



# **CITY OF BALLWIN, MISSOURI**

## **Comprehensive Annual Financial Report**

**For the Year Ended December 31, 2016**



# **CITY OF BALLWIN, MISSOURI**

**Comprehensive Annual Financial Report  
For The Fiscal Year Ended December 31, 2016**

Prepared by the Department of Finance

**CITY OF BALLWIN, MISSOURI**  
**FINANCIAL REPORT**

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**CITY OF BALLWIN, MISSOURI**  
**FINANCIAL REPORT**

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**INTRODUCTORY SECTION**

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[www.ballwin.mo.us](http://www.ballwin.mo.us)

May 1, 2017

To the Honorable Mayor, Aldermen, and Citizens of Ballwin:

The Comprehensive Annual Financial Report (CAFR) of the City of Ballwin, Missouri (the City), for the fiscal year ending December 31, 2016, is submitted herewith. This report was prepared in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by an independent firm of licensed certified public accountants.

This report is the City management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City's financial statements in conformance with GAAP. This internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended December 31, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon its audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's Report.

## **Profile of the City**

The City is located approximately 17 miles west of downtown St. Louis, Missouri. It covers 10 square miles and serves a population of 30,404 residents occupying approximately 12,560 housing units. Originally established in 1837, it is the only city in the United States with its unique name.

The City was incorporated in 1950 as a City of the Fourth Class with a Mayor-Board of Aldermen-City Administrator form of government. The legislative body consists of eight aldermen and the mayor. Aldermen are elected from four wards to serve two year staggered terms, with four aldermen elected every year. The Mayor, elected at large to serve a two-year term, is the presiding officer of the Board of Aldermen (the Board). The Mayor enjoys all the powers and duties as applicable to entities of the 4<sup>th</sup> class in the State of Missouri.

A City Administrator is appointed by the Board with the approval of the Mayor. He serves, under contract, at the will of the Mayor and the Board. The City Administrator is responsible for the day-to-day management of the City's business and staff. He is also responsible for the employment and discharge of City employees under policies established by the Board.

The City provides a full range of municipal services, other than fire protection/EMS and public utilities, which are provided in the region by private entities. The City provides police services, planning and zoning, code enforcement, snow and leaf removal, maintenance of streets, judicial services, and parks and recreation. The City has approximately 135 full-time employees and a large contingent of part-time and seasonal employees working primarily in the area of Parks and Recreation. The City is served by the Rockwood and Parkway School Districts, both of which are AAA rated.

The City has repeatedly received national recognition for the quality of its recreational facilities and programs as well as for its record of public safety. The City's five parks cover 65 acres that include playgrounds, a nature trail, walking paths, ball diamonds, tennis courts, a soccer field, two fishing ponds stocked by the Missouri Department of Conservation, sand volleyball courts, and horseshoe pits. Traditionally recognized as the best public, nine-hole facility in the area, the City golf course includes a practice cage and a practice putting green.

The City's community center, The Pointe at Ballwin Commons, has recently been renovated. It includes a state of the art fitness center, indoor walking track, double gymnasium, indoor pool with water playground, spinning room, and community meeting rooms. The North Pointe Aquatic Center features a 10 lane competitive pool, lazy river, aqua climb rock climbing wall, tree swing, two-story water slides, bucket falls, and more. Programming includes the traditional day camps, sport camps and leagues, fitness classes, and swim lessons as well as a concert series and the very popular Ballwin Race Series. Castlewood State Park and the Meramec River are in close proximity.

The annual budget serves as a complete financial and operational plan for the following year. All departments of the City are required to submit requests for appropriations to the City Administrator who uses these requests as a starting point for development of a proposed budget. The Finance Officer presents to the City Administrator estimates detailing the various revenues, grants, bond proceeds, and other funding sources that are anticipated. The budget is prepared by fund. It is broken down further by departments, programs, or projects within the departments, then object of expenditures within programs and finally, line items within the objects. After consultation with the department heads, the City Administrator presents a proposed budget to the Mayor and Board. The Mayor and Board hold workshops and at least one public hearing prior to adopting the budget by December 31. Department heads, with the City Administrator's approval, may transfer appropriated funds within departmental programs/projects. The legal level of control of the Board extends to



the department level. The Council must authorize transfers between departments or funds or any increase in a fund's budget. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted. For the General Fund and Special Allocation Fund this comparison is presented as required supplemental information. For other governmental funds that have an adopted budget, comparison schedules are found in other supplemental information.

## **Local economy**

The City is a suburban community located in the western part of St. Louis County. The City is mostly residential with a wide variety of housing. The City is stable and for the most part fully developed, with a neighborhood commercial district consisting of 331 licensed businesses. Sales taxes received from the 1% county-wide sales tax are generated in nearly equal proportions from businesses within the City limits and from a distribution of the county sales tax revenues that are pooled. This distribution is based on a per capita formula. The City's median household income at \$87,373 is above that of the State, which is \$48,173, and St. Louis County, which is \$59,755. Unemployment in the City at 2.6% is below that of the State, which is 3.9%, and St. Louis County, which is 3.6%.

## **Long-term financial planning and major initiatives**

Each year the City updates its five-year capital improvement plan. Capital projects totaling almost \$11.8 million are planned for the years 2017 through 2021. Reconstruction/replacement of two culverts and three streets will cost \$5.3 million, however 80% of this cost will be reimbursed through federal funding. An additional \$3.1 million is planned for park development. Also included in this is \$3.3 million for a new Government Center for which almost \$3.0 million of fund balance has been committed. Historically the City has used a pay-as-you go approach to infrastructure improvements and some long-term debt issuance to finance some of the cost of buildings and park facilities. The use of sales taxes and grants has enabled the City to make capital investments and maintain a high level of services.

Personnel expenditures as a percentage of operating expenditures are low. Personnel expenditures are anticipated to be just 64% of the 2017 operating budget. While staffing levels have been declining slightly over the past few years, higher costs from increasing health insurance and workers compensation premiums have offset some of these savings.

In 2012 the Police Pension Fund was dissolved and police employees joined the LAGERS system. General employees have been a part of LAGERS since 1969. At the end of 2016 the pension fund for general employees was overfunded, resulting in a reduction in the contribution rate for the fifth straight year. The contribution rate for police employees has fluctuated both down and up since their conversion to LAGERS. On a City-wide basis, pension costs have declined each year since 2013, helping to maintain the low personnel to operating cost ratio.

The City has no general obligation debt. In 2014, it entered into a capital lease to finance a portion of a \$4 million geothermal HVAC system installed at the community center. As part of its commitment to energy efficiency and sustainability, this investment is expected to return a savings in both energy costs and maintenance expenditures within 15 years.

In 2002 the City issued tax increment refunding and improvement revenue bonds to finance the costs associated with the Ballwin Town Center Redevelopment Project. While principal and interest payments were made in full from available revenues through 2012, an unscheduled draw from the Debt Reserve Fund was required in October of each of the last four years to fund the required principal payments. Successful

appeals of real estate taxes on the property have significantly reduced the revenue stream dedicated for bond payments. This trend is expected to continue. The remaining balance on the bond issue at December 31, 2016 was \$10,575,000. These bonds do not constitute a general obligation or indebtedness of the City.

### **Relevant financial policies**

The City has adopted a comprehensive set of financial policies. During the current year, one of these policies was particularly relevant. The City has a fund balance policy that establishes the five categories of fund balance, including committed fund balance. This consists of funds that are mandated for a specific purpose by enabling legislation. It further requires that the City maintain a minimum unassigned fund balance no less than 25% of total operating expenditures at the end of each annual fiscal period. During 2014 the Board adopted an ordinance which created a committed fund account to be used for the future construction of a new Government Center. After an initial transfer of \$1,000,000 from unassigned fund balance, 50% of any operating budget surplus is to be added to this account each year at December 31. These transfers are to continue until the end of fiscal year 2017. As of the end of 2016 a total of \$2,984,427 has been transferred to this committed account. After all transfers at December 31, unassigned fund balance equaled 37% of operating expenditures of the General Fund, well in excess of the 25% required minimum.

### **Awards and Acknowledgements**

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 Ballwin for its CAFR for the fiscal year ended December 31, 2015. This was the second year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City received the GFOA's Award for Distinguished Budget Presentation for its annual budget for the fiscal year 2016. This was the first year that the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document must meet the program criteria as a policy document, as a financial plan, as an operations guideline, and as a communications device.

The preparation of this report would not have been possible without the effort and dedication of the administrative staff of all departments of the City. Our sincere gratitude is extended to the Mayor and the Board for their unfailing support and commitment to the responsible fiscal management of the City.

Respectfully submitted,



Eric Hanson  
City Administrator



Denise Keller  
Finance Officer

**CITY OF BALLWIN, MISSOURI**  
**PRINCIPAL CITY OFFICIALS**

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**MAYOR**

Tim Pogue

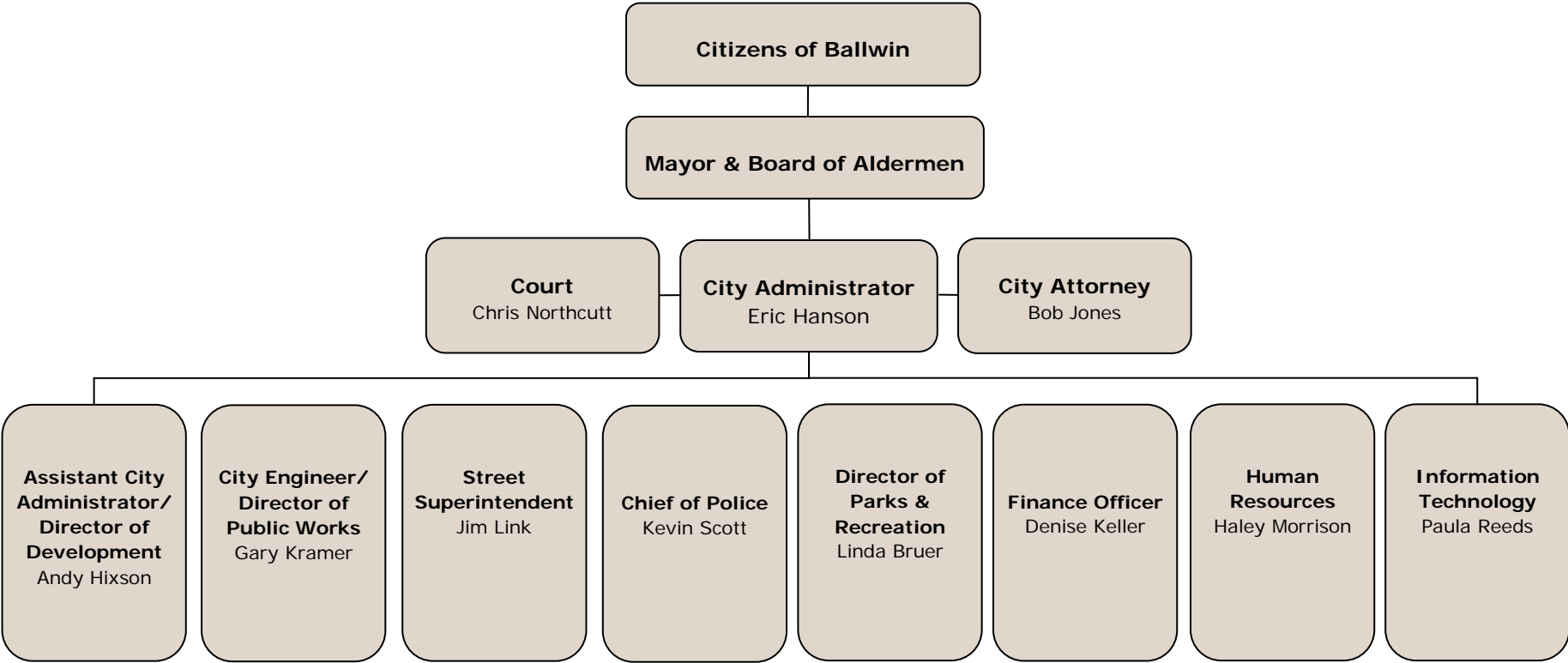
**BOARD OF ALDERMEN**

<b>Ward I</b>	Michael Finley	Jimmy Terbrock
<b>Ward II</b>	Kevin Roach	Mark Stallmann
<b>Ward III</b>	Frank Fleming	Jim Leahy
<b>Ward IIII</b>	Ross Bullington	Ray Kerlagon

**CITY ADMINISTRATION**

<b>City Administrator</b>	Eric Hanson
<b>City Attorney</b>	Bob Jones
<b>Prosecuting Attorney</b>	Chris Graville
<b>Municipal Judge</b>	Virginia Nye
<b>Director of Development</b>	Andrew Hixon
<b>Chief of Police</b>	Kevin Scott
<b>Finance Officer</b>	Denise Keller
<b>Director of Public Works</b>	Gary Kramer
<b>Director of Parks and Recreation</b>	Linda Bruer

# City of Ballwin 2016 Organization Chart





Government Finance Officers Association

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

Presented to

**City of Ballwin  
Missouri**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO

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**FINANCIAL SECTION**

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

## INDEPENDENT AUDITOR'S REPORT

May 1, 2017

Honorable Mayor and Board of Aldermen  
**CITY OF BALLWIN, MISSOURI**

### REPORT ON THE FINANCIAL STATEMENTS

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

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such infor-

mation directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

#### **OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Hochschild, Bloom + Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

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

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The management's discussion and analysis of the City of Ballwin, Missouri's (the City) financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the City's financial statements following this narrative.

**FINANCIAL HIGHLIGHTS**

- In the government-wide financial statements, the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2016 by \$68,391,357 (net position). Of this amount, \$3,009,214 is available to meet the City's ongoing obligations.
- The City's total net position increased by \$2,899,439.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13,589,917, an increase of \$160,977 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,745,700, or approximately 37% of General Fund expenditures (\$18,060,213).
- The City's total debt decreased by \$1,902,921 during the current fiscal year due to debt payments being paid according to the debt payment cycle. The debt balance is primarily tax increment financing bonds, which do not constitute a general obligation of the City.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements provide both long-term and short-term information about the City's overall financial status.

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

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

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

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

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The City maintains governmental funds only.

**Governmental funds.** Governmental funds are used to account for most of the City's basic services which focus on: 1) how cash and other financial assets that can readily be converted to cash flow in and out and 2) the balances remaining at year-end that are readily available for spending. Governmental funds use the modified accrual method of accounting to focus on the near-term inflows and outflows of expendable resources and balances of year-end expendable resources. This detailed short-term view helps readers determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided on a subsequent page that explains the relationship (or differences) between the government-wide and fund financial statements.

The City maintains four major funds: General Fund, Special Allocation Fund, Capital Projects Fund, and the Town Center Debt Service Fund. These funds are presented separately on the governmental funds balance sheet, as well as on the statement of revenues, expenditures, and changes in fund balances. Data from other governmental funds, such as the Sewer Lateral Fund, Federal Asset Seizure Fund, and P.O.S.T. Fund are combined into a single, aggregated presentation called "other governmental funds". Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplemental information section of this report.

An annual appropriations budget is adopted by the City as required by the General Statutes. The General Fund, Special Allocation Fund, Capital Projects Fund, Sewer Lateral Fund, Federal Asset Seizure Fund, and P.O.S.T. Fund budgets are included in the budget document. The General Fund budget is a legally adopted document that incorporates input from the management of the City and the decisions of the Board of Aldermen about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. Budget workshop meetings, as well as the budget adoption meeting, are open to the public. Budgetary comparison statements have been provided for all budgeted funds.

**Notes to the Basic Financial Statements.** These notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements.

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

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**Required Supplemental Information.** This management's discussion and analysis, budgetary comparison schedule and notes to the schedule for the General Fund and Special Allocation Fund, and information concerning the City's progress in funding its obligation to provide pension benefits to its employees represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the government-wide financial statements, fund financial statements, and notes.

**Other Supplemental Information.** This part of the annual report includes financial information such as budgetary comparison schedules for the Capital Projects Fund and combining statements for the nonmajor governmental funds and budgetary comparison schedules for the Sewer Lateral Fund, Federal Asset Fund, and the P.O.S.T. Fund. This other supplemental information is provided to address certain specific needs of various users of the City's annual report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the City, the net position of \$68,391,357 increased in 2016 by 4.4% as compared to the previous year.

The largest portion of the City's net position, \$62,741,732 in 2016 (an increase of 2.4% from 2015) reflects its investment in capital assets. Approximately \$1,569,000 of the increase was a result of donated streets, sidewalks, and right-of-ways. The City uses these capital assets (land, buildings, machinery and equipment, and infrastructure) 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 to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$2,640,411, represents resources that are subject to external restrictions on how they may be used. This balance decreased by \$292,281 (10.0%) in 2016 due to reductions in the restriction for debt service, resulting from scheduled debt payments, and the restriction for capital projects. This balance will fluctuate on an annual basis due to the timing of projects.

The remaining category of the City's net position represents an unrestricted net position balance of \$3,009,214 in 2016, which may be used to meet the City's ongoing obligations to citizens and creditors. There was an increase of \$1,705,835 in unrestricted net position in 2016 compared to 2015.

Assets include \$8,610,404 in unrestricted cash and investments and \$2,218,618 in restricted cash and investments.

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

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

	<u>December 31</u>		<u>2016 Change</u>	
	<u>2016</u>	<u>2015</u>	<u>Amount</u>	<u>Percent</u>
<b>ASSETS</b>				
Current and other assets	\$ 15,653,577	17,500,169	(1,846,592)	(10.6) %
Capital assets, net	63,079,466	62,263,741	815,725	1.3
Total Assets	<u>78,733,043</u>	<u>79,763,910</u>	<u>(1,030,867)</u>	(1.3)
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>2,830,917</u>	<u>981,139</u>	<u>1,849,778</u>	188.5
<b>LIABILITIES</b>				
Long-term liabilities	11,626,579	13,512,131	(1,885,552)	(14.0)
Other liabilities	827,323	1,126,990	(299,667)	(26.6)
Total Liabilities	<u>12,453,902</u>	<u>14,639,121</u>	<u>(2,185,219)</u>	(14.9)
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<u>718,701</u>	<u>614,010</u>	<u>104,691</u>	17.1
<b>NET POSITION</b>				
Net investment in capital assets	62,741,732	61,255,847	1,485,885	2.4
Restricted	2,640,411	2,932,692	(292,281)	(10.0)
Unrestricted	3,009,214	1,303,379	1,705,835	130.9
Total Net Position	<u>\$ 68,391,357</u>	<u>65,491,918</u>	<u>2,899,439</u>	4.4 %

**Governmental activities.** A condensed version of the statement of activities is as follows:



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

	For The Years Ended December 31		2016 Change	
	2016	2015	Amount	Percent
<b>REVENUES</b>				
Program revenues:				
Charges for services	\$ 5,129,612	5,004,492	125,120	2.5 %
Operating grants and contributions	1,992,051	2,019,850	(27,799)	(1.4)
Capital grants and contributions	1,685,573	1,590,966	94,607	5.9
General revenues:				
Taxes	13,774,887	13,899,472	(124,585)	(0.9)
Investment income	93,685	135,988	(42,303)	(31.1)
Miscellaneous	211,108	115,847	95,261	82.2
Total Revenues	<u>22,886,916</u>	<u>22,766,615</u>	<u>120,301</u>	0.5
<b>EXPENSES</b>				
General government	3,173,283	3,198,068	(24,785)	(0.8)
Public works	4,988,963	4,974,891	14,072	0.3
Police and court	5,565,733	5,317,211	248,522	4.7
Parks and recreation	5,556,450	5,107,835	448,615	8.8
Interest on long-term debt	703,048	770,614	(67,566)	(8.8)
Total Expenses	<u>19,987,477</u>	<u>19,368,619</u>	<u>618,858</u>	3.2
<b>CHANGE IN NET POSITION</b>	2,899,439	3,397,996	(498,557)	(14.7)
NET POSITION, JANUARY 1	<u>65,491,918</u>	<u>62,093,922</u>	<u>3,397,996</u>	5.5
<b>NET POSITION, DECEMBER 31</b>	<u><u>\$ 68,391,357</u></u>	<u><u>65,491,918</u></u>	<u><u>2,899,439</u></u>	4.4 %

**SIGNIFICANT CHANGES IN NET POSITION**

The increase in net position of \$2,899,439 is attributed to the ongoing situation of revenues exceeding expenses.

Charges for services increased \$125,120 with higher usage of The Pointe and camp programs, golf course, and outdoor pool. Capital grants and contributions in 2016 were higher with increased donated infrastructure.

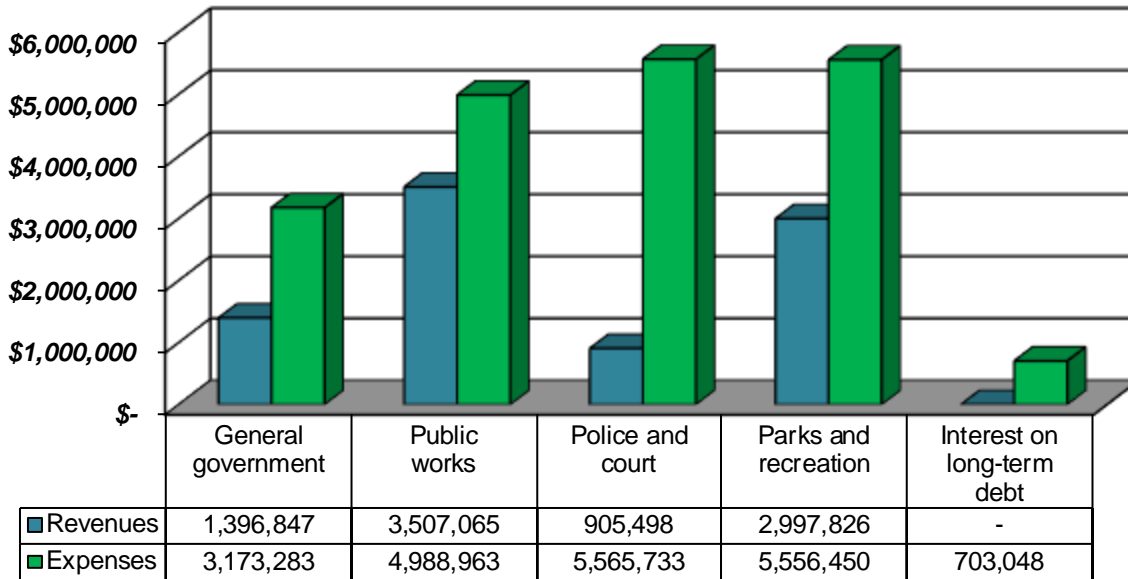
Property tax revenues for the TIF increased \$136,133 due to the timing of receipts. Utility gross receipts declined by \$215,612 in all categories except water.

Expenses for police increased mainly due to negative pension costs in 2015 compared to 2016 related to the implementation of GASB 68.

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

Expenses for parks and recreation are higher in 2016 primarily due to the cost of replacing skylights at The Pointe after hail damage was incurred in 2015. Insurance proceeds were received in 2015, but the project was not completed until 2016.

**Expenses and Program Revenues - Governmental Activities**



**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

At December 31, 2016, the City's governmental funds report a combined fund balance of \$13,589,917 with a net increase in total fund balance of \$160,977 from 2015. 50% of the total amount (\$6,745,700) constitutes unassigned fund balance, which is available for spending at the City's discretion. This amount represents an increase in unassigned fund balance from 2015 (\$6,543,662). Nonspendable items include prepaid items in the amount of \$389,900 and inventories of \$310,372. Restricted items totaling \$2,365,078 include \$1,630,663 for debt service costs as well as capital projects, sewer lateral, police, community programs, recreation, and special projects balances. Committed items include \$2,984,427 for future improvements to the Government Center. An amount of \$794,440 has been assigned for the subsequent year's budget.

During fiscal year 2016 the unassigned fund balance of the General Fund increased by \$202,038 or 3% from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 37% of the total 2016 General Fund expenditures and transfers out, while the total fund balance represents 62% of the total 2016 General Fund expenditures and transfers out. The General Fund ended the

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

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year with a net contribution to fund balance of \$574,796. This increase is due to higher than expected revenues and lower than expected expenditures.

The Special Allocation Fund balance remained at \$0 during the fiscal year. This fund is used to account for the revenues derived from the tax increment financing activities, which are then transferred to the Town Center Debt Service Fund that pays the TIF bonds.

The Capital Projects Fund balance decreased \$143,012 during the fiscal year to \$134,693. This is a result of the planned use of fund balance for major capital improvements.

The Town Center Debt Service Fund balance decreased \$330,937 during the fiscal year to \$1,630,663. For a fourth consecutive year, there were not enough TIF revenues collected to pay the principal and interest payment on the TIF bonds, therefore, there was an unscheduled draw on the debt service reserve. The bonds call for a debt service reserve of \$2,010,000. At December 31, 2016, the reserve balance was \$980,870.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The final 2016 budget for the City's General Fund represents an original expenditure and transfer out budget of \$19,269,221 with a net decrease of \$654,515 to \$18,614,706, an adjustment of 3.4%. The City's Board of Aldermen approved amendments of the 2016 Budget in February and November of 2016. These amendments were to reflect lower gross receipts for gas, reduced court fines revenue, and increased recreation revenues. Costs for the replacement of additional public works vehicles and workout equipment were offset by lower expenses for street and sidewalk work. Tree maintenance services were also reduced as more of this work was performed by city staff. Personnel expenses for police, public works, and parks were lowered to reflect turnover. Additional adjustments were made to line items in conjunction with program reallocations.

The General Fund ended the year with an operating surplus (where revenues exceeded expenditures) of \$559,803. Other financing sources and uses increased the fund balance by \$14,993 to net a positive change in fund balance of \$574,796 in 2016, ending the year with a fund balance of \$11,304,300.

Overall, the General Fund ended fiscal 2016 with a mixture of favorable and unfavorable budget variances for revenues and favorable budget variances for expenditures. Actual General Fund revenues and expenditures for the year varied from the 2016 final amended budget as follows:

- Revenues received from community programs were \$84,226 higher than budget from increased season pass purchases, community center rentals, and greens fees.
- A savings of \$24,314 in the Snow & Ice Control program occurred in personnel expenses with no snow late in the year. Contingency funds of \$12,099 for the maintenance of snow plows and salt spreaders were not needed. Additional savings of \$10,329 were realized from inventories of unused salt.
- Salaries and benefits for the Police Field Operations and Communications programs ended the year with \$66,712 and \$14,847 respectively not being spent due to turnover of personnel.

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

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** At December 31, 2016, the City's net capital assets totaled \$63,079,466. These assets include land and improvements, right-of-way, historical treasures, construction in progress, infrastructure, buildings and improvements, furniture and fixtures, intangible assets, machinery and equipment, and vehicles.

	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
Land and improvements	\$ 5,751,559	5,751,559
Buildings and improvements	26,819,453	26,819,453
Historical treasures	247,573	247,573
Furniture and fixtures	289,453	289,453
Machinery and equipment	3,050,205	3,021,739
Land improvements	2,555,094	2,506,717
Vehicles	2,844,618	2,584,008
Intangible assets	532,881	524,001
Infrastructure	95,246,665	92,877,993
Right-of-way	14,101,133	13,433,897
Construction in progress	309,826	129,834
	151,748,460	148,186,227
Less - Accumulated depreciation	88,668,994	85,922,486
Total Capital Assets	\$ 63,079,466	62,263,741

The City had capital asset disposals of \$538,808, which consisted of police, public works and parks vehicles as well as workout equipment. Accumulated depreciation on these assets totaled \$435,119, leaving net capital asset disposals at \$103,689.

Capital assets added in 2016 totaled \$4,101,041. In addition to infrastructure improvements of \$1,607,334, five dump trucks were replaced at a cost of \$493,743. A used bucket truck was acquired for \$79,713 along with other vehicle replacements of \$139,264. \$1,569,029 of the increase was a result of donated streets, sidewalks, and right-of-ways. Additional purchases include equipment of \$75,113, land improvements of \$48,377 and intangible assets of \$8,880. Depreciation totaling \$3,181,627 resulted in net capital assets increasing by \$815,725.

Additional information for capital assets can be found at Note C in the notes to the financial statements.

**Long-term Debt.** At December 31, 2016, the City had outstanding long-term debt obligations in the amount of \$11,478,341. This debt includes \$10,575,000 in tax increment bonds. These bonds are payable solely from payments in lieu of taxes, transportation development district revenues and economic activity tax revenues generated within the redevelopment area and do not constitute a general obligation or indebtedness of the

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

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City. A capital lease for a geothermal HVAC system was issued in 2014 with a balance of \$337,734 at year-end. Compensated absences liability totaled \$565,607.

The City's long-term debt is detailed below:

	<b>December 31</b>	
	<b>2016</b>	<b>2015</b>
TIF bonds - 2002 issue	\$ 10,575,000	11,770,000
Capital lease obligations	337,734	1,007,894
Compensated absences	565,607	603,368
Total Long-term Debt	<u>\$ 11,478,341</u>	<u>13,381,262</u>

Additional information can be found on Note F in the notes to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

- The City's 2017 annual budget projects total expenditures of \$23,887,533, including capital expenditures of \$3,096,716.
- For the upcoming year a conservative increase of 1.1% has been projected for general sales taxes. Changes to the sales tax base include the loss of a clothing retailer, restaurant supplier, hobby store, liquor store, firearms and munitions retailer, and flooring store. New businesses added were several eating establishments, a mattress retailer, paint store, auto parts store, and an auto glass service. The City will be maintaining the same service levels in 2017 as in the prior year.
- The City's capital improvement plan for 2017-2021 projects investments in infrastructure improvements and facilities of \$11.8 million. The City has a funding plan to provide resources on a pay-as-you-go basis for infrastructure.
- In 2018 the City plans to begin construction of a new Government Center building. Fund balance in the amount of \$2,984,427 has been set aside for this purpose, with expenditures anticipated at approximately \$3.3 million.
- The construction phase of two major federally funded projects, a road resurfacing and a culvert replacement, will occur in 2017 at a cost of \$2,337,700. An additional culvert is scheduled for replacement in 2018.
- Total expenditures for street maintenance/repair work and bridge replacements in the 2017 budget are \$3,534,139, which is an increase of \$1,864,168 over 2016 spending. Net of federal reimbursements, the increase in spending over the prior year is 13.4%.

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

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- Major vehicle acquisitions include the purchase of a two ton swap loader truck at a budgeted cost of \$350,000. A paver, roller, and trailer at a combined cost of \$153,000 will also be purchased to enable improved asphalt resurfacing.
- Additional projects included in the 2017 budget include a covered parking structure for the police fleet, repairs of tennis courts, repainting of the indoor pool area and replacement spinning bikes and weights for The Pointe.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Officer, 14811 Manchester Road, Ballwin, MO 63011.

**CITY OF BALLWIN, MISSOURI**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2016**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,022,011
Certificates of deposit	4,093,748
Investments	2,494,645
Prepaid items	389,900
Receivables:	
Taxes	2,933,070
Court	27,838
Grants	24,373
Other	48,128
Inventories	310,372
Net pension asset	1,090,874
Restricted assets:	
Cash and cash equivalents	1,318,713
Investments	899,905
Capital assets:	
Land and other nondepreciable assets	20,410,091
Other capital assets, net of accumulated depreciation	42,669,375
Total Assets	78,733,043
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	2,830,917
 <b>LIABILITIES</b>	
Accounts payable	198,396
Accrued wages and benefits	155,759
Accrued liabilities	278,012
Deposits	30,823
Unearned revenue	2,750
Accrued interest	161,583
Noncurrent liabilities:	
Due within one year	1,857,734
Due in more than one year	9,620,607
Due in more than one year - net OPEB obligation	148,238
Total Liabilities	12,453,902
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	718,701
 <b>NET POSITION</b>	
Net investment in capital assets	62,741,732
Restricted for:	
Debt service	1,905,996
Sewer lateral	303,718
Police	238,595
Capital projects	5,054
Recreation	129,639
Other	57,409
Unrestricted	3,009,214
Total Net Position	\$ 68,391,357

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

	<b>Expenses</b>	<b>Program Revenues</b>		<b>Capital</b>	<b>Net Revenues (Expenses) And Changes In Net Position</b>
<b>FUNCTIONS/PROGRAMS</b>		<b>Charges For Services</b>	<b>Operating Grants And Contributions</b>	<b>Grants And Contributions</b>	<b>Governmental Activities</b>
<b>Governmental Activities</b>					
General government	\$ 3,173,283	1,370,342	26,505	-	(1,776,436)
Public works	4,988,963	-	1,830,424	1,676,641	(1,481,898)
Police and court	5,565,733	842,789	53,777	8,932	(4,660,235)
Parks and recreation	5,556,450	2,916,481	81,345	-	(2,558,624)
Interest on long-term debt	703,048	-	-	-	(703,048)
Total Governmental Activities	\$ 19,987,477	5,129,612	1,992,051	1,685,573	(11,180,241)
<b>General Revenues</b>					
Taxes:					
General sales and use					9,185,675
Franchise					553,633
Cigarette					83,124
Utility gross receipts					3,411,174
Property					541,281
Investment income					93,685
Miscellaneous					211,108
Total General Revenues					14,079,680
<b>CHANGE IN NET POSITION</b>					2,899,439
NET POSITION, JANUARY 1					65,491,918
<b>NET POSITION, DECEMBER 31</b>					\$ 68,391,357

See notes to financial statements



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

	<u>General</u>	<u>Special Allocation</u>	<u>Capital Projects</u>	<u>Town Center Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,022,011	-	-	-	-	2,022,011
Certificates of deposit	4,093,748	-	-	-	-	4,093,748
Investments	2,494,645	-	-	-	-	2,494,645
Prepaid items	389,900	-	-	-	-	389,900
Receivables:						
Taxes	2,223,597	503,734	132,607	-	73,132	2,933,070
Court	27,838	-	-	-	-	27,838
Grants	24,373	-	-	-	-	24,373
Other	29,881	-	18,247	-	-	48,128
Inventories	310,372	-	-	-	-	310,372
Restricted assets:						
Cash and cash equivalents	331,326	65,406	129,639	339,807	452,535	1,318,713
Investments	-	-	-	899,905	-	899,905
Due from other funds	115,865	100,053	-	390,951	-	606,869
	<u>\$ 12,063,556</u>	<u>669,193</u>	<u>280,493</u>	<u>1,630,663</u>	<u>525,667</u>	<u>15,169,572</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 185,078	2,909	5,003	-	5,406	198,396
Accrued wages and benefits	155,759	-	-	-	-	155,759
Accrued liabilities	278,012	-	-	-	-	278,012
Due to other funds	75,121	390,951	140,797	-	-	606,869
Deposits	30,823	-	-	-	-	30,823
Unearned revenue	2,750	-	-	-	-	2,750
Total Liabilities	<u>727,543</u>	<u>393,860</u>	<u>145,800</u>	<u>-</u>	<u>5,406</u>	<u>1,272,609</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues:						
Court	27,838	-	-	-	-	27,838
Grants	3,875	-	-	-	-	3,875
Property taxes	-	275,333	-	-	-	275,333
Total Deferred Inflows Of Resources	<u>31,713</u>	<u>275,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>307,046</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid items	389,900	-	-	-	-	389,900
Inventories	310,372	-	-	-	-	310,372
Restricted for:						
Capital projects	-	-	5,054	-	-	5,054
Debt service	-	-	-	1,630,663	-	1,630,663
Sewer lateral	-	-	-	-	303,718	303,718
Police	22,052	-	-	-	216,543	238,595
Community programs	38,069	-	-	-	-	38,069
Recreation	-	-	129,639	-	-	129,639
Special projects	19,340	-	-	-	-	19,340
Committed for:						
Capital projects	2,984,427	-	-	-	-	2,984,427
Assigned for:						
Subsequent year's budget - appropriation of fund balance	794,440	-	-	-	-	794,440
Unassigned:						
General Fund	6,745,700	-	-	-	-	6,745,700
Total Fund Balances	<u>11,304,300</u>	<u>-</u>	<u>134,693</u>	<u>1,630,663</u>	<u>520,261</u>	<u>13,589,917</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 12,063,556</u>	<u>669,193</u>	<u>280,493</u>	<u>1,630,663</u>	<u>525,667</u>	<u>15,169,572</u>

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

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Total Fund Balances - Governmental Funds	\$ 13,589,917
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$151,748,460 and the accumulated depreciation is \$88,668,994.	63,079,466
Certain items are not financial resources and, therefore, are not reported in the governmental funds. These items consist of:	
Net pension asset	1,090,874
Deferred outflows related to pensions	2,830,917
Deferred inflows related to pensions	(718,701)
Municipal court receivables are assessed by the City, but are not collected as of December 31, 2016 and unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	27,838
Grant revenues earned by the City, but not collected as of December 31, 2016 are unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	3,875
TIF Payments in Lieu of Taxes (PILOTs), property taxes assessed in 2016, but not collected by the City as of December 31, 2016 are unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	275,333
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 :	
Compensated absences	(565,607)
Tax increment bonds	(10,575,000)
Capital leases	(337,734)
Accrued interest payable	(161,583)
Net OPEB obligation	(148,238)
Total Net Position Of Governmental Activities	<u><u>\$ 68,391,357</u></u>

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

	<u>General</u>	<u>Special Allocation</u>	<u>Capital Projects</u>	<u>Town Center Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Taxes	\$ 9,546,755	1,400,111	587,532	-	297,637	11,832,035
Licenses and permits	1,626,338	-	-	-	-	1,626,338
Public utility licenses	3,378,851	32,323	-	-	-	3,411,174
Court fines	549,680	-	-	-	-	549,680
False alarm fines	8,275	-	-	-	-	8,275
Police and communications	220,800	-	-	-	79,931	300,731
Community programs	2,916,481	-	-	-	-	2,916,481
Investment income	79,515	354	-	13,228	588	93,685
Donations	43,125	-	56,600	-	-	99,725
Grants and entitlements	60,354	-	107,612	-	-	167,966
Miscellaneous	189,842	-	-	-	-	189,842
Total Revenues	<u>18,620,016</u>	<u>1,432,788</u>	<u>751,744</u>	<u>13,228</u>	<u>378,156</u>	<u>21,195,932</u>
<b>EXPENDITURES</b>						
Current:						
Administration	2,744,107	13,939	11,017	973	301,288	3,071,324
Public works	2,931,849	-	-	-	-	2,931,849
Police	5,394,305	-	-	-	16,738	5,411,043
Parks and recreation	4,598,395	-	-	-	-	4,598,395
Capital outlay	2,391,557	-	140,455	-	-	2,532,012
Debt service:						
Principal	-	-	670,160	1,195,000	-	1,865,160
Interest	-	-	8,873	715,556	-	724,429
Total Expenditures	<u>18,060,213</u>	<u>13,939</u>	<u>830,505</u>	<u>1,911,529</u>	<u>318,026</u>	<u>21,134,212</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>559,803</u>	<u>1,418,849</u>	<u>(78,761)</u>	<u>(1,898,301)</u>	<u>60,130</u>	<u>61,720</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	148,515	-	1,567,364	-	1,715,879
Transfers out	(84,264)	(1,567,364)	(64,251)	-	-	(1,715,879)
Insurance recoveries	30,198	-	-	-	-	30,198
Sale of capital assets	69,059	-	-	-	-	69,059
Total Other Financing Sources (Uses)	<u>14,993</u>	<u>(1,418,849)</u>	<u>(64,251)</u>	<u>1,567,364</u>	<u>-</u>	<u>99,257</u>
<b>NET CHANGE IN FUND BALANCES</b>	574,796	-	(143,012)	(330,937)	60,130	160,977
FUND BALANCES, JANUARY 1	<u>10,729,504</u>	<u>-</u>	<u>277,705</u>	<u>1,961,600</u>	<u>460,131</u>	<u>13,428,940</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 11,304,300</u>	<u>-</u>	<u>134,693</u>	<u>1,630,663</u>	<u>520,261</u>	<u>13,589,917</u>

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

Net Change In Fund Balances - Governmental Funds \$ 160,977

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$3,181,627) exceeded capital outlays over the capitalization threshold (\$2,532,012) in the current period. (649,615)

The net effect of various transactions involving capital assets:

Cost of disposals, net of accumulated depreciation	(103,689)	
Contributed capital assets	<u>1,569,029</u>	1,465,340

Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds financial statements. 91,757

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of the differences in the treatment of long-term debt and related items is as follows:

Repayments during the current year:

Principal payments on bonds	1,195,000	
Principal payments on leases included in fund expenditures	<u>670,160</u>	1,865,160

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Accrued compensated absences	37,761	
Accrued interest on debt	21,381	
Net OPEB obligation	(17,369)	
Pension expense	<u>(75,953)</u>	<u>(34,180)</u>

Change In Net Position Of Governmental Activities \$ 2,899,439

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The **CITY OF BALLWIN, MISSOURI** (the City) was incorporated December 29, 1950. The City operates as a fourth-class city under the Missouri state statutes. It has a mayor/aldermanic/city administrator form of government and provides the following services: legislative, general services, finance and accounting, community development, public works, police and court, and parks and recreation.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America applicable to governmental units. The following is a summary of the more significant policies:

**1. Reporting Entity**

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

**2. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

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

Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Governmental funds financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments and compensated absences, are recorded only when payment is due.

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

The City reports the following major governmental funds:

**General Fund** -- This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Allocation Fund** -- This fund was established to account for a portion of the revenues derived from the tax increment financing activities. The Old Towne TIF Fund and the Ballwin Towne Center TDD Fund are sub-funds of the Special Allocation Fund.

**Capital Projects Fund** -- This fund is used to account for the acquisition or construction of major capital facilities.

**Town Center Debt Service Fund** -- This fund is used to account for the debt service activity for the tax increment bonds.

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.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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 including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**4. Investments**

The City maintains a cash and investment pool that is available for use by all funds. Interest income on pooled cash and investments is recorded within each fund. State statutes authorize Missouri local governments to invest in obligations of the U.S. Treasury and U.S. government agencies, obligations of the State of Missouri, time certificates of deposit, and repurchase agreements. Deposits in financial institutions must be collateralized by securities pledged to the City by these same institutions.

Investments are stated at fair value. Fair value for certain U.S. government securities which mature within less than one year from purchase is determined by calculating amortized cost, which approximates fair value. Fair values for all other investments are based on quoted market prices.

**5. Restricted Assets**

Certain resources set aside for escrow amounts and for the repayment of debt are classified as restricted assets on the balance sheet because their use is limited by liability or by applicable debt covenants.

**6. Capital Assets**

Capital assets include land and land improvements, buildings and building improvements, infrastructure (e.g. roads, bridges, sidewalks, and similar items), furniture and fixtures, vehicles and equipment, intangible assets, construction in progress, historical treasures and right-of-way. Capital assets are defined by the City as assets with an initial cost of more than \$7,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Capital Assets (Continued)**

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

Asset	Years
Buildings	15 - 50
Building improvements	15 - 50
Furniture and fixtures	5 - 20
Infrastructure	20 - 50
Intangible assets	5 - 25
Land improvements	10 - 30
Machinery and equipment	3 - 25
Vehicles	3 - 10

**7. Compensated Absences**

Vacations accrue to employees based on weeks of continuous service. Upon leaving the employ of the City, an employee is entitled to payment for accrued vacation. A liability for unused vacation compensation has been recorded as long-term debt as it is expected to be paid from future resources. Sick leave is based upon continuous weeks of service and is only available to provide compensation during periods of illness.

**8. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. 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 applicable bond premium or discount.

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

**9. Fund Balance Policies**

Fund equity in the governmental fund financial statements is classified as fund balance. Generally, fund balance represents the difference between assets, liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:



**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. Fund Balance Policies (Continued)**

**Nonspendable** -- Fund balances are reported as nonspendable when amounts cannot be spent because they are either: 1) not in spendable form or 2) legally or contractually required to be maintained intact.

**Restricted** -- Fund balances are reported as restricted when there are limitations imposed on their use either through external parties such as grantors, creditors, constitutional provisions, or enabling legislation.

**Committed** -- Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action (ordinance) of the Board of Aldermen. Only the Board may modify or rescind the commitment.

**Assigned** -- Fund balances are reported as assigned when amounts are constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. Per the City's fund balance policy, intent is expressed by the governing body, a body (budget or finance committee), or an official that has been given the authority to assign funds (City Administrator or Finance Officer).

**Unassigned** -- Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the other fund balance type's criterion. The City reports positive unassigned fund balance in the General Fund only. Negative unassigned fund balances may be reported in all governmental funds.

When both restricted and unrestricted resources are available, the City will spend the most restricted amounts before the least restricted.

**Minimum Unrestricted Fund Balance**

The City recognizes that the maintenance of a fund balance is essential to provide for unforeseen expenses or emergencies and to provide working capital in the beginning of a fiscal year until sufficient revenues are available to fund operations. The maintenance of an appropriate level of fund balance is necessary to make designated purchases and cover operational expenditures, as well as to demonstrate the financial stability necessary to preserve or enhance its bond rating.

The unassigned fund balance in the General Fund will be maintained at a level sufficient to provide the resources required to meet operating cost needs, to allow for unforeseen emergencies, and to permit orderly adjustment to changes resulting from fluctuations in revenues. The City's policy is to maintain a minimum unassigned fund balance no less than 25% of total operating expenditures at the end of each annual fiscal period.

The annual proposed budget will include a projection of the year-end unassigned fund balance for the current year as well as the projected budget year.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. Fund Balance Policies (Continued)**

If, for any reason, the unassigned General Fund balance should fall below the minimum balance, the City will develop a plan to replenish the unassigned fund balance to the established minimum level within two (2) years.

**10. Net Position**

In the government-wide financial statements, equity is classified as net position and displayed in three components. Net investment in capital assets, consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those net position. Net position is reported as restricted when there are constraints imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments. All other net position that do not meet the definition of restricted or net investment in capital assets, are reported as unrestricted.

**11. Interfund Transactions**

In the fund financial statements, the City has the following types of transactions among funds:

**Transfers** -- Transfers of resources from a fund receiving revenue to the fund through which resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses).

**Due To/From Other Funds** -- Current portions of long-term interfund loans receivable/payable are considered "available spendable resources" and are reported as assets and liabilities of the appropriate funds.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

**12. Prepaid Items and Inventories**

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Inventories of consumable supplies are recorded at cost (determined on a first-in, first-out basis).

**13. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**13. Deferred Outflows/Inflows of Resources (Continued)**

outflow of resources (expense/expenditure) until then. The City currently has deferred outflows of resources related to the pension reported on the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City currently has deferred inflows of resources for unavailable revenues from various sources reported on the governmental funds balance sheet. The City also has deferred inflows of resources related to the pension reported on the government-wide statement of net position.

**14. Use of Estimates**

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

**15. 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 LAGERS' fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. LAGERS' investments are reported at fair value.

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law 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, 2016, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments**

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

<u>Security</u>	<u>Fair Value</u>	<u>Maturities</u>			<u>Credit Risk</u>
		<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	
Certificates of deposit	\$ 4,093,748	1,247,201	2,846,547	-	N/A
Money market funds	365,658	365,658	-	-	Not rated
Government securities:					
Federal Home Loan Bank	464,465	-	-	464,465	AAA
Federal Home Loan Mortgage Corporation	243,682	-	243,682	-	AAA
Federal National Mortgage Association	684,399	435,439	248,960	-	AAA
Tennessee Valley Authority Strips	945,232	257,485	687,747	-	AAA
U.S. Treasury Strips	1,056,772	-	1,056,772	-	AAA
Total Investments	<u>\$ 7,853,956</u>	<u>2,305,783</u>	<u>5,083,708</u>	<u>464,465</u>	

**Investment Policies**

The City's formal investment policies are as follows:

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimizes credit risk by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business and diversifying the portfolio to reduce potential losses on individual securities.

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

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City minimizes concentration of credit risk by diversifying the investment portfolio.

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represent 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external in-

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments (Continued)**

vestment pools, and investments in other pooled investments are exempt). At December 31, 2016, the City had the following investment concentrations:

<b>Investments</b>	<b>Fair Value</b>	<b>Percent Of Total Investments</b>
Federal Home Loan Bank	\$ 464,465	5.91 %
Federal National Mortgage Association	684,399	8.71
Tennessee Valley Authority Strips	945,232	12.04

**3. Fair Value Measurements**

The City classifies its fair value measurements within the fair value hierarchy established by accounting principles generally in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities. The City has the following recurring fair value level measurements as of December 31, 2016:

	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investments by fair value level:				
Money market funds	\$ 365,658	365,658	-	-
Government securities:				
Federal Home Loan Bank	464,465	-	464,465	-
Federal Home Loan Mortgage Corporation	243,682	-	243,682	-
Federal National Mortgage Association	684,399	-	684,399	-
Tennessee Valley Authority Strips	945,232	-	945,232	-
U.S. Treasury Strips	1,056,772	-	1,056,772	-
Total Investments By Fair Value Level	3,760,208	365,658	3,394,550	-
Investments not subject to fair value level classification:				
Certificates of deposit	4,093,748			
Total Investments	\$ 7,853,956			

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**NOTE C - CAPITAL ASSETS**

Capital asset activity was as follows:

	For The Year Ended December 31, 2016			December 31 2016
	December 31 2015	Increases	Decreases	
Capital assets not being depreciated:				
Land	\$ 5,466,173	-	-	5,466,173
Land improvements	285,386	-	-	285,386
Historical treasures	247,573	-	-	247,573
Right-of-way	13,433,897	667,236	-	14,101,133
Construction in progress	129,834	179,992	-	309,826
Total Capital Assets Not Being				
Depreciated	19,562,863	847,228	-	20,410,091
Capital assets being depreciated:				
Buildings	21,516,672	-	-	21,516,672
Building improvements	5,302,781	-	-	5,302,781
Furniture and fixtures	289,453	-	-	289,453
Infrastructure	92,877,993	2,368,672	-	95,246,665
Intangible assets	524,001	8,880	-	532,881
Land improvements	2,506,717	48,377	-	2,555,094
Machinery and equipment	3,021,739	75,113	46,647	3,050,205
Vehicles	2,584,008	752,771	492,161	2,844,618
Total Capital Assets Being				
Depreciated	128,623,364	3,253,813	538,808	131,338,369
Less - Accumulated depreciation for:				
Buildings	11,049,003	584,605	-	11,633,608
Building improvements	486,882	221,756	-	708,638
Furniture and fixtures	91,258	12,525	-	103,783
Infrastructure	69,831,745	1,821,618	-	71,653,363
Intangible assets	173,561	19,014	-	192,575
Land improvements	963,626	130,734	-	1,094,360
Machinery and equipment	1,863,827	166,442	40,901	1,989,368
Vehicles	1,462,584	224,933	394,218	1,293,299
Total Accumulated Depreciation	85,922,486	3,181,627	435,119	88,668,994
Total Capital Assets Being Depre-				
ciated, Net	42,700,878	72,186	103,689	42,669,375
Total Capital Assets, Net	\$ 62,263,741	919,414	103,689	63,079,466

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

Administration	\$ 112,057
Public works	2,039,497
Police	101,236
Parks and recreation	928,837
Total	\$ 3,181,627

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**NOTE D - INTERFUND BALANCES**

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

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>December 31 2016</b>
Special Allocation	General	\$ 75,121
Special Allocation	Capital Projects	24,932
General	Capital Projects	115,865
Town Center Debt Service	Special Allocation	390,951
Total		<b>\$ 606,869</b>

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

**NOTE E - INTERFUND TRANSACTIONS**

Individual interfund transactions are as follows:

	<b>Transfers Out</b>			<b>Total</b>
	<b>General</b>	<b>Special Allocation</b>	<b>Capital Projects</b>	
Transfers in:				
Special Allocation	\$ 84,264	-	64,251	148,515
Town Center Debt Service	-	1,567,364	-	1,567,364
Total	<b>\$ 84,264</b>	<b>1,567,364</b>	<b>64,251</b>	<b>1,715,879</b>

Interfund transfers may be used to: 1) move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them and 2) use unrestricted revenues collected to finance expenditures in other funds in accordance with budgetary authorization.

**NOTE F - LONG-TERM DEBT**

A summary of changes are as follows:

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**NOTE F - LONG-TERM DEBT (Continued)**

	<u>For The Year Ended December 31, 2016</u>			<u>Amounts Due Within One Year</u>	
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>		<u>Balance</u>
	<u>December 31 2015</u>				<u>December 31 2016</u>
Tax increment bonds	\$ 11,770,000	-	1,195,000	10,575,000	1,305,000
Capital leases	1,007,894	-	670,160	337,734	337,734
Compensated absences	603,368	177,239	215,000	565,607	215,000
Total	<u>\$ 13,381,262</u>	<u>177,239</u>	<u>2,080,160</u>	<u>11,478,341</u>	<u>1,857,734</u>

The tax increment bonds are liquidated by the Town Center Debt Service Fund. The capital leases are liquidated by the Capital Projects Fund. The compensated absences are generally liquidated by the General Fund.

**Tax Increment Bonds**

The Series 2002A (\$16,650,000) and 2002B (\$3,450,000) tax increment refunding and improvement revenue bonds were issued for the purpose of financing the costs in connection with the Ballwin Town Center Redevelopment Project. The bonds are special, limited obligations of the City, payable solely from payments in lieu of taxes, transportation development district revenues, and economic activity tax revenues generated within the redevelopment area and certain moneys on deposit under the indenture. The City and Transportation Development District have agreed to request an annual appropriation of economic activity tax revenue and transportation development district revenues, respectively, but the City and the Transportation Development District are not legally obligated to make any such appropriations. In addition, the City has agreed to request an annual appropriation of the lesser of 35% of its portion of economic activity tax revenues or \$250,000 for repayment of the bonds, but the City is not legally obligated to make any such appropriation. The bonds do not constitute a general obligation or indebtedness of the City.

The Series 2002A term bonds are due in 2017 and 2022. Interest is payable at 6.25% to 6.5%. The Series 2002B term bonds are due October 1, 2022. Interest is payable at 5.125%.

For the fourth year in a row, there were not enough TIF revenues collected to pay the principal and interest payment on the TIF bonds; therefore, there was an unscheduled draw on the debt service reserves. The bonds call for a debt service reserve of \$2,010,000. At December 31, 2016, the reserve balance was \$980,870.

**Capital Leases**

In 2014, the City financed the acquisition of a geothermal HVAC system totaling \$3,975,326 using a capital lease with an effective interest rate of 1.055% payable in semi-annual installments of \$339,516 through February 2017.



**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**NOTE F - LONG-TERM DEBT (Continued)**

Future long-term debt maturities are as follows:

<b>For The Years Ending December 31</b>	<b>Capital Leases</b>		<b>Tax Increment Bonds</b>		<b>Total Long-term Debt</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2017	\$ 337,734	1,782	1,305,000	640,869	1,642,734	642,651
2018	-	-	1,420,000	559,306	1,420,000	559,306
2019	-	-	1,550,000	474,019	1,550,000	474,019
2020 - 2022	-	-	6,300,000	825,318	6,300,000	825,318
Total	<u>\$ 337,734</u>	<u>1,782</u>	<u>10,575,000</u>	<u>2,499,512</u>	<u>10,912,734</u>	<u>2,501,294</u>

**NOTE G - PENSION PLAN**

***Plan Description***

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

***Benefits Provided***

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

**2016 Valuation**

Benefit multiplier	1.25% for life
Final average salary	3 years
Member contributions	Noncontributory for employees

**NOTE G - PENSION PLAN (Continued)**

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

***Employees Covered by Benefit Terms***

At June 30, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	41
Inactive employees entitled to but not yet receiving benefits	37
Active employees	<u>142</u>
Total	<u>220</u>

***Contributions***

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the pension plan. The City contribution rates are 2.7% (General), and 8.5% (Police) of annual covered payroll.

***Net Pension Liability (Asset)***

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

***Actuarial Assumptions***

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

Inflation	3.25% wage inflation; 2.50% price inflation
Salary increase	3.25% to 6.55% including wage inflation
Investment rate of return	7.25%, net of investment expenses

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

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a

**NOTE G - PENSION PLAN (Continued)**

particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

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

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

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equity	43.00%	5.00%
Fixed income	26.00	3.00
Real assets	21.00	3.25
Strategic Assets	10.00	5.60

***Discount Rate***

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

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**NOTE G - PENSION PLAN (Continued)**

**Changes in the Net Pension Liability (Asset)**

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a) - (b)</b>
<b>Balances at June 30, 2015</b>	\$ 15,105,294	18,017,208	(2,911,914)
<b>Changes for the year</b>			
Service cost	513,865	-	513,865
Interest	1,098,570	-	1,098,570
Difference between expected and actual experience	110,587	-	110,587
Changes of assumptions	782,830	-	782,830
Contributions - employer	-	428,003	(428,003)
Contributions - employee	-	300,790	(300,790)
Net investment income	-	(53,995)	53,995
Benefit payments, including refunds	(417,375)	(417,375)	-
Administrative expense	-	(17,336)	17,336
Other changes	-	27,350	(27,350)
Net Changes	<u>2,088,477</u>	<u>267,437</u>	<u>1,821,040</u>
<b>Balances at June 30, 2016</b>	<u>\$ 17,193,771</u>	<u>18,284,645</u>	<u>(1,090,874)</u>

Vested active LAGERS members who have previous non-Federal Missouri public employment that were not covered by a retirement plan or that were covered by a retirement plan but they did not become vested in that plan may purchase that service, to be treated as LAGERS service credit. Employee contributions noted above are for a member purchasing such service credit.

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

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

	<b><u>1% Decrease</u></b>	<b><u>Current Single Discount Rate Assumption</u></b>	<b><u>1% Increase</u></b>
Net pension liability (asset)	\$1,502,975	(1,090,874)	(3,254,126)

**NOTE G - PENSION PLAN (Continued)**

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

For the year ended December 31, 2016, the City recognized pension expense of \$455,631. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	<b>Outflows</b>	<b>Inflows</b>	<b>Net Outflows</b>
Differences in experience	\$ 323,522	(718,701)	(395,179)
Assumption changes	659,908	-	659,908
Excess (deficit) investment returns	1,645,392	-	1,645,392
Contributions subsequent to the measurement date*	202,095	-	202,095
Total	<b>\$ 2,830,917</b>	<b>(718,701)</b>	<b>2,112,216</b>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability (asset) for the next fiscal year.

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

<b>For The Years Ending December 31</b>		
2017		\$ 471,696
2018		471,696
2019		471,695
2020		289,017
2021		82,482
Thereafter		123,535
Total		<b>\$ 1,910,121</b>

**NOTE H - RISK MANAGEMENT**

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

**NOTE H - RISK MANAGEMENT (Continued)**

The City is a member of the St. Louis Area Insurance Trust (SLAIT), which is a not-for-profit, self-insurance risk pool formed by various St. Louis County municipalities to cover workers' compensation and general liability matters. The purpose of this trust is to distribute the cost of self-insurance over similar entities. In addition to insurance protection, the program provides risk management services with emphasis in loss control, claims administration, and management information services. SLAIT is fully funded by its member participants and employs an outside service company to process all claims.

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

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

**NOTE I - RESTRICTED COMPONENTS OF NET POSITION**

The government-wide statement of net position reports \$2,640,411 of restricted net position, of which \$734,415 is restricted by enabling legislation.

**NOTE J - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**

**Plan Description**

The City provides healthcare benefits to employees defined as city retirees who have attained age 55 plus 10 years of service until attainment of Medicare Eligibility Age. Individual-only medical and prescription drug benefits are available to retirees in the St. Louis Area Insurance Trust's (SLAIT) self-insured pool. The retiree pays the monthly group health insurance premium. The Plan, as stated in the City's personnel policy and established by City ordinance, assigned the authority to establish and amend plan benefit provisions to the City. The plan does not issue a separate stand-alone report. The OPEB obligation is generally liquidated by the General Fund.

**Funding Policy**

The City currently pays for the post-employment healthcare benefits on a pay-as-you-go basis.

**Annual OPEB Cost and Net OPEB Obligation**

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the ARC of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities.

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**NOTE J - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)**

The City's annual OPEB cost for the current year and the related information are as follows:

ARC	\$ 28,706
Interest on net OPEB obligation	5,235
Adjustment to ARC	(7,568)
Annual OPEB Cost	26,373
Contributions made	(9,004)
Increase in OPEB obligation	17,369
Net OPEB obligation - beginning of year	130,869
Net OPEB Obligation - End Of Year	\$ 148,238

The Plan, stated in the City's Personnel Policy, was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the two preceding years were as follows:

<b>For The Years Ended December 31</b>	<b>Annual OPEB Cost</b>	<b>Percentage Of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
2016	\$ 26,373	34.1 %	\$ 148,238
2015	26,743	22.4	130,869
2014	24,257	51.8	110,107

**Funded Status and Funding Program**

As of January 1, 2015, the most recent actuarial valuation date, the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) and the actuarial accrued liability for benefits of \$275,551. The covered payroll (annual payroll of active employees covered by the plan) was \$7,684,000, and the ratio of the UAAL to the covered payroll was 4%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**NOTE J - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)**

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit credit method
Latest valuation date	January 1, 2015
Discount rate	4% per annum
Amortization period - open	30 years for initial unfunded actuarial accrued liability
Mortality	RPH2014 Mortality Table
Medical premium rates	9% initial rate; 5% ultimate rate

**NOTE K - CONTINGENCIES AND COMMITMENTS**

The City is subject to various litigation. Although the outcome of these lawsuits are not presently determinable, the City believes that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**NOTE L - FUTURE ACCOUNTING PRONOUNCEMENTS**

GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, will require the City to record unfunded actuarial accrued liability (UAAL) on the government-wide statement of net position. UAAL equals the difference between the total OPEB liability and the value of assets set aside to pay OPEB benefits. GASB 75 will be effective for the City for the year ending December 31, 2018.



**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES</b>				
<b>Taxes</b>				
General sales tax	\$ 5,236,000	5,236,000	5,235,823	(177)
Capital improvement sales tax	1,376,000	1,376,000	1,376,962	962
Parks sales tax	1,032,000	1,032,000	1,020,422	(11,578)
Motor vehicle fees	1,145,000	1,170,000	1,206,487	36,487
County road tax	600,000	610,000	623,937	13,937
Cigarette	80,000	80,000	83,124	3,124
Total Taxes	<u>9,469,000</u>	<u>9,504,000</u>	<u>9,546,755</u>	<u>42,755</u>
<b>Licenses and Permits</b>				
Building and sign permits	109,000	89,000	89,005	5
Cable television franchise fees	575,000	579,300	553,633	(25,667)
Inspection and occupancy permits	101,450	103,450	106,128	2,678
Liquor licenses	18,000	18,000	19,619	1,619
Merchants and contractors licenses	655,000	710,000	711,406	1,406
Mechanical and electrical permits	77,075	77,075	84,067	6,992
Plumbing and excavation permits	60,250	58,210	62,480	4,270
Total Licenses And Permits	<u>1,595,775</u>	<u>1,635,035</u>	<u>1,626,338</u>	<u>(8,697)</u>
<b>Public Utility Licenses</b>				
Electric	1,640,000	1,590,000	1,575,353	(14,647)
Telephone	819,200	766,200	771,136	4,936
Gas	833,100	675,100	695,424	20,324
Water	316,500	354,100	336,938	(17,162)
Total Public Utility Licenses	<u>3,608,800</u>	<u>3,385,400</u>	<u>3,378,851</u>	<u>(6,549)</u>
<b>Court Fines</b>	<u>660,000</u>	<u>545,000</u>	<u>549,680</u>	<u>4,680</u>
<b>False Alarm Fines</b>	<u>6,000</u>	<u>8,000</u>	<u>8,275</u>	<u>275</u>
<b>Police and Communications</b>	<u>214,640</u>	<u>218,170</u>	<u>220,800</u>	<u>2,630</u>
<b>Community Programs</b>				
Pool:				
Concessions	125,000	125,000	128,361	3,361
Daily admissions	222,500	248,282	251,555	3,273
Season passes	140,500	111,000	108,449	(2,551)

(Continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES (Continued)</b>				
<b>Community Programs (Continued)</b>				
Pool (Continued):				
Swim team	18,000	18,000	15,106	(2,894)
Rental fees	21,000	21,000	19,085	(1,915)
Miscellaneous	19,950	19,950	21,433	1,483
Total Pool	<u>546,950</u>	<u>543,232</u>	<u>543,989</u>	<u>757</u>
Community center:				
Concessions	18,000	18,000	15,665	(2,335)
Daily admissions	87,000	76,000	77,036	1,036
Punch cards	63,000	63,000	67,776	4,776
Season passes	788,000	809,000	850,209	41,209
Program fees	247,100	284,100	285,112	1,012
Summer camp fees	180,000	207,700	207,558	(142)
Rental fees	62,000	68,500	84,379	15,879
Identification fees	10,000	10,000	10,374	374
Miscellaneous	-	-	44	44
Total Community Center	<u>1,455,100</u>	<u>1,536,300</u>	<u>1,598,153</u>	<u>61,853</u>
Golf course:				
Green fees	394,000	449,000	459,258	10,258
Cart rental	121,800	136,800	140,222	3,422
Program fees	3,600	3,600	3,278	(322)
Season passes	1,750	1,750	1,750	-
Miscellaneous	1,668	1,668	1,708	40
Total Golf Course	<u>522,818</u>	<u>592,818</u>	<u>606,216</u>	<u>13,398</u>
Recreational complex and golf shop:				
Concessions and miscellaneous	71,255	67,055	72,227	5,172
Complex rental fees	24,850	24,850	27,900	3,050
Total Recreational Complex And Golf Shop	<u>96,105</u>	<u>91,905</u>	<u>100,127</u>	<u>8,222</u>
Ballwin Days	90,000	68,000	67,996	(4)
Total Community Programs	<u>2,710,973</u>	<u>2,832,255</u>	<u>2,916,481</u>	<u>84,226</u>

(Continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES (Continued)</b>				
<b>Investment Income</b>	54,160	60,160	79,515	19,355
<b>Donations</b>	34,088	36,369	43,125	6,756
<b>Grants and Entitlements</b>	90,900	71,125	60,354	(10,771)
<b>Miscellaneous</b>				
Administration	42,845	158,595	160,736	2,141
Rental income	20,775	20,775	19,500	(1,275)
Miscellaneous	10,175	3,475	9,606	6,131
Total Miscellaneous	73,795	182,845	189,842	6,997
Total Revenues	18,518,131	18,478,359	18,620,016	141,657
<b>EXPENDITURES</b>				
<b>Administration</b>				
Planning and zoning	53,850	49,950	48,004	(1,946)
Inspections	436,162	493,147	485,210	(7,937)
Community services	723,439	716,789	711,607	(5,182)
Legal	440,940	391,640	376,002	(15,638)
Support services	257,489	273,039	258,250	(14,789)
Information services	305,966	305,966	291,711	(14,255)
Municipal Court	201,919	196,219	189,524	(6,695)
Finance	473,510	512,477	489,746	(22,731)
Total Administration	2,893,275	2,939,227	2,850,054	(89,173)
<b>Public Works</b>				
Engineering	241,158	200,958	202,769	1,811
Sidewalks	409,619	293,963	283,662	(10,301)
Pavement maintenance	2,828,596	2,685,023	2,644,580	(40,443)
Traffic control	111,819	109,980	100,999	(8,981)
Snow and ice control	378,579	279,915	235,398	(44,517)
Property services	472,578	526,491	517,271	(9,220)
Support services	862,696	1,009,132	998,274	(10,858)
Total Public Works	5,305,045	5,105,462	4,982,953	(122,509)

(Continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (Continued)</b>				
<b>Police</b>				
Management and auxiliary services	489,756	381,056	358,320	(22,736)
Field operations	4,031,270	3,936,370	3,848,235	(88,135)
Communications	772,683	748,953	724,367	(24,586)
Criminal investigations	710,333	601,566	585,168	(16,398)
Total Police	<u>6,004,042</u>	<u>5,667,945</u>	<u>5,516,090</u>	<u>(151,855)</u>
<b>Parks and Recreation</b>				
Parks	988,731	814,451	792,631	(21,820)
Golf operations	818,933	809,531	790,845	(18,686)
Pool	682,033	665,483	645,726	(19,757)
Community center	1,889,655	1,937,500	1,901,258	(36,242)
Building systems	499,470	498,120	490,102	(8,018)
Ballwin days	90,037	92,687	90,554	(2,133)
Total Parks And Recreation	<u>4,968,859</u>	<u>4,817,772</u>	<u>4,711,116</u>	<u>(106,656)</u>
Total Expenditures	<u>19,171,221</u>	<u>18,530,406</u>	<u>18,060,213</u>	<u>(470,193)</u>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<u>(653,090)</u>	<u>(52,047)</u>	<u>559,803</u>	<u>611,850</u>
<b>OTHER FINANCING SOURCES</b>				
<b>(USES)</b>				
Transfers out	(98,000)	(84,300)	(84,264)	(36)
Insurance recoveries	9,000	20,000	30,198	10,198
Sale of capital assets	43,000	71,160	69,059	(2,101)
Total Other Financing Sources (Uses)	<u>(46,000)</u>	<u>6,860</u>	<u>14,993</u>	<u>8,133</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (699,090)</u>	<u>(45,187)</u>	574,796	<u>619,983</u>
FUND BALANCE, JANUARY 1			<u>10,729,504</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 11,304,300</u>	

**CITY OF BALLWIN, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SPECIAL ALLOCATION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Old Towne TIF Fund			Ballwin Towne Center TDD Fund			Total Special Allocation Fund			
	Original And Final Budgeted Amounts	Actual	Over (Under) Budget	Budgeted Amounts		Actual	Over (Under) Budget	Final Budgeted Amounts	Actual	Over (Under) Budget
				Original	Final					
<b>REVENUES</b>										
Taxes	\$ 1,237,000	1,261,524	24,524	129,000	129,000	138,587	9,587	1,366,000	1,400,111	34,111
Public utility licenses	30,800	32,323	1,523	-	-	-	-	30,800	32,323	1,523
Investment income	90	330	240	8	24	24	-	114	354	240
Total Revenues	1,267,890	1,294,177	26,287	129,008	129,024	138,611	9,587	1,396,914	1,432,788	35,874
<b>EXPENDITURES</b>										
Administration	4,500	4,500	-	9,550	10,750	9,439	(1,311)	15,250	13,939	(1,311)
<b>REVENUES OVER EXPENDITURES</b>	1,263,390	1,289,677	26,287	119,458	118,274	129,172	10,898	1,381,664	1,418,849	37,185
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	170,000	148,515	(21,485)	-	-	-	-	170,000	148,515	(21,485)
Transfers out	(1,433,390)	(1,438,192)	4,802	(119,458)	(118,274)	(129,172)	10,898	(1,551,664)	(1,567,364)	15,700
Total Other Financing Sources (Uses)	(1,263,390)	(1,289,677)	26,287	(119,458)	(118,274)	(129,172)	10,898	(1,381,664)	(1,418,849)	37,185
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	-	-	-	-	-	-	-	-	-
FUND BALANCE, JANUARY 1		-				-			-	
<b>FUND BALANCE, DECEMBER 31</b>		\$ -				-			-	

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

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**Budgetary Data**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Each year the City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal period. The operating budget includes proposed expenditures and the means of financing them for all funds except the Town Center Debt Service Fund.
- b. The budget is legally enacted by ordinance after public hearings are held to obtain taxpayer comments.
- c. Budgetary amounts are reported as originally adopted, or as amended by the Board of Aldermen.
- d. Budgets are adopted on a department basis consistent with accounting principles generally accepted in the United States of America, except that the other financing source and related capital outlay of capital leases and debt issues in the year the City enters into the agreement are not budgeted.

For the year ended December 31, 2016, expenditures for the Capital Projects Fund exceeded the budget by \$13,220.



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

	<b>2016</b>	<b>2015</b>
<b>Total Pension Liability</b>		
Service cost	\$ 513,865	533,533
Interest on the total pension liability	1,098,570	1,060,405
Difference between expected and actual experience	110,587	(717,237)
Changes of assumptions	782,830	-
Benefit payments, including refunds	(417,375)	(266,490)
Net Change In Total Pension Liability	2,088,477	610,211
Total Pension Liability Beginning	15,105,294	14,495,083
Total Pension Liability Ending (a)	\$ 17,193,771	15,105,294
 <b>Plan Fiduciary Net Position</b>		
Contributions - employer	\$ 428,003	484,631
Contributions - employee	300,790	-
Net investment income	(53,995)	342,748
Benefit payments, including refunds	(417,375)	(266,490)
Administrative expense	(17,336)	(18,642)
Other changes	27,350	485,095
Net Change In Plan Fiduciary Net Position	267,437	1,027,342
Plan Fiduciary Net Position Beginning	18,017,208	16,989,866
Plan Fiduciary Net Position Ending (b)	\$ 18,284,645	18,017,208
 <b>Net Pension Liability (Asset) (a-b)</b>	<b>\$ (1,090,874)</b>	<b>(2,911,914)</b>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	106.34 %	119.28
 Covered Employee Payroll	\$ 7,452,367	7,350,714
 Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	(14.64) %	(39.61)

Notes:

Information is not available for fiscal years prior to 2015.

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

Vested active LAGERS members who have previous non-Federal Missouri public employment that were not covered by a retirement plan or that were covered by a retirement plan but they did not become vested in that plan may purchase that service, to be treated as LAGERS service credit. Employee contributions noted above are for a member purchasing such service credit.

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

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined pension contribution	\$ 377,630	486,441	506,920	683,479	300,826	307,438	320,194	167,776	200,038	218,376
Contributions in relation to the actuarially determined contribution	<u>377,629</u>	<u>486,440</u>	<u>506,920</u>	<u>683,479</u>	<u>288,631</u>	<u>250,049</u>	<u>206,708</u>	<u>167,776</u>	<u>200,038</u>	<u>218,376</u>
Contribution Deficiency	<u>\$ 1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>12,195</u>	<u>57,389</u>	<u>113,486</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered Employee Payroll	\$ 7,467,664	7,710,104	7,384,378	8,602,979	4,065,222	4,099,172	4,053,093	4,092,098	4,082,417	4,120,308
Contributions as a Percentage of Covered Employee Payroll	5.06 %	6.31	6.86	7.94	7.10	6.10	5.10	4.10	4.90	5.30

Notes to schedule:

Valuation date:

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

Methods and assumptions used to determine contribution rates:

<ul style="list-style-type: none"> <li>Actuarial cost method</li> <li>Amortization method</li> <li>Remaining amortization period</li> <li>Asset valuation method</li> <li>Inflation</li> <li>Salary increases</li> <li>Investment rate of return</li> <li>Retirement age</li> <li>Mortality</li> </ul>	<ul style="list-style-type: none"> <li>Entry age normal and modified terminal funding</li> <li>Level percent of payroll, closed</li> <li>Multiple bases from 13 to 26 years</li> <li>5 years smoothed market; 20% corridor</li> <li>3.25% wage inflation; 2.50% price inflation</li> <li>3.25% to 6.55% including wage inflation</li> <li>7.25%, net of investment expenses</li> <li>Experience-based table of rates that are specific to the type of eligibility condition</li> <li>The healthy retiree mortality tables for post-retirement mortality were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables for post-retirement mortality were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality tables for males and females. Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.</li> </ul>
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Other information:

New assumptions adopted based on the 5-year experience study for the period March 1, 2010 through February 28, 2015.  
There were no benefit changes during the year.

**CITY OF BALLWIN, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE**  
**OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value Of Assets (a)</b>	<b>Actuarial Accrued Liability (b)</b>	<b>Unfunded Accrued Liability (UAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAL As A Percentage Of Covered Payroll ((b-a) / c)</b>
1/1/2015	\$ -	\$ 275,551	\$ 275,551	- %	\$ 7,684,000	4 %
1/1/2013	-	232,892	232,892	-	7,377,000	3
1/1/2010	-	196,496	196,496	-	6,698,000	3

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**OTHER SUPPLEMENTAL INFORMATION SECTION**

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**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for the proceeds of special revenue sources (other than capital projects) that are legally restricted to expenditures for special purposes.

**Sewer Lateral Fund:** Assessed fees on residential properties are collected and used to fund disbursements for repairs of lateral sewer service lines of the dwelling units within the City.

**Federal Asset Seizure Fund:** This fund accounts for money seized in drug related incidents as well as the forfeiture of those funds and authorized expenditures.

**P.O.S.T. Fund:** An assessment added to municipal court costs are allocated through the State of Missouri for credit to the Peace Officer Standards and Training commission. These funds may be used for training for law enforcement employees.

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

	<u>Sewer Lateral</u>	<u>Federal Asset Seizure</u>	<u>P.O.S.T</u>	<u>Total Nonmajor Governmental Funds</u>
<b>ASSETS</b>				
Receivables:				
Taxes	\$ 73,132	-	-	73,132
Restricted assets:				
Cash and cash equivalents	<u>230,586</u>	<u>131,192</u>	<u>90,757</u>	<u>452,535</u>
Total Assets	<u><u>\$ 303,718</u></u>	<u><u>131,192</u></u>	<u><u>90,757</u></u>	<u><u>525,667</u></u>
 <b>LIABILITIES</b>				
Accounts payable	<u>\$ -</u>	<u>5,406</u>	<u>-</u>	<u>5,406</u>
 <b>FUND BALANCES</b>				
Restricted for:				
Sewer lateral	303,718	-	-	303,718
Federal asset seizure	-	125,786	-	125,786
P.O.S.T.	-	-	90,757	90,757
Total Fund Balances	<u>303,718</u>	<u>125,786</u>	<u>90,757</u>	<u>520,261</u>
Total Liabilities And Fund Balances	<u><u>\$ 303,718</u></u>	<u><u>131,192</u></u>	<u><u>90,757</u></u>	<u><u>525,667</u></u>



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

	<u>Sewer Lateral</u>	<u>Federal Asset Seizure</u>	<u>P.O.S.T</u>	<u>Total Nonmajor Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 297,637	-	-	297,637
Police and communications	-	75,960	3,971	79,931
Investment income	-	325	263	588
Total Revenues	<u>297,637</u>	<u>76,285</u>	<u>4,234</u>	<u>378,156</u>
<b>EXPENDITURES</b>				
Administration	301,288	-	-	301,288
Police	-	12,795	3,943	16,738
Total Expenditures	<u>301,288</u>	<u>12,795</u>	<u>3,943</u>	<u>318,026</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,651)	63,490	291	60,130
FUND BALANCES, JANUARY 1	<u>307,369</u>	<u>62,296</u>	<u>90,466</u>	<u>460,131</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u><u>\$ 303,718</u></u>	<u><u>125,786</u></u>	<u><u>90,757</u></u>	<u><u>520,261</u></u>

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

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	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Taxes (sewer lateral fees)	\$ 296,000	297,637	1,637
<b>EXPENDITURES</b>			
Administration:			
Sewer lateral repairs	270,000	267,772	(2,228)
Administration costs	33,516	33,516	-
Total Expenditures	<u>303,516</u>	<u>301,288</u>	<u>(2,228)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (7,516)</u>	(3,651)	<u>3,865</u>
<b>FUND BALANCE, JANUARY 1</b>		<u>307,369</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 303,718</u>	

**CITY OF BALLWIN, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - FEDERAL ASSET SEIZURE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

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	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Police and communications	\$ 13,000	75,960	75,960	-
Investment income	70	70	325	255
Total Revenues	13,070	76,030	76,285	255
<b>EXPENDITURES</b>				
Police	35,000	13,000	12,795	(205)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (21,930)</b>	<b>63,030</b>	<b>63,490</b>	<b>460</b>
FUND BALANCE, JANUARY 1			62,296	
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 125,786</b>	

**CITY OF BALLWIN, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - P.O.S.T. FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

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	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Police and communications	\$ 4,000	3,971	(29)
Investment income	80	263	183
Total Revenues	4,080	4,234	154
<b>EXPENDITURES</b>			
Police	7,500	3,943	(3,557)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (3,420)</b>	291	<b>3,711</b>
FUND BALANCE, JANUARY 1		90,466	
<b>FUND BALANCE, DECEMBER 31</b>		<b>\$ 90,757</b>	

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

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Parks sales taxes	\$ 585,000	585,000	587,532	2,532
Donations	-	56,600	56,600	-
Grants and entitlements	173,255	106,905	107,612	707
Total Revenues	<u>758,255</u>	<u>748,505</u>	<u>751,744</u>	<u>3,239</u>
<b>EXPENDITURES</b>				
Administration:				
Community services	<u>-</u>	<u>-</u>	<u>11,017</u>	<u>11,017</u>
Public works:				
Pavement maintenance	61,139	67,132	67,132	-
Property services	165,200	71,121	73,323	2,202
Total Public Works	<u>226,339</u>	<u>138,253</u>	<u>140,455</u>	<u>2,202</u>
Parks and recreation:				
Community center	679,032	679,032	679,033	1
Total Expenditures	<u>905,371</u>	<u>817,285</u>	<u>830,505</u>	<u>13,220</u>
<b>REVENUES UNDER EXPENDITURES</b>	(147,116)	(68,780)	(78,761)	(9,981)
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(72,000)</u>	<u>(64,251)</u>	<u>(64,251)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (219,116)</u>	<u>(133,031)</u>	(143,012)	<u>(9,981)</u>
FUND BALANCE, JANUARY 1			<u>277,705</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 134,693</u>	

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**STATISTICAL SECTION**

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

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	59 - 62
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City’s most significant local revenue sources.	63 - 69
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	70 - 73
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	74 - 75
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	76 - 78

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	December 31									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 51,665,930	51,081,382	52,105,820	52,229,272	55,892,903	58,484,942	58,436,684	60,365,955	61,255,847	62,741,732
Restricted	5,400,290	5,488,135	4,652,210	5,213,316	4,619,234	3,933,812	3,612,109	3,532,931	2,932,692	2,640,411
Unrestricted (deficiency)	(10,909,867)	(8,438,343)	(6,807,825)	(6,217,676)	(8,395,658)	(6,678,049)	(5,067,844)	(1,804,964)	1,303,379	3,009,214
 Total Governmental Activities Net Position	 \$ 46,156,353	 48,131,174	 49,950,205	 51,224,912	 52,116,479	 55,740,705	 56,980,949	 62,093,922	 65,491,918	 68,391,357

Note: 2014 amount was restated for implementation of GASB 68.

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

	<b>For the Years Ended December 31</b>									
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>EXPENSES</b>										
General government	\$ 2,631,042	2,741,729	2,850,018	2,853,432	2,975,328	2,949,090	3,151,500	3,202,942	3,198,068	3,173,283
Public works	4,373,302	5,043,685	4,573,553	5,061,956	6,027,188	4,271,294	4,680,149	4,895,772	4,974,891	4,988,963
Police and court	5,028,559	4,749,857	4,896,941	4,891,838	4,994,184	5,159,400	5,442,173	5,452,247	5,317,211	5,565,733
Parks and recreation	4,752,689	4,423,563	4,297,780	4,279,572	4,461,133	4,571,003	4,715,989	5,041,282	5,107,835	5,556,450
Interest on long-term debt	1,555,989	1,461,950	1,329,062	1,239,718	1,115,108	953,404	873,348	827,400	770,614	703,048
Total Expenses	<u>18,341,581</u>	<u>18,420,784</u>	<u>17,947,354</u>	<u>18,326,516</u>	<u>19,572,941</u>	<u>17,904,191</u>	<u>18,863,159</u>	<u>19,419,643</u>	<u>19,368,619</u>	<u>19,987,477</u>
<b>PROGRAM REVENUES</b>										
Charges for services:										
General government	851,047	803,050	782,215	805,066	903,157	932,571	1,283,921	1,357,366	1,333,415	1,370,342
Public works	293,061	296,437	288,529	300,866	-	-	-	-	-	-
Police and court	1,322,185	1,037,094	1,030,148	824,612	1,026,418	1,212,453	1,293,229	1,116,336	877,501	842,789
Parks and recreation	2,811,326	2,662,845	2,598,556	2,711,904	2,759,944	2,818,794	2,716,188	2,709,312	2,793,576	2,916,481
Operating grants and contributions	2,479,508	1,925,446	1,845,535	1,968,493	1,940,319	2,064,249	1,770,574	1,980,080	2,019,850	1,992,051
Capital grants and contributions	-	-	491,884	144,893	631,080	1,383,824	403,925	570,385	1,590,966	1,685,573
Total Program Revenues	<u>7,757,127</u>	<u>6,724,872</u>	<u>7,036,867</u>	<u>6,755,834</u>	<u>7,260,918</u>	<u>8,411,891</u>	<u>7,467,837</u>	<u>7,733,479</u>	<u>8,615,308</u>	<u>8,807,236</u>
<b>NET REVENUES (EXPENSES)</b>	<u>(10,584,454)</u>	<u>(11,695,912)</u>	<u>(10,910,487)</u>	<u>(11,570,682)</u>	<u>(12,312,023)</u>	<u>(9,492,300)</u>	<u>(11,395,322)</u>	<u>(11,686,164)</u>	<u>(10,753,311)</u>	<u>(11,180,241)</u>
<b>GENERAL REVENUES</b>										
Taxes:										
General sales and use	8,663,332	8,035,475	7,510,063	7,575,964	7,809,931	8,177,296	8,350,271	8,873,564	9,174,735	9,185,675
Franchise	355,625	372,731	413,565	457,283	486,519	515,457	530,722	577,089	605,389	553,633
Cigarette	105,564	102,570	91,368	89,438	87,662	83,288	80,718	78,684	87,412	83,124
Utility gross receipts	1,923,464	4,006,224	3,977,530	3,923,967	3,789,834	3,715,613	3,799,136	3,724,984	3,626,787	3,411,174
Property	635,317	623,724	486,860	513,661	448,038	311,956	432,629	260,579	405,149	541,281
Investment income	708,743	415,496	154,947	153,823	314,509	80,357	11,421	128,774	135,988	93,685
Gain on sale of capital assets	-	-	1,359	-	-	-	-	-	-	-
Miscellaneous	111,972	114,513	93,826	131,253	267,097	232,559	168,354	240,582	115,847	211,108
Total General Revenues	<u>12,504,017</u>	<u>13,670,733</u>	<u>12,729,518</u>	<u>12,845,389</u>	<u>13,203,590</u>	<u>13,116,526</u>	<u>13,373,251</u>	<u>13,884,256</u>	<u>14,151,307</u>	<u>14,079,680</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 1,919,563</u>	<u>1,974,821</u>	<u>1,819,031</u>	<u>1,274,707</u>	<u>891,567</u>	<u>3,624,226</u>	<u>1,977,929</u>	<u>2,198,092</u>	<u>3,397,996</u>	<u>2,899,439</u>

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

	December 31									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Fund</b>										
Nonspendable	\$ -	-	-	-	264,194	418,341	544,134	747,177	767,826	700,272
Restricted	-	-	-	-	33,796	35,999	31,348	45,564	64,029	79,461
Committed	-	-	-	-	-	-	-	1,755,775	2,654,897	2,984,427
Assigned	-	-	-	-	-	-	2,323,370	18,209	699,090	794,440
Unassigned	-	-	-	-	6,653,674	8,230,761	6,579,911	6,448,262	6,543,662	6,745,700
Reserved	673,029	728,314	500,410	426,506	-	-	-	-	-	-
Unreserved	6,816,532	8,754,370	9,608,023	9,829,007	-	-	-	-	-	-
<b>Total General Fund</b>	<u>\$ 7,489,561</u>	<u>9,482,684</u>	<u>10,108,433</u>	<u>10,255,513</u>	<u>6,951,664</u>	<u>8,685,101</u>	<u>9,478,763</u>	<u>9,014,987</u>	<u>10,729,504</u>	<u>11,304,300</u>
<b>All Other Governmental Funds</b>										
Restricted	\$ -	-	-	-	4,585,438	3,448,046	3,541,884	3,448,213	2,699,436	2,285,617
Reserved	4,685,590	4,574,631	4,361,449	4,607,994	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	677,009	645,241	290,761	580,958	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<u>\$ 5,362,599</u>	<u>5,219,872</u>	<u>4,652,210</u>	<u>5,188,952</u>	<u>4,585,438</u>	<u>3,448,046</u>	<u>3,541,884</u>	<u>3,448,213</u>	<u>2,699,436</u>	<u>2,285,617</u>

GASB Statement No. 54 was implemented in 2011.

**CITY OF BALLWIN, MISSOURI**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	For The Years Ended December 31									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>REVENUES</b>										
Taxes	\$ 11,655,621	10,940,129	10,164,481	10,292,385	9,710,751	10,483,186	11,035,294	11,273,252	11,654,502	11,832,035
Licenses and permits	1,206,672	1,175,781	1,195,779	1,262,349	1,389,675	1,448,029	1,519,203	1,637,987	1,643,613	1,626,338
Public utility licenses	1,923,464	4,006,224	3,977,530	3,923,967	3,789,834	3,715,613	3,799,136	3,724,984	3,626,787	3,411,174
Court fines	776,990	713,225	721,824	616,623	736,213	938,503	952,511	865,474	658,412	549,680
False alarm fines	5,325	6,450	11,575	4,475	6,050	4,800	6,375	7,850	8,550	8,275
Police and communications	535,693	317,970	269,174	285,719	287,991	262,820	255,427	246,827	265,070	300,731
Community programs	2,811,325	2,662,845	2,598,556	2,711,904	2,759,944	2,818,795	2,716,188	2,709,312	2,793,576	2,916,481
Investment income	708,743	415,496	154,947	153,825	314,510	80,358	11,421	128,774	135,988	93,685
Donations	110,468	24,017	16,768	15,736	57,030	46,367	18,008	169,806	123,709	99,725
Grants and entitlements	410,693	19,506	181,735	95,777	173,813	1,085,383	581,728	618,245	644,692	167,966
Miscellaneous	111,972	114,513	93,826	131,056	267,097	214,449	183,996	240,582	115,847	189,842
Total Revenues	20,256,966	20,396,156	19,386,195	19,493,816	19,492,908	21,098,303	21,079,287	21,623,093	21,670,746	21,195,932
<b>EXPENDITURES</b>										
Current:										
Administration	2,542,682	2,586,205	2,632,215	2,770,531	2,864,647	2,863,016	3,026,946	3,053,797	3,087,365	3,071,324
Public works	2,384,260	2,603,445	2,869,227	3,451,046	4,436,279	2,779,907	2,914,321	3,084,783	3,121,347	2,931,849
Police	4,930,068	4,652,674	4,768,674	4,761,003	4,872,371	5,001,996	5,309,767	5,358,985	5,533,467	5,411,043
Parks and recreation	3,706,500	3,663,017	3,560,079	3,620,954	3,806,901	3,985,381	3,952,126	4,270,741	4,263,650	4,598,395
Capital outlay	2,025,219	1,607,390	2,141,335	1,144,713	1,519,271	2,831,405	2,731,818	6,467,740	2,872,399	2,532,012
Debt service:										
Principal	2,195,000	2,025,000	2,150,000	1,975,000	4,745,000	2,230,000	1,391,008	1,220,854	1,593,143	1,865,160
Interest	1,581,366	1,486,535	1,359,504	1,268,224	1,182,804	984,569	893,138	833,810	787,246	724,429
Debt issuance costs	-	73,617	-	-	-	-	-	-	-	-
Total Expenditures	19,365,095	18,697,883	19,481,034	18,991,471	23,427,273	20,676,274	20,219,124	24,290,710	21,258,617	21,134,212
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	891,871	1,698,273	(94,839)	502,345	(3,934,365)	422,029	860,163	(2,667,617)	412,129	61,720
<b>OTHER FINANCING SOURCES (USES)</b>										
Issuance of long-term debt	-	3,695,000	-	-	-	-	-	-	-	-
Premium on issuance of debt	-	101,109	-	-	-	-	-	-	-	-
Refunding of long-term debt	-	(3,722,436)	-	-	-	-	-	-	-	-
Issuance of capital lease	-	-	106,920	118,744	-	125,690	-	2,000,000	-	-
Transfers in	2,403,489	2,534,292	3,370,098	3,962,985	8,439,557	2,607,955	2,229,775	3,471,105	1,533,925	1,715,879
Transfers out	(2,403,489)	(2,534,292)	(3,370,098)	(3,962,985)	(8,439,557)	(2,607,955)	(2,229,775)	(3,471,105)	(1,533,925)	(1,715,879)
Insurance recoveries	-	-	-	-	-	-	-	-	521,453	30,198
Sale of capital assets	31,319	78,450	46,006	62,733	27,002	48,326	27,337	110,170	32,158	69,059
Total Other Financing Sources (Uses)	31,319	152,123	152,926	181,477	27,002	174,016	27,337	2,110,170	553,611	99,257
<b>NET CHANGES IN FUND BALANCES</b>	\$ 923,190	1,850,396	58,087	683,822	(3,907,363)	596,045	887,500	(557,447)	965,740	160,977
Debt service as a percentage of noncapital expenditures	20.92 %	19.91	19.92	18.23	27.06	18.20	13.06	11.53	12.95	13.92

**CITY OF BALLWIN, MISSOURI**  
**TAX REVENUE BY SOURCE - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

<b>For The Years Ended December 31</b>	<b>Sales</b>	<b>Motor Fuel</b>	<b>County Road</b>	<b>TIF Property</b>	<b>Other</b>	<b>Total</b>
2007	\$ 8,909,049	\$ 912,131	\$ 639,322	\$ 635,316	\$ 559,803	\$ 11,655,621
2008	8,218,957	884,310	677,231	623,725	535,906	10,940,129
2009	7,672,652	864,071	624,096	486,860	516,802	10,164,481
2010	7,752,937	884,622	614,350	513,659	526,817	10,292,385
2011	7,707,050	844,869	611,217	34,735	512,880	9,710,751
2012	8,002,651	770,898	626,987	504,021	578,629	10,483,186
2013	8,555,813	770,562	591,456	614,990	502,473	11,035,294
2014	9,109,909	792,846	606,890	260,301	503,306	11,273,252
2015	9,426,841	804,601	631,045	275,077	516,938	11,654,502
2016	9,445,202	816,954	623,937	435,175	510,767	11,832,035

Note: Other taxes include cigarette, automobile sales fees, and sewer lateral.

**CITY OF BALLWIN, MISSOURI**  
**GROSS RECEIPTS TAX ON UTILITIES**  
**LAST TEN FISCAL YEARS**

<b>For The Years Ended December 31</b>	<b>Utility Tax (1)</b>				
	<b>Electric</b>	<b>Gas</b>	<b>Telephone (2)</b>	<b>Water</b>	<b>Total</b>
2007	\$ 800,513	\$ 662,549	\$ 310,390	\$ 150,013	\$ 1,923,464
2008	902,632	854,623	2,062,295	186,674	4,006,224
2009	1,125,012	940,327	1,655,791	256,400	3,977,530
2010	1,332,895	866,352	1,450,522	274,198	3,923,967
2011	1,431,188	831,051	1,209,729	317,866	3,789,834
2012	1,463,906	726,957	1,169,646	355,104	3,715,613
2013	1,578,240	813,604	1,087,457	319,835	3,799,136
2014	1,572,296	869,279	949,675	333,734	3,724,984
2015	1,644,166	782,195	876,006	324,420	3,626,787
2016	1,595,579	701,186	775,788	338,621	3,411,174

Notes:

- (1) The City levies a gross receipts tax of 7% for utilities. This increased from 5% on July 15, 2008.
- (2) Cellular phone companies began remitting utility gross receipts tax in 2007.

**CITY OF BALLWIN, MISSOURI**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

<b>For The Years Ended December 31</b>	<b>Real Property</b>			<b>Personal Property</b>	<b>Railroad And Utilities</b>	<b>Total Taxable Assessed Value</b>	<b>Estimated Actual Value</b>
	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Agricultural Property</b>				
2007	\$ 503,132,240	\$ 58,665,610	\$ 3,520	\$ 73,361,276	\$ 7,265,650	\$ 642,428,296	\$ 3,074,234,780
2008	507,673,950	56,980,690	3,520	74,560,498	7,059,842	646,278,500	3,095,828,018
2009	462,203,610	56,053,000	1,840	70,266,694	7,441,940	595,967,084	2,841,908,764
2010	464,475,960	55,915,080	1,840	63,897,014	7,736,184	592,026,078	2,835,246,062
2011	461,136,990	53,912,650	1,300	65,402,761	8,505,947	588,959,648	2,818,333,644
2012	461,304,860	53,731,920	1,300	71,140,464	7,960,085	594,138,629	2,834,161,401
2013	446,790,980	54,556,870	1,300	73,021,339	8,699,101	583,069,590	2,768,303,142
2014	450,521,010	55,189,430	1,300	76,169,894	8,917,200	590,798,834	2,800,039,798
2015	474,108,190	57,673,020	2,680	76,377,306	9,893,919	618,055,115	2,935,630,114
2016	475,724,660	58,183,970	2,680	77,217,326	9,136,493	620,265,129	2,945,887,926

Notes:

- (1) Assessments are determined by the assessor of St. Louis County. Property is assessed as of January 1. Reassessments take place in odd numbered years resulting in updated values of property.
- (2) Real property is classified as residential (assessed at 19%), agricultural (assessed at 12%), or commercial (assessed at 32%). All railroad and utility property is assessed at 32%. All personal property is assessed at 33.3%.
- (3) The City lowered its real property tax in 1987 to 0% and the same rate has been declared each year since.

Source: St. Louis County Assessor



**CITY OF BALLWIN, MISSOURI**  
**PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Taxes levied on all property in the City:										
City of Ballwin (1)	-	-	-	-	-	-	-	-	-	-
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Louis County	0.5580	0.5580	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230	0.5150	0.5150
St. Louis Community College	0.2003	0.2013	0.2136	0.2179	0.2200	0.2200	0.2200	0.2200	0.2176	0.2185
St. Louis County Library District	0.1400	0.1400	0.1400	0.1565	0.1630	0.1730	0.2500	0.2250	0.2460	0.2460
Special School District	0.9084	0.9184	0.9384	0.9950	1.0125	1.0123	1.2400	1.2609	1.2348	1.2409
Metropolitan Zoological Park and Museum District	0.2330	0.2344	0.2493	0.2546	0.2671	0.2684	0.2797	0.2797	0.2777	0.2795
Sheltered Workshop	0.0700	0.0690	0.0740	0.0790	0.0840	0.0840	0.0890	0.0900	0.0880	0.0880
Totals	<u>2.1397</u>	<u>2.1511</u>	<u>2.1683</u>	<u>2.2560</u>	<u>2.2996</u>	<u>2.3107</u>	<u>2.6317</u>	<u>2.6286</u>	<u>2.6091</u>	<u>2.6179</u>
Sewer districts (2):										
Metropolitan St. Louis Sewer District	0.0167	-	-	0.0180	0.0185	0.0186	0.0196	0.0197	0.0195	0.1196
Meramec River Basin Sewer District	0.0700	-	-	-	-	-	-	-	-	-
Fire protection districts (3):										
Metro West Fire District	0.8360	0.8210	0.9770	1.0120	1.0300	1.0290	1.0640	1.0570	1.0130	1.0110
Monarch Fire Protection District	0.7980	0.7880	0.8260	0.8650	0.8420	0.8290	0.8290	0.8290	0.8060	0.8050
West County EMS and FPD	0.7730	0.7260	0.7190	0.9130	0.8980	0.8960	0.9610	0.9620	1.2740	1.2710
School districts (4):										
Rockwood School District	3.9987	3.9232	4.0083	4.2752	4.4630	4.5357	4.6833	4.7240	4.6015	4.6678
Parkway School District	3.2300	3.2300	3.4100	3.5672	3.6761	3.9361	4.0743	4.0743	4.4617	4.2163

Notes:

- (1) The City does not levy a property tax.
- (2) All property is located in one of the two sewer districts whose boundaries include part of the City.
- (3) All property is located in one of the three fire protection districts whose boundaries include part of the City.
- (4) All property is located in one of the two school districts whose boundaries include part of the City.
- (5) Rates listed above are for residential property.

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

**CITY OF BALLWIN, MISSOURI**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>2016</u>			<u>2007</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>
Olde Towne Plaza LLC	\$ 6,526,770	1	1.05 %	\$ 9,641,180	1	1.50 %
Seven Trails Investors LLC	5,886,200	2	0.95	6,365,010	3	0.99
Ramco-Gershenson Properties LP	4,303,010	3	0.69	-	-	-
Woodsmill Village Partnership LP	3,433,420	4	0.55	3,366,970	5	0.52
MSH Chevrolet Cadillac, Inc.	3,408,650	5	0.55	-	-	-
Viking Partners Ballwin LLC	3,397,760	6	0.55	-	-	-
IP9 MF Ballwin LLC	3,314,950	7	0.53	-	-	-
Kensington West Apartments LLP	2,675,660	8	0.43	1,862,000	10	0.29
Meadowbrook Country Club	2,487,490	9	0.40	2,578,960	8	0.40
Target Stores, Inc.	2,282,430	10	0.37	3,225,420	7	0.50
Weingarten Nostat, Inc.	-	-	-	6,400,000	2	1.00
Pace-Central Associates LLC	-	-	-	5,236,960	4	0.82
Village Park of Ballwin	-	-	-	3,294,680	6	0.51
Car Wolfe Toy LLC	-	-	-	2,158,690	9	0.34
Totals	<u>\$ 37,716,340</u>		<u>6.07 %</u>	<u>\$ 44,129,870</u>		<u>6.87 %</u>

Source: St. Louis County Assessor

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

<b>For The Years Ended December 31</b>	<b>Taxes Levied For The Fiscal Year</b>	<b>Collected Within The Fiscal Year Of The Levy</b>		<b>Collections In Subsequent Years</b>	<b>Total Collections To Date</b>	
		<b>Amount</b>	<b>Percentage Of Levy</b>		<b>Amount</b>	<b>Percentage Of Levy (2)</b>
2007	\$ 645,059	\$ 634,794	98.4 %	\$ 573	\$ 635,367	98.5 %
2008	633,658	421,657	66.5	168,937	590,594	93.2
2009	493,474	485,994	98.5	104	486,098	98.5
2010	521,550	513,645	98.5	95	513,740	98.5
2011	448,011	34,188	7.6	409,251	443,439	99.0
2012	453,214	69,761	15.4	376,699	446,460	98.5
2013	477,866	469,739	98.3	121	469,860	98.3
2014	482,051	436,165	90.5	36,957	473,122	98.1
2015	473,090	236,510	50.0	229,374	465,884	98.5
2016	486,205	207,706	42.7	-	207,706	42.7

Source: St. Louis County Assessor

Notes:

- (1) The City does not levy a property tax. The property tax above is collected for the Old Towne TIF Fund.
- (2) Data for delinquent tax collection, excluding penalties and interest, is not available by levy year. St. Louis County's system does not have the capability to track this information.

**CITY OF BALLWIN, MISSOURI**  
**SALES TAX RATES AND TAXABLE SALES - DIRECT AND OVERLAPPING**  
**LAST TEN FISCAL YEARS**

<u>For The Years Ended December 31</u>	<u>City Direct Rate</u>	<u>St. Louis County</u>	<u>State Of Missouri</u>	<u>Direct And Overlapping</u>	<u>Sales Tax Revenues</u>	<u>Taxable Sales (3)</u>
2007	1.000 %	1.850 %	4.225 %	7.075 %	\$ 8,909,049	\$ 281,220,524
2008	1.000	1.850	4.225	7.075	8,218,957	268,001,145
2009	1.000	2.100	4.225	7.325	7,672,652	251,501,420
2010	1.000	2.700	4.225	7.925	7,752,937	250,083,221
2011	1.000	2.700	4.225	7.925	7,707,050	249,865,672
2012	1.000	2.700	4.225	7.925	8,002,651	261,245,183
2013	1.000	2.700	4.225	7.925	8,555,813	287,467,261
2014	1.000	2.888	4.225	8.113	9,109,909	297,163,965
2015	1.000	2.888	4.225	8.113	9,426,841	302,690,063
2016	1.000	2.888	4.225	8.113	9,445,202	307,237,571

- Notes:
- (1) The City levies a sales tax of one-half percent (0.5%) for parks and one-half percent (0.5%) for capital improvements.
  - (2) Additionally, the City receives a portion of a 1% sales tax (included in the rates shown above) levied by St. Louis County. The City participates in the county-wide sales tax sharing pool, which is generally distributed based on population.
  - (3) Taxable sales reported by the Missouri Department of Revenue. State Law prohibits the disclosure of specific taxpayer information.

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

<b>Fiscal Year</b>	<b>Governmental Activities</b>					<b>Total Primary Government</b>	<b>Percentage Of Personal Income</b>	<b>Per Capita</b>
	<b>General Obligation Bonds (1)</b>	<b>Tax Increment Bonds</b>	<b>Certificates Of Participation (2)</b>	<b>Bond Premium</b>	<b>Capital Leases</b>			
2007	\$ 4,535,000	\$ 17,565,000	\$ 5,935,000	\$ -	\$ 23,111	\$ 28,058,111	3.04 %	897
2008	3,695,000	16,870,000	5,435,000	92,683	-	26,092,683	2.83	834
2009	2,820,000	16,110,000	4,920,000	67,406	84,255	24,001,661	2.60	767
2010	1,915,000	15,575,000	4,385,000	42,129	127,277	22,044,406	1.92	725
2011	975,000	14,980,000	1,175,000	16,852	52,096	17,198,948	1.49	566
2012	-	14,300,000	600,000	-	82,899	14,982,899	1.30	493
2013	-	13,550,000	-	-	41,891	13,591,891	1.18	447
2014	-	12,700,000	-	-	1,671,037	14,371,037	1.25	473
2015	-	11,770,000	-	-	1,007,894	12,777,894	1.11	420
2016	-	10,575,000	-	-	337,734	10,912,734	0.95	359

Sources:

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) See Demographic and Economic Statistics Schedule for personal income and population data.

**CITY OF BALLWIN, MISSOURI**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Actual Taxable Value Of Property (2)</u>	<u>General Obligation Bonds</u>	<u>Percentage Of Actual Taxable Value Of Property</u>	<u>Per Capita</u>
2007	31,283	\$ 642,428,296	\$ 4,535,000	0.71 %	145
2008	31,283	646,278,500	3,705,000	0.57	118
2009	31,283	595,967,084	2,820,000	0.47	90
2010	30,404	592,026,078	1,915,000	0.32	63
2011	30,404	588,959,648	975,000	0.17	32
2012	30,404	594,138,629	-	-	-
2013	30,404	583,069,590	-	-	-
2014	30,404	590,798,834	-	-	-
2015	30,404	618,055,115	-	-	-
2016	30,404	620,265,129	-	-	-

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

Sources:

- (1) U.S. Census Bureau Data
- (2) St. Louis County Assessor

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

<u>Name of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable To The City</u>	<u>Amount Applicable To The City</u>
St. Louis County	\$ 101,310,000	2.71 %	\$ 2,745,501
Rockwood School District	210,314,144	11.71	24,627,786
Parkway School District	168,795,000	5.01	8,456,630
Metro West Fire Protection District	2,740,000	30.48	835,152
West County EMS & Fire Protection District	16,590,000	9.31	1,544,529
Total Overlapping	<u>499,749,144</u>		<u>38,209,598</u>
City direct debt	<u>10,912,734</u>	100.0 %	<u>10,912,734</u>
Total Direct And Overlapping Debt	<u><u>\$ 510,661,878</u></u>		<u><u>\$ 49,122,332</u></u>

Source: Information was obtained by contacting the Taxing Jurisdiction and the St. Louis County Collector's office. The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 64,242,830	64,627,850	59,596,708	59,202,608	58,895,965	59,413,863	58,306,959	59,079,883	61,805,512	62,026,513
Total net debt applicable to limit	4,535,000	3,705,000	2,820,000	1,915,000	975,000	-	-	-	-	-
Legal debt margin	<u>\$ 59,707,830</u>	<u>60,922,850</u>	<u>56,776,708</u>	<u>57,287,608</u>	<u>57,920,965</u>	<u>59,413,863</u>	<u>58,306,959</u>	<u>59,079,883</u>	<u>61,805,512</u>	<u>62,026,513</u>
Total net debt applicable to the limit as a percentage of debt limit	7.06 %	5.73	4.73	3.23	1.66	-	-	-	-	-

Legal Debt Margin Calculation For Fiscal Year 2016:	
Assessed Value	<u>\$ 620,265,129</u>
Debt limit (10% of total assessed value)	\$ 62,026,513
Debt applicable to limit	<u>-</u>
Legal Debt Margin	<u>\$ 62,026,513</u>

Note: Per Sections 95.111 and 95.120 of the Missouri Revised Statutes, the City's bonded indebtedness is limited to 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.



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

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>Educational Attainment: Percentage With Bachelor's Degree Or Higher</b>	<b>School Enrollment</b>		<b>Unemployment Rate</b>
						<b>Parkway School District</b>	<b>Rockwood School District</b>	
2007	31,283	\$ 923,474,160	\$ 29,520	37.6	46.7 %	18,432	22,245	2.6 %
2008	31,283	923,474,160	29,520	37.6	46.7	18,031	22,412	3.1
2009	31,283	923,474,160	29,520	37.6	46.7	17,467	22,285	7.1
2010	30,404	1,150,821,804	37,851	41.2	54.0	17,386	22,382	6.8
2011	30,404	1,150,821,804	37,851	41.2	54.0	17,456	22,568	6.0
2012	30,404	1,150,821,804	37,851	41.2	54.0	17,351	22,268	4.9
2013	30,404	1,150,821,804	37,851	41.2	54.0	17,274	22,018	4.6
2014	30,404	1,150,821,804	37,851	41.2	54.0	17,148	21,609	3.8
2015	30,404	1,150,821,804	37,851	41.2	54.0	17,229	21,360	2.5
2016	30,404	1,150,821,804	37,851	41.2	54.0	17,302	21,140	2.6

Sources: Population, personal income, median age, and educational attainment based on U.S. Census Bureau data.  
School enrollment information provided by the school districts.  
Unemployment information obtained from the Missouri Department of Economic Development.

**CITY OF BALLWIN, MISSOURI**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>2016</u>			<u>2007</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>
Schnuck's	214	1	N/A	125	3	N/A
ELCO Chevrolet	188	2	N/A	120	4	N/A
Target	181	3	N/A	204	1	N/A
Meadowbrook Country Club	145	4	N/A	105	5	N/A
Lowe's Home Improvement	126	5	N/A	140	2	N/A
Jay Wolfe Toyota	112	6	N/A	82	6	N/A
Holy Infant Catholic Church	110	7	N/A	77	7	N/A
Dean Team of Ballwin	106	8	N/A	70	8	N/A
Brookdale of West County	85	9	N/A	-	-	N/A
Circle 7	60	10	N/A	-	-	N/A
Applebee's	-	-	N/A	59	9	N/A
Buffalo Wild Wings	-	-	N/A	44	10	N/A

Source: The City's business license database

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

FUNCTIONS/PROGRAMS	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Government:										
City Administrator	2	2	2	2	2	2	2	2	2	2
Planning	10	9	8	8	8	8	8	8	8	8
Informations Systems	2	2	2	2	2	2	2	2	2	2
Finance	4	4	4	4	4	4	4	4	4	4
Human Resource	1	1	1	1	1	1	1	1	1	1
Municipal Court	3	2	2	2	2	2	2	2	2	2
Police:										
Officers	51	48	50	50	50	50	51	47	49	47
Civilians	12	12	12	11	12	12	12	12	11	11
Public Works:										
Administration/Engineering	4	5	5	5	5	6	6	6	6	4
Street Maintenance	25	26	23	24	24	24	23	24	24	24
Garage	2	2	2	2	2	2	2	2	2	3
Parks and Recreation:										
Administration	3	3	3	3	3	3	3	3	3	3
Recreation	7	7	7	7	7	7	7	7	7	7
Golf	7	7	7	7	7	7	6	7	7	5
Parks Maintenance	5	4	4	5	5	5	5	6	6	6
Building Maintenance	7	7	7	6	6	6	6	6	6	6
Total	<u>145</u>	<u>141</u>	<u>139</u>	<u>139</u>	<u>140</u>	<u>141</u>	<u>140</u>	<u>139</u>	<u>140</u>	<u>135</u>

Note: Excludes vacant positions

Source: Payroll Data from Finance Department

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

<b>FUNCTIONS/PROGRAMS</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration:</b>										
Business licenses issued	326	326	326	328	332	338	314	327	332	331
Liquor licenses issued	58	65	63	63	72	74	82	81	81	80
<b>Community Development:</b>										
Single family occupancy inspections	602	550	505	504	483	558	648	650	659	692
Multi-family occupancy inspections	683	805	590	763	772	640	662	617	759	632
Commercial occupancy inspections	45	29	37	36	30	33	33	26	32	24
Building permits	415	332	327	308	322	400	449	434	496	509
Zoning petitions	23	16	14	22	13	11	27	11	17	18
<b>Municipal Court:</b>										
Tickets processed	9,017	7,931	8,049	7,387	8,783	8,875	9,460	7,665	6,781	5,178
Warrants issued	1,119	1,154	939	892	1,065	1,020	1,071	1,152	616	648
Cases closed	8,883	8,125	7,973	7,204	8,194	8,587	9,149	8,382	7,670	5,524
<b>Parks:</b>										
Total program registrations	69,207	30,552	36,893	62,837	68,942	64,869	66,371	73,370	74,636	75,989
Community Center admissions	393,933	333,927	353,751	367,245	376,713	340,941	394,202	319,700	349,069	315,326
Aquatic Center admissions	N/A	81,234	63,978	81,915	83,600	80,360	66,509	80,505	64,225	70,861
Golf course rounds	38,459	34,472	36,736	32,004	31,360	35,148	31,435	30,317	32,801	33,303
<b>Police:</b>										
Adult arrests	1,009	930	720	862	899	747	766	512	446	455
Juvenile arrest	86	57	127	69	112	64	93	56	73	67
Traffic citations and warnings	10,326	8,964	8,830	8,111	9,317	9,819	10,134	8,063	7,619	6,213
Total police actions	34,985	31,488	29,298	30,993	32,205	32,752	33,718	33,477	33,659	35,298
<b>Public Works:</b>										
Sidewalk replacement sq. ft.	5,696	11,808	10,736	5,680	12,336	15,616	13,536	13,264	9,152	5,940
Street asphalt repairs tons	1,614	1,567	1,347	1,424	2,279	2,612	2,662	1,576	2,305	1,090
Street crack sealing miles	2	4	9	18	23	17	18	15	13	13

**Notes:**

(1) Software for tracking registration and admissions to Parks facilities was acquired in 2007.

Source: Various City departments.

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

FUNCTIONS/PROGRAMS	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government:										
Government Center square footage	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056
Police:										
Police and Court Center	1	1	1	1	1	1	1	1	1	1
Vehicles	23	24	27	27	27	27	26	26	26	25
Public Works:										
Miles of streets maintained	109	109	109	109	109	110	110	110	123	126
Miles of sidewalks (miles)	157	157	158	158	158	160	160	160	163	162
Number of streets	520	520	524	525	528	530	531	531	528	534
Vehicles	27	27	29	29	29	29	29	29	30	29
Parks and Recreation:										
Community Center	1	1	1	1	1	1	1	1	1	1
Aquatic Center	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
Parks	5	5	5	5	5	5	5	5	5	5
Park acreage	65	65	65	65	65	65	65	65	65	65
Planning and Development:										
Vehicles	6	6	6	6	6	6	6	6	6	5

Sources: Various City departments and capital asset schedules