

CITY OF ELLISVILLE MISSOURI

FINANCIAL STATEMENTS, INDEPENDENT AUDITOR'S
REPORT AND SUPPLEMENTARY INFORMATION

FISCAL YEAR ENDED DECEMBER 31, 2022



#1 WEIS AVENUE
ELLISVILLE, MISSOURI 63011

City of Ellisville, Missouri
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Independent Auditor's Report

To the Honorable Mayor and City Council
City of Ellisville, Missouri

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Ellisville, Missouri, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise City of Ellisville, Missouri's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of City of Ellisville, Missouri, as of December 31, 2022, and the respective changes in financial position 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Ellisville, Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

City of Ellisville, Missouri's 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 City of Ellisville, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and

therefore is not a guarantee that an audit conducted in accordance with 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 City of Ellisville, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Ellisville, Missouri's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis which has been omitted, budgetary comparison information, and pension related schedules 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. Although the management's discussion and analysis has been omitted, our opinions on the basic financial statements are not affected by this missing information. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

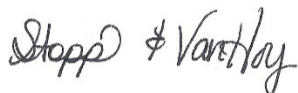
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Ellisville, Missouri's basic financial statements. The combining nonmajor fund financial statements and other budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and other budgetary comparison schedules 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and other budgetary comparison schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2023 on our consideration of City of Ellisville, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Ellisville, Missouri's internal control over financial reporting and compliance.



Creve Coeur, Missouri
June 16, 2023

City of Ellisville, Missouri
Statement of Net Position
December 31, 2022

	Governmental Activities
Assets	
Current Assets:	
Cash and cash equivalents	\$ 1,479,002
Investments	3,864,728
Restricted cash and equivalents	6,110,197
Receivables, net:	
Taxes	1,697,180
Intergovernmental	355,379
Interest	494
Other	172,310
Prepaid items	11,274
Net pension asset	2,565,126
Total Current Assets	16,255,690
Noncurrent Assets:	
Land and construction in progress	3,006,914
Other capital assets, net	28,152,586
Total Noncurrent Assets	31,159,500
Total Assets	47,415,190
Deferred Outflows of Resources	
Deferred amounts related to pension	542,788
Liabilities	
Current Liabilities:	
Accounts payable	164,842
Accrued wages	234,982
Accrued compensated absences	300,585
Due to fiduciary fund	58,574
Unearned revenue	749,598
Other payables	182,561
Accrued interest payable	40,294
Current portion of notes payable	208,926
Total Current Liabilities	1,940,362
Noncurrent Liabilities:	
Notes payable, net - long-term portion	3,449,840
Total Noncurrent Liabilities	3,449,840
Total Liabilities	5,390,202
Deferred Inflows of Resources	
Deferred amounts related to pension	970,866
Net Position	
Net investment in capital assets	30,928,602
Restricted:	
Storm water projects	1,219,442
Sewer	405,866
Parks	406,528
Capital projects	227,098
Unrestricted	8,409,374
Total Net Position	\$ 41,596,910

See Notes to the Financial Statements

City of Ellisville, Missouri
Statement of Activities
For the year ended December 31, 2022

Functions/Programs	Expenses	Program Revenue			Net (Expense)
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Change in Net Position
					Governmental Activities
Governmental Activities:					
Administrative	\$ 2,255,528	\$ 656,135	\$ 668,633	\$ -	\$ (930,760)
Police	3,151,060	65,573	9,588	-	(3,075,899)
Public works	1,903,208	-	452,623	-	(1,450,585)
Planning, inspections, and engineering	2,657,039	165,885	-	-	(2,491,154)
Municipal court	123,604	-	-	-	(123,604)
Recreation	1,324,788	354,263	6,400	-	(964,125)
Interest and fiscal charges	43,491	-	-	-	(43,491)
	<u>11,458,718</u>	<u>1,241,856</u>	<u>1,137,244</u>	<u>-</u>	<u>(9,079,618)</u>
General Revenues:					
Taxes:					
					7,518,887
					1,365,058
					854,442
					244,809
					(148,191)
					141,776
					<u>9,976,781</u>
					\$ 897,163
					<u>40,699,747</u>
					<u>\$ 41,596,910</u>

See Notes to the Financial Statements

City of Ellisville, Missouri
Balance Sheet - Governmental Funds
December 31, 2022

	General Fund	Storm Water Projects Fund	Parks Fund	Capital Infrastructure Fund	Contingency Fund	Government Center Loan Fund	Nonmajor Governmental Funds	Total
Assets								
Cash and cash equivalents	\$ 1,495,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,495,402
Investments	3,864,728	-	-	-	-	-	-	3,864,728
Restricted cash and cash equivalents	18,916	-	-	-	-	6,074,881	-	6,093,797
Receivables, net:								
Taxes	954,069	312,963	134,699	266,019	-	-	29,430	1,697,180
Intergovernmental	2,823	-	-	352,556	-	-	-	355,379
Interest	494	-	-	-	-	-	-	494
Other	172,310	-	-	-	-	-	-	172,310
Prepaid items	11,274	-	-	-	-	-	-	11,274
Due from other funds	273,004	916,304	281,098	-	626,287	-	495,001	2,591,694
Total Assets	<u>6,793,020</u>	<u>1,229,267</u>	<u>415,797</u>	<u>618,575</u>	<u>626,287</u>	<u>6,074,881</u>	<u>524,431</u>	<u>16,282,258</u>
Deferred Outflows of Resources								
	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 6,793,020</u>	<u>\$ 1,229,267</u>	<u>\$ 415,797</u>	<u>\$ 618,575</u>	<u>\$ 626,287</u>	<u>\$ 6,074,881</u>	<u>\$ 524,431</u>	<u>\$ 16,282,258</u>
Liabilities								
Accounts payable	\$ 164,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 164,842
Accrued wages	215,463	9,825	9,269	-	-	-	425	234,982
Court bonds payable	12,793	-	-	-	-	-	-	12,793
Unearned revenue	749,598	-	-	-	-	-	-	749,598
Other liabilities	169,768	-	-	-	-	-	-	169,768
Due to other funds	2,377,264	-	-	273,004	-	-	-	2,650,268
Total Liabilities	<u>3,689,728</u>	<u>9,825</u>	<u>9,269</u>	<u>273,004</u>	<u>-</u>	<u>-</u>	<u>425</u>	<u>3,982,251</u>
Deferred Inflows of Resources								
Unavailable revenue - property taxes	44,466	-	-	118,473	-	-	3,076	166,015
Fund Balances								
Nonspendable:								
Prepaid items	11,274	-	-	-	-	-	-	11,274
Restricted:								
Storm water projects	-	1,219,442	-	-	-	-	-	1,219,442
Parks	-	-	406,528	-	-	-	-	406,528
Capital projects	-	-	-	227,098	-	6,074,881	9,061	6,311,040
Sewer repairs	-	-	-	-	-	-	405,866	405,866
Police Foundation	-	-	-	-	-	-	106,003	106,003
Committed:								
Contingency	-	-	-	-	626,287	-	-	626,287
Unassigned	3,047,552	-	-	-	-	-	-	3,047,552
Total Fund Balances	<u>3,058,826</u>	<u>1,219,442</u>	<u>406,528</u>	<u>227,098</u>	<u>626,287</u>	<u>6,074,881</u>	<u>520,930</u>	<u>12,133,992</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,793,020</u>	<u>\$ 1,229,267</u>	<u>\$ 415,797</u>	<u>\$ 618,575</u>	<u>\$ 626,287</u>	<u>\$ 6,074,881</u>	<u>\$ 524,431</u>	<u>\$ 16,282,258</u>

See Notes to the Financial Statements

City of Ellisville, Missouri
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
December 31, 2022

Total Fund Balances - Governmental Funds	\$ 12,133,992
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	31,159,500
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are not reported in the funds	166,015
Interest payable recorded in the statement of net position does not require the use of current financial resources and, therefore, is not reported in the funds	(40,294)
Certain deferred outflows and inflows of resources represent a consumption or acquisition of net position in a future period and, therefore, are not reported in the funds:	
Deferred outflows of resources	542,788
Deferred inflows of resources	(970,866)
Long-term liabilities, including bonds payable, compensated absences, and postretirement benefits are not due and payable in the current period and, therefore, are not reported in the funds:	
Notes payable	(3,658,766)
Compensated absences	(300,585)
Net pension liability (asset)	2,565,126
Total Net Position of Governmental Activities	\$ 41,596,910

See Notes to the Financial Statements

City of Ellisville, Missouri
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the year ended December 31, 2022

	General Fund	Storm Water Projects Fund	Parks Fund	Capital Infrastructure Fund	Contingency Fund	Government Center Loan Fund	Nonmajor Governmental Funds	Total
Revenues								
Property taxes	\$ 416,088	\$ -	\$ -	\$ 334,266	\$ -	\$ -	\$ 94,279	\$ 844,633
Taxes - other	5,092,605	1,776,502	760,335	1,951,935	-	-	-	9,581,377
Intergovernmental	678,221	-	6,400	-	-	-	-	684,621
Licenses and permits	778,404	-	-	-	-	-	-	778,404
Fines and forfeitures	65,573	-	-	-	-	-	-	65,573
Charges for services	43,616	-	354,263	-	-	-	-	397,879
Investment income	(287,968)	38,752	11,295	14,186	11,694	41,292	22,558	(148,191)
Other	13,366	-	2,710	-	-	-	125,700	141,776
	<u>6,799,905</u>	<u>1,815,254</u>	<u>1,135,003</u>	<u>2,300,387</u>	<u>11,694</u>	<u>41,292</u>	<u>242,537</u>	<u>12,346,072</u>
Expenditures								
Current:								
Administrative	2,478,286	-	-	-	-	-	-	2,478,286
Police	3,104,921	-	-	-	-	-	-	3,104,921
Public works	1,541,777	-	-	-	-	-	19,335	1,561,112
Planning, inspections, and engineering	487,998	335,653	-	-	-	-	-	823,651
Municipal court	133,588	-	-	-	-	-	-	133,588
Recreation	-	-	834,352	-	-	-	-	834,352
Capital outlay	261,310	1,258,752	440,497	305,846	-	379,089	681,799	3,327,293
Debt service:								
Principal	-	-	-	-	-	-	37,533	37,533
Interest and fiscal charges	-	-	-	-	-	-	3,197	3,197
Debt issuance costs	-	-	-	-	-	-	-	-
	<u>8,007,880</u>	<u>1,594,405</u>	<u>1,274,849</u>	<u>305,846</u>	<u>-</u>	<u>379,089</u>	<u>741,864</u>	<u>12,303,933</u>
Excess (Deficiency) of Revenues over Expenditures	(1,207,975)	220,849	(139,846)	1,994,541	11,694	(337,797)	(499,327)	42,139
Other Financing Sources (Uses)								
Proceeds from sale of capital assets	21,592	-	-	-	-	-	-	21,592
Issuance of notes payable	-	-	-	-	-	3,500,000	119,668	3,619,668
Transfers in	2,617,322	-	-	-	5,630,000	3,000,000	310,000	11,557,322
Transfers out	(1,990,000)	(900,000)	-	(2,740,000)	(5,840,000)	(87,322)	-	(11,557,322)
	<u>648,914</u>	<u>(900,000)</u>	<u>-</u>	<u>(2,740,000)</u>	<u>(210,000)</u>	<u>6,412,678</u>	<u>429,668</u>	<u>3,641,260</u>
Net Change in Fund Balance	\$ (559,061)	\$ (679,151)	\$ (139,846)	\$ (745,459)	\$ (198,306)	\$ 6,074,881	\$ (69,659)	\$ 3,683,399
Fund Balance, January 1	<u>3,617,887</u>	<u>1,898,593</u>	<u>546,374</u>	<u>972,557</u>	<u>824,593</u>	<u>-</u>	<u>590,589</u>	<u>8,450,593</u>
Fund Balance, December 31	<u>\$ 3,058,826</u>	<u>\$ 1,219,442</u>	<u>\$ 406,528</u>	<u>\$ 227,098</u>	<u>\$ 626,287</u>	<u>\$ 6,074,881</u>	<u>\$ 520,930</u>	<u>\$ 12,133,992</u>

See Notes to the Financial Statements

City of Ellisville, Missouri
Reconciliation of the Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds to the Statement of Activities
For the year ended December 31, 2022

Change in fund balance-total governmental funds	\$	3,683,399
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues that do not provide current financial resources are not included in the fund financial statements.		9,809
The acquisition of capital assets requires the use of current financial resources but has no effect on net position		2,148,305
The cost of capital assets is allocated over their estimated useful lives and are reported as depreciation expense in the statement of activities		(1,861,250)
In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources.		(125,322)
The increase in interest payable and the amortization of bond premium/discount do not require the use of current financial resources and, therefore, are not reported as an expenditure in governmental funds		(40,294)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		37,533
Issuances of long-term debt, principal and premiums, are revenues in the governmental funds, but the issuance increases long-term liabilities in the statement of net position		(3,619,668)
Increase in compensated absences and accumulated post retirement benefits are recorded when earned in the statement of activities		
Compensated absences		(25,059)
Net pension liability		689,710
Change in net position of governmental activities	\$	<u>897,163</u>

City of Ellisville, Missouri
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2022

Assets

Due from other funds	\$ 58,574
Total Assets	<u>58,574</u>

Net Position Held in Trust for:

Health benefits	58,574
Total Net Position	<u><u>\$ 58,574</u></u>

See Notes to the Financial Statements

City of Ellisville, Missouri
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended December 31, 2022

Additions

Investment income:		
Interest		\$ 1,284
Net investment income		<u>1,284</u>
 Change in Net Position Held in Trust		 \$ 1,284
 Net Position Held in Trust, Beginning of Year		 <u>57,290</u>
 Net Position Held in Trust, End of Year		 <u><u>\$ 58,574</u></u>

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies

The City of Ellisville, Missouri (the "City") was incorporated as a city within St. Louis County, Missouri in 1932 under the provisions of the Missouri State Statutes. On August 3, 1993, the City voters approved a Home Rule Charter which established a council-manager form of government, governed by a policy making body of six council members and a mayor. The City's major operations include police protection, street maintenance and improvements, parks and recreation, community development, and general administrative services. The basic financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental agencies. The significant accounting policies applied by the City in the preparation of the accompanying financial statements are summarized below:

Reporting Entity

The City applies the criteria set forth in Statement No. 61 of the Governmental Accounting Standards Board, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34* (GASB 61), to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected officials accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal dependency, imposition of will, and the primary recipient of services. The City presently has no component units included within its reporting entity.

Basic Financial Statements

Basic financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities, and reports information on all of the activities of the Primary Government. 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 that would distort direct costs and program revenues reported for the various functions concerned.

The Statement of Activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Indirect expenses are allocated based on the annual cost allocation plan. Program revenue includes: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, deferred outflows, liabilities, deferred inflows, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies (continued)

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. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues available if they are collected within 60 days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures, as well as expenditures related to claims and judgements and compensated absences which are recorded only when payment is due.

For the governmental fund financial statements, the City considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, franchise taxes, licenses, interest, special assessments, charges for services, and other miscellaneous revenue are considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period.

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The City reports the following major governmental funds:

General Fund - The City's primary operating fund, which accounts for all the financial resources and the legally authorized activities of the City except those required to be accounted for in other specialized funds.

Storm Water Projects Fund - The City uses this fund to account for sales tax revenue designed for storm water project expenditures.

Parks Fund - The City uses this fund to account for tax revenues designated for park and recreational activities as well as other revenues and expenditures directly related to recreational activities. This fund includes 1/4 cent sales tax which is deposited and used for debt service payments related to the original construction of the pool.

Capital Infrastructure Fund - The City uses this fund to account for sales tax revenue designated for infrastructure operation and construction.

Contingency Fund - The City can use this fund for emergency use in the event of severe revenue shortfalls, extreme cash flow irregularities, the occurrence of natural disaster or the need for large unanticipated expenditures. This fund can also be used to create a buffer in the event that future circumstances inhibit the City's ability to make debt service principal and/or interest payments when due.

Government Center Loan Fund - The City uses this capital project fund to account for the proceeds from the issuance of debt and capital project activity related to the Government Center development project.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

The other governmental funds of the City are considered nonmajor. They consist of capital project and special revenue funds which account for specific revenue sources that are legally restricted to expenditures for specific purposes.

Additionally, the government reports the following fiduciary fund types:

Custodial Fund - The City uses this fund to account for resources held by the City that are to be used to cover health insurance premiums for employees who are unable to work due to illness. The City has no requirements to provide additional resources to this fund. Resources for this fund are provided by employees of the City that volunteer at charitable events.

Cash and Investments

The City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investment balance in each fund represents the fund's equity share of the City's cash and investment pool. The City's investments are carried at fair value. Interest income earned on pooled cash and investments is allocated to the various funds based on their respective participation. Interest income on restricted cash and investments is credited directly to the related fund.

The City is authorized to invest funds not immediately needed for the purposes to which the funds are applicable in obligations of the U.S. Treasury, U.S. government agencies, repurchase agreements, and certificates of deposit.

Certain cash and investments are restricted for the construction or purchase of assets, the repayment of long-term debt, and the activities of special revenue funds.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditure/expense when consumed rather than when purchased.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic lights, street lights, sewer lines, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Infrastructure assets with an initial cost of \$50,000 or more are also capitalized and depreciated. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated using a straight-line method over the following estimated useful lives:

<u>Major Group</u>	<u>Life</u>
Buildings and improvements	5 - 40 years
Machinery and equipment	5 - 20 years
Vehicles	5 years
Infrastructure	10 - 30 years

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

The government-wide financial statements do not reflect those infrastructure assets completed prior to January 1, 2004. From that point forward, new infrastructure is added to the records, while the retroactive historical value of the City's infrastructure assets has not been added.

Interfund Transactions

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as other financing sources (uses) in the governmental fund type. In the process of aggregating data of the statement of net position and the statement activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing-up" effect on assets and liabilities within the governmental activities column.

Compensated Absences

Under terms of the City's personnel policy, employees are granted vacation time based on length of service. Vacation time accrued during one fiscal year may be carried over and used only in the subsequent fiscal year. Upon termination, the employee is paid for unused vacation or is required to repay the City for used and unearned vacation of the current year. A liability for unused vacation compensation is recorded in the respective governmental funds only if they have matured, for example as a result of employee resignations and retirement. Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. No portion of sick leave is payable to the employee upon termination and, therefore, has not been reflected in the financial statements. The General Fund is generally used to liquidate the liability for accrued vacation. Given that all vacation may only be carried over and used in the subsequent fiscal year, all compensated absences are considered to be a current liability.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the unamortized portion of applicable premium, discount, or deferred amount on refunding. Bond issuance costs, including underwriters' discount, are included as an expense. Amortization of bond premiums or discounts and deferred amounts on refunding are included in interest expense.

Net Position and Fund Balance/Equity

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets represents capital assets net of accumulated depreciation, outstanding principal on related debt, and non-debt liabilities used for capital purposes. Net investment in capital assets does not include the unspent proceeds of capital debt. Restricted net position represents amounts restricted by parties outside of the City (such as creditors, grantors, contributors, laws and regulations of other governments) and includes unspent proceeds of bonds issued to acquire or construct capital assets, net of outstanding principal on related debt. All remaining net position is considered unrestricted.

When both restricted and unrestricted sources are available for use, it is the City's policy to use restricted first, then unrestricted resources as they are needed. The government-wide Statement of Net Position reports a restricted portion of \$2,258,934, all of which is restricted by enabling legislation.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies (continued)

Net Position and Fund Balance/Equity (continued)

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - Resources which cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted - Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Committed - Resources which are subject to limitations the government imposes upon itself by passing an ordinance by the City Council, and that remain binding unless removed in the same manner.

Assigned - Resources neither restricted nor committed for which a government has a stated intended use as established by the City Council or an official to which the City Council has delegated the authority to assign amounts for specific purposes.

Unassigned - Resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

The City would typically use Restricted fund balances first, followed by Committed resources and Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could vary from the estimates that management uses.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element 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 currently has deferred outflows related to the pension.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element 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. Under the modified accrual basis of accounting, unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City has deferred inflows in the governmental funds related to property taxes. The City also has deferred inflows in the Statement of Net Position related to the pension.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies (continued)

Pensions

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

Note 2 - Deposits and Investments

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo. 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of December 31, 2022, the City's bank balances were entirely insured or collateralized with securities held by the City or by its agent in the City's name. The City invests in CDs whose values are subject to market fluctuations which may result in uninsured balances, however, management deems this risk to be insignificant due to the immateriality to the financial statements.

Credit Risk - Investments

Credit risk for investments is the risk that an issuer or other counterparty to any investment will not fulfill its obligations. The City minimizes credit risk by diversifying the portfolio to reduce losses on individual securities. The City minimizes credit risk by prequalifying the financial institution, brokers/dealers, intermediaries, and advisors with which the City will do business.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy limits investments, except debt service reserves and capital projects, to maturities of one year or less. Investments held for longer periods are subject to increased risk of adverse interest rate changes. Information about the sensitivity of the fair values of the City's investment (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity as of December 31, 2022:

Investment Type	Fair Value	No maturity	< 1 year	1-5 years	> 5 years
Money market funds	\$ 6,081,735	\$ 6,081,735	\$ -	\$ -	\$ -
Certificates of deposit	3,857,873	-	2,283,898	1,573,975	-
	<u>\$ 9,939,608</u>	<u>\$ 6,081,735</u>	<u>\$ 2,283,898</u>	<u>\$ 1,573,975</u>	<u>\$ -</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City limits the concentration in a single security type or with a single financial institution to no more than 50%.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 2 - Deposits and Investments (continued)

Concentration of Credit Risk (continued)

Concentration of credit risk is required to be disclosed by the City for investments in any one issue that represents 5% or more of total investments (investments issued by or explicitly guaranteed by the United States government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt).

Fair Value Measurements

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 (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets and liabilities [such as interest rates, yield curves, volatilities, loss severities, credit risks, and default rates] or other market corroborated inputs); and Level 3 inputs are significant unobservable inputs. The City uses the following recurring fair value measurements as of December 31, 2022:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 6,081,735	\$ 6,081,735	\$ -	\$ -
Certificates of deposit	3,857,873	-	3,857,873	-
	\$ 9,939,608	\$ 6,081,735	\$ 3,857,873	\$ -

The City values level 2 inputs based on quoted prices in active markets for similar assets.

Note 3 - Property Taxes

The City's property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are levied on September 1 and payable by December 31. A lien is placed on the property on January 1 and is then subject to interest and penalties. The assessed value at January 1, 2022, upon which the 2022 levy was based for real, personal and public utility property, was \$379,491,744. The City's tax rate was levied at the following rates per \$100 of assessed valuation for the General Fund:

	Rate
Residential	\$ 0.1230
Agricultural	-
Commercial	0.1350
Personal Property	-

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 4 - Interfund Transactions

The following transfers were made during the fiscal year ending December 31, 2022:

	Transfers In	Transfers Out
General Fund	\$ 2,617,322	\$ 1,990,000
Storm Water Projects Fund	-	900,000
Capital Infrastructure Fund	-	2,740,000
Contingency Fund	5,630,000	5,840,000
Government Center Loan Fund	3,000,000	87,322
Nonmajor Funds:		
Equipment Replacement Fund	310,000	-
	\$ 11,557,322	\$ 11,557,322

Interfund transfers were used to 1) move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, 2) use restricted revenues collected in the General Fund to finance capital improvements and other funds in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

Note 5 - Capital Assets

Capital asset activity for the primary government for the year ended December 31, 2022 is as follows:

	Balance at 12/31/21	Additions	Deletions	Balance at 12/31/22
<u>Governmental activities:</u>				
Non-depreciable capital assets				
Land	\$ 2,276,529	\$ -	\$ -	\$ 2,276,529
Construction in process	-	730,385	-	730,385
Total non-depreciable capital assets	2,276,529	730,385	-	3,006,914
Depreciable capital assets				
Buildings and improvements	13,423,238	97,083	(71,416)	13,448,905
Machinery and equipment	1,899,755	100,347	(9,000)	1,991,102
Infrastructure	39,692,888	946,806	(730,180)	39,909,514
Vehicles	1,455,533	277,383	(49,174)	1,683,742
Total depreciable capital assets	56,471,414	1,421,619	(859,770)	57,033,263
Less: accumulated depreciation				
Buildings and improvements	(5,605,160)	(450,106)	34,751	(6,020,515)
Machinery and equipment	(908,989)	(96,858)	6,390	(999,457)
Infrastructure	(20,259,280)	(1,214,196)	648,487	(20,824,989)
Vehicles	(976,747)	(100,090)	41,122	(1,035,716)
Total accumulated depreciation	(27,750,176)	(1,861,250)	730,750	(28,880,677)
Total depreciable capital assets, net	\$ 28,721,238	\$ (439,631)	\$ (129,020)	\$ 28,152,586

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 5 - Capital Assets

Depreciation expense was charged to functions/programs of the Primary Government for the year ended December 31, 2022 as follows:

Administrative	\$ 24,796
Police	77,203
Public works	203,470
Planning, inspections, and engineering	1,169,947
Recreation	385,834
	\$ 1,861,250

Note 6 - Long-Term Debt

In January 2018, the City purchased equipment through a Master Governmental Lease-Purchase Agreement. The cost of the items purchased totaled \$221,178. Payments are due in five annual installments of \$40,730 with interest payable at 4.17%. Accumulated depreciation on the equipment totaled \$97,871 as of December 31, 2022.

In August 2022, the City entered into a \$3,500,000 lease purchase agreement for the purpose of constructing, furnishing, and equipping a new government center. Payments are due in semi-annual installments of \$213,777 with interest payable at 3.07%. The agreement will mature on August 18, 2032.

In December 2022, the City purchased equipment through a Master Governmental Lease-Purchase Agreement. The cost of the items purchased totaled \$119,668. Payments are due in ten annual installments of \$15,064 with interest payable at 4.42%. Accumulated depreciation on the equipment totaled \$0 as of December 31, 2022.

	Balance at 12/31/21	Additions	Reductions	Balance at 12/31/22	Due Within One Year
Equipment lease purchase	\$ 76,631	\$ 119,668	\$ (37,533)	\$ 158,766	\$ 48,873
Government Center lease purchase	-	3,500,000	-	3,500,000	160,053
Total Long-Term Debt	\$ 76,631	\$ 3,619,668	\$ (37,533)	\$ 3,658,766	\$ 208,926

Annual debt-service payments for long-term debt with scheduled payments are as follows:

Year ended,	Equipment lease purchase			Government Center lease purchase		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 48,874	\$ 6,921	\$ 55,795	\$ 160,052	\$ 107,450	\$ 267,502
2024	10,207	4,857	15,064	327,513	100,042	427,555
2025	10,658	4,406	15,064	337,645	89,910	427,555
2026	11,129	3,935	15,064	348,090	79,465	427,555
2027	11,621	3,443	15,064	358,858	68,697	427,555
2028-2032	66,277	9,043	75,320	1,967,842	169,930	2,137,772
	\$ 158,766	\$ 32,605	\$ 191,371	\$ 3,500,000	\$ 615,494	\$ 4,115,494

Payments on the equipment lease purchases are expected to be paid out of the Equipment Replacement Fund. Payments on the Government Center lease purchase are expected to be paid out of the Government Center Loan Fund.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 7 - Missouri Local Government Employee Retirement System (LAGERS)

General Information about the Defined Benefit Pension Plan

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

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

Benefit Multiplier	1.75%
Final Average Salary	3 years
Member Contributions	0%

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

Employees covered by benefit terms - At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	24
Active employees	59
	129
	129

Contributions - The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 11.1% (General) and 13.6% (Police) of annual covered payroll.

Net Pension Liability - The employer's net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2022.

Actuarial Assumptions - The total pension liability in the February 28, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increase	2.75% - 6.75% including wage inflation
Investment Rate of Return	7.00%, net of investment and administrative expense

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 7 - Missouri Local Government Employee Retirement System (LAGERS) (continued)

General Information about the Defined Benefit Pension Plan (continued)

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash/Leverage	-25.00%	-0.29%

Discount rate - The discount rates used to measure the total pension liability are 7.00% (General) and 7.00% (Police). The projection of cash flows used to determine the discount rates assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability. The single discount rate reflects (1) a 7.00% long-term expected rate of return on pension plan investments and (2) a 3.69% municipal bond rate based on an index of 20-year general obligation bonds with an average AA rate as of the measurement date.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 7 - Missouri Local Government Employee Retirement System (LAGERS) (continued)

General Information about the Defined Benefit Pension Plan (continued)

Changes in Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/2021	\$ 18,402,580	\$ 22,369,098	\$ (3,966,518)
Changes for the year:			
Service cost	406,718	-	406,718
Interest	1,278,191	-	1,278,191
Changes in benefit terms	-	-	-
Difference between expected and actual experience	125,550	-	125,550
Contributions - employer	-	482,415	(482,415)
Contributions - employee	-	-	-
Net investment income	-	14,149	(14,149)
Benefit payments, including refunds	(697,045)	(697,045)	-
Administrative expense	-	(13,369)	13,369
Other changes	-	(74,128)	74,128
Net changes	1,113,414	(287,978)	1,401,392
Balances at 6/30/2022	<u>\$ 19,515,994</u>	<u>\$ 22,081,120</u>	<u>\$ (2,565,126)</u>

Sensitivity of the net pension liability to changes in the discount rate - The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.00% (General) and 7.00% (Police), as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower or one percentage point higher than the current rates.

	1% Decrease	Current Rate	1% Increase
Total Pension Liability	\$ 22,181,686	\$ 19,515,994	\$ 17,298,664
Plan Fiduciary Net Position	(22,081,120)	(22,081,120)	(22,081,120)
Net Pension Liability	<u>\$ 100,566</u>	<u>\$ (2,565,126)</u>	<u>\$ (4,782,456)</u>

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

For the year ended December 31 2022, the City of Ellisville recognized pension expense of (\$193,451). The City of Ellisville reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 289,464	\$ (319,381)
Differences in assumptions	-	(183,519)
Excess (deficit) investment returns	-	(467,966)
Contributions subsequent to the measurement date*	253,324	-
	<u>\$ 542,788</u>	<u>\$ (970,866)</u>

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 7 - Missouri Local Government Employee Retirement System (LAGERS) (continued)

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

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ended December 31, 2022.

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

Year ended December 31,	Amount
2023	\$ 38,696
2024	(247,804)
2025	(447,628)
2026	247,943
2027	(19,285)
Thereafter	-
	<u>\$ (428,078)</u>

Payable to the Pension Plan

At December 31, 2022, the City of Ellisville reported a payable of \$18,379 for the outstanding amount of the contributions to the pension plan required for the year then ended.

Note 8 - Deferred Compensation Plan

The City also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City makes no contribution to the Plan.

ICMA Retirement Corporation administers the City's Deferred Compensation Plan. The City does not have significant administrative involvement in the Plan. With the adoption of Governmental Accounting Standards Board (GASB) No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the City's Deferred Compensation Plan is not included in the general purpose financial statements. The City's Plan does not meet the criteria for reporting the Deferred Compensation Plan in a fiduciary fund.

Note 9 - Risk Management

The City is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is a member of the St. Louis Area Insurance Trust (SLAIT), a non-for-profit, self insurance risk pool, formed by various St. Louis County municipalities.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 9 - Risk Management (continued)

In order to operate as a group self-insurer of workers' compensation, SLAIT was formed in August 1986. In addition to insurance protection, the program provides risk management services with emphasis on loss control, claims administration, and management information services. SLAIT is fully funded by its member participants and employs an outside service company to process all claims.

Coverage is provided by the trust for general and auto liability subject to a \$500 deductible per occurrence for third party property damage and for law enforcement liability subject to a \$2,500 deductible per occurrence. Any damage to city property carries a \$5,000 deductible. This trust also employs an outside service company to process all claims.

The trust requires an annual premium payment by members to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in assets, liabilities, or fund balances of the insurance trust. However, the City is contingently liable to fund its pro rata share of any deficit incurred by the trust should the trust cease operation at some future date. The City's 2022 premium payments incurred to the trust totaled \$258,818.

The City also purchases commercial insurance to cover risks related to building and other City property, crimes, business, travel, public official liability, earthquakes, and employee blanket bonds. Settled claims resulting from these risks have not exceeded coverage in any of the past three years.

Note 10 - Conduit Debt Obligations

The City has approved the future issuance of Industrial Revenue Bonds to provide financial assistance to a private sector entity for the purpose of acquiring, constructing, and equipping an industrial development project deemed to be in the public interest. The bonds will be 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 County, 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 basic financial statements. All of the Industrial Revenue bonds are structured to pay the principal balance at maturity.

Note 11 - Claims and Contingencies

Litigation

The City generally follows the practice of recording liabilities resulting from claims and legal actions only when they become fixed and determinable in amount. At this time, a reasonable estimate as to the amount or range of potential loss and/or gain cannot be provided.

Federal and State Assisted Programs

The City has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

City of Ellisville, Missouri
Notes to the Financial Statements
For the year ended December 31, 2022

Note 12 - Missouri Legislation

House Bill 103 amending Section 302.341.2 RSMo became effective on August 28, 2013. The amendments to the statute now require municipalities to report an accounting of the percent of annual general operating revenue from fines and court costs for traffic violations. The City was not required to and did not account for the fines and court costs for traffic violations separately from the total fines and court costs prior to August 28, 2013. In 2022, total fines and court costs revenues for the fiscal year, which include fines and court costs related to traffic violations, summed to \$64,225. “Annual general operating revenue of the city” is not defined in the amended statute and may or may not include various sources of the City’s revenues. However, the City’s general revenue fund tax revenue alone totaled \$5,508,693. Using general fund tax revenue and total fines and court costs as the “annual general operating revenue”, the City’s total fines and court costs revenues are only 1.15% of this total “annual general operating revenue”, which is substantially below the 30% threshold requirement of the amended statute. This clearly demonstrates at a minimum that the City in no way exceeded the percentage requirement regardless of how “annual general operating revenue” is calculated.

Note 13 - Tax Abatements

During the year ended December 31, 2016, the City adopted GASB Statement No. 77, *Tax Abatement Disclosure* which seeks to assist users of the financial statements in assessing (1) whether a government’s current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government’s financial resources come from and how it uses them, and (4) a government’s financial position and economic condition and how they have changed over time. The City has determined that there are no tax abatement agreements which require disclosure for the year ended December 31, 2022.

Note 14 - Subsequent Events

Management has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through June 16, 2023, the date the financial statements were available to be issued.

On June 2, 2023, the City entered into a \$3,500,000 lease purchase agreement for the purpose of constructing, furnishing, and equipping a new government center. Payments are due in semi-annual installments of \$179,904 with interest payable at 3.595%. The agreement will mature on June 2, 2033.

Note 15 - New Accounting Pronouncements

The effect on the City's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

This report does not incorporate GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*; GASB Statement No. 99, *Omnibus 2022*; GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*; and GASB Statement No. 101, *Compensated Absences*.

The effects of the City's financial statements as a result of adoption of these new pronouncements are unknown. The City will adopt and implement these statements at the required time.

Required Supplementary Information

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Property taxes	\$ 409,000	\$ 409,000	\$ 416,088	\$ 7,088
Taxes - other	4,720,500	4,720,500	5,092,605	372,105
Intergovernmental	-	-	678,221	678,221
Licenses and permits	721,800	721,800	778,404	56,604
Fines and forfeitures	81,400	81,400	65,573	(15,827)
Charges for services	37,500	37,500	43,616	6,116
Investment income	16,100	16,100	(287,968)	(304,068)
Other	7,800	7,800	13,366	5,566
Total Revenues	<u>5,994,100</u>	<u>5,994,100</u>	<u>6,799,905</u>	<u>805,805</u>
Expenditures				
Current:				
Administrative	2,302,230	2,302,230	2,478,286	176,056
Police	3,261,087	3,261,087	3,104,921	(156,166)
Public works	1,555,475	1,555,475	1,541,777	(13,698)
Planning, inspections, and engineering	558,557	558,557	487,998	(70,559)
Municipal court	164,305	164,305	133,588	(30,717)
Recreation	-	-	-	-
Capital outlay	251,235	251,235	261,310	10,075
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>8,092,889</u>	<u>8,092,889</u>	<u>8,007,880</u>	<u>(85,009)</u>
Excess (Deficiency) of Revenues over Expenditures	(2,098,789)	(2,098,789)	(1,207,975)	890,814
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	21,592	21,592
Issuance of notes payable	-	-	-	-
Transfers in	1,750,000	1,750,000	2,617,322	867,322
Transfers out	-	(1,990,000)	(1,990,000)	-
Total Other Financing Sources (Uses)	<u>1,750,000</u>	<u>(240,000)</u>	<u>648,914</u>	<u>888,914</u>
Net Change in Fund Balance	<u>\$ (348,789)</u>	<u>\$ (2,338,789)</u>	<u>\$ (559,061)</u>	<u>\$ 1,779,728</u>
Fund Balance, January 1			<u>3,617,887</u>	
Fund Balance, December 31			<u><u>\$ 3,058,826</u></u>	

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Storm Water Projects Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Over (Under)
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Taxes - other	1,650,000	1,650,000	1,776,502	126,502
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	20,500	20,500	38,752	18,252
Other	-	-	-	-
Total Revenues	<u>1,670,500</u>	<u>1,670,500</u>	<u>1,815,254</u>	<u>144,754</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	-	-	-
Planning, inspections, and engineering	486,400	486,400	335,653	(150,747)
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	1,201,400	1,201,400	1,258,752	57,352
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>1,687,800</u>	<u>1,687,800</u>	<u>1,594,405</u>	<u>(93,395)</u>
Excess (Deficiency) of Revenues over Expenditures	(17,300)	(17,300)	220,849	238,149
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(900,000)	(900,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(900,000)</u>	<u>(900,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (17,300)</u>	<u>\$ (917,300)</u>	<u>\$ (679,151)</u>	<u>\$ 238,149</u>
Fund Balance, January 1			<u>1,898,593</u>	
Fund Balance, December 31			<u>\$ 1,219,442</u>	

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Parks Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Taxes - other	695,000	695,000	760,335	65,335
Intergovernmental	412,067	412,067	6,400	(405,667)
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	344,000	344,000	354,263	10,263
Investment income	1,300	1,300	11,295	9,995
Other	8,000	8,000	2,710	(5,290)
Total Revenues	<u>1,460,367</u>	<u>1,460,367</u>	<u>1,135,003</u>	<u>(325,364)</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	-	-	-
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	901,020	901,020	834,352	(66,668)
Capital outlay	766,054	766,054	440,497	(325,557)
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>1,667,074</u>	<u>1,667,074</u>	<u>1,274,849</u>	<u>(392,225)</u>
Excess (Deficiency) of Revenues over Expenditures	(206,707)	(206,707)	(139,846)	66,861
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (206,707)</u>	<u>\$ (206,707)</u>	<u>\$ (139,846)</u>	<u>\$ 66,861</u>
Fund Balance, January 1			<u>546,374</u>	
Fund Balance, December 31			<u><u>\$ 406,528</u></u>	

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Infrastructure Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Property taxes	\$ 314,000	\$ 314,000	\$ 334,266	\$ 20,266
Taxes - other	1,811,500	1,811,500	1,951,935	140,435
Intergovernmental	995,004	995,004	-	(995,004)
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	10,500	10,500	14,186	3,686
Other	-	-	-	-
Total Revenues	<u>3,131,004</u>	<u>3,131,004</u>	<u>2,300,387</u>	<u>(830,617)</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	-	-	-
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	1,949,000	274,000	305,846	31,846
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>1,949,000</u>	<u>274,000</u>	<u>305,846</u>	<u>31,846</u>
Excess (Deficiency) of Revenues over Expenditures	1,182,004	2,857,004	1,994,541	(862,463)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(2,090,000)	(2,140,000)	(2,740,000)	(600,000)
Total Other Financing Sources (Uses)	<u>(2,090,000)</u>	<u>(2,140,000)</u>	<u>(2,740,000)</u>	<u>(600,000)</u>
Net Change in Fund Balance	<u>\$ (907,996)</u>	<u>\$ 717,004</u>	<u>\$ (745,459)</u>	<u>\$ (1,462,463)</u>
Fund Balance, January 1			<u>972,557</u>	
Fund Balance, December 31			<u>\$ 227,098</u>	

City of Ellisville, Missouri
Notes to the Required Supplementary Information
For the year ended December 31, 2022

Note 1 - Explanation of Budgetary Process

In accordance with the City's charter, the City Council (Council) adopts an annual budget for its General, Special Revenue, and Capital Projects Funds, which are all of the City's funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- * The Director of Finance, with the assistance of the department heads, prepares a budget of estimated revenues and expenditures for the forthcoming year and delivers the budget to the City Manager.
- * The City Manager reviews the proposed expenditures with the Director of Finance and the department heads and, after necessary revisions have been made, submits the budget and the accompanying written narrative at least 90 days prior to the beginning of each fiscal year to the Council.
- * After appropriate public notice, the Council holds a public hearing on the proposed budget.
- * After the public hearing, the Council may adopt the budget with or without amendments. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts except expenditures required by law, for debt service, or for estimated cash deficits, provided that no amendments to the budget shall increase the authorized expenditures to an amount greater than the total of the estimated revenues and unencumbered or undesignated fund balance from any previous fiscal year.
- * The budget shall be adopted by the affirmative vote of a majority of the members of the Council on or before the last day of the current fiscal year. The legal level of budgetary control for the City is at the fund level.
- * If the Council fails to adopt the budget by this date, amounts appropriated for existing City operations during the current fiscal year shall be deemed adopted for the ensuing fiscal year on a prorated month-to-month basis until the Council adopts a budget.
- * The City Manager may transfer all or any part of any budgeted amounts within a department. The Council may, by ordinance, transfer all or part of any budget amount from one department to another. Monies held in unrestricted fund balance shall be transferred or appropriated only by ordinance of the Council.
- * The Council may, by ordinance, make supplemental appropriations if the City Manager certifies that funds will be available for such expenditures.
- * At the end of each budget period, all unexpended appropriated balances lapse and may be reappropriated in the next budget period.
- * The City's budgets are prepared on the modified accrual basis of accounting.

During the audit, it was noted that the City's actual expenditures exceeded budgeted expenditures in the following funds: Capital Infrastructure Fund, Equipment Replacement Fund, Police Foundation Fund, and Government Center Loan Fund.

City of Ellisville, Missouri
Schedule of Changes in Net Pension Liability and Related Ratios - Last 10 Fiscal Years
Missouri Local Government Employees Retirement System (LAGERS)

Fiscal year ending June 30,

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service Cost	\$ 406,718	\$ 389,888	\$ 384,438	\$ 373,211	\$ 339,791	\$ 322,328	\$ 264,527	\$ 247,299
Interest on the Total Pension Liability	1,278,191	1,303,303	1,233,104	1,177,228	1,058,208	1,024,569	857,624	807,159
Benefit Changes	-	-	-	-	-	-	1,261,824	-
Difference between Expected and Actual Experience	125,550	(382,118)	(24,328)	(195,395)	838,144	(311,294)	(152,821)	(4,833)
Assumption Changes	-	(367,253)	-	-	-	-	479,168	-
Benefit Payments	(697,045)	(641,395)	(614,337)	(566,207)	(654,056)	(508,874)	(365,685)	(358,480)
Refunds	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	1,113,414	302,425	978,877	788,837	1,582,087	526,729	2,344,637	691,145
Total Pension Liability beginning	18,402,580	18,100,155	17,121,278	16,332,441	14,750,354	14,223,625	11,878,988	11,187,843
Total Pension Liability ending	19,515,994	18,402,580	18,100,155	17,121,278	16,332,441	14,750,354	14,223,625	11,878,988
Plan Fiduciary Net Position								
Contributions-Employer	482,415	444,817	420,825	416,666	396,602	412,951	287,054	278,474
Contributions-Employee	-	-	-	-	-	-	-	-
Pension Plan Net Investment income	14,149	4,862,065	234,404	1,081,385	1,868,662	1,717,923	(36,326)	259,349
Benefit Payments	(697,045)	(641,395)	(614,337)	(566,207)	(654,056)	(508,874)	(365,685)	(358,480)
Refunds	-	-	-	-	-	-	-	-
Pension Plan Administrative Expense	(13,369)	(11,710)	(15,999)	(14,247)	(9,816)	(8,934)	(8,749)	(9,320)
Other	(74,128)	(142,954)	30,533	61,225	32,243	58,441	41,382	270,087
Net Change in Plan Fiduciary Net Position	(287,978)	4,510,823	55,426	978,822	1,633,635	1,671,507	(82,324)	440,110
Plan Fiduciary Net Position beginning	22,369,098	17,858,275	17,802,849	16,824,027	15,190,392	13,518,885	13,601,209	13,161,099
Plan Fiduciary Net Position ending	\$ 22,081,120	\$ 22,369,098	\$ 17,858,275	\$ 17,802,849	\$ 16,824,027	\$ 15,190,392	\$ 13,518,885	\$ 13,601,209
Employer Net Pension Liability	\$ (2,565,126)	\$ (3,966,518)	\$ 241,880	\$ (681,571)	\$ (491,586)	\$ (440,038)	\$ 704,740	\$ (1,722,221)
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	113.14%	121.55%	98.66%	103.98%	103.01%	102.98%	95.05%	114.50%
Covered Employee Payroll	\$ 3,837,526	\$ 3,707,180	\$ 3,609,724	\$ 3,639,906	\$ 3,539,467	\$ 3,245,841	\$ 3,224,372	\$ 3,090,735
Employer's Net Pension Liability as a percentage of covered employee payroll	-66.84%	-107.00%	6.70%	-18.72%	-13.89%	-13.56%	21.86%	-55.72%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

City of Ellisville, Missouri
Schedule of Pension Contributions - Last 10 Fiscal Years
Missouri Local Government Employees Retirement System (LAGERS)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined pension contribution	\$ 495,614	\$ 487,466	\$ 456,416	\$ 480,661	\$ 384,827	\$ 413,447	\$ 351,852	\$ 275,482	\$ 271,932	\$ 287,734
Contributions in relation to the actuarially determined contributions	<u>495,613</u>	<u>468,033</u>	<u>424,255</u>	<u>420,937</u>	<u>384,827</u>	<u>413,447</u>	<u>351,852</u>	<u>275,482</u>	<u>271,932</u>	<u>287,734</u>
Contribution deficiency (excess)	<u>\$ 1</u>	<u>\$ 19,433</u>	<u>\$ 32,161</u>	<u>\$ 59,724</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 4,039,103	\$ 3,797,221	\$ 3,722,393	\$ 3,786,219	\$ 3,643,538	\$ 3,507,775	\$ 3,380,701	\$ 3,294,808	\$ 2,945,705	\$ 3,007,407
Contributions as a percentage of covered employee payroll	12.27%	12.33%	11.40%	11.12%	10.56%	11.79%	10.41%	8.36%	9.23%	9.57%

Notes to Schedule:

Valuation date: February 28, 2022 - Actuarially determined contribution rates are calculated as of February 28, prior to the end of the fiscal year in which contributions are reported.

Notes: The roll-forward of total pension liability from February 28, 2022 to June 30, 2022 reflects expected service cost and interest reduced by actual benefit payments.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and modified terminal funding
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Multiple bases from 13 to 15 years
Asset valuation method	5-year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% - 6.75% including wage inflation
Investment rate of return	7.00%, net of investment and administrative expense
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

Other Information: None

Supplementary Information

City of Ellisville, Missouri
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2022

	Equipment Replacement Fund	Sewer Fund	Police Foundation Fund	Total
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-
Receivables, net:				
Taxes	-	29,430	-	29,430
Intergovernmental	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Prepaid items	-	-	-	-
Due from other funds	9,061	379,937	106,003	495,001
Total Assets	<u>9,061</u>	<u>409,367</u>	<u>106,003</u>	<u>524,431</u>
Deferred Outflows of Resources				
	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 9,061</u>	<u>\$ 409,367</u>	<u>\$ 106,003</u>	<u>\$ 524,431</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	425	-	425
Court bonds payable	-	-	-	-
Unearned revenue	-	-	-	-
Other liabilities	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>425</u>	<u>-</u>	<u>425</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	-	3,076	-	3,076
Fund Balance				
Restricted:				
Capital projects	9,061	-	-	9,061
Sewer repairs	-	405,866	-	405,866
Police Foundation	-	-	106,003	106,003
Committed:				
Contingency	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>9,061</u>	<u>405,866</u>	<u>106,003</u>	<u>520,930</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,061</u>	<u>\$ 409,367</u>	<u>\$ 106,003</u>	<u>\$ 524,431</u>

City of Ellisville, Missouri
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended December 31, 2022

	Equipment Replacement Fund	Sewer Fund	Police Foundation Fund	Total
Revenues				
Property taxes	\$ -	\$ 94,279	\$ -	\$ 94,279
Taxes - other	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	648	17,435	4,475	22,558
Other	-	-	125,700	125,700
Total Revenues	<u>648</u>	<u>111,714</u>	<u>130,175</u>	<u>242,537</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	19,335	-	19,335
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	432,190	163,440	86,169	681,799
Debt service:				
Principal	37,533	-	-	37,533
Interest and fiscal charges	3,197	-	-	3,197
Debt issuance costs	-	-	-	-
Total Expenditures	<u>472,920</u>	<u>182,775</u>	<u>86,169</u>	<u>741,864</u>
Excess (Deficiency) of Revenues over Expenditures	(472,272)	(71,061)	44,006	(499,327)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	119,668	-	-	119,668
Transfers in	310,000	-	-	310,000
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>429,668</u>	<u>-</u>	<u>-</u>	<u>429,668</u>
Net Change in Fund Balance	\$ (42,604)	\$ (71,061)	\$ 44,006	\$ (69,659)
Fund Balance, January 1	<u>51,665</u>	<u>476,927</u>	<u>61,997</u>	<u>590,589</u>
Fund Balance, December 31	<u><u>\$ 9,061</u></u>	<u><u>\$ 405,866</u></u>	<u><u>\$ 106,003</u></u>	<u><u>\$ 520,930</u></u>

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Equipment Replacement Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Over (Under)
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Taxes - other	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	100	100	648	548
Other	-	-	-	-
Total Revenues	<u>100</u>	<u>100</u>	<u>648</u>	<u>548</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	-	-	-
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	300,930	300,930	432,190	131,260
Debt service:				
Principal	-	-	37,533	37,533
Interest and fiscal charges	-	-	3,197	3,197
Debt issuance costs	-	-	-	-
Total Expenditures	<u>300,930</u>	<u>300,930</u>	<u>472,920</u>	<u>171,990</u>
Excess (Deficiency) of Revenues over Expenditures	(300,830)	(300,830)	(472,272)	(171,442)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	-	119,668	119,668
Transfers in	340,000	340,000	310,000	(30,000)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>340,000</u>	<u>340,000</u>	<u>429,668</u>	<u>89,668</u>
Net Change in Fund Balance	<u>\$ 39,170</u>	<u>\$ 39,170</u>	\$ (42,604)	<u>\$ (81,774)</u>
Fund Balance, January 1			<u>51,665</u>	
Fund Balance, December 31			<u>\$ 9,061</u>	

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Sewer Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Property taxes	\$ 95,000	\$ 95,000	\$ 94,279	\$ (721)
Taxes - other	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	4,000	4,000	17,435	13,435
Other	-	-	-	-
Total Revenues	<u>99,000</u>	<u>99,000</u>	<u>111,714</u>	<u>12,714</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	21,730	21,730	19,335	(2,395)
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	119,700	119,700	163,440	43,740
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>141,430</u>	<u>141,430</u>	<u>182,775</u>	<u>41,345</u>
Excess (Deficiency) of Revenues over Expenditures	(42,430)	(42,430)	(71,061)	(28,631)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(60,000)	-	60,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(60,000)</u>	<u>-</u>	<u>60,000</u>
Net Change in Fund Balance	<u>\$ (42,430)</u>	<u>\$ (102,430)</u>	<u>\$ (71,061)</u>	<u>\$ 31,369</u>
Fund Balance, January 1			<u>476,927</u>	
Fund Balance, December 31			<u>\$ 405,866</u>	

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Police Foundation Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Taxes - other	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	700	700	4,475	3,775
Other	4,500	4,500	125,700	121,200
Total Revenues	<u>5,200</u>	<u>5,200</u>	<u>130,175</u>	<u>124,975</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	-	-	-
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	15,000	15,000	86,169	71,169
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>86,169</u>	<u>71,169</u>
Excess (Deficiency) of Revenues over Expenditures	(9,800)	(9,800)	44,006	53,806
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (9,800)</u>	<u>\$ (9,800)</u>	\$ 44,006	<u>\$ 53,806</u>
Fund Balance, January 1			<u>61,997</u>	
Fund Balance, December 31			<u>\$ 106,003</u>	

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Contingency Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Taxes - other	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	7,300	7,300	11,694	4,394
Other	-	-	-	-
Total Revenues	<u>7,300</u>	<u>7,300</u>	<u>11,694</u>	<u>4,394</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	-	-	-
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	7,300	7,300	11,694	4,394
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	-	-	-
Transfers in	2,090,000	5,090,000	5,630,000	540,000
Transfers out	(2,090,000)	(5,090,000)	(5,840,000)	(750,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(210,000)</u>	<u>(210,000)</u>
Net Change in Fund Balance	<u>\$ 7,300</u>	<u>\$ 7,300</u>	<u>\$ (198,306)</u>	<u>\$ (205,606)</u>
Fund Balance, January 1			<u>824,593</u>	
Fund Balance, December 31			<u><u>\$ 626,287</u></u>	

City of Ellisville, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Government Center Loan Fund
For the year ended December 31, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Over (Under)
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Taxes - other	-	-	-	-
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	41,292	41,292
Other	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>41,292</u>	<u>41,292</u>
Expenditures				
Current:				
Administrative	-	-	-	-
Police	-	-	-	-
Public works	-	-	-	-
Planning, inspections, and engineering	-	-	-	-
Municipal court	-	-	-	-
Recreation	-	-	-	-
Capital outlay	-	6,500,000	379,089	(6,120,911)
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,500,000</u>	<u>379,089</u>	<u>(6,120,911)</u>
Excess (Deficiency) of Revenues over Expenditures	-	(6,500,000)	(337,797)	6,162,203
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of notes payable	-	3,500,000	3,500,000	-
Transfers in	-	3,000,000	3,000,000	-
Transfers out	-	-	(87,322)	(87,322)
Total Other Financing Sources (Uses)	<u>-</u>	<u>6,500,000</u>	<u>6,412,678</u>	<u>(87,322)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,074,881</u>	<u>\$ 6,074,881</u>
Fund Balance, January 1			<u>-</u>	
Fund Balance, December 31			<u>\$ 6,074,881</u>	