

CITY OF ELLISVILLE, MISSOURI

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2018***

Prepared by: Finance Department

CITY OF ELLISVILLE, MISSOURI

CONTENTS

	PAGE
INTRODUCTORY SECTION:	
Principal City Officials	i
Organization Chart	ii
Certificate Of Achievement	iii
Letter Of Transmittal	iv
FINANCIAL SECTION:	
INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement Of Net Position	12
Statement Of Activities	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds	14
Reconciliation Of The Statement Of Net Position Of Governmental Funds To The Balance Sheet	15
Statement Of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund	16
Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities	17
Statement Of Fiduciary Net Position	18
Statement Of Changes In Fiduciary Net Position	19
Notes To Financial Statements	20
REQUIRED SUPPLEMENTARY INFORMATION:	
Budgetary Comparison Schedule - General Fund	37
Budgetary Comparison Schedule - Storm Water Projects Fund	38
Budgetary Comparison Schedule - Parks Fund	39
Budgetary Comparison Schedule - Capital Infrastructure Fund	40
Notes To Required Supplementary Information	41

-continued-

CITY OF ELLISVILLE, MISSOURI

CONTENTS

-continued-

	PAGE
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios	42
Schedule of Employer Contributions	43
SUPPLEMENTAL INFORMATION:	
Combining Balance Sheet - Non Major Governmental Funds	44
Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Non Major Governmental Funds	45
Budgetary Comparison Schedule - Equipment Replacement Fund	46
Budgetary Comparison Schedule - Contingency Fund	47
Budgetary Comparison Schedule - Sewer Fund	48
 STATISTICAL SECTION:	
Net Position By Component	49
Changes In Net Position	50
Fund Balances, Governmental Funds	51
Changes In Fund Balances, Governmental Funds	52
Program Revenues By Function/Program	53
Tax Revenues By Source, Governmental Funds	54
Sales Tax Revenues By Type, Governmental Funds	55
Assessed And Estimated Actual Value Of Taxable Property	56
Property Tax Rates - Direct And All Overlapping Governments	57
Principal Property Tax Payers	58
Property Tax Levies And Collections	59
Ratios of Outstanding Debt By Type	60
Direct And Overlapping Governmental Activities Debt	61
Legal Debt Margin Information	62
Demographics And Economic Statistics	63
Principal Employers	64
Principal Employment By Business Category	65
Full-time Equivalent City Government Employees By Functions/Program	66
Operating Indicators by Function/Program	67
Capital Assets Statistics By Function/Program	68

INTRODUCTORY SECTION

OFFICIALS OF THE CITY OF ELLISVILLE

MAYOR

Mike Roemerman

CITY COUNCIL MEMBERS

Vince McGrath, District I
Stephen Chismarich, District I

Linda Reel, District II
Mick Cahill, District II

Cindy Pool, District III
Dan Duffy, District III and Mayor Pro Tempore

COUNCIL-APPOINTED OFFICIALS

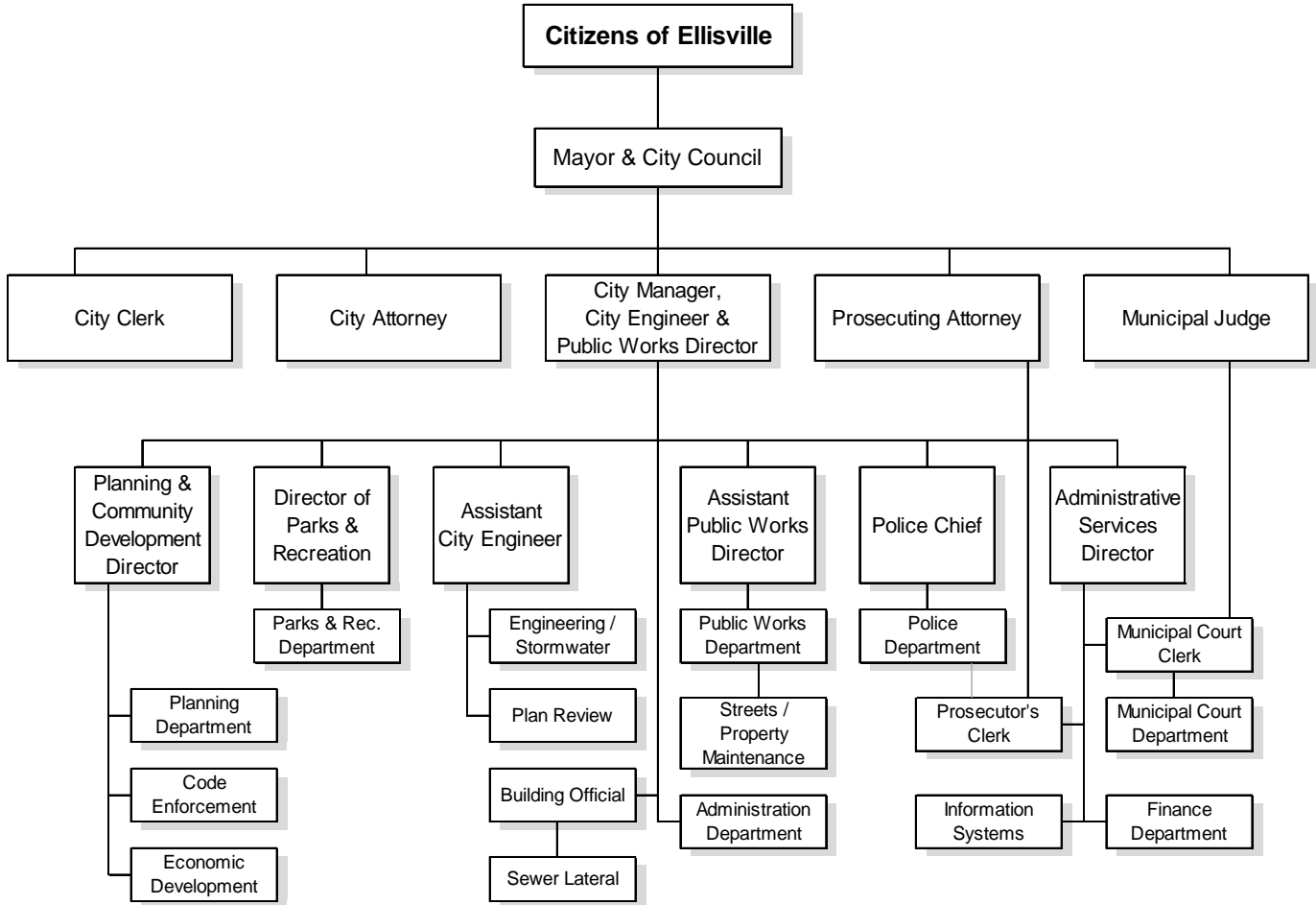
William (Bill) Schwer, City Manager
George Restovich, City Attorney and Prosecuting Attorney
Leigh Dohack, City Clerk
Donald Anderson, Municipal Judge

MANAGEMENT STAFF

Ada Hood, Director of Planning and Community Development
Bill Schwer, Public Works Director and Engineer
Steven Lewis, Chief of Police
Lisa Blumer, Director of Parks and Recreation
Donald Cary, Administrative Services Director

City of Ellisville

Organization Chart
December 31, 2018





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, 2017

Christopher P. Morill

Executive Director/CEO



City of Ellisville

June 6, 2019

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, 2018 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 three sections: (i) introductory, (ii) financial, (iii) and statistical. 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 auditors' report, management's discussion and analysis, government-wide and fund financial statements, required supplementary information, and other supplemental information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' 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 38 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 City 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, community development, parks and recreation, general administration, the construction, maintenance and repair of infrastructure (roadways, sidewalks, stormwater systems, snow removal, etc.), street lights, and solid waste and recycling collection. The City's parks include tennis courts, basketball 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. The economic outlook for the City of Ellisville is tied to the larger St. Louis metropolitan area. It is generally believed that the incubators and the startup community in the St. Louis region will provide economic growth. Within Ellisville there are two facilities designed for such startup and small businesses.

The City of Ellisville's largest revenue source is sales tax. This is directly related to the local economy. There was an increase in sales taxes received during 2018. This increase is directly related to the Public Safety sales tax that took effect in November 2017. There was no increase in sales taxes from the fully established sales taxes during 2018. This was considered when the City created the budget for 2019. Several new stores were anticipated to be opening in early 2019 which would produce sales tax. A grocery store, which is a major sales tax source, closed during November 2018. Considering all of these factors, the budget for 2019 reflects a decrease in sales tax receipts.

Long-Term Financial Planning. During each year the City Manager prepares a Long Range Plan.

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 2019-2023 projects totaling approximately \$20.8 million have been requested. A new City Hall is included in the major capital request list just as it was ten years ago in 2009. This recognizes a need as well as the City’s limitations. The major revenue sources for the major capital expenditures include the ½% stormwater sales tax, the ½% capital improvements sales tax, the gasoline and motor vehicle taxes, grants, and the ¼% sales tax for parks and recreation.

In December 2018 a group known as the St. Louis City-County Governance Task Force recommend a change in local government for St. Louis City and St. Louis County which they called Better Together. If approved by the voters in all of Missouri, it would create a Metro St. Louis that would include all of St. Louis and St. Louis County. Local municipalities, such as Ellisville, would be eliminated as cities. There would be an Ellisville District which would provide park and recreation activities, partial control of zoning, and other services such as local trash and recycling. A review of the costs which the Ellisville District would have and the revenue which would remain with the District would have shown a negative budget balance for the first year of approximately \$1.2 million. A vote on the issue is anticipated for November 2020. So, while this has not been approved, the City of Ellisville is preparing for this possibility and considering what can be done which is in the best interest of the citizens of Ellisville.

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

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, 2017. This is the twenty fifth 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 and Staff met in early FY-2018 to establish a new strategic plan which is based upon the following goals:

- I. Improve City Government's Analytic Capacity.
- II. Increase Residential Demand.
- III. Increase Retail/Commercial Demand.
- IV. Improve Traffic Flow.

The City Staff continues to work on action plans to achieve these goals. The Council and Staff will review the work that has been done and set priorities for FY-2019 in May 2019.

During 2018, the City had several other events and accomplishments that may not be evident from a review of the general-purpose financial statements. Some of these are summarized below:

- Reconstruction of Froesel Dr. east of Ellisville Elementary to Clarkson Rd. completed during the summer when school was not open.
- Street replacements work completed on Wolff Ln., Reinke Rd., and Devore Dr.
- The City hosted several very successful special events in 2018 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 hosted a Pooch Plunge.
- Expanded efforts in economic development. The first returns have already been achieved with a multi store redevelopment.
- Activated a business retention program directly involving businesses and a new business recognition program.

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. 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, Botz, Deal and Company, P.C., 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,



Donald G. Cary
Administrative Services Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



The Honorable Mayor and Members of
the City Council of the
CITY OF ELLISVILLE, MISSOURI

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, as of and for the year ended December 31, 2018 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.

Auditors' 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors' judgment, including the 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 entity'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 entity'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 of Ellisville, Missouri, as of December 31, 2018, and the respective changes in the financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedule of changes in net pension liability (asset) and related ratios, and schedule of employer contributions on pages 4 through 11 and 37 through 43 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 supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Ellisville, Missouri's financial statements. The introductory section, other supplemental information, and statistical section 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 were derived from and relates directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the 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.

Batz, Deal & Company

St. Charles, Missouri
June 6, 2019

**CITY OF ELLISVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018**

The discussion and analysis of the City of Ellisville's financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended December 31, 2018. It should be read in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- On a government-wide basis the assets and deferred outflows of resources of the City of Ellisville exceeded its liabilities and deferred inflows for the most recent fiscal year by \$39,385,024.
- The City's total net position increased by \$623,481 from 2018's operations.
- As of December 31, 2018, the close of the fiscal year, the City of Ellisville's governmental funds reported combined ending fund balances of \$5,810,771, a decrease of \$557,428 in comparison to the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,278,198 or 33.8% of total General Fund expenditures.
- During the fiscal year, the City's General Fund revenues exceeded expenditures by \$581,032.
- During the fiscal year, the City's Storm Water Projects Fund expenditures exceeded revenues by \$1,307,171.

REPORT LAYOUT

The report consists of the Management's Discussion and Analysis (MD&A), government-wide statements, fund financial statements, notes to the financial statements, and supplementary information. The first several statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as police, public works, parks and recreation, planning, inspection and engineering, municipal courts, and general government administration. The City currently does not have any business-type activities. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the City.

Basic Financial Statements

- The Statement of Net Position focuses on resources available for future operation. In simple terms, this statement presents a snap-shot view of the assets the community owns, the liabilities it owes, and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. Governmental activities reflect capital assets including infrastructure and long-term liabilities. Also, governmental activities are reported on the accrual basis of accounting.
- The Statement of Activities focuses on gross and net costs of city programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on major governmental funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Non-major Funds". Budgetary comparisons for the General Fund and major special revenue funds are presented as required supplementary information.
- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.

The MD&A is intended to explain the significant changes in financial position and differences in operation between the current and prior years.

THE CITY AS A WHOLE

Government-wide Financial Analysis

The City's net position was \$39,385,024 as of December 31, 2018. This analysis focuses on the net position (Table 1) and changes in revenues and expenses (Table 2) of the City's governmental activities.

The City's net position consists of its investment in capital assets (e.g., land, buildings and improvements, vehicles and equipment, and infrastructure), 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.

Table 1

	2018	2017	Increase (Decrease)
Current and other assets	\$ 7,324,650	\$ 7,757,972	\$ (433,322)
Capital assets	33,075,069	31,782,499	1,292,570
Total assets	<u>40,399,719</u>	<u>39,540,471</u>	<u>859,248</u>
Deferred outflows of resources	<u>1,112,066</u>	<u>826,862</u>	<u>285,204</u>
Current and other liabilities	850,685	726,075	124,610
Long-term liabilities	492,818	304,211	188,607
Total liabilities	<u>1,343,503</u>	<u>1,030,286</u>	<u>313,217</u>
Deferred inflows of resources	<u>783,258</u>	<u>368,127</u>	<u>415,131</u>
Net position:			
Net investment in capital assets	32,894,621	31,782,499	1,112,122
Restricted	2,704,034	3,628,645	(924,611)
Unrestricted	3,786,369	3,557,776	228,593
Total net position	<u>\$ 39,385,024</u>	<u>\$ 38,968,920</u>	<u>\$ 416,104</u>

Current year governmental activities increased the City's net position by \$623,481. The key elements of this increase are as follows:

	Table 2		
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>
Revenues:			
Program revenues:			
Charges for service	\$ 1,097,504	\$ 1,276,252	\$ (178,748)
Operating grants and contributions	-	662,394	(662,394)
Capital grants and contributions	1,466,942	410,000	1,056,942
General revenues:			
Taxes	8,122,081	7,891,661	230,420
Interest income	12,840	86,156	(73,316)
Gain on sale of assets	-	5,747	(5,747)
Miscellaneous	409,793	20,985	388,808
Total revenues	<u>11,109,160</u>	<u>10,353,195</u>	<u>755,965</u>
Expenses:			
Administrative	2,012,307	1,962,399	49,908
Police department	2,990,843	2,727,514	263,329
Public works	1,923,558	1,850,463	73,095
Planning, inspection and engineering	2,299,157	2,744,640	(445,483)
Municipal court	123,814	123,867	(53)
Recreation	1,136,000	1,181,074	(45,074)
Interest and fiscal charges	-	102,742	(102,742)
Total expenses	<u>10,485,679</u>	<u>10,692,699</u>	<u>(207,020)</u>
Increase (Decrease) in net position	623,481	(339,504)	962,985
Prior period adjustments	(207,377)	-	(207,377)
Net position, beginning of year	<u>38,968,920</u>	<u>39,308,424</u>	<u>(339,504)</u>
Net position, end of year	<u>\$ 39,385,024</u>	<u>\$ 38,968,920</u>	<u>\$ (416,104)</u>

Revenues increased by \$755,965 in 2018 compared to 2017. This increase was due to an increase in sales tax revenue of \$381,000 combined with a one-time payment in lieu of taxes of \$372,000. The increase in sales tax was result of a county wide sales tax passed in 2017 for public safety. 2018 was the first full year of collecting this tax.

Expenses decreased \$207,020 from the prior year. Most of the decrease in expenditures was in the planning, inspection and engineering department. Expenses increased in the police department, with the addition of a new employee and raises, as a result of the public safety sales tax providing additional funds to the City.

Governmental Funds

The following table presents the amount of General Fund Revenues from various sources on the modified accrual basis of accounting.

Table 3

	Fiscal Year Ending 2018	Fiscal Year Ending 2017	Increase (Decrease)	Percentage Change
General Fund:				
Taxes	\$ 4,825,460	\$ 4,613,322	\$ 212,138	4.6 %
Licenses, permits and inspection fees	661,492	727,916	(66,424)	(9.1)
Fines and court costs	82,145	71,867	10,278	14.3
Intergovernmental	150,201	4,477	145,724	3,255.0
Investment income	11,218	28,467	(17,249)	(60.6)
Charges for service	30,877	23,436	7,441	31.8
Miscellaneous	393,985	19,235	374,750	1,948.3
Total General Fund Revenues	\$ <u>6,155,378</u>	\$ <u>5,488,720</u>	\$ <u>666,658</u>	12.1 %

General Fund Revenues increased \$666,658 from last fiscal year. 78.4% of revenue in the General Fund comes from taxes, which include property tax, sales tax, utility gross receipt tax, and cigarette tax. Sales tax revenues increased approximately \$350,000 from last year and utility gross receipt tax decreased approximately \$150,000. In addition, the City received a PILOT payment of approximately \$350,000. These factors contributed to an overall increase in revenue. The decrease in utility taxes is a result of the City discovering during 2018 it had received additional tax receipts that belonged to another municipality. An agreement has been setup between the cities for repayment of these funds over time.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2018, the City had \$33,075,069 (net of accumulated depreciation) invested in a broad range of capital assets, including police and public works equipment, buildings, park facilities, and roads (See Table 4 below). This amount represents a net increase (including additions and deductions) of \$1,882,989 or 6% over the prior fiscal year. Buildings and improvements decreased by \$285,624 due to depreciation for the current year exceeding additions. Infrastructure increased \$1,181,550 as a result of road projects being completed and put into service during 2018. Capital asset balances (net of accumulated depreciation) are as follows:

Table 4

	<u>2018</u>		<u>2017</u>	<u>Increase (Decrease)</u>
Land	\$ 2,276,529	\$	2,276,529	\$ -
Construction in progress	868,190		-	868,190
Buildings and improvements	8,667,325		8,952,949	(285,624)
Vehicles and machinery	1,271,896		1,153,023	118,873
Infrastructure	19,991,129		18,809,579	1,181,550
Total	<u>\$ 33,075,069</u>	\$	<u>31,192,080</u>	\$ <u>1,882,989</u>

More detailed information on the City's capital assets is presented in note 3 of the financial statements.

Long-term Debt

In 2018, the City used a Master Governmental Lease-Purchase agreement to purchase a piece of equipment. Annual payments are \$40,730 and the balance at December 31, 2018 was \$180,448. More detailed information on the City's long-term debt is presented in note 4 of the financial statements.

THE CITY'S FUNDS

At the close of the City's fiscal year on December 31, 2018, the governmental funds of the City reported a combined fund balance of \$5,810,771. Total fund balance decreased \$557,428 from the prior year and was attributable to planned capital expenditures.

The fund balance in the Storm Water Projects Fund decreased \$1,307,171, due to expenditures on several large projects exceeding revenues in 2018. Expenditures in this fund tend to fluctuate from year to year depending on the size of the project underway in any given year.

General Fund Budgetary Highlights

For 2018, actual expenditures in the General Fund were \$6,734,346 compared to the budget amount of \$6,992,384. The variance between the original and final budget was due to actual expenditures being less than expected.

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

For 2018, actual revenues in the General Fund were \$6,155,378 compared to the budget amount of \$5,875,450. No changes were made to the original budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The overall St. Louis area had small growth during 2018 similar to or slightly lower than the general growth of the economy in the U.S. The City of Ellisville's economy is closely tied to that of the St. Louis region. Online sales have had an impact on retail stores in the City. Since the City does not receive any taxes from online sales this has also had an impact on the revenue for the City of Ellisville.

The Council has requested an expanded program of economic development and business retention. This work has begun. There has been some positive response to these efforts.

The budget for FY-2019 started with the Strategic Planning session held during the first half of 2018. As stated in the introduction section, new goals were established for the next five years. Department Heads utilized this information along with the current level of operations when determining requests for operating expenditures and capital expenditure needs for both the next year and the next five years.

For budgeting purposes, each revenue source is analyzed. This includes trend analysis, anticipated change in economic activity for the nation and the St. Louis region, anticipated weather activity, and changes in society's actions and activities. Other factors that are considered for some revenues include lower smoking rates, elimination of home telephones, and the increase in texting over phone calls. The budgeted revenue for FY-2019 is approximately 3.9% higher than the estimated revenue for FY-2018 and approximately 3% higher than the budget for FY-2018. The budget for FY-2019 does not anticipate any increases or additions to the current tax rates.

The largest source of revenue for the City will continue to be sales taxes. For analytical purposes, the Council is supplied monthly with a 12 month running average of sales tax. This report shows five years so a valid longer term comparison can be made.

The FY-2019 budgeted expenditures are greater than the budgeted revenue by \$512,099. The reason is long term road projects for stormwater improvement and better traffic flow. These projects are directly related to one of the five year goals that were established during FY-2018.

No City services were cut in the FY-2019 budget. Also, to insure the level of service provided to the Citizens of Ellisville, no full-time positions were eliminated. Budgeted expenditures for FY-2019 include \$2,220,403 in capital improvements. Stormwater projects are the largest portion of the capital expenditures. The FY-2019 budget does not anticipate any measurable change in the Contingency Fund Balance. The budget for FY-2019 continues to be stable and lean. Below is a look at the fund balances of some of the major funds from the FY-2019 budget.

- General Fund budget anticipates an ending fund balance of \$2,262,541, which exceeds the required amount to be kept in reserve of \$1,194,873.
- Capital Infrastructure Fund budget anticipated an ending fund balance of \$458,831 with no required reserve balance.
- Stormwater Project Fund budget anticipates an ending fund balance of \$1,138,207, which exceeds the preferred fund balance level of \$500,000.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives.

If you have questions about this report or need additional financial information, contact:

Donald G. Cary
Finance Director
One Weis Avenue
Ellisville, Missouri 63011

CITY OF ELLISVILLE, MISSOURI

STATEMENT OF NET POSITION

DECEMBER 31, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 5,046,439
Receivables:	
Taxes	1,197,001
Intergovernmental	267,543
Other	173,309
Interest	5,754
Cash and investments - restricted	11,840
Prepaid insurance	131,178
Net pension asset	491,586
Capital assets - net	
Nondepreciable	3,144,719
Depreciable	29,930,350
TOTAL ASSETS	<u>40,399,719</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pension	<u>1,112,066</u>
LIABILITIES	
Accounts and retainage payable	408,390
Accrued wages	105,510
Court bonds payable	6,675
Other liabilities	276,221
Due to fiduciary fund	53,889
Noncurrent liabilities:	
Due in one year	281,200
Due in more than one year	211,618
TOTAL LIABILITIES	<u>1,343,503</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pension	<u>783,258</u>
NET POSITION	
Net investment in capital assets	32,894,621
Restricted for:	
Storm water	1,474,113
Sewer	461,906
Parks	132,299
Capital projects	635,716
Unrestricted	3,786,369
TOTAL NET POSITION	<u>\$ 39,385,024</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Change in Net Assets
		Charges for Service	Capital Grants and Contributions	Governmental Activities
Governmental Activities				
Administrative	\$ 2,012,307	\$ 541,541	\$ -	\$ (1,470,766)
Police	2,990,843	82,845	-	(2,907,998)
Public works	1,923,558	-	1,458,619	(464,939)
Planning, inspection and engineering	2,299,157	150,128	-	(2,149,029)
Municipal court	123,814	-	-	(123,814)
Recreation	1,136,000	322,990	8,323	(804,687)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 10,485,679	\$ 1,097,504	\$ 1,466,942	(7,921,233)
General Revenues:				
Taxes:				
Sales				5,982,733
Utility				1,292,973
Property				344,870
Franchise				407,340
Other				94,165
Interest income				12,840
Other miscellaneous revenue				409,793
TOTAL GENERAL REVENUES				8,544,714
CHANGE IN NET POSITION				623,481
NET POSITION - BEGINNING OF YEAR AS PREVIOUSLY STATED				38,968,920
Prior period adjustment - utility tax				(145,930)
Prior period adjustment - health insurance				(61,447)
NET POSITION - BEGINNING OF YEAR AS RESTATED				38,761,543
NET POSITION - END OF YEAR				\$ 39,385,024

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	General Fund	Storm Water Projects Fund	Parks Fund	Capital Infrastructure Fund	Other Non-major Funds	Total
ASSETS						
Cash and investments	\$ 2,251,132	\$ 1,277,338	\$ 47,382	\$ 193,099	\$ 1,223,599	\$ 4,992,550
Receivables:						
Taxes	701,271	204,644	88,210	173,946	28,930	1,197,001
Intergovernmental	1,568	-	-	265,975	-	267,543
Other	173,309	-	-	-	-	173,309
Interest	5,754	-	-	-	-	5,754
Cash and investments - restricted	11,840	-	-	-	-	11,840
Prepaid items	131,178	-	-	-	-	131,178
TOTAL ASSETS	\$ 3,276,052	\$ 1,481,982	\$ 135,592	\$ 633,020	\$ 1,252,529	\$ 6,779,175
LIABILITIES						
Accounts payable	\$ 408,390	\$ -	\$ -	\$ -	\$ -	\$ 408,390
Accrued wages	93,923	7,869	3,293	-	237	105,322
Court bonds payable	6,675	-	-	-	-	6,675
Other liabilities	276,409	-	-	-	-	276,409
TOTAL LIABILITIES	785,397	7,869	3,293	-	237	796,796
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	81,279	-	-	87,253	3,076	171,608
FUND BALANCES						
Fund balances:						
Non-spendable	131,178	-	-	-	-	131,178
Restricted:						
Storm water projects	-	1,474,113	-	-	-	1,474,113
Parks	-	-	132,299	-	-	132,299
Capital projects	-	-	-	545,767	-	545,767
Sewer repairs	-	-	-	-	458,830	458,830
Police Foundation	-	-	-	-	2,696	2,696
Committed:						
Contingency	-	-	-	-	772,815	772,815
Assigned:						
Equipment replacement	-	-	-	-	14,875	14,875
Unassigned	2,278,198	-	-	-	-	2,278,198
TOTAL FUND BALANCES	2,409,376	1,474,113	132,299	545,767	1,249,216	5,810,771
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 3,276,052	\$ 1,481,982	\$ 135,592	\$ 633,020	\$ 1,252,529	\$ 6,779,175

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
RECONCILIATION OF THE STATEMENT OF NET POSITION
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
AS OF DECEMBER 31, 2018

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

Total fund balance per balance sheet	\$ 5,810,771
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	33,075,069
The net pension asset reported in governmental activities is not a financial resource and, therefore, is not reported in the funds.	491,586
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are deferred in the funds.	171,608
Certain deferred outflows and inflows of resources represent a consumption or acquisition of net position in a future period and, therefore, are not reported in the funds:	
Deferred outflows of resources	1,112,066
Deferred inflows of resources	(783,258)
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:	
Accrued compensated absences	(312,370)
Capital lease	(180,448)
	\$ 39,385,024
Net position of governmental activities	\$ 39,385,024

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	Storm Water Projects Fund	Parks Fund	Capital Infrastructure Fund	Other Non-major Funds	Total
REVENUES						
Taxes	\$ 4,825,460	\$ 1,427,669	\$ 615,547	\$ 1,905,948	\$ 94,165	\$ 8,868,789
Licenses, permits, and inspection fees	661,492	-	-	-	-	661,492
Fines and court costs	82,145	-	-	-	-	82,145
Intergovernmental	150,201	-	-	-	-	150,201
Investment income	11,218	1,047	38	35	502	12,840
Charges for service	30,877	-	322,990	-	-	353,867
Grants and miscellaneous	393,985	-	15,250	6,400	8,881	424,516
TOTAL REVENUES	6,155,378	1,428,716	953,825	1,912,383	103,548	10,553,850
EXPENDITURES						
Current:						
Administrative	1,952,207	-	-	-	-	1,952,207
Police	2,819,216	-	-	-	-	2,819,216
Public works	1,386,749	-	-	-	19,204	1,405,953
Planning, inspection, and engineering	413,279	449,323	-	-	-	862,602
Municipal court	124,056	-	-	-	-	124,056
Recreation	-	-	779,116	-	-	779,116
Capital outlay	38,839	2,286,564	69,655	254,172	491,969	3,141,199
Debt service:						
Principal, interest and fiscal charges	-	-	-	-	40,730	40,730
TOTAL EXPENDITURES	6,734,346	2,735,887	848,771	254,172	551,903	11,125,079
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(578,968)	(1,307,171)	105,054	1,658,211	(448,355)	(571,229)
OTHER FINANCING SOURCES (USES)						
Proceeds from lease purchase	-	-	-	-	221,178	221,178
Transfer in (out)	1,160,000	-	-	(1,360,000)	200,000	-
TOTAL OTHER FINANCING SOURCES (USES)	1,160,000	-	-	(1,360,000)	421,178	221,178
NET CHANGE IN FUND BALANCES	581,032	(1,307,171)	105,054	298,211	(27,177)	(350,051)
FUND BALANCES - BEGINNING OF YEAR, AS PREVIOUSLY STATED	2,033,808	2,781,284	29,158	247,556	1,276,393	6,368,199
Prior period adjustment - Utility tax	(145,930)	-	-	-	-	(145,930)
Prior period adjustment - Health insurance	(59,534)	-	(1,913)	-	-	(61,447)
FUND BALANCES - BEGINNING OF YEAR, AS RESTATED	1,828,344	2,781,284	27,245	247,556	1,276,393	6,160,822
FUND BALANCES - END OF YEAR	\$ 2,409,376	\$ 1,474,113	\$ 132,299	\$ 545,767	\$ 1,249,216	\$ 5,810,771

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2018**

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

Change in fund balance-total governmental funds	\$ (350,051)
Revenues that do not provide current financial resources are not included in the fund financial statements.	(52,052)
The acquisition of capital assets requires the use of current financial resources but has no effect on net position.	2,817,631
The contribution of capital assets are not current financial resources and, therefore, are not reported in the fund statements. They are reported as an increase in net position in the statement of activities.	607,362
The cost of capital assets is allocated over their estimated useful lives and are reported as depreciation expense in the statement of activities.	(1,808,817)
In the statement of activities only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources.	(323,606)
Issuance of debt is an increase in financial resources in the funds, however it is an increase in long-term liabilities in the statement of net position.	(221,178)
Repayment of notes payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	40,730
Some expenses do not require the use of current financial resources and, therefore, are not reported as an expenditure in governmental funds:	
Compensated absences	(8,159)
Net pension obligation	(78,379)
	(86,538)
Change in net position of governmental activities	\$ 623,481

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2018

ASSETS

CURRENT ASSETS

Due from other funds

\$ 53,889

NET POSITION

NET POSITION HELD IN TRUST FOR:

Health benefits

\$ 53,889

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2018

ADDITIONS

Interest	\$ 22
----------	-------

**NET POSITION HELD IN TRUST -
BEGINNING OF YEAR**

53,867

**NET POSITION HELD IN TRUST -
END OF YEAR**

\$ 53,889

The accompanying notes are an integral part of these financial statements.

CITY OF ELLISVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

1. 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:

A. REPORTING ENTITY

The City defines its financial reporting entity in accordance with Accounting Standards Board Statements No. 14 and No. 39. The criteria for including a potential component unit within the reporting entity includes the governing body's ability to exercise financial accountability. Financial accountability includes control or dependence over budget adoption, taxing authority, funding and appointment of the respective board. Based upon the application of these criteria, the City does not have any component units.

B. BASIC FINANCIAL STATEMENTS

Basic financial statements consist of the following:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the basic financial statements.

The government-wide financial statements consist of the statement of net position and the statement of activities and report information on all of the nonfiduciary activities of the Primary Government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. All internal balances in the statement of net position have been eliminated.

Government-Wide Financial Statements - The reporting model includes financial statements prepared using full accrual accounting for all the City's activities. This approach includes not just current assets and liabilities, but also capital and other long-term assets as well as long-term liabilities. Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter. As a general rule, the effect of interfund activity has been eliminated from the Government-wide financial statements. Government-wide financial statements include the following:

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

B. **BASIC FINANCIAL STATEMENTS** - continued

Statement of Net Position - The statement of net position is designed to display the financial position of the Primary Government (governmental and business-type activities). The City reports capital assets in the government-wide statement of net position and reports depreciation expense in the statement of activities. The net position of the City is broken down into three categories 1) net investment in capital assets, 2) restricted, and 3) unrestricted.

Statement Activities - The statement of activities reports expenses and revenues in a format that focuses on the cost of each of the City's functions. The expense of individual functions is compared to the revenue generated directly by the function. Accordingly, the City has recorded capital assets and certain other long-term assets and liabilities in the statement of net position and has reported all revenues and the cost of providing services under the accrual basis of accounting in the statement of revenues, expenses and changes in net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenue includes: 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 fund based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The major governmental funds are the General Fund, Storm Water Projects Fund, Parks Fund, and Capital Infrastructure Fund. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

C. **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified-accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City in general considers revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures, as well as expenditures related to claims and judgements and compensated absences which are recorded only when payment is due.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

C. **MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION** - continued

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

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

The City reports the following major governmental funds:

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

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

Parks Fund - The City uses this fund to account for tax revenues designated for park and recreational activities as well as other revenues and expenditures directly related to recreational activities. This fund includes ¼ cent sales tax which is deposited and used for debt service payments related to the original construction of the pool.

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

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

Additionally, the government reports the following fund types:

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 requirements to provide additional resources to this fund. Resources for this fund are provided by employees of the City that volunteer at charitable events.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

C. **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.

D. **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 the fund's equity share of the City's cash and investment pool. The City's investments are carried at fair value. Interest income earned on pooled cash and investments is allocated to the various funds based on their respective participation. Interest income on restricted cash and investments is credited directly to the related fund.

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

E. **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 equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

F. **CAPITAL ASSETS**

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic lights, street lights, sewer lines and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Infrastructure assets with an initial cost of \$50,000 or more are also capitalized and depreciated. Donated capital assets are recorded at estimated fair market 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 asset lives is not capitalized.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

F. **CAPITAL ASSETS** - continued

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

<u>Major Group</u>	<u>Life</u>
Buildings and improvements	5 - 40 years
Equipment	5 - 20 years
Vehicles	8 years
Infrastructure	10 - 30 years

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.

G. **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.

H. **COMPENSATED ABSENCES**

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

I. **LONG-TERM LIABILITIES**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the unamortized portion of applicable premium or discount. Amortization of bond premiums or discounts are included in interest expense.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

I. **LONG-TERM LIABILITIES** - continued

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.

J. **NET POSITION AND FUND EQUITY**

In government-wide financial statements net position are reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt. Net investment in capital assets does not include the unspent proceeds of capital debt. Restricted net position represents net assets restricted by parties outside of the City (such as creditors, grantors, contributors, laws and regulations of other governments). All other net positions are considered unrestricted.

The statement of net position reports \$2,704,034 of restricted net position, all of which is restricted by enabling legislation. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

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

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

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

Committed - Resources which are subject to limitations the government imposes upon itself at its highest level of decision making (ordinance), and that remain binding unless removed in the same manner.

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

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

J. **NET POSITION AND FUND EQUITY** - continued

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

The City would typically use restricted fund balance first, followed by committed resources and assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first.

K. **ESTIMATES**

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

L. **DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports Deferred Outflows/Inflows of Resources as follows:

Unavailable Revenues - Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Pension - Deferred outflows and inflows of resources are reported in the government-wide statement of net position related to the pension plan. Deferred outflows represent the deferral of the City's employer contributions subsequent to the net pension liability measurement date of June 30, 2018, as well as the difference between expected and actual plan experience. A deferred inflow of resources is reported for the difference between expected and actual plan experience and the net difference between projected and actual earnings on pension plan investments.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

M. **PENSIONS**

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

2. **DEPOSITS AND INVESTMENTS**

Custodial Credit Risk - Deposits

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

As of December 31, 2018, the City's bank balances were entirely insured or collateralized with securities held by the City or by its agent in the City's name. The City invests in CDs whose values are subject to market fluctuations which may result in uninsured balances, however, management deems this risk to be insignificant due to the immateriality to the financial statements.

Credit Risk - Investments

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

Interest Rate Risk

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

2. **DEPOSITS AND INVESTMENTS** - continued

Interest Rate Risk - continued

As of December 31, 2018, the City had the following investments:

Investment Type	Fair Value	No Maturity	Less than one year	1-5 Years	Credit Rating
Certificates of deposit	\$ 4,635,324	\$ -	\$ 248,834	\$ 4,386,490	N/A
Money market funds	-	464	-	-	N/A
Total	\$ <u>4,635,324</u>	\$ <u>464</u>	\$ <u>248,834</u>	\$ <u>4,386,490</u>	

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

Concentration of credit risk is required to be disclosed by the City for investments in any one issue that represents 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). At December 31, 2018, the City had the following investment concentrations:

Investment	Fair Value	Percent of Total Investments
Primary Government		
Certificates of deposit - certain banks greater than 5%	\$ 1,191,012	26%

3. **PROPERTY TAXES**

The City’s property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are levied on September 1 and payable by December 31. A lien is placed on the property on January 1 and is then subject to interest and penalties. The assessed value at January 1, 2018, upon which the 2018 levy was based on an assessed value for real, personal and public utility property, amounted to \$311,953,186. The City’s tax rate was levied at the following rates per \$100 of assessed valuation for the General Fund:

	RATE
Residential	\$.141
Agricultural	\$.000
Commercial	\$.140
Personal Property	\$.000

3. CAPITAL ASSETS

Capital asset activity for the primary government for the year ended December 31, 2018 is as follows:

	<u>BALANCE, BEGINNING OF YEAR</u>	<u>TRANSFERS AND ADDITIONS</u>	<u>TRANSFERS AND DELETIONS</u>	<u>BALANCE, END OF YEAR</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,276,529	\$ -	\$ -	\$ 2,276,529
Construction in progress	<u>-</u>	<u>868,190</u>	<u>-</u>	<u>868,190</u>
Total capital assets not, being depreciated	<u>2,276,529</u>	<u>868,190</u>	<u>-</u>	<u>3,144,719</u>
Capital assets, being depreciated:				
Buildings and improvements	12,865,635	132,497	-	12,998,132
Vehicles and equipment	2,671,827	355,612	(400,160)	2,627,280
Infrastructure	<u>34,817,294</u>	<u>2,659,112</u>	<u>(364,860)</u>	<u>37,111,546</u>
Total capital assets, being depreciated	<u>50,354,756</u>	<u>3,147,221</u>	<u>(765,020)</u>	<u>52,736,958</u>
Less accumulated depreciation for:				
Buildings and improvements	(3,912,686)	(418,121)	-	(4,330,807)
Vehicles and equipment	(1,518,804)	(168,859)	332,279	(1,355,384)
Infrastructure	<u>(16,007,715)</u>	<u>(1,221,837)</u>	<u>109,135</u>	<u>(17,120,417)</u>
Total accumulated depreciation	<u>(21,439,205)</u>	<u>(1,808,817)</u>	<u>441,414</u>	<u>(22,806,608)</u>
Total capital assets, being depreciated, net	<u>28,915,551</u>	<u>1,338,403</u>	<u>(323,606)</u>	<u>29,930,350</u>
Total governmental activities	<u>\$ 31,192,080</u>	<u>\$ 2,206,594</u>	<u>\$ (323,606)</u>	<u>\$ 33,075,069</u>

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

Governmental activities:	
Administrative	\$ 30,021
Police	72,256
Public works	193,995
Planning, inspection and engineering	1,172,256
Recreation	<u>340,289</u>
Total depreciation expense - governmental activities	<u>\$ 1,808,817</u>

4. **LONG-TERM DEBT**

In January 2018, the City purchased equipment through a Master Governmental Lease-Purchase Agreement. The cost of items purchased totaled \$221,178. Accumulated depreciation totaled \$18,247 as of December 31, 2018.

Maturities required on the Master Governmental Lease-Purchase Agreement are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2019	\$ 33,200	7,530	40,730
2020	34,587	6,143	40,730
2021	36,029	4,701	40,730
2022	37,533	3,197	40,730
2023	39,099	1,631	40,730
TOTAL	\$ 180,448	\$ 23,202	\$ 203,650

Long-term liability activity for the year ended December 31, 2018, was as follows:

	<u>BALANCE, BEGINNING OF YEAR</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE, END OF YEAR</u>	<u>DUE WITHIN ONE YEAR</u>
Governmental activities:					
Capital leases	\$ -	\$ 221,178	\$ (40,730)	\$ 180,448	\$ 33,200
Compensated absences	304,211	227,122	(218,963)	312,370	248,000
Total governmental activities	\$ 304,211	\$ 448,300	\$ (259,693)	\$ 492,818	\$ 281,200

Payments on the capital lease are expected to be paid out of the Equipment Replacement Fund.

5. **OPERATING LEASE**

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

The minimum future lease payments for the fiscal year ending December 31 are as follows:

2019	\$ 2,064
------	----------

6. **INTERFUND TRANSACTIONS**

The following operating transfers were made during the fiscal year ending December 31, 2018:

	<u>TRANSFER IN</u>	<u>TRANSFER OUT</u>
General Fund	\$ 1,160,000	\$ -
Capital Infrastructure Fund	-	1,360,000
Non-major funds:		
Equipment Replacement Fund	200,000	-

Interfund transfers were made primarily to cover capital asset acquisitions.

7. **DEFINED BENEFIT PENSION PLAN**

Plan Description

The City of Ellisville, Missouri participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer statewide public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries.

LAGERS was established in 1967 and is administered in accordance with statute sections RSMo 70.600 through 70.755. As such, it is LAGERS’s 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 it 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. That 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.

Benefit Program	1.75% for life
Final Average Salary	3 years
Member Contribution	Noncontributory for employees

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, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	45
Inactive employees entitled to but not yet receiving benefits	19
Active employees	55
TOTAL	<u>119</u>

7. **DEFINED BENEFIT PENSION PLAN** - continued

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 employer do not contribute to the pension plan. Employer contribution rates are 11.5% (General) and 10.7% (Police) of annual covered payroll.

Net Pension Liability (Asset) - The employer’s net pension liability (asset) was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2018.

Actuarial assumptions - The total pension liability in the February 28, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.5 % price; 3.25% wage
Salary Increase:	3.25% to 6.55% including inflation
Investment rate of return:	7.25%

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 table 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.

The actuarial assumptions used in the February 28, 2018 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset	Targe Allocatio	Long-Term Real Rate of
Equit	43.00	5.29
Fixed	26.00	2.23
Real	21.00	3.31
Strategic	10.00	5.73

7. **DEFINED BENEFIT PENSION PLAN** - continued

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.

Changes in the Net Pension Liability (Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances as of June 30, 2017	\$ 14,750,354	\$ 15,190,392	\$ (440,038)
Changes for the year:			
Service cost	339,791	-	339,791
Interest	1,058,208	-	1,058,208
Differences between expected and actual experience	838,144	-	838,144
Changes of assumptions	-	-	-
Contributions - employer	-	396,602	(396,602)
Net investment income	-	1,868,662	(1,868,662)
Benefit payments	(654,056)	(654,056)	-
Administrative expense	-	(9,816)	9,816
Other (net transfer)	-	32,243	(32,243)
Net Changes	1,582,087	1,633,635	(51,548)
Balances as of June 30, 2018	\$ 16,332,441	\$ 16,824,027	\$ (491,586)

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 employer's Net Pension Liability (Asset) would be using a discount rate that is one percentage point lower 6.25% or one percentage point higher 8.25% than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 1,888,533	\$ (491,586)	\$ (2,457,459)

7. **DEFINED BENEFIT PENSION PLAN** - continued

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

For the year ended June 30, 2018 the employer recognized pension expense of \$255,758. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 725,584	\$ 267,563
Change in assumptions	192,359	-
City contributions subsequent to the measurement date	194,123	-
Net differences between projected and actual earning on pension plan investment	-	515,695
Total	<u>\$ 1,112,066</u>	<u>\$ 783,258</u>

The deferred outflows of resources related to pension resulting from City contributions subsequent to measurement date of \$194,123 will be recognized as a reduction of net pension liability (asset) in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ 191,424
2020	30,301
2021	(198,895)
2022	(69,850)
2023	119,097
Thereafter	62,608

8. **DEFERRED COMPENSATION PLAN**

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

9. **RISK MANAGEMENT**

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

The City is a member of the St. Louis Area Insurance Trust (SLAIT), 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 on loss control, claims administration and management information services. SLAIT is fully funded by its member participants and employs an outside service company too 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 risks. Settled claims form these risks have not exceeded coverage in any of the past three years

10. **EXPENDITURES IN EXCESS OF APPROPRIATIONS**

For the year ended December 31, 2018, expenditures exceeded appropriations in the following funds:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
Equipment Replacement Fund	\$ 208,000	\$ 421,846	\$ 213,846
Sewer Fund	120,380	123,872	3,492

11. **PENDING GOVERNMENTAL ACCOUNTING STANDARDS**

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

This report does not incorporate GASB Statement No. 83, *Certain Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 85, *Omnibus 2017*, GASB Statement No. 86, *Certain Debt Extinguishment Issues*, and GASB Statement No. 87, *Leases*, GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placement*, GASB Statement No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*, and GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. The effects of the City's financial statements as a result of adoption of these new pronouncements are unknown. The City will adopt and implement these statements at the required time.

12. **PRIOR PERIOD ADJUSTMENTS**

Correction of an Error

In 2018, it was determined some health insurance costs were recorded in the wrong year. Correction of this error resulted in a decrease in the fund balances for the year ended December 31, 2017 of \$59,534 and \$1,913 in the General Fund and Park Fund, respectively.

12. **PERIOD ADJUSTMENTS** - continued

Correction of an Error - continued

During 2018, it was discovered certain utility taxes had been remitted to the City in error. The overpayment of \$184,430 will be repaid over 48 months. The repayments will be made directly to the proper city by Ameren by reducing future monthly tax payments to the City in the amount of \$3,842, starting in September 2018. The effect resulted in a \$145,930 decrease in the fund balance of the General Fund for excess collections paid to the City prior to January 1, 2018.

The above mentioned corrections also resulted in a reduction to the January 1, 2018 net position of \$207,377.

13. **SUBSEQUENT EVENTS**

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 5,037,400	\$ 5,037,400	\$ 4,825,460	\$ (211,940)
Licenses, permits, and inspection fees	687,750	687,750	661,492	(26,258)
Fines and court costs	91,850	91,850	82,145	(9,705)
Intergovernmental	-	-	150,201	150,201
Investment income	10,700	10,700	11,218	518
Charges for service	19,500	19,500	30,877	11,377
Grants and miscellaneous	28,250	28,250	393,985	365,735
TOTAL REVENUES	<u>5,875,450</u>	<u>5,875,450</u>	<u>6,155,378</u>	<u>279,928</u>
EXPENDITURES				
Current:				
Administrative	1,967,765	1,955,765	1,952,207	3,558
Police	2,918,375	2,918,375	2,819,216	99,159
Public works	1,537,540	1,524,540	1,386,749	137,791
Planning, inspection, and engineering	430,864	426,864	413,279	13,585
Municipal court	127,185	127,185	124,056	3,129
Capital outlay	34,655	39,655	38,839	816
TOTAL EXPENDITURES	<u>7,016,384</u>	<u>6,992,384</u>	<u>6,734,346</u>	<u>258,038</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,140,934)	(1,116,934)	(578,968)	537,966
OTHER FINANCING SOURCES (USES)				
Operating transfer in (out)	<u>1,160,000</u>	<u>1,160,000</u>	<u>1,160,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>19,066</u>	<u>43,066</u>	<u>581,032</u>	<u>\$ 537,966</u>
FUND BALANCES - BEGINNING OF YEAR				
AS PREVIOUSLY STATED	2,033,808	2,033,808	2,033,808	
Prior period adjustment - Utility tax	-	-	(145,930)	
Prior period adjustment - Health insurance	-	-	(59,534)	
FUND BALANCES - BEGINNING OF YEAR AS RESTATED	<u>1,828,344</u>	<u>1,828,344</u>	<u>1,828,344</u>	
FUND BALANCES - END OF YEAR	<u>\$ 3,881,218</u>	<u>\$ 3,905,218</u>	<u>\$ 2,409,376</u>	

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
STORM WATER PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 1,455,000	\$ 1,455,000	\$ 1,427,669	\$ (27,331)
Investment income	15,200	15,200	1,047	(14,153)
TOTAL REVENUES	<u>1,470,200</u>	<u>1,470,200</u>	<u>1,428,716</u>	<u>(41,484)</u>
EXPENDITURES				
Current:				
Planning, inspection, and engineering	493,605	493,605	449,323	44,282
Capital outlay	2,633,800	2,633,800	2,286,564	347,236
TOTAL EXPENDITURES	<u>3,127,405</u>	<u>3,127,405</u>	<u>2,735,887</u>	<u>391,518</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,657,205)	(1,657,205)	(1,307,171)	<u>\$ 350,034</u>
FUND BALANCES - BEGINNING OF YEAR	<u>2,781,284</u>	<u>2,781,284</u>	<u>2,781,284</u>	
FUND BALANCES - END OF YEAR	<u>\$ 1,124,079</u>	<u>\$ 1,124,079</u>	<u>\$ 1,474,113</u>	

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PARKS FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 620,000	\$ 620,000	\$ 615,547	\$ (4,453)
Investment income	2,000	2,000	38	(1,962)
Charges for service	349,250	349,250	322,990	(26,260)
Grants and miscellaneous	3,260	3,260	15,250	11,990
TOTAL REVENUES	<u>974,510</u>	<u>974,510</u>	<u>953,825</u>	<u>(20,685)</u>
EXPENDITURES				
Current:				
Recreation	794,900	794,900	779,116	15,784
Capital outlay	79,800	79,800	69,655	10,145
TOTAL EXPENDITURES	<u>874,700</u>	<u>874,700</u>	<u>848,771</u>	<u>25,929</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	99,810	99,810	105,054	5,244
OTHER FINANCING SOURCES (USES)				
Operating transfer in (out)	210,000	210,000	-	(210,000)
NET CHANGE IN FUND BALANCES	<u>309,810</u>	<u>309,810</u>	<u>105,054</u>	<u>\$ (204,756)</u>
FUND BALANCES - BEGINNING OF YEAR				
AS PREVIOUSLY STATED	29,158	29,158	29,158	
Prior period adjustment - Health insurance	-	-	(1,913)	
FUND BALANCES - BEGINNING OF YEAR AS RESTATED	<u>\$ 27,245</u>	<u>\$ 27,245</u>	<u>\$ 27,245</u>	
FUND BALANCES - END OF YEAR	<u>\$ 648,778</u>	<u>\$ 648,778</u>	<u>\$ 132,299</u>	

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
CAPITAL INFRASTRUCTURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 1,913,000	\$ 1,913,000	\$ 1,905,948	\$ (7,052)
Grants and miscellaneous	-	-	6,400	6,400
Investment income	4,700	4,700	35	(4,665)
TOTAL REVENUES	<u>1,917,700</u>	<u>1,917,700</u>	<u>1,912,383</u>	<u>(5,317)</u>
EXPENDITURES				
Capital outlay	<u>239,000</u>	<u>255,000</u>	<u>254,172</u>	<u>828</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	1,678,700	1,662,700	1,658,211	(4,489)
OTHER FINANCING SOURCES (USES)				
Operating transfer in (out)	<u>(1,170,000)</u>	<u>(1,170,000)</u>	<u>(1,360,000)</u>	<u>(190,000)</u>
NET CHANGE IN FUND BALANCES	508,700	492,700	298,211	<u>\$ (194,489)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>247,556</u>	<u>247,556</u>	<u>247,556</u>	
FUND BALANCES - END OF YEAR	<u>\$ 756,256</u>	<u>\$ 740,256</u>	<u>\$ 545,767</u>	

CITY OF ELLISVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

BUDGETARY DATA

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

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

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

CITY OF ELLISVILLE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
 LAGERS (GENERAL AND POLICE DIVISIONS)
 YEARS ENDING JUNE 30,

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability				
Service cost	\$ 339,791	\$ 322,328	\$ 264,527	\$ 247,299
Interest on the total pension liability	1,058,208	1,024,569	857,624	807,159
Change of benefit terms	-	-	1,261,824	-
Difference between expected and actual experience	838,144	(311,294)	(152,821)	(4,833)
Changes of assumptions	-	-	479,168	-
Benefit payments, including refunds	(654,056)	(508,874)	(365,685)	(358,480)
Net change in total pension liability	<u>1,582,087</u>	<u>526,729</u>	<u>2,344,637</u>	<u>691,145</u>
Total pension liability - beginning	<u>14,750,354</u>	<u>14,223,625</u>	<u>11,878,988</u>	<u>11,187,843</u>
Total pension liability - ending	<u>\$ 16,332,441</u>	<u>\$ 14,750,354</u>	<u>\$ 14,223,625</u>	<u>\$ 11,878,988</u>
Plan Fiduciary Net Position				
Contributions-employer	\$ 396,602	\$ 412,951	\$ 287,054	\$ 278,474
Contributions-employee	-	-	-	-
Net investment income	1,868,662	1,717,923	(36,326)	259,349
Benefit payments, including refunds	(654,056)	(508,874)	(365,685)	(358,480)
Pension plan administrative expense	(9,816)	(8,934)	(8,749)	(9,320)
Other (net transfer)	32,243	58,441	41,382	270,087
Net change in plan fiduciary net position	<u>1,633,635</u>	<u>1,671,507</u>	<u>(82,324)</u>	<u>440,110</u>
Plan fiduciary net position - beginning	<u>15,190,392</u>	<u>13,518,885</u>	<u>13,601,209</u>	<u>13,161,099</u>
Plan fiduciary net position - ending	<u>\$ 16,824,027</u>	<u>\$ 15,190,392</u>	<u>\$ 13,518,885</u>	<u>\$ 13,601,209</u>
Employer net pension liability (asset)	<u>\$ (491,586)</u>	<u>\$ (440,038)</u>	<u>\$ 704,740</u>	<u>\$ (1,722,221)</u>
Plan fiduciary net position as a percentage of the total pension liability	103.0 %	103.0 %	95.0 %	114.5 %
Covered payroll	\$ 3,539,467	\$ 3,245,841	\$ 3,224,372	\$ 3,090,735
Employer's net pension asset as a percentage of covered payroll	(13.9) %	(13.6) %	21.9 %	(55.7) %

Notes to schedule:

Information for years prior to 2015 is not available.

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 SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 LAGERS (GENERAL AND POLICE DIVISIONS)
 LAST TEN FISCAL YEARS

<u>Year ended December 31,</u>	<u>Actuarial Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2009	\$ 208,718	\$ 208,718	\$ -	2,957,736	7.06%
2010	295,284	232,210	63,074	2,889,008	8.04%
2011	294,220	248,869	45,351	2,765,243	9.00%
2012	296,626	276,056	20,570	2,882,215	9.58%
2013	286,005	286,005	-	2,987,984	9.57%
2014	270,583	270,583	-	2,930,205	9.23%
2015	273,820	273,820	-	3,274,542	8.36%
2016	350,234	350,234	-	3,364,321	10.41%
2017	411,546	411,546	-	3,491,395	11.79%
2018	382,976	382,976	-	3,627,158	10.56%

Notes to Schedule of Contributions

Valuation date: 02/28/18

Notes: The roll-forward of total pension liability from February 28, 2018 to June 30, 2018 reflects expected service cost and interest reduced by actual benefit payments and administrative expenses.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and Modified Terminal Funding
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market; 20% corridor
Inflation	3.25% wage inflation; 2.5% price inflation
Salary increases	3.25% - 6.55% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility
Mortality	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 table 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.

Other information: None

SUPPLEMENTAL INFORMATION

CITY OF ELLISVILLE, MISSOURI
COMBINING BALANCE SHEET - NON MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	Capital Projects Fund	Special Revenue Funds			Total
	Equipment Replacement Fund	Contingency Fund	Sewer Fund	Police Foundation	
ASSETS AND OTHER DEBITS					
Cash and investments	\$ 14,875	\$ 772,815	\$ 433,213	\$ 2,696	\$ 1,223,599
Taxes receivable	-	-	28,930	-	28,930
TOTAL ASSETS	<u>\$ 14,875</u>	<u>\$ 772,815</u>	<u>\$ 462,143</u>	<u>\$ 2,696</u>	<u>\$ 1,252,529</u>
LIABILITIES					
Accrued wages	\$ -	\$ -	\$ 237	\$ -	\$ 237
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	3,076	-	3,076
FUND BALANCES					
Restricted:					
Sewer repairs	-	-	458,830	-	458,830
Police Foundation	-	-	-	2,696	2,696
Committed:					
Contingency	-	772,815	-	-	772,815
Assigned:					
Equipment replacement	14,875	-	-	-	14,875
TOTAL FUND BALANCES	<u>14,875</u>	<u>772,815</u>	<u>458,830</u>	<u>2,696</u>	<u>1,249,216</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
	<u>\$ 14,875</u>	<u>\$ 772,815</u>	<u>\$ 462,143</u>	<u>\$ 2,696</u>	<u>\$ 1,252,529</u>

CITY OF ELLISVILLE, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Capital Projects Fund	Special Revenue Funds			
	Equipment Replacement Fund	Contingency Fund	Sewer Fund	Police Foundation	Total
REVENUES					
Taxes	\$ -	\$ -	\$ 94,165	\$ -	\$ 94,165
Miscellaneous	-	-	-	8,881	8,881
Investment income	6	317	179	-	502
TOTAL REVENUES	<u>6</u>	<u>317</u>	<u>94,344</u>	<u>8,881</u>	<u>103,548</u>
EXPENDITURES					
Current:					
Public works	-	-	19,204	-	19,204
Capital outlay	381,116	-	104,668	6,185	491,969
Debt service:					
Principal, interest and fiscal charges	40,730	-	-	-	40,730
TOTAL EXPENDITURES	<u>421,846</u>	<u>-</u>	<u>123,872</u>	<u>6,185</u>	<u>551,903</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(421,840)	317	(29,528)	2,696	(448,355)
OTHER FINANCING SOURCES (USES)					
Proceeds from lease purchase	221,178	-	-	-	221,178
Operating transfer in (out)	200,000	-	-	-	200,000
TOTAL OTHER FINANCING SOURCES	<u>421,178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>421,178</u>
NET CHANGE IN FUND BALANCES	(662)	317	(29,528)	2,696	(27,177)
FUND BALANCES - BEGINNING OF YEAR	<u>15,537</u>	<u>772,498</u>	<u>488,358</u>	<u>-</u>	<u>1,276,393</u>
FUND BALANCES - END OF YEAR	<u>\$ 14,875</u>	<u>\$ 772,815</u>	<u>\$ 458,830</u>	<u>\$ 2,696</u>	<u>\$ 1,249,216</u>

CITY OF ELLISVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
EQUIPMENT REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Investment income	\$ -	\$ -	\$ 6	\$ 6
EXPENDITURES				
Capital outlay	169,000	162,500	381,116	(218,616)
Debt service:				
Principal, interest and fiscal charges	43,000	45,500	40,730	4,770
TOTAL EXPENDITURES	212,000	208,000	421,846	(213,846)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	(212,000)	(208,000)	(421,840)	(213,840)
OTHER FINANCING SOURCES (USES)				
Proceeds from lease purchase	-	-	221,178	221,178
Operating transfer in (out)	10,000	10,000	200,000	190,000
TOTAL OTHER FINANCING SOURCES	10,000	10,000	421,178	411,178
NET CHANGE IN FUND BALANCES				
	(202,000)	(198,000)	(662)	\$ 197,338
FUND BALANCES - BEGINNING OF YEAR				
	15,537	15,537	15,537	
FUND BALANCES - END OF YEAR				
	\$ (186,463)	\$ (182,463)	\$ 14,875	

CITY OF ELLISVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
CONTINGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Investment income	\$ 6,100	\$ 6,100	\$ 317	\$ (5,783)
EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,100	6,100	317	<u>\$ (5,783)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>772,498</u>	<u>772,498</u>	<u>772,498</u>	
FUND BALANCES - END OF YEAR	<u>\$ 778,598</u>	<u>\$ 778,598</u>	<u>\$ 772,815</u>	

CITY OF ELLISVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 93,000	\$ 93,000	\$ 94,165	\$ 1,165
Investment income	3,900	3,900	179	(3,721)
TOTAL REVENUES	<u>96,900</u>	<u>96,900</u>	<u>94,344</u>	<u>(2,556)</u>
 EXPENDITURES				
Current:				
Public works	20,380	20,380	19,204	1,176
Capital outlay	88,000	100,000	104,668	(4,668)
TOTAL EXPENDITURES	<u>108,380</u>	<u>120,380</u>	<u>123,872</u>	<u>(3,492)</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 (11,480)	 (23,480)	 (29,528)	 <u>\$ (6,048)</u>
 FUND BALANCES - BEGINNING OF YEAR	 <u>488,358</u>	 <u>488,358</u>	 <u>488,358</u>	
 FUND BALANCES - END OF YEAR	 <u>\$ 476,878</u>	 <u>\$ 464,878</u>	 <u>\$ 458,830</u>	

STATISTICAL SECTION

CITY OF ELLISVILLE, MISSOURI

Statistical Section

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

Contents

Financial Trends

These pages contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These pages contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity

These pages 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.

Demographic and Economic Information

These pages offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These pages 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.

Sources: Unless otherwise noted, the information in this section is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2004; schedules presenting government-wide information include information beginning in that year.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Activities:										
Investment in capital assets	\$32,894,621	\$31,782,499	\$29,127,656	\$26,263,558	\$26,273,087	\$26,735,989	\$26,286,107	\$25,991,549	\$25,999,283	\$25,889,334
Restricted	2,704,034	3,628,645	6,508,496	6,062,204	5,451,175	4,243,154	4,704,134	4,018,748	3,233,607	2,600,742
Unrestricted	<u>3,786,369</u>	<u>3,557,776</u>	<u>3,672,272</u>	<u>4,536,698</u>	<u>1,628,260</u>	<u>3,179,370</u>	<u>2,690,201</u>	<u>2,426,265</u>	<u>1,975,898</u>	<u>1,853,036</u>
Total Governmental Activities, Net Position	<u>\$39,385,024</u>	<u>\$38,968,920</u>	<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>

Source: Basic Financial Statements

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
EXPENSES										
Governmental activities:										
Administrative	\$ 2,012,307	\$ 1,962,399	\$ 2,044,237	\$ 1,655,975	\$ 2,848,066	\$ 1,799,868	\$ 1,563,283	\$ 1,452,871	\$ 1,452,050	\$ 1,672,481
Municipal court	123,814	123,867	174,725	136,639	140,149	360,791	357,130	361,614	360,569	120,699
Recreation	1,136,000	1,850,463	1,096,229	965,582	975,420	931,455	889,915	911,687	875,619	694,965
Planning, inspection and engineering	2,299,157	2,744,640	2,289,855	2,397,961	2,394,305	2,443,517	2,248,140	1,733,042	1,626,248	1,663,289
Police	2,990,843	2,727,514	3,080,790	2,093,934	2,255,270	2,092,139	2,069,804	1,968,803	2,008,510	2,053,207
Public works	1,923,558	1,181,074	2,000,765	1,563,629	1,866,211	1,646,386	1,711,224	1,768,150	1,563,054	1,628,287
Interest on long-term debt	-	102,742	120,306	132,487	143,944	181,156	206,031	234,668	254,943	272,480
Total governmental activities expenses	<u>10,485,679</u>	<u>10,692,699</u>	<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>
PROGRAM REVENUE										
Governmental activities:										
Charges for services:										
Administrative	541,541	536,671	524,203	508,504	491,243	505,183	504,559	517,205	474,151	537,475
Recreation	322,990	340,073	339,819	302,876	334,462	299,437	363,102	307,531	270,766	266,453
Planning, inspection and engineering	150,128	213,231	242,077	155,339	121,783	145,868	90,808	101,942	59,353	77,807
Police	82,845	92,085	104,727	156,752	217,472	655,656	632,573	736,223	816,718	730,128
Public works	-	94,192	92,413	92,158	96,512	-	-	-	91,032	90,312
Operating grants and contributions	-	662,394	635,613	637,814	612,384	4,425	20,078	279,696	647,294	625,207
Capital grants and contributions	1,466,942	410,000	2,848,782	57,047	224,704	-	-	-	-	349,433
Total governmental activities program revenue	<u>2,564,446</u>	<u>2,348,646</u>	<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>
NET EXPENSES	<u>7,921,233</u>	<u>(8,344,053)</u>	<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>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes (A):										
Property	344,870	386,950	354,081	371,399	293,833	663,105	744,045	734,161	383,436	363,131
Sales	5,982,733	5,601,110	5,876,060	5,958,061	5,392,558	5,222,477	5,547,972	4,612,205	4,314,488	4,278,282
Utility	1,292,973	1,466,253	1,347,387	1,396,273	1,749,653	1,643,125	1,577,463	1,660,527	1,661,236	1,996,304
Franchise	407,340	437,348	464,801	488,722	147,035	135,457	131,641	110,642	70,676	-
Other	94,165	-	-	33,918	-	505,945	497,138	495,130	139,188	-
Investment income	12,840	86,156	57,599	40,287	72,904	49,738	49,452	45,806	63,617	42,476
Miscellaneous	409,793	26,732	365,309	31,495	62,831	29,742	198,131	57,541	14,714	12,381
Total governmental activities	<u>8,544,714</u>	<u>8,004,549</u>	<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>
CHANGES IN NET POSITION	<u>\$ 623,481</u>	<u>\$ (339,504)</u>	<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>

Source: Basic Financial Statements

A) In fiscal year ended 2010, the City has began presenting tax revenue in additional detail.

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,162	\$ 98,527
Unreserved		-	-	-	-	-	-	-	1,641,289	1,573,965
Nonspendable	131,178	187,601	141,048	187,990	158,224	103,755	83,256	81,558	-	-
Assigned			-	-	512,383	-	-	-	-	-
Unassigned	2,278,198	1,846,207	1,978,913	1,354,831	751,759	2,216,145	2,408,914	2,182,216	-	-
Total General Fund	<u>\$ 2,409,376</u>	<u>\$ 2,033,808</u>	<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>
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,042	\$ 799,910
Unreserved, reported in:										
Capital Projects Fund	-	-	-	-	-	-	-	-	488,138	450,261
Special revenue Fund	-	-	-	-	-	-	-	-	2,205,019	1,556,208
Restricted	2,613,705	3,546,356	6,450,707	6,062,204	5,410,374	4,675,720	4,660,005	4,040,005	-	-
Committed	772,815	772,498	766,343	690,783	686,354	679,077	474,579	270,169	-	-
Assigned	14,875	15,537	-	8,793	-	-	9,054	10,786	-	-
Unassigned	-	-	(10,565)	-	(144,311)	(10,652)	-	-	-	-
Total all other governmental funds	<u>\$ 3,401,395</u>	<u>\$ 4,334,391</u>	<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>\$ 4,320,960</u>	<u>\$ 3,493,199</u>	<u>\$ 2,806,379</u>

(1) Implemented GASB 54 in 2011

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues										
Taxes	\$ 8,868,789	\$ 8,569,682	\$ 8,762,254	\$ 8,905,395	\$ 8,320,442	\$ 8,102,482	\$ 8,397,061	\$ 7,542,614	\$ 7,192,974	\$ 7,343,776
Licenses and permits	661,492	727,916	740,436	629,345	589,208	628,501	570,238	599,781	517,430	596,330
Fines and court costs	82,145	71,867	99,367	139,110	205,204	654,856	630,323	732,973	813,618	543,260
Intergovernmental	150,201	25,111	627,743	65,743	226,704	-	-	-	-	-
Investment income	12,840	86,156	57,599	40,287	72,904	49,738	49,452	45,806	63,617	42,476
Charges for services	353,867	363,509	368,513	339,024	359,730	413,460	481,790	421,540	380,972	289,255
Miscellaneous	424,516	20,985	130,946	31,495	63,935	47,776	218,209	337,237	19,178	32,521
Total revenues	10,553,850	9,865,226	10,786,858	10,150,399	9,838,127	9,896,813	10,347,073	9,679,951	8,987,789	8,847,618
Expenditures										
Current:										
Administrative	1,952,207	1,845,738	1,741,867	1,693,738	2,809,216	1,716,194	1,512,216	1,434,525	1,445,800	1,477,599
Police	2,819,216	2,671,472	2,341,840	2,142,474	2,151,605	1,988,048	1,968,111	1,849,771	1,954,238	1,980,273
Public works	1,405,953	1,532,558	1,488,918	1,394,238	1,623,368	1,465,712	1,450,428	1,446,202	1,302,273	1,390,957
Planning, inspection, and engineering	862,602	738,502	729,756	783,211	749,492	804,497	682,591	698,448	595,115	746,442
Municipal court	124,056	120,528	155,007	140,208	140,149	360,791	357,130	361,614	360,569	119,426
Recreation (A)	779,116	796,468	701,272	668,492	670,256	584,231	573,372	583,698	581,045	626,750
Capital outlay	3,141,199	2,492,392	2,512,515	2,019,593	1,567,036	1,859,830	1,939,772	1,128,478	1,196,714	720,944
Debt service:										
Principal	40,730	2,525,000	300,000	290,000	275,000	738,708	605,000	585,000	560,000	540,000
Interest	-	108,580	120,751	132,873	144,267	420,032	207,382	229,128	249,258	267,190
Total expenditures	11,125,079	12,831,238	10,091,926	9,264,827	10,130,389	9,938,043	9,296,002	8,316,864	8,245,012	7,869,581
Revenues over (under) expenditures	(571,229)	(2,966,012)	694,932	885,572	(292,262)	(41,230)	1,051,071	1,363,087	742,777	978,037
Other Financing Sources (Uses)										
Sale of capital assets	-	7,765	326,913	18,659	3,000	18,377	-	-	-	-
Insurance proceeds	-	-	-	25,586	-	-	-	-	-	-
Proceeds from lease purchase	221,178	-	-	-	-	-	-	-	-	-
Transfers in	1,360,000	6,804,000	2,944,165	3,135,000	2,070,000	635,004	430,000	110,000	425,000	50,000
Transfers out	(1,360,000)	(6,804,000)	(2,944,165)	(3,135,000)	(2,070,000)	(635,004)	(430,000)	(110,000)	(425,000)	(50,000)
Total other financing sources (uses)	221,178	7,765	326,913	44,245	3,000	18,377	-	-	-	-
Net change in fund balances	\$ (350,051)	\$ (2,958,247)	\$ 1,021,845	\$ 929,817	\$ (289,262)	\$ (22,853)	\$ 1,051,071	\$ 1,363,087	\$ 742,777	\$ 978,037
Debt service as a percentage of noncapital expenditures	0.5%	30.1%	5.2%	4.8%	4.5%	16.1%	11.2%	12.4%	11.2%	12.6%

Sources: Basic Financial Statements

(A) In fiscal year ended 2009 the Park and Pool Departments were merged and renamed the Recreation Department.

CITY O ELLISVILLE, MISSOURI
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities:										
General government	\$ 541,541	\$ 536,671	\$ 524,203	\$ 508,504	\$ 491,243	\$ 505,183	\$ 504,559	\$ 517,205	\$ 474,151	\$ 537,475
Recreation	331,313	345,707	564,192	302,876	561,166	299,437	363,102	307,531	270,766	266,453
Planning, inspection and engineering	150,128	638,231	645,447	212,386	121,783	145,868	90,808	101,942	59,353	409,105
Police	82,845	96,562	104,727	165,448	218,576	655,656	632,573	736,223	816,718	749,445
Public works	1,458,619	731,475	2,949,065	721,276	705,792	-	-	-	91,032	714,337
Total Governmental Activities	<u>\$ 2,564,446</u>	<u>\$2,348,646</u>	<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>

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

Fiscal Year	Property (1)	Sales and Use (2)	Franchise and Public Service	Total
2018	\$ 806,354	\$ 6,227,240	\$ 1,835,195	\$ 8,868,789
2017	693,440	5,972,642	1,903,600	8,569,682
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

- 1) Includes road and bridge tax.
- 2) The City participates in the county-wide sales tax sharing pool and a point of sale sharing; 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	Stormwater 1/2%	Capital Infrastructure 1/2% (3)	Local Option 1/4%	Public Safety 1/2% (2)	Total
2018	\$ 2,208,841	\$ 20,058	\$ 244,507	\$ 1,427,669	\$ 1,213,155	\$ 615,547	\$ 497,463	\$ 6,227,240
2017	2,243,199	22,594	246,693	1,416,388	1,199,105	609,776	110,048	5,847,803
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	1,327,681	1,129,265	573,514	-	5,630,539
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	25,955	355,746	1,395,311	-	600,207	-	4,696,189
2009	2,292,691	27,405	338,620	1,369,257	-	588,929	-	4,616,902

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 Ellisville. This method has an amount that is put into a redistribution pool for other areas of the County with calculation that is based upon how large the per capital 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 St. Louis County for public safety expenditures effective October 2017.

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
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Railroads and Utilities</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Total Direct Tax Rate</u>	<u>Ratio Of Total Assessed Value To Total Estimated Actual Value</u>
2018	\$ 275,969,430	\$ 33,337,598	\$ 2,646,158	\$ 311,953,186	\$ 1,259,071,977	\$ 0.141	24.43 %
2017	276,118,560	32,137,940	3,323,155	311,579,655	1,267,022,481	0.142	24.59
2016	245,218,470	31,162,600	3,369,993	279,751,063	1,131,175,314	0.150	24.73
2015	243,209,480	30,318,500	3,644,073	277,172,053	1,118,537,122	0.150	24.78
2014	225,793,260	30,453,470	3,297,245	259,543,975	1,040,852,933	0.150	24.94
2013	225,898,760	29,794,105	2,818,239	258,511,104	1,090,778,884	0.150	23.70
2012	236,271,550	31,704,159	2,712,153	270,687,862	1,153,038,986	0.150	23.48
2011	235,888,690	29,775,229	2,766,152	268,430,071	268,430,071	0.150	23.48
2010	243,832,440	30,653,340	2,992,612	277,478,392	1,172,411,268	0.150	23.67
2009	249,212,140	34,296,020	2,861,338	286,369,498	1,222,797,756	0.150	23.42

Source: St. Louis County Assessor

CITY OF ELLISVILLE, MISSOURI
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS
FOR THE LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
City of Ellisville	<u>\$0.1410</u>	<u>\$ 0.1420</u>	<u>\$ 0.1500</u>	<u>\$ 0.1500</u>	<u>\$ 0.1500</u>	<u>\$ 0.1500</u>	<u>\$ 0.1500</u>	<u>\$ 0.1500</u>	<u>\$ 0.1500</u>	<u>\$ 0.1500</u>
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County General	0.1950	0.1950	0.2060	0.2060	0.2090	0.2000	0.2000	0.2000	0.2000	0.1900
County Hospital/Health	0.1310	0.1310	0.1380	0.1380	0.1400	0.1400	0.1400	0.1400	0.1400	0.1500
County Park Maintenance	0.0460	0.0460	0.0490	0.0490	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
County Bond Retirement	0.0190	0.0190	0.0190	0.0190	0.0190	0.0280	0.0280	0.0280	0.0280	0.0280
County Road and Bridge	0.0980	0.0980	0.1030	0.1030	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050
St. Louis Community College	0.2129	0.2112	0.2185	0.2176	0.2200	0.2200	0.2200	0.2200	0.2179	0.2136
Special School District	1.1980	1.1912	1.2409	1.2348	1.2609	1.2400	1.0123	1.0125	0.9950	0.9838
Metro Zoo Park and Museum	0.2724	0.2694	0.2795	0.2777	0.2797	0.2797	0.2684	0.2671	0.2546	0.2493
Sheltered Workshop	0.0840	0.0840	0.0880	0.0880	0.0900	0.0890	0.0840	0.0840	0.0790	0.0740
St. Louis County Library	0.2340	0.2340	0.2460	0.2460	0.2500	0.2500	0.1730	0.1630	0.1565	0.1400
Rockwood School District	4.5539	4.5015	4.6678	4.6015	4.7240	4.6833	4.5357	4.4630	4.2752	4.0083
Metro West Fire Protection District	1.1010	0.9680	1.0110	1.0130	1.0570	1.0640	1.0290	1.0300	1.0120	0.9770
Metro Sewer District-Extension	0.1170	0.1159	0.1196	0.0195	0.0197	0.0196	0.0186	0.0185	0.0180	-
Total Overlapping Governments	<u>8.2922</u>	<u>8.0942</u>	<u>8.4163</u>	<u>8.2431</u>	<u>8.4543</u>	<u>8.3986</u>	<u>7.8940</u>	<u>7.8111</u>	<u>7.5612</u>	<u>7.1990</u>

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
CURRENT YEAR AND TEN YEARS AGO

<u>Property Taxpayer</u>	<u>2018</u>			<u>2009</u>		
	Taxable Assessed Valuation	Rank	Percent Of Total City Taxable Assessed Value	Assessed Valuation	Rank	Percent Of Total City Taxable Assessed Value
Clarkson Clayton Center Associates	\$ 6,125,740	1	2.24 %	\$ 6,496,940	1	2.27 %
Cooper Bussmann, Inc.	3,535,850	2	1.29	3,286,310	3	1.15
Fountains of Ellisville /West County LLC	3,348,360	3	1.22			
Frank Bommarito Automotive	3,316,370	4	1.21	2,703,300	6	0.94
AGNL Exercise LLC / Lifetime Fitness	3,206,670	5	1.17	2,739,910	5	0.96
Brixmor SPE3 LLC	2,814,660	6	1.03			
Bradford Hills Associates LLC	2,700,800	7	0.99	2,840,000	4	0.99
Fountains of Ellisville LLC	2,699,540	8	0.99			
HD Development of Maryland Inc.	2,696,930	9	0.98	2,387,420	9	0.83
Aventura at Towne Center LLC	2,632,530	10	0.96			
Centrum Clarkson LLC				3,732,700	2	1.30
Centrol Bradley Spe 3 LLC				2,578,240	7	0.90
Passive Investors, Inc.				2,560,000	8	0.89
JVH Commercial Properties LLC				1,857,600	10	0.65
Totals	<u>\$33,077,450</u>		<u>12.08 %</u>	<u>\$31,182,420</u>		<u>10.88 %</u>

Source: St. Louis County Assessor

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

<u>Fiscal Year</u>	<u>Net Tax Levy (2)</u>	<u>Current Tax Collections</u>	<u>Percent Collected As Current</u>	<u>Delinquent Tax Collections (Refunds)</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent of Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As Percent of Levy</u>
2018	\$ 385,133	\$ 311,911	81.0 %	\$ -	\$ 311,911	81.0 %	\$ 73,222	19.0 %
2017	386,665	286,136	74.0	98,018	384,154	99.4	56,037	14.5
2016	394,621	296,596	75.2	97,736	394,332	99.9	54,215	13.7
2015	389,210	297,946	76.6	89,679	387,625	99.6	54,215	13.9
2014	343,020	293,523	85.6	49,519	343,042	100.0	17,600	5.1
2013	343,075	297,287	86.7	45,755	343,042	100.0	-	-
2012	358,547	301,724	84.2	56,795	358,519	100.0	-	-
2011	357,983	300,041	83.8	57,796	357,837	100.0	1,644	0.5
2010	369,396	307,132	83.1	62,017	369,149	99.9	-	-
2009	368,762	290,518	78.8	78,244	368,762	100.0	5,593	1.5

Source: St. Louis County Collector's office

1) Original levy adjusted for strikeoffs and additions by St. Louis County Board of Equalization.

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

Fiscal Year	Governmental Activities				Total Governmental Activities	Percentage of Personal Income (1)	Per Capita
	Capital Lease	Certificates of Participation	General Obligation Bonds				
2018	\$ 180,448	\$ -	\$ -		\$ 180,448	0.06 %	\$ 20
2017	-	-	-		-	-	-
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	1.62	544
2010	-	5,555,000	-		5,555,000	1.81	608
2009	-	6,115,000	-		6,115,000	2.45	671

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
The City paid off the outstanding Certificate of Participation Bonds as of December 1, 2017

1) See Demographics and Economics Statistics Table.

CITY OF ELLISVILLE, MISSOURI
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2018

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Percentage Applicable To City Of Ellisville (2)</u>	<u>Amount Applicable To City Of Ellisville</u>
St. Louis County	\$ 92,215,000	1.27%	\$ 1,168,735
Rockwood School District	236,175,000	8.42%	19,887,655
Metro West Fire Protection District	<u>3,520,000</u>	15.74%	<u>553,877</u>
	331,910,000		21,610,266
City direct debt	<u>-</u>	100.00%	<u>-</u>
	<u><u>\$ 331,910,000</u></u>		<u><u>\$ 21,610,266</u></u>

Source: Bond 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 2018 real and personal property assessment roll as of December 31, 2018.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt limit	\$30,722,504	\$31,157,966	\$27,975,106	\$27,717,205	\$25,954,398	\$25,851,110	\$27,108,284	\$26,851,311	\$27,747,839	\$28,636,950
Net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$30,722,504</u>	<u>\$31,157,966</u>	<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>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	-	-	-	-	-	-	-	-	-	-

Note: Bonded indebtedness is limited to 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
DEMOGRAPHICS AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population</u>	<u>Median Age</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2018	9,133	43.70	\$ 307,599,440	\$ 33,680	3.4 %
2017	9,133	43.70	307,599,440	33,680	4.2
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	9,104	38.80	307,599,440	33,680	5.9
2013	9,104	38.80	307,599,440	33,680	6.5
2012	9,104	38.80	307,599,440	33,680	6.7
2011	9,104	38.80	307,599,440	33,680	8.1
2010	9,104	38.80	307,599,440	33,680	9.0
2009	9,104	38.80	249,258,416	27,379	9.1

Source: US Census Bureau Census 2000, US Bureau of Labor Statistics, and Missouri Department of Economic Development.

* City specific data for off census years is not readily available.

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

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment *</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
LifeTime Fitness	340	1	4.8 %	211	4	3.1 %
Cooper Bussman	225	2	3.2	300	2	4.4
Bethesda Meadow	214	3	3.0	189	6	2.8
Bommarito Automotive	175	4	2.5	311	1	4.6
Dierbergs Markets	154	5	2.2	175	7	2.6
Royal Gate Automotive	137	7	1.9	150	8	2.2
The Home Depot #3018	121	6	1.7			
Rockwood School District	120	8	1.7	219	3	3.2
St. John Church (Pathways)	118	9	1.7			
Fasio's Music	112	10	1.6			
Shop 'n Save				200	5	2.9
Clarkson Eyecare				130	9	1.9
Best Buy				125	10	1.8
	<u>1,716</u>		<u>24.42 %</u>	<u>2,010</u>		<u>29.50 %</u>

* Total number of persons employed in the City is estimated to be 6,969 per business licenses applications.

Source: St. Louis County Planning Departments 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 TEN YEARS AGO

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	<u>Employees *</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees *</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Retail Product Sales	1,176	1	16.7 %	1,190	1	17.4 %
Restaurants & Bars	1,145	2	16.3	1,067	2	15.6
Service Businesses	1,054	3	15.0	754	4	11.1
Medical/Dental & Related Businesses	927	4	13.2	736	5	10.8
Automotive Industry	746	5	10.6	776	3	11.4
Professional & Consulting Services	429	6	6.1	239	10	3.5
Construction/Contracting	369	7	5.3	306	8	4.5
Government	346	8	4.9	364	7	5.3
Manufacturing	265	9	3.8	369	6	5.4
Religious institutions, related schools, charities and nonprofits	200	10	2.8	291	9	4.3
All others	<u>369</u>		5.3	<u>728</u>		10.7
	<u><u>7,026</u></u>			<u><u>6,820</u></u>		

* Information from business license applications.

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

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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	6.80	6.3	5.3	4.8	5.8	6.0	5.0	5.5	5.5	5.5
Finance	1.5	1.5	1.5	1.0	1.5	1.5	1.5	2.0	2.0	2.0
Police:										
Officers	24.0	24.0	25.0	24.5	23.0	22.0	22.0	22.5	22.5	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	17.0	16.5	16.0	17.0	17.0	18.0	18.0	16.0	16.0	18.0
Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Engineering and storm water	3.80	4.3	4.8	3.8	3.8	3.5	3.5	3.5	3.5	3.5
Municipal court	2.00	2.0	2.0	2.3	3.0	3.5	3.5	3.0	3.0	2.5
Pool/park activities	22.5	22.5	22.0	19.0	15.0	22.0	22.0	16.0	16.0	19.0
Park	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0

Source: Annual budget document

CITY OF ELLISVILLE, MISSOURI
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Police-patrol:										
Arrests	222	265	265	227	269	284	267	380	375	220
Traffic citations	656	828	995	1,237	2,017	1,809	2,570	3,250	3,239	2,800
Traffic warnings	1,734	1,070	652	-	-	-	-	-	-	-
Crime reports	545	513	282	383	372	471	30	50	44	40
Accident reports	376	357	349	369	261	261	240	282	289	303
DWI arrests	25	60	56	55	58	57	53	43	41	20
Public works:										
Road repair-tons of mix	128	93	220	486	150	169	40	47	40	42
Traffic control signs serviced	200	100	145	122	85	86	153	148	140	145
Leaves collected-cubic yards	1,960	2,000	2,225	2,090	1,020	1,016	450	1,300	1,300	1,200
Acres moved and maintained	128	128	128	128	128	80	128	128	131	143
Trees and shrubs planted*	20/10	50/15	601/45	23/18	35/30	35/20	44/45	9/10	45/52	40/50
Planning and building:										
Rezoning applications and Text amendments	13	10	8	12	5	6	8	8	11	21
New Construction Building Permits	25	53	57	26	35	37	34	55	47	20
Remodeling Construction Building Permits	192	233	214	217	187	-	-	-	-	-
Finance and administration:										
Merchant licenses issued	675	704	651	650	651	652	596	591	598	606
Payroll checks issued	2,113	2,070	2,108	2,086	1,953	1,911	1,882	1,900	2,050	2,115
Accounts payable checks issued	2,110	2,120	1,974	1,948	2,031	2,041	2,014	1,844	2,100	2,075
Requests for public records	75	38	51	42	44	62	46	33	16	53

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

CITY OF ELLISVILLE, MISSOURI
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	9	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	86	83	83	83	83	83	83	83	83	83
Street lights and signals	602	453	453	453	453	453	453	453	453	453
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	6	6	5	5	5	5	5	5
Miles of multi-use trails	10	10	10	10	9	9	9	9	9	9