863,055</u>	<u>\$ 18,364,177</u>	<u>\$ 18,713,277</u>
Change in Net Position					
Governmental activities	\$ 4,622,717	\$ 3,088,472	\$ (3,985,288)	\$ 1,917,737	\$ 1,685,689
Business-type activities	2,535,972	1,093,166	7,644,996	1,065,811	1,141,234
Total primary government	<u>\$ 7,158,689</u>	<u>\$ 4,181,638</u>	<u>\$ 3,659,708</u>	<u>\$ 2,983,548</u>	<u>\$ 2,826,923</u>

(Continued)

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

	2020	2021	2022	2023	2024
Expenses					
Governmental activities:					
General government	\$ 5,490,317	\$ 4,685,751	\$ 5,352,351	\$ 6,421,961	\$ 8,162,848
Public safety	8,771,582	8,807,374	9,913,402	11,146,655	11,980,164
Public works	4,043,650	4,170,020	4,983,272	6,145,710	5,977,879
Sanitation and health	154,301	178,258	184,268	425,160	410,338
Culture and recreation	2,077,902	3,087,843	3,643,056	3,920,294	8,446,522
Industrial promotion	883,682	1,212,710	1,054,588	1,572,787	2,108,651
Economic development	59,862	33,750	149,919	50,853	901,403
Social welfare	2,114,027	1,970,866	1,838,668	2,127,200	2,136,047
Interest on long-term debt	575,209	525,506	530,575	472,435	536,244
Total governmental expenses	24,170,532	24,672,078	27,650,099	32,283,055	40,660,096
Business-type activities:					
Water/wastewater	6,273,694	6,331,138	7,926,942	8,664,575	8,153,921
Stormwater	798,286	731,128	918,573	922,272	1,124,941
Property and sanitation	-	-	-	-	397,148
Total business-type activities expenses	7,071,980	7,062,266	8,845,515	9,586,847	9,676,010
Total primary government expenses	<u>\$ 31,242,512</u>	<u>\$ 31,734,344</u>	<u>\$ 36,495,614</u>	<u>\$ 41,869,902</u>	<u>\$ 50,336,106</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,230,736	\$ 1,178,463	\$ 1,385,939	\$ 2,292,150	\$ 2,485,771
Public safety	281,588	269,139	195,757	185,819	261,851
Public works	518,988	837,547	1,043,279	806,353	725,005
Industrial promotion	205,336	191,817	65,787	77,281	72,361
Other activities	271,660	549,249	600,423	853,561	942,512
Operating grants and contributions	2,936,163	3,232,972	3,367,627	3,304,324	4,264,910
Capital grants and contributions	860,725	1,132,676	1,519,953	2,249,390	4,329,787
Total governmental activities program revenues	6,305,196	7,391,863	8,178,765	9,768,878	13,082,197
Business-type activities:					
Charges for services:					
Water/wastewater	8,685,550	9,161,061	9,208,613	9,530,215	9,880,245
Stormwater	855,651	896,076	869,777	879,013	897,936
Property and sanitation	-	-	-	-	132,850
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	9,541,201	10,057,137	10,078,390	10,409,228	10,911,031
Total primary government program revenues	<u>\$ 15,846,397</u>	<u>\$ 17,449,000</u>	<u>\$ 18,257,155</u>	<u>\$ 20,178,106</u>	<u>\$ 23,993,228</u>
Net (Expense)/Revenue					
Governmental activities	\$ (17,865,336)	\$ (17,280,215)	\$ (19,471,334)	\$ (22,514,177)	\$ (27,577,899)
Business-type activities	2,469,221	2,994,871	1,232,875	822,381	1,235,021
Total primary government net expense	<u>\$ (15,396,115)</u>	<u>\$ (14,285,344)</u>	<u>\$ (18,238,459)</u>	<u>\$ (21,691,796)</u>	<u>\$ (26,342,878)</u>
General Revenues and other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 6,989,489	\$ 7,053,560	\$ 7,202,183	\$ 7,458,217	\$ 7,788,755
Sales taxes	9,591,694	10,769,860	12,189,555	11,955,704	12,811,797
Franchise taxes	1,797,503	1,905,391	2,314,731	2,128,477	2,149,943
Investment earnings	98,485	11,326	222,892	1,208,398	1,261,479
Miscellaneous	191,683	618,888	1,582,935	1,276,870	1,249,906
Transfers	1,550,000	1,600,000	1,609,966	1,582,318	1,410,877
Total governmental activities	20,218,854	21,959,025	25,122,262	25,609,984	26,672,757
Business-type activities					
Investment earnings	19,247	4,358	104,880	376,125	174,062
Transfers	(1,550,000)	(1,600,000)	(1,609,966)	(1,582,318)	(1,410,877)
Total business-type activities	(1,530,753)	(1,595,642)	(1,505,086)	(1,206,193)	(1,236,815)
Total primary government	<u>\$ 18,688,101</u>	<u>\$ 20,363,383</u>	<u>\$ 23,617,176</u>	<u>\$ 24,403,791</u>	<u>\$ 25,435,942</u>
Change in Net Position					
Governmental activities	\$ 2,353,518	\$ 4,678,810	\$ 5,650,928	\$ 3,095,807	\$ (905,142)
Business-type activities	938,468	1,399,229	(272,211)	(383,812)	(1,794)
Total primary government	<u>\$ 3,291,986</u>	<u>\$ 6,078,039</u>	<u>\$ 5,378,717</u>	<u>\$ 2,711,995</u>	<u>\$ (906,936)</u>

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

	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ 83,747	\$ 79,189	\$ 84,368	\$ 101,844	\$ 104,723
Restricted	-	-	-	-	-
Assigned	52,635	140,307	24,778	110,956	23,873
Unassigned	4,130,258	4,504,641	5,399,833	6,074,236	7,061,086
Total general fund	<u>\$ 4,266,640</u>	<u>\$ 4,724,137</u>	<u>\$ 5,508,979</u>	<u>\$ 6,287,036</u>	<u>\$ 7,189,682</u>
All Other Governmental Funds					
Nonspendable	\$ 7,498	\$ 7,154	\$ 6,846	\$ 8,281	\$ 6,609
Restricted	4,620,043	15,796,917	8,764,289	6,318,359	6,017,194
Assigned	5,161,920	5,515,485	5,013,356	4,207,988	4,784,360
Unassigned	-	(5,981)	-	-	-
Total all other governmental funds	<u>\$ 9,789,461</u>	<u>\$ 21,313,575</u>	<u>\$ 13,784,491</u>	<u>\$ 10,534,628</u>	<u>\$ 10,808,163</u>
	2020	2021	2022	2023	2024
General Fund					
Nonspendable	\$ 110,714	\$ 125,570	\$ 184,627	\$ 156,126	\$ 138,735
Restricted	-	-	-	-	-
Assigned	93,742	274,988	137,666	24,659	41,313
Unassigned	8,725,067	10,105,617	13,337,849	14,219,077	10,026,985
Total general fund	<u>\$ 8,929,523</u>	<u>\$ 10,506,175</u>	<u>\$ 13,660,142</u>	<u>\$ 14,399,862</u>	<u>\$ 10,207,033</u>
All Other Governmental Funds					
Nonspendable	\$ 7,414	\$ 7,972	\$ 133,544	\$ 253,523	373,896
Restricted	6,767,991	11,048,637	10,238,571	9,272,298	11,349,494
Assigned	5,131,620	5,039,583	6,851,255	7,120,668	6,770,174
Unassigned	-	-	-	(770,274)	(472,749)
Total all other governmental funds	<u>\$ 11,907,025</u>	<u>\$ 16,096,192</u>	<u>\$ 17,223,370</u>	<u>\$ 15,876,215</u>	<u>\$ 18,020,815</u>

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

	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 17,107,161	\$ 17,314,791	\$ 17,915,176	\$ 17,360,115	\$ 18,045,455
Licenses and permits	218,933	270,156	153,006	219,695	150,150
Intergovernmental	3,348,281	4,309,329	4,110,600	4,217,529	3,599,171
Charges for services	1,845,086	1,782,057	1,821,897	2,362,233	2,252,758
Fines and forfeitures	440,437	427,402	369,316	321,625	382,358
Special assessments	86,237	60,470	57,341	490,899	482,411
Investment earnings	10,921	26,016	102,715	233,093	321,325
Lease income	435,687	325,931	301,926	239,471	183,541
Miscellaneous	830,947	488,411	776,114	747,291	453,985
Total revenues	24,323,690	25,004,563	25,608,091	26,191,951	25,871,154
Expenditures					
General government	3,394,359	3,665,567	3,858,674	4,501,516	4,519,952
Public safety	7,589,464	7,554,178	7,438,225	7,749,072	8,301,051
Public works	2,372,048	2,188,866	2,222,757	2,468,212	2,644,864
Sanitation and health	157,174	158,228	169,187	198,801	208,941
Economic development	1,780,057	1,842,473	58,368	1,912,498	105,016
Culture and recreation	1,677,501	944,718	1,893,042	2,036,343	1,954,134
Industrial promotion	87,670	35,878	1,771,053	100,840	755,756
Social welfare	1,765,442	1,798,485	1,714,382	1,771,207	1,775,912
Capital outlay	4,400,038	3,517,187	10,076,283	6,783,769	5,225,272
Debt service principal	4,124,389	3,516,895	3,807,327	2,185,651	2,389,025
Debt service interest	713,974	551,880	653,748	555,158	562,143
Debt issuance costs	12,894	259,557	10,050	40,174	120,749
Total expenditures	28,075,010	26,033,912	33,673,096	30,303,241	28,562,815
Excess of revenues over (under) expenditures	(3,751,320)	(1,029,349)	(8,065,005)	(4,111,290)	(2,691,661)
Other Financing Sources (Uses)					
Notes payable financed purchases	-	-	-	-	-
General obligation bonds issued	-	5,000,000	-	-	2,100,000
Special assessment bonds issued	-	6,500,000	-	-	-
Bond premium	-	183,181	-	-	120,376
Bond anticipation notes issued	-	-	-	-	-
Sale of capital assets	244,415	156,748	152,942	219,188	179,467
Transfers in	5,465,416	4,410,292	4,371,099	1,941,914	2,019,503
Transfers out	(3,782,440)	(3,239,261)	(3,203,278)	(521,618)	(551,504)
Total other financing sources (uses)	1,927,391	13,010,960	1,320,763	1,639,484	3,867,842
Net change in fund balances	\$ (1,823,929)	\$ 11,981,611	\$ (6,744,242)	\$ (2,471,806)	\$ 1,176,181
Debt service as a percentage of noncapital expenditures	20.49%	19.22%	18.95%	11.82%	13.16%

(Continued)

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

	2020	2021	2022	2023	2024
Revenues					
Taxes	\$ 18,378,686	\$ 19,728,811	\$ 21,706,469	\$ 21,542,398	\$ 22,750,495
Licenses and permits	192,078	234,255	438,906	250,754	360,523
Intergovernmental	3,748,032	4,234,202	4,771,894	5,367,511	8,460,411
Charges for services	1,782,945	2,279,110	2,531,444	3,635,506	3,730,857
Fines and forfeitures	266,712	254,408	196,172	185,969	258,929
Special assessments	451,980	494,001	480,714	474,226	481,114
Investment earnings	98,485	11,326	222,892	1,208,397	1,261,479
Lease income	205,336	191,817	65,787	77,281	72,361
Miscellaneous	289,853	758,712	1,492,641	1,488,954	1,401,569
Total revenues	25,414,107	28,186,642	31,906,919	34,230,996	38,777,738
Expenditures					
General government	4,434,791	4,530,880	4,653,117	5,837,845	7,180,801
Public safety	7,737,398	7,994,066	9,062,908	10,023,871	10,833,995
Public works	2,435,541	2,688,692	3,377,965	3,604,713	3,076,954
Sanitation and health	153,546	177,565	183,431	424,696	410,338
Economic development	19,240	33,750	25,914	13,318	863,868
Culture and recreation	1,543,301	2,004,813	2,277,562	2,652,710	6,709,898
Industrial promotion	889,042	1,168,285	787,547	1,242,514	1,859,614
Social welfare	2,114,535	1,965,211	1,817,484	2,090,807	2,136,047
Capital outlay	3,292,616	3,922,714	4,717,771	8,906,770	7,416,584
Debt service principal	2,469,307	2,667,189	6,564,948	3,160,438	2,701,115
Debt service interest	538,353	525,570	439,858	529,328	572,478
Debt issuance costs	24,640	48,583	78,773	10,909	10,623
Total expenditures	25,652,310	27,727,318	33,987,278	38,497,919	43,772,315
Excess of revenues over (under) expenditures	(238,203)	459,324	(2,080,359)	(4,266,923)	(4,994,577)
Other Financing Sources (Uses)					
Notes payable financed purchases	-	-	581,195	1,229,701	520,369
General obligation bonds issued	-	-	3,625,000	-	-
Special assessment bonds issued	-	-	-	-	-
Bond premium	-	-	-	-	-
Bond anticipation notes issued	-	3,590,000	81,931	-	-
Sale of capital assets	1,526,906	116,495	463,412	847,469	1,015,102
Transfers in	2,243,161	3,504,424	2,666,590	2,491,168	2,215,290
Transfers out	(693,161)	(1,904,424)	(1,056,624)	(908,850)	(804,413)
Total other financing sources (uses)	3,076,906	5,306,495	6,361,504	3,659,488	2,946,348
Net change in fund balances	\$ 2,838,703	\$ 5,765,819	\$ 4,281,145	\$ (607,435)	\$ (2,048,229)
Debt service as a percentage of noncapital expenditures	13.56%	13.24%	22.83%	12.11%	9.03%

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

<u>Fiscal Year</u>	<u>State of Kansas (4)</u>	<u>Crawford County</u>	<u>City Memorial Auditorium</u>	<u>City Capital Outlay</u>	<u>City Economic Development</u>	<u>City Public Safety Debt (2)</u>	<u>City Street Improvements (3)</u>	<u>City Public Safety (4)</u>	<u>Total City Wide</u>	<u>Additional in North Broadway T.D.D. (1)</u>	<u>Additional in Northgate Plaza C.I.D. (6)</u>	<u>Additional in Town Center C.I.D. (7)</u>
2015	6.500	1.000	0.125	0.125	0.250	0.500	0.250	0.500	9.250	0.300	0.000	0.000
2016	6.500	1.000	0.125	0.125	0.250	0.500	0.250	0.500	9.250	0.300	0.000	0.000
2017	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.000	0.000
2018	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.000	0.000
2019	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2020	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2021	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2022	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.000
2023	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.300
2024	6.500	1.000	0.125	0.125	0.250	0.000	0.500	0.500	9.000	0.300	0.900	0.300

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

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

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

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

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

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

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

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

<u>Fiscal Year</u>	<u>Retail Trade</u>	<u>Accommodations and Food Services</u>	<u>Utilities</u>	<u>Wholesale Trade</u>	<u>Information</u>	<u>Other Services</u>	<u>Manufacturing</u>	<u>Construction</u>	<u>All other</u>	<u>Total</u>
2015	\$ 215,806,522	\$ 47,758,050	\$ 25,353,963	\$ 19,121,025	\$ 17,563,571	\$ 12,806,606	\$ 10,054,030	\$ 7,478,028	\$ 41,183,719	\$ 397,125,514
2016	205,499,605	33,626,265	26,504,285	14,511,977	11,144,854	7,572,471	8,478,408	7,999,663	79,622,992	394,960,520
2017	203,310,581	49,345,940	26,340,646	7,960,643	15,748,696	9,292,193	6,453,767	8,606,610	76,964,031	404,023,107
2018	199,393,019	54,661,073	25,983,555	10,350,015	15,261,912	7,074,028	5,082,451	9,570,919	71,543,667	398,920,639
2019	221,243,413	56,070,307	25,258,799	11,465,405	13,766,233	23,059,379	5,137,580	6,385,164	59,783,153	422,169,433
2020	244,729,107	50,986,420	23,994,835	10,488,456	11,753,837	22,905,532	4,772,300	4,535,990	36,983	374,203,460
2021	264,652,880	62,217,106	24,939,894	11,188,883	12,095,878	8,682,976	6,021,092	5,488,091	18,881,880	414,168,680
2022	277,823,340	66,104,534	31,398,278	13,634,140	12,459,277	8,931,165	12,582,367	20,290,862	25,775,530	468,999,493
2023	287,243,793	68,460,520	28,604,505	13,188,512	12,544,667	9,351,070	7,446,667	11,536,687	25,937,339	464,313,760
2024	285,793,443	70,447,171	24,625,631	14,816,474	11,919,347	14,080,257	9,201,527	16,518,726	22,764,886	470,167,463

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

<u>Fiscal Year</u>	<u>Retail Trade</u>	<u>Accommodations and Food Services</u>	<u>Utilities</u>	<u>Wholesale Trade</u>	<u>Information</u>	<u>Other Services</u>	<u>Manufacturing</u>	<u>Construction</u>	<u>All other</u>	<u>Total</u>
2015	54.34%	12.03%	6.38%	4.81%	4.42%	3.22%	2.53%	1.88%	10.37%	100.00%
2016	52.03%	8.51%	6.71%	3.67%	2.82%	1.92%	2.15%	2.03%	20.16%	100.00%
2017	50.32%	12.21%	6.52%	1.97%	3.90%	2.30%	1.60%	2.13%	19.05%	100.00%
2018	49.98%	13.70%	6.51%	2.59%	3.83%	1.77%	1.27%	2.40%	17.93%	100.00%
2019	52.41%	13.28%	5.98%	2.72%	3.26%	5.46%	1.22%	1.71%	14.16%	100.00%
2020	65.40%	13.63%	6.41%	2.80%	3.14%	6.12%	1.28%	1.21%	0.01%	100.00%
2021	63.90%	15.02%	6.02%	2.70%	2.92%	2.10%	1.45%	1.33%	4.56%	100.00%
2022	59.24%	14.09%	6.69%	2.91%	2.66%	1.90%	2.68%	4.33%	5.50%	100.00%
2023	61.86%	14.74%	6.16%	2.84%	2.70%	2.01%	1.60%	2.48%	5.59%	100.00%
2024	60.79%	14.98%	5.24%	3.15%	2.54%	2.99%	1.96%	3.51%	4.84%	100.00%

Source: Kansas Department of Revenue

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

Fiscal Year 2024

<u>Business</u>	<u>Category</u>	<u>Taxable Sales</u>	<u>%</u>
A	Retail Trade	\$ 106,266,563	22.60%
B	Retail Trade	39,201,243	8.34%
C	Utility	18,864,671	4.01%
D	Retail Trade	15,379,353	3.27%
E	Retail Trade	8,984,294	1.91%
F	Construction	8,378,409	1.78%
G	Retail Trade	7,781,087	1.65%
H	Retail Trade	7,713,501	1.64%
I	Retail Trade	6,459,401	1.37%
J	Retail Trade	6,123,399	1.30%
Subtotal (10 largest)		225,151,921	47.89%
Balance from other payers		245,015,541	52.11%
Grand totals		<u>\$ 470,167,462</u>	<u>100.00%</u>

Fiscal Year 2015

<u>Business</u>	<u>Category</u>	<u>Taxable Sales</u>	<u>%</u>
A	Retail Trade	\$ 71,477,102	18.25%
B	Retail Trade	23,722,657	6.42%
C	Utility	18,398,436	4.91%
D	Retail Trade	12,353,169	3.19%
E	Retail Trade	9,972,237	2.95%
F	Utility	6,653,777	2.64%
G	Retail Trade	5,811,746	1.59%
H	Utility	4,905,007	1.30%
I	Retail Trade	4,644,470	1.12%
J	Retail Trade	4,072,414	1.08%
Subtotal (10 largest)		167,445,243	43.44%
Balance from other payers		218,014,119	56.56%
Grand totals		<u>\$ 397,125,514</u>	<u>100.00%</u>

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
2015	\$ 2,162,857	\$ 454,826	\$ 454,826	\$ 910,340	\$ 1,968,285	\$ 984,487	\$ 1,968,285	\$ 296,587	\$ 99,749	\$ 9,300,242
2016	2,249,353	461,813	461,813	924,323	1,991,158	995,927	1,991,158	286,419	98,330	9,460,294
2017	2,397,115	479,151	479,151	959,151	1,550,373	1,288,354	2,063,270	291,941	97,891	9,606,397
2018	2,400,397	473,422	473,422	948,070	-	2,044,448	2,044,448	300,293	101,302	8,785,802
2019	2,405,837	501,806	501,806	1,004,908	-	2,162,011	2,162,011	308,279	103,783	9,150,441
2020	2,521,298	515,735	515,735	1,032,821	-	2,252,673	2,252,673	378,116	122,643	9,591,694
2021	2,843,735	573,228	573,228	1,147,967	-	2,518,584	2,518,584	449,835	144,699	10,769,860
2022	3,250,333	665,304	665,304	1,331,998	-	2,864,164	2,864,164	404,503	143,785	12,189,555
2023	3,415,757	713,879	713,879	1,427,758	-	2,870,560	2,870,560	34,623	141,978	12,188,995
2024	3,462,949	720,968	720,968	1,441,935	-	2,883,870	2,883,870	-	139,775	12,254,334

(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
2015	793	676	118	14.88%	1,466	\$ 11.34	Variable	\$ 19.78	Variable
2016	819	696	123	15.02%	1,051	11.45	Variable	19.98	Variable
2017	784	691	93	11.86%	757	11.56	Variable	20.18	Variable
2018	821	711	110	13.40%	1,145	11.68	Variable	20.38	Variable
2019	788	706	83	10.53%	1,911	11.80	Variable	20.58	Variable
2020	825	678	147	17.82%	1,666	11.80	Variable	20.58	Variable
2021	914	737	177	19.37%	1,855	11.80	Variable	20.58	Variable
2022	1,035	789	245	23.67%	2,114	12.15	Variable	21.20	Variable
2023	941	589	183	19.45%	1,069	12.51	Variable	21.83	Variable
2024	1,019	786	235	23.06%	1,368	12.89	Variable	22.48	Variable

Note: Gallons are presented in millions.

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

<u>Fiscal Year</u>	<u>Water Meter Taps Sold</u>	<u>Sewer Taps Sold</u>	<u>Total Taps</u>
2014	19	8	27
2015	10	9	19
2016	14	7	21
2017	11	7	18
2018	16	12	28
2019	19	26	45
2020	17	17	34
2021	33	23	56
2022	71	-	71
2023	45	-	45
2024	44	-	44

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

<u>Fiscal Year</u>	<u>WATER</u>			
	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>INDUSTRIAL</u>	<u>OTHER</u>
2015	7,722	541	49	224
2016	7,605	540	46	216
2017	7,673	630	46	142
2018	7,520	559	41	231
2019	7,651	568	43	229
2020	7,667	538	36	280
2021	7,668	574	37	304
2022	7,680	583	39	307
2023	7,589	574	38	299
2024	7,588	602	38	297

<u>Fiscal Year</u>	<u>SEWER</u>			
	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>INDUSTRIAL</u>	<u>OTHER</u>
2015	7,029	513	43	137
2016	7,050	510	42	138
2017	7,559	554	46	219
2018	6,998	521	37	146
2019	7,104	534	39	150
2020	7,124	508	33	303
2021	7,216	537	35	221
2022	7,151	537	35	223
2023	7,161	539	36	221
2024	7,058	526	36	218

<u>Fiscal Year</u>	<u>TOTAL</u>	
	<u>WATER</u>	<u>SEWER</u>
2015	8,536	7,722
2016	8,407	7,740
2017	8,491	8,378
2018	8,351	7,702
2019	8,491	7,827
2020	8,521	7,968
2021	8,583	8,009
2022	8,609	7,946
2023	8,500	7,957
2024	8,525	7,838

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

	Effective Jan 1st 2015	Effective Jan 1st 2016	Effective Jan 1st 2017	Effective Jan 1st 2018	Effective Jan 1st 2019
<u>WATER RATES PER MONTH, INSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 11.34	\$ 11.45	\$ 11.56	\$ 11.68	\$ 11.80
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	4.70	4.75	4.80	4.85	4.90
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	4.43	4.47	4.51	4.56	4.61
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.22	4.26	4.30	4.34	4.38
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.92	3.96	4.00	4.04	4.08
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.72	3.76	3.80	3.84	3.88
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.46	3.49	3.52	3.56	3.60
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.13	3.16	3.19	3.22	3.25
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.89	3.16	3.19	3.22	3.25
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.67	3.16	3.19	3.22	3.25
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.45	3.16	3.19	3.22	3.25
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.28	3.16	3.19	3.22	3.25
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.09	3.16	3.19	3.22	3.25
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	1.93	3.16	3.19	3.22	3.25
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	1.78	3.16	3.19	3.22	3.25
<u>WATER RATES PER MONTH, OUTSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 22.64	\$ 22.87	\$ 23.10	\$ 23.33	\$ 23.56
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	8.33	8.41	8.49	8.57	8.66
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	6.49	6.55	6.62	6.69	6.76
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.70	4.75	4.80	4.85	4.90
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.43	4.47	4.51	4.56	4.61
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.22	4.26	4.30	4.34	4.38
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.92	3.96	4.00	4.04	4.08
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.72	3.76	3.80	3.84	3.88
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.29	3.76	3.80	3.84	3.88
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.08	3.76	3.80	3.84	3.88
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.80	3.76	3.80	3.84	3.88
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.59	3.76	3.80	3.84	3.88
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.40	3.76	3.80	3.84	3.88
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	2.21	3.76	3.80	3.84	3.88
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	2.05	3.76	3.80	3.84	3.88
<u>SANITARY SEWER RATES PER MONTH, INSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 19.78	\$ 19.98	\$ 20.18	\$ 20.38	\$ 20.58
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	2.84	2.87	2.90	2.93	2.96
<u>SANITARY SEWER RATES PER MONTH, OUTSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 39.39	\$ 39.78	\$ 40.18	\$ 40.58	\$ 40.99
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	5.58	5.64	5.70	5.76	5.82
<u>STORMWATER RATES PER MONTH, INSIDE CITY LIMITS ONLY (1)</u>					
1. PER ERU	\$ 3.78	\$ 3.82	\$ 3.86	\$ 3.90	\$ 3.94

(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

	Effective Jan 1st 2020	Effective Jan 1st 2021	Effective Jan 1st 2022	Effective Jan 1st 2023	Effective Jan 1st 2024
<u>WATER RATES PER MONTH, INSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 11.80	\$ 11.80	\$ 12.15	\$ 12.51	\$ 12.89
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	4.90	4.90	5.05	5.20	5.36
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	4.61	4.61	4.75	4.89	5.04
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.38	4.38	4.51	4.65	4.78
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.08	4.08	4.20	4.32	4.45
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	3.60	3.60	3.71	3.82	3.93
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.35	3.45	3.55
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.35	3.45	3.55
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.35	3.45	3.55
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.35	3.45	3.55
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.35	3.45	3.55
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.35	3.45	3.55
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.25	3.25	3.35	3.45	3.55
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	3.25		3.35	3.45	3.55
<u>WATER RATES PER MONTH, OUTSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 23.56	\$ 23.56	\$ 24.27	\$ 24.99	\$ 25.74
2. NEXT 300 CUBIC FEET, PER 100 CUBIC FEET	8.66	8.66	8.92	9.18	9.46
3. NEXT 1,500 CUBIC FEET, PER 100 CUBIC FEET	6.76	6.76	6.96	7.16	7.37
4. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.90	4.90	5.05	5.20	5.36
5. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.61	4.61	4.75	4.89	5.04
6. NEXT 8,000 CUBIC FEET, PER 100 CUBIC FEET	4.38	4.38	4.51	4.64	4.78
7. NEXT 74,000 CUBIC FEET, PER 100 CUBIC FEET	4.08	4.08	4.20	4.32	4.45
8. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
9. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
10. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
11. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
12. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
13. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
14. NEXT 200,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
15. ALL IN EXCESS OF 1,500,000 CUBIC FEET, PER 100 CUBIC FEET	3.88	3.88	4.00	4.12	4.24
<u>SANITARY SEWER RATES PER MONTH, INSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 20.58	\$ 20.58	\$ 21.20	\$ 21.83	\$ 22.48
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	2.96	2.96	3.05	3.14	3.23
<u>SANITARY SEWER RATES PER MONTH, OUTSIDE CITY LIMITS</u>					
1. MINIMUM CHARGE, NOT IN EXCESS OF 200 CUBIC FEET	\$ 40.99	\$ 40.99	\$ 42.22	\$ 43.48	\$ 44.78
2. USER CHARGE, PER 100 CUBIC FEET PER MONTH	5.82	5.82	5.99	6.16	6.34
<u>STORMWATER RATES PER MONTH, INSIDE CITY LIMITS ONLY (1)</u>					
1. PER ERU	\$ 3.94	\$ 3.94	\$ 3.98	\$ 4.05	\$ 4.17

(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 2024			
Customer	Category	Water Revenue		Sewer Revenue	
		Amount	%	Amount	%
Sugar Creek Packing Company	Food Products	\$ 485,098	9.53%	\$ 615,044	13.90%
Pittsburg State University	Education	289,160	5.68%	152,226	3.44%
Crimson Villas	Housing	62,927	1.24%	40,611	0.92%
Summerscape LLC	Housing	49,808	0.98%	25,818	0.58%
Sanderson Pipe	Manufacturing	43,498	0.85%	28,174	0.64%
Sycamore Village Residences	Housing	42,954	0.84%	28,983	0.65%
Royce Parkview	Housing	40,147	0.79%	23,977	0.54%
JBH Investments	Housing	38,256	0.75%	12,772	0.29%
Mercy Hospital	Hospital	24,852	0.49%	14,332	0.32%
Hampton Inn & Suites	Hospitality	24,400	0.48%	12,337	0.28%
Subtotal (10 largest)		1,101,099	21.62%	954,274	21.56%
Balance from other customers		3,991,039	78.38%	3,471,389	78.44%
Grand totals		<u>\$ 5,092,138</u>	<u>100.00%</u>	<u>\$ 4,425,663</u>	<u>100.00%</u>

		Fiscal Year 2015			
Customer	Category	Water Revenue		Sewer Revenue	
		Amount	%	Amount	%
Sugar Creek Packing Company	Food Products	\$ 237,378	4.66%	\$ 371,336	8.39%
Pittsburg State University	Education	193,674	3.80%	107,261	2.42%
Crimson Villas	Housing	70,994	1.39%	43,178	0.98%
Via Christi Hospital	Medical	38,990	0.77%	30,220	0.68%
Sycamore Village Residences	Housing	30,331	0.60%	24,149	0.55%
USD 250 Public Schools	Education	27,555	0.54%	19,315	0.44%
University Commons	Housing	27,307	0.54%	16,549	0.37%
Parkview Community	Housing	26,329	0.52%	15,453	0.35%
Summerscape LLC	Housing	21,451	0.42%	11,288	0.26%
Ridley USA	Agricultural Products	17,412	0.34%	7,034	0.16%
Subtotal (10 largest)		691,421	13.58%	645,783	14.59%
Balance from other customers		3,283,916	64.49%	2,972,358	67.16%
Grand totals		<u>\$ 3,975,337</u>	<u>100.00%</u>	<u>\$ 3,618,141</u>	<u>100.00%</u>

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

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

Fiscal Year	Governmental Activities					
	General Obligation Bonds	Special Assessment	Notes Payable Financed Purchases	Lease Obligations Payable	Sales Tax Transportation District Bonds (1)	Tax Increment Financing Bonds (2)
2015	\$ 10,651,203	\$ -	\$ 1,845,535	\$ -	\$ 1,100,000	\$ 4,070,000
2016	12,519,325	6,539,218	1,639,850	-	1,045,000	3,875,000
2017	9,348,679	6,537,257	1,404,114	-	970,000	3,305,000
2018	7,994,708	6,275,296	1,225,102	-	890,000	2,805,000
2019	9,183,731	6,008,335	946,539	-	805,000	2,235,000
2020	9,115,479	5,736,374	1,891,227	-	705,000	1,775,000
2021	7,012,227	5,459,413	1,424,233	-	625,000	1,280,000
2022	9,575,601	5,177,452	876,627	2,422,225	475,000	460,000
2023	8,296,088	4,890,491	1,548,216	2,490,625	340,000	-
2024	7,023,322	4,598,530	1,498,596	2,977,058	195,000	-

Fiscal Year	Business-type Activities					
	General Obligation Bonds (3)	Notes Payable Financed Purchases	Lease Obligations Payable	K.D.H.E. Loans	Total Primary Government	Per Capita
2015	\$ 8,743,797	\$ -	\$ -	\$ 4,126,327	\$ 30,536,862	\$ 1,497
2016	8,143,564	-	-	3,873,650	37,635,607	1,848
2017	7,151,757	-	-	3,740,442	32,457,249	1,606
2018	6,428,274	-	-	3,362,262	28,980,642	1,434
2019	5,725,135	428,551	-	3,190,598	28,522,889	1,414
2020	5,038,897	680,009	-	2,899,186	27,841,172	1,380
2021	4,337,658	480,602	-	2,452,309	23,071,442	1,144
2022	3,616,604	137,668	148,718	3,864,550	26,754,445	1,295
2023	2,873,946	13,258	258,308	3,285,066	23,995,998	1,164
2024	2,353,262	972,706	221,980	3,748,637	23,589,091	1,143

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

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

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

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

Fiscal Year	General Bonded Debt Outstanding			Actual Taxable Value of Property (1)	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Less Amount Available in Debt Service Fund	Total			
2015	\$ 19,395,000	\$ 807,700	\$18,587,300	\$ 843,786,180	2.20%	\$ 911
2016	20,662,889	882,012	19,780,877	857,536,477	2.31%	971
2017	16,500,436	964,528	15,535,908	895,052,217	1.74%	768
2018	14,422,982	683,818	13,739,164	902,468,903	1.52%	680
2019	14,908,866	901,542	14,007,324	903,133,619	1.55%	694
2020	14,154,376	1,087,511	13,066,865	934,439,912	1.40%	648
2021	11,349,885	1,424,800	9,925,085	936,120,634	1.06%	492
2022	14,551,703	1,783,297	12,768,406	948,150,545	1.35%	618
2023	11,170,034	1,577,749	9,592,285	1,018,655,375	0.94%	465
2024	9,376,584	1,614,057	7,762,527	1,100,739,520	0.71%	376

(1) Source: Crawford County Clerk

City of Pittsburg, Kansas
Direct and Overlapping Governmental Activities Debt
As of December 31, 2024

<u>Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Crawford County	\$ 2,043,000	52.25%	\$ 1,067,468
Pittsburg U.S.D. 250	50,855,000	84.29%	<u>42,865,680</u>
Subtotal, overlapping debt			43,933,147
City direct debt (2)			<u>16,292,506</u>
Total direct and overlapping debt			<u><u>\$ 60,225,653</u></u>

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

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed Valuation (1)	\$ 162,406,347
Legal Debt Limit (2)	48,721,904
General Obligation Bonds	11,170,034
Less Amount Available in Debt Service Fund	<u>1,577,749</u>
Total net debt applicable to limit	<u>9,592,285</u>
Legal debt margin	<u><u>\$ 39,129,619</u></u>

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$ 40,750,814	\$ 40,980,164	\$ 44,002,299	\$ 44,686,812	\$ 44,714,579
Total net debt applicable to limit	<u>18,587,300</u>	<u>11,502,295</u>	<u>15,095,472</u>	<u>13,331,182</u>	<u>13,523,458</u>
Legal debt margin	<u><u>\$ 22,163,514</u></u>	<u><u>\$ 29,477,869</u></u>	<u><u>\$ 28,906,827</u></u>	<u><u>\$ 31,355,630</u></u>	<u><u>\$ 31,191,121</u></u>
Total net debt applicable to the limit as a percentage of debt limit	45.61%	28.07%	34.31%	29.83%	30.24%

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$ 46,177,396	\$ 46,413,952	\$ 46,539,476	\$ 49,195,812	\$ 48,721,904
Total net debt applicable to limit	<u>11,627,489</u>	<u>9,530,200</u>	<u>12,768,406</u>	<u>9,592,285</u>	<u>9,592,285</u>
Legal debt margin	<u><u>\$ 34,549,907</u></u>	<u><u>\$ 36,883,752</u></u>	<u><u>\$ 33,771,070</u></u>	<u><u>\$ 39,603,527</u></u>	<u><u>\$ 39,129,619</u></u>
Total net debt applicable to the limit as a percentage of debt limit	25.18%	20.53%	27.44%	19.50%	19.69%

(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		Coverage
						Principal	Interest	
2015	\$ 99,749	\$ 13,925	\$ 2	\$ 1,752	\$ 111,924	\$ 50,000	\$ 54,000	1.08
2016	98,330	9,800	10	1,760	106,380	55,000	51,480	1.00
2017	97,891	13,600	398	1,941	109,948	85,000	48,720	0.82
2018	101,302	29,705	1,259	1,860	130,406	80,000	45,000	1.04
2019	103,783	19,200	1,869	1,995	122,857	85,000	41,040	0.97
2020	119,043	27,000	403	1,819	144,627	100,000	36,840	1.06
2021	139,367	-	27	1,750	137,644	80,000	31,920	1.23
2022	145,339	20,000	980	1,750	164,569	120,000	26,520	1.12
2023	149,520	5,753	4,756	1,308	158,721	135,000	20,520	1.02
2024	169,830	3,196	5,151	1,750	176,427	145,000	13,920	1.11

Tax Increment Financing Bonds (2)								
Fiscal Year	Sales Tax Increment	Property Tax Increment	Other Income	Less Expenses	Net Available Revenue	Debt Service		Coverage
						Principal	Interest	
2015	\$ 296,587	\$ 265,509	\$ 19	\$ 3,019	\$ 559,096	\$ 320,000	\$ 205,850	1.06
2016	286,419	282,370	122	3,122	565,789	195,000	194,263	1.45
2017	291,941	283,892	2,115	4,173	573,775	570,000	180,810	0.76
2018	300,293	283,300	4,834	3,901	584,526	500,000	152,145	0.90
2019	308,279	298,877	5,324	3,688	608,792	570,000	126,910	0.87
2020	365,442	292,702	1,134	3,190	656,088	460,000	98,245	1.18
2021	436,734	275,039	88	3,000	708,861	495,000	74,848	1.24
2022	441,279	333,251	2,997	3,000	774,527	690,000	43,365	1.06
2023	34,623	333,540	6,398	500	374,060	460,000	11,270	0.79
2024	-	-	-	-	-	-	-	-

(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)
2015	20,398	39,231	\$ 34,145	2,945	7,244	4.3%	26.2
2016	20,366	39,164	34,508	2,934	7,102	4.4%	26.2
2017	20,216	39,333	36,912	3,006	6,907	3.5%	26.1
2018	20,216	39,281	38,017	2,930	6,625	3.5%	25.8
2019	20,178	39,019	40,174	3,028	6,645	3.4%	25.8
2020	20,171	38,968	41,004	3,180	6,398	3.5%	25.9
2021	20,171	38,968	41,004	3,276	6,645	2.3%	25.9
2022	20,667	39,018	45,191	3,306	5,858	2.7%	26.0
2023	20,610	39,012	46,642	3,306	5,732	3.0%	25.7
2024	20,646	38,972	50,311	3,381	5,774	3.8%	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**

<u>Employer</u>	<u>Product</u>	<u>2024</u>			<u>2015</u>		
		<u>Estimated Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment (3)</u>	<u>Estimated Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment (3)</u>
Pittsburg State University	University	1,561	1	9.00%	1,867	1	10.05%
Ascension Via Christi Hospital	Regional Hospital	775	2	4.47%	677	3	3.64%
Sugar Creek Packing (2)	Food Products	750	4	4.33%	540	4	2.91%
Pittsburg U.S.D. # 250	Public School K-12	684	3	3.95%	684	2	3.68%
CDL Electric Company	Contractor	460	4	2.65%	na	na	na
Community Health Center of SEK	Health Care	387	5	2.23%	164	12	0.88%
Wal-mart	Retailer	322	6	1.86%	380	5	2.05%
Pitt Plastics Inc.	Polyethylene Bags	304	7	1.75%	293	6	1.58%
Miller's Inc.	Professional Photo Finishing	302	8	1.74%	287	7	1.54%
Masonite International	Manufacturing	300	9	1.73%	225	9	1.21%
Kansas Crossing Casino & Hotel	Entertainment	260	10	1.50%	na	na	na
SEKCAP	Non-Profit	250	11	1.44%	na	na	na
City of Pittsburg (4)	City Government	303	12	1.75%	228	11	1.23%
Mpix	Professional Photo Finishing	200	13	1.15%	na	na	na
Diamond Pet Foods (2)	Pet food products	195	14	1.12%	na	na	na
Leisure Time Products	Outdoor Playsets	182	15	1.05%	na	na	na
Total		<u>7,235</u>		<u>41.72%</u>	<u>5,345</u>		<u>28.76%</u>

(1) Source: Pittsburg Chamber of Commerce

(2) Outside City Limits

(3) Source: Kansas Department of Labor

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

Note: na means data unavailable.

TOTAL EMPLOYMENT FOR CRAWFORD COUNTY (SOURCE: KDOL)

17,336

18,580

Kansas Labor Information Center (KLIC) - Local Area Unemployment Statistics (ks.gov)

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

	2015		2016		2017		2018		2019	
	<u>Number of Employees</u>	<u>Percent of Total</u>	<u>Number of Employees</u>	<u>Percent of Total</u>	<u>Number of Employees</u>	<u>Percent of Total</u>	<u>Number of Employees</u>	<u>Percent of Total</u>	<u>Number of Employees</u>	<u>Percent of Total</u>
Governmental-type Activities										
<u>Administration</u>										
City Manager	2	0.9%	2	0.9%	3	1.3%	3	1.3%	3	1.3%
City Attorney	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
City Clerk	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
Finance Department	5	2.2%	5	2.2%	5	2.2%	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	3	1.3%	4	1.8%	4	1.8%	4	1.7%	4	1.7%
Total Administration	14	6.3%	15	6.7%	16	7.0%	17	7.4%	17	7.4%
<u>Public Safety</u>										
Police Division	70	31.4%	71	31.6%	73	32.0%	74	32.3%	74	32.0%
Fire Division	35	15.7%	35	15.6%	35	15.4%	35	15.3%	35	15.2%
Building Services Division	5	2.2%	5	2.2%	4	1.8%	3	1.3%	4	1.7%
Codes Enforcement Division	4	1.8%	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	2.7%	6	2.7%	6	2.6%	6	2.6%	6	2.6%
Total Public Safety	122	54.8%	121	53.9%	122	53.6%	122	53.4%	123	53.3%
<u>Public Works</u>										
Engineering Division	3	1.3%	3	1.3%	3	1.3%	4	1.7%	4	1.7%
Facility Maintenance Division	3	1.3%	3	1.3%	3	1.3%	4	1.7%	4	1.7%
Street & Highway Division	11	4.9%	10	4.4%	10	4.4%	10	4.4%	10	4.3%
Atkinson Airport Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Public Works	20	9.0%	19	8.4%	19	8.3%	21	9.2%	21	9.1%
<u>Sanitation and Health</u>										
Mt. Olive Cemetery Division	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
<u>Culture and Recreation</u>										
Parks Division	8	3.6%	8	3.6%	8	3.5%	8	3.5%	8	3.5%
Recreation Division	2	0.9%	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	18	8.1%	19	8.4%	19	8.3%	19	8.3%	19	8.2%
<u>Education</u>										
Component Unit (Public Library)	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Industrial Development</u>										
Economic Development Division	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Social Welfare</u>										
Community Development and Housing	4	1.8%	5	2.2%	6	2.6%	6	2.6%	7	3.0%
Total for Governmental-type Activities	179	80.3%	180	80.0%	183	80.3%	186	81.2%	188	81.4%
Business-type Activities										
<u>Water-Wastewater Utility</u>										
Water Treatment Division	9	3.9%	11	4.9%	11	4.8%	10	4.4%	10	4.3%
Water Distribution Division	14	6.1%	14	6.2%	14	6.1%	13	5.7%	13	5.6%
Wastewater Treatment Division	7	3.0%	6	2.7%	6	2.6%	6	2.6%	6	2.6%
Wastewater Collections Division	6	2.5%	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	16.8%	39	17.3%	39	17.1%	37	16.2%	37	16.0%
<u>Property & Sanitation</u>										
<u>Storm Water Utility</u>										
Stormwater Division	7	3.0%	6	2.7%	6	2.6%	6	2.6%	6	2.6%
Total for Business-type Activities	44	19.7%	45	20.0%	45	19.7%	43	18.8%	43	18.6%
Total Full-time Employees	223	100.0%	225	100.0%	228	100.0%	229	100.0%	231	100.0%
Component Unit	8		8		9		10		10	

(Continued)

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

	2020		2021		2022		2023		2024	
	<u>Number of</u> <u>Employees</u>	<u>Percent</u> <u>of Total</u>	<u>Number of</u> <u>Employees</u>	<u>Percent</u> <u>of Total</u>	<u>Number of</u> <u>Employees</u>	<u>Percent</u> <u>of Total</u>	<u>Number of</u> <u>Employees</u>	<u>Percent</u> <u>of Total</u>	<u>Number of</u> <u>Employees</u>	<u>Percent</u> <u>of Total</u>
Governmental-type Activities										
<u>Administration</u>										
City Manager	3	1.3%	4	1.7%	3	1.3%	3	1.3%	3	1.3%
City Attorney	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
City Clerk	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
Finance Department	6	2.6%	6	2.6%	6	2.6%	5	2.2%	4	1.8%
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%	5	2.2%	5	2.2%
Total Administration	17	7.3%	18	7.8%	17	7.4%	17	7.4%	16	7.0%
<u>Public Safety</u>										
Police Division	74	31.9%	74	31.9%	74	32.0%	73	31.9%	70	30.7%
Fire Division	35	15.1%	35	15.1%	35	15.2%	35	15.3%	34	14.9%
Building Services Division	4	1.7%	4	1.7%	5	2.2%	6	2.6%	7	3.1%
Codes Enforcement Division	2	0.9%	2	0.9%	2	0.9%	2	0.9%	3	1.3%
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%	5	2.2%	4	1.8%
Total Public Safety	123	53.1%	123	53.0%	124	53.7%	123	53.7%	120	52.6%
<u>Public Works</u>										
Engineering Division	4	1.7%	3	1.3%	2	0.9%	2	0.9%	1	0.4%
Facility Maintenance Division	4	1.7%	4	1.7%	4	1.7%	4	1.7%	3	1.3%
Street & Highway Division	10	4.3%	10	4.3%	10	4.3%	9	3.9%	11	4.8%
Atkinson Airport Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Public Works	21	9.1%	20	8.6%	19	8.2%	18	7.9%	18	7.9%
<u>Sanitation and Health</u>										
Mt. Olive Cemetery Division	1	0.4%	1	0.4%	1	0.4%	1	0.4%	1	0.4%
<u>Culture and Recreation</u>										
Parks Division	8	3.4%	8	3.4%	8	3.5%	8	3.5%	10	4.4%
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%	6	2.6%	7	3.1%
Total Culture and Recreation	19	8.2%	19	8.2%	19	8.2%	20	8.7%	23	10.1%
<u>Education</u>										
Component Unit (Public Library)	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Industrial Development</u>										
Economic Development Division	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>Social Welfare</u>										
Community Development and Housing	7	3.0%	7	3.0%	7	3.0%	7	3.1%	7	3.1%
Total for Governmental-type Activities	188	81.0%	188	81.0%	187	81.0%	186	81.2%	185	81.1%
Business-type Activities										
<u>Water-Wastewater Utility</u>										
Water Treatment Division	10	4.3%	10	4.3%	10	4.3%	10	4.4%	10	4.4%
Water Distribution Division	14	6.0%	14	6.0%	14	6.1%	14	6.1%	14	6.1%
Wastewater Treatment Division	6	2.6%	6	2.6%	6	2.6%	6	2.6%	7	3.1%
Wastewater Collections Division	5	2.2%	5	2.2%	5	2.2%	5	2.2%	3	1.3%
Customer Service Division	3	1.3%	3	1.3%	3	1.3%	3	1.3%	3	1.3%
Total Water-Wastewater Utility	38	16.4%	38	16.4%	38	16.5%	38	16.6%	37	16.2%
<u>Property & Sanitation</u>										
<u>Storm Water Utility</u>										
Stormwater Division	6	2.6%	6	2.6%	6	2.6%	5	2.2%	6	2.6%
Total for Business-type Activities	44	19.0%	44	19.0%	44	19.0%	43	18.8%	43	18.9%
Total Full-time Employees	232	100.0%	232	100.0%	231	100.0%	229	100.0%	228	100.0%
Component Unit	10		10		10		10		8	

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

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General government					
Building permits issued	1,068	1,264	1,297	1,402	1,295
Building inspections conducted	1,503	1,676	1,625	2,141	2,301
Memorial auditorium (events)	334	325	458	505	501
Police (1)					
Physical arrests	1,613	1,601	1,547	1,452	1,514
Parking violations	-	-	-	-	-
Traffic violations	2,249	2,596	2,124	1,735	2,050
Accident Reports	679	374	615	569	518
Fire					
Fire calls	111	122	150	405	431
Emergency calls/EMS	1,021	952	996	900	1,023
Other calls	1,302	1,355	1,175	848	1,081
Other public works					
Street resurfacing (tons of asphalt)	5,981	5,564	15,963	11,233	19,738
Airport (gallons sold)	209,364	215,365	196,381	204,858	190,550
Parks and recreation (2)					
Aquatic center (attendance)	28,615	19,330	19,126	22,352	22,346
Golf course (rounds of golf)	8,683	7,924	6,292	7,031	6,864
Water					
Average daily consumption (gallons)	2,059,320	2,236,650	2,072,758	2,141,825	2,078,767
Peak daily consumption (gallons)	3,964,000	3,421,000	3,123,000	3,687,000	3,028,000
Wastewater					
Average daily sewage treatment (gallons)	4,015,616	2,878,356	3,738,904	3,136,164	5,235,890

<u>Function/Program</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government					
Building permits issued	1,238	1,374	1,358	1,055	1,494
Building inspections conducted	2,200	2,701	1,522	2,210	3,048
Memorial auditorium (events)	126	276	320	369	355
Police (1)					
Physical arrests	794	1,114	1,030	758	955
Parking violations	-	-	-	-	-
Traffic violations	2,957	2,975	1,355	1,038	1,760
Accident Reports	373	445	375	428	394
Fire					
Fire calls	543	294	178	353	555
Emergency calls/EMS	816	687	1,250	1,178	1,406
Other calls	416	689	624	288	375
Other public works					
Street resurfacing (tons of asphalt)	19,242	5,614	-	-	-
Airport (gallons sold)	145,468	203,430	182,246	156,729	154,643
Parks and recreation (2)					
Aquatic center (attendance)	-	15,769	18,075	17,239	15,594
Golf course (rounds of golf)	7,204	9,790	19,234	14,609	15,906
Water					
Average daily consumption (gallons)	2,253,066	2,504,184	2,162,558	2,929,586	2,783,246
Peak daily consumption (gallons)	4,061,000	4,108,000	5,404,000	5,404,000	4,665,000
Wastewater					
Average daily sewage treatment (gallons)	4,563,288	4,412,877	3,340,822	3,340,822	3,748,493

Sources: Various city departments.

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

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

	2015	2016	2017	2018	2019
<u>Function/Program</u>					
Police					
Stations	1	1	1	1	1
Patrol units	4	4	4	4	4
Fire Stations	3	3	3	3	3
Other public works					
Streets (miles)	142	142	142	142	142
Streetlights	2,042	2,042	2,047	2,047	2,047
Traffic Signals	42	42	42	42	42
Parks and recreation					
Public parks	14	14	14	14	14
Swimming pools	2	2	2	2	2
Golf courses	1	1	1	1	1
Frisbee golf courses	2	2	2	2	2
Baseball/softball fields	9	9	9	9	9
Tennis courts	8	8	6	6	6
Pickle ball Courts	-	-	-	4	4
Community centers	3	3	2	2	2
Water					
Water mains (miles)	172	172	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)	127	127	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

	2020	2021	2022	2023	2024
<u>Function/Program</u>					
Police					
Stations	1	1	1	1	1
Patrol units	4	4	4	4	4
Fire Stations	3	3	3	3	3
Other public works					
Streets (miles)	142	142	142	142	142
Streetlights	2,047	2,047	2,047	2,047	2,047
Traffic Signals	42	42	42	42	42
Parks and recreation					
Public parks	14	14	14	14	14
Swimming pools	2	2	2	2	2
Golf courses	1	1	1	1	1
Frisbee golf courses	2	2	2	2	2
Baseball/softball fields	9	9	9	9	9
Tennis courts	6	6	6	6	6
Pickle ball Courts	4	4	4	4	4
Community centers	2	2	2	2	2
Water					
Water mains (miles)	175	175	175	175	175
Storage capacity (gallons)	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Wastewater					
Sanitary sewers (miles)	130	130	130	130	130
Treatment daily capacity (gallons)	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Stormwater					
Storm sewers (miles)	19	19	19	19	19

Sources: Various city departments.

CITY OF PITTSBURG, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Grantor's Number	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	\$ 1,369	\$ -
Total SNAP Cluster			1,369	-
Total U.S. Department of Agriculture			1,369	-
U.S. Department of Housing and Urban Development:				
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	KS149VO	14.871	2,011,150	-
COVID 19 - Section 8 Housing Emergency Housing Vouchers	KS149VO	14.871	115,464	-
Total Housing Voucher Cluster			2,126,614	-
Passed through Kansas Housing Resources Corporation:				
Emergency Solutions Grant	ESG-FFY2019-2020	14.231	56,322	19,568
HOME Investment Partnerships Program	M-18-SG-20-1090	14.239	64,822	-
Total U.S. Department of Housing and Urban Development			2,247,758	19,568
U.S. Department of the Interior:				
Passed through Kansas Department of Wildlife and Parks:				
Schlanger Splash Pad	-	15.914	3,630	-
Total U.S. Department of the Interior			3,630	-
U.S. Department of Transportation:				
Passed through the Federal Aviation Administration:				
Airport Improvement Program	3-20-0069-023-2022	20.106	1,045,370	-
Passed through the Kansas Department of Transportation:				
Highway Safety Cluster:				
Alcohol Impaired Driving Countermeasures Incentive Grants	-	20.600	2,462	-
Total Highway Safety Cluster			2,462	-
Total U.S. Department of Transportation			1,047,832	-
U.S. Department of Treasury:				
Passed through the State of Kansas:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	-	21.027	40,339	-
Passed through Kansas Housing Resources Corporation:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	23-0028-HITC ARPA	21.027	840,000	-
Total U.S. Department of Treasury			880,339	-
U.S. Department of Health and Human Services:				
Passed through the Kansas Department of Health and Environment:				
State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	-	93.366	10,000	-
Passed through the Family Kansas Resource Center:				
Police Response Advocate	-	93.590	131,847	-
Total U.S. Department of Health and Human Services			141,847	-
Total expenditures of federal awards			\$ 4,322,775	\$ 19,568

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, 2024

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, 2024. 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, 2024

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	Finding 2024-002
Significant deficiencies identified that are not considered to be material weaknesses	Finding 2024-001
Findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	Findings 2024-001 and 2024-002

Identification of major program:

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

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
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CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2024

Section III – Federal Award Findings and Questioned Costs

Finding 2024-001

Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Federal Agency: U.S. Department of the Treasury

Federal Program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), ALN No. 21.027, Award No. 23-0208-HITC ARPA

Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Repeat Finding: No

Condition: During our testing of two expenditures, we noted that management was unable to provide supporting documentation that review procedures were performed on invoices before the preparation of disbursement of funds.

Questioned Costs: None

Context: For both expenditures tested in the population of two, management was not able to provide the required support showing that the invoices were reviewed before preparation of disbursement.

Criteria: 2 CFR part 200 section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award including proper authorization and approval for purchases.

Cause: There was significant turnover within the finance department of the City and the grants administration process was missing supervision by key personnel. The finding indicates that there should be some process improvements in how grant expenditures are reviewed and approved before disbursement of funds to provide evidence the compliance requirement are being met.

Effect: Unallowable costs or activities could be funded by the federal grant.

Recommendation: We recommend the City implement procedures to ensure all disbursement of grant funds are reviewed and approved before disbursement as well as increase training efforts on disbursement policy requirements if there is future staffing turnover.

Management's Response/Corrective Action Plan (Unaudited): The City acknowledges the finding and is committed to strengthening internal controls over compliance for the review and approval of grant-related expenditures. Effective immediately, the City implemented the following corrective measures:

1. Formalized Invoice Review and Approval Process

- All grant-related invoices to undergo documented review and approval before the preparation and disbursement of funds.

CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2024

- The procedure will require reviewers to sign and date each invoice (either physically or electronically) to provide a verifiable audit trail.
- 2. **Assignment of Review Responsibility**
 - Designate a primary reviewer and a backup reviewer within the Finance Department to ensure continuity of compliance in the event of staffing turnover.
 - Review responsibility will be incorporated into the official job descriptions of these positions.
- 3. **Training and Staff Development**
 - Conduct mandatory training for all finance and grant administration personnel on the disbursement review process, compliance requirements under 2 CFR 200.303, and documentation retention protocols.
 - Training will be provided within 30 days of hire for all new staff assigned to the process.
- 4. **Periodic Monitoring and Quality Checks**
 - Implement quarterly internal reviews by the Finance Director (or designee) to verify adherence to the review and approval process.
 - Findings from these internal reviews will be documented and corrective steps taken promptly if deficiencies are noted.

Planned Completion Date: Implementation and training of this plan is complete.

Contact Person Responsible for Correction Action: Finance Director

CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2024

Finding 2024-002

Type of Finding: Material Weakness in Internal Control Over Compliance, Other Matters

Federal Agency: U.S. Department of the Treasury

Federal Program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), ALN No. 21.027, Award No. 23-0208-HITC ARPA

Compliance Requirement: Suspension and Debarment

Repeat Finding: No

Condition: During our testing of one covered transaction, we noted that management was not able to provide supporting documentation that suspension and debarment procedures were performed before the start of the procurement activity.

Questioned Costs: None

Context: For the only transaction in the population, a beneficiary, tested for suspension and debarment, management was not able to provide the required supporting documentation showing that the suspension and debarment check was completed.

Criteria: 2 CFR 180.300 prohibits entities from contracting under covered transactions to parties that are suspended or debarred from doing business with the federal government. A contract for goods or services is a covered transaction if awarded as a grant or payment for specified use and if the amount of the contract is expected to equal or exceed \$25,000. In order to comply with federal suspension and debarment requirements, the City can perform a search in the federal System of Award Management (SAM) website, which tracks the entities that the federal government has determined are ineligible to receive federal funding; collect a certification from the entity; or add a clause or condition to the contract.

Cause: There was significant turnover within the finance department of the City and grants administration was missing supervision by key personnel. The finding indicates that there should be some process improvements in how contracts are reviewed, documented and maintained to provide evidence the compliance requirements are being met.

Effect: The City could enter into a federally-funded contract with a suspended or debarred party.

Recommendation: We recommend that the City either obtain certifications from vendors stating their organization is not suspended, debarred, or otherwise excluded from participation in federal assistance programs or document the procedures performed to verify the vendor is not identified as suspended or debarred on the SAM website. We recommend that the City has proper procedures in place to ensure that all contractual documentation is maintained and able to be located.

Management's Response/Corrective Action Plan (Unaudited): Management acknowledges the finding. For the transaction tested, the suspension and debarment check was in fact performed prior to the start of the procurement contract, and no issues were identified; however, the supporting documentation was not retained. The City has

CITY OF PITTSBURG, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2024

reviewed and updated its procedures to require that evidence of suspension and debarment checks (e.g., SAM.gov search results, vendor certifications, or contract clauses) be saved in the contract file at the time of verification. Staff have been trained on these requirements to ensure documentation is consistently maintained for all covered transactions in accordance with federal guidelines.

Planned Completion Date: These modifications are being implemented immediately.

Contact Person Responsible for Correction Action: Finance Director



**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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 19, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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

Purpose of this Report

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

BT & Co., P.A.

September 19, 2025
Topeka, Kansas



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

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, 2024. 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, 2024.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding Numbers 2024-001 and 2024-002. Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards require the auditor to perform limited procedures on the City's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of finding and questioned costs as Finding 2024-002 to be a material weakness. 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2024-001 to be a significant deficiency.

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.

Government Auditing Standards requires the audit to perform limited procedures on the city's response to the internal control over compliance findings identified in our compliance audit describes in the accompanying schedule of findings and questioned costs. The city's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

September 19, 2025
Topeka, Kansas