



CITY OF FLORISSANT, MISSOURI

FINANCIAL REPORT (Audited)

Year Ended November 30, 2020

CITY OF FLORISSANT, MISSOURI

FINANCIAL REPORT

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
CITY OF FLORISSANT, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF FLORISSANT, MISSOURI** (the City) as of and for the year ended November 30, 2020, 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 of 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.

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 in-

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of November 30, 2020, 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.

Actuarial Data in Required Supplemental Information

As discussed in the required supplemental information, the amounts related to the changes in net pension liability and related ratios, and annual money-weighted rate of return on investments are not available for the 2014 fiscal year. Our opinion is not modified with respect to that matter.

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, as listed in the table of contents, are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 2021 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.

Sikich LLP

Chesterfield, Missouri

May 26, 2021

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2020

The City of Florissant, Missouri (the City) presents this narrative to help readers review the accompanying annual financial statements for the year ended November 30, 2020. We have prepared the management's discussion and analysis (MD&A) of the City's financial activities to add additional information to the financial schedules and the note disclosures.

FINANCIAL HIGHLIGHTS

- On a government-wide basis the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$74,779,537 (net position). The City has an unrestricted net position totaling \$8,906,191.
- Total fund balances in the governmental funds increased from \$17,772,457 to \$20,706,273, an increase of \$2,933,816.
- The City's governmental funds reported combined ending fund balances of \$20,706,273. \$10,867,006 of this total is available for spending (unassigned).
- The unassigned fund balance for the General Fund was \$11,732,288 or 51.0% of total General Fund expenditures of \$23,008,194.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to introduce the City's basic financial statements. Basic financial statements include three major sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplemental information, the budgetary comparisons, to provide additional information that readers can use to analyze the City's finances.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with an overview of the City's finances, presenting all funds in a more simplified format. This section is similar to financial reporting used by commercial entities.

The statement of net position presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, if any, including long-term debt and capital assets. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is reported as net position.

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 transactions occur, regardless of when the related cash flows are reported. Therefore, some revenues and expenses included in this statement may reflect cash flows that actually occur in future periods.

Government-wide statements are separated into two major categories: 1) governmental activities that are principally supported by taxes and intergovernmental revenues and 2) business-type activities that are supported with user fees and charges. Governmental activities include general government, culture and recreation, public safety, and public works and health. The City has no business-type activities.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate organization, the Industrial Development Authority. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2020

Fund financial statements. Funds are used in government accounting to separate resources that are designated for specific programs or activities. The City, like other state and local governments, uses fund accounting to demonstrate compliance with the laws, regulations, and contractual agreements that establish the authority for the City's programs and services. Governments has two types of funds: governmental and fiduciary funds.

Governmental funds. Governmental funds are used to account for the City's basic services, the same services that are included in the governmental activities on the government-wide statements. However, the information in the fund statements is measured differently. Governmental funds focus on current financial resources rather than economic resources. Therefore, the statements include the short-term resources, such as cash, investments, and receivables that will be collected within 60 days and liabilities that will be retired with these monies. This information is important for assessing the City's current financial resources.

The reconciliation in the fund statements explains the difference between the governmental funds in the fund statements and the governmental activities found in the government-wide financial statements. This reconciliation will explain the adjustments necessary to compile the long-term resources and liabilities for the government-wide statements with the current picture presented in the fund statements.

The City uses the following governmental funds:

<u>Major Funds</u>	<u>Nonmajor Funds</u>
✓ General	✓ Sewer Lateral
✓ Capital Improvements	✓ Public Safety
✓ Park Improvement	✓ Community Development
✓ Street	✓ Neighborhood Stabilization Program
✓ Court Building	✓ Property Revitalization
	✓ Property Maintenance
	✓ Capital Projects

The larger funds are presented as major funds while the other funds are presented in the combining statements for nonmajor funds. Both major and nonmajor fund statements include a balance sheet and statement of revenues, expenditures, and changes in fund balances.

The budgetary comparison for the General, Capital Improvements, Park Improvement, Street, and Court Building Funds are included with the required supplemental information. Budgetary comparisons for other funds that adopt a budget are presented with other supplemental information.

Fiduciary funds. Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries such as court bond deposits, construction deposits, and other deposits. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of change in fiduciary net position. These activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

Notes to financial statements. Notes provide additional information that is essential to a full understanding of the information included in the financial schedules. Notes provide additional details about the balances and transactions in the City's financial statements.

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The first statement in the government-wide statements is the statement of net position. The following table summarizes the statement of net position for the governmental activities as of November 30, 2020 and 2019 (dollars in thousands):

	November 30		2020 Change	
	2020	2019	Amount	Percent
ASSETS				
Current and other assets	\$ 23,308	21,524	1,784	8.3 %
Capital assets, net	72,412	71,856	556	0.8
Total Assets	95,720	93,380	2,340	2.5
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts related to pensions	-	157	(157)	(100.0)
Deferred amounts related to OPEB	390	-	390	N/A
Deferred charges on refunding	33	53	(20)	(37.7)
Total Deferred Outflows Of Resources	423	210	213	101.4
LIABILITIES				
Long-term debt outstanding	18,319	20,203	(1,884)	(9.3)
Other liabilities	2,558	3,721	(1,163)	(31.3)
Total Liabilities	20,877	23,924	(3,047)	(12.7)
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to pensions	481	53	428	807.5
Deferred amounts related to OPEB	6	7	(1)	(14.3)
Total Deferred Inflows Of Resources	487	60	427	711.7
NET POSITION				
Net investment in capital assets	58,790	58,938	(148)	(0.3)
Restricted	7,083	7,529	(446)	(5.9)
Unrestricted	8,906	3,139	5,767	183.7
Total Net Position	\$ 74,779	69,606	5,173	7.4 %

The statement of net position is an accrual based financial statement. The statement of net position presents the same information as a balance sheet, it assesses the balance of the City's assets, the resources it can use to provide service and operate, against its liabilities, its obligations to turn over resources to other organizations or individuals. The difference between the City's assets, deferred outflows of resources, liabilities, and its deferred inflows of resources is called *net position*. In other words, this statement quantifies what the City would have remaining after satisfying its liabilities. The bulk of net position is comprised of capital assets which are not liquid assets.

It must be noted that this is a combined statement which reflects information incorporated from a number of separate funds. This type of presentation provides a broad perspective. The City is legally required to account for certain restricted assets using separate funds. In actual practice, balances between funds cannot be comin-gled.

Assets include \$15,232,139 in cash and investments and \$7,830,730 in receivables. Total net position increased by \$5,173,478.

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2020

The second statement in the government-wide statements is the statement of activities. This statement outlines the City's primary programs or governmental activities. The following table outlines the major components of the statement of activities for the years ended November 30, 2020 and 2019 (dollars in thousands):

	For The Years Ended November 30		2020 Change	
	2020	2019	Amount	Percent
REVENUES				
Program revenues:				
Charges for services	\$ 3,034	4,298	(1,264)	(29.4) %
Operating grants and contributions	7,012	3,103	3,909	126.0
Capital grants and contributions	1,748	1,346	402	29.9
General revenues:				
Sales tax	18,778	19,302	(524)	(2.7)
Utility tax	5,301	5,599	(298)	(5.3)
Investment income	132	223	(91)	(40.8)
Licenses and permits	1,229	1,257	(28)	(2.2)
Other general revenues	1,190	1,398	(208)	(14.9)
Total Revenues	<u>38,424</u>	<u>36,526</u>	<u>1,898</u>	5.2
PROGRAM EXPENSES				
General government	4,747	5,552	(805)	(14.5)
Public safety	12,768	12,449	319	2.6
Public works and health	8,906	9,450	(544)	(5.8)
Culture and recreation	6,325	6,891	(566)	(8.2)
Interest on long-term debt	505	518	(13)	(2.5)
Total Program Expenses	<u>33,251</u>	<u>34,860</u>	<u>(1,609)</u>	(4.6)
CHANGE IN NET POSITION	<u>\$ 5,173</u>	<u>1,666</u>	<u>3,507</u>	(210.5) %

The statement of activities is the second of two accrual based financial statements. The statement of activities is a government-wide statement which comingles information from a number of completely separate funds. In actual practice, the City is legally restricted from combining assets in these funds.

Revenues and expenses are presented by major function or program. Net revenues (expenses) are all negative which, not surprisingly, shows that governmental functions are not self-supporting. The City, like all cities, depends on tax revenues to provide funding for governmental services and activities such as police, parks, and public works.

Public safety activities of \$12,768,539 accounted for 38.4% of all expenses. Sales tax revenues of \$18,778,417 accounted for 70.5% of total general revenues.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The fund statements present the City's financial information in a more detailed format, but there are other differences as well. Fund statements provide important information about the City's compliance with laws and regulations that define the local government environment in Missouri. The measurement principles in the fund statements are also different than the government-wide statements. Fund statements focus on current and short-term resources, while government-wide statements present the long-term view.

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2020

Financial information for the City's governmental funds is summarized in the balance sheet - governmental funds and the statement of revenues, expenditures, and changes in fund balances - governmental funds. Total governmental fund balances increased \$2,933,816. The General Fund balance increased \$4,525,946 to \$14,266,304, the Capital Improvements Fund balance increased \$584,075 to \$2,926,864, the Park Improvement Fund balance decreased \$26,151 to \$1,602,921, the Street Fund balance decreased \$728,146 to \$651,198, and the Court Building Fund balance increased \$17,479 to a deficit of (\$865,282).

Other governmental funds include the Sewer Lateral, Public Safety, Community Development, Property Revitalization, Property Maintenance, Neighborhood Stabilization Program and Capital Projects. These funds are combined for this report because their revenues and expenditures are smaller than other funds of the City. You can find details about these funds in the combining statement for the nonmajor governmental funds.

BUDGETARY HIGHLIGHTS - MAJOR FUNDS

The information presented in the required supplemental information (RSI) section presents information about both the original budget and the final budget as amended through the course of the year. Generally, budgets are amended to add projects, programs, commodities, grants, and services that were not anticipated at the time the budget was originally adopted.

Revisions to the adopted budget fall into three general categories:

- Transfers between departmental accounts.
- Appropriations from reserve balances to prevent budget overruns and to fund various projects, programs, commodities, grants, and services.
- Advances from one fund to another where no reserve balances are available within the fund and no existing budget accounts within the fund have sufficient balances for a departmental transfer.

Supplemental budget transfers of \$25,000 or more include the following:

- \$ 25,000 - Transfer from Contract Services to Building and Grounds
- \$ 30,000 - Transfer from Internet/Fiber Connectivity to Security Monitoring and Equipment

Supplemental budget appropriations of \$25,000 or more include the following:

- \$ 71,000 - Use Police Forfeiture funds to payout police department comp-time

Advances from one fund to another of \$25,000 or more include the following:

- No interfund advances exceeded \$25,000

The RSI includes information on budget to actual amounts for the General Fund, Capital Improvements Fund, Park Improvement Fund, Street Fund, and Court Building Fund. In addition, the RSI contains a schedule of changes in net pension liability and related ratios, a schedule of pension contributions, a schedule of the annual money-weighted rate of return on investments, and a schedule of changes in total OPEB liability and related ratios.

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION

The City invests substantial resources in capital assets that support the services provided to the public. Except for the tax increment revenue bonds, all of the City's scheduled long-term debt has been used to acquire or construct capital assets.

Capital assets. The following table summarizes the capital assets, net of depreciation, for the governmental activities as of November 30, 2020 and 2019 (dollars in thousands):

	November 30		2020 Change	
	2020	2019	Amount	Percent
Land	\$ 5,351	5,351	-	- %
Construction in progress	4,441	7,033	(2,592)	(36.9)
Buildings	10,277	8,201	2,076	25.3
Improvements	15,204	13,060	2,144	16.4
Land improvements	75	93	(18)	(19.4)
Infrastructure	32,590	34,185	(1,595)	(4.7)
Vehicles and equipment	4,474	3,932	542	13.8
Total	<u>\$ 72,412</u>	<u>71,855</u>	<u>557</u>	<u>0.8 %</u>

Capital assets, other than land and construction in progress, reflect a depreciated value. The largest single capital asset is infrastructure or streets, roads and bridges with a depreciated value of \$32,589,860. Construction in progress of \$4,441,301 represents ongoing street projects and building improvements. Additional information on capital assets can be found in Note C of the financial statements.

Long-term debt. The following table summarizes the City's scheduled long-term outstanding debt for the governmental activities as of November 30, 2020 and 2019 (dollars in thousands):

	November 30		2020 Change	
	2020	2019	Amount	Percent
Certificates of participation	\$ 1,090	1,615	(525)	(32.5) %
Special obligation bonds	6,205	6,675	(470)	(7.0)
Lease purchase agreement	6,157	6,157	-	-
Total	<u>\$ 13,452</u>	<u>14,447</u>	<u>(995)</u>	<u>(6.9) %</u>

The City has \$1,090,000 in debt outstanding from the \$7,200,000 in Series 2011 Certificate of Participation debt issued to refinance the Series 2002 Certificate of Participation debt and to pay for HVAC improvements to City buildings, construction of a salt storage facility, improvements to the aquatic center, and improvements to the bandstand at St. Ferdinand Park. Certificates of Participation are not included in the calculation of the City's legal debt margin. The City has \$6,205,000 in debt outstanding from the \$8,030,000 in Series 2016 Special Obligations bonds issued to pay for the Justice Center and HVAC improvements to City buildings. Since there are no general obligation debt issues outstanding, the City has not committed any funds against the legal debt margin. In 2019, the City issued a lease purchase agreement for \$6,157,100. Additional information can be found in Note D of the financial statements.

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2020

HIGHLIGHTS FROM 2020 AND THE OUTLOOK FOR THE FUTURE

COVID-19 Global Pandemic

The COVID-19 global pandemic struck the United States in March 2020, and prompted national, state, and local responses including mandatory closure of non-essential businesses, stay-at-home orders, social distancing protocols, and other required and/or recommended restrictions and activities. In response to these mandates, the City of Florissant closed many city facilities, including City Hall and most parks and recreation buildings and areas. Essential functions of government remain operational during the pandemic in order to provide the best services possible to city residents in a safe and efficient manner. As the restrictions eased, the City reopened City Hall in September 2020 and other facilities reopened when it was safe and feasible to do so, in accordance with St. Louis County mandates and occupancy limits. In May 2021, most pandemic related restrictions were lifted, and the City expects that all of its parks and recreation buildings and areas will be fully open and operational by June 2021.

Consequently, the City experienced unforeseen revenue shortfalls in FY2020 as compared to budget, primarily in the consumption taxes, such as sales tax, in municipal court revenues since the court was not in session during most of the pandemic, and in activities where admission fees are charged. Accordingly, the City reduced expenditures in all areas except public safety to partially compensate for the reduced revenues. While the restrictions due to the pandemic have eased, there will still be an economic impact after FY2020.

The City received just over \$3.5 million from the St. Louis County Municipal Relief Fund as an allocated pass-through grant from the Federal government. The grant provided funding to the City to cover allowable costs for necessary expenditures incurred due to the COVID-19 public health emergency.

The City also expects to receive a grant in 2021 and 2022 from the Federal government pursuant to the American Rescue Plan Act. Funds received from this grant must be used: 1) to respond to the public health emergency or its negative economic impacts, 2) to respond to workers performing essential work during the public health emergency, 3) for the provision of government services to the extent of the reduction in revenue due to the public health emergency as compared to revenue prior to the emergency, and 4) to make necessary improvements in water, sewer, or broadband infrastructure. The amount of the grant is unknown at the time of this writing, but estimates from qualified sources place the amount of the grant to the City of Florissant to be in excess of \$6 million.

General Revenue Actual vs. Budget

General Fund revenue was \$1,616,872 greater than budgeted revenue. The primary contributors to the performance in revenue are as follows:

- **Sales Tax** - Revenues finished at \$7,544,080 or \$380,920 under the budget of \$7,925,000.
- **Utility License Tax** - Revenues finished at \$5,301,131 or \$415,869 under the budget of \$5,717,000. Electric under budget by \$216,661, Telephone underbudget by \$162,348. Other changes amounted to \$36,860.

Note: Telephone utility tax continued a long-term downward spiral with receipts decreasing. Increasing cell phone service and shrinking landline service have combined to rapidly reduce the telephone utility tax as a revenue source. In addition, the difficulty in getting cell phone companies to comply with utility license tax regulations has compounded the situation.

- **Charges for Services** - Revenues finished at \$995,980 or \$619,420 under the budget of \$1,615,400 as activities were cancelled and facilities closed due to COVID-19 restrictions.

CITY OF FLORISSANT, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED NOVEMBER 30, 2020

- **Fines and Forfeitures** - Revenues finished at \$671,130 or \$522,570 under the budget of \$1,193,700. Court sessions were cancelled due to COVID -19 restrictions.
- **Intergovernmental Revenues** - Revenues finished at \$4,739,591 or \$3,684,979 over the budget of \$1,054,612.
 - The City received \$3,586,958 from St. Louis County Municipal Relief Fund to cover allowable costs for necessary expenditures incurred due to the COVID-19 public health emergency.

Sales Tax Revenues Actual FY2020 vs. FY2019

- Sales tax revenue in the General Fund decreased \$423,172 following a decrease in 2019 of \$106,075.
- Capital Improvement Sales Tax decreased \$68,193 following a \$31,775 decrease in 2019.
- Park Improvement Sales Tax increased \$105,572 following a \$92,884 decrease in 2019.
- Street Fund Sales Tax increased \$42,038 following a \$22,497 decrease in 2019.
- Public Safety Fund Sales Tax decreased \$180,104 following a \$30,162 increase in 2019.

Other Information

The City's 2020 combined assessed value for real estate and personal property was \$633,323,668, which was down \$6,289,726 or 0.98% from 2019. The assessed value of real estate was the impetus behind the decrease, down \$8,354,710 or 1.54%. Personal property assessments were up.

The City does not levy a property tax so there is no direct revenue gain or loss to the City resulting from change in assessed value.

The City continues to aggressively pursue redevelopment opportunities throughout the City. Recent development includes the following:

- *Made by Lia* - Handmade cakes and sweets by local independent owner opened on Rue St. Francois Street.
- *Plant Fitness* - opened at the former Shop N Save located in the Flower Valley Shopping Center.
- *Freddy's Frozen Custard & Steakburgers* - opened at the former Steak n Shake located at the corner of Lindbergh Blvd. and New Florissant Road.
- *Storming Crab Restaurant* – opened at the former O'Charleys restaurant at Cross Keys Shopping Center.
- *Cubalmart* - opened at the former Lowes property and is approximately 80,000 square feet.
- *Social Security Administration* - opened their new office at the former Bank of America branch directly across from Florissant City Hall.
- *ROSS Dress for Less* - under construction at The Shoppes at Cross Keys. Additionally, the entire center has been sold to a new owner who has engaged with the city regarding improvements to the site.

CITY OF FLORISSANT, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED NOVEMBER 30, 2020

- *Club Car Wash* - to begin construction adjacent to the Lowes property.
- *Chase Bank* - purchased the site of the former 54th Street Grill and will begin demolition work in the near future. The bank branch should be operational by November 2021.
- *Auto Zone* - under construction at Flower Valley Shopping Center and will open later this year. Its specific location is in the parking lot in front of Planet Fitness.
- *The former Par Tee* - located on Lindbergh has been purchased by a developer. The site is currently under construction and the new owner is hoping to have it operational with new batting cages, carnival games, and concessions later this year.
- *Plaza Madrid* - has been completely demolished and the owner is working with numerous retailers to place stores in what will be a new shopping plaza to be constructed at the site.

Over 1.1 million square feet is occupied by thriving retailers in the City's 16 largest shopping centers.

During the years 2016 to 2020, Florissant experienced strong retail gross sales totaling more than \$750 million annually.

National Brands and Developers continue to invest in Florissant with projects in the "Due Diligence" and "Planning Phase". The City continues to work with Developers to bring development to fruition and anticipates more public announcements in the coming year.

REQUESTS FOR INFORMATION

The MD&A is designed to provide a general overview of the information contained in the financial report and the City's finances in general. Questions concerning any of the information contained in the MD&A or in the body of the financial report should be addressed to: Kimberlee Johnson, Director of Finance, City of Florissant, 955 Rue St. Francois, Florissant, Missouri 63031.

CITY OF FLORISSANT, MISSOURI

STATEMENT OF NET POSITION

NOVEMBER 30, 2020

	Primary Government	Component Unit
	Governmental Activities	Industrial Development Authority
ASSETS		
Cash	\$ 10,750,436	42,885
Investments	4,481,703	1,284,288
Receivables:		
Taxes	4,369,960	253,373
Interest	49,921	-
Intergovernmental	3,269,476	-
Court	103,850	-
Other	37,523	-
Due from Fiduciary Fund	14,955	-
Prepaid items	216,615	-
Inventories	12,547	-
Capital assets:		
Land and construction in progress	9,792,758	-
Other capital assets, net of accumulated depreciation	62,619,867	-
Total Assets	<u>95,719,611</u>	<u>1,580,546</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to OPEB	390,271	-
Deferred charges on refunding	33,122	-
Total Deferred Outflows Of Resources	<u>423,393</u>	<u>-</u>
LIABILITIES		
Accounts payable	1,296,257	-
Accrued interest payable	60,864	7,287
Accrued payroll	1,120,656	-
Unearned revenue	79,950	-
Noncurrent liabilities:		
Due within one year	2,431,455	1,650,000
Due in more than one year	12,706,927	-
Due in more than one year - net pension liability	1,230,328	-
Due in more than one year - total OPEB liability	1,950,126	-
Total Liabilities	<u>20,876,563</u>	<u>1,657,287</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to pensions	480,898	-
Deferred amounts related to OPEB	6,006	-
Total Deferred Inflows Of Resources	<u>486,904</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	58,790,046	-
Restricted:		
Capital improvements	2,872,169	-
Park improvements	1,584,054	-
Sewer lateral	1,322,302	-
Street improvements	651,198	-
Public safety	653,577	-
Debt service	-	1,284,288
Unrestricted	8,906,191	(1,361,029)
Total Net Position	<u>\$ 74,779,537</u>	<u>(76,741)</u>

CITY OF FLORISSANT, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED NOVEMBER 30, 2020

FUNCTIONS/PROGRAMS					Net Revenues (Expenses) And Changes In Net Position	
	Expenses	Program Revenues			Primary Government	Component Unit
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Industrial Development Authority
Primary Government						
Governmental Activities						
General government	\$ 4,747,587	-	169,354	-	(4,578,233)	-
Public safety	12,768,539	724,288	4,656,185	71,400	(7,316,666)	-
Public works	8,905,741	1,314,157	2,124,752	1,676,101	(3,790,731)	-
Culture and recreation	6,324,907	995,980	62,006	-	(5,266,921)	-
Interest on long-term debt	504,632	-	-	-	(504,632)	-
Total Governmental Activities	<u>\$ 33,251,406</u>	<u>3,034,425</u>	<u>7,012,297</u>	<u>1,747,501</u>	<u>(21,457,183)</u>	<u>-</u>
 Component Unit						
Industrial Development Authority	<u>\$ 192,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(192,444)</u>
 General Revenues						
Taxes:						
Sales					18,778,417	1,512,834
Utility					5,301,131	4,698
Property					-	746,015
Other					110,425	-
Investment income					131,781	6,681
Licenses and permits					1,229,504	-
Other					1,079,403	-
Total General Revenues					<u>26,630,661</u>	<u>2,270,228</u>
 CHANGE IN NET POSITION					5,173,478	2,077,784
 NET POSITION, DECEMBER 1					<u>69,606,059</u>	<u>(2,154,525)</u>
 NET POSITION, NOVEMBER 30					<u>\$ 74,779,537</u>	<u>(76,741)</u>

CITY OF FLORISSANT, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
NOVEMBER 30, 2020

	General Fund	Capital Improvements Fund	Park Improvement Fund	Street Fund	Court Building Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash	\$ 6,539,633	2,884,353	906,717	-	26,517	393,216	10,750,436
Investments	2,445,570	511,227	200,199	209,489	-	1,115,218	4,481,703
Receivables:							
Taxes	2,200,897	596,249	600,084	263,682	-	709,048	4,369,960
Interest	32,050	3,223	302	2,663	-	11,683	49,921
Intergovernmental	2,116,208	99,627	-	986,870	-	66,771	3,269,476
Court	103,850	-	-	-	-	-	103,850
Other	37,523	-	-	-	-	-	37,523
Prepaid items	197,748	-	18,867	-	-	-	216,615
Inventories	12,547	-	-	-	-	-	12,547
Due from other funds	1,164,800	-	115,932	-	-	1,751	1,282,483
Due from Fiduciary Fund	14,955	-	-	-	-	-	14,955
Advance to other funds	866,000	-	-	-	-	-	866,000
Total Assets	<u>\$ 15,731,781</u>	<u>4,094,679</u>	<u>1,842,101</u>	<u>1,462,704</u>	<u>26,517</u>	<u>2,297,687</u>	<u>25,455,469</u>
LIABILITIES							
Accounts payable	\$ 198,247	392,386	165,020	474,482	-	66,122	1,296,257
Accrued payroll	1,045,697	-	74,160	-	-	799	1,120,656
Unearned revenue	-	-	-	-	-	79,950	79,950
Due to other funds	117,683	775,429	-	337,024	25,799	26,548	1,282,483
Advance from other funds	-	-	-	-	866,000	-	866,000
Total Liabilities	<u>1,361,627</u>	<u>1,167,815</u>	<u>239,180</u>	<u>811,506</u>	<u>891,799</u>	<u>173,419</u>	<u>4,645,346</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues - court	103,850	-	-	-	-	-	103,850
Total Deferred Inflows Of Resources	<u>103,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,850</u>
FUND BALANCES							
Nonspendable:							
Inventories	12,547	-	-	-	-	-	12,547
Prepaid items	197,748	-	18,867	-	-	-	216,615
Long-term interfund amounts	866,000	-	-	-	-	-	866,000
Restricted for:							
Capital improvements	-	2,926,864	-	-	-	-	2,926,864
Park improvements	-	-	1,584,054	-	-	-	1,584,054
Sewer lateral	-	-	-	-	-	1,322,302	1,322,302
Street improvements	-	-	-	651,198	-	-	651,198
Public safety	-	-	-	-	-	653,577	653,577
Capital projects	-	-	-	-	-	44,653	44,653
Committed for:							
Property revitalization	-	-	-	-	-	44,801	44,801
Property maintenance	-	-	-	-	-	58,935	58,935
Assigned to:							
Purchases on order	12,050	-	-	-	-	-	12,050
Subsequent year's budget	1,445,671	-	-	-	-	-	1,445,671
Unassigned	11,732,288	-	-	-	(865,282)	-	10,867,006
Total Fund Balances	<u>14,266,304</u>	<u>2,926,864</u>	<u>1,602,921</u>	<u>651,198</u>	<u>(865,282)</u>	<u>2,124,268</u>	<u>20,706,273</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 15,731,781</u>	<u>4,094,679</u>	<u>1,842,101</u>	<u>1,462,704</u>	<u>26,517</u>	<u>2,297,687</u>	<u>25,455,469</u>

CITY OF FLORISSANT, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERN-
MENTAL FUNDS TO THE STATEMENT OF NET POSITION
NOVEMBER 30, 2020

Total Fund Balances - Governmental Funds \$ 20,706,273

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 \$177,673,374 and the accumulated depreciation is \$105,260,749. 72,412,625

Municipal court receivables are assessed by the City, but are not collected as of November 30, 2020 and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements. 103,850

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

Net pension liability	(1,230,328)
Deferred inflows related to pensions	(480,898)
Total OPEB liability	(1,950,126)
Deferred outflows related to OPEB	390,271
Deferred inflows related to OPEB	(6,006)

Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Accrued interest payable	(60,864)
Certificates of participation and special obligation bonds	(7,564,827)
Lease purchase agreement	(6,157,100)
Compensated absences	(1,416,455)
Unamortized deferred charges	33,122

Total Net Position Of Governmental Activities \$ 74,779,537

CITY OF FLORISSANT, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2020

	General Fund	Capital Improvements Fund	Park Improvement Fund	Street Fund	Court Building Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 15,080,388	3,437,723	3,520,657	1,573,237	-	3,248,375	26,860,380
Licenses and permits	1,661,641	-	-	-	-	336,365	1,998,006
Charges for services	995,980	-	-	-	-	-	995,980
Other	1,014,371	-	-	-	-	-	1,014,371
Investment income	80,783	11,405	6,825	2,858	-	29,910	131,781
Fines and forfeitures	671,130	-	-	-	48,314	-	719,444
Intergovernmental	4,739,591	108,246	25,001	1,592,855	-	169,354	6,635,047
Total Revenues	<u>24,243,884</u>	<u>3,557,374</u>	<u>3,552,483</u>	<u>3,168,950</u>	<u>48,314</u>	<u>3,784,004</u>	<u>38,355,009</u>
EXPENDITURES							
Current:							
General government	4,203,505	-	-	-	-	195,086	4,398,591
Public safety	12,604,354	-	-	-	-	49,370	12,653,724
Public works	3,891,075	1,946,828	-	112,774	-	215,889	6,166,566
Culture and recreation	2,309,260	-	2,025,122	-	-	-	4,334,382
Capital outlay	-	472,969	590,473	3,529,322	-	1,867,366	6,460,130
Debt service:							
Principal	-	270,000	725,000	-	-	-	995,000
Interest	-	230,725	242,905	-	30,835	-	504,465
Total Expenditures	<u>23,008,194</u>	<u>2,920,522</u>	<u>3,583,500</u>	<u>3,642,096</u>	<u>30,835</u>	<u>2,327,711</u>	<u>35,512,858</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,235,690</u>	<u>636,852</u>	<u>(31,017)</u>	<u>(473,146)</u>	<u>17,479</u>	<u>1,456,293</u>	<u>2,842,151</u>
OTHER FINANCING SOURCES (USES)							
Insurance recoveries	34,576	52,223	4,866	-	-	-	91,665
Transfers in	3,255,680	-	-	-	-	-	3,255,680
Transfers out	-	(105,000)	-	(255,000)	-	(2,895,680)	(3,255,680)
Total Other Financing Sources (Uses)	<u>3,290,256</u>	<u>(52,777)</u>	<u>4,866</u>	<u>(255,000)</u>	<u>-</u>	<u>(2,895,680)</u>	<u>91,665</u>
NET CHANGE IN FUND BALANCES	4,525,946	584,075	(26,151)	(728,146)	17,479	(1,439,387)	2,933,816
FUND BALANCES (DEFICIT), DECEMBER 1	<u>9,740,358</u>	<u>2,342,789</u>	<u>1,629,072</u>	<u>1,379,344</u>	<u>(882,761)</u>	<u>3,563,655</u>	<u>17,772,457</u>
FUND BALANCES (DEFICIT), NOVEMBER 30	<u>\$ 14,266,304</u>	<u>2,926,864</u>	<u>1,602,921</u>	<u>651,198</u>	<u>(865,282)</u>	<u>2,124,268</u>	<u>20,706,273</u>

CITY OF FLORISSANT, 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 NOVEMBER 30, 2020

Net Change In Fund Balances - Governmental Funds			\$ 2,933,816
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 is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold totaling \$7,003,301 exceeded depreciation (\$5,855,474) in the current period.			
		1,147,827	
The net effect of contributed assets and various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net position.			
Cost of disposals, net of accumulated depreciation		(590,758)	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
		4,844	
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	(119,062)		
Accrued interest payable	6,425		
Pension expense	897,744		
OPEB expense	<u>(112,490)</u>	672,617	
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources of the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Repayments:			
Certificates of participation and special obligation bonds	995,000		
Amortization	<u>10,132</u>	<u>1,005,132</u>	
Change In Net Position Of Governmental Activities			<u>\$ 5,173,478</u>

CITY OF FLORISSANT, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
NOVEMBER 30, 2020

	<u>Pension Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash	\$ -	672,187
Investments:		
Money market funds	115,180	-
Mutual funds:		
Equity	5,578,562	-
Fixed income	3,820,597	-
Certificates of deposit	-	630,625
Total Assets	<u>9,514,339</u>	<u>1,302,812</u>
LIABILITIES		
Due to others:		
Court bonds	-	87,780
Construction deposits	-	251,469
Other deposits	-	948,608
	<u>-</u>	<u>1,287,857</u>
Due to other funds	-	14,955
Total Liabilities	<u>-</u>	<u>1,302,812</u>
NET POSITION		
Restricted for pensions	<u>\$ 9,514,339</u>	<u>-</u>

CITY OF FLORISSANT, MISSOURI
STATEMENT OF CHANGE IN FIDUCIARY
NET POSITION - PENSION TRUST FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

ADDITIONS

Employer contributions	<u>\$ 450,068</u>
Investment earnings:	
Interest and dividends	220,665
Net appreciation in fair value of investments	940,473
Total Investment Earnings	<u>1,161,138</u>
Less - Investment management and custodial fees	30,297
Net Investment Earnings	<u>1,130,841</u>
Total Additions	<u>1,580,909</u>

DEDUCTIONS

Benefits	<u>913,315</u>
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CHANGE IN NET POSITION

667,594

NET POSITION - RESTRICTED FOR PENSIONS,
DECEMBER 1

8,846,745

NET POSITION - RESTRICTED FOR PENSIONS,
NOVEMBER 30

\$ 9,514,339

CITY OF FLORISSANT, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **CITY OF FLORISSANT, MISSOURI** (the City) was founded in 1786 and incorporated in 1829. The City operates under a Mayor-Council form of government and provides the following services: police, engineering and public works, recreation, legislative, municipal court, health, welfare, and administration. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. Included within the reporting entity are all units of government including the Industrial Development Authority of the City of Florissant (IDA).

The IDA was incorporated on April 10, 1996. All of the directors of the IDA are appointed by the Mayor of the City and confirmed by the City Council. The IDA is organized to develop and promote commercial, industrial, agricultural, and manufacturing facilities in the City. The IDA is a component unit of the City and is discretely presented as such in the financial statements. In addition, the City approves debt issues and records receipts and disbursements. The IDA does not issue separate financial statements. Further financial information for the component unit may be obtained at the City's administrative offices.

2. Government-wide and Fund Financial Statements

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be 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, are recorded only when payment is due.

Property taxes, sales tax, 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.

Capital Improvements Fund -- This fund is used to account for the capital improvements sales tax and acquisition or improvement of capital assets within the City's departments.

Park Improvement Fund -- This fund is used to account for various park activities and improvements to the City's parks.

Street Fund -- This fund is used to account for proceeds from the ¼% general purpose sales tax approved by the voters on November 3, 2015 to be used specifically for street replacement, repairs, and maintenance.

Court Building Fund -- This fund is used to account for the special court amounts and acquisition of the court building.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the City reports the following fund types:

Pension Trust Fund -- This fund is used to account for assets held in a trustee capacity for the City's eligible employees.

Agency Funds -- The Escrow and Court Activity Fund is used to account for the collection and release of monies in connection with construction permits and court amounts including bonds.

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

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

4. Cash, Cash Equivalents, and Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, certain commercial paper, repurchase agreements, bankers' acceptances, and time deposits.

The Pension Trust Fund is also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership, but excluding any debt of the City itself and individual insurance policies.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value.

5. Inventories

Inventories are recorded at cost on the first-in, first-out basis. Governmental fund types use the consumption method for inventory which means it is recorded as an expenditure when it is used rather than when purchased.

CITY OF FLORISSANT, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items on the consumption method. Prepaid items are recorded as expenditures when consumed rather than when purchased.

7. 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. The interfund balance between the General Fund and the Court Building Fund is not expected to be repaid within the upcoming fiscal year. The balance is due to the funding of the City's court building. There is also an interfund balance between the General Fund and the Agency Funds for \$15,000 that is not expected to be repaid within the upcoming fiscal year.

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

8. Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g.; roads, bridges, sidewalks, and similar items), are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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 assets lives are not capitalized.

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

Assets	Years
Buildings and improvements	15 - 50
Land improvements	10 - 40
Infrastructure	5 - 33½
Vehicles and equipment	3 - 15

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration of the various funds. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Encumbrances outstanding at year-end were \$12,050 for the General Fund, \$330,260 for the Capital Improvements Fund, \$17,468 for the Street Fund, \$409,521 for the Park Improvement Fund, and \$39,475 for Public Safety Fund.

10. Compensated Absences

Vested or accumulated vacation leave and comp time that are earned but unused are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

11. Fund Balance Policies

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

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

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

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

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by the applicable City officials to which the City Council has designated authority.

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Fund Balance Policies (Continued)

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The policy is to maintain an unassigned fund balance of not less than 10% of annual operating expenditures for the fiscal year for each fund for which an annual operating budget is approved.

12. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the 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.

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 charges on refunding of long-term debt and deferred outflows of resources related to the OPEB 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 court revenues reported on the governmental funds balance sheet. The City also has deferred inflows of resources related to pensions and OPEB reported on the government-wide statement of net position.

14. Use of Estimates

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's defined benefit pension plan (the Plan) and additions to/deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

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 held by the pledging or financial institution's trust department or agent, but not in the City's name, must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of November 30, 2020, the City's bank balances totaled \$17,145,081 and \$992,747 of that amount was exposed to custodial credit risk. This collateral shortage was due to timing of the purchase of certificates of deposit.

2. Investments

As of November 30, 2020, the City had the following investments:

CITY OF FLORISSANT, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Investments	Fair Value	Maturities				Credit Risk
		No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	
Fiduciary Funds						
Agency Funds:						
Non-negotiable certificates of deposit	630,625	-	630,625	-	-	N/A
Pension plan pooled investments:						
Money market	115,180	-	115,180	-	-	Not rated
Mutual funds:						N/A
Equity	5,578,562	5,578,562	-	-	-	N/A
Fixed income	3,820,597	3,820,597	-	-	-	N/A
Total Fiduciary Funds						
Investments	10,144,964	9,399,159	745,805	-	-	
Component Unit						
Money market	1,284,288	-	1,284,288	-	-	Not rated
Total Investments	<u>\$ 11,429,252</u>	<u>9,399,159</u>	<u>2,030,093</u>	<u>-</u>	<u>-</u>	

Investment Policies

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

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 prequalifying 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.

Custodial Credit Risk is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City limits its exposure by requiring the investment broker/custodian to acquire an excess Securities Investor Protection Corporation (SIPC) policy to provide the same coverage for the portfolio as would be provided by the SIPC.

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.

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represents 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). Defined benefit plans are also required to disclose investments in any one issuer that represent 5% or more of total investments with the same exemptions as above. At November 30, 2020, the City had the following investment concentrations:

<u>Investments</u>	<u>Fair Value</u>	<u>Percent Of Total Investments</u>
Primary Government		
Certificates of deposit:		
Certain banks greater than 5%	\$ 4,481,703	100.0 %
Fiduciary Funds		
Certificate of deposit	630,625	6.2
Component Unit		
Money market	1,284,288	100.0

3. Fair Value Measurement

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 identical assets; Level 2 inputs are significant other observable inputs using a pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used 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 measurements as of November 30, 2020:

- Equity mutual funds are valued using the quoted market price (Level 1 inputs)
- Fixed income mutual funds are valued using significant other observable inputs (Level 2 inputs)
- Certificates of deposit and money markets are not subject to fair value level classification.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

	For The Year Ended November 30, 2020		
	Balance November 30 2019	Increases	Decreases
Capital assets not being depreciated:			
Land	\$ 5,351,457	-	-
Construction in progress	7,032,861	5,841,349	8,432,909
Total Capital Assets Not Being Depreciated	12,384,318	5,841,349	8,432,909
Capital assets being depreciated:			
Buildings	18,353,582	2,945,358	2,088,210
Improvements	21,909,475	3,389,774	437,827
Land improvements	448,270	-	-
Infrastructure	108,492,917	1,821,209	-
Vehicles and equipment	12,062,476	1,438,520	454,928
Total Capital Assets Being Depreciated	161,266,720	9,594,861	2,980,965
Less - Accumulated depreciation for:			
Buildings	10,152,377	452,095	1,670,568
Improvements	8,849,110	1,097,694	289,462
Land improvements	355,220	18,083	-
Infrastructure	74,307,970	3,416,296	-
Vehicles and equipment	8,130,805	871,306	430,177
Total Accumulated Depreciation	101,795,482	5,855,474	2,390,207
Total Capital Assets Being Depreciated, Net	59,471,238	3,739,387	590,758
Total Capital Assets, Net	\$ 71,855,556	9,580,736	9,023,667

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

	For The Year Ended November 30 2020
General government	\$ 267,649
Public safety	461,560
Public works, including depreciation of infrastructure	3,808,228
Culture and recreation	1,318,037
Total	\$ 5,855,474

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT

A summary of changes in long-term debt is as follows:

	For The Year Ended November 30, 2020			Amounts
	Balance		Balance	Due
	November 30	Additions	November 30	Within
	2019		2020	One Year
Certificates of participation	\$ 1,615,000	-	1,090,000	535,000
Special obligation bonds	6,675,000	-	6,205,000	480,000
Lease/purchase agreement	6,157,100	-	6,157,100	-
Plus - Premiums	299,835	-	269,827	-
Compensated absences	1,297,393	1,283,216	1,416,455	1,416,455
Total	\$ 16,044,328	1,283,216	15,138,382	2,431,455

The certificates of participation, special obligation bonds, and lease/purchase agreement will be liquidated by the Park Improvement and Capital Improvements Funds. Compensated absences are generally liquidated by the General Fund and the Park Improvement Fund.

Certificates of participation consist of the following:

	November 30
	2020
2011 certificates of participation issue of \$7,200,000 used for advance refunding of the 2002 issue, and various improvements throughout the City, due in annual installments through August 1, 2022, interest payable at 1.5% to 3.125%. In general, the terms of the debt include that if an event of default occurs, the trustee of the debt shall have the right to possession of the certain premises of the project for the remainder of the term of the debt and shall have the right to sublease the premises or sell its interest in the premises and in the base agreement. In addition, the terms of the debt have certain optional redemption provisions which allow the City to redeem the debt.	<u>\$ 1,090,000</u>

A schedule of future minimum payments for the certificates is as follows:

For The			
Years Ending			
November 30	Principal	Interest	Total
2021	\$ 535,000	34,062	569,062
2022	555,000	17,344	572,344
Total	\$ 1,090,000	51,406	1,141,406

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

Special obligation bonds consist of the following:

	November 30 2020
2016 special obligation bonds issue of \$8,030,000 used for construction of the justice center, and various HVAC improvements to the James J. Eagan Civic Center, due in annual installments through November 1, 2031, interest payable at 3.0% to 3.75%. The bonds are special obligations payable per the bonds financing agreement and are secured as provided by the agreement. The terms of the debt have certain optional redemption provisions which allow the City to redeem the debt.	<u>\$ 6,205,000</u>

A schedule of future minimum payments for the bonds is as follows:

For The Years Ending November 30	Principal	Interest	Total
2021	\$ 480,000	206,844	686,844
2022	495,000	192,444	687,444
2023	510,000	177,594	687,594
2024	525,000	162,294	687,294
2025	540,000	146,544	686,544
2026 - 2030	2,990,000	448,619	3,438,619
2031	<u>665,000</u>	<u>24,937</u>	<u>689,937</u>
Total	<u>\$ 6,205,000</u>	<u>1,359,276</u>	<u>7,564,276</u>

The lease/purchase agreement consists of the following:

	November 30 2020
2019 lease/purchase agreement issue, direct placement debt, of \$6,157,100 used for construction of various improvements, due in semiannual installments through October 1, 2034, interest payable at 3.145%. The agreement notes that in the event of default, certain annual payments could be immediately due. Collateral includes the right to use certain property.	<u>\$ 6,157,100</u>

A schedule of future minimum payments for the lease/purchase agreement is as follows:

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

<u>For The Years Ending November 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	193,641	193,641
2022	-	193,641	193,641
2023	429,700	190,288	619,988
2024	443,300	176,669	619,969
2025	457,300	162,617	619,917
2026 - 2030	2,513,600	586,230	3,099,830
2031 - 2034	2,313,200	166,669	2,479,869
Total	<u>\$ 6,157,100</u>	<u>1,669,755</u>	<u>7,826,855</u>

On December 8, 2003 the IDA issued \$19,040,000 in tax increment refunding revenue bonds for the City of Florissant-Cross Keys Redevelopment Project. Interest on the bonds will be payable semi-annually on each May 1 and November 1, with interest rates of 5% and 5.625% and final maturity of May 1, 2024. The bonds are being issued by the IDA pursuant to a trust indenture dated December 1, 2003 by and between the IDA and the trustee. The bonds are special limited obligations of the IDA, payable solely from bond proceeds and pledged revenues. The IDA and the City have entered into a financing agreement dated December 1, 2003 pursuant to which the City has agreed to transfer to the trustee for application to the payment of the bonds all payments in lieu of taxes; subject to annual appropriation of the City, all economic activity tax revenues; and subject to annual appropriation by The Shoppes at Cross Keys Transportation Development District, all TDD revenues. The balance at November 30, 2019 was \$3,800,000, principal payments made during the year were \$2,150,000, and the balance outstanding at November 30, 2020 was \$1,650,000.

NOTE E - OPERATING LEASE

The City leases several vehicles under operating leases. The City has determined these leases do not meet the criteria for capitalization and, accordingly, accounts for this lease as an operating lease.

The future minimum lease payments required for the lease are as follows:

<u>For The Years Ending November 30</u>	
2021	\$ 167,445
2022	100,340
2023	100,340
2024	75,255
Total	<u>\$ 443,380</u>

Rent expense for the vehicles for the year ended November 30, 2020 was \$92,190.

CITY OF FLORISSANT, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE F - DEFINED BENEFIT PENSION PLAN

Plan Description

The Plan is a single-employer, defined benefit pension plan that covers all of the City's employees who work at least 1,000 hours per year and elected to remain in the plan as of January 1, 2001. The Plan has been closed to new entrants since December 31, 2000. The Plan was created and is governed by City ordinance. The Plan does not issue a separate stand-alone financial report. The financial information is included as a Trust Fund in the City's financial statements. Information about the Plan is provided in a summary plan description.

Benefits Provided

Employees attaining the age of 60 who have completed ten or more years of service are entitled to benefits based upon average earnings and years of service. The Plan permits early retirement at age 55 with 10 years of continuous service with a benefit reduction of $\frac{1}{2}\%$ for each full month that the early retirement date precedes the normal retirement date. If the sum of age and service equals or exceeds 85, the benefit is the accrued benefit without reduction for early receipt. The Plan also provides benefits upon a participant's death or disability.

Employees Covered by Benefit Terms

At November 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	27
Inactive employees entitled to but not yet receiving benefits	8
Active employees	<u>6</u>
Total	<u>41</u>

Contributions

The City contributes to the Plan based on an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the Plan. For the year ended November 30, 2020, the City's contribution to the Plan was 130.93% of annual covered payroll.

Net Pension Liability

The City's net pension liability was measured as of November 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the November 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

Inflation	2.5%
Salary increases	3%, compounded annually
Investment rate of return	6%, net of investment expense, including inflation

The mortality tables for post-retirement mortality were PRI-2012 Annuitant mortality table for males and females, with projected mortality improvement based on Scale MP 2020. The pre-retirement mortality tables used were the PRI-2012 employees' mortality tables for males and females, with projected mortality improvement based on Scale MP 2020.

The actuarial assumptions used in the November 30, 2020 valuation were based upon an annual review of actual experience compared to previous assumptions used, and a perspective on future expectations.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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 rate 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>
Domestic equity	43.0 %	6.0 %
International equity	17.0	6.0
Fixed income	35.0	1.5
Real estate	-	4.5
Cash equivalents	5.0	-

Discount Rate

The discount rate used to measure the total pension liability was 6%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at actuarially determined contribution rates. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at November 30, 2019	<u>\$ 11,558,967</u>	<u>8,846,745</u>	<u>2,712,222</u>
Changes for the year			
Service cost	19,109	-	19,109
Interest	665,229	-	665,229
Difference between expected and actual experience	(397,726)	-	(397,726)
Assumption changes	(187,597)	-	(187,597)
Contributions - employer	-	450,068	(450,068)
Net investment income	-	1,130,841	(1,130,841)
Benefit payments	<u>(913,315)</u>	<u>(913,315)</u>	<u>-</u>
Net Changes	<u>(814,300)</u>	<u>667,594</u>	<u>(1,481,894)</u>
Balances at November 30, 2020	<u><u>\$ 10,744,667</u></u>	<u><u>9,514,339</u></u>	<u><u>1,230,328</u></u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5%) or one percentage point higher (7%) than the current rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net pension liability	<u><u>\$ 2,356,611</u></u>	<u><u>1,230,328</u></u>	<u><u>278,735</u></u>

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

For the year ended November 30, 2020, the City recognized pension expense of (\$447,675). The reported deferred outflows and inflows of resources related to pensions from the following sources:

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Inflows</u>
Changes of assumptions	\$ -	(6,135)	(6,135)
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>(474,763)</u>	<u>(474,763)</u>
Total	<u>\$ -</u>	<u>(480,898)</u>	<u>(480,898)</u>

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

<u>For The Years Ending November 30</u>	
2021	\$ (97,494)
2022	(54,776)
2023	(199,036)
2024	<u>(129,592)</u>
Total	<u>\$ (480,898)</u>

NOTE G - PROPERTY TAXES

The City's property tax is levied each year on the assessed value listed as of January 1 for all real and personal property located in the City. Property taxes attach as an enforceable lien on property as of January 1. Taxes levied in October are due and payable prior to December 31. Since 1998, the City has voluntarily reduced the property tax rate to zero.

NOTE H - INSURANCE

The City managed risks of loss related to employee life, health and disability, workers' compensation, property, and liability by purchasing commercial insurance for the year ended November 30, 2020.

There was no significant reduction in insurance coverage during the year ended November 30, 2020 and settlement amounts have not exceeded insurance coverage for the current or three prior years.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - CONTINGENCIES AND COMMITMENTS

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

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

NOTE J - INTERFUND TRANSACTIONS

Individual interfund transactions are as follows:

Due from/to other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>November 30 2020</u>
General Fund	Agency Funds	\$ 14,955
General Fund	Capital Improvements Fund	775,429
General Fund	Street Fund	337,024
General Fund	Court Building Fund	25,799
General Fund	Nonmajor Funds	26,548
Park Improvement Fund	General Fund	115,932
Nonmajor Funds	General Fund	<u>1,751</u>
Total		<u>\$ 1,297,438</u>

All of these interfund balances are due to either timing differences or to the elimination of negative cash balances within the various funds. Most interfund balances are expected to be repaid during the next fiscal year.

Advances from/to other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>November 30 2020</u>
General Fund	Court Building Fund	<u>\$ 866,000</u>

The General Fund loaned the Court Building Fund money to purchase a court building. The loan will be repaid in semi-annual payments at an interest rate of 3.5% from future court cost revenues.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE J - INTERFUND TRANSACTIONS (Continued)

Interfund transfers

		For The Year Ended November 30 2020
<u>Transfers Out</u>	<u>Transfers In</u>	
Capital Improvements Fund	General Fund	\$ 105,000
Street Fund	General Fund	255,000
Nonmajor Funds	General Fund	<u>2,895,680</u>
Total		<u>\$ 3,255,680</u>

Interfund transfers may be used to: 1) move revenues from the fund that ordinance or budget required to collect them to the fund that ordinance or budget requires to expend them, 2) use unrestricted revenues collected to other funds in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

NOTE K - DEFINED CONTRIBUTION PLAN

The Council approved an Ordinance on November 13, 2000 amending the pension plan by freezing the plan enrollment into the defined benefit plan after December 31, 2000 and implementing an elective rollover to a defined contribution money purchase pension plan effective January 1, 2001.

The Money Purchase Pension Plan is funded through the Massachusetts Mutual Life Insurance Company. All full-time employees who work 1,000 hours or more each plan year and part-time employees who work 35 hours or more per week are eligible to participate in the Plan. Pursuant to the Plan's provision, the City shall contribute:

For employees hired after January 1, 2001, the employer contributions are 8% of earnings (after completion of tenth year of service 9%). In addition, an employee may irrevocably elect a 2% picked-up contribution. The employer will match the employee contribution not to exceed 2% of earnings.

For employees hired before January 1, 2001, the employer contributions are 12% of earnings. In addition, an employee may irrevocably elect a 3% picked-up contribution. The employer will match the employee contribution not to exceed 3% of earnings.

For employees hired after December 1, 2010, the employer contributions are 6% of earnings. In addition, an employee may irrevocably elect a 4% picked-up contribution. The employer will match the employee contribution not to exceed 2% of earnings.

NOTE K - DEFINED CONTRIBUTION PLAN (Continued)

For employees hired after July 1, 2013, the employer contributes 8% of earnings and the employee contributes a mandatory 4% of earnings for a total contribution of 12%. Contributions begin immediately upon hire.

Contributions are fully vested after seven years of continuous service. Contributions to the Plan for the year ended November 30, 2020, amounted to \$554,828 for employees and \$1,441,574 for the City.

NOTE L - DEFICIT FUND BALANCE

At November 30, 2020, the Court Building Fund has a deficit fund balance of \$865,282. This deficit will be financed through future revenues of the fund.

NOTE M - RESTRICTED NET POSITION

The government-wide financial statement of net position reports \$7,083,300 of restricted net position, all of which is restricted by enabling legislation.

NOTE N - TAX INCREMENT REVENUES PLEDGED

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds issued by the IDA to finance certain improvements in the City. The bonds are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds per Note D is payable through May 1, 2024. For the current year, the IDA's principal and interest paid, and total incremental tax revenues were \$2,344,625 and \$2,263,547, respectively.

NOTE O - 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 was established by City Ordinance, which assigned the authority to establish and amend benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by 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 general liquidated by the General Fund and Park Improvement Fund.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

Benefits Provided

The City provides healthcare benefits to employees defined as City retirees who have attained age 55 plus 10 years of service as long as the retiree pays the monthly premium. Individual and spousal medical and prescription drug benefits are available to retirees in the City's fully-insured plan. Retirees must contribute the entire monthly premium for single/family coverage an implicit benefit. \$5,000 life insurance coverage is also provided for retirees.

Employees Covered by Benefit Terms

At November 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>230</u>
Total	<u>238</u>

Total OPEB Liability

The City's total OPEB liability was measured as of November 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the November 30, 2020 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	3.00% including inflation
Discount rate	1.93% per annum
Healthcare cost trend rates	6.125% for 2020, grading down by 0.1875% until a rate of 5.0% is reached

The discount rate was based on the 20 year yield to maturity of AA rated bonds as of December 2020. The municipal bond rate is 1.93%. The rate from the prior year 3.10%.

Mortality rates were based on the PRI-2012 Annuitant mortality table for males and females, as appropriate, with generational projection based on Scale MP-2020.

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

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

Changes in the Total OPEB Liability

	<u>For The Total OPEB Liability</u>
Balance at November 30, 2019	<u>\$ 1,446,733</u>
Changes for the year	
Service cost	50,090
Interest cost	43,477
Difference between expected and actual experience	269,086
Changes in assumptions	229,265
Benefit payments	<u>(88,525)</u>
Net Changes	<u>503,393</u>
Balance at November 30, 2020	<u><u>\$ 1,950,126</u></u>

Changes of assumptions and other inputs reflect a change in the mortality rates and discount rate.

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 1.93%, 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 (0.93%) or 1% point higher (2.93%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	<u>\$ 2,232,464</u>	<u>1,950,126</u>	<u>1,723,478</u>

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 6.125% decreasing to 5.0%, 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 (5.125% decreasing to 4.0%) or 1% point higher (7.125% decreasing to 6.0%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	<u>\$ 1,830,849</u>	<u>1,950,126</u>	<u>2,093,984</u>

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended November 30, 2020, the City recognized OPEB expense of \$201,015. Deferred outflows and inflows of resources related to OPEB are from the following sources:

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
Difference between expected and actual experience	\$ 210,728	-	210,728
Changes of assumptions	179,543	(6,006)	173,537
Total	<u>\$ 390,271</u>	<u>(6,006)</u>	<u>384,265</u>

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

**For The
Years Ending
November 30**

2021	\$ 107,448
2022	107,448
2023	107,448
2024	65,399
2025	(632)
Thereafter	<u>(2,846)</u>
Total	<u>\$ 384,265</u>

NOTE P - SUBSEQUENT EVENT

In January 2021, the City approved a new defined benefit pension plan through the Missouri Local Government Employee Retire System. The initial unfunded actuarial accrued liability related to this plan approximates \$14.5 million.

NOTE Q - 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. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019 (for the City for the year ending November 30, 2021).
- 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 June 15, 2021 (for the City for the year ending November 30, 2022).

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes				
Cigarette	\$ 108,000	108,000	110,425	2,425
Gasoline	1,648,000	1,648,000	1,549,673	(98,327)
Road and bridge	542,000	542,000	575,079	33,079
Sales	7,925,000	7,925,000	7,544,080	(380,920)
Utility	5,717,000	5,717,000	5,301,131	(415,869)
Total Taxes	15,940,000	15,940,000	15,080,388	(859,612)
Licenses and Permits				
Business licenses	746,500	746,500	776,626	30,126
Liquor license	61,000	61,000	59,010	(1,990)
Building permits	463,000	463,000	395,736	(67,264)
Minimum housing	430,000	430,000	352,586	(77,414)
Other permits and fees	46,000	46,000	77,683	31,683
Total Licenses And Permits	1,746,500	1,746,500	1,661,641	(84,859)
Charges for Services				
Golf Course:				
Green fees	235,000	235,000	253,910	18,910
Cart fees	214,000	214,000	216,201	2,201
Pro shop sales	50,000	50,000	33,463	(16,537)
Concession sales and fees	138,000	138,000	70,624	(67,376)
Miscellaneous	8,400	8,400	-	(8,400)
Recreation:				
Rentals - nature lodge/gym	30,000	30,000	15,459	(14,541)
Center activity	277,000	277,000	128,572	(148,428)
Ice rink	91,600	91,600	87,571	(4,029)
Outdoor pool receipts	96,700	96,700	4,537	(92,163)
Miscellaneous	213,900	213,900	96,400	(117,500)
Playground program	75,000	75,000	10	(74,990)
Theatre	135,000	135,000	68,190	(66,810)
Concession sales and fees	50,800	50,800	21,043	(29,757)
Total Charges For Services	1,615,400	1,615,400	995,980	(619,420)
Other				
Other miscellaneous	170,800	170,800	218,118	47,318
Property maintenance fees	200,000	200,000	147,883	(52,117)
Cable television	603,000	603,000	569,889	(33,111)
Senior citizen luncheons	33,000	33,000	7,592	(25,408)
Claim settlements	-	-	70,889	70,889
Total Other	1,006,800	1,006,800	1,014,371	7,571

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES (Continued)				
Investment Income	70,000	70,000	80,783	10,783
Fines and Forfeitures	1,193,700	1,193,700	671,130	(522,570)
Intergovernmental	983,212	1,054,612	4,739,591	3,684,979
Total Revenues	22,555,612	22,627,012	24,243,884	1,616,872
EXPENDITURES				
General Government				
Legislative:				
Salaries	105,612	105,612	105,612	-
Employees' benefits	21,826	21,826	20,972	(854)
Dues, travel, and training	27,000	27,000	10,484	(16,516)
Total Legislative	154,438	154,438	137,068	(17,370)
Administrative:				
Salaries	1,137,000	1,137,000	1,093,788	(43,212)
Employees' benefits	412,676	412,676	429,953	17,277
Contract services	50,000	50,000	2,100	(47,900)
Postage and printing	46,000	46,000	44,967	(1,033)
Software purchase and maintenance	49,200	49,200	29,944	(19,256)
Equipment rental	44,000	44,000	32,945	(11,055)
Office supplies	18,000	19,584	8,803	(10,781)
Travel, training and certifications	22,250	22,250	6,367	(15,883)
Organization dues	40,300	40,300	28,743	(11,557)
Professional services	393,368	393,493	308,078	(85,415)
Program and events	70,540	80,540	54,943	(25,597)
Legal notices and advertising	6,500	6,500	773	(5,727)
Insurance, fire, and liability	658,686	658,686	608,723	(49,963)
Mayor's expenditures	15,000	15,000	8,064	(6,936)
Total Administrative	2,963,520	2,975,229	2,658,191	(317,038)
Housing center:				
Salaries	35,000	35,000	21,107	(13,893)
Employees' benefits	15,344	15,344	15,819	475
Uniforms and allowances	450	450	-	(450)
Office supplies	1,000	1,000	1,012	12
Travel, training and certifications	1,000	1,000	896	(104)
Total Housing Center	52,794	52,794	38,834	(13,960)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
General Government (Continued)				
Senior services:				
Salaries	107,000	107,000	76,376	(30,624)
Employees' benefits	40,194	40,194	35,911	(4,283)
Uniforms and allowances	400	400	-	(400)
Utilities	6,600	6,600	3,991	(2,609)
Building maintenance and supplies	9,800	9,800	4,720	(5,080)
Office supplies	2,000	2,000	656	(1,344)
Travel, training and certifications	1,000	1,000	121	(879)
Programs and events	44,935	44,935	7,374	(37,561)
Publicity	1,500	1,500	1,125	(375)
Total Senior Services	213,429	213,429	130,274	(83,155)
Municipal court:				
Salaries	399,000	399,000	358,013	(40,987)
Employees' benefits	140,209	140,209	135,308	(4,901)
Contract services	18,128	18,128	3,982	(14,146)
Software purchase and maintenance	43,200	43,200	9,353	(33,847)
Office supplies	11,800	11,800	9,284	(2,516)
Travel, training and certifications	4,550	4,550	600	(3,950)
Organizational dues	200	200	200	-
Professional services	7,400	7,400	3,417	(3,983)
Total Municipal Court	624,487	624,487	520,157	(104,330)
Prosecuting Attorney:				
Salaries	43,000	43,000	40,096	(2,904)
Employees' benefits	18,385	18,385	16,872	(1,513)
Contracted services	180,300	180,300	92,187	(88,113)
Software purchase and maintenance	5,081	5,081	5,012	(69)
Office supplies	2,000	2,000	1,538	(462)
Travel, training and certifications	3,900	3,900	1,125	(2,775)
Organizational dues	-	-	90	90
Professional services	15,144	15,144	10,303	(4,841)
Total Prosecuting Attorney	267,810	267,810	167,223	(100,587)
Information technology and media:				
Salaries	269,000	269,000	229,831	(39,169)
Employees' benefits	106,454	106,454	100,203	(6,251)
Contract services	30,000	30,000	14,100	(15,900)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
General Government (Continued)				
Information technology and media (continued):				
Uniforms and allowances	1,500	1,500	1,401	(99)
Telephone	169,000	177,661	158,520	(19,141)
Office supplies	18,500	18,500	17,737	(763)
Travel, training and certifications	4,000	4,000	226	(3,774)
License, permits and inspections	2,000	2,000	1,860	(140)
Professional services	44,000	44,000	27,880	(16,120)
Total Information Technology And Media	644,454	653,115	551,758	(101,357)
Total General Government	4,920,932	4,941,302	4,203,505	(737,797)
Public Safety				
Police:				
Salaries	8,683,000	8,670,300	8,416,371	(253,929)
Employees' benefits	3,436,234	3,448,809	3,312,190	(136,619)
Uniforms and allowances	101,000	101,000	76,941	(24,059)
Communication service	340,500	340,500	282,759	(57,741)
Utilities	50,000	50,000	40,801	(9,199)
Gasoline	200,000	200,000	148,396	(51,604)
Building, maintenance, and supplies	74,600	74,600	55,872	(18,728)
Equipment repairs - vehicles	47,900	50,151	41,332	(8,819)
Equipment rental	30,800	30,800	17,727	(13,073)
Office supplies	46,000	46,000	32,815	(13,185)
Armory supplies and guns	67,500	67,500	42,368	(25,132)
Travel, training and certifications	87,600	87,600	43,185	(44,415)
Organizational dues	6,000	6,000	3,686	(2,314)
Professional services	7,500	7,500	7,500	-
Programs and events	18,700	18,700	11,011	(7,689)
Police forfeiture expenditures	-	71,400	71,400	-
Total Public Safety - Police	13,197,334	13,270,860	12,604,354	(666,506)
Public Works				
Public works:				
Salaries	3,082,000	3,082,000	2,429,488	(652,512)
Employees' benefits	1,400,667	1,400,667	1,229,597	(171,070)
Uniforms and allowances	13,800	13,800	5,090	(8,710)
Software purchase and maintenance	43,000	43,000	6,221	(36,779)
Utilities	121,000	121,000	77,788	(43,212)
Gasoline	90,000	90,000	53,369	(36,631)
Office supplies	25,000	25,000	22,338	(2,662)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Public Works (Continued)				
Public works (continued):				
Travel, training and certifications	35,940	35,940	9,050	(26,890)
Organizational dues	4,800	4,800	1,399	(3,401)
Professional services	45,000	93,309	56,735	(36,574)
Total Public Works	4,861,207	4,909,516	3,891,075	(1,018,441)
Culture and Recreation				
Community and civic center:				
Salaries	1,171,000	1,171,000	806,205	(364,795)
Employees' benefits	306,638	306,638	275,623	(31,015)
Contract services	111,500	111,500	33,898	(77,602)
Utilities	300,000	300,000	206,534	(93,466)
Total Community And Civic Center	1,889,138	1,889,138	1,322,260	(566,878)
Recreation - theatre:				
Salaries	162,000	162,000	119,030	(42,970)
Employees' benefits	64,928	64,928	53,406	(11,522)
Uniforms and allowances	250	250	-	(250)
Software purchase and maintenance	6,250	6,250	6,183	(67)
Building, maintenance, and supplies	10,600	10,600	8,101	(2,499)
Office supplies	10,200	10,200	2,974	(7,226)
Travel, training, and certifications	1,200	1,200	123	(1,077)
Organizational dues	650	650	-	(650)
Professional services	6,000	6,000	3,119	(2,881)
Theatre workshop	187,700	187,700	88,143	(99,557)
Publicity	14,000	14,000	1,541	(12,459)
Total Recreation - Theatre	463,778	463,778	282,620	(181,158)
Recreation - summer camp:				
Salaries	167,500	167,500	-	(167,500)
Employees' benefits	22,504	22,504	9,455	(13,049)
Total Recreation - Summer Camp	190,004	190,004	9,455	(180,549)
Recreation - Bangert:				
Salaries	232,000	232,000	-	(232,000)
Employees' benefits	24,189	24,189	6,269	(17,920)
Contract services	10,000	10,000	3,341	(6,659)
Utilities	50,000	50,000	3,264	(46,736)
Total Recreation - Bangert	316,189	316,189	12,874	(303,315)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Culture and Recreation (Continued)				
Recreation - Golf Course:				
Salaries	401,000	401,000	274,015	(126,985)
Employees' benefits	110,395	110,395	98,018	(12,377)
Uniforms and allowances	1,700	1,700	-	(1,700)
Postage and printing	1,700	1,700	5	(1,695)
Utilities	50,000	50,000	52,982	2,982
Gasoline	13,000	13,000	6,486	(6,514)
Merchandise	80,000	80,000	33,864	(46,136)
Building, maintenance, and supplies	111,000	111,000	81,713	(29,287)
Equipment repairs	40,000	40,000	32,552	(7,448)
Equipment rental	90,000	90,000	84,072	(5,928)
Office supplies	4,000	4,000	1,402	(2,598)
Travel, training and certifications	200	200	-	(200)
Organizational dues	1,700	1,700	1,721	21
License, permits and inspections	1,870	1,870	1,312	(558)
Professional services	10,100	10,100	12,027	1,927
Publicity	8,200	8,200	1,882	(6,318)
Total Recreation - Golf Course	<u>924,865</u>	<u>924,865</u>	<u>682,051</u>	<u>(242,814)</u>
Total Culture And Recreation	<u>3,783,974</u>	<u>3,783,974</u>	<u>2,309,260</u>	<u>(1,474,714)</u>
Total Expenditures	<u>26,763,447</u>	<u>26,905,652</u>	<u>23,008,194</u>	<u>(3,897,458)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(4,207,835)</u>	<u>(4,278,640)</u>	<u>1,235,690</u>	<u>5,514,330</u>
OTHER FINANCING SOURCES				
Insurance recoveries	-	-	34,576	34,576
Transfers in	<u>3,255,680</u>	<u>3,255,680</u>	<u>3,255,680</u>	<u>-</u>
Total Other Financing Sources	<u>3,255,680</u>	<u>3,255,680</u>	<u>3,290,256</u>	<u>34,576</u>
NET CHANGE IN FUND BALANCE	<u>\$ (952,155)</u>	<u>(1,022,960)</u>	<u>4,525,946</u>	<u>5,548,906</u>
FUND BALANCE, DECEMBER 1			<u>9,740,358</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 14,266,304</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL IMPROVEMENTS FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,497,000	3,497,000	3,437,723	(59,277)
Investment income	-	-	11,405	11,405
Intergovernmental	-	-	108,246	108,246
Total Revenues	<u>3,497,000</u>	<u>3,497,000</u>	<u>3,557,374</u>	<u>60,374</u>
EXPENDITURES				
Current:				
Public works	2,469,300	3,175,332	1,946,828	(1,228,504)
Capital outlay	528,300	673,289	440,789	(232,500)
Debt service	<u>515,000</u>	<u>515,000</u>	<u>500,725</u>	<u>(14,275)</u>
Total Expenditures	<u>3,512,600</u>	<u>4,363,621</u>	<u>2,888,342</u>	<u>(1,475,279)</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(15,600)</u>	<u>(866,621)</u>	<u>669,032</u>	<u>1,535,653</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	52,223	52,223
Transfers out	<u>(105,000)</u>	<u>(105,000)</u>	<u>(105,000)</u>	<u>-</u>
Total Financing Sources (Uses)	<u>(105,000)</u>	<u>(105,000)</u>	<u>(52,777)</u>	<u>52,223</u>
REVENUES OVER (UNDER)				
EXPENDITURES AND OTHER				
FINANCING SOURCES	<u>\$ (120,600)</u>	<u>(971,621)</u>	<u>616,255</u>	<u>1,587,876</u>
ADJUSTMENTS TO RECONCILE				
TO GAAP BASIS				
Unbudgeted expenditures			<u>(32,180)</u>	
NET CHANGE IN FUND BALANCE -				
GAAP BASIS			584,075	
FUND BALANCE, DECEMBER 1			<u>2,342,789</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 2,926,864</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PARK IMPROVEMENT FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,450,000	3,450,000	3,520,657	70,657
Investment income	4,000	4,000	6,825	2,825
Intergovernmental	531,400	531,400	25,001	(506,399)
Total Revenues	<u>3,985,400</u>	<u>3,985,400</u>	<u>3,552,483</u>	<u>(432,917)</u>
EXPENDITURES				
Current:				
Culture and recreation	2,664,517	2,669,338	2,025,122	(644,216)
Capital outlay	1,005,600	1,140,044	590,473	(549,571)
Debt service	974,000	974,000	967,905	(6,095)
Total Expenditures	<u>4,644,117</u>	<u>4,783,382</u>	<u>3,583,500</u>	<u>(1,199,882)</u>
REVENUES UNDER EXPENDITURES	(658,717)	(797,982)	(31,017)	766,965
OTHER FINANCING SOURCES				
Insurance recoveries	<u>-</u>	<u>4,821</u>	<u>4,866</u>	<u>45</u>
NET CHANGE IN FUND BALANCE	<u>\$ (658,717)</u>	<u>(793,161)</u>	(26,151)	<u>767,010</u>
FUND BALANCE, DECEMBER 1			<u>1,629,072</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 1,602,921</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
STREET FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,500,000	1,500,000	1,573,237	73,237
Investment income	-	-	2,858	2,858
Intergovernmental	390,000	1,785,440	1,592,855	(192,585)
Total Revenues	<u>1,890,000</u>	<u>3,285,440</u>	<u>3,168,950</u>	<u>(116,490)</u>
EXPENDITURES				
Current:				
Public works	95,000	113,000	112,774	(226)
Capital outlay	<u>1,440,000</u>	<u>3,653,801</u>	<u>3,529,322</u>	<u>(124,479)</u>
Total Expenditures	<u>1,535,000</u>	<u>3,766,801</u>	<u>3,642,096</u>	<u>(124,705)</u>
REVENUES OVER (UNDER) EXPEN- DITURES	355,000	(481,361)	(473,146)	8,215
OTHER FINANCING (USES)				
Transfers out	<u>(255,000)</u>	<u>(255,000)</u>	<u>(255,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 100,000</u>	<u>(736,361)</u>	<u>(728,146)</u>	<u>8,215</u>
FUND BALANCE, DECEMBER 1			<u>1,379,344</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 651,198</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED NOVEMBER 30, 2020

Budgets and Budgetary Accounting

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

- a. The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following December 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted in the City to obtain taxpayer comments.
- c. The budget shall be adopted by the affirmative vote of a majority of the members of the Council no later than three days prior to the end of each respective fiscal year. Should the Council take no final action by this date, the budget, as submitted, shall be deemed to have been adopted.
- d. Current year budget includes amendments. The City Council is authorized to transfer budgeted amounts between departments within any fund and to alter the total expenditures of any fund. All appropriations not spent or legally encumbered at year-end lapse.
- e. Budgets are formally integrated into the City's internally generated financial statements as a management control device during the year for all funds budgeted.

Annual budgets are adopted for all funds except for the Capital Projects, Community Development, and Neighborhood Stabilization Program. The Capital Improvements Fund does not budget certain expenditures for bond issue project costs that are required in accordance with the debt agreement.

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED NOVEMBER 30

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability						
Service cost	\$ 19,109	5,234	14,359	13,801	23,839	37,832
Interest	665,229	676,797	752,799	807,042	881,163	857,542
Difference between expected and actual experience	(397,726)	63,963	(157,035)	(8,563)	116,079	(69,856)
Assumption changes	(187,597)	(100,505)	-	434,932	-	-
Benefit payments	<u>(913,315)</u>	<u>(732,940)</u>	<u>(3,020,720)</u>	<u>(1,281,780)</u>	<u>(2,213,949)</u>	<u>(358,944)</u>
Net Change In Total Pension Liability	(814,300)	(87,451)	(2,410,597)	(34,568)	(1,192,868)	466,574
Total Pension Liability Beginning	<u>11,558,967</u>	<u>11,646,418</u>	<u>14,057,015</u>	<u>14,091,583</u>	<u>15,284,451</u>	<u>14,817,877</u>
Total Pension Liability Ending (a)	<u>\$ 10,744,667</u>	<u>11,558,967</u>	<u>11,646,418</u>	<u>14,057,015</u>	<u>14,091,583</u>	<u>15,284,451</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ 450,068	464,000	875,723	675,369	616,284	922,608
Net investment income	1,130,841	830,536	(154,109)	765,285	240,655	113,444
Benefit payments	<u>(913,315)</u>	<u>(732,940)</u>	<u>(3,020,720)</u>	<u>(1,281,780)</u>	<u>(2,213,949)</u>	<u>(358,944)</u>
Net Change In Plan Fiduciary Net Position	667,594	561,596	(2,299,106)	158,874	(1,357,010)	677,108
Plan Fiduciary Net Position Beginning	<u>8,846,745</u>	<u>8,285,149</u>	<u>10,584,255</u>	<u>10,425,381</u>	<u>11,782,391</u>	<u>11,105,283</u>
Plan Fiduciary Net Position Ending (b)	<u>\$ 9,514,339</u>	<u>8,846,745</u>	<u>8,285,149</u>	<u>10,584,255</u>	<u>10,425,381</u>	<u>11,782,391</u>
Net Pension Liability (a)-(b)	<u>\$ 1,230,328</u>	<u>2,712,222</u>	<u>3,361,269</u>	<u>3,472,760</u>	<u>3,666,202</u>	<u>3,502,060</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.55 %	76.54	71.14	75.30	73.98	77.09
Covered Payroll	\$ 343,751	457,389	476,377	927,960	937,061	962,631
Net Pension Liability as a Percentage of Covered Payroll	357.91 %	592.98	705.59	374.24	391.24	363.80

Notes:

Information is not available for fiscal years prior to 2015.

2020 Change of Assumption. The mortality table was updated to reflect the most recently published tables and scales.

2019 Change of Assumption. The assumed retirement age increased from 55 to 60. The mortality projection scale was updated to MP 2019.

2017 Change of Assumption. The mortality table was updated to reflect the most recent Society of Actuaries studies, including the incorporation of mortality improvement projection scales.

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

	For The Years Ending November 30									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 387,613	461,923	503,249	861,178	847,430	800,761	695,708	890,132	805,819	867,911
Contributions in relation to the actuarially determined contribution	450,068	464,000	875,723	675,369	616,284	922,608	892,849	973,417	1,039,121	945,205
Contribution Deficiency (Excess)	<u>\$ (62,455)</u>	<u>(2,077)</u>	<u>(372,474)</u>	<u>185,809</u>	<u>231,146</u>	<u>(121,847)</u>	<u>(197,141)</u>	<u>(83,285)</u>	<u>(233,302)</u>	<u>(77,294)</u>
Covered Payroll	\$ 343,751	457,389	476,377	927,960	937,061	962,631	320,625	351,853	481,416	655,949
Contributions as a Percentage of Covered Payroll	130.93 %	101.45	183.83	72.78	65.77	95.84	278.47	276.65	215.85	144.10

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of November 30 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
Amortization method	Level percent of payroll, closed
Remaining amortization period	10 years
Asset valuation method	Market value
Inflation	2.5%
Salary increases	3% compounded annually
Investment rate of return	6%, net of investment expenses, including inflation
Retirement age	Age 60 and the completion of 10 years of service

Mortality

The mortality tables for post-retirement mortality were PRI-2012 Annuitant Table for males and females. The pre-retirement mortality used were PRI-2012 employees' mortality tables for males and females. Both tables were with projected mortality improvement based on Scale MP 2020

Other information:

There were no benefit changes during the year.

Due to a change in reporting, covered payroll amounts from the year ending November 30, 2014 and previous are reported based on the cost method in place, which was not for GASB reporting.

2015 - 2019 amounts are based on amounts used for GASB reporting.

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF ANNUAL
MONEY-WEIGHTED RATE OF RETURN ON INVESTMENTS -
FOR THE YEARS ENDED NOVEMBER 30

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expenses	<u>13.50 %</u>	<u>10.27</u>	<u>(1.61)</u>	<u>8.04</u>	<u>2.90</u>	<u>1.66</u>

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month.

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED NOVEMBER 30

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 50,090	48,584	47,123
Interest	43,477	42,764	36,031
Difference between expected and actual experience	269,086	-	11,282
Changes of assumptions or other inputs	229,265	(7,270)	156,609
Benefit payments	<u>(88,525)</u>	<u>(33,660)</u>	<u>(34,032)</u>
Net Change In Total OPEB Liability	503,393	50,418	217,013
 Total OPEB Liability Beginning	 <u>1,446,733</u>	 <u>1,396,315</u>	 <u>1,179,302</u>
 Total OPEB Liability Ending	 <u><u>\$ 1,950,126</u></u>	 <u><u>1,446,733</u></u>	 <u><u>1,396,315</u></u>
 Covered Payroll	 \$ 13,641,192	 14,308,538	 13,891,784
 Total OPEB Liability as a Percentage of Covered Payroll	 14.30 %	 10.11	 10.05

Notes:

Information is not available for fiscal years prior to 2018.

2020 Changes of assumptions. The mortality projection scale was updated to MP 2020. The discount rate was changed to 1.93% which was the 20 year average AA rated municipal bond rate.

2019 Changes of assumptions. The mortality projection scale was updated to MP 2019.

2018 Changes of assumptions. The discount rate was changed to 3.10% to represent the yield to maturity of AA rated municipal bonds.

OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the capital projects paid by the 2019 lease purchase agreement.

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
NOVEMBER 30, 2020

	Special Revenue Funds						Capital Projects Fund	Total Nonmajor Governmental Funds
	Sewer Lateral Fund	Public Safety Fund	Community Development Fund	Neighborhood Stabilization Program Fund	Property Revitalization Fund	Property Maintenance Fund		
ASSETS								
Cash	\$ 100	181,457	5,322	48,014	44,801	58,785	54,737	393,216
Investments	1,115,218	-	-	-	-	-	-	1,115,218
Receivables:							-	-
Taxes	236,042	473,006	-	-	-	-	-	709,048
Interest	11,683	-	-	-	-	-	-	11,683
Intergovernmental	-	-	66,771	-	-	-	-	66,771
Due from other funds	-	1,403	198	-	-	150	-	1,751
Total Assets	<u>\$ 1,363,043</u>	<u>655,866</u>	<u>72,291</u>	<u>48,014</u>	<u>44,801</u>	<u>58,935</u>	<u>54,737</u>	<u>2,297,687</u>
LIABILITIES								
Accounts payable	\$ 14,193	2,289	39,556	-	-	-	10,084	66,122
Accrued payroll	-	-	799	-	-	-	-	799
Unearned revenue	-	-	31,936	48,014	-	-	-	79,950
Due to other funds	26,548	-	-	-	-	-	-	26,548
Total Liabilities	<u>40,741</u>	<u>2,289</u>	<u>72,291</u>	<u>48,014</u>	<u>-</u>	<u>-</u>	<u>10,084</u>	<u>173,419</u>
FUND BALANCES								
Restricted for:								
Sewer lateral	1,322,302	-	-	-	-	-	-	1,322,302
Public safety	-	653,577	-	-	-	-	-	653,577
Capital projects	-	-	-	-	-	-	44,653	44,653
Committed for:								
Property revitalization	-	-	-	-	44,801	-	-	44,801
Property maintenance	-	-	-	-	-	58,935	-	58,935
Total Fund Balances	<u>1,322,302</u>	<u>653,577</u>	<u>-</u>	<u>-</u>	<u>44,801</u>	<u>58,935</u>	<u>44,653</u>	<u>2,124,268</u>
Total Liabilities And Fund Balances	<u>\$ 1,363,043</u>	<u>655,866</u>	<u>72,291</u>	<u>48,014</u>	<u>44,801</u>	<u>58,935</u>	<u>54,737</u>	<u>2,297,687</u>

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Special Revenue Funds							
	Sewer Lateral Fund	Public Safety Fund	Community Development Fund	Neighborhood Stabilization Program Fund	Property Revitalization Fund	Property Maintenance Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES								
Taxes	\$ 545,655	2,702,720	-	-	-	-	-	3,248,375
Licenses and permits	-	-	-	-	-	336,365	-	336,365
Investment income	22,136	3,080	-	-	-	-	4,694	29,910
Intergovernmental	-	-	169,354	-	-	-	-	169,354
Total Revenues	567,791	2,705,800	169,354	-	-	336,365	4,694	3,784,004
EXPENDITURES								
Current:								
General government	-	-	194,249	-	837	-	-	195,086
Public safety	-	49,370	-	-	-	-	-	49,370
Public works and health	215,889	-	-	-	-	-	-	215,889
Capital outlay	130,121	629,799	-	-	-	-	1,107,446	1,867,366
Total Expenditures	346,010	679,169	194,249	-	837	-	1,107,446	2,327,711
REVENUES OVER (UNDER)								
EXPENDITURES	221,781	2,026,631	(24,895)	-	(837)	336,365	(1,102,752)	1,456,293
OTHER FINANCING USES								
Insurance recoveries	-	-	-	-	-	-	-	-
Transfer out	(371,000)	(2,151,680)	-	-	-	(373,000)	-	(2,895,680)
Total Other Financing Uses	(371,000)	(2,151,680)	-	-	-	(373,000)	-	(2,895,680)
NET CHANGE IN FUND								
BALANCES	(149,219)	(125,049)	(24,895)	-	(837)	(36,635)	(1,102,752)	(1,439,387)
FUND BALANCES, DECEMBER 1	1,471,521	778,626	24,895	-	45,638	95,570	1,147,405	3,563,655
FUND BALANCES, NOVEMBER 30	\$ 1,322,302	653,577	-	-	44,801	58,935	44,653	2,124,268

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
SEWER LATERAL FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 500,000	500,000	545,655	45,655
Investment income	9,000	9,000	22,136	13,136
Total Revenues	<u>509,000</u>	<u>509,000</u>	<u>567,791</u>	<u>58,791</u>
EXPENDITURES				
Current:				
Public works	276,835	276,835	215,889	(60,946)
Capital outlay	158,000	158,000	130,121	(27,879)
Total Expenditures	<u>434,835</u>	<u>434,835</u>	<u>346,010</u>	<u>(88,825)</u>
REVENUES OVER EXPENDITURES	74,165	74,165	221,781	147,616
OTHER FINANCING USES				
Transfers out	<u>(371,000)</u>	<u>(371,000)</u>	<u>(371,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (296,835)</u>	<u>(296,835)</u>	(149,219)	<u>147,616</u>
FUND BALANCE, DECEMBER 1			<u>1,471,521</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 1,322,302</u>	

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PUBLIC SAFETY FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 2,800,000	2,800,000	2,702,720	(97,280)
Investment income	-	-	3,080	3,080
Total Revenues	<u>2,800,000</u>	<u>2,800,000</u>	<u>2,705,800</u>	<u>(94,200)</u>
EXPENDITURES				
Current:				
Public safety	85,000	85,000	49,370	(35,630)
Capital outlay	552,400	799,604	629,799	(169,805)
Total Expenditures	<u>637,400</u>	<u>884,604</u>	<u>679,169</u>	<u>(205,435)</u>
REVENUES OVER EXPENDITURES	2,162,600	1,915,396	2,026,631	111,235
OTHER FINANCING USES				
Transfers out	<u>(2,151,680)</u>	<u>(2,151,680)</u>	<u>(2,151,680)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 10,920</u>	<u>(236,284)</u>	<u>(125,049)</u>	<u>111,235</u>
FUND BALANCE, DECEMBER 1			<u>778,626</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 653,577</u>	

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PROPERTY REVITALIZATION FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Other	\$ -	-	-	-
EXPENDITURES				
Current:				
General government	-	45,000	837	(44,163)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(45,000)</u>	(837)	<u>44,163</u>
FUND BALANCE, DECEMBER 1			<u>45,638</u>	
FUND BALANCE, NOVEMBER 30			<u><u>\$ 44,801</u></u>	

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PROPERTY MAINTENANCE FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Licenses and permits	\$ 390,000	390,000	336,365	(53,635)
EXPENDITURES				
Current:				
Public works and health	15,000	15,000	-	(15,000)
REVENUES OVER EXPENDITURES	375,000	375,000	336,365	(38,635)
OTHER FINANCING USES				
Transfers out	(373,000)	(373,000)	(373,000)	-
NET CHANGE IN FUND BALANCE	<u>\$ 2,000</u>	<u>2,000</u>	(36,635)	<u>(38,635)</u>
FUND BALANCE, DECEMBER 1			<u>95,570</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 58,935</u>	

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
COURT BUILDING FUND
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Fines and forfeitures	\$ 149,000	149,000	48,314	(100,686)
EXPENDITURES				
Debt service	132,000	132,000	30,835	(101,165)
NET CHANGE IN FUND BALANCE	<u>\$ 17,000</u>	<u>17,000</u>	17,479	<u>479</u>
FUND BALANCE (DEFICIT), DECEMBER 1			<u>(882,761)</u>	
FUND BALANCE (DEFICIT), NOVEMBER 30			<u>\$ (865,282)</u>	

CITY OF FLORISSANT, MISSOURI

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND TYPES - AGENCY FUNDS

Agency Funds are used to account for assets held by the City as an agent for an individual, private organizations, other governments, and/or other funds.

Agency Funds -- The Escrow and Court Activity Fund is used to account for the collection and release of monies in connection with construction permits being issued and to be held as bond deposits to ensure defendants' appearances in court.

CITY OF FLORISSANT MISSOURI
OTHER SUPPLEMENTAL INFORMATION - STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2020

	Balance November 30 2019	Additions	Reductions	Balance November 30 2020
ASSETS				
Cash	\$ 611,086	180,274	119,173	672,187
Investments	614,482	16,143	-	630,625
Total Assets	<u>\$ 1,225,568</u>	<u>196,417</u>	<u>119,173</u>	<u>1,302,812</u>
LIABILITIES				
Due to others:				
Court bonds	\$ 84,100	3,680	-	87,780
Construction deposits	200,649	50,820	-	251,469
Other deposits	822,834	125,774	-	948,608
	<u>1,107,583</u>	<u>180,274</u>	<u>-</u>	<u>1,287,857</u>
Due to other funds	<u>117,985</u>	<u>-</u>	<u>103,030</u>	<u>14,955</u>
Total Liabilities	<u>\$ 1,225,568</u>	<u>180,274</u>	<u>103,030</u>	<u>1,302,812</u>

CITY OF FLORISSANT, MISSOURI

REPORT ON FEDERAL AWARDS

(Audited)

Year Ended November 30, 2020

CITY OF FLORISSANT, MISSOURI

REPORT ON FEDERAL AWARDS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council
CITY OF FLORISSANT, MISSOURI

We have audited, in accordance with the 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, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF FLORISSANT, MISSOURI** (the City), as of and for the year ended November 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 26, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Chesterfield, Missouri

May 26, 2021

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and City Council
CITY OF FLORISSANT, MISSOURI

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the **CITY OF FLORISSANT, MISSOURI'S** (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended November 30, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements, and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2020.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of

and for the year ended November 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated May 26, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Chesterfield, Missouri
May 26, 2021

CITY OF FLORISSANT, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED NOVEMBER 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Community Development Block Grants/ Entitlement Grants Cluster:			
Community Development Block Grants/ Entitlement Grants	14.218	-	\$ <u>127,739</u>
Total U.S. Department Of Housing And Urban Development			<u>127,739</u>
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	-	6,226
Federal Equitable Sharing	16.922	-	<u>71,400</u>
Total U.S. Department Of Justice			<u>77,626</u>
U.S. Department of Transportation			
Highway Planning and Construction Cluster:			
Missouri Department of Transportation:			
Highway Planning and Construction	20.205*	STP-5622(601)	5,687
Highway Planning and Construction	20.205*	STP-5595(614)	<u>1,670,414</u>
Total Highway Planning And Construction Cluster			<u>1,676,101</u>
Highway Safety Cluster:			
Missouri Department of Transportation:			
State and Community Highway Safety	20.600	20-PT-02-044	1,919
Missouri Division of Highway Safety:			
National Priority Safety Programs	20.616	20-M2HVE-05-013	<u>3,929</u>
Total Highway Safety Cluster			<u>5,848</u>
Missouri Division of Highway Safety:			
Alcohol Open Container Requirements	20.607	20-154-AL-048	<u>3,169</u>
Total U.S. Department Of Transportation			<u>1,685,118</u>
U.S. Department of the Treasury			
St. Louis County, Missouri:			
COVID-19 Coronavirus Relief Fund	21.019*	-	<u>3,586,958</u>
Total U.S. Department Of The Treasury			<u>3,586,958</u>
U.S. Department of Homeland Security			
Missouri Emergency Management Agency:			
Emergency Management Performance Grants	97.042	EMK-2019-EP-00001-041	<u>646</u>
Total U.S. Department Of Homeland Security			<u>646</u>
Total Awards Expended			<u>\$5,478,087</u>

*Denotes major federal program

(Continued)

CITY OF FLORISSANT, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2020

Note 1 - Basis of Presentation -- The schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City under programs of the federal government. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies -- Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years, if any. The City has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance, except for the Small Business Development Center grant.

Note 3 - The City did not receive any federal insurance and had no outstanding federal loans with continuing compliance requirements. The City did not provide funds to any subrecipients.

Note 4 - Fair market value of personal protective equipment (PPE) at time of receipt during the year ended November 30, 2020 was \$1,606.

CITY OF FLORISSANT, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
NOVEMBER 30, 2020

Section I - Summary of Auditor's Results

A. Financial statements:

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
- a) Material weakness(es) identified? _____ Yes X No
- b) Significant deficiency(ies) identified? _____ Yes X None reported
3. Noncompliance material to financial statements noted? _____ Yes X No

B. Federal awards:

1. Internal control over major programs:
- a) Material weakness(es) identified? _____ Yes X No
- b) Significant deficiency(ies) identified? _____ Yes X None reported
2. Type of auditor's report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 516(a)? _____ Yes X No
4. Major programs:

CFDA Number(s)

Name Of Federal Program Or Cluster

20.205

Highway Planning and Construction Cluster

21.019

COVID-19 Coronavirus Relief Fund

5. Dollar threshold used to distinguish between type A and type B programs: \$750,000
6. Auditee qualified as low-risk auditee? _____ Yes X No

Section II - Financial Statements Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Summary Schedule of Prior Audit Findings

None