



# **CITY OF BALLWIN, MISSOURI**

## **Comprehensive Annual Financial Report**

**For The Year Ended December 31, 2018**



**Comprehensive Annual Financial Report  
For The Fiscal Year Ended December 31, 2018**

Prepared by the Department of Finance

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

---

	<b>Page</b>
<b>SECTION I - INTRODUCTORY SECTION</b>	
Letter of Transmittal	i
Principal City Officials	vi
Organization Chart	vii
Certificate of Achievement for Excellence in Financial Reporting	viii
<b>SECTION II - FINANCIAL SECTION</b>	
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Notes to Financial Statements	21
Required Supplemental Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
General Fund	45
Special Allocation Fund	49
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	50
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios	51
Schedule of Pension Contributions	52
Schedule of Changes in Total OPEB Liability and Related Ratios	53
Other Supplemental Information:	
Combining Balance Sheet - Nonmajor Governmental Funds	56
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	57
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Sewer Lateral Fund	58
Federal Asset Seizure Fund	59
P.O.S.T. Fund	60
Capital Projects Fund	61

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

---

	<b>Page</b>
<b>SECTION III - STATISTICAL SECTION</b>	
Net Position by Component - Last Ten Fiscal Years	63
Change in Net Position - Last Ten Fiscal Years	64
Fund Balances of Governmental Funds - Last Ten Fiscal Years	65
Changes in Fund Balances - Governmental Funds - Last Ten Fiscal Years	66
Tax Revenue by Source - Governmental Funds - Last Ten Fiscal Years	67
Gross Receipts Tax on Utilities - Last Ten Fiscal Years	68
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	69
Property Tax Rates - Direct and All Overlapping Governments - Last Ten Fiscal Years	70
Principal Property Taxpayers - Current Year and Nine Years Ago	71
Property Tax Levies and Collections - Last Ten Fiscal Years	72
Sales Tax Rates and Taxable Sales - Direct and Overlapping - Last Ten Fiscal Years	73
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	74
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	75
Direct and Overlapping Governmental Activities Debt	76
Legal Debt Margin Information - Last Ten Fiscal Years	77
Demographic and Economic Statistics - Last Ten Fiscal Years	78
Principal Employers - Current Year and Nine Years Ago	79
Full-time City Government Employees by Functions/Programs - Last Ten Fiscal Years	80
Operating Indicators by Functions/Programs - Last Ten Fiscal Years	81
Capital Assets Statistics by Functions/Programs - Last Ten Fiscal Years	82

**INTRODUCTORY SECTION**

---

THIS PAGE INTENTIONALLY LEFT BLANK



May 6, 2019

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, 2018, is submitted herewith. This report was prepared in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by an independent firm of licensed certified public accountants.

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

The City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended December 31, 2018, 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, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## Profile of the City

The City is located approximately 17 miles west of downtown St. Louis, Missouri. It covers 10 square miles and serves a population of 30,404 residents occupying approximately 12,570 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 4<sup>th</sup> class in the State of Missouri.

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

The City provides a full range of municipal services, other than fire protection/EMS and public utilities, which are provided in the region by private entities. The City provides police services, planning and zoning, code enforcement, snow and leaf removal, maintenance of streets, judicial services, and parks and recreation. The City has approximately 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 28 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, has recently been renovated and continues to upgrade 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 has just 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 322 licensed businesses. Sales taxes received from the 1% county-wide sales tax are generated in nearly equal proportions from businesses within the City limits and from a distribution of the county sales tax revenues that are pooled. This distribution is based on a per capita formula. Ballwin also receives a ½ cent Capital Improvement tax and a ½ cent Parks tax. Competition from online sales is eroding the sales tax base, although some recovery occurred in 2018. 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. Continued cost cutting measures and the creation of efficiencies in operations allows the City to maintain its current level of services. The City does not levy a property tax.

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. Unemployment in the City remains low at 2.3% and below that of the State, which is 3.2%, and St. Louis County, which is 3.0%. The median housing value of \$241,800 also exceeds that of the county and state with values of \$181,000 and \$145,400 respectively.

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

Each year the City updates its five-year capital improvement plan. Capital projects totaling almost \$5.7 million are planned for the years 2019 through 2023. Reconstruction/replacement of a street will cost \$1.3 million, however 80% of this cost will be reimbursed through federal funding. An additional \$4.6 million is planned for park development. Also included is the cost to complete construction of the new Government Center building. Operations in the new building commenced April 1, 2019. This facility was paid for entirely through fund balance reserves. Historically the City has used a pay-as-you go approach to infrastructure improvements and some long-term debt issuance to finance some of the cost of buildings and park facilities. The use of sales taxes and grants has enabled the City to make capital investments and maintain a high level of services.

Personnel expenses as a percentage of operating expenditures are anticipated to be 68% of the 2019 operating budget. While staffing levels have been declining slightly over the past few years, higher costs from increasing health insurance and workers compensation premiums have offset some of these savings.

In 2012 the Police Pension Fund was dissolved and police employees joined the LAGERS system. General employees have been a part of LAGERS since 1969. With the influx of public safety funds, police lobbied for improved pension benefits. On July 1, 2018 the City increased its pension benefit level from 1.25% to 1.75%, and added an employee contribution of 4%. The pension fund for general employees had been overfunded, but with the increased benefits now has a funding ratio of 95.4%. Due to their late entry in the program, police employees previously had a funding ratio of 55%. With the benefit increases, however, this ratio has decreased to 47.3%. Improvements in the funding ratios for both groups are expected with the next actuarial valuation.

A major initiative over the next few years is to pursue annexation of unincorporated areas adjacent to Ballwin. This course is recommended in the City's comprehensive community plan which was commissioned in 2018 and is currently pending acceptance by the Planning and Zoning Commission.

In 2002 the City issued tax increment refunding and improvement revenue bonds to finance the costs associated with the Ballwin Town Center Redevelopment Project. While principal and interest payments were made in full from available revenues through 2012, an unscheduled draw from the Debt Reserve Fund was required in October of each of the last six years to fund the required principal payments. Successful appeals of real estate taxes on the property have significantly reduced the revenue stream dedicated for bond payments. This trend is expected to continue. Several vacancies also exist in the development. The remaining balance on the bond issue at December 31, 2018 was \$7,850,000. These bonds do not constitute a general obligation or indebtedness of the City. The City has no general obligation debt or capital leases.

### **Relevant financial policies**

The City has adopted a comprehensive set of financial policies. During the current year, one of these policies was particularly relevant. The City has a fund balance policy that establishes the five categories of fund balance, including committed fund balance. This consists of funds that are mandated for a specific purpose by enabling legislation. It further requires that the City maintain a minimum unassigned fund balance no less than 25% of total operating expenditures at the end of each annual fiscal period. During 2014 the Board adopted an ordinance which created a committed fund account to be used for the construction of the new Government Center. After an initial transfer of \$1,000,000 from unassigned fund balance, 50% of any operating budget surplus was to be added to this account each year at December 31. These transfers were set to continue until the end of fiscal year 2017. In 2018 this ordinance was extended to continue until the end of fiscal year 2018. As of the end of December a total of \$892,707 remains in this committed account, and will fund remaining construction expenses with funds leftover. After all transfers at December 31, unassigned fund balance equaled 49% 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, 2017. This was the fourth 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 2018. This was the third 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

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

---

**MAYOR**

Tim Pogue

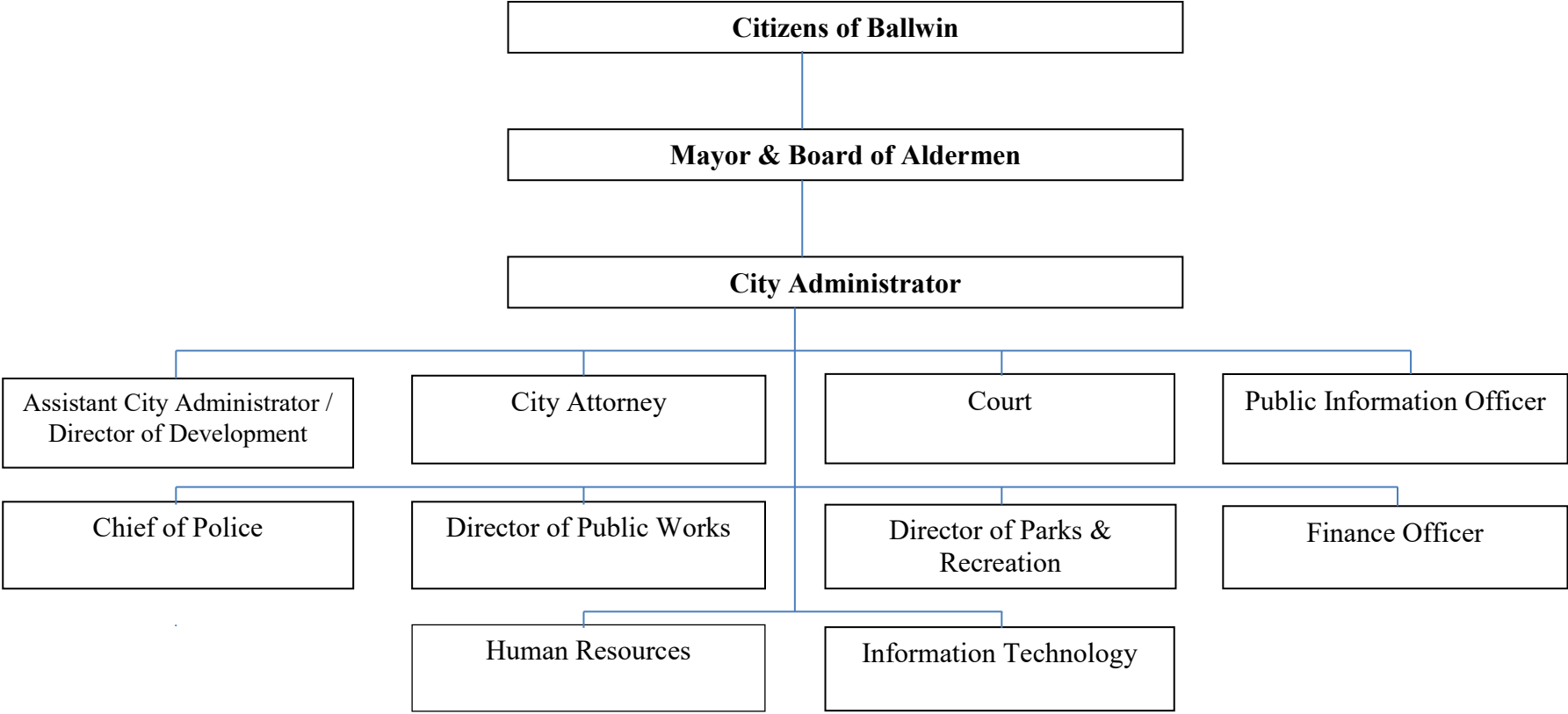
**BOARD OF ALDERMEN**

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

**CITY ADMINISTRATION**

<b>Interim City Administrator</b>	Bob Kuntz
<b>City Attorney</b>	Bob Jones
<b>Prosecuting Attorney</b>	Chris Graville
<b>Municipal Judge</b>	Virginia Nye
<b>Director of Development</b>	Andy Hixson
<b>Chief of Police</b>	Kevin Scott
<b>Finance Officer</b>	Denise Keller
<b>Director of Public Works</b>	Jim Link
<b>Director of Parks and Recreation</b>	Vacant

# 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, 2017**

**FINANCIAL SECTION**

---

THIS PAGE INTENTIONALLY LEFT BLANK





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

## INDEPENDENT AUDITOR'S REPORT

May 6, 2019

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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

#### Auditor's Responsibility

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

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplemental Information*

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

### *Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Hochschild, Bloom + Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS  
*Chesterfield, Missouri*

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

---

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, 2018. 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 2018 by \$69,829,969 (net position). Unrestricted net position decreased from 2017 by \$3,616,283 to a negative balance of \$45,039 after implementation of a pension benefit increase.
- The City's total net position decreased by \$647,222.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$12,675,719, a decrease of \$1,113,949 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,856,363, or approximately 49% of General Fund expenditures (\$17,895,514).
- The City's total debt decreased by \$1,401,623 during the current fiscal year due to debt payments being paid according to the debt payment cycle. The debt balance is primarily tax increment financing bonds, which do not constitute a general obligation of the City.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

---

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, 2018**

---

**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 \$69,829,969 decreased in 2018 by .9% as compared to the previous year.

The largest portion of the City's net position, \$67,113,678, (an increase of 4.7% from 2017) 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, \$2,761,330, represents resources that are subject to external restrictions on how they may be used. This balance decreased by \$42,685 (1.5%) in 2018. 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 negative \$45,039. This balance decreased by \$3,616,283 from 2017 as a result of a pension benefit increase. The full effect of the benefit change is recognized as expense in the year of implementation. Unrestricted net position from 2017 has been restated to reflect the effect of a change in presentation of the City's OPEB liability under GASB Statement 75.

Assets include \$9,357,800 in unrestricted cash and investments and \$1,453,455 in restricted cash and investments.

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

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>December 31</u>		<u>2018 Change</u>	
	<u>2018</u>	<u>Restated 2017</u>	<u>Amount</u>	<u>Percent</u>
<b>ASSETS</b>				
Current and other assets	\$ 15,588,638	18,157,652	(2,569,014)	(14.1) %
Capital assets, net	67,113,678	64,101,932	3,011,746	4.7
Total Assets	<u>82,702,316</u>	<u>82,259,584</u>	<u>442,732</u>	0.5
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>1,340,713</u>	<u>1,663,055</u>	<u>(322,342)</u>	(19.4)
<b>LIABILITIES</b>				
Long-term liabilities	10,569,036	10,757,456	(188,420)	(1.8)
Other liabilities	2,389,408	2,091,442	297,966	14.2
Total Liabilities	<u>12,958,444</u>	<u>12,848,898</u>	<u>109,546</u>	0.9
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<u>1,254,616</u>	<u>596,550</u>	<u>658,066</u>	110.3
<b>NET POSITION</b>				
Net investment in capital assets	67,113,678	64,101,932	3,011,746	4.7
Restricted	2,761,330	2,804,015	(42,685)	(1.5)
Unrestricted	<u>(45,039)</u>	<u>3,571,244</u>	<u>(3,616,283)</u>	(101.3)
Total Net Position	<u>\$ 69,829,969</u>	<u>70,477,191</u>	<u>(647,222)</u>	(0.9) %

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

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

	<b>For The Years</b>		<b>2018 Change</b>	
	<b>Ended December 31</b>		<b>Amount</b>	<b>Percent</b>
	<b>2018</b>	<b>2017</b>		
<b>REVENUES</b>				
Program revenues:				
Charges for services	\$ 5,470,973	5,224,995	245,978	4.7 %
Operating grants and contributions	1,973,727	2,143,790	(170,063)	(7.9)
Capital grants and contributions	1,462,604	1,351,798	110,806	8.2
General revenues:				
Taxes	15,142,596	13,615,094	1,527,502	11.2
Investment income	108,279	130,266	(21,987)	(16.9)
Miscellaneous	233,916	207,094	26,822	13.0
Total Revenues	<u>24,392,095</u>	<u>22,673,037</u>	<u>1,719,058</u>	7.6
<b>EXPENSES</b>				
General government	4,071,405	3,201,143	870,262	27.2
Public works	5,970,580	5,097,803	872,777	17.1
Police and court	8,868,745	5,697,337	3,171,408	55.7
Parks and recreation	5,590,602	5,286,293	304,309	5.8
Interest on long-term debt	537,985	620,894	(82,909)	(13.4)
Total Expenses	<u>25,039,317</u>	<u>19,903,470</u>	<u>5,135,847</u>	25.8
<b>CHANGE IN NET POSITION</b>	(647,222)	2,769,567	(3,416,789)	(123.4)
NET POSITION, JANUARY 1	70,477,191	68,391,357	2,085,834	3.0
RESTATEMENT	-	(683,733)	683,733	100.0
<b>NET POSITION, DECEMBER 31</b>	<u>\$ 69,829,969</u>	<u>70,477,191</u>	<u>(647,222)</u>	(0.9) %

**SIGNIFICANT CHANGES IN NET POSITION**

The decrease in net position of \$647,222 is attributed primarily to the cost of increased pension benefits, which is recognized as expense in the year of implementation.

Charges for services increased \$245,978 with higher collections of court fines and increased season pass revenue at the community center. Operating grants and contributions decreased \$170,063. The prior year included a large recreation contribution from a land developer. Capital grants and contributions in 2018 include



**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

a Municipal Parks grant of \$525,000 for improvements at the North Pointe, offset by lower federal project revenues than in the prior year.

General taxes are up from the prior year by \$1,527,502 with the inclusion of a full year's collection of the public safety tax. The city also experienced an increase of 1.9% on all other sales taxes.

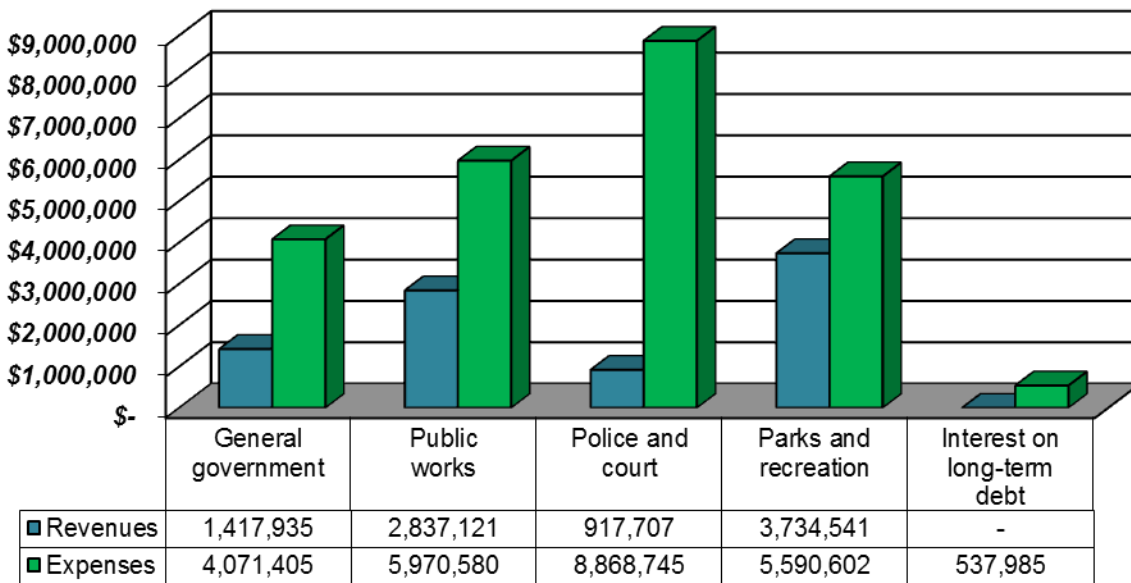
Expenses for administration increased with pension benefits, furnishings and fixtures and other noncapital costs for the new government center and the commission of a comprehensive community plan.

Expenses for public works increased with pension benefits and a cost sharing agreement with a neighboring municipality for street repair.

Expenses for police increased with pension benefits and salary and personnel increases afforded through the public safety tax revenues.

Expenses for parks and recreation increased with pension benefits, offset by lower expenses for park maintenance projects in 2018.

**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, 2018**

---

At December 31, 2018, the City's governmental funds report a combined fund balance of \$12,675,719 with a net decrease in total fund balance of \$1,113,949 from 2017. 68% of the total amount (\$8,633,942) constitutes unassigned fund balance, which is available for spending at the City's discretion. This amount represents an increase in unassigned fund balance from 2017 (\$7,730,577). Nonspendable items include prepaid items in the amount of \$478,773 and inventories of \$292,282. Restricted items totaling \$2,378,015 include \$690,821 for debt service costs, sewer lateral, police, community programs, special projects, and public safety balances. Committed items include \$892,707 for remaining construction costs in the replacement of the Government Center building.

During fiscal year 2018, the unassigned fund balance of the General Fund increased by \$1,125,786 or 15% 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 43% of the total 2018 General Fund expenditures and transfers out, while the total fund balance represents 55% of the total 2018 General Fund expenditures and transfers out. The General Fund ended the year with a net deduction from fund balance of \$203,340. This decrease is due to transfers to the Capital Fund for government center construction.

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

The Capital Projects Fund balance decreased \$529,708 during the fiscal year to negative \$222,421. Grant revenues of \$298,149 from the Ries Road and Ramsey Road culvert replacements were delayed.

The Town Center Debt Service Fund balance decreased \$465,705 during the fiscal year to \$690,821. For a sixth consecutive year, there were not enough TIF revenues collected to pay the principal and interest payment on the TIF bonds, therefore, there was an unscheduled draw on the debt service reserve. The bonds call for a debt service reserve of \$2,010,000. At December 31, 2018, the reserve balance was \$85,351.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The final 2018 budget for the City's General Fund represents an original expenditure and transfer out budget of \$21,747,382 with a net decrease of \$248,770 to \$21,498,612, an adjustment of 1.2%. The City's Board of Aldermen approved an amendment of the 2018 budget in November of 2018. This amendment was to reflect higher sales tax collections, higher gross receipts for all utilities, a reduction of franchise tax receipts, increased court fines revenue, and increased recreation revenues. Reductions were made to street repair/replacement expenses and salt. 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 \$2,602,970. Other financing sources and uses decreased the fund balance by \$2,806,310 to net a negative change in fund balance of \$203,340 in 2018, ending the year with a fund balance of \$11,526,071.

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

---

Overall, the General Fund ended fiscal 2018 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 2018 final amended budget as follows:

- Sales taxes received from all sources exceeded budget by a total of \$84,396.
- The variance to budget for county road tax receipts was favorable by \$43,661.
- Gross receipt taxes received were higher than budget in total by \$111,388. Water receipts were the largest component with an increase of \$74,842.
- Revenues received from community programs were \$64,112 higher than budget primarily from increased season pass purchases.
- Investment income surpassed projections by \$42,682, mainly from market value appreciation on fixed income securities.
- Transfers to the Capital fund for Government Center construction were below budget by \$207,080 as more work was moved into 2019 than anticipated.
- Using in-house trucks for hauling off pavement debris during street resurfacing resulted in a favorable variance of \$14,356 for material hauling in the Streets & Sidewalks program.
- Savings in overtime pay for Snow & Ice Control of \$17,256 due to advance salt brining was offset by higher than expected use of salt inventory (\$22,409).
- Costs for vehicle maintenance in the Support Services program are lower by \$23,498 as more of the public works fleet is modernized and requiring fewer repairs.
- Salaries and benefits for the Police Field Operations and Communications programs ended the year with \$69,639 and \$19,283 respectively not being spent due to turnover of personnel.
- Reduced maintenance expenses for the parks reflect a savings of \$9,330.
- Part-time pay for staff at the community center was lower than expected by \$15,489 due to turnover among staff, cancelled classes, and fewer personal training sessions.

Both revenues and expenditures varied from the 2018 final amended budget in the Capital Projects Fund. Revenues were lower due to delays in billing and delays in the receipt of payments for two construction projects with federal grants. Expenditures for the Government Center project were below budget as more of the project costs were realized in 2019 than were expected.

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** At December 31, 2018, the City's net capital assets totaled \$67,113,678. These assets include land and improvements, right-of-way, historical treasures, construction in progress, infrastructure, buildings and improvements, furniture and fixtures, intangible assets, machinery and equipment, and vehicles.

	<b>December 31</b>	
	<b>2018</b>	<b>2017</b>
Land and improvements	\$ 6,007,768	6,007,768
Buildings and improvements	27,693,222	26,848,372
Historical treasures	247,573	247,573
Furniture and fixtures	289,453	289,453
Machinery and equipment	3,521,543	3,319,364
Land improvements	2,555,094	2,555,094
Vehicles	3,538,599	3,349,019
Intangible assets	559,570	559,570
Infrastructure	100,170,382	98,209,105
Right-of-way	14,191,930	14,191,930
Construction in progress	3,602,675	448,455
	162,377,809	156,025,703
Less - Accumulated depreciation	95,264,131	91,923,771
	\$ 67,113,678	64,101,932
Total Capital Assets		

The City had capital asset disposals of \$235,067, which consisted of public works, police, and parks vehicles as well as parks and public works equipment. Accumulated depreciation on these assets totaled \$203,495, leaving net capital asset disposals at \$31,572.

Capital assets added in 2018 totaled \$6,587,174. Infrastructure improvements of \$1,961,277 include \$852,813 for a refurbished culvert. Three dump trucks were replaced at a cost of \$229,810 and a chipper and stump grinder were acquired for \$94,315. Police vehicles and message boards totaled \$148,721. Replacement equipment for the golf course totaling \$71,149 included a top dresser, greens mower and tack sprayer. Renovations at the outdoor pool to update the splash pad and bucket falls cost \$844,850. Two parks vehicles were purchased for \$31,473 and other equipment was acquired for \$51,358. Depreciation totaling \$3,543,855 resulted in net capital assets increasing by \$3,011,746.

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

**Long-term Debt.** At December 31, 2018, the City had outstanding long-term debt obligations in the amount of \$8,448,617. This debt includes \$7,850,000 in tax increment bonds. These bonds are payable solely from payments in lieu of taxes, transportation development district revenues and economic activity tax revenues

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

---

generated within the redevelopment area and do not constitute a general obligation or indebtedness of the City. Compensated absences liability totaled \$598,617.

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

	<b>December 31</b>	
	<b>2018</b>	<b>2017</b>
TIF bonds - 2002 issue	\$ 7,850,000	9,270,000
Compensated absences	598,617	580,240
Total Long-term Debt	\$ 8,448,617	9,850,240

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 2019 annual budget projects total expenditures of \$21,963,296, including capital expenditures of \$767,636.
- General sales taxes are projected to be flat compared with 2018. Changes to the sales tax base include the loss of a discount retailer, shoe retailer and fitness facility. New businesses added were a shoe retailer, flooring store, discount retailer and several vape retailers.
- The City's capital improvement plan for 2019-2023 projects investments in infrastructure improvements and facilities of \$5.7 million. The City has a funding plan to provide resources on a pay-as-you-go basis for infrastructure.
- In 2019 the City will complete construction of a new Government Center building in Vlasis Park. Fund balance in the amount of \$892,707 has been set aside for this purpose.
- The engineering phase of a federally funded road replacement project will occur in 2019 at a budgeted cost of \$88,460.
- Total expenditures for street maintenance/repair work in the 2019 budget are \$1,112,804, of which \$806,450 is to be performed contractually.
- Replacement of the golf maintenance shed is planned in the budget at a cost of \$250,000.
- Major vehicle acquisitions consist of a one-ton dump truck, a two-ton dump truck and a bucket truck totaling \$393,000.
- Additional projects in the 2019 budget include design work for renovations to the police building and to the public works yard, each totaling \$25,000.

**CITY OF BALLWIN, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

---

**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, 2018**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 4,284,983
Certificates of deposit	3,871,227
Investments	1,201,590
Prepaid items	478,773
Receivables:	
Taxes	3,360,635
Court	33,568
Grants	574,766
Other	37,359
Inventories	292,282
Restricted assets:	
Cash and cash equivalents	1,369,456
Investments	83,999
Capital assets:	
Land and other nondepreciable assets	24,049,946
Other capital assets, net of accumulated depreciation	43,063,732
Total Assets	82,702,316
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	1,340,713
 <b>LIABILITIES</b>	
Accounts payable	1,591,548
Accrued wages and benefits	211,723
Accrued liabilities	422,611
Deposits	39,521
Unearned revenue	5,500
Accrued interest	118,505
Noncurrent liabilities:	
Due within one year	1,765,000
Due in more than one year	6,683,617
Due in more than one year - net pension liability	1,182,768
Due in more than one year - total OPEB liability	937,651
Total Liabilities	12,958,444
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	1,226,072
Deferred amounts related to OPEB	28,544
Total Deferred Inflows Of Resources	1,254,616
 <b>NET POSITION</b>	
Net investment in capital assets	67,113,678
Restricted for:	
Debt service	992,008
Sewer lateral	464,603
Police	243,018
Capital projects	82,128
Public safety	911,723
Other	67,850
Unrestricted	(45,039)
Total Net Position	\$ 69,829,969

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

	Program Revenues			Net Revenues (Expenses) And Changes In Net Position	
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	
FUNCTIONS/PROGRAMS				Governmental Activities	
<b>Governmental Activities</b>					
General government	\$ 4,071,405	1,417,935	-	-	(2,653,470)
Public works	5,970,580	-	1,899,517	937,604	(3,133,459)
Police and court	8,868,745	881,620	36,087	-	(7,951,038)
Parks and recreation	5,590,602	3,171,418	38,123	525,000	(1,856,061)
Interest on long-term debt	537,985	-	-	-	(537,985)
Total Governmental Activities	\$ 25,039,317	5,470,973	1,973,727	1,462,604	(16,132,013)
<b>General Revenues</b>					
Taxes:					
General sales and use					10,454,927
Franchise					482,114
Cigarette					66,500
Utility gross receipts					3,598,566
Property					540,489
Investment income					108,279
Miscellaneous					233,916
Total General Revenues					15,484,791
<b>CHANGE IN NET POSITION</b>					(647,222)
NET POSITION, JANUARY 1, AS RESTATED					70,477,191
<b>NET POSITION, DECEMBER 31</b>					\$ 69,829,969

See notes to financial statements



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

	<u>General</u>	<u>Special Allocation</u>	<u>Capital Projects</u>	<u>Town Center Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 3,488,642	-	796,341	-	-	4,284,983
Certificates of deposit	3,871,227	-	-	-	-	3,871,227
Investments	1,201,590	-	-	-	-	1,201,590
Prepaid items	478,773	-	-	-	-	478,773
Receivables:						
Taxes	2,604,255	561,431	117,320	-	77,629	3,360,635
Court	33,568	-	-	-	-	33,568
Grants	6,246	-	568,520	-	-	574,766
Other	37,359	-	-	-	-	37,359
Inventories	292,282	-	-	-	-	292,282
Restricted assets:						
Cash and cash equivalents	486,765	115,130	-	163,942	603,619	1,369,456
Investments	-	-	-	83,999	-	83,999
Due from other funds	-	69,802	-	442,880	-	512,682
	<u>-</u>	<u>69,802</u>	<u>-</u>	<u>442,880</u>	<u>-</u>	<u>512,682</u>
Total Assets	<u>\$ 12,500,707</u>	<u>746,363</u>	<u>1,482,181</u>	<u>690,821</u>	<u>681,248</u>	<u>16,101,320</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 220,421	2,296	1,368,831	-	-	1,591,548
Accrued wages and benefits	211,723	-	-	-	-	211,723
Accrued liabilities	422,611	-	-	-	-	422,611
Due to other funds	38,580	442,880	31,222	-	-	512,682
Deposits	39,521	-	-	-	-	39,521
Unearned revenue	5,500	-	-	-	-	5,500
Total Liabilities	<u>938,356</u>	<u>445,176</u>	<u>1,400,053</u>	<u>-</u>	<u>-</u>	<u>2,783,585</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues:						
Court	33,568	-	-	-	-	33,568
Grants	2,712	-	304,549	-	-	307,261
Property taxes	-	301,187	-	-	-	301,187
Total Deferred Inflows Of Resources	<u>36,280</u>	<u>301,187</u>	<u>304,549</u>	<u>-</u>	<u>-</u>	<u>642,016</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid items	478,773	-	-	-	-	478,773
Inventories	292,282	-	-	-	-	292,282
Restricted for:						
Debt service	-	-	-	690,821	-	690,821
Sewer lateral	-	-	-	-	464,603	464,603
Police	26,373	-	-	-	216,645	243,018
Community programs	44,055	-	-	-	-	44,055
Special projects	23,795	-	-	-	-	23,795
Public safety	911,723	-	-	-	-	911,723
Committed for:						
Capital projects	892,707	-	-	-	-	892,707
Unassigned:						
General Fund	8,856,363	-	(222,421)	-	-	8,633,942
Total Fund Balances	<u>11,526,071</u>	<u>-</u>	<u>(222,421)</u>	<u>690,821</u>	<u>681,248</u>	<u>12,675,719</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 12,500,707</u>	<u>746,363</u>	<u>1,482,181</u>	<u>690,821</u>	<u>681,248</u>	<u>16,101,320</u>

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

---

Total Fund Balances - Governmental Funds	\$ 12,675,719
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 \$162,377,809 and the accumulated depreciation is \$95,264,131.	67,113,678
Certain items are not financial resources and, therefore, are not reported in the governmental funds. These items consist of:	
Net pension liability	(1,182,768)
Deferred outflows related to pensions	1,340,713
Deferred inflows related to pensions	(1,226,072)
Total OPEB liability	(937,651)
Deferred inflows related to OPEB	(28,544)
Municipal court receivables are assessed by the City, but are not collected as of December 31, 2018 and unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	33,568
Grant revenues earned by the City, but not collected as of December 31, 2018, are unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	307,261
TIF Payments in Lieu of Taxes (PILOTs), property taxes assessed in 2018, but not collected by the City as of December 31, 2018, are unavailable within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	301,187
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	(598,617)
Tax increment bonds	(7,850,000)
Accrued interest payable	(118,505)
Total Net Position Of Governmental Activities	<u>\$ 69,829,969</u>

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, 2018**

	<u>General</u>	<u>Special Allocation</u>	<u>Capital Projects</u>	<u>Town Center Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Taxes	\$ 10,925,013	1,371,861	689,366	-	299,158	13,285,398
Licenses and permits	1,596,691	-	-	-	-	1,596,691
Public utility licenses	3,568,388	30,178	-	-	-	3,598,566
Court fines	652,914	-	-	-	-	652,914
False alarm fines	5,075	-	-	-	-	5,075
Police and communications	214,882	-	-	-	7,275	222,157
Community programs	3,171,418	-	-	-	-	3,171,418
Investment income	103,482	1,975	-	(953)	3,775	108,279
Donations	31,723	-	-	-	-	31,723
Grants and entitlements	36,475	-	1,231,322	-	-	1,267,797
Miscellaneous	192,423	-	-	-	7,050	199,473
Total Revenues	<u>20,498,484</u>	<u>1,404,014</u>	<u>1,920,688</u>	<u>(953)</u>	<u>317,258</u>	<u>24,139,491</u>
<b>EXPENDITURES</b>						
Current:						
Administration	2,975,644	16,528	271,209	1,195	223,110	3,487,686
Public works	3,140,888	-	8	-	-	3,140,896
Police	5,926,677	-	-	-	9,344	5,936,021
Parks and recreation	4,117,014	-	75,831	-	-	4,192,845
Capital outlay	1,735,291	-	4,851,883	-	-	6,587,174
Debt service:						
Principal	-	-	-	1,420,000	-	1,420,000
Interest	-	-	-	559,306	-	559,306
Total Expenditures	<u>17,895,514</u>	<u>16,528</u>	<u>5,198,931</u>	<u>1,980,501</u>	<u>232,454</u>	<u>25,323,928</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,602,970</u>	<u>1,387,486</u>	<u>(3,278,243)</u>	<u>(1,981,454)</u>	<u>84,804</u>	<u>(1,184,437)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	128,263	2,796,428	1,515,749	-	4,440,440
Transfers out	(2,876,798)	(1,515,749)	(47,893)	-	-	(4,440,440)
Insurance recoveries	38,644	-	-	-	-	38,644
Sale of capital assets	31,844	-	-	-	-	31,844
Total Other Financing Sources (Uses)	<u>(2,806,310)</u>	<u>(1,387,486)</u>	<u>2,748,535</u>	<u>1,515,749</u>	<u>-</u>	<u>70,488</u>
<b>NET CHANGE IN FUND BALANCES</b>	(203,340)	-	(529,708)	(465,705)	84,804	(1,113,949)
FUND BALANCES, JANUARY 1	<u>11,729,411</u>	<u>-</u>	<u>307,287</u>	<u>1,156,526</u>	<u>596,444</u>	<u>13,789,668</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 11,526,071</u>	<u>-</u>	<u>(222,421)</u>	<u>690,821</u>	<u>681,248</u>	<u>12,675,719</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, 2018**

---

Net Change In Fund Balances - Governmental Funds \$ (1,113,949)

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold (\$6,587,173) exceeded depreciation (\$3,543,855) in the current period. 3,043,318

The net effect of various transactions involving capital assets:  
 Cost of disposals, net of accumulated depreciation (31,572)

Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds financial statements. 213,961

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 1,420,000

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	(18,377)	
Accrued interest on debt	21,321	
OPEB expense	(58,979)	
Pension expense	(4,122,945)	(4,178,980)

Change In Net Position Of Governmental Activities \$ (647,222)

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

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

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

**1. Reporting Entity**

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

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

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

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

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

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

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

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

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

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

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

**4. Investments**

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

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

**5. Restricted Assets**

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

**6. Capital Assets**

Capital assets include land and land improvements, buildings and building improvements, infrastructure (e.g. roads, bridges, sidewalks, and similar items), furniture and fixtures, vehicles, 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:

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

**7. Compensated Absences**

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

**8. Long-term Obligations**

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

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

**9. Fund Balance Policies**

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



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

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

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

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

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

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

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

When 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.

**Minimum Unrestricted Fund Balance**

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

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

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

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

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).

**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**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements on the consumption method. Prepaid items are recorded as expenditures when consumed rather than purchased. Prepaid items are equally offset by fund balance reserve which indicates that they do

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

**12. Prepaid Items and Inventories (Continued)**

not constitute “available spendable resources” even though they are a component of net current position. Inventories of consumable supplies are recorded at cost (determined on a first-in, first-out basis).

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

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

**15. Pensions**

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

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

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

As of December 31, 2018, 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, 2018, 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	\$ 3,871,227	1,464,631	2,406,596	-	N/A
Money market funds	418,895	418,895	-	-	Not rated
Government securities:					
Federal Home Loan Mortgage Corporation	243,121	-	243,121	-	AAA
Tennessee Valley Authority Strips	273,845	273,845	-	-	AAA
U.S. Treasury Strips	768,623	490,273	278,350	-	AAA
<b>Total Investments</b>	<b>\$ 5,575,711</b>	<b>2,647,644</b>	<b>2,928,067</b>	<b>-</b>	

**Investment Policies**

The City's formal investment policies are as follows:

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

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby

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

**2. Investments (Continued)**

avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

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

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

<b>Investments</b>	<b>Fair Value</b>	<b>Percent Of Total Investments</b>
U.S. Treasury Strips	\$ 768,623	13.79 %

**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 prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is use to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

The City has the following recurring fair value level measurements as of December 31, 2018:

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

**3. Fair Value Measurements (Continued)**

	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investments by fair value level:				
Government securities:				
Federal Home Loan Mortgage Corporation	\$ 243,121	-	243,121	-
Tennessee Valley Authority Strips	273,845	-	273,845	-
U.S. Treasury Strips	768,623	-	768,623	-
Total Investments By Fair Value Level	1,285,589	-	1,285,589	-
Investments not subject to fair value level classification:				
Certificates of deposit	3,871,227			
Money market funds	418,895			
Total Investments	\$ 5,575,711			

**NOTE C - CAPITAL ASSETS**

Capital asset activity was as follows:

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE C - CAPITAL ASSETS (Continued)**

	<b>For The Year Ended December 31, 2018</b>			
	<b>December 31</b>			<b>December 31</b>
	<b>2017</b>	<b>Increases</b>	<b>Decreases</b>	<b>2018</b>
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	448,455	4,007,032	852,812	3,602,675
Total Capital Assets Not Being Depreciated	<u>20,895,726</u>	<u>4,007,032</u>	<u>852,812</u>	<u>24,049,946</u>
Capital assets being depreciated:				
Buildings	21,545,591	-	-	21,545,591
Building improvements	5,302,781	844,850	-	6,147,631
Furniture and fixtures	289,453	-	-	289,453
Infrastructure	98,209,105	1,961,277	-	100,170,382
Intangible assets	559,570	-	-	559,570
Land improvements	2,555,094	-	-	2,555,094
Machinery and equipment	3,319,364	255,885	53,706	3,521,543
Vehicles	3,349,019	370,941	181,361	3,538,599
Total Capital Assets Being Depreciated	<u>135,129,977</u>	<u>3,432,953</u>	<u>235,067</u>	<u>138,327,863</u>
Less - Accumulated depreciation for:				
Buildings	12,214,474	581,408	-	12,795,882
Building improvements	930,394	268,702	-	1,199,096
Furniture and fixtures	116,306	12,056	-	128,362
Infrastructure	73,622,866	2,045,867	-	75,668,733
Intangible assets	213,161	18,900	-	232,061
Land improvements	1,226,908	132,548	-	1,359,456
Machinery and equipment	2,150,721	188,249	48,334	2,290,636
Vehicles	1,448,941	296,125	155,161	1,589,905
Total Accumulated Depreciation	<u>91,923,771</u>	<u>3,543,855</u>	<u>203,495</u>	<u>95,264,131</u>
Total Capital Assets Being Depreciated, Net	<u>43,206,206</u>	<u>(110,902)</u>	<u>31,572</u>	<u>43,063,732</u>
Total Capital Assets, Net	<u>\$ 64,101,932</u>	<u>3,896,130</u>	<u>884,384</u>	<u>67,113,678</u>

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

Administration	\$ 114,185
Public works	2,325,223
Police	126,006
Parks and recreation	978,441
Total	<u>\$ 3,543,855</u>

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE D - INTERFUND BALANCES**

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

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>December 31 2018</b>
Special Allocation	General	\$ 38,580
Special Allocation	Capital Projects	31,222
Town Center Debt Service	Special Allocation	442,880
Total		<b>\$ 512,682</b>

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

**NOTE E - INTERFUND TRANSACTIONS**

Individual interfund transactions are as follows:

	<b>Transfers Out</b>			<b>Total</b>
	<b>General</b>	<b>Special Allocation</b>	<b>Capital Projects</b>	
Transfers in:				
Special Allocation	\$ 80,370	-	47,893	128,263
Capital Projects	2,796,428	-	-	2,796,428
Town Center Debt Service	-	1,515,749	-	1,515,749
Total	<b>\$ 2,876,798</b>	<b>1,515,749</b>	<b>47,893</b>	<b>4,440,440</b>

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

**NOTE F - LONG-TERM DEBT**

A summary of changes are as follows:



**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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

	<b>For The Year Ended December 31, 2018</b>			<b>Balance December 31 2018</b>	<b>Amounts Due Within One Year</b>
	<b>Balance December 31 2017</b>	<b>Increases</b>	<b>Decreases</b>		
	Tax increment bonds	\$ 9,270,000	-		
Compensated absences	580,240	233,377	215,000	598,617	215,000
Total	<u>\$ 9,850,240</u>	<u>233,377</u>	<u>1,635,000</u>	<u>8,448,617</u>	<u>1,765,000</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 sixth year in a row, there were not enough TIF revenues collected to pay the principal and interest payment on the TIF bonds; therefore, there was an unscheduled draw on the debt service reserves. The bonds call for a debt service reserve of \$2,010,000. At December 31, 2018, the reserve balance was \$85,351.

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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

Future long-term debt maturities are as follows:

<b>For The Years Ending December 31</b>	<b>Tax Increment Bonds</b>	
	<b>Principal</b>	<b>Interest</b>
2019	\$ 1,550,000	474,019
2020	1,715,000	380,969
2021	1,860,000	278,019
2022	2,725,000	166,331
Total	\$ 7,850,000	1,299,338

**NOTE G - PENSION PLAN**

***Plan Description***

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

***Benefits Provided***

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

	<b><u>2018 Valuation</u></b>
Benefit multiplier	1.75% for life
Final average salary	3 years
Member contributions	4%

The City approved to increase the benefit multiplier and increase employee contributions to 4% beginning July 1, 2018.

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

Inactive employees or beneficiaries currently receiving benefits	51
Inactive employees entitled to but not yet receiving benefits	44
Active employees	<u>138</u>
Total	<u>233</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 7.2% (General), and 11.4% (Police) of annual covered payroll.

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

The City's net pension liability (asset) was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2018.

***Actuarial Assumptions***

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

Inflation	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.

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

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

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

The actuarial assumptions used in the February 28, 2018 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equity	43.00%	5.16%
Fixed income	26.00	2.86
Real assets	21.00	3.23
Strategic assets	10.00	5.59

***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, 2018**

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

**Changes in the Net Pension Liability**

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balances at June 30, 2017</b>	\$ 18,700,706	20,689,019	(1,988,313)
<b>Changes for the year</b>			
Service cost	520,554	-	520,554
Interest	1,353,795	-	1,353,795
Changes in benefit terms	4,752,960	-	4,752,960
Difference between expected and actual experience	(3,063)	-	(3,063)
Contributions - employer	-	402,383	(402,383)
Contributions - employee	-	522,250	(522,250)
Net investment income	-	2,531,051	(2,531,051)
Benefit payments, including refunds	(576,876)	(576,876)	-
Administrative expense	-	(18,443)	18,443
Other changes	-	15,924	(15,924)
Net Changes	<u>6,047,370</u>	<u>2,876,289</u>	<u>3,171,081</u>
<b>Balances at June 30, 2018</b>	<u>\$ 24,748,076</u>	<u>23,565,308</u>	<u>1,182,768</u>

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

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

	<b><u>1% Decrease</u></b>	<b><u>Current Single Discount Rate Assumption</u></b>	<b><u>1% Increase</u></b>
Net pension liability (asset)	\$ 5,022,187	1,182,768	(2,007,398)

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**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, 2018, the City recognized pension expense of \$4,680,845. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	<b>Outflows</b>	<b>Inflows</b>	<b>Net Outflows</b>
Differences in experience	\$ 582,817	(558,256)	24,561
Assumption changes	414,064	-	414,064
Excess (deficit) investment returns	-	(667,816)	(667,816)
Contributions subsequent to the measurement date*	343,832	-	343,832
Total	\$ 1,340,713	(1,226,072)	114,641

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

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

<b>For The Years Ending June 30</b>		
2019		\$ 85,516
2020		(97,162)
2021		(303,699)
2022		(155,705)
2023		66,655
Thereafter		175,204
Total		\$ (229,191)

**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.

**NOTE H - DEFERRED COMPENSATION PLAN (Continued)**

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 \$2,761,330 of restricted net position, of which \$1,769,322 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.

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

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

Inactive employees or beneficiaries currently receiving benefits	2
Active employees	<u>133</u>
Total	<u>135</u>

***Total OPEB Liability***

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

***Actuarial Assumptions and Other Inputs***

The total OPEB liability in the December 31, 2018 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	3.64%
Healthcare cost trend rates	8.0% for 2018, 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 3.16%.

Mortality rates were based on the RPH-2014 mortality tables scaled back to 2006, with generational projection based on Scale MP-2018.

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



**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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

**Changes in the Total OPEB Liability**

	<u><b>Total OPEB Liability</b></u>
<b>Balances at December 31, 2017</b>	<u>\$ 907,216</u>
<b>Changes for the year</b>	
Service cost	43,443
Interest	29,886
Difference between expected and actual experience	(4,805)
Changes in assumptions	(28,199)
Benefit payments	(9,890)
Net Changes	<u>30,435</u>
<b>Balances at December 31, 2018</b>	<u><u>\$ 937,651</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.16% in 2017 to 3.64% in 2018.

***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 3.64%, 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 (2.64%) or 1% point higher (4.64%) than the current discount rate:

	<u><b>1% Decrease</b></u>	<u><b>Current Rate</b></u>	<u><b>1% Increase</b></u>
Total OPEB liability	\$ 996,857	937,651	880,540

***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><b>1% Decrease</b></u>	<u><b>Current Rate</b></u>	<u><b>1% Increase</b></u>
Total OPEB liability	\$ 847,326	937,651	1,051,255

For the year ended December 31, 2018, the City recognized OPEB expense of \$68,869.

**CITY OF BALLWIN, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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

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

	<b>Outflows</b>	<b>Inflows</b>
Differences between expected and actual experience	\$ -	(4,156)
Changes of assumptions or other inputs	-	(24,388)
Total	\$ -	(28,544)

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

<b>For The Years Ending December 31</b>				
2019		\$	(4,460)	
2020			(4,460)	
2021			(4,460)	
2022			(4,460)	
2023			(4,460)	
Thereafter			(6,244)	
Total			\$ (28,544)	

**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, 2018, the City had commitments in the amount of \$745,845 for construction for the new government center and a bridge. Some of these expenditures qualify for partial grant reimbursement.

**NOTE M - RESTATEMENT OF NET POSITION**

The previously stated net position has been restated as follows:

	<u><b>Governmental Activities</b></u>
Net position, December 31, 2017, as previously reported	\$ 71,160,924
Restatement for GASB 75 OPEB implementation	<u>(683,733)</u>
Net Position, December 31, 2017, As Restated	<u><u>\$ 70,477,191</u></u>

**NOTE N - FUTURE ACCOUNTING PRONOUNCEMENTS**

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

- GASB Statement No. 87, *Leases* - The objective of this Statement is 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.
- GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements* - The Statement requires direct borrowings and direct placements to be presented separately because they may expose a government to risks that are different from, or additional to, risks related to other types of debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

**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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES</b>				
<b>Taxes</b>				
General sales tax	\$ 4,935,000	5,028,000	5,063,149	35,149
Capital improvement sales tax	980,000	894,000	916,496	22,496
Parks sales tax	1,275,600	1,317,600	1,323,174	5,574
Public safety sales tax	1,404,000	1,635,000	1,656,177	21,177
Motor vehicle fees	1,198,000	1,222,000	1,223,856	1,856
County road tax	625,000	632,000	675,661	43,661
Cigarette	75,000	70,000	66,500	(3,500)
Total Taxes	<u>10,492,600</u>	<u>10,798,600</u>	<u>10,925,013</u>	<u>126,413</u>
<b>Licenses and Permits</b>				
Building and sign permits	104,000	115,000	126,312	11,312
Cable television franchise fees	505,000	478,751	482,114	3,363
Inspection and occupancy permits	91,450	91,450	93,870	2,420
Liquor licenses	18,000	18,000	17,487	(513)
Merchants and contractors licenses	707,000	726,000	727,256	1,256
Mechanical and electrical permits	79,550	79,550	94,633	15,083
Plumbing and excavation permits	61,000	54,100	55,019	919
Total Licenses And Permits	<u>1,566,000</u>	<u>1,562,851</u>	<u>1,596,691</u>	<u>33,840</u>
<b>Public Utility Licenses</b>				
Electric	1,640,500	1,647,500	1,674,880	27,380
Telephone	627,700	677,700	649,948	(27,752)
Gas	719,300	780,300	817,218	36,918
Water	329,500	351,500	426,342	74,842
Total Public Utility Licenses	<u>3,317,000</u>	<u>3,457,000</u>	<u>3,568,388</u>	<u>111,388</u>
<b>Court Fines</b>	<u>500,000</u>	<u>625,000</u>	<u>652,914</u>	<u>27,914</u>
<b>False Alarm Fines</b>	<u>7,800</u>	<u>7,800</u>	<u>5,075</u>	<u>(2,725)</u>
<b>Police and Communications</b>	<u>210,693</u>	<u>210,693</u>	<u>214,882</u>	<u>4,189</u>
<b>Community Programs</b>				
Pool:				
Concessions	128,000	141,140	141,141	1
Daily admissions	288,500	285,400	289,183	3,783

**(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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES (Continued)</b>				
<b>Community Programs (Continued)</b>				
Pool (Continued):				
Season passes	124,000	154,490	160,987	6,497
Swim team	16,000	16,000	15,376	(624)
Rental fees	20,000	15,800	14,234	(1,566)
Miscellaneous	23,500	23,500	25,138	1,638
Total Pool	<u>600,000</u>	<u>636,330</u>	<u>646,059</u>	<u>9,729</u>
Community center:				
Concessions	17,000	17,000	12,987	(4,013)
Daily admissions	93,000	81,000	79,023	(1,977)
Punch cards	54,000	54,000	54,751	751
Season passes	872,000	955,500	1,020,955	65,455
Program fees	239,500	254,500	248,642	(5,858)
Summer camp fees	233,000	252,056	252,100	44
Rental fees	76,000	76,000	74,836	(1,164)
Identification fees	10,000	10,000	8,990	(1,010)
Miscellaneous	75	75	14	(61)
Total Community Center	<u>1,594,575</u>	<u>1,700,131</u>	<u>1,752,298</u>	<u>52,167</u>
Golf course:				
Green fees	466,500	440,650	433,206	(7,444)
Cart rental	142,500	149,500	146,198	(3,302)
Program fees	2,600	2,600	2,613	13
Season passes	1,925	1,925	1,225	(700)
Miscellaneous	1,470	1,470	2,330	860
Total Golf Course	<u>614,995</u>	<u>596,145</u>	<u>585,572</u>	<u>(10,573)</u>
Recreational complex and golf shop:				
Concessions and miscellaneous	74,200	74,200	84,920	10,720
Complex rental fees	28,000	35,500	37,234	1,734
Total Recreational Complex And Golf Shop	<u>102,200</u>	<u>109,700</u>	<u>122,154</u>	<u>12,454</u>
Ballwin Days	70,000	65,000	65,335	335
Total Community Programs	<u>2,981,770</u>	<u>3,107,306</u>	<u>3,171,418</u>	<u>64,112</u>

**(Continued)**

**CITY OF BALLWIN, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>REVENUES (Continued)</b>				
<b>Investment Income</b>	55,800	60,800	103,482	42,682
<b>Donations</b>	32,500	35,570	31,723	(3,847)
<b>Grants and Entitlements</b>	37,977	34,500	36,475	1,975
<b>Miscellaneous</b>				
Administration	151,983	144,840	142,513	(2,327)
Rental income	15,300	15,300	15,300	-
Miscellaneous	4,175	34,175	34,610	435
Total Miscellaneous	171,458	194,315	192,423	(1,892)
Total Revenues	19,373,598	20,094,435	20,498,484	404,049
<b>EXPENDITURES</b>				
<b>Administration</b>				
Planning and zoning	52,255	50,755	48,413	(2,342)
Inspections	468,973	425,773	422,364	(3,409)
Community services	813,642	798,142	774,848	(23,294)
Legal	505,670	547,020	507,284	(39,736)
Support services	237,143	245,443	239,227	(6,216)
Information services	349,189	342,139	327,899	(14,240)
Municipal Court	169,710	164,028	158,428	(5,600)
Finance	522,191	517,607	505,575	(12,032)
Total Administration	3,118,773	3,090,907	2,984,038	(106,869)
<b>Public Works</b>				
Engineering	163,013	126,913	125,530	(1,383)
Streets and sidewalks	3,088,603	2,862,985	2,880,942	17,957
Snow and ice control	256,885	188,520	185,814	(2,706)
Property services	633,603	621,097	549,048	(72,049)
Support services	859,957	894,407	851,242	(43,165)
Total Public Works	5,002,061	4,693,922	4,592,576	(101,346)

**(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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>EXPENDITURES (Continued)</b>				
<b>Police</b>				
Management and auxiliary services	544,769	521,709	480,821	(40,888)
Field operations	4,276,497	4,236,636	4,139,353	(97,283)
Communications	889,142	854,085	826,367	(27,718)
Criminal investigations	584,999	647,204	637,927	(9,277)
Total Police	<u>6,295,407</u>	<u>6,259,634</u>	<u>6,084,468</u>	<u>(175,166)</u>
<b>Parks and Recreation</b>				
Parks	658,874	594,874	559,549	(35,325)
Golf operations	877,163	916,970	901,787	(15,183)
Pool	671,025	626,066	617,651	(8,415)
Community center	1,667,275	1,619,675	1,550,238	(69,437)
Building systems	574,583	541,583	536,198	(5,385)
Ballwin days	76,360	71,103	69,009	(2,094)
Total Parks And Recreation	<u>4,525,280</u>	<u>4,370,271</u>	<u>4,234,432</u>	<u>(135,839)</u>
Total Expenditures	<u>18,941,521</u>	<u>18,414,734</u>	<u>17,895,514</u>	<u>(519,220)</u>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<u>432,077</u>	<u>1,679,701</u>	<u>2,602,970</u>	<u>923,269</u>
<b>OTHER FINANCING SOURCES</b>				
<b>(USES)</b>				
Transfers out	(2,805,861)	(3,083,878)	(2,876,798)	(207,080)
Insurance recoveries	1,000	37,306	38,644	1,338
Sale of capital assets	15,000	22,000	31,844	9,844
Total Other Financing Sources (Uses)	<u>(2,789,861)</u>	<u>(3,024,572)</u>	<u>(2,806,310)</u>	<u>(218,262)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ (2,357,784)</u></u>	<u><u>(1,344,871)</u></u>	<u>(203,340)</u>	<u><u>1,141,531</u></u>
FUND BALANCE, JANUARY 1			<u>11,729,411</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 11,526,071</u></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, 2018**

	<u>Old Towne TIF Fund</u>			<u>Ballwin Town Center TDD Fund</u>			<u>Total Special Allocation Fund</u>			
	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
				<u>Original</u>	<u>Final</u>					
<b>REVENUES</b>										
Taxes	\$ 1,162,500	1,258,261	95,761	123,000	116,000	113,600	(2,400)	1,278,500	1,371,861	93,361
Public utility licenses	29,500	30,178	678	-	-	-	-	29,500	30,178	678
Investment income	630	1,879	1,249	45	97	96	(1)	727	1,975	1,248
Total Revenues	<u>1,192,630</u>	<u>1,290,318</u>	<u>97,688</u>	<u>123,045</u>	<u>116,097</u>	<u>113,696</u>	<u>(2,401)</u>	<u>1,308,727</u>	<u>1,404,014</u>	<u>95,287</u>
<b>EXPENDITURES</b>										
Administration	4,500	4,500	-	9,700	11,000	12,028	1,028	15,500	16,528	1,028
<b>REVENUES OVER EXPENDITURES</b>	<u>1,188,130</u>	<u>1,285,818</u>	<u>97,688</u>	<u>113,345</u>	<u>105,097</u>	<u>101,668</u>	<u>(3,429)</u>	<u>1,293,227</u>	<u>1,387,486</u>	<u>94,259</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	141,540	128,263	(13,277)	-	-	-	-	141,540	128,263	(13,277)
Transfers out	(1,329,670)	(1,414,081)	84,411	(113,345)	(105,097)	(101,668)	(3,429)	(1,434,767)	(1,515,749)	80,982
Total Other Financing Sources (Uses)	<u>(1,188,130)</u>	<u>(1,285,818)</u>	<u>97,688</u>	<u>(113,345)</u>	<u>(105,097)</u>	<u>(101,668)</u>	<u>(3,429)</u>	<u>(1,293,227)</u>	<u>(1,387,486)</u>	<u>94,259</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, JANUARY 1		<u>-</u>				<u>-</u>			<u>-</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<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, 2018**

---

**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, 2018, expenditures for the Special Allocation Fund exceeded the budget by \$1,028.

**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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability</b>				
Service cost	\$ 520,554	515,169	513,865	533,533
Interest on the total pension liability	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	(3,063)	241,448	110,587	(717,237)
Changes of assumptions	-	-	782,830	-
Benefit payments, including refunds	(576,876)	(496,882)	(417,375)	(266,490)
Net Change In Total Pension Liability	<u>6,047,370</u>	<u>1,506,935</u>	<u>2,088,477</u>	<u>610,211</u>
Total Pension Liability Beginning	<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>\$ 24,748,076</u>	<u>18,700,706</u>	<u>17,193,771</u>	<u>15,105,294</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 402,383	388,759	428,003	484,631
Contributions - employee	522,250	-	300,790	-
Net investment income (loss)	2,531,051	2,302,806	(53,995)	342,748
Benefit payments, including refunds	(576,876)	(496,882)	(417,375)	(266,490)
Administrative expense	(18,443)	(18,124)	(17,336)	(18,642)
Other changes	15,924	227,815	27,350	485,095
Net Change In Plan Fiduciary Net Position	<u>2,876,289</u>	<u>2,404,374</u>	<u>267,437</u>	<u>1,027,342</u>
Plan Fiduciary Net Position Beginning	<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>\$ 23,565,308</u>	<u>20,689,019</u>	<u>18,284,645</u>	<u>18,017,208</u>
<b>Net Pension Liability (Asset) Ending (a-b)</b>	<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	95.22 %	110.63	106.34	119.28
Covered Payroll (for February 28/29 Valuation)	\$ 7,600,816	7,311,839	7,452,367	7,350,714
Net Pension Liability (Asset) as a Percentage of Covered Payroll	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									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined pension contribution	\$ 558,710	404,088	377,630	486,441	506,920	555,904	428,401	307,438	320,194	167,776
Contributions in relation to the actuarially determined contribution	558,711	374,168	377,629	486,440	506,920	555,904	416,205	250,049	206,708	167,776
Contribution Deficiency (Excess)	\$ (1)	29,920	1	1	-	-	12,196	57,389	113,486	-
Covered Payroll	\$ 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	4,092,098
Contributions as a Percentage of Covered Payroll	7.25 %	5.00	5.06	6.31	6.86	7.67	7.68	6.10	5.10	4.10

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

Entry age normal and modified terminal funding

Amortization method

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

Multiple bases from 12 to 24 years

Asset valuation method

5 years smoothed market; 20% corridor

Inflation

3.25% wage inflation; 2.50% price inflation

Salary increases

3.25% to 6.55% including wage inflation

Investment rate of return

7.25%, net of investment expenses

Retirement age

Experience-based table of rates that are specific to the type of eligibility condition

Mortality

The healthy retiree mortality tables for post-retirement mortality 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**

---

	<b>2018</b>
<b>Total OPEB Liability</b>	
Service cost	\$ 43,443
Interest	29,886
Difference between expected and actual experience	(4,805)
Changes of assumptions	(28,199)
Benefit payments	(9,890)
Net Change In Total OPEB Liability	30,435
Total OPEB Liability Beginning	907,216
Total OPEB Liability Ending (a)	\$ 937,651
Covered Payroll	\$ 7,571,972
Total OPEB Liability as a Percentage of Covered Payroll	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, 2018**

	<u>Sewer Lateral</u>	<u>Federal Asset Seizure</u>	<u>P.O.S.T.</u>	<u>Total Nonmajor Governmental Funds</u>
<b>ASSETS</b>				
Receivables:				
Taxes	\$ 77,629	-	-	77,629
Restricted assets:				
Cash and cash equivalents	<u>386,974</u>	<u>126,675</u>	<u>89,970</u>	<u>603,619</u>
Total Assets	<u><u>\$ 464,603</u></u>	<u><u>126,675</u></u>	<u><u>89,970</u></u>	<u><u>681,248</u></u>
<b>LIABILITIES</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted for:				
Sewer lateral	464,603	-	-	464,603
Federal asset seizure	-	126,675	-	126,675
P.O.S.T.	-	-	89,970	89,970
Total Fund Balances	<u>464,603</u>	<u>126,675</u>	<u>89,970</u>	<u>681,248</u>
Total Liabilities And Fund Balances	<u><u>\$ 464,603</u></u>	<u><u>126,675</u></u>	<u><u>89,970</u></u>	<u><u>681,248</u></u>



**CITY OF BALLWIN, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT**  
**OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>Sewer Lateral</b>	<b>Federal Asset Seizure</b>	<b>P.O.S.T.</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>				
Taxes	\$ 299,158	-	-	299,158
Administrative fees	7,050	-	-	7,050
Police and communications	-	3,856	3,419	7,275
Investment income	-	2,208	1,567	3,775
Total Revenues	<u>306,208</u>	<u>6,064</u>	<u>4,986</u>	<u>317,258</u>
<b>EXPENDITURES</b>				
Administration	223,110	-	-	223,110
Police	-	4,744	4,600	9,344
Total Expenditures	<u>223,110</u>	<u>4,744</u>	<u>4,600</u>	<u>232,454</u>
<b>NET CHANGE IN FUND BALANCES</b>	83,098	1,320	386	84,804
FUND BALANCES, JANUARY 1	<u>381,505</u>	<u>125,355</u>	<u>89,584</u>	<u>596,444</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u><u>\$ 464,603</u></u>	<u><u>126,675</u></u>	<u><u>89,970</u></u>	<u><u>681,248</u></u>

**CITY OF BALLWIN, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SEWER LATERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

---

	<b>Original And Final Budgeted Amounts</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Taxes (sewer lateral fees)	\$ 296,000	299,158	3,158
Administrative fees	-	7,050	7,050
Total Revenues	296,000	306,208	10,208
<b>EXPENDITURES</b>			
Administration:			
Sewer lateral repairs	269,000	196,310	(72,690)
Administration costs	26,800	26,800	-
Total Expenditures	295,800	223,110	(72,690)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 200</b>	<b>83,098</b>	<b>82,898</b>
<b>FUND BALANCE, JANUARY 1</b>		<b>381,505</b>	
<b>FUND BALANCE, DECEMBER 31</b>		<b>\$ 464,603</b>	

**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, 2018**

---

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Police and communications	\$ 12,000	3,856	(8,144)
Investment income	710	2,208	1,498
Total Revenues	<u>12,710</u>	<u>6,064</u>	<u>(6,646)</u>
<b>EXPENDITURES</b>			
Police	<u>10,000</u>	<u>4,744</u>	<u>(5,256)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ 2,710</u></u>	1,320	<u><u>(1,390)</u></u>
FUND BALANCE, JANUARY 1		<u>125,355</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u><u>\$ 126,675</u></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, 2018**

---

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Police and communications	\$ 3,000	3,419	3,419	-
Investment income	660	1,445	1,567	122
Total Revenues	3,660	4,864	4,986	122
<b>EXPENDITURES</b>				
Police	3,500	7,100	4,600	(2,500)
<b>NET CHANGE IN FUND BALANCE</b>	\$ 160	(2,236)	386	2,622
<b>FUND BALANCE, JANUARY 1</b>			89,584	
<b>FUND BALANCE, DECEMBER 31</b>			\$ 89,970	

**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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Capital improvement sales tax	\$ 355,000	430,000	433,699	3,699
Parks sales tax	263,400	253,400	255,667	2,267
Grants and entitlements	1,731,880	1,700,877	1,231,322	(469,555)
Total Revenues	<u>2,350,280</u>	<u>2,384,277</u>	<u>1,920,688</u>	<u>(463,589)</u>
<b>EXPENDITURES</b>				
Administration:				
Planning & Zoning	135,000	135,000	134,720	(280)
Community services	2,710,861	3,160,607	2,796,428	(364,179)
Total Administration	<u>2,845,861</u>	<u>3,295,607</u>	<u>2,931,148</u>	<u>(364,459)</u>
Public works:				
Pavement maintenance	7,000	7,303	6	(7,297)
Property services	1,614,600	1,400,900	1,347,096	(53,804)
Total Public Works	<u>1,621,600</u>	<u>1,408,203</u>	<u>1,347,102</u>	<u>(61,101)</u>
Parks and recreation:				
Parks	100,000	84,000	75,831	(8,169)
Pool	840,000	844,850	844,850	-
Total Parks And Recreation	<u>940,000</u>	<u>928,850</u>	<u>920,681</u>	<u>(8,169)</u>
Total Expenditures	<u>5,407,461</u>	<u>5,632,660</u>	<u>5,198,931</u>	<u>(433,729)</u>
<b>REVENUES UNDER EXPENDITURES</b>	<u>(3,057,181)</u>	<u>(3,248,383)</u>	<u>(3,278,243)</u>	<u>(29,860)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,710,861	3,003,507	2,796,428	(207,079)
Transfers out	(60,000)	(47,893)	(47,893)	-
Total Other Financing Sources (Uses)	<u>2,650,861</u>	<u>2,955,614</u>	<u>2,748,535</u>	<u>(207,079)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ (406,320)</u></u>	<u><u>(292,769)</u></u>	<u>(529,708)</u>	<u><u>(236,939)</u></u>
FUND BALANCE, JANUARY 1			<u>307,287</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ (222,421)</u></u>	

THIS PAGE INTENTIONALLY LEFT BLANK

**STATISTICAL SECTION**

---

THIS PAGE INTENTIONALLY LEFT BLANK



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

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	63 - 66
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City’s most significant local revenue sources.	67 - 73
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	74 - 77
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	78 - 79
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	80 - 82

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**

	<b>December 31</b>									
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 52,105,820	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
Restricted	4,652,210	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
Unrestricted (deficiency)	(6,807,825)	(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)
 Total Governmental Activities Net Position	 <u>\$ 49,950,205</u>	 <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>

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**

	<b>For the Years Ended December 31</b>									
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>EXPENSES</b>										
General government	\$ 2,850,018	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
Public works	4,573,553	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
Police and court	4,896,941	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
Parks and recreation	4,297,780	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
Interest on long-term debt	1,329,062	1,239,718	1,115,108	953,404	873,348	827,400	770,614	703,048	620,894	537,985
Total Expenses	<u>17,947,354</u>	<u>18,326,516</u>	<u>19,572,941</u>	<u>17,904,191</u>	<u>18,863,159</u>	<u>19,419,643</u>	<u>19,368,619</u>	<u>19,987,477</u>	<u>19,903,470</u>	<u>25,039,317</u>
<b>PROGRAM REVENUES</b>										
Charges for services:										
General government	782,215	805,066	903,157	932,571	1,283,921	1,357,366	1,333,415	1,370,342	1,393,419	1,417,935
Public works	288,529	300,866	-	-	-	-	-	-	100	-
Police and court	1,030,148	824,612	1,026,418	1,212,453	1,293,229	1,116,336	877,501	842,789	706,397	881,620
Parks and recreation	2,598,556	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
Operating grants and contributions	1,845,535	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
Capital grants and contributions	491,884	144,893	631,080	1,383,824	403,925	570,385	1,590,966	1,685,573	1,351,798	1,462,604
Total Program Revenues	<u>7,036,867</u>	<u>6,755,834</u>	<u>7,260,918</u>	<u>8,411,891</u>	<u>7,467,837</u>	<u>7,733,479</u>	<u>8,615,308</u>	<u>8,807,236</u>	<u>8,720,583</u>	<u>8,907,304</u>
<b>NET REVENUES (EXPENSES)</b>	<u>(10,910,487)</u>	<u>(11,570,682)</u>	<u>(12,312,023)</u>	<u>(9,492,300)</u>	<u>(11,395,322)</u>	<u>(11,686,164)</u>	<u>(10,753,311)</u>	<u>(11,180,241)</u>	<u>(11,182,887)</u>	<u>(16,132,013)</u>
<b>GENERAL REVENUES</b>										
Taxes:										
General sales and use	7,510,063	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
Franchise	413,565	457,283	486,519	515,457	530,722	577,089	605,389	553,633	521,464	482,114
Cigarette	91,368	89,438	87,662	83,288	80,718	78,684	87,412	83,124	74,845	66,500
Utility gross receipts	3,977,530	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
Property	486,860	513,661	448,038	311,956	432,629	260,579	405,149	541,281	496,116	540,489
Investment income	154,947	153,823	314,509	80,357	11,421	128,774	135,988	93,685	130,266	108,279
Gain (loss) on sale of capital assets	1,359	-	-	-	-	-	-	-	-	-
Miscellaneous	93,826	131,253	267,097	232,559	168,354	240,582	115,847	211,108	207,094	233,916
Total General Revenues	<u>12,729,518</u>	<u>12,845,389</u>	<u>13,203,590</u>	<u>13,116,526</u>	<u>13,373,251</u>	<u>13,884,256</u>	<u>14,151,307</u>	<u>14,079,680</u>	<u>13,952,454</u>	<u>15,484,791</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 1,819,031</u>	<u>1,274,707</u>	<u>891,567</u>	<u>3,624,226</u>	<u>1,977,929</u>	<u>2,198,092</u>	<u>3,397,996</u>	<u>2,899,439</u>	<u>2,769,567</u>	<u>(647,222)</u>

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

	December 31									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund</b>										
Nonspendable	\$ -	-	264,194	418,341	544,134	747,177	767,826	700,272	644,430	771,055
Restricted	-	-	33,796	35,999	31,348	45,564	64,029	79,461	350,897	1,005,946
Committed	-	-	-	-	-	1,755,775	2,654,897	2,984,427	3,003,507	892,707
Assigned	-	-	-	-	2,323,370	18,209	699,090	794,440	-	-
Unassigned	-	-	6,653,674	8,230,761	6,579,911	6,448,262	6,543,662	6,745,700	7,730,577	8,856,363
Reserved	500,410	426,506	-	-	-	-	-	-	-	-
Unreserved	9,608,023	9,829,007	-	-	-	-	-	-	-	-
<b>Total General Fund</b>	<u>\$ 10,108,433</u>	<u>10,255,513</u>	<u>6,951,664</u>	<u>8,685,101</u>	<u>9,478,763</u>	<u>9,014,987</u>	<u>10,729,504</u>	<u>11,304,300</u>	<u>11,729,411</u>	<u>11,526,071</u>
<b>All Other Governmental Funds</b>										
Restricted	\$ -	-	4,585,438	3,448,046	3,541,884	3,448,213	2,699,436	2,285,617	2,060,257	1,372,069
Unassigned	-	-	-	-	-	-	-	-	-	(222,421)
Reserved	4,361,449	4,607,994	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	290,761	580,958	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<u>\$ 4,652,210</u>	<u>5,188,952</u>	<u>4,585,438</u>	<u>3,448,046</u>	<u>3,541,884</u>	<u>3,448,213</u>	<u>2,699,436</u>	<u>2,285,617</u>	<u>2,060,257</u>	<u>1,149,648</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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>REVENUES</b>										
Taxes	\$ 10,164,481	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
Licenses and permits	1,195,779	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
Public utility licenses	3,977,530	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
Court fines	721,824	616,623	736,213	938,503	952,511	865,474	658,412	549,680	462,383	652,914
False alarm fines	11,575	4,475	6,050	4,800	6,375	7,850	8,550	8,275	6,550	5,075
Police and communications	269,174	285,719	287,991	262,820	255,427	246,827	265,070	300,731	233,208	222,157
Community programs	2,598,556	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
Investment income	154,947	153,825	314,510	80,358	11,421	128,774	135,988	93,685	130,266	108,279
Donations	16,768	15,736	57,030	46,367	18,008	169,806	123,709	99,725	190,325	31,723
Grants and entitlements	181,735	95,777	173,813	1,085,383	581,728	618,245	644,692	167,966	1,109,586	1,267,797
Miscellaneous	93,826	131,056	267,097	214,449	183,996	240,582	115,847	189,842	204,275	199,473
Total Revenues	<u>19,386,195</u>	<u>19,493,816</u>	<u>19,492,908</u>	<u>21,098,303</u>	<u>21,079,287</u>	<u>21,623,093</u>	<u>21,670,746</u>	<u>21,195,932</u>	<u>22,276,657</u>	<u>24,139,491</u>
<b>EXPENDITURES</b>										
Current:										
Administration	2,632,215	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
Public works	2,869,227	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
Police	4,768,674	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
Parks and recreation	3,560,079	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
Capital outlay	2,141,335	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
Debt service:										
Principal	2,150,000	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
Interest	1,359,504	1,268,224	1,182,804	984,569	893,138	833,810	787,246	724,429	642,651	559,306
Total Expenditures	<u>19,481,034</u>	<u>18,991,471</u>	<u>23,427,273</u>	<u>20,676,274</u>	<u>20,219,124</u>	<u>24,290,710</u>	<u>21,258,617</u>	<u>21,134,212</u>	<u>22,107,905</u>	<u>25,323,928</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(94,839)</u>	<u>502,345</u>	<u>(3,934,365)</u>	<u>422,029</u>	<u>860,163</u>	<u>(2,667,617)</u>	<u>412,129</u>	<u>61,720</u>	<u>168,752</u>	<u>(1,184,437)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Issuance of capital lease	106,920	118,744	-	125,690	-	2,000,000	-	-	-	-
Transfers in	3,370,098	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
Transfers out	(3,370,098)	(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)
Insurance recoveries	-	-	-	-	-	-	521,453	30,198	5,270	38,644
Sale of capital assets	46,006	62,733	27,002	48,326	27,337	110,170	32,158	69,059	25,729	31,844
Total Other Financing Sources (Uses)	<u>152,926</u>	<u>181,477</u>	<u>27,002</u>	<u>174,016</u>	<u>27,337</u>	<u>2,110,170</u>	<u>553,611</u>	<u>99,257</u>	<u>30,999</u>	<u>70,488</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>\$ 58,087</u>	<u>683,822</u>	<u>(3,907,363)</u>	<u>596,045</u>	<u>887,500</u>	<u>(557,447)</u>	<u>965,740</u>	<u>160,977</u>	<u>199,751</u>	<u>(1,113,949)</u>
Debt service as a percentage of noncapital expenditures	19.92 %	18.23	27.06	18.20	13.06	11.53	12.95	13.92	12.86	10.56

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

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

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

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

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

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 Taxable Assessed Value	Estimated Actual Value
	Residential Property	Commercial Property	Agricultural Property				
2009	\$ 462,203,610	\$ 56,053,000	\$ 1,840	\$ 70,266,694	\$ 7,441,940	\$ 595,967,084	\$ 2,841,908,764
2010	464,475,960	55,915,080	1,840	63,897,014	7,736,184	592,026,078	2,835,246,062
2011	461,136,990	53,912,650	1,300	65,402,761	8,505,947	588,959,648	2,818,333,644
2012	461,304,860	53,731,920	1,300	71,140,464	7,960,085	594,138,629	2,834,161,401
2013	446,790,980	54,556,870	1,300	73,021,339	8,699,101	583,069,590	2,768,303,142
2014	450,521,010	55,189,430	1,300	76,169,894	8,917,200	590,798,834	2,800,039,798
2015	474,108,190	57,673,020	2,680	76,377,306	9,893,919	618,055,115	2,935,630,114
2016	475,724,660	58,183,970	2,680	77,217,326	9,136,493	620,265,129	2,945,887,926
2017	527,057,030	66,416,660	3,100	76,050,411	9,062,751	678,589,952	3,238,057,412
2018	528,048,400	63,188,880	-	77,056,946	8,098,760	676,392,986	3,233,169,938

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>2009</u>	<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>
Taxes levied on all property in the City:										
City of Ballwin (1)	-	-	-	-	-	-	-	-	-	-
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Louis County	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230	0.5150	0.5150	0.4890	0.4890
St. Louis Community College	0.2136	0.2179	0.2200	0.2200	0.2200	0.2200	0.2176	0.2185	0.2112	0.2129
St. Louis County Library District	0.1400	0.1565	0.1630	0.1730	0.2500	0.2250	0.2460	0.2460	0.2340	0.2340
Special School District	0.9384	0.9950	1.0125	1.0123	1.2400	1.2609	1.2348	1.2409	1.1912	1.1980
Metropolitan Zoological Park and Museum District	0.2493	0.2546	0.2671	0.2684	0.2797	0.2797	0.2777	0.2795	0.2694	0.2724
Sheltered Workshop	0.0740	0.0790	0.0840	0.0840	0.0890	0.0900	0.0880	0.0880	0.0840	0.0840
Totals	<u>2.1683</u>	<u>2.2560</u>	<u>2.2996</u>	<u>2.3107</u>	<u>2.6317</u>	<u>2.6286</u>	<u>2.6091</u>	<u>2.6179</u>	<u>2.5088</u>	<u>2.5203</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
Fire protection districts (2):										
Metro West Fire District	0.9770	1.0120	1.0300	1.0290	1.0640	1.0570	1.0130	1.0110	0.9680	1.1010
Monarch Fire Protection District	0.8260	0.8650	0.8420	0.8290	0.8290	0.8290	0.8060	0.8050	0.7630	0.8800
West County EMS and FPD	0.7190	0.9130	0.8980	0.8960	0.9610	0.9620	1.2740	1.2710	1.1900	1.1900
School districts (3):										
Rockwood School District	4.0083	4.2752	4.4630	4.5357	4.6833	4.7240	4.6015	4.6678	4.5015	4.5539
Parkway School District	3.4100	3.5672	3.6761	3.9361	4.0743	4.0743	4.4617	4.2163	3.9857	4.0640

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>2018</u>			<u>2009</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>
MIMG XCIII Seven Trails LLC	\$ 8,071,920	1	1.19 %	\$ 5,647,110	3	0.95 %
Olde Towne Plaza LLC	7,492,870	2	1.11	9,481,330	1	1.59
Ramco-Gershenson Properties LP	7,225,210	3	1.07	-	-	-
IP9 MF Ballwin LLC	3,615,440	4	0.53	-	-	-
Woodsmill Village Partnership LP	3,492,010	5	0.52	3,292,740	5	0.55
Viking Partners Ballwin LLC	3,397,760	6	0.50	-	-	-
MSH Chevrolet Cadillac, Inc.	3,391,040	7	0.50	-	-	-
Kensington West Apartments LLP	3,101,820	8	0.46	2,467,163	10	0.41
Target Stores, Inc.	2,818,210	9	0.42	2,965,050	8	0.50
Car Wolfe Toy LLC	2,300,510	10	0.34	3,021,226	7	0.51
Weingarten Nostat, Inc.	-	-	-	6,325,440	2	1.06
Pace-Central Associates LLC	-	-	-	5,621,735	4	0.94
Village Park of Ballwin	-	-	-	3,058,888	6	0.51
Meadowbrook Country Club	-	-	-	2,577,293	9	0.43
Totals	<u>\$ 44,906,790</u>		<u>6.64 %</u>	<u>\$ 44,457,975</u>		<u>7.45 %</u>

Source: St. Louis County Assessor

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

<b>For The Years Ended December 31</b>	<b>Taxes Levied For The Fiscal Year</b>	<b>Collected Within The Fiscal Year Of The Levy</b>		<b>Collections In Subsequent Years</b>	<b>Total Collections To Date</b>	
		<b>Amount</b>	<b>Percentage Of Levy</b>		<b>Amount</b>	<b>Percentage Of Levy</b>
2009	\$ 493,474	\$ 485,994	98.5 %	\$ 104	\$ 486,098	98.5 %
2010	521,550	513,645	98.5	95	513,740	98.5
2011	448,011	34,188	7.6	409,251	443,439	99.0
2012	453,214	69,761	15.4	376,699	446,460	98.5
2013	477,866	469,739	98.3	121	469,860	98.3
2014	482,051	436,165	90.5	36,957	473,122	98.1
2015	473,090	236,510	50.0	229,374	465,884	98.5
2016	486,205	207,706	42.7	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	-	246,518	44.3

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>St. Louis County</u>	<u>State Of Missouri</u>	<u>Direct And Overlapping</u>	<u>Sales Tax Revenues</u>	<u>Taxable Sales (3)</u>
2009	1.000 %	2.100 %	4.225 %	7.325 %	7,672,652	\$ 251,501,420
2010	1.000	2.700	4.225	7.925	7,752,937	250,083,221
2011	1.000	2.700	4.225	7.925	7,707,050	249,865,672
2012	1.000	2.700	4.225	7.925	8,002,651	261,245,183
2013	1.000	2.700	4.225	7.925	8,555,813	287,467,261
2014	1.000	2.888	4.225	8.113	9,109,909	297,163,965
2015	1.000	2.888	4.225	8.113	9,426,841	302,690,063
2016	1.000	2.888	4.225	8.113	9,445,202	307,237,571
2017	1.000	3.388	4.225	8.613	9,296,486	282,637,758
2018	1.000	3.388	4.225	8.613	10,726,266	N/A

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

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

<b>Fiscal Year</b>	<b>Governmental Activities</b>					<b>Total Primary Government</b>	<b>Percentage Of Personal Income</b>	<b>Per Capita</b>
	<b>General Obligation Bonds (1)</b>	<b>Tax Increment Bonds</b>	<b>Certificates Of Participation (2)</b>	<b>Bond Premium</b>	<b>Capital Leases</b>			
2009	\$ 2,820,000	\$ 16,110,000	\$ 4,920,000	\$ 67,406	\$ 84,255	\$ 24,001,661	2.60 %	767
2010	1,915,000	15,575,000	4,385,000	42,129	127,277	22,044,406	1.92	725
2011	975,000	14,980,000	1,175,000	16,852	52,096	17,198,948	1.49	566
2012	-	14,300,000	600,000	-	82,899	14,982,899	1.30	493
2013	-	13,550,000	-	-	41,891	13,591,891	1.18	447
2014	-	12,700,000	-	-	1,671,037	14,371,037	1.25	473
2015	-	11,770,000	-	-	1,007,894	12,777,894	1.11	420
2016	-	10,575,000	-	-	337,734	10,912,734	0.95	359
2017	-	9,270,000	-	-	-	9,270,000	0.81	305
2018	-	7,850,000	-	-	-	7,850,000	0.68	258

Sources:

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

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

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Actual Taxable Value Of Property (2)</u>	<u>General Obligation Bonds</u>	<u>Percentage Of Actual Taxable Value Of Property</u>	<u>Per Capita</u>
2009	31,283	\$ 595,967,084	\$ 2,820,000	0.47 %	90
2010	30,404	592,026,078	1,915,000	0.32	63
2011	30,404	588,959,648	975,000	0.17	32
2012	30,404	594,138,629	-	-	-
2013	30,404	583,069,590	-	-	-
2014	30,404	590,798,834	-	-	-
2015	30,404	618,055,115	-	-	-
2016	30,404	620,265,129	-	-	-
2017	30,404	678,589,952	-	-	-
2018	30,404	676,392,986	-	-	-

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, 2018**

<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	\$ 92,215,000	2.80 %	\$ 2,582,020
Rockwood School District	265,713,752	11.81	31,380,794
Parkway School District	217,564,245	5.02	10,921,725
Metro West Fire Protection District	3,520,000	30.58	1,076,416
West County EMS & Fire Protection District	14,405,000	9.27	1,335,344
Total Overlapping	<u>593,417,997</u>		<u>47,296,299</u>
City direct debt	<u>7,850,000</u>	100.0 %	<u>7,850,000</u>
Total Direct And Overlapping Debt	<u>\$ 601,267,997</u>		<u>\$ 55,146,299</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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 59,596,708	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
Total net debt applicable to limit	2,820,000	1,915,000	975,000	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 56,776,708</u>	<u>57,287,608</u>	<u>57,920,965</u>	<u>59,413,863</u>	<u>58,306,959</u>	<u>59,079,883</u>	<u>61,805,512</u>	<u>62,026,513</u>	<u>67,858,995</u>	<u>67,639,299</u>
Total net debt applicable to the limit as a percentage of debt limit	4.73 %	3.23	1.66	-	-	-	-	-	-	-

Legal Debt Margin Calculation For Fiscal Year 2018:	
Assessed Value	<u>\$ 676,392,986</u>
Debt limit (10% of total assessed value)	\$ 67,639,299
Debt applicable to limit	<u>-</u>
Legal Debt Margin	<u>\$ 67,639,299</u>

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



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

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>Educational Attainment: Percentage With Bachelor's Degree Or Higher</b>	<b>School Enrollment</b>		<b>Unemployment Rate</b>
						<b>Parkway School District</b>	<b>Rockwood School District</b>	
2009	31,283	\$ 923,474,160	\$ 29,520	37.6	46.7 %	17,467	22,285	7.1 %
2010	30,404	1,150,821,804	37,851	41.2	54.0	17,386	22,382	6.8
2011	30,404	1,150,821,804	37,851	41.2	54.0	17,456	22,568	6.0
2012	30,404	1,150,821,804	37,851	41.2	54.0	17,351	22,268	4.9
2013	30,404	1,150,821,804	37,851	41.2	54.0	17,274	22,018	4.6
2014	30,404	1,150,821,804	37,851	41.2	54.0	17,148	21,609	3.8
2015	30,404	1,150,821,804	37,851	41.2	54.0	17,229	21,360	2.5
2016	30,404	1,150,821,804	37,851	41.2	54.0	17,302	21,140	2.6
2017	30,404	1,150,821,804	37,851	41.2	54.0	17,434	20,952	2.6
2018	30,404	1,150,821,804	37,851	41.2	54.0	17,949	21,722	2.3

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>2018</u>			<u>2009</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total City Employment</u>
Schnuck's	204	1	N/A	112	5	N/A
Meadowbrook Country Club	200	2	N/A	105	6	N/A
ELCO Chevrolet	188	3	N/A	113	4	N/A
Target	186	4	N/A	201	1	N/A
Texas Roadhouse	173	5	N/A	-	-	N/A
Lowe's Home Improvement	143	6	N/A	115	3	N/A
City of Ballwin	132	7	N/A	139	2	N/A
RN Services	116	8	N/A	-	-	N/A
Jay Wolfe Toyota	112	9	N/A	58	8	N/A
Holy Infant Catholic Church	110	10	N/A	77	7	N/A
Buffalo Wild Wings	-	-	N/A	55	9	N/A
Applebee's	-	-	N/A	52	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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government:										
City Administrator	2	2	2	2	2	2	2	2	2	-
Planning	8	8	8	8	8	8	8	8	7	7
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
Municipal Court	2	2	2	2	2	2	2	2	2	2
Police:										
Officers	50	50	50	50	51	47	49	47	48	47
Civilians	12	11	12	12	12	12	11	11	11	13
Public Works:										
Administration/Engineering	5	5	5	6	6	6	6	4	3	3
Street Maintenance	23	24	24	24	23	24	24	24	24	24
Garage	2	2	2	2	2	2	2	3	3	3
Parks and Recreation:										
Administration	3	3	3	3	3	3	3	3	3	2
Recreation	7	7	7	7	7	7	7	7	7	6
Golf	7	7	7	7	6	7	7	5	5	5
Parks Maintenance	5	5	5	4	4	5	5	5	5	5
Building Maintenance	6	6	6	7	7	7	7	7	7	7
Total	<u>139</u>	<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>

Note: Excludes vacant positions

Source: Payroll Data from Finance Department

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

FUNCTIONS/PROGRAMS	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Administration:										
Business licenses issued	326	328	332	338	314	327	332	331	343	339
Liquor licenses issued	63	63	72	74	82	81	81	80	67	71
Community Development:										
Single family occupancy inspections	505	504	483	558	648	650	659	692	655	732
Multi-family occupancy inspections	590	763	772	640	662	617	759	632	643	594
Commercial occupancy inspections	37	36	30	33	33	26	32	24	61	58
Building permits	327	308	322	400	449	434	496	509	634	621
Zoning petitions	14	22	13	11	27	11	17	18	6	7
Municipal Court:										
Tickets processed	8,049	7,387	8,783	8,875	9,460	7,665	6,781	5,178	5,647	6,220
Warrants issued	939	892	1,065	1,020	1,071	1,152	616	648	652	737
Cases closed	7,973	7,204	8,194	8,587	9,149	8,382	7,670	5,524	4,547	5,875
Parks:										
Total program participation	36,893	62,837	68,942	64,869	66,371	73,370	74,636	80,792	87,952	40,249
Community Center admissions	353,751	367,245	376,713	340,941	394,202	319,700	349,069	315,326	334,369	254,539
Aquatic Center admissions	63,978	81,915	83,600	80,360	66,509	80,505	64,225	70,861	69,231	58,339
Golf course rounds	36,736	32,004	31,360	35,148	31,435	30,317	32,801	33,303	35,350	31,509
Police:										
Adult arrests	720	862	899	747	766	512	446	455	472	562
Juvenile arrest	127	69	112	64	93	56	73	67	52	24
Traffic citations and warnings	8,830	8,111	9,317	9,819	10,134	8,063	7,619	6,213	8,332	8,809
Total police actions	29,298	30,993	32,205	32,752	33,718	33,477	33,659	35,298	37,664	43,192
Public Works:										
Sidewalk replacement sq. ft.	10,736	5,680	12,336	15,616	13,536	13,264	9,152	5,940	12,782	15,340
Street asphalt repairs tons	1,347	1,424	2,279	2,612	2,662	1,576	2,305	1,090	1,497	1,543
Street crack sealing miles	9	18	23	17	18	15	13	13	-	-

Notes:

- (1) The City began performing inspections and permitting for Winchester under contract beginning in 2017.
- (2) Beginning in 2018, the City narrowed the definition of program participation to only include free programs, special events, and program registrations. Community Center admission participation was measured to only include member swipes, paid daily admissions, and birthday party attendees.

Source: Various City departments.

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

FUNCTIONS/PROGRAMS	<u>2009</u>	<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>
General Government:										
Government Center square footage	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056	13,056
Police:										
Police and Court Center	1	1	1	1	1	1	1	1	1	1
Vehicles	27	27	27	27	26	26	26	25	23	23
Public Works:										
Miles of streets maintained	123	123	123	124	124	124	124	126	126	126
Miles of sidewalks maintained	158	158	158	160	160	160	162	162	162	162
Number of streets	524	525	528	530	531	531	533	534	535	535
Vehicles	29	29	29	29	29	29	30	29	30	32
Parks and Recreation:										
Community Center	1	1	1	1	1	1	1	1	1	1
Aquatic Center	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
Parks	5	5	5	5	5	5	5	5	5	5
Park acreage	65	65	65	65	65	65	65	65	66	66
Planning and Development:										
Vehicles	6	6	6	6	6	6	6	5	5	5

Sources: Various City departments and capital asset schedules