

CITY OF ELLISVILLE MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2016



**#1 WEIS AVENUE
ELLISVILLE, MISSOURI 63011**

CITY OF ELLISVILLE, MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Prepared by:
Department of Finance Department

CITY OF ELLISVILLE, MISSOURI
FINANCIAL REPORT

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SECTION I - INTRODUCTORY SECTION

CITY OF ELLISVILLE, MISSOURI

PRINCIPAL CITY OFFICIALS

DECEMBER 31, 2016

MAYOR

Adam Q. Paul

CITY COUNCIL MEMBERS

Gary G. Voss, District I and Mayor Pro Tempore

Vince McGrath, District I

Mick Cahill, District II

Bones Baker, District II

Cindy Pool, District III

Dan Duffy, District III

COUNCIL-APPOINTED OFFICIALS

William (Bill) Schwer, City Manager

George Restovich, City Attorney and Prosecuting Attorney

Leigh Dohack, City Clerk

Donald Anderson, Municipal Judge

MANAGEMENT STAFF

Ada Hood, Director of Planning and Community Development

Bill Schwer, Public Works Director and Engineer

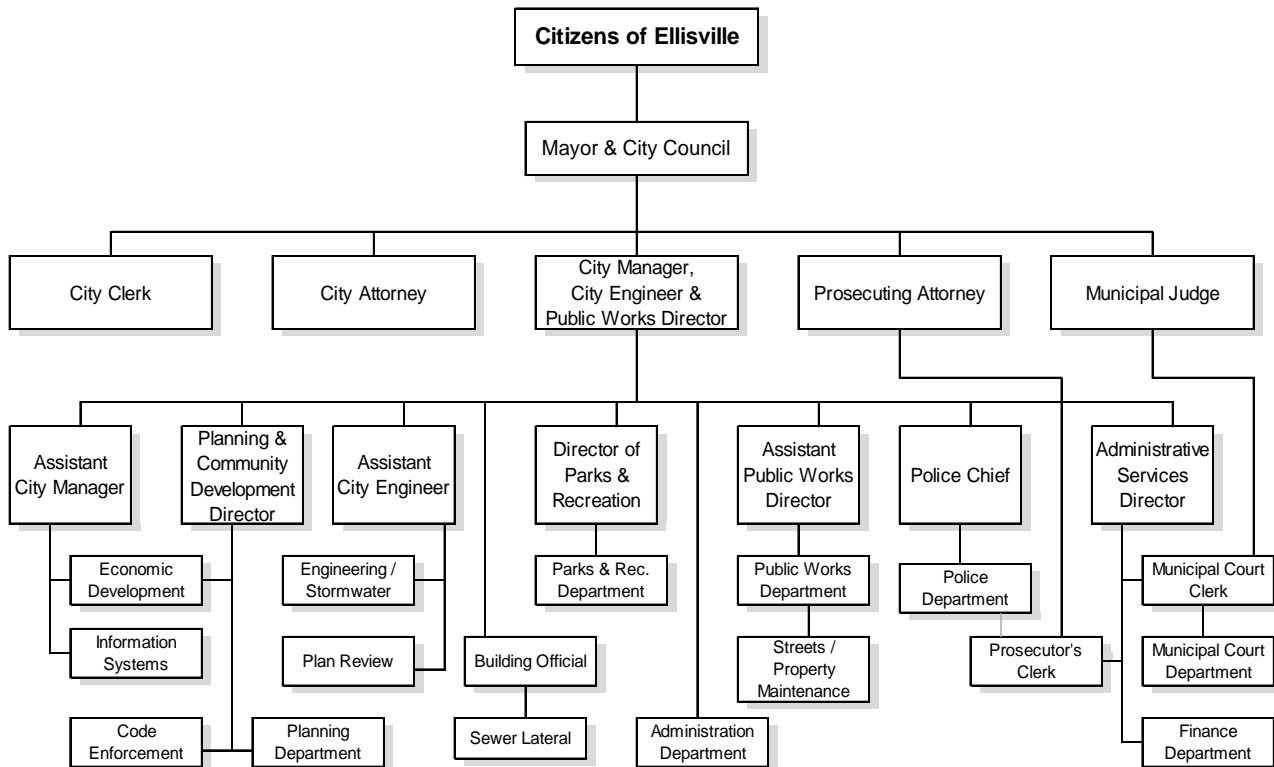
Tom Felgate, Chief of Police

Lisa Blumer, Director of Parks and Recreation

Donald Cary, Administrative Services Director

City of Ellisville

Organization Chart
December 31, 2016





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Ellisville
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

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City of Ellisville

June 6, 2017

Members of the Ellisville City Council and Citizens of Ellisville:

The Comprehensive Annual Financial Report of the City of Ellisville, Missouri (the City) for the fiscal year ended December 31, 2016 is hereby submitted. Responsibility for both the accuracy and the completeness rests with the City. To the best knowledge and belief of management, the data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: (i) introductory, (ii) financial, (iii) statistical, and (iv) compliance. The introductory section includes this letter of transmittal, the City's organizational structure and a list of principal officials. The financial section includes the independent auditor's report, management's discussion and analysis, government-wide and fund financial statements and schedules, required supplemental information, and other supplemental information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The compliance section includes the report on internal control over financial reporting and on compliance performed in accordance with *Government Auditing Standards*.

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

The City defines its financial reporting entity in accordance with the provisions established by the Government Accounting Standards Board (GASB). GASB requirements for inclusion of component units are primarily based on whether the City's governing body has any significant amount of financial accountability for potential component units. Based on these criteria, the financial statements include all funds, agencies, boards, commissions and authorities for which the City is financially accountable. The City does appoint a majority of the governing members of the Ellisville Industrial Development Authority; however the City's accountability does not extend beyond making such appointments. As such, this related organization is not included as a component unit within the City's financial reporting entity.

PROFILE OF THE CITY

The City of Ellisville is located in western St. Louis County, Missouri. Ellisville was first settled in 1832. The City was incorporated on May 23, 1932 for the purpose of creating a school district. On August 3, 1993, the City voters overwhelmingly approved a Home Rule Charter that created the current Council/Manager form of government.

Many factors come together in Ellisville to make it such a great place to live. The City is located in the AAA-rated Rockwood School District. The City has over 230 acres of park land in 11 parks in various residential areas along with an interconnecting trail system. Ellisville has been awarded the National Arbor Day foundation's designation of "Tree City USA" for 35 consecutive years. The residential area includes single-family homes, townhouses, apartments, duplexes and condominiums. Over 600 businesses call Ellisville home. With one of the lowest crime rates in St. Louis County and numerous services and facilities, Ellisville is truly a premier place to live, work, play and shop.

The City is located approximately 13 miles west of the western city limit of St. Louis. Ellisville is located approximately five (5) miles south of I-64, five (5) miles north of I-44 and seven (7) miles west of I-270. There are two state highways that bisect the City: Highway 100 (Manchester Road) and Highway 340 (Clarkson Road). The approximate 4.3 square miles of Ellisville are bordered by the cities of Clarkson Valley to the north, Ballwin to the east and southeast and Wildwood to the west. Due to the 1995 incorporation of Wildwood and a 1999 annexation by Ballwin, the City of Ellisville is nearly landlocked.

The City Manager and the City Clerk are appointed by the City Council and serve at the pleasure of the Mayor and Council. The City Manager is responsible for directing, supervising, and monitoring all City departments, personnel and operations, and managing the City in a fiscally prudent manner.

The City provides a full range of services normally associated with a municipality, including law enforcement, public works, planning and zoning, code enforcement, parks and recreation, general administration, the construction, maintenance and repair of infrastructure (roadways, sidewalks, storm water systems, snow removal, etc.), street lights, and solid waste collection and disposal. The City's parks include tennis courts, playgrounds, sports fields, multi-purpose trails and a pool complex.

Additional information is available on the City's website at www.ellisville.mo.us.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy. While the economic outlook for the City of Ellisville continues to be tied to the St. Louis economic growth, Ellisville's growth continues to be a little stronger than the St. Louis Community as a whole. Economic growth in the St. Louis region is anticipated to be slightly slower than the nation as a whole. While considering this Ellisville also considered businesses that opened during 2015 and 2016 along with known projects that will open during 2017 when considering the City's financial condition and future.

Several fast food restaurants, which are strong sales tax producers, opened in Ellisville during 2016. Unfortunately, they opened later in the year than anticipated when the budget for 2016 was created. This created a decrease in sales taxes compared to the budget for 2016. With these businesses open for all of 2017 a significant increase is anticipated.

Long-term Financial Planning. During each year the City Manager prepares a Long Range Plan. In addition to this, the budget includes a five-year financial projection along with reasons for each projection.

Each year the City updates its five-year capital improvement plan for major capital expenditures. This is sometimes called the “wish list”. Still this is useful for projections. For the planned years of 2017-2021 projects totaling approximately \$19.1 million are planned. The major revenue sources for the major capital expenditures include the ½% storm water sales tax, the ½% capital improvements sales tax, the gasoline and motor vehicle taxes, grants, and the ¼% sales tax for parks and recreation. The City’s goal is to also provide funds for capital expenditures in each year’s budget. Long-term planning allows some items to be included without a source to pay for the expenditure. This recognizes a need as well as the City’s limitations.

Relevant Financial Policies. The City has a policy to maintain a budgeted fund balance with at least two months (2/12th) of expenditures covered. This policy was established to keep cash flow during the year from having a negative impact on the ability of the City to provide services. Sales taxes are received monthly, but the largest amounts are received quarterly. Property taxes are based upon the first day of the fiscal year, but the actual receipts are not due until the last day of the fiscal year. This policy has been successful in allowing the City to provide services throughout the year even with the timing of these revenues.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

During 2016, the City experienced several significant events or accomplishments that may not be evident from a review of the general-purpose financial statements. Some of the more important events/accomplishments are summarized below:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ellisville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2015. This is the twenty-third consecutive year the City has received this prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This current CAFR continues to meet the Certificate of Achievement Program’s requirements and is being submitted to the GFOA to determine its eligibility for another certificate.

The City Council met in early FY-2014 to establish a new strategic plan which is based upon the following goals.

- I. Attract new business and develop vacant property.
- II. Become a premier place to live, work, plan, and shop.
- III. Improve, add, optimize, and provide cost effective services.
- IV. Add mixed use development/improve zoning.
- V. Expand and diversify revenues.

The City Staff continues to work on action plans to achieve these goals. The Council reviewed this work during FY-2016 and established the priorities for the next year.

Other events and accomplishments include the following:

- Reconstruction of Froesel Dr. west of Hutchinson Rd. and the Hutchinson Rd. project. The Hutchinson Rd. project stretched the City's dollars because this project was mostly paid by a Grant.
- The Police Department updated additional policies as they work for certification of the Department.
- The Municipal Court Department lead many municipalities in the State in meeting the new State requirement for municipal courts. This included separating out the prosecutor's work to a clerk in the administration department and the creation of a Court office that is totally separate from the Police Department offices.
- The City hosted several very successful special events in 2016 including the Annual 4th of July Independence Day Celebration, Kids Safety Day, weekly summer concerts in Bluebird Park, Breakfast with Santa, Community Easter Egg Hunt, and Host a Pooch Plunge.
- A monthly Electronics Recycling Event was held from February - November in Bluebird Park.

FINANCIAL INFORMATION

The City's accounting system is designed around the following basic principles:

1. The City government is comprised of various entities, each with its separate functions and legal restrictions on the use of resources. In the private sector, a corporation may have many "subsidiaries" which make up the Parent Corporation. In the public sector, a city government may have a variety of "funds" that provides the basis for separately recording the financial data related to a specific activity. A fund is an accounting entity with a complete set of self-balancing accounting records. Each fund has been established because of some restriction on the use of resources received by that fund.
2. Internal controls exist within the accounting system to ensure safety of assets from misappropriation, unauthorized use or disposition and to maintain the accuracy of financial record keeping. These internal controls must be established consistent with sound management practices based on the cost/benefit of the controls imposed. The cost of a control should not be excessive in relation to its benefit as viewed by the City's management. The internal controls in existence within the City's system are sufficient to ensure, in all material aspects, both the safety of the City's assets and the accuracy of the financial record keeping system.
3. In addition, the City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions. The annual appropriation resolution (which gives the City its legal authority to spend) is adopted for the City's governmental and expendable trust fund types. Management requires that each Department Director stay within his or her individual departmental budgets. Finance monitors the budget for any cost overruns and notifies the Department Director and the City Manager. The Finance Department continually strives to provide accurate and timely financial information, as well as maintain an adequate system of controls in order to meet its responsibility of sound financial management.

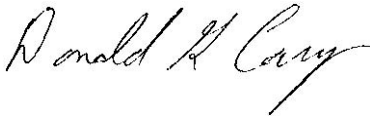
ACKNOWLEDGMENTS

This report would not have been possible without the assistance of the City Manager and all the staff. Their cooperation has certainly been appreciated. The amount of time and effort expended by all participants to complete this document is significant. The staff's commitment to providing the information in this report in a timely manner is necessary and appreciated as the City continues the long tradition of excellence and openness in financial reporting.

The City's auditors, Hochschild Bloom & Company, LLP, should also be recognized for their assistance, recommendations and expertise in formulating this report.

None of this would have been accomplished without the leadership of you, the City Council, as you have set a responsible financial course including quality transparent reporting for the Citizens of Ellisville.

Respectfully submitted,

A handwritten signature in black ink that reads "Donald G. Cary". The signature is written in a cursive style with a long, sweeping underline.

Donald G. Cary
Administrative Services Director

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SECTION II - FINANCIAL SECTION



Hochschild, Bloom & Company LLP
Certified Public Accountants
Consultants and Advisors

INDEPENDENT AUDITOR'S REPORT

June 6, 2017

Honorable Mayor and City Council
CITY OF ELLISVILLE, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **CITY OF ELLISVILLE, MISSOURI** (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the as-

- 15450 South Outer Forty Road, Suite 135, Chesterfield, Missouri 63017-2066, 636-532-9525, Fax 636-532-9055
- 1000 Washington Square, P. O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2016, 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.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

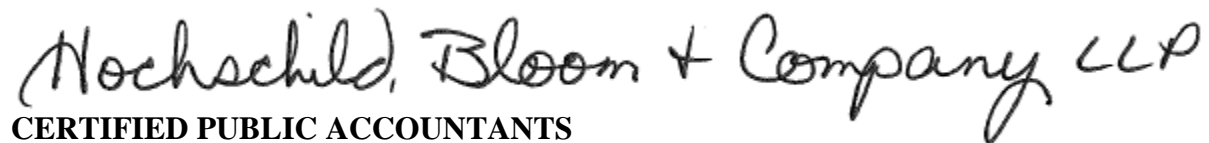
The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS

CITY OF ELLISVILLE, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016

The management of the City of Ellisville, Missouri (the City) offers this narrative discussion and analysis of the financial activities of the City for the fiscal year ended December 31, 2016. Readers are encouraged to consider this information in conjunction with additional information in the letter of transmittal, on pages iv through viii of this report and the accompanying financial statements.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows for the most recent fiscal year by \$39,308,424.
- The City's total net position increased by \$2,445,964.
- As of December 31, 2016, the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$9,326,446. This is an increase of \$1,021,845 in comparison to the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$1,978,913 or 31.7% of the total General Fund expenditures.
- During the fiscal year, General Fund expenditures exceeded the revenues by \$709,773.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. Note that the government-wide financial statements exclude fiduciary fund activities.

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

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, municipal court, recreation, police, public works, planning, inspection, and engineering. The City does not have any business-type activities.

**CITY OF ELLISVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

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

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

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

The City maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statements of revenues, expenditures, and changes in fund balances for the General Fund, Storm Water Project Fund, Capital Infrastructure Fund, and Parks Fund, all of which are considered to be major funds. Data from the other three funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements later in this report.

The City adopts an annual appropriated budget for all funds. Budgetary comparison statements are provided for these funds to demonstrate compliance with these budgets.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplemental information. This Management's Discussion and Analysis, the General Fund, Storm Water Project Fund, and Parks Fund budgetary comparison schedules and pension schedules represent financial information required by GAAP to be presented. Such information provides users of this report with additional data that supplements the government-wide financial statements, fund financial statements, and notes (referred to as "the basic financial statements").

Other supplemental information. This part of the annual report includes optional financial information such as a budgetary comparison schedules for the Capital Infrastructure Fund, Equipment Replacement Fund, Contingency Fund, and Sewer Lateral Fund and combining statements for the non-major governmental funds. This

**CITY OF ELLISVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

other supplemental financial information is provided to address certain specific needs of various users of the City's annual report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously noted, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$39,308,424 as of December 31, 2016.

The largest portion of the City's net position (74%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A condensed version of the statement of net position is as follows:

	December 31		2016 Change	
	2016	2015	Amount	Percent
ASSETS				
Current and other assets	\$ 9,854,654	10,544,658	(690,004)	(6.5) %
Capital assets	31,649,103	29,084,412	2,564,691	8.8
Total Assets	<u>41,503,757</u>	<u>39,629,070</u>	<u>1,874,687</u>	4.7
DEFERRED OUTFLOWS OF RESOURCES				
	<u>1,868,616</u>	<u>754,546</u>	<u>1,114,070</u>	147.6
LIABILITIES				
Current and other liabilities	386,161	387,438	(1,277)	(0.3)
Long-term liabilities	3,520,391	3,086,815	433,576	14.0
Total Liabilities	<u>3,906,552</u>	<u>3,474,253</u>	<u>432,299</u>	12.4
DEFERRED INFLOWS OF RESOURCES				
	<u>157,397</u>	<u>46,903</u>	<u>110,494</u>	235.6
NET POSITION				
Net investment in capital assets	29,127,656	26,263,558	2,864,098	10.9
Restricted	6,508,496	6,117,983	390,513	6.4
Unrestricted	3,672,272	4,480,919	(808,647)	(18.0)
Total Net Position	<u>\$ 39,308,424</u>	<u>36,862,460</u>	<u>2,445,964</u>	6.6 %

The restricted net position amount of \$6,508,496 for 2016 represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation.

**CITY OF ELLISVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Governmental activities. Governmental activities increased the City's net position by \$2,445,964.

A condensed version of the statement of activities is as follows:

	For The Years Ended December 31		2016 Change	
	2016	2015	Amount	Percent
REVENUES				
Program revenues:				
Charges for services	\$ 1,303,239	1,215,629	87,610	7.2 %
Operating grants and contributions	635,613	637,814	(2,201)	(0.3)
Capital grants and contributions	2,848,782	57,047	2,791,735	4,893.7
General revenues:				
Taxes	8,042,329	8,214,455	(172,126)	(2.1)
Investment income	57,599	40,287	17,312	43.0
Insurance recovery	-	25,586	(25,586)	(100.0)
Gain on sale of assets	234,363	8,332	226,031	2,712.8
Miscellaneous	130,946	31,495	99,451	315.8
Total Revenues	<u>13,252,871</u>	<u>10,230,645</u>	<u>3,022,226</u>	29.5
EXPENSES				
Administration	2,044,237	1,655,975	388,262	23.4
Police	3,080,790	2,093,934	986,856	47.1
Public works	2,000,765	1,563,629	437,136	28.0
Planning, inspection, and engineering	2,289,855	2,397,961	(108,106)	(4.5)
Municipal court	174,725	136,639	38,086	27.9
Recreation	1,096,229	965,582	130,647	13.5
Interest and fiscal charges	120,306	132,487	(12,181)	(9.2)
Total Expenses	<u>10,806,907</u>	<u>8,946,207</u>	<u>1,860,700</u>	20.8
CHANGE IN NET POSITION	2,445,964	1,284,438	1,161,526	90.4
NET POSITION, BEGINNING OF YEAR	<u>36,862,460</u>	<u>35,578,022</u>	<u>1,284,438</u>	3.6
NET POSITION, END OF YEAR	<u>\$ 39,308,424</u>	<u>36,862,460</u>	<u>2,445,964</u>	6.6 %

In 2016, the City's total revenues on a government-wide basis were \$13,252,871, an increase of \$3,022,226 compared to 2015. An increase in capital grants and contributions revenue for mainly infrastructure donated by MoDOT is a major cause of this increase.

In 2016, the City's total expenses on a government-wide basis were \$10,806,907, an increase of \$1,860,700 compared to 2015. One major cause for this increase was expenditures related to the capital grants and contributions listed in the revenue increase explanation. Due to GASB 68 expenses are also up by approximately \$1 million.

**CITY OF ELLISVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As previously noted, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,326,446, an increase of \$1,021,845 compared to the prior year ending balance. As stated previously, approximately 21% of this total amount (\$1,968,348) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted or committed to indicate that it is: 1) not in spendable form (\$141,048), 2) legally required to be maintained intact (\$428,782), 3) restricted for particular purposes (\$6,021,925), or 4) committed for particular purposes (\$766,343).

The General Fund is the chief operating fund of the City. At the end of the fiscal year that is being reported, unassigned fund balance of the General Fund was \$1,978,913, which is 93% of the total fund balance of \$2,119,961. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 31.7% of total General Fund expenditures, while total fund balance represents 33.9% of that same amount. The total fund balance of the City's General Fund increased by \$577,140 for this fiscal year.

Changes in fund balances for other major governmental funds can be described as follows:

- The Storm Water Project Fund increased by \$558,528 from the fund balance at the end of the prior year. This increase was a result of an increase in intergovernmental revenue in 2016.
- Capital Infrastructure Fund decreased by \$226,640 from the fund balance at the end of the prior year. This decrease was a result of an increase in capital expenditures being more than anticipated in 2016.
- The Parks Fund increased by \$21,567 from the fund balance at the end of the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The only budget change in the General Fund during 2016 was an increase in the budget transfers which ended up increasing the transfers to the Equipment Replacement Fund (Fund 30).

The Council of the City, can authorize activities and purchases during the year which are not in the original budget. If these authorizations are not anticipated to create an overall budget shortfall the Council often does not approve an amendment to the budget.

**CITY OF ELLISVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

CAPITAL ASSETS

At the end of the fiscal year 2016, the City had \$31,649,103 (net of accumulated depreciation) invested in a broad range of capital assets, including police and public works equipment, buildings, park facilities, and roads. This amount represents a net increase (including additions and deductions) of \$2,564,691 or 8.8% from the prior fiscal year. Buildings and improvements decreased by \$338,580 due to depreciation for the current year exceeding additions. Capital asset balances (net of accumulated depreciation) are as follows:

	December 31	
	2016	2015
Capital assets:		
Land	\$ 2,276,529	2,276,529
Construction in progress	-	76,890
Buildings and improvements	9,284,488	9,623,068
Vehicles and equipment	1,170,553	1,035,767
Infrastructure	18,917,533	16,072,158
Total Capital Assets, Net	<u>\$ 31,649,103</u>	<u>29,084,412</u>

More information on capital asset activity during the year is provided in the notes to financial statements in Note C.

LONG-TERM DEBT

At year-end the City had \$2,521,447 in outstanding debt compared to \$2,820,854 at the end of the prior fiscal year, a net decrease of \$299,407. The City's governmental activities debt is detailed as follows:

	December 31	
	2016	2015
Certificates of participation	\$ 2,525,000	2,825,000
Less - Discount	(3,553)	(4,146)
Total	<u>\$ 2,521,447</u>	<u>2,820,854</u>

More information on long-term debt is provided in the notes to financial statements in Note F.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Each revenue source is reviewed with a trend analysis. This was the first step in projecting revenue for the next year. In addition to this, the anticipated change in economic activity for the nation and the St. Louis metropolitan area were considered. Other factors included anticipated weather activity and changes in society's activities. These may not impact all types of revenue but lower smoking rates, elimination of home telephones and increase in texting over phone calls, amount of electric and water consumed, and usage of the City's pool complex do impact some revenue streams. The budget recognizes the opening of several new retail businesses in

**CITY OF ELLISVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

December of 2016 or January of 2017. These should be open for most or all of 2017. The budget for fiscal year 2016 does not anticipate any changes or additions to the current tax rates.

In fiscal year 2017, the City's budgeted expenditures are in excess of budgeted revenue by \$2,302,167. The reason for this negative amount are two significant road projects that were included in the 2016 budget in the Storm Water Project Fund. These projects have been carried forward to the 2017 budget. The carry forward amount is actually \$2,321,700 resulting in net current year revenue in excess of current year expenditures of \$19,533. While this is a miniscule positive balance, it should be noted that in 2016 and in most years, the actual results are better than the net budgeted result.

The largest source of revenue for the City will continue to be sales taxes. With careful consideration of the factors listed above, the fiscal year 2017 budget projects a 4.5% increase in this revenue source over the projected amount for 2016. The City will continue its policy of closely watching the receipts from sales taxes throughout the year.

No City services were cut in the 2017 budget. Also, to insure the level of service provided to the Citizens of Ellisville, no full-time positions were eliminated. Budgeted expenditures for fiscal year 2017 include \$4,906,185 in capital improvements. Storm water projects are the largest portion of this with a budget of \$3,521,200. The General Fund continues to make transfers to the Contingency Fund which are used to balance other funds. The fiscal year 2017 budget does not anticipate an increase in the Contingency Fund. The Capital Infrastructure Fund also makes transfers to the Contingency Fund which are then transferred to other funds for capital expenditures and the maintenance of capital expenditures. The budget for fiscal year 2017 continues to be stable and lean. Below is a look at the fund balances of some of the major funds from the fiscal year 2017 budget.

- General Fund budget anticipated a beginning fund balance of \$1,832,108 and ends with a balance of \$1,832,814, both of which exceeds the required amount to be kept in reserve.
- Capital Infrastructure Fund budget includes an anticipated beginning fund balance of \$2,584,649 and ends with a balance of \$2,584,676 which exceeds all required amounts.
- Storm Water Project Fund budget anticipated a beginning fund balance of \$2,817,216 and an ending balance of \$522,886 which is above the preferred fund balance level of \$500,000. As stated earlier, this change was anticipated as the current year expenditures include a carry forward of expenditures of \$2,321,700.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents and taxpayers with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any question about this report or need additional financial information, please contact Donald Cary, the Administrative Services Director, at One Weis Avenue, Ellisville, MO 63011.

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2016

	Governmental Activities
ASSETS	
Cash and investments	\$ 7,441,171
Receivables (net of allowances for uncollectibles):	
Taxes	1,436,630
Intergovernmental	147,903
Court	30,440
Interest	10,207
Other	209,841
Cash and investments - restricted	437,414
Prepaid items	141,048
Capital assets:	
Land and other nondepreciable assets	2,276,529
Other capital assets, net of accumulated depreciation	29,372,574
Total Assets	41,503,757
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pensions	1,868,616
 LIABILITIES	
Accounts payable	166,480
Accrued interest payable	9,391
Accrued wages	82,021
Court bonds payable	3,950
Other liabilities	109,319
Unearned revenue	15,000
Noncurrent liabilities:	
Due within one year	545,000
Due in more than one year	2,270,651
Due in more than one year - net pension liability	704,740
Total Liabilities	3,906,552
 DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pensions	157,397
 NET POSITION	
Net investment in capital assets	29,127,656
Restricted for:	
Storm water	3,329,349
Sewer	499,440
Parks	61,598
Debt service	428,782
Capital projects	2,189,327
Unrestricted	3,672,272
Total Net Position	\$ 39,308,424

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

		Program Revenues			Net Revenues (Expenses) And Changes In Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Governmental Activities					
General government	\$ 2,044,237	524,203	-	-	(1,520,034)
Police	3,080,790	104,727	-	-	(2,976,063)
Public works	2,000,765	92,413	635,613	2,221,039	948,300
Planning, inspection, and engineering	2,289,855	242,077	-	403,370	(1,644,408)
Municipal court	174,725	-	-	-	(174,725)
Recreation	1,096,229	339,819	-	224,373	(532,037)
Interest on long-term debt	120,306	-	-	-	(120,306)
Total Governmental Activities	\$ 10,806,907	1,303,239	635,613	2,848,782	(6,019,273)
General Revenues					
Taxes:					
Property					354,081
Sales					5,876,060
Utility					1,347,387
Franchise					464,801
Investment income					57,599
Gain on sale of assets					234,363
Miscellaneous					130,946
Total General Revenues					8,465,237
CHANGE IN NET POSITION					2,445,964
NET POSITION, JANUARY 1					36,862,460
NET POSITION, DECEMBER 31					\$ 39,308,424

See notes to financial statements

CITY OF ELLISVILLE, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	<u>General</u>	<u>Storm Water Project</u>	<u>Capital Infrastructure</u>	<u>Parks</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and investments	\$ 1,455,192	3,020,245	1,726,716	-	1,239,018	7,441,171
Receivables (net of allowances for uncollectibles):						
Taxes	683,236	243,890	374,645	107,777	27,082	1,436,630
Intergovernmental	1,935	95,650	50,318	-	-	147,903
Court	30,440	-	-	-	-	30,440
Interest	10,207	-	-	-	-	10,207
Other	207,197	-	-	2,644	-	209,841
Due from other funds	10,034	-	41,995	-	-	52,029
Prepaid items	141,048	-	-	-	-	141,048
Cash and investments - restricted	8,632	-	-	428,782	-	437,414
	<u>\$ 2,547,921</u>	<u>3,359,785</u>	<u>2,193,674</u>	<u>539,203</u>	<u>1,266,100</u>	<u>9,906,683</u>
Total Assets						
LIABILITIES						
Accounts payable	\$ 144,861	12,230	4,347	4,481	561	166,480
Accrued wages	76,181	3,206	-	2,347	287	82,021
Court bonds payable	3,950	-	-	-	-	3,950
Other liabilities	109,319	-	-	-	-	109,319
Due to other funds	-	-	-	41,995	10,034	52,029
Unearned revenue	-	15,000	-	-	-	15,000
	<u>334,311</u>	<u>30,436</u>	<u>4,347</u>	<u>48,823</u>	<u>10,882</u>	<u>428,799</u>
Total Liabilities						
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue:						
Property taxes	64,329	-	55,097	-	2,692	122,118
Court	29,320	-	-	-	-	29,320
	<u>93,649</u>	<u>-</u>	<u>55,097</u>	<u>-</u>	<u>2,692</u>	<u>151,438</u>
Total Deferred Inflows Of Re- sources						
FUND BALANCES						
Nonspendable:						
Prepaid items	141,048	-	-	-	-	141,048
Restricted:						
Storm water projects	-	3,329,349	-	-	-	3,329,349
Parks	-	-	-	61,598	-	61,598
Debt service	-	-	-	428,782	-	428,782
Capital projects	-	-	2,134,230	-	-	2,134,230
Sewer repairs	-	-	-	-	496,748	496,748
Committed:						
Contingency	-	-	-	-	766,343	766,343
Unassigned	1,978,913	-	-	-	(10,565)	1,968,348
	<u>2,119,961</u>	<u>3,329,349</u>	<u>2,134,230</u>	<u>490,380</u>	<u>1,252,526</u>	<u>9,326,446</u>
Total Fund Balances						
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 2,547,921</u>	<u>3,359,785</u>	<u>2,193,674</u>	<u>539,203</u>	<u>1,266,100</u>	<u>9,906,683</u>

CITY OF ELLISVILLE, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2016

Total Fund Balances - Governmental Funds	\$ 9,326,446
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 governmental funds. The cost of the assets is \$51,035,428 and the accumulated depreciation is \$19,386,325.	31,649,103
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	151,438
Certain obligations are not financial resources and, therefore, are not reported in the governmental funds. These items consist of:	
Net pension liability	(704,740)
Deferred outflows related to pensions	1,868,616
Deferred inflows related to pensions	(157,397)
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Certificates of participation	(2,525,000)
Accrued compensated absences payable	(294,204)
Accrued interest payable	(9,391)
Unamortized bond discount	3,553
Total Net Position Of Governmental Activities	<u>\$ 39,308,424</u>

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>General</u>	<u>Storm Water Project</u>	<u>Capital Infrastructure</u>	<u>Parks</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$ 4,633,974	1,485,923	1,904,590	644,409	93,358	8,762,254
Licenses and permits	740,436	-	-	-	-	740,436
Fines and court costs	99,367	-	-	-	-	99,367
Intergovernmental	-	403,370	224,373	-	-	627,743
Investment income	11,997	23,325	10,973	2,319	8,985	57,599
Charges for services	28,694	-	-	339,819	-	368,513
Miscellaneous	26,518	-	-	104,428	-	130,946
Total Revenues	<u>5,540,986</u>	<u>1,912,618</u>	<u>2,139,936</u>	<u>1,090,975</u>	<u>102,343</u>	<u>10,786,858</u>
EXPENDITURES						
Current:						
Administrative	1,741,867	-	-	-	-	1,741,867
Police	2,341,840	-	-	-	-	2,341,840
Public works	1,473,006	-	-	-	15,912	1,488,918
Planning, inspection, and engineering	507,095	222,661	-	-	-	729,756
Municipal court	155,007	-	-	-	-	155,007
Recreation	-	-	-	701,272	-	701,272
Capital outlay	31,944	1,131,429	876,576	22,385	450,181	2,512,515
Debt service:						
Principal	-	-	-	300,000	-	300,000
Interest	-	-	-	120,751	-	120,751
Total Expenditures	<u>6,250,759</u>	<u>1,354,090</u>	<u>876,576</u>	<u>1,144,408</u>	<u>466,093</u>	<u>10,091,926</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(709,773)</u>	<u>558,528</u>	<u>1,263,360</u>	<u>(53,433)</u>	<u>(363,750)</u>	<u>694,932</u>
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	326,913	-	-	-	-	326,913
Transfers in	1,010,000	-	-	75,000	1,859,165	2,944,165
Transfers out	(50,000)	-	(1,490,000)	-	(1,404,165)	(2,944,165)
Total Other Financing Sources (Uses)	<u>1,286,913</u>	<u>-</u>	<u>(1,490,000)</u>	<u>75,000</u>	<u>455,000</u>	<u>326,913</u>
NET CHANGE IN FUND BALANCES	577,140	558,528	(226,640)	21,567	91,250	1,021,845
FUND BALANCES, JANUARY 1	<u>1,542,821</u>	<u>2,770,821</u>	<u>2,360,870</u>	<u>468,813</u>	<u>1,161,276</u>	<u>8,304,601</u>
FUND BALANCES, DECEMBER 31	<u>\$ 2,119,961</u>	<u>3,329,349</u>	<u>2,134,230</u>	<u>490,380</u>	<u>1,252,526</u>	<u>9,326,446</u>

See notes to financial statements

CITY OF ELLISVILLE, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

Net Change In Fund Balances - Governmental Funds \$ 1,021,845

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold totaling (\$2,060,685) exceeded depreciation (\$1,529,605) in the current period. 531,080

The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. 2,033,611

Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds financial statements. 10,611

The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds, however, it has no effect on net position. This amount is the net effect of these differences in the treatment of long-term debt:

Repayments:

Principal payments on certificates of participation	300,000	
Amortization	(593)	
Net Adjustment		299,407

Under the modified accrual basis of accounting used in the governmental funds financial statements, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. The net changes of these items are:

Accrued compensated absences	(28,243)	
Accrued interest on bonds	1,038	
Pension expense	(1,423,385)	(1,450,590)

Change In Net Position Of Governmental Activities \$ 2,445,964

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2016

CURRENT ASSETS

Cash and investments

\$ 53,437

NET POSITION - RESTRICTED

Health benefits

\$ 53,437

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2016

ADDITIONS

Investment income	\$ 426
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DEDUCTIONS

Health insurance expense	<u>-</u>
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CHANGE IN NET POSITION

426

NET POSITION - RESTRICTED,
JANUARY 1

53,011

NET POSITION - RESTRICTED
DECEMBER 31

\$ 53,437

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **CITY OF ELLISVILLE, MISSOURI** (the City) was incorporated 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, and general administrative services. The significant accounting policies applied by the City in the preparation of the accompanying financial statements are summarized below:

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. The City does not currently have any component units.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for the governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The governmental funds financial statements are reported using 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 measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments and compensated absences, are recorded only when payment is due (i.e., matured).

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund -- This is 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 Project Fund -- The City uses this fund to account for sales tax revenue designated for storm water projects.

Capital Infrastructure Fund -- The City uses this fund to account for sales tax revenue designated for capital improvements.

Parks Fund -- This fund is used exclusively for the revenues and expenditures related to the operations of the pool and Bluebird Park programs. This fund includes ¼ cent sales tax which is deposited and used for debt service payments related to the original construction of the pool.

Additionally, the City reports the following fund type:

Private-purpose Trust 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 requirement to provide additional resources to this fund. Resources for this fund are provided by employees of the City that volunteer at charitable events.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payment-in-lieu of taxes and other charges and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

4. 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 investments balance in each fund represents that 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.

5. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Prepaid items are recorded as expenditures when consumed rather than purchased. Prepaid items are equally offset by fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

6. Capital Assets

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Capital Assets (Continued)

an initial cost of \$50,000 or more are also capitalized and depreciated. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life is not capitalized.

Depreciation is being computed on the straight-line method, using asset lives as follows:

Asset	Years
Building improvements	5 - 40
Equipment	5 - 20
Vehicles	8
Infrastructure	10 - 30

Infrastructure assets completed prior to January 1, 2004 were valued at their estimated cost as determined by the City's public works department. Infrastructure assets added after January 1, 2004 were recorded at historical cost.

7. Compensated Absences

Under terms of the City's personnel policy, employees are granted vacation time based on the 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 reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. 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.

8. Long-term Obligations

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, if any. Bonds payable are reported net of the applicable bond premium or discount.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position 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 of resources related to the pension reported on the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, 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.

10. Fund Balance Policies

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive:

Nonspendable -- The portion of fund balance that is not in a spendable form or is required to be maintained intact.

Restricted -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

Committed -- The portion of fund balance with constraints or limitations by formal action (ordinance) of the City Council, the highest level of decision-making authority.

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by the City Manager or Finance Director based on the City Council direction. Intent can be expressed by the City Council in the form of an ordinance.

Unassigned -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the City will spend the restricted amounts and then the least restricted - committed, assigned, and then unassigned.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. 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 types. In the process of aggregating data of the statement of net position and the statement of 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.

12. Use of Estimates

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

13. Pensions

For purposes of measuring the net pension liability (asset), 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 are recognized when due and payable in accordance with the benefit terms. LAGERS’ investments are reported at fair value.

NOTE B - CASH AND INVESTMENTS

1. 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 and City policies 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 (FDIC).

As of December 31, 2016, the City’s bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City’s name.

2. Investments

As of December 31, 2016, the City had the following investments:

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>				<u>Credit Risk</u>
		<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	
Primary Government						
Certificates of deposit	\$ 5,661,349	-	1,966,149	3,380,940	314,260	N/A
Money market funds	428,782	428,782	-	-	-	Not rated
 Total Investments	 <u>\$ 6,090,131</u>	 <u>428,782</u>	 <u>1,966,149</u>	 <u>3,380,940</u>	 <u>314,260</u>	

Investments Policies

Credit Risk is the risk that an issuer or other counterparty to an 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, broker/dealers, intermediaries, and advisors with which the City will do business.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for on-going operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing primarily in shorter term securities.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The City minimizes custodial credit risk by insuring deposits are covered by FDIC or fully collateralized with a market value equal to or exceeding 105% of the amount of deposit.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City minimizes concentration of credit risk by limiting that no more than 50% of the total investment portfolio be invested in a single security type or with a single financial institution.

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represent 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). At December 31, 2016, the City had the following investment concentrations:

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Investments	Fair Value	Percent Of Total Investments
Primary Government		
Money market funds	\$ 428,782	7.04 %

3. Fair Value Measurements

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

The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

The City has the following recurring fair value level measurements:

	Total	December 31, 2016		
		Level 1	Level 2	Level 3
Primary Government				
Investments by fair value level:				
Money market funds	\$ 428,782	428,782	-	-
Investments not subject to fair value level classification:				
Certificates of deposit	5,661,349			
Total	\$ 6,090,131			

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

	For The Year Ended December 31, 2016			
	December 31 2015	Increases	Decreases	December 31 2016
Capital assets not being depreciated:				
Land	\$ 2,276,529	-	-	2,276,529
Construction in progress	76,890	-	76,890	-
Total Capital Assets Not Being Depreciated	2,353,419	-	76,890	2,276,529
Capital assets being depreciated:				
Buildings and improvements	13,567,176	146,956	942,453	12,771,679
Vehicles and equipment	2,439,015	271,128	101,276	2,608,867
Infrastructure	29,869,286	3,940,530	431,463	33,378,353
Total Capital Assets Being Depreciated	45,875,477	4,358,614	1,475,192	48,758,899
Less - Accumulated depreciation for:				
Buildings and improvements	3,944,108	391,291	848,208	3,487,191
Vehicles and equipment	1,403,248	126,214	91,148	1,438,314
Infrastructure	13,797,128	1,012,100	348,408	14,460,820
Total Accumulated Depreciation	19,144,484	1,529,605	1,287,764	19,386,325
Total Capital Assets Being Depreciated, Net	26,730,993	2,829,009	187,428	29,372,574
Total Capital Assets, Net	\$ 29,084,412	2,829,009	264,318	31,649,103

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

	For The Year Ended December 31 2016
General government	\$ 2,752
Public works	176,175
Police	63,915
Planning, inspection, and engineering	973,129
Recreation	313,634
Total	\$ 1,529,605

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - INTERFUND BALANCES

The due to/from other funds consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>December 31 2016</u>
Capital Infrastructure	Parks	\$ 41,995
General	Nonmajor	<u>10,034</u>
Total		<u>\$ 52,029</u>

All of these interfund balances are due to timing differences. All interfund balances are expected to be repaid during the next fiscal year.

NOTE E - INTERFUND TRANSACTIONS

Individual interfund transactions for the year ended December 31, 2016 are as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>For The Year Ended December 31 2016</u>
Capital infrastructure	Nonmajor	\$ 1,490,000
Nonmajor	General	1,010,000
Nonmajor	Nonmajor	319,165
Nonmajor	Parks	75,000
General	Nonmajor	<u>50,000</u>
Total		<u>\$ 2,944,165</u>

Interfund transfers may be 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 and 2) use unrestricted revenues collected to finance expenditures in other funds in accordance with budgetary authorization.

NOTE F - LONG-TERM DEBT

A summary of changes are as follows:

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - LONG-TERM DEBT (Continued)

	For The Year Ended December 31, 2016			Amounts Due Within One Year	
	Balance December 31 2015	Additions	Reductions		Balance December 31 2016
	Certificates of participation	\$ 2,825,000	-		300,000
Less - Discount	(4,146)	-	(593)	(3,553)	
Compensated absences	265,961	386,523	358,280	294,204	
Total Long-term Debt	\$ 3,086,815	386,523	657,687	2,815,651	

The compensated absences are generally liquidated by the General Fund.

Certificates of participation consisted of the following:

	December 31 2016
\$4,830,000 Series 2007 certificates of participation to construct, furnish, and equip a new municipal swimming pool, principal due in annual installments through June 1, 2022; interest payable at 4% to 4.5%.	\$ 2,525,000

Future long-term debt maturities are as follows:

For The Years Ending December 31	Certificates Of Participation		
	Principal	Interest	Total
2017	\$ 310,000	106,185	416,185
2018	325,000	92,363	417,363
2019	340,000	77,400	417,400
2020	355,000	61,763	416,763
2021	375,000	42,338	417,338
2022	820,000	18,450	838,450
Total	\$ 2,525,000	398,499	2,923,499

NOTE G - OPERATING LEASE

The City is obligated under an operating lease agreement for office equipment through 2019.

The following is a schedule of future minimum rental payments required per the lease agreement:

**For The
Years Ending
December 31**

2017	\$ 2,064
2018	2,064
2019	<u>2,064</u>
Total	<u><u>\$ 6,192</u></u>

NOTE H - PENSION PLAN

Plan Description

The City's defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The City 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 supplemental 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) 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 receive a reduced allowance.

2016 Valuation

Benefit multiplier	1.50% for life
Final average salary	3 years
Member contributions	Noncontributory for employees

NOTE H - PENSION PLAN (Continued)

The City changed its benefit provisions during the year, resulting in a benefit multiplier of 1.75% for life. The new rate will not be in effect until January 1, 2017.

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, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	37
Inactive employees entitled to but not yet receiving benefits	21
Active employees	<u>55</u>
Total	<u><u>113</u></u>

Contributions

The City 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 City do not contribute to the pension plan. The City contribution rates are 6.8% (General), and 7.8% (Police) of annual covered payroll.

Net Pension Liability (Asset)

The City's net pension liability (asset) was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 29, 2016.

Actuarial Assumptions

The total pension liability in the February 29, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage inflation; 2.5% price inflation
Salary increase	3.25% to 6.55% including wage inflation
Investment rate of return	7.25%, net of investment expenses

The healthy retiree mortality tables for post-retirement mortality were RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables for post-retirement mortality were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality tables for males and females.

NOTE H - PENSION PLAN (Continued)

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The new assumptions used in the February 29, 2016 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equity	43.00%	5.29%
Fixed income	26.00	2.23
Real assets	21.00	3.31
Strategic Assets	10.00	5.73

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - PENSION PLAN (Continued)

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at June 30, 2015	\$ 11,878,988	13,601,209	(1,722,221)
Changes for the year			
Service cost	264,527	-	264,527
Interest	857,624	-	857,624
Changes of benefit terms	1,261,824	-	1,261,824
Difference between expected and actual experience	(152,821)	-	(152,821)
Changes of assumptions	479,168	-	479,168
Contributions - employer	-	287,054	(287,054)
Net investment income	-	(36,326)	36,326
Benefit payments, including refunds	(365,685)	(365,685)	-
Administrative expense	-	(8,749)	8,749
Other changes	-	41,382	(41,382)
Net Changes	<u>2,344,637</u>	<u>(82,324)</u>	<u>2,426,961</u>
Balances at June 30, 2016	<u>\$ 14,223,625</u>	<u>13,518,885</u>	<u>704,740</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the employer, calculated using the discount rate of 7.25%, as well as what the City's net pension liability (asset) would be using a discount rate that is 1% point lower (6.25%) or 1% point higher (8.25%) than the current rate.

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
Net pension liability (asset)	\$ 2,751,460	704,740	(989,247)

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

For the year ended December 31, 2016, the City recognized pension expense of \$1,773,654. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - PENSION PLAN (Continued)

	Outflows	Inflows	Net Outflows
Differences in experience	\$ 38,821	157,397	(118,576)
Excess (deficit) investment returns	1,237,381	-	1,237,381
Assumption changes	383,565	-	383,565
Contributions subsequent to the measurement date*	208,849	-	208,849
Total	\$ 1,868,616	157,397	1,711,219

*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 (asset) for the next fiscal year.

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

For The Years Ending December 31		
2017		\$ 406,761
2018		406,761
2019		419,469
2020		258,346
2021		10,515
Thereafter		518
Total		\$ 1,502,370

Payable to the Pension Plan

At December 31, 2016, the City reported a payable of \$45,300 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2016.

NOTE I - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with the 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.

NOTE J - RISK MANAGEMENT

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

The City is a member of the St. Louis Area Insurance Trust (SLAIT), which is a not-for-profit, self-insurance risk pool formed by various St. Louis County municipalities to cover workers' compensation and general liability matters. The purpose of this trust is to distribute the cost of self-insurance over similar entities. In addition to insurance protection, the program provides risk management services with emphasis in 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.

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 the assets, liabilities, or fund balances of the insurance trust. However, the City is contingently liable to fund its pro rata share if any deficit incurred by the trust should the trust cease operation at some future date.

The City also purchases commercial insurance to cover other risks. Settled claims from these risks have not exceeded coverage in any of the past three years.

NOTE K - PROPERTY TAX

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. The City does not tax personal property; however, road and bridge tax is assessed by the County and includes personal property. Taxes are levied on October 1 and payable by December 31. A lien is placed on the personal property on January 1 and is then subject to interest and penalties. The assessed value at January 1, 2016, upon which the 2016 levy was based on an assessed value for real, personal, and public utility property was \$279,751,063. The City does not include personal property when assessing the General Fund. The assessed value of personal property totaled \$31,576,819 as of January 1, 2016. The City's tax rate was levied at \$0.15 per \$100 of assessed valuation for the General Fund.

NOTE L - RESTRICTED NET POSITION

The government-wide statement of net position reports \$6,508,496 of restricted net position, of which \$6,079,714 is restricted by enabling legislation.

NOTE M - COMMITMENTS AND CONTINGENCIES

The City is subject to various litigation. In the opinion of management, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE N - FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The Statements which might impact the City are as follows:

- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement established standards for defined benefit OPEB plans for identifying the methods and assumptions that are required to be used to project benefit payments at their actuarial present value. This Statement is effective for financial statements for periods beginning after June 15, 2017.

Management has not yet determined the effect, if any, these Statements will have in the City's future financial statements.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 4,950,400	4,950,400	4,633,974	(316,426)
Licenses and permits	633,000	633,000	740,436	107,436
Fines and court costs	133,450	133,450	99,367	(34,083)
Intergovernmental	7,500	7,500	-	(7,500)
Investment income	12,400	12,400	11,997	(403)
Charges for services	22,500	22,500	28,694	6,194
Miscellaneous	29,000	29,000	26,518	(2,482)
Total Revenues	<u>5,788,250</u>	<u>5,788,250</u>	<u>5,540,986</u>	<u>(247,264)</u>
EXPENDITURES				
Current:				
Administrative	1,857,700	1,857,700	1,741,867	(115,833)
Police	2,386,975	2,386,975	2,341,840	(45,135)
Public works	1,662,950	1,662,950	1,473,006	(189,944)
Planning, inspection, and engineering	583,217	583,217	507,095	(76,122)
Municipal court	159,485	159,485	155,007	(4,478)
Capital outlay	31,405	31,405	31,944	539
Total Expenditures	<u>6,681,732</u>	<u>6,681,732</u>	<u>6,250,759</u>	<u>(430,973)</u>
REVENUES UNDER EXPENDI- TURES	<u>(893,482)</u>	<u>(893,482)</u>	<u>(709,773)</u>	<u>183,709</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	326,913	326,913
Transfers in	1,030,000	1,030,000	1,010,000	(20,000)
Transfers out	(50,000)	(224,000)	(50,000)	174,000
Total Other Financing Sources (Uses)	<u>980,000</u>	<u>806,000</u>	<u>1,286,913</u>	<u>480,913</u>
NET CHANGE IN FUND BALANCE	<u>\$ 86,518</u>	<u>(87,482)</u>	577,140	<u>664,622</u>
FUND BALANCE, JANUARY 1			<u>1,542,821</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 2,119,961</u>	

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - STORM WATER PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes	\$ 1,577,000	1,485,923	(91,077)
Intergovernmental	15,000	403,370	388,370
Investment income	17,400	23,325	5,925
Total Revenues	<u>1,609,400</u>	<u>1,912,618</u>	<u>303,218</u>
EXPENDITURES			
Current:			
Planning, inspection, and engineering	400,237	222,661	(177,576)
Capital outlay	3,274,150	1,131,429	(2,142,721)
Total Expenditures	<u>3,674,387</u>	<u>1,354,090</u>	<u>(2,320,297)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,064,987)</u>	558,528	<u>2,623,515</u>
FUND BALANCE, JANUARY 1		<u>2,770,821</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 3,329,349</u>	

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE - BUDGET AND ACTUAL - PARKS FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
REVENUES			
Taxes	\$ 680,000	644,409	(35,591)
Investment income	2,600	2,319	(281)
Charges for services	296,000	339,819	43,819
Intergovernmental	2,000	-	(2,000)
Miscellaneous	7,500	104,428	96,928
Total Revenues	988,100	1,090,975	102,875
EXPENDITURES			
Current:			
Recreation	817,806	701,272	(116,534)
Capital outlay	75,000	22,385	(52,615)
Debt service:			
Principal	300,000	300,000	-
Interest	120,770	120,751	(19)
Total Expenditures	1,313,576	1,144,408	(169,168)
REVENUES UNDER EXPENDITURES	(325,476)	(53,433)	272,043
OTHER FINANCING SOURCES			
Transfers in	325,000	75,000	(250,000)
NET CHANGE IN FUND BALANCE	\$ (476)	21,567	22,043
FUND BALANCE, JANUARY 1		468,813	
FUND BALANCE, DECEMBER 31		\$ 490,380	

**CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

Budgetary Data

In accordance with the City's charter, the City Council (the Council) adopts an annual budget for its General, Special Revenue, and Capital Infrastructure 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 department 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 unencumbered appropriation balance within a department. The Council may by ordinance transfer all or part of an unencumbered appropriation balance from one department to another. Monies held in reserve, contingency, or undesignated funds shall be transferred or encumbered 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 appropriations balances lapse and may be reappropriated in the next budget period.

The City's budgets are prepared on the modified accrual basis of accounting.

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31

	2016	2015
Total Pension Liability		
Service cost	\$ 264,527	247,299
Interest on the total pension liability	857,624	807,159
Changes of benefit terms	1,261,824	-
Difference between expected and actual experience	(152,821)	(4,833)
Changes of assumptions	479,168	-
Benefit payments, including refunds	(365,685)	(358,480)
Net Change In Total Pension Liability	2,344,637	691,145
Total Pension Liability Beginning	11,878,988	11,187,843
Total Pension Liability Ending (a)	\$ 14,223,625	11,878,988
 Plan Fiduciary Net Position		
Contributions - employer	\$ 287,054	278,474
Pension plan net investment income	(36,326)	259,349
Benefit payments, including refunds	(365,685)	(358,480)
Administrative expense	(8,749)	(9,320)
Other changes	41,382	270,087
Net Change In Plan Fiduciary Net Position	(82,324)	440,110
Plan Fiduciary Net Position Beginning	13,601,209	13,161,099
Plan Fiduciary Net Position Ending (b)	\$ 13,518,885	13,601,209
 Net Pension Liability (Asset) Ending (a-b)	\$ 704,740	(1,722,221)
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.05 %	114.50
 Covered Employee Payroll	\$ 3,224,372	3,090,735
 Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	21.86 %	(55.72)

Notes:

Information is not available for fiscal years prior to 2015.

The amounts noted above are as of the measurement date which is June 30 prior to the end of the fiscal year.

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined pension contribution	\$ 350,234	273,820	270,583	286,005	296,626	294,220	295,284	208,718	189,679	185,871
Contributions in relation to the actuarially determined contribution	350,234	273,820	270,583	286,005	276,056	248,869	232,210	208,718	189,679	185,871
Contribution Deficiency	\$ -	-	-	-	20,570	45,351	63,074	-	-	-
Covered Employee Payroll	\$ 3,364,321	3,274,542	2,930,205	2,987,984	2,882,215	2,765,243	2,889,008	2,957,736	2,684,660	2,690,538
Contributions as a Percentage of Covered Employee Payroll	10.41 %	8.36	9.23	9.57	9.58	9.00	8.04	7.06	7.07	6.91

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of February 28/29 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

<ul style="list-style-type: none"> Actuarial cost method Amortization method Remaining amortization period Asset valuation method Inflation Salary increases Investment rate of return Retirement age Mortality 	<ul style="list-style-type: none"> Entry age normal and modified terminal funding Level percent of payroll, closed Multiple bases from 13 to 19 years 5 years smoothed market; 20% corridor 3.25% wage inflation; 2.50% price inflation 3.25% to 6.55% including wage inflation 7.25%, net of investment expenses Experience-based table of rates that are specific to the type of eligibility condition The healthy retiree mortality tables for post-retirement mortality were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables for post-retirement mortality were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality tables for males and females. Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.
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Other information:

There were no benefit changes during the year.

New assumptions adopted based on the 5-year experience study for the period March 1, 2010 through February 28, 2015.

OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF ELLISVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	<u>Capital Projects Fund Equipment Replacement</u>	<u>Special Revenue Funds Contingency</u>	<u>Sewer Lateral</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Cash and investments	\$ -	766,343	472,675	1,239,018
Receivables (net of allowances for uncollectibles):				
Taxes	-	-	27,082	27,082
Total Assets	<u>\$ -</u>	<u>766,343</u>	<u>499,757</u>	<u>1,266,100</u>
LIABILITIES				
Accounts payable	\$ 531	-	30	561
Accrued wages	-	-	287	287
Due to other funds	10,034	-	-	10,034
Total Liabilities	<u>10,565</u>	<u>-</u>	<u>317</u>	<u>10,882</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	2,692	2,692
FUND BALANCES				
Restricted for:				
Sewer repairs	-	-	496,748	496,748
Committed:				
Contingency	-	766,343	-	766,343
Unassigned	(10,565)	-	-	(10,565)
Total Fund Balances	<u>(10,565)</u>	<u>766,343</u>	<u>496,748</u>	<u>1,252,526</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ -</u>	<u>766,343</u>	<u>499,757</u>	<u>1,266,100</u>

CITY OF ELLISVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES (DEFICIT) - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Capital Projects Fund Equipment Replacement	Special Revenue Funds Contingency	Sewer Lateral	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	-	93,358	93,358
Investment income	13	5,560	3,412	8,985
Total Revenues	<u>13</u>	<u>5,560</u>	<u>96,770</u>	<u>102,343</u>
EXPENDITURES				
Current:				
Public works	-	-	15,912	15,912
Capital outlay	404,371	-	45,810	450,181
Total Expenditures	<u>404,371</u>	<u>-</u>	<u>61,722</u>	<u>466,093</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(404,358)</u>	<u>5,560</u>	<u>35,048</u>	<u>(363,750)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	385,000	1,474,165	-	1,859,165
Transfers out	-	(1,404,165)	-	(1,404,165)
Total Other Financing Sources (Uses)	<u>385,000</u>	<u>70,000</u>	<u>-</u>	<u>455,000</u>
NET CHANGE IN FUND BALANCES	(19,358)	75,560	35,048	91,250
FUND BALANCES, JANUARY 1	<u>8,793</u>	<u>690,783</u>	<u>461,700</u>	<u>1,161,276</u>
FUND BALANCES (DEFICIT), DECEMBER 31	<u><u>\$ (10,565)</u></u>	<u><u>766,343</u></u>	<u><u>496,748</u></u>	<u><u>1,252,526</u></u>

CITY OF ELLISVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL INFRASTRUCTURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
REVENUES			
Taxes	\$ 2,039,500	1,904,590	(134,910)
Intergovernmental	682,550	224,373	(458,177)
Investment income	8,000	10,973	2,973
Total Revenues	2,730,050	2,139,936	(590,114)
EXPENDITURES			
Capital outlay	1,056,100	876,576	(179,524)
REVENUES OVER EXPENDITURES			
	1,673,950	1,263,360	(410,590)
OTHER FINANCING USES			
Transfers out	(1,700,000)	(1,490,000)	210,000
NET CHANGE IN FUND BALANCE			
	\$ (26,050)	(226,640)	(200,590)
FUND BALANCE, JANUARY 1		2,360,870	
FUND BALANCE, DECEMBER 31		\$ 2,134,230	

CITY OF ELLISVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE (DEFICIT) -
BUDGET AND ACTUAL - EQUIPMENT REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment income	\$ -	-	13	13
EXPENDITURES				
Capital outlay	341,700	515,700	404,371	(111,329)
REVENUES UNDER EXPENDI- TURES	(341,700)	(515,700)	(404,358)	111,342
OTHER FINANCING SOURCES				
Transfers in	345,000	519,000	385,000	(134,000)
NET CHANGE IN FUND BALANCE	<u>\$ 3,300</u>	<u>3,300</u>	(19,358)	<u>(22,658)</u>
FUND BALANCE, JANUARY 1			<u>8,793</u>	
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ (10,565)</u>	

CITY OF ELLISVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE - BUDGET AND ACTUAL - CONTINGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	Budget
REVENUES				
Investment income	\$ 5,000	5,000	5,560	560
OTHER FINANCING SOURCES (USES)				
Transfers in	1,750,000	1,924,000	1,474,165	(449,835)
Transfers out	(1,700,000)	(1,874,000)	(1,404,165)	(469,835)
Total Other Financing Sources (Uses)	50,000	50,000	70,000	20,000
NET CHANGE IN FUND BALANCE	\$ 55,000	55,000	75,560	20,560
FUND BALANCE, JANUARY 1			690,783	
FUND BALANCE, DECEMBER 31			\$ 766,343	

CITY OF ELLISVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE - BUDGET AND ACTUAL - SEWER LATERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
REVENUES			
Taxes	\$ 90,000	93,358	3,358
Investment income	3,200	3,412	212
Total Revenues	93,200	96,770	3,570
EXPENDITURES			
Current:			
Public works	22,300	15,912	(6,388)
Capital outlay	80,000	45,810	(34,190)
Total Expenditures	102,300	61,722	(40,578)
NET CHANGE IN FUND BALANCE	\$ (9,100)	35,048	44,148
FUND BALANCE, JANUARY 1		461,700	
FUND BALANCE, DECEMBER 31		\$ 496,748	

SECTION III - STATISTICAL SECTION

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	52 - 56
Revenue Capacity These schedules contain information to help the reader assess the City’s most significant local revenue source.	57 - 62
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	63 - 65
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	66 - 68
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	69 - 71

CITY OF ELLISVILLE, MISSOURI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities										
Net investment in capital assets	\$ 29,127,656	26,263,558	26,273,087	26,735,989	26,286,107	25,991,549	25,999,283	25,889,334	25,682,531	24,200,338
Restricted	6,508,496	6,062,204	5,451,175	4,243,154	4,704,134	4,018,748	3,233,607	2,600,742	2,056,922	2,797,476
Unrestricted	3,672,272	4,536,698	1,628,260	3,179,370	2,690,201	2,426,265	1,975,898	1,853,036	1,339,676	1,045,903
Total Governmental Activities Net Position	<u>\$ 39,308,424</u>	<u>\$ 36,862,460</u>	<u>33,352,522</u>	<u>34,158,513</u>	<u>33,680,442</u>	<u>32,436,562</u>	<u>31,208,788</u>	<u>30,343,112</u>	<u>29,079,129</u>	<u>28,043,717</u>

GASB 63 and 65 were implemented in 2013.

GASB 68 and 71 were implemented in 2015.

CITY OF ELLISVILLE, MISSOURI
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	For The Years Ended December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
EXPENSES										
Governmental activities:										
General government	\$ 2,044,237	1,655,975	2,848,066	1,799,868	1,563,283	1,452,871	1,452,050	1,672,481	1,475,231	1,504,078
Municipal court	174,725	136,639	140,149	360,791	357,130	361,614	360,569	120,699	109,134	97,918
Recreation (A)	1,096,229	965,582	975,420	931,455	889,915	911,687	875,619	694,965	593,714	408,250
Planning, inspection, and engineering	2,289,855	2,397,961	2,394,305	2,443,517	2,248,140	1,733,042	1,626,248	1,663,289	1,903,246	1,689,965
Police	3,080,790	2,093,934	2,255,270	2,092,139	2,069,804	1,968,803	2,008,510	2,053,207	2,066,573	1,965,877
Public works	2,000,765	1,563,629	1,866,211	1,646,386	1,711,224	1,768,150	1,563,054	1,628,287	1,486,258	1,453,663
Interest on long-term debt	120,306	132,487	143,944	181,156	206,031	234,668	254,943	272,480	290,899	253,700
Total Expenses	<u>10,806,907</u>	<u>8,946,207</u>	<u>10,623,365</u>	<u>9,455,312</u>	<u>9,045,527</u>	<u>8,430,835</u>	<u>8,140,993</u>	<u>8,105,408</u>	<u>7,925,055</u>	<u>7,373,451</u>
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	524,203	508,504	491,243	505,183	504,559	517,205	474,151	537,475	563,175	543,015
Recreation (A)	339,819	302,876	334,462	299,437	363,102	307,531	270,766	266,453	251,938	71,470
Planning, inspection, and engineering	242,077	155,339	121,783	145,868	90,808	101,942	59,353	77,807	122,786	187,550
Police	104,727	156,752	217,472	655,656	632,573	736,223	816,718	730,128	357,575	283,001
Public works	92,413	92,158	96,512	-	-	-	91,032	90,312	89,175	88,704
Operating grants and contributions	635,613	637,814	612,384	4,425	20,078	279,696	647,294	625,207	673,953	845,859
Capital grants and contributions	2,848,782	57,047	224,704	-	-	-	-	349,433	-	1,997,467
Total Program Revenues	<u>4,787,634</u>	<u>1,910,490</u>	<u>2,098,560</u>	<u>1,610,569</u>	<u>1,611,120</u>	<u>1,942,597</u>	<u>2,359,314</u>	<u>2,676,815</u>	<u>2,058,602</u>	<u>4,017,066</u>
NET REVENUES (EXPENSES)										
Governmental activities	<u>(6,019,273)</u>	<u>(7,035,717)</u>	<u>(8,524,805)</u>	<u>(7,844,743)</u>	<u>(7,434,407)</u>	<u>(6,488,238)</u>	<u>(5,781,679)</u>	<u>(5,428,593)</u>	<u>(5,866,453)</u>	<u>(3,356,385)</u>
GENERAL REVENUES AND OTHER										
CHANGE IN NET POSITION										
Governmental activities:										
Taxes:										
Property	354,081	371,399	293,833	663,105	744,045	734,161	383,436	363,131	377,155	380,112
Sales	5,876,060	5,958,061	5,392,558	5,222,477	5,547,972	4,612,205	4,314,488	4,278,282	4,374,654	4,316,623
Utility	1,347,387	1,396,273	1,749,653	1,643,125	1,577,463	1,660,527	1,661,236	1,996,304	1,869,047	1,707,754
Franchise	464,801	488,722	147,035	135,457	131,641	110,642	70,676	-	-	-
Other	-	33,918	-	505,945	497,138	495,130	139,188	-	-	-
Investment income	57,599	40,287	72,904	49,738	49,452	45,806	63,617	42,476	270,007	488,334
Miscellaneous	365,309	31,495	62,831	29,742	198,131	57,541	14,714	12,381	11,002	176,931
Total General Revenues And Other Change In Net Position	<u>8,465,237</u>	<u>8,320,155</u>	<u>7,718,814</u>	<u>8,249,589</u>	<u>8,745,842</u>	<u>7,716,012</u>	<u>6,647,355</u>	<u>6,692,574</u>	<u>6,901,865</u>	<u>7,069,754</u>
CHANGE IN NET POSITION										
Governmental activities	<u>\$ 2,445,964</u>	<u>1,284,438</u>	<u>(805,991)</u>	<u>404,846</u>	<u>1,311,435</u>	<u>1,227,774</u>	<u>865,676</u>	<u>1,263,981</u>	<u>1,035,412</u>	<u>3,713,369</u>

A) In fiscal year ended 2009 the Park and Pool Departments were merged and name changed to Recreation.

CITY OF ELLISVILLE, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	For The Years Ended December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Reserved	\$ -	-	-	-	-	-	87,162	98,527	98,530	85,136
Unreserved	-	-	-	-	-	-	1,641,289	1,573,965	1,125,314	1,360,969
Nonspendable	141,048	187,990	158,224	103,755	83,256	81,558	-	-	-	-
Assigned	-	-	512,383	-	-	-	-	-	-	-
Unassigned	1,978,913	1,354,831	751,759	2,216,145	2,408,914	2,182,216	-	-	-	-
Total General Fund	<u>\$ 2,119,961</u>	<u>1,542,821</u>	<u>1,422,366</u>	<u>2,319,900</u>	<u>2,492,170</u>	<u>2,263,774</u>	<u>1,728,451</u>	<u>1,672,492</u>	<u>1,223,844</u>	<u>1,446,105</u>
All Other Governmental Funds										
Reserved	\$ -	-	-	-	-	-	800,042	799,910	841,332	4,784,649
Unreserved, reported in:										
Capital Projects Fund	-	-	-	-	-	-	488,138	450,261	418,815	511,774
Special Revenue Funds	-	-	-	-	-	-	2,205,019	1,556,208	1,016,843	2,345,996
Restricted	6,450,707	6,062,204	5,410,374	4,675,720	4,660,005	4,040,008	-	-	-	-
Committed	766,343	690,783	686,354	679,077	474,579	270,169	-	-	-	-
Assigned	-	8,793	-	-	9,054	10,786	-	-	-	-
Unassigned	(10,565)	-	(144,311)	(10,652)	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 7,206,485</u>	<u>6,761,780</u>	<u>5,952,417</u>	<u>5,344,145</u>	<u>5,143,638</u>	<u>4,320,963</u>	<u>3,493,199</u>	<u>2,806,379</u>	<u>2,276,990</u>	<u>7,642,419</u>

GASB 54 was implemented in 2011.

CITY OF ELLISVILLE, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	For The Years Ended December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
REVENUES										
Taxes	\$ 8,762,254	8,905,395	8,320,442	8,102,482	8,397,061	7,542,614	7,192,974	7,343,776	7,347,184	7,069,497
Licenses and permits	740,436	629,345	589,208	628,501	570,238	599,781	517,430	596,330	664,268	707,932
Fines and court costs	99,367	139,110	205,204	654,856	630,323	732,973	813,618	543,260	346,398	277,561
Intergovernmental	627,743	65,743	226,704	-	-	-	-	-	190,300	-
Investment income	57,599	40,287	72,904	49,738	49,452	45,806	63,617	42,476	270,007	488,334
Charges for service	368,513	339,024	359,730	413,460	481,790	421,540	380,972	289,255	94,637	248,253
Miscellaneous	130,946	31,495	63,935	47,776	218,209	337,237	19,178	32,521	42,385	240,147
Total Revenues	10,786,858	10,150,399	9,838,127	9,896,813	10,347,073	9,679,951	8,987,789	8,847,618	8,955,179	9,031,724
EXPENDITURES										
Current:										
Administrative	1,741,867	1,693,738	2,809,216	1,716,194	1,512,216	1,434,525	1,445,800	1,477,599	1,475,520	1,354,971
Police	2,341,840	2,142,474	2,151,605	1,988,048	1,968,111	1,849,771	1,954,238	1,980,273	1,956,612	1,904,592
Public works	1,488,918	1,394,238	1,623,368	1,465,712	1,450,428	1,446,202	1,302,273	1,390,957	1,280,428	1,261,789
Planning, inspection, and engineering	729,756	783,211	749,492	804,497	682,591	698,448	595,115	746,442	848,666	781,833
Municipal court	155,007	140,207	140,149	360,791	357,130	361,614	360,569	119,426	109,134	97,897
Recreation (A)	701,272	668,492	670,256	584,231	573,372	583,698	581,045	626,750	895,342	485,944
Capital outlay	2,512,515	2,019,593	1,567,036	1,859,830	1,939,772	1,128,478	1,196,714	720,944	6,971,969	5,953,989
Debt service:										
Principal	300,000	290,000	275,000	738,708	605,000	585,000	560,000	540,000	716,286	313,108
Interest	120,751	132,873	144,267	420,032	207,382	229,128	249,258	267,190	288,912	233,849
Bond issuance costs	-	-	-	-	-	-	-	-	-	93,537
Total Expenditures	10,091,926	9,264,826	10,130,389	9,938,043	9,296,002	8,316,864	8,245,012	7,869,581	14,542,869	12,481,509
REVENUES OVER (UNDER) EXPENDITURES	694,932	885,573	(292,262)	(41,230)	1,051,071	1,363,087	742,777	978,037	(5,587,690)	(3,449,785)
OTHER FINANCING SOURCES (USES)										
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	4,830,000
Bond discount	-	-	-	-	-	-	-	-	-	(8,889)
Sale of capital assets	326,913	18,659	3,000	18,377	-	-	-	-	-	-
Insurance proceeds	-	25,586	-	-	-	-	-	-	-	-
Transfers in	2,944,165	3,135,000	2,070,000	635,004	430,000	110,000	425,000	50,000	911,801	1,402,116
Transfers out	(2,944,165)	(3,135,000)	(2,070,000)	(635,004)	(430,000)	(110,000)	(425,000)	(50,000)	(911,801)	(1,402,116)
Total Other Financing Sources (Uses)	326,913	44,245	3,000	18,377	-	-	-	-	-	4,821,111
NET CHANGE IN FUND BALANCES	\$ 1,021,845	929,818	(289,262)	(22,853)	1,051,071	1,363,087	742,777	978,037	(5,587,690)	1,371,326
Debt service as a percentage of noncapital expenditures	5.2 %	4.8	4.5	16.1	11.2	12.4	11.2	12.6	15.3	10.6

A) In fiscal year ended 2009 the Park and Pool Departments were merged and name changed to Recreation.

CITY OF ELLISVILLE, MISSOURI
PROGRAM REVENUES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	For The Years Ended December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities:										
General government	\$ 524,203	508,504	491,243	505,183	504,559	517,205	474,151	537,475	563,175	546,577
Recreation (A)	564,192	302,876	561,166	299,437	363,102	307,531	270,766	266,453	251,938	71,470
Planning, inspection, and engineering	645,447	212,386	121,783	145,868	90,808	101,942	59,353	409,105	122,786	273,060
Police	104,727	165,448	218,576	655,656	632,573	736,223	816,718	749,445	372,665	283,001
Public works	2,949,065	721,276	705,792	-	-	-	91,032	714,337	748,038	2,842,958
Total Governmental Activities	<u>\$ 4,787,634</u>	<u>1,910,490</u>	<u>2,098,560</u>	<u>1,606,144</u>	<u>1,591,042</u>	<u>1,662,901</u>	<u>1,712,020</u>	<u>2,676,815</u>	<u>2,058,602</u>	<u>4,017,066</u>

A) In fiscal year ended 2009 the Park and Pool Departments were merged and name changed to Recreation.

CITY OF ELLISVILLE, MISSOURI
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Property (1)</u>	<u>Sales And Use (2)</u>	<u>Franchise And Public Service</u>	<u>Total</u>
2016	\$ 618,233	\$ 6,118,683	\$ 2,025,338	8,762,254
2015	611,017	6,202,534	2,091,844	8,905,395
2014	591,314	5,630,719	2,098,409	8,320,442
2013	595,478	5,478,039	2,028,965	8,102,482
2012	681,792	5,805,152	1,910,117	8,397,061
2011	755,503	4,884,831	1,902,280	7,542,614
2010	651,879	4,696,229	1,844,866	7,192,974
2009	640,258	4,616,902	1,996,304	7,253,464
2008	663,717	4,725,245	1,869,047	7,258,009
2007	585,280	4,687,759	1,707,754	6,980,793

1) Includes road and bridge tax.

2) The City participates in the county-wide sales tax sharing pool and a point of sale sharing; therefore, sales tax is not the City's own source of revenue.

CITY OF ELLISVILLE, MISSOURI
SALES TAX REVENUES BY TYPE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	General 1% (1)	Cigarette	State Motor Fuel	Storm Water 1/2%	Capital Infrastructure 1/2% (3)	Local Option 1/4% (2)	Total
2016	\$ 2,451,605	\$ 25,146	\$ 242,623	\$ 1,485,923	\$ 1,268,977	\$ 644,409	\$ 6,118,683
2015	2,554,287	26,342	244,473	1,482,394	1,254,735	640,303	6,202,534
2014	2,338,672	23,246	238,161	1,327,861	1,129,265	573,514	5,630,719
2013	2,266,358	24,095	231,467	1,294,469	1,102,299	559,351	5,478,039
2012	2,373,036	25,611	231,569	1,392,903	1,181,184	600,849	5,805,152
2011	2,348,911	25,540	247,086	1,402,817	256,151	604,326	4,884,831
2010	2,318,970	25,995	355,746	1,395,311	-	600,207	4,696,229
2009	2,292,691	27,405	338,620	1,369,257	-	588,929	4,616,902
2008	2,355,802	29,472	350,591	1,391,101	-	598,279	4,725,245
2007	2,451,393	30,777	371,136	1,402,571	-	431,882	4,687,759

- 1) This sales tax is received from St. Louis County based upon two formulas. Most of the City uses a formula based upon the sale being made in the City. This method has an amount that is put into a redistribution pool for other areas of the County with a calculation that is based upon how large the per capita sales tax amount is for the year. The amounts shown are net of the redistribution. The remainder of the City receives sales tax based upon the population of those areas. All sales tax earned in this area is put into a pool along with the redistribution amounts (as explained above) from throughout the County and then distributed based on the population of the pool areas.
- 2) This sales tax was approved by the voters in Ellisville for park expenditures effective April 2007. It uses the same two methods of calculating as the 1% sales tax but there is a maximum redistribution percentage.
- 3.) This sales tax was approved by the voters in Ellisville for capital infrastructure improvements effective October 2011.

CITY OF ELLISVILLE, MISSOURI
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Railroads And Utilities	Total		Total Direct Tax Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
				Assessed Value	Estimated Actual Value		
2016	\$ 245,218,470	\$ 31,162,600	\$ 3,369,993	\$ 279,751,063	\$ 1,131,175,314	0.15	24.73 %
2015	243,209,480	30,318,500	3,644,073	277,172,053	1,118,537,122	0.15	24.78
2014	225,793,260	30,453,470	3,297,245	259,543,975	1,040,852,933	0.15	24.94
2013	225,898,760	29,794,105	2,818,239	258,511,104	1,090,778,884	0.15	23.70
2012	236,271,550	31,704,159	2,712,153	270,687,862	1,153,038,986	0.15	23.48
2011	235,888,690	29,775,229	2,766,152	268,430,071	1,143,123,349	0.15	23.48
2010	243,832,440	30,653,340	2,992,612	277,478,392	1,172,411,268	0.15	23.67
2009	249,212,140	34,296,020	2,861,338	286,369,498	1,222,797,756	0.15	23.42
2008	252,949,130	34,466,170	2,751,295	290,166,595	1,239,839,964	0.15	23.41
2007	250,921,550	31,740,760	2,875,523	285,537,833	1,217,897,088	0.15	23.45

1) Source: St. Louis County Assessor

CITY OF ELLISVILLE, MISSOURI
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
City of Ellisville	0.1500	0.1500	0.1500	0.1500	0.150	0.150	0.150	0.1500	0.1500	0.150
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.030	0.030	0.030	0.0300	0.0300	0.030
County General	0.2060	0.2060	0.2090	0.2000	0.200	0.200	0.200	0.1900	0.1900	0.190
County Health/Hospital	0.1380	0.1380	0.1400	0.1400	0.140	0.140	0.140	0.1500	0.1500	0.150
County Park Maintenance	0.0490	0.0490	0.0500	0.0500	0.050	0.050	0.050	0.0500	0.0500	0.050
County Bond Retirement	0.0190	0.0190	0.0190	0.0280	0.028	0.028	0.028	0.0280	0.0630	0.063
County Road and Bridge	0.1030	0.1030	0.1050	0.1050	0.105	0.105	0.105	0.1050	0.1050	0.105
St. Louis Community College	0.2185	0.2176	0.2200	0.2200	0.220	0.220	0.218	0.2136	0.2013	0.200
Special School District	1.2409	1.2348	1.2609	1.2400	1.012	1.013	0.995	0.9384	0.9184	0.908
Metro Zoo Park and Museum	0.2795	0.2777	0.2797	0.2797	0.268	0.267	0.255	0.2493	0.2344	0.233
Sheltered Workshop	0.0880	0.0880	0.0900	0.0890	0.084	0.084	0.079	0.0740	0.0690	0.070
St. Louis County Library	0.2460	0.2460	0.2500	0.2500	0.173	0.163	0.157	0.1400	0.1400	0.140
Rockwood School District	4.6678	4.6015	4.7240	4.6833	4.536	4.463	4.275	4.0083	3.9232	3.999
Metro West Fire Protection District	1.0110	1.0130	1.0570	1.0640	1.029	1.030	1.012	0.9770	0.8210	0.836
Metro Sewer District Extension	0.1196	0.0195	0.0197	0.0196	0.019	0.019	0.018	-	-	0.017
Meramec River Basin Sewer District	-	-	-	-	-	-	-	-	-	0.070

1) Source: St. Louis County Assessor (rates stated per \$100 assessed valuation)

Commencing in 2003, Missouri State Law required entities to calculate a separate tax rate for residential real estate, agricultural real estate, commercial real estate, and personal property. The rate stated above is the residential real estate rate, as this is the largest assessed valuation.

CITY OF ELLISVILLE, MISSOURI
PRINCIPAL PROPERTY TAXPAYERS (1)
CURRENT YEAR AND NINE YEARS AGO

<u>Taxpayer</u>	<u>2016</u>			<u>2007</u>		
	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>
Cooper Bussmann, Inc.	\$ 5,299,110	1	1.90 %	\$ 4,921,130	3	1.72 %
Clarkson Clayton Center Associates	4,723,300	2	1.69	5,997,050	1	2.10
Bradford Hills Associated, L.P.	4,663,870	3	1.67	2,720,000	6	0.95
Frank Bommarito Automotive	3,060,700	4	1.09	3,235,520	4	1.13
Fountain Plaza Finance, LLC	2,877,820	5	1.03	-	-	-
RCG Ellisville LLC	2,445,380	6	0.87	-	-	-
AGNL Exercise LLC	2,396,160	7	0.86	-	-	-
HD Development of Maryland Inc	2,330,210	8	0.83	2,435,370	9	0.85
Brixmor SPE3 LLC	2,101,660	9	0.75	-	-	-
Quicktrip Corporation	1,935,100	10	0.69	-	-	-
Centrum Clarkson, LLC	-	-	-	5,123,580	2	1.80
The Clarkson Group	-	-	-	3,070,640	5	1.08
JVH Commercial Properties LLC	-	-	-	2,666,040	7	0.93
Passive Investors, Inc.	-	-	-	2,502,810	8	0.88
Centro Bradley Spec 3 LLC	-	-	-	2,422,120	10	0.85
Total	<u>\$ 31,833,310</u>		<u>11.38 %</u>	<u>\$ 35,094,260</u>		<u>12.29 %</u>

1) Source: St. Louis County Assessor

CITY OF ELLISVILLE, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS

Fiscal Year	Net Tax Levy (2)	Current Tax Collections	Percent Collected As Current	Delinquent Tax Collected Within The Fiscal Year For Previous Levies (3)	Total Tax Collections	Total Collections As Percent Of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent Of Levy
2016	\$ 394,621	\$ 296,596	75.2 %	\$ 43,810	\$ 340,406	86.3 %	\$ 54,215	13.7 %
2015	389,210	297,946	76.6	37,049	334,995	86.1	54,215	13.9
2014	343,020	293,523	85.6	31,897	325,420	94.9	17,600	5.1
2013	343,075	297,287	86.7	45,788	343,075	100.0	-	-
2012	358,547	301,724	84.2	56,823	358,547	100.0	-	-
2011	357,983	300,041	83.8	56,298	356,339	99.5	1,644	0.5
2010	369,396	307,132	83.1	62,264	369,396	100.0	-	-
2009	368,762	290,518	78.8	72,651	363,169	98.5	5,593	1.5
2008	382,562	304,233	79.5	70,649	374,882	98.0	7,680	2.0
2007	382,367	312,277	81.7	11,044	323,321	84.6	59,046	15.4

1) Source: St. Louis County Collector's office

2) Originally adjusted for strike offs and additions by St. Louis Board of Equalization after 1978.

3) Data for delinquent tax collection, excluding penalties and interest, is not available by levy year. St. Louis County will need more time to make system updates to track this information.

CITY OF ELLISVILLE, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Total Primary Government	Percentage Of Personal Income (1)	Per Capita
	Note Payable	Certificates Of Participation			
2016	\$ -	\$ 2,521,447	\$ 2,521,447	0.82 %	\$ 276
2015	-	2,820,854	2,820,854	0.92	309
2014	-	3,110,261	3,110,261	1.01	341
2013	-	3,390,000	3,390,000	1.10	371
2012	-	4,365,000	4,365,000	1.42	478
2011	-	4,970,000	4,970,000	1.60	544
2010	-	5,555,000	5,555,000	1.82	608
2009	-	6,115,000	6,115,000	2.45	671
2008	-	6,655,000	6,655,000	2.67	730
2007	191,286	7,180,000	7,371,286	2.96	810

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

1) See Demographics and Economic Statistics Table.

CITY OF ELLISVILLE, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2016

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable (2)</u>	<u>Estimated Share Of Overlapping Debt</u>
St. Louis County	\$ 101,310,000	1.23 %	\$ 1,242,471
Rockwood School District	166,380,000	8.24	13,712,430
Metro West Fire Protection District	8,740,000	15.43	1,348,734
	<u>276,430,000</u>		<u>16,303,635</u>
City direct debt (3)	<u>2,521,447</u>	100.00 %	<u>2,521,447</u>
Total Direct And Overlapping Debt	<u><u>\$ 278,951,447</u></u>		<u><u>\$ 18,825,082</u></u>

Source: Bonds amounts were provided by the representative taxing districts. Assessments were provided by the respective taxing districts or the St. Louis County Collector.

- 1) Excludes overlapping taxing districts with assessed valuations applicable to the City that are less than 1%.
- 2) Estimated based on 2016 real and personal property assessment roll as of December 31, 2016.
- 3) These are certificates of participation bonds not general obligation bonds.

CITY OF ELLISVILLE, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Years									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Debt limit	\$ 27,975,106	27,717,205	25,954,398	25,851,110	27,108,284	26,851,311	27,747,839	28,636,950	29,016,660	28,553,783
Net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 27,975,106</u>	<u>27,717,205</u>	<u>25,954,398</u>	<u>25,851,110</u>	<u>27,108,284</u>	<u>26,851,311</u>	<u>27,747,839</u>	<u>28,636,950</u>	<u>29,016,660</u>	<u>28,553,783</u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	- %	-	-	-	-	-	-	-	-	-

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

CITY OF ELLISVILLE, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Median Age (1)	Personal Income (1)	Per Capita Income (1)	Unemployment Rate (2)
2016	9,133	43.70	\$ 307,599,440	\$ 33,680	4.2 %
2015	9,133	43.70	307,599,440	33,680	5.9
2014	9,133	43.70	307,599,440	33,680	5.9
2013	9,133	43.70	307,599,440	33,680	6.5
2012	9,133	43.70	307,599,440	33,680	6.7
2011	9,133	43.70	307,599,440	33,680	8.1
2010	9,133	43.70	307,599,440	33,680	9.0
2009	9,104	38.80	249,258,416	27,379	9.1
2008	9,104	38.80	249,258,416	27,379	5.8
2007	9,104	38.80	249,258,416	27,379	4.9

1) Source: U.S. Bureau of Census.

2) Source: Missouri Department of Economic Development.

CITY OF ELLISVILLE, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND EIGHT YEARS AGO

Employer	2016			2008*		
	Employees	Rank	Percent Of Total City Employment***	Employees	Rank	Percent Of Total City Employment**
Cooper Bussman, Inc.	280	1	4.2 %	300	2	4.4
Bethesda Meadow	214	2	3.2	189	6	2.8
Royal Gate Dodge, Inc.	176	3	2.7	150	8	2.2
Rockwood School District	167	4	2.5	219	3	3.2
Bommarito Automotive	165	5	2.5	311	1	4.6
Dierbergs Markets	150	6	2.3	175	7	2.6
LifeTime Fitness	150	6	2.3	211	4	3.1
St. John Lutheran Church	146	8	2.2	-	-	N/A
The Home Depot #3018	113	9	1.7	-	-	N/A
Metro-West Fire Protection District	98	10	1.5	-	-	N/A
Shop-N-Save	-	-	N/A	200	5	2.9
Clarkson Eyecare	-	-	N/A	130	9	1.9
Best Buy	-	-	N/A	125	10	1.8

*2008 numbers were the last available.

**Total number of employees employed in the City is estimated to be 6,820.

***Total number of employees employed in the City is estimated to be 6,600.

Sources: St. Louis County Planning Department and InfoUSA.com as recommended by Missouri Department of Economic Development and the City of Ellisville business license applications.

CITY OF ELLISVILLE, MISSOURI
PRINCIPAL EMPLOYMENT BY BUSINESS CATEGORY
CURRENT YEAR AND SEVEN YEARS AGO

Employer	2016			2009		
	Employees*	Rank	Percent Of Total City Employment	Employees*	Rank	Percent Of Total City Employment
Retail product sales	1,272	1	19.3 %	1,190	1	17.5 %
Restaurants and bars	1,137	2	17.2	1,067	2	15.7
Medical/dental and related businesses	711	3	10.8	736	5	10.8
Service businesses	666	4	10.1	754	4	11.1
Automotive industry	656	5	9.9	776	3	11.4
Professional and consulting services	540	6	8.2	239	10	3.5
Construction/contracting	343	7	5.2	306	8	4.5
Government	334	8	5.1	364	7	5.3
Manufacturing	322	9	5.0	369	6	5.4
Religious institutions, related schools, charities, and nonprofits	291	10	4.4	291	9	4.3
All others	328		5.0	728		10.7
Total	6,600			6,820		

*Information from business license applications.

Since 2009 was the first year employment levels were included in business license applications, comparisons prior to 2009 are not possible.

CITY OF ELLISVILLE, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	December 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Administrative:										
Legislative services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Administrative services	5.3	4.8	5.8	6.0	5.0	5.5	5.5	5.5	5.5	5.5
Finance	1.5	1.0	1.5	1.5	1.5	2.0	2.0	2.0	2.0	2.0
Police:										
Officers	25.0	24.5	23.0	22.0	22.0	22.5	22.5	23.5	23.5	23.5
Civilians	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Public works:										
Administration	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Street maintenance	16.0	17.0	17.0	18.0	18.0	16.0	16.0	18.0	18.0	18.0
Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	4.5
Engineering and storm water	4.8	3.8	3.8	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Municipal court	2.0	2.3	3.0	3.5	3.5	3.0	3.0	2.5	2.5	2.5
Pool/park activities	22.0	19.0	15.0	22.0	22.0	16.0	16.0	19.0	14.0	14.0
Park	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5	3.0

Source: Annual Budget Document.

CITY OF ELLISVILLE, MISSOURI
OPERATING INDICATORS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Police-patrol:										
Arrests	265	227	269	284	267	380	375	220	215	174
Traffic citations	995	1,237	2,017	1,809	2,570	3,250	3,239	2,800	2,800	2,838
Traffic warnings**	652	-	-	-	-	-	-	-	-	-
Crime reports	282	383	372	471	30	50	44	40	40	39
Accident reports	349	369	261	261	240	282	289	303	350	351
DWI arrests	56	55	58	57	53	43	41	20	25	20
Public works:										
Road repair-tons of mix	220	486	150	169	40	47	40	42	40	45
Linear feet of storm pipe cleared	265	365	70	70	70	74	70	70	60	60
Traffic control signs serviced	145	122	85	86	153	148	140	145	150	155
Leaves collected-cubic yards	2,225	2,090	1,020	1,016	450	1,300	1,300	1,200	1,100	1,300
Acres mowed and maintained	128	128	128	80	128	128	131	143	200	200
Trees and shrubs planted*	601/45	23/18	35/30	35/20	44/45	9/10	45/52	40/50	45/88	50/80
Planning and building:										
Rezoning applications and text amendments	8	12	5	6	8	8	11	21	10	9
Building permits issued	57	26	35	37	34	55	47	20	165	168
Remodeling permits issued (A)	214	217	187	-	-	-	-	-	-	-
Finance and administration:										
Merchant licenses issued	651	650	651	652	596	591	598	606	638	636
Payroll checks issued	2,108	2,086	1,953	1,911	1,882	1,900	2,050	2,115	2,024	1,986
Accounts payable processed	1,974	1,948	2,031	2,041	2,014	1,844	2,100	2,075	2,210	2,156
Requests for public records	51	42	44	62	46	33	16	53	53	47

(A) Information provided from 2014 to current.

*Starting with 2016, this includes trees planted by developers mandated by the City and City planted trees and shrubs.

**Information provided beginning in 2016.

CITY OF ELLISVILLE, MISSOURI
CAPITAL ASSETS STATISTICS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	7	7	7	7	7	7	7	7	7	7
Sectors	2	2	2	2	2	2	2	2	2	2
Public works:										
Miles of street	83	83	83	83	83	83	83	83	83	82
Street lights and signals	453	453	453	453	453	453	453	453	453	448
Parks and recreation:										
Number of parks	11	11	11	11	11	11	11	11	11	11
Acres of parks	231	231	231	231	231	231	231	231	231	231
Number of multi-use trails	6	6	5	5	5	5	5	5	5	5
Miles of multi-use trails	10	10	9	9	9	9	9	9	9	9