



CITY OF BALLWIN, MISSOURI

Comprehensive Annual Financial Report

For The Year Ended December 31, 2019



**Comprehensive Annual Financial Report
For The Fiscal Year Ended December 31, 2019**

Prepared by the Department of Finance

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CITY OF BALLWIN, MISSOURI
FINANCIAL REPORT

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INTRODUCTORY SECTION



May 6, 2020

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, 2019, 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 Kerber, Eck & Braeckel 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, 2019, 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, 2019, 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 Auditors' 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 12,570 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 4th 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 136 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 66 acres that include playgrounds, a nature trail, walking paths, ball diamonds, tennis and pickle ball 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. For 29 consecutive years the City has received the designation of Tree City USA by the National Arbor Day Foundation.

The City's community center, The Pointe at Ballwin Commons, continually upgrades its equipment. 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 last year has been upgraded with a new bucket falls structure and a new and expanded splash pad. This facility features a 10 lane competitive pool, lazy river, aqua climb rock climbing wall, tree swing, two-story water slides 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 Board 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 338 licensed businesses. The City's median household income at \$88,913 is above that of the State, which is \$51,542, and St. Louis County, which is \$62,931. The median housing value of \$241,800 also exceeds that of the county and state with values of \$181,100 and \$145,400 respectively.

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. Ballwin also receives a ½ cent Capital Improvement tax and a ½ cent Parks tax. The passage in 2017 of a ½ cent county-wide Public Safety tax dedicated exclusively for the use of the police department enables the City to maintain a strong police force within the community. The City does not levy a property tax.

Competition from online sales continues to erode the sales tax base, and spaces vacated by retailers are more often being filled by service based businesses. The impact of the current COVID-19 pandemic on the shopping habits of consumers remains to be seen. People who have been forced to shop online while sheltering at home may not revert back to brick and mortar shopping after restrictions are eased. The City will need to consider options to supplemental tax revenues such as the passage of a use tax.

Long-term financial planning and major initiatives

Each year the City updates its five-year capital improvement plan. Capital projects totaling almost \$11.5 million are budgeted for the years 2020 through 2024. Reconstruction/replacement of two streets will cost \$2.2 million, however 75% of this cost will be reimbursed through federal funding. An additional \$4.7 million has been planned for park development. These projects in the out - years will almost certainly be pushed further into the future as the City looks to cut expenditures. Significant revenue shortfalls are anticipated in sales tax receipts, recreation revenues, court fines and motor fuel tax in 2020 as a result of the pandemic, and will continue to some extent into 2021. Design work for a new police station had also been budgeted in 2020 but this too may be pushed out. 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.

Personnel expenses as a percentage of operating expenditures are anticipated to be 68% of the 2020 operating budget. Staffing levels have been increasing slightly over the past few years, as has the cost of health insurance and pension expense. In 2018 the City increased its pension benefit level from 1.25% to 1.75%, and added an employee contribution of 4%. In 2019 the City entered into a collective bargaining agreement with the police officers which provides for annual step increases in salaries. Under the current economic conditions a hiring freeze for full time positions has been implemented. Part time employees have been furloughed while recreation facilities are closed.

Fortunately the City has a strong reserve fund balance to help it weather the current economic crisis. Because the length and depth of this crisis is unknown, however, and because not all of these funds are liquid in the short term, the City is taking all practicable measures that it can to minimize the amount of reserves to be used.

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, unscheduled draws from the Debt Reserve Fund have been required each year since then 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. Several vacancies also exist in the development. The reserve fund is essentially depleted and after interest, only a pro-rata portion of the principal payment due on October 1 was paid last year. The remaining balance on the bond issue at December 31, 2019 was \$6,840,000. These bonds do not constitute a general obligation or indebtedness of the City. The City has no general obligation debt or capital leases.

The City completed and adopted both a comprehensive community plan and a parks master plan in 2019 to help guide the City in its long term planning endeavors.

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 2019 the Board adopted an ordinance which created a committed fund account to be used for capital/major infrastructure projects including but not limited to a police station and public works maintenance facility. 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 set to continue until the end of fiscal year 2025, unless extended or revoked. After all transfers at December 31, unassigned fund balance equaled 48% 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, 2018. This was the fifth 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 2019. This was the fourth 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,



Denise Keller
Finance Officer



Robert Kuntz
City Administrator

CITY OF BALLWIN, MISSOURI
PRINCIPAL CITY OFFICIALS

MAYOR

Tim Pogue

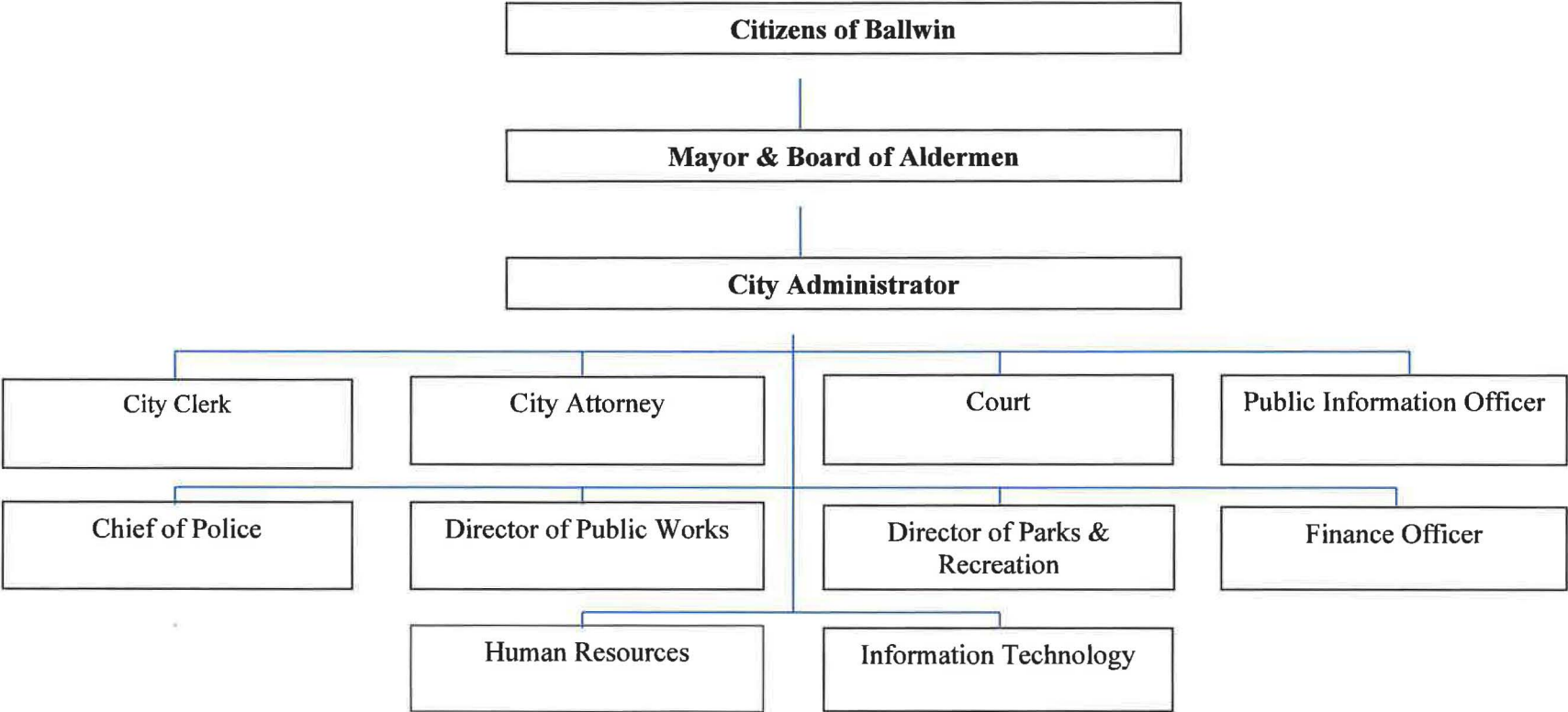
BOARD OF ALDERMEN

Ward I	Michael Finley	Mike Utt
Ward II	Kevin Roach	Mark Stallmann
Ward III	Frank Fleming	Jim Leahy
Ward IIII	Ross Bullington	Ray Kerlagon

CITY ADMINISTRATION

City Administrator	Bob Kuntz
City Attorney	Bob Jones
Prosecuting Attorney	Chris Graville
Municipal Judge	Virginia Nye
Chief of Police	Doug Schaeffler
Finance Officer	Denise Keller
Director of Public Works	Jim Link
Director of Parks and Recreation	Chris Conway

**City of Ballwin
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, 2018

FINANCIAL SECTION



CPAs and
Management Consultants

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Independent Auditors' Report

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Ballwin, Missouri, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other 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 of Ballwin, Missouri's basic financial statements. The introductory section, other supplemental information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 and assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2020, on our consideration of the City of Ballwin, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Ballwin, Missouri's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Ballwin, Missouri's internal control over financial reporting and compliance.

Kerber, Eck & Braeckel LLP

St. Louis, Missouri
May 6, 2020

**CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

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, 2019. 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 2019 by \$71,490,924 (net position). Unrestricted net position increased from 2018 by \$2,010,022 to a balance of \$1,964,983.
- The City's total net position increased by \$1,660,955.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$15,048,091, an increase of \$2,372,372 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,809,456, or approximately 48% of General Fund expenditures (\$18,256,984).
- The City's total debt decreased by \$993,752 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 compensated absences).

CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

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 that 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, 2019

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 OPEB liability and 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 Seizure 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 \$71,490,924 increased in 2019 by 2.4% as compared to the previous year.

The largest portion of the City's net position, \$65,686,889, (a decrease of 2.1% from 2018) reflects its investment in capital assets. 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, \$3,839,052, represents resources that are subject to external restrictions on how they may be used. This balance increased by \$1,077,722 (39.0%) in 2019. Increased restrictions for public safety are offset by reductions in the restriction for debt service, resulting from scheduled debt payments. The capital projects 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 \$1,964,983 in 2019, which may be used to meet the City's ongoing obligations to citizens and creditors. There was an increase of \$2,010,022 in unrestricted net position in 2019 compared to 2018.

Assets include \$11,116,592 in unrestricted cash and investments and \$1,571,772 in restricted cash and investments.

CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

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

	<u>December 31</u>		<u>2019 Change</u>	
	<u>2019</u>	<u>2018</u>	<u>Amount</u>	<u>Percent</u>
ASSETS				
Current and other assets	\$ 16,761,827	\$ 15,588,638	\$ 1,173,189	7.5 %
Capital assets, net	<u>65,686,889</u>	<u>67,113,678</u>	<u>(1,426,789)</u>	(2.1)
Total Assets	<u>82,448,716</u>	<u>82,702,316</u>	<u>(253,600)</u>	(0.3)
DEFERRED OUTFLOWS OF RESOURCES				
	<u>1,916,932</u>	<u>1,340,713</u>	<u>576,219</u>	43.0
LIABILITIES				
Long-term liabilities	10,372,988	10,569,036	(196,048)	(1.9)
Other liabilities	<u>1,458,812</u>	<u>2,389,408</u>	<u>(930,596)</u>	(38.9)
Total Liabilities	<u>11,831,800</u>	<u>12,958,444</u>	<u>(1,126,644)</u>	(8.7)
DEFERRED INFLOWS OF RESOURCES				
	<u>1,042,924</u>	<u>1,254,616</u>	<u>(211,692)</u>	(16.9)
NET POSITION				
Net investment in capital assets	65,686,889	67,113,678	(1,426,789)	(2.1)
Restricted	3,839,052	2,761,330	1,077,722	39.0
Unrestricted	<u>1,964,983</u>	<u>(45,039)</u>	<u>2,010,022</u>	(4462.8)
Total Net Position	<u>\$ 71,490,924</u>	<u>\$ 69,829,969</u>	<u>\$ 1,660,955</u>	2.4 %

CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

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

	For The Years		2019 Change	
	Ended December 31		Amount	Percent
	2019	2018		
REVENUES				
Program revenues:				
Charges for services	\$ 5,489,925	\$ 5,470,973	\$ 18,952	0.3 %
Operating grants and contributions	1,994,861	1,973,727	21,134	1.1
Capital grants and contributions	218,688	1,462,604	(1,243,916)	(85.0)
General revenues:				
Taxes	14,824,390	15,142,596	(318,206)	(2.1)
Investment income	187,227	108,279	78,948	72.9
Miscellaneous	112,914	233,916	(121,002)	(51.7)
Total Revenues	<u>22,828,005</u>	<u>24,392,095</u>	<u>(1,564,090)</u>	<u>(6.4)</u>
EXPENSES				
General government	3,634,777	4,071,405	(436,628)	(10.7)
Public works	5,648,992	5,970,580	(321,588)	(5.4)
Police and court	6,184,927	8,868,745	(2,683,818)	(30.3)
Parks and recreation	5,247,597	5,590,602	(343,005)	(6.1)
Interest on long-term debt	450,757	537,985	(87,228)	(16.2)
Total Expenses	<u>21,167,050</u>	<u>25,039,317</u>	<u>(3,872,267)</u>	<u>(15.5)</u>
CHANGE IN NET POSITION	1,660,955	(647,222)	2,308,177	(356.6)
NET POSITION, JANUARY 1	<u>69,829,969</u>	<u>70,477,191</u>	<u>(647,222)</u>	<u>(0.9)</u>
NET POSITION, DECEMBER 31	<u>\$ 71,490,924</u>	<u>\$ 69,829,969</u>	<u>\$ 1,660,955</u>	<u>2.4 %</u>

SIGNIFICANT CHANGES IN NET POSITION

The increase in net position of \$1,660,955 is attributed to the ongoing situation of revenues exceeding expenses.

Capital grants and contributions decreased (\$1,243,916). The prior year included a Municipal Parks grant of \$525,000 for improvements at North Pointe and federal project revenue that was higher by \$718,915 due to the timing of projects.

**CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

General taxes are down from the prior year by (\$318,206) primarily due to lower utility gross receipts across all categories.

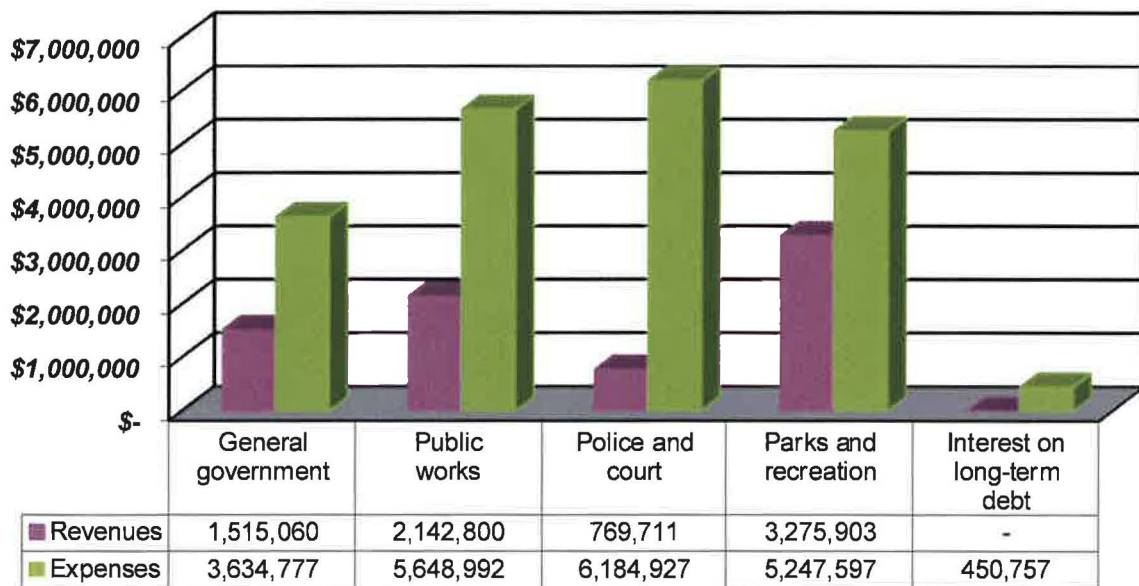
Miscellaneous revenues decreased by (\$121,002) because of lower insurance recoveries and lower one-time revenues.

Expenses across all departments decreased substantially from 2018. In that year the full expense of a pension benefit increase was recognized.

Expenses for public works increased additionally with higher costs for personnel and the use of salt inventory.

Expenses for police increased additionally with higher personnel costs and the implementation of a new CAD system.

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.

**CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

At December 31, 2019, the City's governmental funds report a combined fund balance of \$15,048,091 with a net increase in total fund balance of \$2,372,372 from 2018. 59% of the total amount (\$8,809,456) constitutes unassigned fund balance, which is available for spending at the City's discretion. This amount represents a decrease in unassigned fund balance from 2018 (\$8,856,363). Non spendable items include prepaid items in the amount of \$345,766 and inventories of \$189,208. Restricted items totaling \$3,519,805 include \$564,986 for debt service costs as well as capital projects, sewer lateral, police, community programs, recreation, special projects, and public safety balances. Committed items include \$1,523,280 for upcoming major infrastructure projects.

During fiscal year 2019, the unassigned fund balance of the General Fund decreased by \$46,907 or (0.5)% 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 46% of the total 2019 General Fund expenditures and transfers out, while the total fund balance represents 70% of the total 2019 General Fund expenditures and transfers out. The General Fund ended the year with a net addition to fund balance of \$1,696,672. 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 increased \$668,664 during the fiscal year to \$446,243. Grant revenues of \$312,176 from the Ries Road and Ramsey Road culvert replacements had been delayed from the previous year. \$226,704 of golf maintenance building expenses were deferred into 2020.

The Town Center Debt Service Fund balance decreased \$125,835 during the fiscal year to \$564,986. For a seventh 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. There were not enough reserves to make the full principal payment so a pro-rata payment of \$1,010,000 was made. \$540,000 of the 2019 maturities remain outstanding and has been added to the 2020 debt maturities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final 2019 budget for the City's General Fund represents an original expenditure and transfer out budget of \$19,528,951 with a net increase of \$46,021 to \$19,574,972, an adjustment of 0.2%. The City's Board of Aldermen approved amendments of the 2019 budget in August and in November of 2019. These amendments were to decrease court fines revenue and increase investment income. Increases were made for Government Center construction expenses delayed from the prior year, the addition of a park restroom, and reductions for projects delayed until 2020. Personnel expenses for all departments 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 \$2,366,666. Other financing sources and uses decreased the fund balance by \$669,994 to net a change in fund balance of \$1,696,672 in 2019, ending the year with a fund balance of \$13,222,743.

**CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Overall, the General Fund ended fiscal 2019 with a mixture of favorable and unfavorable budget variances for both revenues and expenditures. Actual General Fund revenues and expenditures for the year varied from the 2019 final amended budget as follows:

- Sales taxes received from all sources exceeded budget by a total of \$257,306.
- The variance to budget for county road tax receipts was favorable by \$20,238.
- Licenses and permits received were higher than budget by \$33,398, largely because of higher permit fees.
- Revenues received from community programs were \$194,252 higher than budget primarily from increased membership purchases in advance of a scheduled price increase.
- Investment income surpassed projections by \$47,921 due to a larger investment portfolio.
- A shift away from the use of in-house labor to contractual for street resurfacing resulted in a favorable variance of \$57,767 in both materials and hauling in the Streets & Sidewalks program.
- Installation of a pedestrian traffic signal at New Ballwin Road costing \$15,000 was delayed until the next year.
- \$18,330 was unspent for contractual leaf removal services due to a high estimation of leaf volume.
- The bed and body for a new two-ton dump truck was postponed until the next year, delaying expense of \$51,937.
- The use of salt inventory exceeded budget by (\$102,363), with significantly more snow events than in recent years.
- Salaries and benefits for all programs in the Police Department ended the year with \$105,301 not being spent due to turnover of personnel.
- Reduced maintenance expenses for the parks and medians reflect a savings of \$28,691.
- Construction of a parking lot in Vlasik Park was carried over into the next year, leaving \$92,478 unspent in 2019.
- Pay for staff at the community center was lower than expected by \$26,1949 due to turnover among staff, cancelled classes and fewer personal training sessions.

Both revenues and expenditures varied from the 2019 final amended budget in the Capital Projects Fund. Engineering progress for the Holloway Road project lagged behind schedule, delaying expenses and their corresponding federal reimbursements.

CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. At December 31, 2019, the City's net capital assets totaled \$65,686,889. 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.

	December 31	
	2019	2018
Land and improvements	\$ 6,007,768	\$ 6,007,768
Buildings and improvements	31,055,898	27,693,222
Historical treasures	247,573	247,573
Furniture and fixtures	318,209	289,453
Machinery and equipment	3,558,607	3,521,543
Land improvements	2,555,094	2,555,094
Vehicles	3,651,265	3,538,599
Intangible assets	568,570	559,570
Infrastructure	102,024,592	100,170,382
Right-of-way	14,191,930	14,191,930
Construction in progress	155,806	3,602,675
	164,335,312	162,377,809
Less - Accumulated depreciation	98,648,423	95,264,131
Total Capital Assets	\$ 65,686,889	\$ 67,113,678

The City had capital asset disposals of \$365,235, which consisted of public works and administration vehicles as well as parks and public works equipment. Accumulated depreciation on these assets totaled \$253,529, leaving net capital asset disposals at \$111,706.

Capital assets added in 2019 totaled \$2,322,738. Infrastructure improvements of \$1,854,210 include \$828,372 for a refurbished culvert. A second bucket truck was acquired for \$110,991 and a skid steer was replaced for \$45,321. Two additional trucks for public works were purchased for \$109,066. Police vehicles totaled \$65,632. A replacement greens sprayer for the golf course cost \$51,695. The replacement of filters at both the indoor and outdoor pools totaled \$33,904. The new Government Center building was completed at a multi-year cost of \$3,353,732. Depreciation totaling \$3,637,821 resulted in net capital assets decreasing by \$1,426,789.

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

Long-term Debt. At December 31, 2019, the City had outstanding long-term debt obligations in the amount of \$7,454,865. This debt includes \$6,840,000 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. Compensated absences liability totaled \$614,865.

CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019

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

	December 31	
	2019	2018
TIF bonds - 2002 issue	\$ 6,840,000	\$ 7,850,000
Compensated absences	614,865	598,617
Total Long-term Debt	\$ 7,454,865	\$ 8,448,617

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 2020 annual budget projects total expenditures of \$24,166,023, including capital expenditures of \$2,099,838. General sales taxes had been projected to be relatively flat compared with 2019. Changes to the sales tax base include the loss of a restaurant, clothing retailer, sporting goods store and mechanic shop. A clothing retailer was added as a new business.

With the event of stay at home orders at both the county and the state level to protect against the spread of the COVID-19 virus, much of the spending plan is being reevaluated. The City is experiencing a loss of revenues from the closure of its community center and anticipates additional loss with, at best, a delayed opening of the outdoor pool. The City will also lose a significant amount of sales tax revenue, which comprises 45% of budgeted revenues, with the shuttering of non-essential businesses. Other affected revenue sources include motor fuel tax receipts and court revenues. Because the duration of the orders is currently unknown, it is difficult to project the full financial impact.

Much of the larger discretionary spending for the year has already occurred. Most of the planned vehicle acquisitions have been made, and a newly constructed parking lot adjacent to the new Government Center is nearing completion. Renovation of the golf maintenance building budgeted at \$227,000 is also nearly complete.

Capital projects which have external funding sources will proceed as scheduled. Redevelopment of Ferris Park is planned at a cost of \$750,000, to be offset with a Municipal Parks Commission grant of \$525,000. The engineering and easement acquisition phases of two federally funded road replacement projects will occur in 2020 at a budgeted cost of \$135,838. Total expenditures for street maintenance/repair work in the 2020 budget are \$1,241,645, of which \$1,025,113 is to be performed contractually. Some of this work may be deferred.

Design work for the replacement of the police building which was budgeted at \$900,000 is also subject to deferral.

All expenses will be evaluated for potential cuts, and a hiring freeze for full time staff has been put into place. Part-time staff, who primarily work at the community center, have been furloughed while that facility remains closed. Reserves will be used to close the remaining gap on the expected budgetary shortfall.

**CITY OF BALLWIN, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

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, #1 Government Ctr, Ballwin, MO 63011.

CITY OF BALLWIN, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 2,721,799
Certificates of deposit	6,482,357
Investments	1,912,436
Prepaid items	345,766
Receivables:	
Taxes	3,391,529
Court	30,920
Grants	10,913
Other	105,127
Inventories	189,208
Restricted assets:	
Cash and cash equivalents	1,571,772
Capital assets:	
Land and other nondepreciable assets	20,603,077
Other capital assets, net of accumulated depreciation	45,083,812
Total Assets	<u>82,448,716</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pensions	1,899,712
Deferred amounts related to OPEB	17,220
Total Deferred Outflows of Resources	<u>1,916,932</u>
LIABILITIES	
Accounts payable	499,628
Accrued wages and benefits	246,663
Accrued liabilities	585,819
Deposits	31,459
Accrued interest	95,243
Noncurrent liabilities:	
Due within one year	2,470,000
Due in more than one year	4,984,865
Due in more than one year - net pension liability	1,910,663
Due in more than one year - net OPEB liability	1,007,460
Total Liabilities	<u>11,831,800</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pensions	1,015,586
Deferred amounts related to OPEB	27,338
Total Deferred Inflows of Resources	<u>1,042,924</u>
NET POSITION	
Net investment in capital assets	65,686,889
Restricted for:	
Debt service	884,233
Sewer lateral	594,614
Police	246,533
Capital projects	446,243
Public safety	1,598,730
Other	68,699
Unrestricted	1,964,983
Total Net Position	<u>\$ 71,490,924</u>

CITY OF BALLWIN, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

FUNCTIONS/PROGRAMS	Program Revenues			Net Revenues (Expenses) And Changes In Net Position	
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Governmental Activities					
General government	\$ 3,634,777	\$ 1,483,217	\$ 31,843	\$ -	\$ (2,119,717)
Public works	5,648,992	-	1,924,112	218,688	(3,506,192)
Police and court	6,184,927	733,913	35,798	-	(5,415,216)
Parks and recreation	5,247,597	3,272,795	3,108	-	(1,971,694)
Interest on long-term debt	450,757	-	-	-	(450,757)
Total Governmental Activities	\$ 21,167,050	\$ 5,489,925	\$ 1,994,861	\$ 218,688	(13,463,576)
General Revenues					
Taxes:					
General sales and use					10,533,692
Franchise					473,942
Cigarette					61,890
Utility gross receipts					3,212,889
Property					541,977
Investment income					187,227
Miscellaneous					112,914
Total General Revenues					15,124,531
CHANGE IN NET POSITION					1,660,955
NET POSITION, JANUARY 1					69,829,969
NET POSITION, DECEMBER 31					\$ 71,490,924

See notes to financial statements

CITY OF BALLWIN, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	<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>
ASSETS						
Cash and cash equivalents	\$ 2,330,459	\$ -	\$ 391,340	\$ -	\$ -	\$ 2,721,799
Certificates of deposit	6,482,357	-	-	-	-	6,482,357
Investments	1,912,436	-	-	-	-	1,912,436
Prepaid items	345,766	-	-	-	-	345,766
Receivables:						
Taxes	2,699,275	548,472	67,092	-	76,690	3,391,529
Court	30,920	-	-	-	-	30,920
Grants	10,913	-	-	-	-	10,913
Other	65,461	-	39,666	-	-	105,127
Inventories	189,208	-	-	-	-	189,208
Restricted assets:						
Cash and cash equivalents	499,211	54,645	-	258,506	759,410	1,571,772
Due from other funds	-	28,828	-	306,480	-	335,308
	<u>\$ 14,566,006</u>	<u>\$ 631,945</u>	<u>\$ 498,098</u>	<u>\$ 564,986</u>	<u>\$ 836,100</u>	<u>\$ 17,097,135</u>
LIABILITIES						
Accounts payable	\$ 435,023	\$ 6,218	\$ 36,406	\$ -	\$ 21,981	\$ 499,628
Accrued wages and benefits	246,663	-	-	-	-	246,663
Accrued liabilities	585,819	-	-	-	-	585,819
Due to other funds	13,379	306,480	15,449	-	-	335,308
Deposits	31,459	-	-	-	-	31,459
Unearned revenue	-	-	-	-	-	-
Total Liabilities	<u>1,312,343</u>	<u>312,698</u>	<u>51,855</u>	<u>-</u>	<u>21,981</u>	<u>1,698,877</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues:						
Court	30,920	-	-	-	-	30,920
Property taxes	-	319,247	-	-	-	319,247
Total Deferred Inflows Of Resources	<u>30,920</u>	<u>319,247</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350,167</u>
FUND BALANCES						
Nonspendable:						
Prepaid items	345,766	-	-	-	-	345,766
Inventories	189,208	-	-	-	-	189,208
Restricted for:						
Capital projects	-	-	446,243	-	-	446,243
Debt service	-	-	-	564,986	-	564,986
Sewer lateral	-	-	-	-	594,614	594,614
Police	27,028	-	-	-	219,505	246,533
Community programs	44,904	-	-	-	-	44,904
Special projects	23,795	-	-	-	-	23,795
Public safety	1,598,730	-	-	-	-	1,598,730
Committed for:						
Capital projects	1,523,280	-	-	-	-	1,523,280
Assigned for:						
Subsequent year's budget - appropriation of fund balance	660,576	-	-	-	-	660,576
Unassigned:						
General Fund	8,809,456	-	-	-	-	8,809,456
Total Fund Balances	<u>13,222,743</u>	<u>-</u>	<u>446,243</u>	<u>564,986</u>	<u>814,119</u>	<u>15,048,091</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 14,566,006</u>	<u>\$ 631,945</u>	<u>\$ 498,098</u>	<u>\$ 564,986</u>	<u>\$ 836,100</u>	<u>\$ 17,097,135</u>

CITY OF BALLWIN, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019

Total Fund Balances - Governmental Funds \$ 15,048,091

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 \$164,335,312 and the accumulated depreciation is \$98,648,423. 65,686,889

Certain items are not financial resources and, therefore, are not reported in the governmental funds. These items consist of:

Net pension liability	(1,910,663)
Deferred outflows related to pensions	1,899,712
Deferred inflows related to pensions	(1,015,586)
Net OPEB liability	(1,007,460)
Deferred outflows related to OPEB	17,220
Deferred inflows related to OPEB	(27,338)

Municipal court receivables are assessed by the City, but are not collected as of December 31, 2019 and unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements. 30,920

TIF Payments in Lieu of Taxes (PILOTs), property taxes assessed in 2019, but not collected by the City as of December 31, 2019, are unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements. 319,247

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	(614,865)
Tax increment bonds	(6,840,000)
Accrued interest payable	(95,243)

Total Net Position Of Governmental Activities \$ 71,490,924

See notes to financial statements

CITY OF BALLWIN, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<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>
REVENUES						
Taxes	\$ 11,414,308	\$ 1,210,233	\$ 419,070	\$ -	\$ 277,125	\$ 13,320,736
Licenses and permits	1,675,834	-	-	-	-	1,675,834
Public utility licenses	3,188,781	24,108	-	-	-	3,212,889
Court fines	462,616	-	-	-	-	462,616
False alarm fines	5,700	-	-	-	-	5,700
Police and communications	252,403	-	-	-	9,009	261,412
Community programs	3,272,796	-	-	-	-	3,272,796
Investment income	167,121	2,668	-	12,762	4,676	187,227
Donations	34,951	-	-	-	-	34,951
Grants and entitlements	38,509	-	523,237	-	-	561,746
Miscellaneous	110,631	-	-	-	6,750	117,381
Total Revenues	<u>20,623,650</u>	<u>1,237,009</u>	<u>942,307</u>	<u>12,762</u>	<u>297,560</u>	<u>23,113,288</u>
EXPENDITURES						
Current:						
Administration	3,107,745	18,059	178,006	1,170	153,864	3,458,844
Public works	3,226,701	-	8,265	-	-	3,234,966
Police	6,024,979	-	-	-	10,825	6,035,804
Parks and recreation	4,223,205	-	35,246	-	-	4,258,451
Capital outlay	1,674,354	-	648,384	-	-	2,322,738
Debt service:						
Principal	-	-	-	1,010,000	-	1,010,000
Interest	-	-	-	474,019	-	474,019
Total Expenditures	<u>18,256,984</u>	<u>18,059</u>	<u>869,901</u>	<u>1,485,189</u>	<u>164,689</u>	<u>20,794,822</u>
REVENUES OVER (UNDER) EXPENDITURES	2,366,666	1,218,950	72,406	(1,472,427)	132,871	2,318,466
OTHER FINANCING SOURCES (USES)						
Transfers in	-	127,642	663,966	1,346,592	-	2,138,200
Transfers out	(723,900)	(1,346,592)	(67,708)	-	-	(2,138,200)
Insurance recoveries	6,566	-	-	-	-	6,566
Sale of capital assets	47,340	-	-	-	-	47,340
Total Other Financing Sources (Uses)	<u>(669,994)</u>	<u>(1,218,950)</u>	<u>596,258</u>	<u>1,346,592</u>	<u>-</u>	<u>53,906</u>
NET CHANGE IN FUND BALANCES	1,696,672	-	668,664	(125,835)	132,871	2,372,372
FUND BALANCES, JANUARY 1	<u>11,526,071</u>	<u>-</u>	<u>(222,421)</u>	<u>690,821</u>	<u>681,248</u>	<u>12,675,719</u>
FUND BALANCES, DECEMBER 31	<u>\$ 13,222,743</u>	<u>\$ -</u>	<u>\$ 446,243</u>	<u>\$ 564,986</u>	<u>\$ 814,119</u>	<u>\$ 15,048,091</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, 2019

Net Change In Fund Balances - Governmental Funds \$ 2,372,372

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 (\$3,637,821) exceeded capital outlays over the capitalization threshold (\$2,322,738) in the current period. (1,315,083)

The net effect of various transactions involving capital assets:
 Cost of disposals, net of accumulated depreciation (111,706)

Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds financial statements. (291,849)

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 1,010,000

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	(16,248)	
Accrued interest on debt	23,262	
OPEB expense	(51,383)	
Pension expense	41,590	(2,779)

Change In Net Position Of Governmental Activities \$ 1,660,955

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 government-wide 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. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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. Cash and Cash Equivalents and Investments

The City's cash and cash equivalents consist of highly liquid investments with maturity dates within three months of the date acquired by the City. 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, machinery 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:

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. The City's nonspendable fund balance consists of prepaid and inventory items.

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 an expenditure is incurred in governmental funds which may be paid using either restricted or unrestricted resources, the City's policy is to pay the expenditure from the restricted fund balance first, followed by committed, assigned, and then unassigned fund balances.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Fund Balance Policies (Continued)

Minimum Unassigned 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.

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, consists 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).

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Interfund Transactions (Continued)

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) and the expense is recognized when inventories are consumed in operations.

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 outflow of resources (expense/expenditure) until then. The City currently has deferred outflows of resources related to OPEB and 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 OPEB and 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. The pension (asset) liability is typically liquidated by the general fund.

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, 2019, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

2. Investments

As of December 31, 2019, 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	\$ 6,482,357	\$3,615,409	\$ 2,866,948	\$ -	N/A
Money market funds	261,889	261,889	-	-	Not rated
Government securities:					
Federal Home Loan Mortgage Corporation	249,254	-	249,254	-	AAA
Federal Home Loan Bank	549,860	-	549,860	-	AAA
U.S. Treasury Strips	1,113,322	324,874	788,448	-	AAA
Total Investments	<u>\$ 8,656,682</u>	<u>\$4,202,172</u>	<u>\$ 4,454,510</u>	<u>\$ -</u>	

NOTE B - CASH AND INVESTMENTS (Continued)

Investment Policies

The City's formal investment policies are as follows:

Credit Risk

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

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

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 investment pools, and investments in other pooled investments are exempt). At December 31, 2019, the City had the following investment concentrations:

Investments	Fair value	Percent of total investments
U.S. Treasury Strips	\$ 1,113,322	12.86%
Federal Home Loan Bank	549,860	6.35

NOTE B - CASH AND INVESTMENTS (Continued)

3. Fair Value Measurements

The City classifies its fair value measurements within the fair value hierarchy established by accounting principles generally accepted 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.

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The City has the following recurring fair value level measurements as of December 31, 2019:

	Total	Level 1	Level 2	Level 3
Investments by fair value level:				
Government securities:				
Federal Home Loan Mortgage Corporation	\$ 249,254	\$ -	\$ 249,254	\$ -
Federal Home Loan Bank	549,860	-	549,860	-
U.S. Treasury Strips	1,113,322	-	1,113,322	-
Total investments by fair value level	1,912,436	\$ -	\$ 1,912,436	\$ -
Investments not subject to fair value level classification:				
Certificates of investment	6,482,357			
Money market funds	261,889			
Total Investments	\$ 8,656,682			

CITY OF BALLWIN, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

	For The Year Ended December 31, 2019			December 31, 2019
	January 1, 2018	Increases	Decreases	
Capital assets not being depreciated:				
Land	\$ 5,722,382	\$ -	\$ -	\$ 5,722,382
Land improvements	285,386	-	-	285,386
Historical treasures	247,573	-	-	247,573
Right-of-way	14,191,930	-	-	14,191,930
Construction in progress	3,602,675	735,235	4,182,104	155,806
Total Capital Assets Not Being Depreciated	<u>24,049,946</u>	<u>735,235</u>	<u>4,182,104</u>	<u>20,603,077</u>
Capital assets being depreciated:				
Buildings	21,545,591	3,353,732	-	24,899,323
Building improvements	6,147,631	33,904	24,960	6,156,575
Furniture and fixtures	289,453	28,756	-	318,209
Infrastructure	100,170,382	1,854,210	-	102,024,592
Intangible assets	559,570	9,000	-	568,570
Land improvements	2,555,094	-	-	2,555,094
Machinery and equipment	3,521,543	136,711	99,647	3,558,607
Vehicles	3,538,599	353,294	240,628	3,651,265
Total Capital Assets Being Depreciated	<u>138,327,863</u>	<u>5,769,607</u>	<u>365,235</u>	<u>143,732,235</u>
Less - Accumulated depreciation for:				
Buildings	12,795,882	631,714	-	13,427,596
Building improvements	1,199,096	300,512	10,931	1,488,677
Furniture and fixtures	128,362	12,620	-	140,982
Infrastructure	75,668,733	2,097,305	-	77,766,038
Intangible assets	232,061	18,346	-	250,407
Land improvements	1,359,456	129,225	-	1,488,681
Machinery and equipment	2,290,636	151,938	88,782	2,353,792
Vehicles	1,589,905	296,161	153,816	1,732,250
Total Accumulated Depreciation	<u>95,264,131</u>	<u>3,637,821</u>	<u>253,529</u>	<u>98,648,423</u>
Total Capital Assets Being Depreciated, Net	<u>43,063,732</u>	<u>2,131,786</u>	<u>111,706</u>	<u>45,083,812</u>
Total Capital Assets, Net	<u>\$ 67,113,678</u>	<u>\$ 2,867,021</u>	<u>\$ 4,293,810</u>	<u>\$ 65,686,889</u>

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

Administration	\$ 157,547
Public works	2,403,015
Police	110,937
Parks and recreation	966,322
Total	<u>\$ 3,637,821</u>

CITY OF BALLWIN, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE D - INTERFUND BALANCES

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

Receivable Fund	Payable Fund	December 31, 2019
Special Allocation	General	\$ 13,379
Special Allocation	Capital Projects	15,449
Town Center Debt Service	Special Allocation	306,480
Total		\$ 335,308

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:

	Transfers Out			Total
	General	Special Allocation	Capital Projects	
Transfers in:				
Special Allocation	\$ 59,934	\$ -	\$ 67,708	\$ 127,642
Capital Projects	663,966	-	-	663,966
Town Center Debt Service	-	1,346,592	-	1,346,592
Total	\$ 723,900	\$ 1,346,592	\$ 67,708	\$ 2,138,200

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.

CITY OF BALLWIN, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE F - LONG-TERM DEBT

A summary of changes are as follows:

	<u>For The Year Ended December 31, 2019</u>			<u>Balance</u> <u>December 31,</u> <u>2019</u>	<u>Amounts</u> <u>Due</u> <u>Within</u> <u>One Year</u>
	<u>Balance</u> <u>January 1,</u> <u>2018</u>	<u>Increases</u>	<u>Decreases</u>		
Tax increment bonds	\$ 7,850,000	\$ -	\$ 1,010,000	\$ 6,840,000	\$2,255,000
Compensated absences	598,617	231,248	215,000	614,865	215,000
Total	<u>\$ 8,448,617</u>	<u>\$ 231,248</u>	<u>\$ 1,225,000</u>	<u>\$ 7,454,865</u>	<u>\$2,470,000</u>

The tax increment bonds are liquidated by the Town Center Debt Service 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 October 1, 2022. Interest is payable at 6.5%. The Series 2002B term bonds are due October 1, 2022. Interest is payable at 5.125%.

For the seventh 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. There were not enough reserves to make the full principal payment in 2019 so a pro-rata payment of \$1,010,000 was made. \$540,000 of the 2019 scheduled maturities remain outstanding and has been added to the 2020 debt maturities.

CITY OF BALLWIN, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE F - LONG-TERM DEBT (Continued)

Future long-term debt maturities are as follows:

For The Years Ending December 31	Tax Increment Bonds	
	Principal	Interest
2020	\$ 2,255,000	\$ 413,387
2021	1,860,000	278,019
2022	2,725,000	166,331
Total	\$ 6,840,000	\$ 857,737

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.

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.

	<u>2019 Valuation</u>
Benefit multiplier	1.75% for life
Final average salary	3 years
Member contributions	4%

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, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	57
Inactive employees entitled to but not yet receiving benefits	47
Active employees	<u>134</u>
Total	<u>238</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 contribute 4% to the pension plan. The City contribution rates are 6.7% (General), and 11.5% (Police) of annual covered payroll.

Net Pension Liability (Asset)

The City's net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2019.

Actuarial Assumptions

The total pension liability in the February 28, 2019 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 table for males and females. The disabled retiree mortality tables for post-retirement mortality were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality tables for males and females.

NOTE G - PENSION PLAN (Continued)

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

The actuarial assumptions used in the February 28, 2019 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>Target Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Alpha	15.00%	3.67%
Equity	35.00	4.78
Fixed income	31.00	1.41
Real assets	36.00	3.29
Strategic assets	8.00	5.25
Cash	10.00	0.00
Leverage	(35.00)	(0.51)

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, 2019

NOTE G - PENSION PLAN (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2018	\$ 24,748,076	\$ 23,565,308	\$ 1,182,768
Changes for the year			
Service cost	769,658	-	769,658
Interest	1,792,495	-	1,792,495
Difference between expected and actual experience	896,801	-	896,801
Contributions - employer	-	681,751	(681,751)
Contributions - employee	-	307,379	(307,379)
Net investment income	-	1,603,068	(1,603,068)
Benefit payments, including refunds	(818,507)	(818,507)	-
Administrative expense	-	(26,574)	26,574
Other changes	-	165,435	(165,435)
Net Changes	<u>2,640,447</u>	<u>1,912,552</u>	<u>727,895</u>
Balances at June 30, 2019	\$ 27,388,523	\$ 25,477,860	\$ 1,910,663

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% lower (6.25%) or 1% higher (8.25%) than the current rate.

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
Net pension liability (asset)	\$6,098,826	\$1,910,663	\$(1,562,808)

CITY OF BALLWIN, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

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, 2019, the City recognized pension expense of \$631,228. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences in experience	\$ 1,273,671	\$ (382,376)	\$ 891,295
Assumption changes	291,142	-	291,142
Excess (deficit) investment returns	-	(633,210)	(633,210)
Contributions subsequent to the measurement date*	334,899	-	334,899
Total	\$ 1,899,712	\$ (1,015,586)	\$ 884,126

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

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

For the Years Ending June 30,	Net Outflows (Inflows) of Resources
2020	\$ 52,145
2021	(154,392)
2022	(6,398)
2023	215,962
2024	159,645
Thereafter	282,265
Total	\$ 549,227

NOTE H - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The plan complies with Section 457 of the Internal Revenue Code, whereby, trust provisions are incorporated so that plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and liabilities of the deferred compensation plan are not included in the accompanying financial statements.

NOTE I - RISK MANAGEMENT

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

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

The trust requires an annual premium payment by members to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust. However, the City is contingently liable to fund its pro rata share 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 J - RESTRICTED COMPONENTS OF NET POSITION

The government-wide statement of net position reports \$3,839,052 of restricted net position, of which \$2,954,819 is restricted by enabling legislation.

NOTE K - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS

Plan Description

The City’s OPEB plan (the Plan) provides OPEB for all full-time employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City. The Plan, as established by City resolution, assigned the authority to establish and amend the benefit terms and financing requirements to the City. No assets are accumulated in a trust for the Plan. The Plan does not issue a stand-alone report. The OPEB liability is generally liquidated by the General Fund.

Benefits Provided

The Plan provides healthcare benefits to employees defined as retirees who have attained age 60 plus 15 years of service until attainment of Medicare eligibility age. The retirees are required to contribute the same percentage as active employees do toward medical and dental premiums. Retirees may purchase spouse and dependent coverage, but are required to pay the full premium for their spouses and dependents.

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1
Active employees	<u>134</u>
Total	<u>135</u>

Total OPEB Liability

The City’s total OPEB liability was measured as of December 31, 2019, and was determined by an actuarial valuation as of January 1, 2018.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	3.25% including inflation
Discount rate	3.26%
Healthcare cost trend rates	8.0% for 2019, decreasing to an ultimate rate of 4.5% for 2030 and later years

The discount rate was based on the 20 year bond GO index at the end of the fiscal year. The rate for the prior fiscal year was 3.64%.

CITY OF BALLWIN, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

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

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table for males and females, as appropriate, with generational projection based on Scale MP-2018.

The Plan has not had a formal actuarial experience study performed.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at December 31, 2018	<u>\$ 937,651</u>
Changes for the year	
Service cost	41,538
Interest	35,226
Difference between expected and actual experience	(3,763)
Changes in assumptions	19,911
Benefit payments	<u>(23,103)</u>
Net Changes	<u>69,809</u>
 Balances at December 31, 2019	 <u><u>\$ 1,007,460</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.64% in 2018 to 3.26% in 2019 and the removal of the Cadillac tax.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.26%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (2.26%) or 1% point higher (4.26%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$1,067,288	\$1,007,460	\$949,475

CITY OF BALLWIN, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

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

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, calculated using the healthcare cost trend rates of 8.0% decreasing to 4.5%, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (7.0% decreasing to 3.5%) or 1% point higher (9.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$905,957	\$1,007,460	\$1,125,816

For the year ended December 31, 2019, the City recognized OPEB expense of \$74,486.

Deferred outflows and inflows of resources related to OPEB are from the following sources:

	<u>Inflows</u>	<u>Outflows</u>	<u>Net Inflows</u>
Differences in experience	\$ (6,761)	\$ -	\$ (6,761)
Assumption changes	<u>(20,577)</u>	<u>17,220</u>	<u>(3,357)</u>
Total	<u>\$ (27,338)</u>	<u>\$ 17,220</u>	<u>\$ (10,118)</u>

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

<u>For the Years Ending December 31</u>	<u>Net Inflows of Resources</u>
2020	\$ (2,278)
2021	(2,278)
2022	(2,278)
2023	(2,278)
2024	(2,278)
Thereafter	<u>1,272</u>
Total	<u>\$ (10,118)</u>

NOTE L - 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.

At December 31, 2019, the City had commitments in the amount of \$76,569 for construction of a road and for design work for a new police building. Some of these expenditures qualify for partial grant reimbursement.

NOTE M - FUTURE ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 87, *Leases* is intended to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

NOTE N – SUBSEQUENT EVENTS

In December 2019, a novel strain of coronavirus, COVID-19, was reported in Wuhan, China. The World Health Organization has declared the COVID-19 outbreak to constitute a “Public Health Emergency of International Concern.” The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our City and employees all of which are uncertain and cannot be determined at this time.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
REVENUES				
Taxes				
General sales tax	\$ 5,023,000	\$ 4,996,000	\$ 5,093,804	\$ 97,804
Capital improvement sales tax	1,278,000	1,258,000	1,322,810	64,810
Parks sales tax	1,282,000	1,282,000	1,346,263	64,263
Public safety sales tax	1,643,000	1,635,000	1,665,429	30,429
Motor vehicle fees	1,217,000	1,221,000	1,241,238	20,238
County road tax	630,000	670,000	682,874	12,874
Cigarette	70,000	62,000	61,890	(110)
Total Taxes	<u>11,143,000</u>	<u>11,124,000</u>	<u>11,414,308</u>	<u>290,308</u>
Licenses and Permits				
Building and sign permits	108,000	174,000	184,175	10,175
Cable television franchise fees	469,000	472,236	473,942	1,706
Inspection and occupancy permits	90,550	97,550	99,024	1,474
Liquor licenses	18,000	18,000	18,338	338
Merchants and contractors licenses	719,000	693,000	691,742	(1,258)
Mechanical and electrical permits	82,050	109,050	114,332	5,282
Plumbing and excavation permits	52,600	78,600	94,281	15,681
Total Licenses And Permits	<u>1,539,200</u>	<u>1,642,436</u>	<u>1,675,834</u>	<u>33,398</u>
Public Utility Licenses				
Electric	1,517,000	1,514,200	1,501,514	(12,686)
Telephone	586,800	490,900	493,253	2,353
Gas	737,900	809,900	792,476	(17,424)
Water	345,400	371,400	401,538	30,138
Total Public Utility Licenses	<u>3,187,100</u>	<u>3,186,400</u>	<u>3,188,781</u>	<u>2,381</u>
Court Fines				
	<u>600,000</u>	<u>445,000</u>	<u>462,616</u>	<u>17,616</u>
False Alarm Fines				
	<u>6,800</u>	<u>6,800</u>	<u>5,700</u>	<u>(1,100)</u>
Police and Communications				
	<u>218,797</u>	<u>255,245</u>	<u>252,403</u>	<u>(2,842)</u>
Community Programs				
Pool:				
Concessions	132,000	122,900	122,939	39
Daily admissions	280,000	262,000	261,019	(981)

(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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
REVENUES (Continued)				
Community Programs (Continued)				
Pool (Continued):				
Season passes	144,555	160,955	183,176	22,221
Swim team	15,500	11,900	11,907	7
Rental fees	17,000	14,589	13,154	(1,435)
Miscellaneous	23,100	20,450	20,155	(295)
Total Pool	<u>612,155</u>	<u>592,794</u>	<u>612,350</u>	<u>19,556</u>
Community center:				
Concessions	13,000	13,000	11,220	(1,780)
Daily admissions	86,000	82,000	72,472	(9,528)
Punch cards	57,000	52,000	51,682	(318)
Season passes	956,000	998,000	1,144,845	146,845
Program fees	255,000	261,000	276,720	15,720
Summer camp fees	256,000	287,800	287,920	120
Rental fees	74,000	74,000	74,522	522
Identification fees	9,500	9,500	8,492	(1,008)
Miscellaneous	50	50	22	(28)
Total Community Center	<u>1,706,550</u>	<u>1,777,350</u>	<u>1,927,895</u>	<u>150,545</u>
Golf course:				
Green fees	466,500	404,100	420,132	16,032
Cart rental	142,000	136,000	136,733	733
Program fees	2,600	2,600	1,169	(1,431)
Season passes	1,500	1,500	1,050	(450)
Miscellaneous	2,300	2,300	2,032	(268)
Total Golf Course	<u>614,900</u>	<u>546,500</u>	<u>561,116</u>	<u>14,616</u>
Recreational complex and golf shop:				
Concessions and miscellaneous	74,200	71,600	82,019	10,419
Complex rental fees	33,000	37,000	36,095	(905)
Total Recreational Complex And Golf Shop	<u>107,200</u>	<u>108,600</u>	<u>118,114</u>	<u>9,514</u>
Ballwin Days	65,000	53,300	53,321	21
Total Community Programs	<u>3,105,805</u>	<u>3,078,544</u>	<u>3,272,796</u>	<u>194,252</u>

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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
REVENUES (Continued)				
Investment Income	39,200	119,200	167,121	47,921
Donations	39,500	32,100	34,951	2,851
Grants and Entitlements	36,250	34,000	38,509	4,509
Miscellaneous				
Administration	56,269	91,902	90,324	(1,578)
Rental income	15,300	15,300	15,300	-
Miscellaneous	2,015	5,015	5,007	(8)
Total Miscellaneous	73,584	112,217	110,631	(1,586)
Total Revenues	19,989,236	20,035,942	20,623,650	587,708
EXPENDITURES				
Administration				
Planning and zoning	64,956	45,446	42,818	(2,628)
Inspections	482,802	543,413	542,017	(1,396)
Community services	792,874	763,874	754,120	(9,754)
Legal	520,922	440,905	429,362	(11,543)
Support services	249,838	307,315	309,707	2,392
Information services	374,875	368,196	329,154	(39,042)
Municipal Court	170,029	180,643	171,732	(8,911)
Finance	535,187	538,028	528,835	(9,193)
Total Administration	3,191,483	3,187,820	3,107,745	(80,075)
Public Works				
Engineering	17,775	22,775	15,708	(7,067)
Streets and sidewalks	2,745,489	2,757,951	2,662,584	(95,367)
Snow and ice control	251,705	267,705	370,917	103,212
Property services	731,119	731,216	717,646	(13,570)
Support services	948,705	956,153	892,588	(63,565)
Total Public Works	4,694,793	4,735,800	4,659,443	(76,357)

(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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
EXPENDITURES (Continued)				
Police				
Management and auxiliary services	552,985	492,945	459,234	(33,711)
Field operations	4,377,488	4,189,499	4,078,797	(110,702)
Communications	897,732	930,215	915,929	(14,286)
Criminal investigations	685,996	670,796	657,436	(13,360)
Total Police	<u>6,514,201</u>	<u>6,283,455</u>	<u>6,111,396</u>	<u>(172,059)</u>
Parks and Recreation				
Parks	707,572	778,851	652,536	(126,315)
Golf operations	924,102	897,033	881,182	(15,851)
Pool	715,746	637,458	611,141	(26,317)
Community center	1,789,430	1,721,243	1,653,348	(67,895)
Building systems	541,607	539,895	516,971	(22,924)
Ballwin days	70,441	67,241	63,222	(4,019)
Total Parks And Recreation	<u>4,748,898</u>	<u>4,641,721</u>	<u>4,378,400</u>	<u>(263,321)</u>
Total Expenditures	<u>19,149,375</u>	<u>18,848,796</u>	<u>18,256,984</u>	<u>(591,812)</u>
REVENUES OVER (UNDER)				
EXPENDITURES	839,861	1,187,146	2,366,666	1,179,520
OTHER FINANCING SOURCES				
(USES)				
Transfers out	(379,576)	(726,176)	(723,900)	(2,276)
Insurance recoveries	1,000	1,000	6,566	5,566
Sale of capital assets	15,000	49,100	47,340	(1,760)
Total Other Financing Sources (Uses)	<u>(363,576)</u>	<u>(676,076)</u>	<u>(669,994)</u>	<u>(6,082)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 476,285</u>	<u>\$ 511,070</u>	1,696,672	<u>\$ (1,185,602)</u>
FUND BALANCE, JANUARY 1			<u>11,526,071</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 13,222,743</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, 2019

	Old Towne TIF Fund			Ballwin Town Center TDD Fund			Total Special Allocation Fund		
	Original And Final Budgeted Amounts	Actual	Over (Under) Budget	Original And Final Budgeted Amounts	Actual	Over (Under) Budget	Final Budgeted Amounts	Actual	Over (Under) Budget
REVENUES									
Taxes	\$ 1,010,000	\$ 1,115,214	\$ 105,214	\$ 98,000	\$ 95,019	\$ (2,981)	\$ 1,108,000	\$1,210,233	\$ 102,233
Public utility licenses	27,300	24,108	(3,192)	-	-	-	27,300	24,108	(3,192)
Investment income	1,575	2,325	750	110	343	233	1,685	2,668	983
Total Revenues	<u>1,038,875</u>	<u>1,141,647</u>	<u>102,772</u>	<u>98,110</u>	<u>95,362</u>	<u>(2,748)</u>	<u>1,136,985</u>	<u>1,237,009</u>	<u>100,024</u>
EXPENDITURES									
Administration	4,500	4,500	-	9,700	13,559	3,859	14,200	18,059	3,859
REVENUES OVER EXPENDITURES	1,034,375	1,137,147	102,772	88,410	81,803	(6,607)	1,122,785	1,218,950	96,165
OTHER FINANCING SOURCES (USES)									
Transfers in	162,400	127,642	(34,758)	-	-	-	162,400	127,642	(34,758)
Transfers out	(1,196,775)	(1,264,789)	68,014	(88,410)	(81,803)	(6,607)	(1,285,185)	(1,346,592)	61,407
Total Other Financing Sources (Uses)	<u>(1,034,375)</u>	<u>(1,137,147)</u>	<u>102,772</u>	<u>(88,410)</u>	<u>(81,803)</u>	<u>(6,607)</u>	<u>(1,122,785)</u>	<u>(1,218,950)</u>	<u>96,165</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, JANUARY 1		-			-			-	
FUND BALANCE, DECEMBER 31		<u>\$ -</u>			<u>\$ -</u>			<u>\$ -</u>	

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, 2019

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, 2019, expenditures for the Special Allocation Fund exceeded the budget by \$3,859.

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability					
Service cost	\$ 769,658	\$ 520,554	\$ 515,169	\$ 513,865	\$ 533,533
Interest on the total pension liability	1,792,495	1,353,795	1,247,200	1,098,570	1,060,405
Changes in benefit terms	-	4,752,960	-	-	-
Difference between expected and actual experience	896,801	(3,063)	241,448	110,587	(717,237)
Changes of assumptions	-	-	-	782,830	-
Benefit payments, including refunds	<u>(818,507)</u>	<u>(576,876)</u>	<u>(496,882)</u>	<u>(417,375)</u>	<u>(266,490)</u>
Net Change In Total Pension Liability	2,640,447	6,047,370	1,506,935	2,088,477	610,211
Total Pension Liability Beginning	<u>24,748,076</u>	<u>18,700,706</u>	<u>17,193,771</u>	<u>15,105,294</u>	<u>14,495,083</u>
Total Pension Liability Ending (a)	<u>\$ 27,388,523</u>	<u>\$ 24,748,076</u>	<u>\$ 18,700,706</u>	<u>\$ 17,193,771</u>	<u>\$ 15,105,294</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 681,751	\$ 402,383	\$ 388,759	\$ 428,003	\$ 484,631
Contributions - employee	307,379	522,250	-	300,790	-
Net investment income (loss)	1,603,068	2,531,051	2,302,806	(53,995)	342,748
Benefit payments, including refunds	(818,507)	(576,876)	(496,882)	(417,375)	(266,490)
Administrative expense	(26,574)	(18,443)	(18,124)	(17,336)	(18,642)
Other changes	<u>165,435</u>	<u>15,924</u>	<u>227,815</u>	<u>27,350</u>	<u>485,095</u>
Net Change In Plan Fiduciary Net Position	1,912,552	2,876,289	2,404,374	267,437	1,027,342
Plan Fiduciary Net Position Beginning	<u>23,565,308</u>	<u>20,689,019</u>	<u>18,284,645</u>	<u>18,017,208</u>	<u>16,989,866</u>
Plan Fiduciary Net Position Ending (b)	<u>\$ 25,477,860</u>	<u>\$ 23,565,308</u>	<u>\$ 20,689,019</u>	<u>\$ 18,284,645</u>	<u>\$ 18,017,208</u>
Net Pension (Asset) Liability Ending (a-b)	<u>\$ 1,910,663</u>	<u>\$ 1,182,768</u>	<u>\$ (1,988,313)</u>	<u>\$ (1,090,874)</u>	<u>\$ (2,911,914)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	93.02 %	95.22 %	110.63 %	106.34 %	119.28 %
Covered Payroll (for February 28/29 Valuation)	\$ 7,599,646	\$ 7,600,816	\$ 7,311,839	\$ 7,452,367	\$ 7,350,714
Net Pension (Asset) Liability as a Percentage of Covered Payroll	25.14 %	15.56 %	(27.19) %	(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									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined pension contribution	\$ 672,819	\$ 558,710	\$ 404,088	\$ 377,630	\$ 486,441	\$ 506,920	\$ 555,904	\$ 428,401	\$ 307,438	\$ 320,194
Contributions in relation to the actuarially determined contribution	672,819	558,711	374,168	377,629	486,440	506,920	555,904	416,205	250,049	206,708
Contribution Deficiency (Excess)	\$ -	\$ (1)	\$ 29,920	\$ 1	\$ 1	\$ -	\$ -	\$ 12,196	\$ 57,389	\$ 113,486
Covered Payroll	\$ 7,731,460	\$ 7,705,043	\$ 7,488,484	\$ 7,467,664	\$ 7,710,104	\$ 7,384,378	\$ 7,245,803	\$ 5,422,399	\$ 4,099,172	\$ 4,053,093
Contributions as a Percentage of Covered Employee Payroll	8.70 %	7.25 %	5.00 %	5.06 %	6.31 %	6.86 %	7.67 %	7.68 %	6.10 %	5.10 %

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:

Actuarial cost method
Amortization method

Entry age normal and modified terminal funding
A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.

Remaining amortization period
Asset valuation method
Inflation
Salary increases
Investment rate of return
Retirement age
Mortality

Multiple bases from 12 to 24 years
5 years smoothed market; 20% corridor
3.25% wage inflation; 2.50% price inflation
3.25% to 6.55% including wage inflation
7.25%, net of investment expenses
Experience-based table of rates that are specific to the type of eligibility condition
The healthy retiree mortality tables for post-retirement mortality were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables for post-retirement mortality were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality tables for males and females. Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Other information:

The benefit multiplier increased to 1.75% effective as of July 1, 2018.

CITY OF BALLWIN, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED DECEMBER 31

	2019	2018
Total OPEB Liability		
Service cost	\$ 41,538	\$ 43,443
Interest on the total OPEB liability	35,226	29,886
Difference between expected and actual experience	(3,763)	(4,805)
Changes of assumptions	19,911	(28,199)
Benefit payments	(23,103)	(9,890)
Net Change In Total OPEB Liability	69,809	30,435
Total OPEB Liability Beginning	937,651	907,216
Total OPEB Liability Ending (a)	\$ 1,007,460	\$ 937,651
Covered Payroll	\$ 7,571,972	\$ 7,571,972
Total OPEB Liability as a Percentage of Covered Payroll	13.31 %	12.38

Notes:

Information is not available for fiscal years prior to 2018.

OTHER SUPPLEMENTAL INFORMATION SECTION

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 is 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, 2019

	<u>Sewer Lateral</u>	<u>Federal Asset Seizure</u>	<u>P.O.S.T.</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Receivables:				
Taxes	\$ 76,690	\$ -	\$ -	\$ 76,690
Restricted assets:				
Cash and cash equivalents	<u>539,905</u>	<u>129,083</u>	<u>90,422</u>	<u>759,410</u>
Total Assets	<u>\$ 616,595</u>	<u>\$ 129,083</u>	<u>\$ 90,422</u>	<u>\$ 836,100</u>
LIABILITIES				
Accounts payable	<u>\$ 21,981</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,981</u>
FUND BALANCES				
Restricted for:				
Sewer lateral	594,614	-	-	594,614
Federal asset seizure	-	129,083	-	129,083
P.O.S.T.	-	-	90,422	90,422
Total Fund Balances	<u>594,614</u>	<u>129,083</u>	<u>90,422</u>	<u>814,119</u>
Total Liabilities And Fund Balances	<u>\$ 616,595</u>	<u>\$ 129,083</u>	<u>\$ 90,422</u>	<u>\$ 836,100</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, 2019

	<u>Sewer Lateral</u>	<u>Federal Asset Seizure</u>	<u>P.O.S.T.</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES				
Taxes	\$ 277,125	\$ -	\$ -	\$ 277,125
Administrative fees	6,750	-	-	6,750
Police and communications	-	5,378	3,631	9,009
Investment income	-	2,758	1,918	4,676
Total Revenues	<u>283,875</u>	<u>8,136</u>	<u>5,549</u>	<u>297,560</u>
EXPENDITURES				
Administration	153,864	-	-	153,864
Police	-	5,728	5,097	10,825
Total Expenditures	<u>153,864</u>	<u>5,728</u>	<u>5,097</u>	<u>164,689</u>
NET CHANGE IN FUND BALANCES	130,011	2,408	452	132,871
FUND BALANCES, JANUARY 1	<u>464,603</u>	<u>126,675</u>	<u>89,970</u>	<u>681,248</u>
FUND BALANCES, DECEMBER 31	<u>\$ 594,614</u>	<u>\$ 129,083</u>	<u>\$ 90,422</u>	<u>\$ 814,119</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, 2019

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes (sewer lateral fees)	\$ 296,500	\$ 277,125	\$ (19,375)
Administrative fees	5,500	6,750	1,250
Total Revenues	<u>302,000</u>	<u>283,875</u>	<u>(18,125)</u>
EXPENDITURES			
Administration:			
Sewer lateral repairs	273,000	125,540	(147,460)
Administration costs	28,324	28,324	-
Total Expenditures	<u>301,324</u>	<u>153,864</u>	<u>(147,460)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 676</u>	130,011	<u>\$ 129,335</u>
FUND BALANCE, JANUARY 1		<u>464,603</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 594,614</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, 2019

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Police and communications	\$ 12,000	\$ 5,378	\$ (6,622)
Investment income	2,100	2,758	658
Total Revenues	<u>14,100</u>	<u>8,136</u>	<u>(5,964)</u>
EXPENDITURES			
Police	<u>10,000</u>	<u>5,728</u>	<u>(4,272)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 4,100</u>	2,408	<u>\$ (1,692)</u>
FUND BALANCE, JANUARY 1		<u>126,675</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 129,083</u>	

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, 2019

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Police and communications	\$ 3,700	\$ 3,631	\$ (69)
Investment income	1,500	1,918	418
Total Revenues	<u>5,200</u>	<u>5,549</u>	<u>349</u>
EXPENDITURES			
Police	<u>7,000</u>	<u>5,097</u>	<u>(1,903)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,800)</u>	452	<u>\$ 2,252</u>
FUND BALANCE, JANUARY 1		<u>89,970</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 90,422</u>	

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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
REVENUES				
Capital improvement sales tax	\$ 75,000	\$ 95,000	\$ 90,977	\$ (4,023)
Parks sales tax	300,000	300,000	303,093	3,093
Public safety sales tax	25,000	25,000	25,000	-
Grants and entitlements	70,768	526,646	523,237	(3,409)
Total Revenues	<u>470,768</u>	<u>946,646</u>	<u>942,307</u>	<u>(4,339)</u>
EXPENDITURES				
Administration:				
Community services	<u>298,176</u>	<u>665,176</u>	<u>663,966</u>	<u>(1,210)</u>
Public works:				
Pavement maintenance	88,460	52,495	39,156	(13,339)
Property services	-	104,775	109,033	4,258
Support services	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Works	<u>113,460</u>	<u>157,270</u>	<u>148,189</u>	<u>(9,081)</u>
Police:				
Management & auxiliary services	<u>25,000</u>	<u>25,000</u>	<u>22,500</u>	<u>(2,500)</u>
Parks and recreation:				
Parks	-	10,200	11,950	1,750
Golf Operations	<u>250,000</u>	<u>23,000</u>	<u>23,296</u>	<u>296</u>
Total Parks And Recreation	<u>250,000</u>	<u>33,200</u>	<u>35,246</u>	<u>2,046</u>
Total Expenditures	<u>686,636</u>	<u>880,646</u>	<u>869,901</u>	<u>(10,745)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(215,868)</u>	<u>66,000</u>	<u>72,406</u>	<u>6,406</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	298,176	666,176	663,966	(2,210)
Transfers out	<u>(81,000)</u>	<u>(67,708)</u>	<u>(67,708)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>217,176</u>	<u>598,468</u>	<u>596,258</u>	<u>(2,210)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,308</u>	<u>\$ 664,468</u>	668,664	<u>\$ 4,196</u>
FUND BALANCE, JANUARY 1			<u>(222,421)</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 446,243</u>	

STATISTICAL SECTION

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

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	62 - 65
Revenue Capacity These schedules contain information to help the reader assess the City’s most significant local revenue sources.	66 - 72
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	73 - 76
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	77 - 79
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	80 - 81

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 52,229,272	\$ 55,892,903	\$ 58,484,942	\$ 58,436,684	\$ 60,365,955	\$ 61,255,847	\$ 62,741,732	\$ 64,101,932	\$ 67,113,678	\$ 65,686,889
Restricted	5,213,316	4,619,234	3,933,812	3,612,109	3,532,931	2,932,692	2,640,411	2,804,015	2,761,330	3,839,052
Unrestricted (deficiency)	(6,217,676)	(8,395,658)	(6,678,049)	(5,067,844)	(1,804,964)	1,303,379	3,009,214	4,254,977	(45,039)	1,964,983
 Total Governmental Activities Net Position	 <u>\$ 51,224,912</u>	 <u>\$ 52,116,479</u>	 <u>\$ 55,740,705</u>	 <u>\$ 56,980,949</u>	 <u>\$ 62,093,922</u>	 <u>\$ 65,491,918</u>	 <u>\$ 68,391,357</u>	 <u>\$ 71,160,924</u>	 <u>\$ 69,829,969</u>	 <u>\$ 71,490,924</u>

Note: 2014 amount was restated for implementation of GASB 68. 2017 amount was restated for implementation of GASB 75.

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

For the Years Ended December 31

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
EXPENSES										
General government	\$ 2,853,432	\$ 2,975,328	\$ 2,949,090	\$ 3,151,500	\$ 3,202,942	\$ 3,198,068	\$ 3,173,283	\$ 3,201,143	\$ 4,071,405	\$ 3,634,777
Public works	5,061,956	6,027,188	4,271,294	4,680,149	4,895,772	4,974,891	4,988,963	5,097,803	5,970,580	5,648,992
Police and court	4,891,838	4,994,184	5,159,400	5,442,173	5,452,247	5,317,211	5,565,733	5,697,337	8,868,745	6,184,927
Parks and recreation	4,279,572	4,461,133	4,571,003	4,715,989	5,041,282	5,107,835	5,556,450	5,286,293	5,590,602	5,247,597
Interest on long-term debt	1,239,718	1,115,108	953,404	873,348	827,400	770,614	703,048	620,894	537,985	450,757
Total Expenses	<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>	<u>19,903,470</u>	<u>25,039,317</u>	<u>21,167,050</u>
PROGRAM REVENUES										
Charges for services:										
General government	805,066	903,157	932,571	1,283,921	1,357,366	1,333,415	1,370,342	1,393,419	1,417,935	1,483,217
Public works	300,866	-	-	-	-	-	-	100	-	-
Police and court	824,612	1,026,418	1,212,453	1,293,229	1,116,336	877,501	842,789	706,397	881,620	733,913
Parks and recreation	2,711,904	2,759,944	2,818,794	2,716,188	2,709,312	2,793,576	2,916,481	3,125,079	3,171,418	3,272,795
Operating grants and contributions	1,968,493	1,940,319	2,064,249	1,770,574	1,980,080	2,019,850	1,992,051	2,143,790	1,973,727	1,994,861
Capital grants and contributions	144,893	631,080	1,383,824	403,925	570,385	1,590,966	1,685,573	1,351,798	1,462,604	218,688
Total Program Revenues	<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>	<u>8,720,583</u>	<u>8,907,304</u>	<u>7,703,474</u>
NET REVENUES (EXPENSES)	<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>	<u>(11,182,887)</u>	<u>(16,132,013)</u>	<u>(13,463,576)</u>
GENERAL REVENUES										
Taxes:										
General sales and use	7,575,964	7,809,931	8,177,296	8,350,271	8,873,564	9,174,735	9,185,675	9,023,345	10,454,927	10,533,692
Franchise	457,283	486,519	515,457	530,722	577,089	605,389	553,633	521,464	482,114	473,942
Cigarette	89,438	87,662	83,288	80,718	78,684	87,412	83,124	74,845	66,500	61,890
Utility gross receipts	3,923,967	3,789,834	3,715,613	3,799,136	3,724,984	3,626,787	3,411,174	3,499,324	3,598,566	3,212,889
Property	513,661	448,038	311,956	432,629	260,579	405,149	541,281	496,116	540,489	541,977
Investment income	153,823	314,509	80,357	11,421	128,774	135,988	93,685	130,266	108,279	187,227
Miscellaneous	131,253	267,097	232,559	168,354	240,582	115,847	211,108	207,094	233,916	112,914
Total General Revenues	<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>	<u>13,952,454</u>	<u>15,484,791</u>	<u>15,124,531</u>
CHANGE IN NET POSITION	<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>	<u>\$ 2,769,567</u>	<u>\$ (647,222)</u>	<u>\$ 1,660,955</u>

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

	December 31									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ -	\$ 264,194	\$ 418,341	\$ 544,134	\$ 747,177	\$ 767,826	\$ 700,272	\$ 644,430	\$ 771,055	\$ 534,974
Restricted	-	33,796	35,999	31,348	45,564	64,029	79,461	350,897	1,005,946	1,694,457
Committed	-	-	-	-	1,755,775	2,654,897	2,984,427	3,003,507	892,707	1,523,280
Assigned	-	-	-	2,323,370	18,209	699,090	794,440	-	-	660,576
Unassigned	-	6,653,674	8,230,761	6,579,911	6,448,262	6,543,662	6,745,700	7,730,577	8,856,363	8,809,456
Reserved	426,506	-	-	-	-	-	-	-	-	-
Unreserved	9,829,007	-	-	-	-	-	-	-	-	-
Total General Fund	<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>	<u>\$ 11,729,411</u>	<u>\$ 11,526,071</u>	<u>\$ 13,222,743</u>
All Other Governmental Funds										
Restricted	\$ -	\$ 4,585,438	\$ 3,448,046	\$ 3,541,884	\$ 3,448,213	\$ 2,699,436	\$ 2,285,617	\$ 2,060,257	\$ 1,372,069	\$ 1,825,348
Unassigned	-	-	-	-	-	-	-	-	(222,421)	-
Reserved	4,607,994	-	-	-	-	-	-	-	-	-
Unreserved, reported in: Capital projects funds	580,958	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<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>	<u>\$ 2,060,257</u>	<u>\$ 1,149,648</u>	<u>\$ 1,825,348</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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES										
Taxes	\$ 10,292,385	\$ 9,710,751	\$ 10,483,186	\$ 11,035,294	\$ 11,273,252	\$ 11,654,502	\$ 11,832,035	\$ 11,699,628	\$ 13,285,398	\$ 13,320,736
Licenses and permits	1,262,349	1,389,675	1,448,029	1,519,203	1,637,987	1,643,613	1,626,338	1,616,033	1,596,691	1,675,834
Public utility licenses	3,923,967	3,789,834	3,715,613	3,799,136	3,724,984	3,626,787	3,411,174	3,499,324	3,598,566	3,212,889
Court fines	616,623	736,213	938,503	952,511	865,474	658,412	549,680	462,383	652,914	462,616
False alarm fines	4,475	6,050	4,800	6,375	7,850	8,550	8,275	6,550	5,075	5,700
Police and communications	285,719	287,991	262,820	255,427	246,827	265,070	300,731	233,208	222,157	261,412
Community programs	2,711,904	2,759,944	2,818,795	2,716,188	2,709,312	2,793,576	2,916,481	3,125,079	3,171,418	3,272,796
Investment income	153,825	314,510	80,358	11,421	128,774	135,988	93,685	130,266	108,279	187,227
Donations	15,736	57,030	46,367	18,008	169,806	123,709	99,725	190,325	31,723	34,951
Grants and entitlements	95,777	173,813	1,085,383	581,728	618,245	644,692	167,966	1,109,586	1,267,797	561,746
Miscellaneous	131,056	267,097	214,449	183,996	240,582	115,847	189,842	204,275	199,473	117,381
Total Revenues	19,493,816	19,492,908	21,098,303	21,079,287	21,623,093	21,670,746	21,195,932	22,276,657	24,139,491	23,113,288
EXPENDITURES										
Current:										
Administration	2,770,531	2,864,647	2,863,016	3,026,946	3,053,797	3,087,365	3,071,324	2,984,816	3,487,686	3,458,844
Public works	3,451,046	4,436,279	2,779,907	2,914,321	3,084,783	3,121,347	2,931,849	2,827,811	3,140,896	3,234,966
Police	4,761,003	4,872,371	5,001,996	5,309,767	5,358,985	5,533,467	5,411,043	5,433,072	5,936,021	6,035,804
Parks and recreation	3,620,954	3,806,901	3,985,381	3,952,126	4,270,741	4,263,650	4,598,395	4,237,231	4,192,845	4,258,451
Capital outlay	1,144,713	1,519,271	2,831,405	2,731,818	6,467,740	2,872,399	2,532,012	4,339,590	6,587,174	2,322,738
Debt service:										
Principal	1,975,000	4,745,000	2,230,000	1,391,008	1,220,854	1,593,143	1,865,160	1,642,734	1,420,000	1,010,000
Interest	1,268,224	1,182,804	984,569	893,138	833,810	787,246	724,429	642,651	559,306	474,019
Total Expenditures	18,991,471	23,427,273	20,676,274	20,219,124	24,290,710	21,258,617	21,134,212	22,107,905	25,323,928	20,794,822
REVENUES OVER (UNDER) EXPENDITURES	502,345	(3,934,365)	422,029	860,163	(2,667,617)	412,129	61,720	168,752	(1,184,437)	2,318,466
OTHER FINANCING SOURCES (USES)										
Issuance of capital lease	118,744	-	125,690	-	2,000,000	-	-	-	-	-
Transfers in	3,962,985	8,439,557	2,607,955	2,229,775	3,471,105	1,533,925	1,715,879	2,071,541	4,440,440	2,138,200
Transfers out	(3,962,985)	(8,439,557)	(2,607,955)	(2,229,775)	(3,471,105)	(1,533,925)	(1,715,879)	(2,071,541)	(4,440,440)	(2,138,200)
Insurance recoveries	-	-	-	-	-	521,453	30,198	5,270	38,644	6,566
Sale of capital assets	62,733	27,002	48,326	27,337	110,170	32,158	69,059	25,729	31,844	47,340
Total Other Financing Sources (Uses)	181,477	27,002	174,016	27,337	2,110,170	553,611	99,257	30,999	70,488	53,906
NET CHANGES IN FUND BALANCES	\$ 683,822	\$ (3,907,363)	\$ 596,045	\$ 887,500	\$ (557,447)	\$ 965,740	\$ 160,977	\$ 199,751	\$ (1,113,949)	\$ 2,372,372
Debt service as a percentage of noncapital expenditures	18.23%	27.06%	18.20%	13.06%	11.53%	12.95%	13.92%	12.86%	10.56%	8.03%

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

For The Years Ended December 31	Sales	Motor Fuel	County Road	TIF Property	Other	Total
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
2017	9,296,486	819,499	631,718	445,455	506,470	11,699,628
2018	10,726,266	815,718	675,661	565,296	502,457	13,285,398
2019	10,811,879	823,559	682,874	523,917	478,507	13,320,736

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

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

For The Years Ended December 31	Utility Tax (1)				
	Electric	Gas	Telephone	Water	Total
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
2017	1,683,539	737,855	697,420	380,510	3,499,324
2018	1,693,764	822,598	654,291	427,913	3,598,566
2019	1,516,599	796,774	496,723	402,793	3,212,889

Notes:

(1) The City levies a gross receipts tax of 7% for utilities. This increased from 5% on July 15, 2008.

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

For The Years Ended December 31,	Real Property			Personal Property	Railroad And Utilities	Total Direct Tax Rate	Total Taxable Assessed Value	Estimated Actual Value
	Residential Property	Commercial Property	Agricultural Property					
2010	\$ 464,475,960	\$ 55,915,080	\$ 1,840	\$ 63,897,014	\$ 7,736,184	0.0000	\$ 592,026,078	\$ 2,835,246,062
2011	461,136,990	53,912,650	1,300	65,402,761	8,505,947	0.0000	588,959,648	2,818,333,644
2012	461,304,860	53,731,920	1,300	71,140,464	7,960,085	0.0000	594,138,629	2,834,161,401
2013	446,790,980	54,556,870	1,300	73,021,339	8,699,101	0.0000	583,069,590	2,768,303,142
2014	450,521,010	55,189,430	1,300	76,169,894	8,917,200	0.0000	590,798,834	2,800,039,798
2015	474,108,190	57,673,020	2,680	76,377,306	9,893,919	0.0000	618,055,115	2,935,630,114
2016	475,724,660	58,183,970	2,680	77,217,326	9,136,493	0.0000	620,265,129	2,945,887,926
2017	527,057,030	66,416,660	3,100	76,050,411	9,062,751	0.0000	678,589,952	3,238,057,412
2018	528,048,400	63,188,880	-	77,056,946	8,098,760	0.0000	676,392,986	3,233,169,938
2019	590,200,560	68,790,750	-	79,498,639	8,949,469	0.0000	747,439,418	3,587,776,690

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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Taxes levied on all property in the City:										
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	0.5230	0.5230	0.5230	0.5230	0.5230	0.5150	0.5150	0.4890	0.4890	0.4430
St. Louis Community College	0.2179	0.2200	0.2200	0.2200	0.2200	0.2176	0.2185	0.2112	0.2129	0.1986
St. Louis County Library District	0.1565	0.1630	0.1730	0.2500	0.2250	0.2460	0.2460	0.2340	0.2340	0.2120
Special School District	0.9950	1.0125	1.0123	1.2400	1.2609	1.2348	1.2409	1.1912	1.1980	1.1077
Metropolitan Zoological Park and Museum District	0.2546	0.2671	0.2684	0.2797	0.2797	0.2777	0.2795	0.2694	0.2724	0.2549
Sheltered Workshop	0.0790	0.0840	0.0840	0.0890	0.0900	0.0880	0.0880	0.0840	0.0840	0.0750
Totals	<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>	<u>2.5088</u>	<u>2.5203</u>	<u>2.3212</u>
Sewer districts:										
Metropolitan St. Louis Sewer District	0.0180	0.0185	0.0186	0.0196	0.0197	0.0195	0.1196	0.1159	0.1170	0.1077
Fire protection districts (2):										
Metro West Fire District	1.0120	1.0300	1.0290	1.0640	1.0570	1.0130	1.0110	0.9680	1.1010	1.0440
Monarch Fire Protection District	0.8650	0.8420	0.8290	0.8290	0.8290	0.8060	0.8050	0.7630	0.8800	0.8360
West County EMS and FPD	0.9130	0.8980	0.8960	0.9610	0.9620	1.2740	1.2710	1.1900	1.1900	1.1070
School districts (3):										
Rockwood School District	4.2752	4.4630	4.5357	4.6833	4.7240	4.6015	4.6678	4.5015	4.5539	4.3463
Parkway School District	3.5672	3.6761	3.9361	4.0743	4.0743	4.4617	4.2163	3.9857	4.0640	3.7661

Notes:

- (1) The City does not levy a property tax.
- (2) All property is located in one of the three fire protection districts whose boundaries include part of the City.
- (3) All property is located in one of the two school districts whose boundaries include part of the City.
- (4) 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>2019</u>			<u>2010</u>		
	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value
MIMG XCIII Seven Trails LLC	\$ 8,062,840	1	1.08%	\$ 5,700,000	2	0.96%
Olde Towne Plaza LLC	8,008,840	2	1.07%	7,603,260	1	1.28%
Ramco-Gershenson Properties LP	7,474,430	3	1.00%	-	-	0.00%
Viking Partners Ballwin LLC	6,916,840	4	0.93%	-	-	0.00%
Rockwood LL Inc	3,958,610	5	0.53%	-	-	0.00%
Woodsmill Village Partnership LP	3,799,090	6	0.51%	3,212,940	5	0.54%
MSH Chevrolet Cadillac, Inc.	3,424,610	7	0.46%	-	-	0.00%
Kensington West Apartments LLP	2,864,440	8	0.38%	2,490,270	9	0.42%
Target Stores, Inc.	2,786,050	9	0.37%	3,136,290	7	0.53%
Car Wolfe Toy LLC	2,353,060	10	0.31%	3,202,390	6	0.54%
Weingarten Nostat, Inc.	-	-	0.00%	5,120,000	3	0.86%
Pace-Central Associates LLC	-	-	0.00%	4,550,400	4	0.77%
Village Park of Ballwin	-	-	0.00%	3,056,300	8	0.52%
Meadowbrook Country Club	-		0.00%	2,486,580	10	0.42%
Totals	<u>\$ 49,648,810</u>		<u>6.64%</u>	<u>\$ 40,558,430</u>		<u>6.85%</u>

Source: St. Louis County Assessor

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

For The Years Ended December 31	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year Of The Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	Percentage Of Levy		Amount	Percentage Of Levy
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%	260,810	468,516	96.4%
2017	514,475	185,648	36.1%	318,629	504,277	98.0%
2018	556,844	246,518	44.3%	302,223	548,740	98.5%
2019	573,807	221,427	38.6%	27,530	248,957	43.4%

Source: St. Louis County Assessor

Notes:

- (1) The City does not levy a property tax. The property 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>County</u>	<u>Missouri</u>	<u>Overlapping</u>	<u>Sales Tax Revenues</u>	<u>Taxable Sales (3)</u>
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%	2.890%	4.225%	8.115%	9,109,909	297,163,965
2015	1.000%	2.890%	4.225%	8.115%	9,426,841	302,690,063
2016	1.000%	2.890%	4.225%	8.115%	9,445,202	307,237,571
2017	1.000%	3.390%	4.225%	8.615%	9,296,486	282,637,758
2018	1.000%	3.390%	4.225%	8.615%	10,726,266	302,069,593
2019	1.000%	3.510%	4.225%	8.735%	10,811,879	300,615,198

- 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

Fiscal Year	Governmental Activities					Total Primary Government	Percentage Of Personal Income	Per Capita
	General Obligation Bonds (1)	Tax Incremental Bonds	Certificates Of Participation (2)	Bond Premium	Capital Leases			
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
2017	-	9,270,000	-	-	-	9,270,000	0.81%	305
2018	-	7,850,000	-	-	-	7,850,000	0.68%	258
2019	-	6,840,000	-	-	-	6,840,000	0.59%	225

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

Fiscal Year	Population (1)	Actual Taxable Value Of Property (2)	General Obligation Bonds	Percentage Of Actual Taxable Value Of Property	Per Capita
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	-	-	-
2017	30,404	678,589,952	-	-	-
2018	30,404	676,392,986	-	-	-
2019	30,404	747,439,418	-	-	-

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, 2019

<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	\$ 87,375,000	2.80 %	\$ 2,446,500
Rockwood School District	240,671,441	11.81	28,423,297
Parkway School District	245,760,000	5.02	12,337,152
Metro West Fire Protection District	3,500,000	30.58	1,070,300
West County EMS & Fire Protection District	12,970,000	9.27	1,202,319
Total Overlapping	<u>590,276,441</u>		<u>45,479,568</u>
City direct debt	<u>6,840,000</u>	100.0 %	<u>6,840,000</u>
Total Direct And Overlapping Debt	<u><u>\$ 597,116,441</u></u>		<u><u>\$ 52,319,568</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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 59,202,608	\$ 58,895,965	\$ 59,413,863	\$ 58,306,959	\$ 59,079,883	\$ 61,805,512	\$ 62,026,513	\$ 67,858,995	\$ 67,639,299	\$ 74,743,942
Total net debt applicable to limit	1,915,000	975,000	-	-	-	-	-	-	-	-
Legal debt margin	<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>	<u>\$ 67,858,995</u>	<u>\$ 67,639,299</u>	<u>\$ 74,743,942</u>
Total net debt applicable to the limit as a percentage of debt limit	3.23%	1.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation For Fiscal Year 2019:	
Assessed Value	<u>\$ 747,439,418</u>
Debt limit (10% of total assessed value)	\$ 74,743,942
Debt applicable to limit	<u>-</u>
Legal Debt Margin	<u>\$ 74,743,942</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

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	Educational Attainment: Percentage With Bachelor's Degree Or Higher	School Enrollment		Unemployment Rate
						Parkway School District	Rockwood School District	
2010	30,404	\$ 1,150,821,804	\$ 37,851	41.2	54%	17,386	22,382	6.80%
2011	30,404	1,150,821,804	37,851	41.2	54%	17,456	22,568	6.00%
2012	30,404	1,150,821,804	37,851	41.2	54%	17,351	22,268	4.90%
2013	30,404	1,150,821,804	37,851	41.2	54%	17,274	22,018	4.60%
2014	30,404	1,150,821,804	37,851	41.2	54%	17,148	21,609	3.80%
2015	30,404	1,150,821,804	37,851	41.2	54%	17,229	21,360	2.50%
2016	30,404	1,150,821,804	37,851	41.2	54%	17,302	21,140	2.60%
2017	30,404	1,150,821,804	37,851	41.2	54%	17,434	20,952	2.60%
2018	30,404	1,150,821,804	37,851	41.2	54%	17,949	21,722	2.30%
2019	30,404	1,150,821,804	37,851	41.2	54%	17,991	21,614	2.30%

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>2019</u>			<u>2010</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>
Target	221	1	N/A	201	1	N/A
Schnuck's	207	2	N/A	110	5	N/A
Meadowbrook Country Club	200	3	N/A	105	6	N/A
ELCO Chevrolet	188	4	N/A	122	4	N/A
Texas Roadhouse	173	5	N/A	-	-	N/A
Lowe's Home Improvement	151	6	N/A	149	2	N/A
City of Ballwin	132	7	N/A	139	3	N/A
RN Services	116	8	N/A	-	-	N/A
Jay Wolfe Toyota	112	9	N/A	80	8	N/A
Holy Infant Catholic Church	110	10	N/A	81	7	N/A
Buffalo Wild Wings	-	-	N/A	55	9	N/A
Marshall's	-	-	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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government:										
City Administrator	2	2	2	2	2	2	2	2	-	1
Planning	8	8	8	8	8	8	8	7	7	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
Public Information Officer	-	-	-	-	-	-	-	-	1	1
Municipal Court	2	2	2	2	2	2	2	2	2	2
Police:										
Officers	50	50	50	51	47	49	47	48	47	44
Civilians	11	12	12	12	12	11	11	11	13	11
Public Works:										
Administration/Engineering	5	5	6	6	6	6	4	3	3	4
Street Maintenance	24	24	24	23	24	24	24	24	24	26
Garage	2	2	2	2	2	2	3	3	3	3
Parks and Recreation:										
Administration	3	3	3	3	3	3	3	3	2	3
Recreation	7	7	7	7	7	7	7	7	6	5
Golf	7	7	7	6	7	7	5	5	5	5
Parks Maintenance	5	5	4	4	5	5	5	5	5	5
Building Maintenance	6	6	7	7	7	7	7	7	7	7
Total	<u>139</u>	<u>140</u>	<u>141</u>	<u>140</u>	<u>139</u>	<u>140</u>	<u>135</u>	<u>134</u>	<u>132</u>	<u>132</u>

Note: Excludes vacant positions

Source: Payroll Data from Finance Department

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

FUNCTIONS/PROGRAMS	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government:										
Government Center square footage	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056	10,500
Police:										
Police and Court Center	1	1	1	1	1	1	1	1	1	1
Vehicles	27	27	27	26	26	26	25	23	23	24
Public Works:										
Miles of streets maintained	123	123	124	124	124	124	126	126	126	126
Miles of sidewalks maintained	158	158	160	160	160	162	162	162	162	162
Number of streets	525	528	530	531	531	533	534	535	535	536
Vehicles	29	29	29	29	29	30	29	30	32	30
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	66	66	66
Planning and Development:										
Vehicles	6	6	6	6	6	6	5	5	5	5

Sources: Various City departments and capital asset schedules

Notes:

(1) A new Government Center building was opened in 2019.

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

FUNCTIONS/PROGRAMS	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Administration:										
Business licenses issued	328	332	338	314	327	332	331	343	339	329
Liquor licenses issued	63	72	74	82	81	81	80	67	71	69
Community Development:										
Single family occupancy inspections	504	483	558	648	650	659	692	655	732	671
Multi-family occupancy inspections	763	772	640	662	617	759	632	643	594	583
Commercial occupancy inspections	36	30	33	33	26	32	24	61	58	54
Building permits	308	322	400	449	434	496	509	634	621	628
Zoning petitions	22	13	11	27	11	17	18	6	7	8
Municipal Court:										
Tickets processed	7,387	8,783	8,875	9,460	7,665	6,781	5,178	5,647	6,220	4,496
Warrants issued	892	1,065	1,020	1,071	1,152	616	648	652	737	631
Cases closed	7,204	8,194	8,587	9,149	8,382	7,670	5,524	4,547	5,875	4,747
Parks:										
Total program participation	62,837	68,942	64,869	66,371	73,370	74,636	80,792	87,952	40,249	40,234
Community Center admissions	367,245	376,713	340,941	394,202	319,700	349,069	315,326	334,369	254,539	275,598
Aquatic Center admissions	81,915	83,600	80,360	66,509	80,505	64,225	70,861	69,231	58,339	57,601
Golf course rounds	32,004	31,360	35,148	31,435	30,317	32,801	33,303	35,350	31,509	30,950
Police:										
Adult arrests	862	899	747	766	512	446	455	472	562	313
Juvenile arrest	69	112	64	93	56	73	67	52	24	49
Traffic citations and warnings	8,111	9,317	9,819	10,134	8,063	7,619	6,213	8,332	8,809	6,882
Total police actions	30,993	32,205	32,752	33,718	33,477	33,659	35,298	37,664	43,192	32,821
Public Works:										
Sidewalk replacement sq. ft.	5,680	12,336	15,616	13,536	13,264	9,152	5,940	12,782	15,340	18,626
Street asphalt repairs tons	1,424	2,279	2,612	2,662	1,576	2,305	1,090	1,497	1,543	1,116
Street crack sealing miles	18	23	17	18	15	13	13	-	-	4

Notes:
(1) The City began performing inspections and permitting for Winchester under contract beginning in 2017.
(2) Beginning in 2018, program participation includes free programs, special events and program registrations. Community Center admissions includes member swipes, paid daily admissions and birthday party attendees.

Source: Various City departments.