



**CITY OF FLORISSANT,
MISSOURI**

FINANCIAL REPORT
(Audited)

Year Ended November 30, 2015

CITY OF FLORISSANT, MISSOURI

FINANCIAL REPORT

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

INDEPENDENT AUDITOR'S REPORT

March 8, 2016

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, 2015, 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.

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In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of November 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

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

Other Matters

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 March 8, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hochschild, Bloom & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2015

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, 2015. 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

- Total assets at the close of the fiscal year were \$80,277,228. Capital assets, the largest single asset category, comprised \$62,484,746 or 77.8% of total assets.
- Total net position (total assets and deferred outflows of resources less total liabilities and deferred inflows of resources) was \$69,553,692. Excluding the amount net investment in capital assets, total net position was \$11,315,210.
- The largest single liability of \$3,502,060 is for noncurrent liabilities due in more than one year, which is for the net pension liability.
- The City has \$6,357,275 in unrestricted net position and \$4,957,935 in restricted net position.
- Total fund balances decreased \$2,196,412 to a total of \$16,335,809.
- The General Fund unassigned fund balance is \$8,545,957 or 33.2% of the final adopted budget which easily exceeds the target established in the City's Fund Balance Policy of 10%.

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 including long-term debt and capital assets in the governmental funds. 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.

CITY OF FLORISSANT, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2015

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, public works and health, and economic development. 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.

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:

Major Funds

- ✓ General
- ✓ Capital Improvements
- ✓ Park Improvement
- ✓ Sewer Lateral
- ✓ Court Building

Nonmajor Funds

- ✓ Community Development
- ✓ Koch TIF
- ✓ Neighborhood Stabilization Program
- ✓ Property Revitalization

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, and Sewer Lateral Funds are included with the required supplemental information. Budgetary comparisons for all other funds are presented with other supplemental information.

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

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.

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, 2015 and 2014 (dollars in thousands):

	November 30		2015 Change	
	2015	2014	Amount	Percent
ASSETS				
Current and other assets	\$ 17,792	20,439	(2,647)	(13.0) %
Capital assets, net	62,485	62,074	411	0.7
Total Assets	<u>80,277</u>	<u>82,513</u>	<u>(2,236)</u>	<u>(2.7)</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	<u>133</u>	<u>152</u>	<u>(19)</u>	<u>(12.5)</u>
LIABILITIES				
Long-term debt outstanding	9,243	10,176	(933)	(9.2)
Other liabilities	<u>1,118</u>	<u>1,560</u>	<u>(442)</u>	<u>(28.3)</u>
Total Liabilities	<u>10,361</u>	<u>11,736</u>	<u>(1,375)</u>	<u>(11.7)</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension related	<u>495</u>	<u>-</u>	<u>495</u>	<u>100.0</u>
NET POSITION				
Net investment in capital assets	58,239	57,077	1,162	2.0
Restricted	4,958	5,294	(336)	(6.3)
Unrestricted	<u>6,357</u>	<u>8,558</u>	<u>(2,201)</u>	<u>(25.7)</u>
Total Net Position	<u>\$ 69,554</u>	<u>70,929</u>	<u>(1,375)</u>	<u>(1.9) %</u>

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

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 comingled.

Assets include \$12,852,269 in unrestricted cash and investments and \$4,656,833 in receivables. Total net position decreased by \$1,375,624.

During the year ended November 30, 2015, the City adopted Governmental Accounting Standards Board Statement (GASB) No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27* (GASB 68) which resulted in pension related liabilities and deferred inflows. As a result, the previously stated net position has been restated. See Note Q in the notes to the financial statements.

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, 2015 and 2014 (dollars in thousands):

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

	For The Years		2015 Change	
	Ended November 30			
	2015	2014	Amount	Percent
REVENUES				
Program revenues:				
Charges for services	\$ 4,415	5,006	(591)	(11.8) %
Operating grants and contributions	2,869	2,907	(38)	(1.3)
Capital grants and contributions	510	59	451	764.4
General revenues:				
Sales tax	15,025	15,165	(140)	(0.9)
Utility tax	6,182	6,304	(122)	(1.9)
Investment income	16	18	(2)	(11.1)
Licenses and permits	833	804	29	3.6
Other general revenues	1,579	1,459	120	8.2
Total Revenues	31,429	31,722	(293)	(0.9)
PROGRAM EXPENSES				
General government	4,990	4,973	17	0.3
Culture and recreation	7,161	6,918	243	3.5
Public safety	11,144	10,863	281	2.6
Public works and health	9,002	8,731	271	3.1
Economic development	378	-	378	100.0
Interest on long-term debt	129	173	(44)	(25.4)
Total Program Expenses	32,804	31,658	1,146	3.6
CHANGE IN NET POSITION	\$ (1,375)	64	(1,439)	(2,248.4) %

The statement of activities is the second of two accrual based financial statements introduced into the financial report by GASB 34. The statement of activities is a government-wide statement which combines 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.

Program revenue decreased by \$178,017 mainly due to decreased court fines, however, there was an increase in grant activity. General revenue decreased by \$115,806 primarily due to a decrease in sales and utility tax receipts. Combined program and general revenue decreased by \$293,823.

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

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.

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 decreased \$2,196,412. The General Fund balance decreased \$618,298 to \$12,429,928, the Capital Improvements Fund balance decreased \$46,455 to \$1,732,265, the Park Improvement Fund balance increased \$202,977 to \$1,302,040, and the Sewer Lateral Fund balance decreased \$86,220 to \$1,923,630. The new Court Building Fund created a deficit fund balance of \$1,088,748 due to the purchase of the new court facility. The General Fund loaned the Court Building Fund monies to purchase the new court facility.

Other governmental funds include the Community Development, Koch TIF, Property Revitalization, and Neighborhood Stabilization Program. These funds are combined for this report because their revenues and expenses are smaller than other funds of the City. You can find details about these funds in the combining statements for the nonmajor governmental funds.

BUDGETARY HIGHLIGHTS - MAJOR FUNDS

The information presented in the required supplemental information 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 - Transferred from Koch Pool Salaries for Utilities at Koch Pool

**CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015**

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

- \$270,000 - St. Ferdinand Park ball field lights Phase III
- \$176,500 - Police overtime
- \$ 66,000 - Police training and equipment from seizure funds, including two motorcycles
- \$ 60,000 - Nature Lodge erosion repair
- \$ 27,500 - Subdivision monument repairs
- \$ 43,000 - Additional insurance premiums for workers compensation, property and cyber liability
- \$ 35,000 - Election expense
- \$ 30,000 - Telephone audit
- \$ 30,000 - St. Anthony Bridge replacement design

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

- \$1,170,000 - Advanced from the General Fund to the Court Building Fund to provide for the purchase of a court building and related costs

Total General Fund revenue of \$22,852,902 was \$97,315 or (0.4%) short of the budget of \$22,950,217. Gasoline tax receipts were \$1,617,398 which exceeded the budget by \$67,398. Sales tax receipts were \$8,025,641 which exceeded the budget by \$525,641. Utility tax receipts were \$6,202,723 which was \$197,277 under the budget allocation. Cable television continued to grow and finished at \$757,561 which exceeded the budget by \$57,561. Business license receipts were \$750,323 which exceeded the budget by \$50,323. Charges for services or recreation fees were \$1,405,523 which was \$206,477 under the budget allocation. The golf course was \$195,831 under budget, the pools combined were \$32,619 under budget, and park concessions were \$14,845 over budget.

Capital Improvements Fund sales tax receipts were \$3,484,965 which exceeded the budget by \$284,965. Park Improvement Fund sales tax receipts were \$3,278,362 which exceeded the budget by \$153,362.

On the expenditure side, General Fund expenditures were \$1,803,243 or 7.0% less than the budget of \$25,773,637. Wages and benefits accounted for \$791,417 of this total. Other expenditure items well under the budget allocation include \$152,309 from gasoline accounts, \$118,410 from utility accounts, \$92,069 from street lights, \$77,213 from professional services in court, and \$62,540 from ice and snow removal. Capital Improvements Fund expenditures were \$189,067 or 5.5% under the budget of \$3,413,875. Capital additions expenditures accounted for \$183,773 of this total. Park Improvement Fund expenditures were \$569,093 or 14.9% under the budget of \$3,822,834. Capital addition expenditures accounted for \$328,235 of this total. Sewer Lateral Fund expenditures were \$48,585 or 13.1% under the budget of \$370,125.

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

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, 2015 and 2014 (dollars in thousands):

	November 30		2015 Change	
	2015	2014	Amount	Percent
Land	\$ 5,212	4,686	526	11.2 %
Construction in progress	356	132	224	169.7
Buildings	5,146	4,365	781	17.9
Improvements	9,493	9,582	(89)	(0.9)
Land improvements	183	190	(7)	(3.7)
Infrastructure	38,555	39,492	(937)	(2.4)
Vehicles and equipment	3,540	3,627	(87)	(2.4)
Total	<u>\$ 62,485</u>	<u>62,074</u>	<u>411</u>	0.7 %

Capital assets, other than land and construction in progress, reflect a depreciated value as required by GASB 34. The largest single capital asset is infrastructure or streets, roads and bridges with a depreciated value of \$38,555,020. Total capital assets increased \$411,097. Construction in progress of \$355,669 represents on-going street projects and building improvements. Building value increased \$780,129 due primarily to the acquisition of the former Dick Weber Lanes at 4575 Washington Street for use as a municipal court building. 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, 2015 and 2014 (dollars in thousands):

	November 30		2015 Change	
	2015	2014	Amount	Percent
Certificates of participation	\$ 4,205	4,980	(775)	(15.6) %
Tax increment revenue bonds	-	100	(100)	(100.0)
Total	<u>\$ 4,205</u>	<u>5,080</u>	<u>(875)</u>	(17.2) %

The City has \$4,205,000 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

CITY OF FLORISSANT, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED NOVEMBER 30, 2015

the bandstand at St. Ferdinand Park. Certificates of Participation are not included in the calculation of the City's legal debt margin. Since there are no general obligation debt issues outstanding, the City has not committed any funds against the legal debt margin.

Tax increment revenue bonds issued in September 2006 in the amount of \$2,330,000 for the Tax-Exempt Tax Increment Improvement and Refunding Revenue Bonds, Series 2006, Koch Plaza Redevelopment Project were paid off in March 2015.

HIGHLIGHTS FROM 2015 AND THE OUTLOOK FOR THE FUTURE

Total 2015 General Fund revenue was down \$728,844 from 2014 due to significant swings in several funding sources. However General Fund revenue was only \$97,315 less than budgeted revenue. One of the primary contributors to the drop in revenue was utility license tax revenue which finished at \$6,202,723 or \$197,277 under the budget of \$6,400,000 and down \$145,601 from last year. Electric, gas and water receipts either increased or decreased only slightly. Telephone utility tax was the primary contributor to the overall drop in utility license collections with revenue down \$210,133 from 2014. Changes in technology have combined to create a downward, multi-year spiral in telephone revenue with receipts decreasing \$80,850 in 2012, \$134,823 in 2013, \$132,184 in 2014, and \$210,133 in 2015 for a total of \$557,990 during this four year period for a decline of 30.4%. The ascension of cell phone service combined with the shrinking landline market have combined with fierce competition in the cell phone market and the difficulty in getting cell phone companies to comply with utility license tax regulations to create a rapidly shrinking revenue source.

Building permits and municipal court revenue were also down significantly. Building permits fell back to a more normal level which reflects the effect of the permits issued for the Walmart development in 2014. Court revenue was down significantly which reflects the aftermath of the civil unrest in the City of Ferguson and the impact that has had on law enforcement and the court system. The Missouri State Legislature also stepped in to place additional restrictions, limits and reporting requirements on municipal court systems statewide.

Sales tax continued to exhibit strong growth. For the first time, General Fund sales tax receipts exceeded \$8 million mark for one year to finish at \$8,025,641. This marks the third consecutive year that General Fund sales tax receipts have increased. Sales tax collections in the Capital Improvements and the Park Improvement Funds both continued to show growth as well. Capital Improvement Sales Tax almost reached the \$3.5 million mark, finishing at \$3,484,965. This makes the sixth year in a row that sales tax receipts have increased. Park Improvement Sales Tax also had the best year in its history with receipts of \$3,278,362. This also makes the sixth year in a row that sales tax receipts have increased.

The City's 2015 combined assessed value for real estate and personal property was \$531,103,373, which was down \$10,141,983 or 1.9% from 2014. 2015 was a re-assessment year. The assessed value of real estate continues to be a major concern. Real estate assessed values peaked in 2007 at \$579,872,410 and since that time have declined \$141,787,010 or 24.5% to \$438,787,010. The City does not levy a property tax so there is no direct revenue gain or loss to the City resulting from this decline in assessed value. However, the value of commercial and residential real estate in the City is a vital concern as it relates to the overall health and welfare of the City and does affect other taxing entities. The City's two school districts and two fire districts are highly dependent on property tax collections and have been directly impacted by the dramatic decline in real estate assessed values.

**CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015**

The City continues to aggressively pursue redevelopment opportunities throughout the City. Recent developments include the following:

- *Wedgewood Tennis Club* at the corner of New Halls Ferry and Patterson Roads has closed and is being redeveloped into a retail center featuring an Imo's Pizza.
- *CVS Pharmacy* is under construction in the Florissant Meadows Shopping Center on Lindbergh Boulevard.
- A *Dollar Tree* retail store is under construction near the intersection of North Hwy 67 and New Halls Ferry Road.
- *Starbuck's Coffee* is under construction at the corner of Lindbergh Boulevard and New Halls Ferry Road.
- *Meyer House and Barn* was purchased by a private buyer who is looking to reopen the barn as a restaurant.

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: Randal J. McDaniel, Director of Finance, City of Florissant, 955 Rue St. Francois, Florissant, Missouri 63031.

CITY OF FLORISSANT, MISSOURI
STATEMENT OF NET POSITION
NOVEMBER 30, 2015

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Industrial Development Authority</u>
ASSETS		
Cash	\$ 8,232,559	45,399
Investments	4,619,710	1,654,186
Prepaid items	135,119	-
Receivables:		
Taxes	3,716,239	225,537
Interest	693	-
Intergovernmental	566,480	-
Court	373,421	-
Due from Fiduciary Fund	127,190	-
Inventories	21,071	-
Capital assets:		
Land and construction in progress	5,567,937	-
Other capital assets, net of accumulated depreciation	56,916,809	-
Total Assets	<u>80,277,228</u>	<u>1,925,122</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refunding	<u>132,502</u>	<u>-</u>
LIABILITIES		
Accounts payable	356,766	-
Accrued interest payable	34,638	49,776
Accrued payroll	726,486	-
Noncurrent liabilities:		
Due within one year	1,885,039	900,000
Due in more than one year	3,456,264	10,370,000
Due in more than one year - net pension liability	3,502,060	-
Due in more than one year - net OPEB obligation	399,550	-
Total Liabilities	<u>10,360,803</u>	<u>11,319,776</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension related	<u>495,235</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	58,238,482	-
Restricted:		
Capital improvements	1,732,265	-
Park improvements	1,302,040	-
Sewer lateral	1,923,630	-
Debt service	-	1,654,186
Unrestricted	<u>6,357,275</u>	<u>(11,048,840)</u>
Total Net Position	<u>\$ 69,553,692</u>	<u>(9,394,654)</u>

CITY OF FLORISSANT, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED NOVEMBER 30, 2015

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	\$ 4,989,870	-	330,888	-	(4,658,982)	-
Culture and recreation	7,160,855	1,388,501	35,581	418,722	(5,318,051)	-
Public safety	11,143,735	2,006,310	304,089	60,004	(8,773,332)	-
Public works and health	9,001,759	1,019,929	2,198,393	31,364	(5,752,073)	-
Economic development	378,042	-	-	-	(378,042)	-
Interest on long-term debt	129,620	-	-	-	(129,620)	-
Total Governmental Activities	<u>\$ 32,803,881</u>	<u>4,414,740</u>	<u>2,868,951</u>	<u>510,090</u>	<u>(25,010,100)</u>	<u>-</u>
Component Unit						
Industrial Development Authority	<u>\$ 672,925</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(672,925)</u>
General Revenues						
Taxes:						
Sales					15,024,574	1,272,477
Utility					6,182,398	3,824
Property					106,558	531,509
Other					149,984	-
Investment income					15,749	45,932
Licenses and permits					832,736	-
Other					1,322,477	-
Total General Revenues					<u>23,634,476</u>	<u>1,853,742</u>
CHANGE IN NET POSITION					(1,375,624)	1,180,817
NET POSITION, DECEMBER 1					<u>70,929,316</u>	<u>(10,575,471)</u>
NET POSITION, NOVEMBER 30					<u>\$ 69,553,692</u>	<u>(9,394,654)</u>

See notes to financial statements

CITY OF FLORISSANT, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
NOVEMBER 30, 2015

	General Fund	Capital Improvements Fund	Park Improvement Fund	Sewer Lateral Fund	Court Building Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash	\$ 6,241,423	1,173,769	362,385	299,250	111,965	43,767	8,232,559
Investments	3,000,000	-	-	1,619,710	-	-	4,619,710
Prepaid items	135,119	-	-	-	-	-	135,119
Receivables:							
Taxes	2,446,033	642,808	620,224	7,174	-	-	3,716,239
Interest	366	-	-	327	-	-	693
Intergovernmental	89,848	24,838	418,722	-	-	33,072	566,480
Court	373,421	-	-	-	-	-	373,421
Inventories	21,071	-	-	-	-	-	21,071
Due from other funds	1,342,846	-	-	-	-	-	1,342,846
Total Assets	<u>\$ 13,650,127</u>	<u>1,841,415</u>	<u>1,401,331</u>	<u>1,926,461</u>	<u>111,965</u>	<u>76,839</u>	<u>19,008,138</u>
LIABILITIES							
Accounts payable	\$ 165,836	109,150	54,787	2,831	-	24,162	356,766
Accrued payroll	680,942	-	44,504	-	-	1,040	726,486
Due to other funds	-	-	-	-	1,200,713	14,943	1,215,656
Total Liabilities	<u>846,778</u>	<u>109,150</u>	<u>99,291</u>	<u>2,831</u>	<u>1,200,713</u>	<u>40,145</u>	<u>2,298,908</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues - court	<u>373,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,421</u>
FUND BALANCES							
Nonspendable:							
Inventories	21,071	-	-	-	-	-	21,071
Prepaid items	135,119	-	-	-	-	-	135,119
Long-term interfund amounts	1,200,713	-	-	-	-	-	1,200,713
Restricted for:							
Capital improvements	-	1,732,265	-	-	-	-	1,732,265
Park improvements	-	-	1,302,040	-	-	-	1,302,040
Sewer lateral	-	-	-	1,923,630	-	-	1,923,630
Committed for:							
Property revitalization	-	-	-	-	-	36,694	36,694
Assigned to:							
Purchases on order	253,327	-	-	-	-	-	253,327
Subsequent year's budget	2,273,741	-	-	-	-	-	2,273,741
Unassigned	8,545,957	-	-	-	(1,088,748)	-	7,457,209
Total Fund Balances	<u>12,429,928</u>	<u>1,732,265</u>	<u>1,302,040</u>	<u>1,923,630</u>	<u>(1,088,748)</u>	<u>36,694</u>	<u>16,335,809</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 13,650,127</u>	<u>1,841,415</u>	<u>1,401,331</u>	<u>1,926,461</u>	<u>111,965</u>	<u>76,839</u>	<u>19,008,138</u>

CITY OF FLORISSANT, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERN-
MENTAL FUNDS TO THE STATEMENT OF NET POSITION
NOVEMBER 30, 2015

Total Fund Balances - Governmental Funds \$ 16,335,809

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 \$144,568,845 and the accumulated depreciation is \$82,084,099. 62,484,746

Municipal court receivables are assessed by the City, but are not collected as of November 30, 2015 and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements. 373,421

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

Net pension liability	(3,502,060)
Net OPEB obligation	(399,550)
Deferred inflows - pension related	(495,235)

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	(34,638)
Certificates of participation	(4,246,264)
Compensated absences	(1,095,039)
Unamortized deferred charges	132,502

Total Net Position Of Governmental Activities \$ 69,553,692

CITY OF FLORISSANT, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2015

	General Fund	Capital Improvements Fund	Park Improvement Fund	Sewer Lateral Fund	Court Building Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 16,600,042	3,573,244	3,303,563	510,759	-	185,058	24,172,666
Licenses and permits	1,342,106	-	-	-	-	-	1,342,106
Charges for services	1,405,523	-	-	-	-	-	1,405,523
Other	1,267,667	-	-	-	-	10,575	1,278,242
Investment income	40,385	-	-	6,077	-	-	46,462
Fines and forfeitures	1,911,909	-	-	-	109,013	-	2,020,922
Intergovernmental	370,724	67,064	418,722	-	-	324,063	1,180,573
Total Revenues	<u>22,938,356</u>	<u>3,640,308</u>	<u>3,722,285</u>	<u>516,836</u>	<u>109,013</u>	<u>519,696</u>	<u>31,446,494</u>
EXPENDITURES							
Current:							
General government	4,265,675	-	-	-	-	464,948	4,730,623
Culture and recreation	4,123,301	-	1,947,445	-	-	-	6,070,746
Public safety	10,618,205	-	-	-	-	-	10,618,205
Public works and health	4,972,554	-	-	166,273	-	-	5,138,827
Economic development	-	-	-	-	-	378,042	378,042
Capital outlay	20,502	3,474,102	1,084,575	9,000	1,167,048	-	5,755,227
Debt service:							
Principal	-	295,000	480,000	-	-	100,000	875,000
Interest	-	23,250	96,163	-	30,713	3,375	153,501
Total Expenditures	<u>24,000,237</u>	<u>3,792,352</u>	<u>3,608,183</u>	<u>175,273</u>	<u>1,197,761</u>	<u>946,365</u>	<u>33,720,171</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,061,881)</u>	<u>(152,044)</u>	<u>114,102</u>	<u>341,563</u>	<u>(1,088,748)</u>	<u>(426,669)</u>	<u>(2,273,677)</u>
OTHER FINANCING SOURCES (USES)							
Insurance proceeds	15,800	61,465	-	-	-	-	77,265
Transfers in	427,783	44,124	88,875	-	-	-	560,782
Transfers out	-	-	-	(427,783)	-	(132,999)	(560,782)
Total Other Financing Sources (Uses)	<u>443,583</u>	<u>105,589</u>	<u>88,875</u>	<u>(427,783)</u>	<u>-</u>	<u>(132,999)</u>	<u>77,265</u>
NET CHANGE IN FUND BALANCES	<u>(618,298)</u>	<u>(46,455)</u>	<u>202,977</u>	<u>(86,220)</u>	<u>(1,088,748)</u>	<u>(559,668)</u>	<u>(2,196,412)</u>
FUND BALANCES, DECEMBER 1	<u>13,048,226</u>	<u>1,778,720</u>	<u>1,099,063</u>	<u>2,009,850</u>	<u>-</u>	<u>596,362</u>	<u>18,532,221</u>
FUND BALANCES, NOVEMBER 30	<u>\$ 12,429,928</u>	<u>1,732,265</u>	<u>1,302,040</u>	<u>1,923,630</u>	<u>(1,088,748)</u>	<u>36,694</u>	<u>16,335,809</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, 2015

Net Change In Fund Balances - Governmental Funds \$ (2,196,412)

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 \$5,443,103 exceeded depreciation (\$4,978,995) in the current period. 464,108

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 (53,011)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (14,612)

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.

Decrease in net pension liability	210,534	
Increase in deferred inflows - pension related	(495,235)	
Decrease in accrued interest payable	6,854	
Increase in net OPEB obligation	(113,307)	
Increase in compensated absences	<u>(45,857)</u>	(437,011)

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	775,000	
Tax increment revenue bonds	100,000	
Amortization	<u>(13,686)</u>	<u>861,314</u>

Change In Net Position Of Governmental Activities \$ (1,375,624)

CITY OF FLORISSANT, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
NOVEMBER 30, 2015

	<u>Pension Trust Fund</u>	<u>Agency Fund</u>
ASSETS		
Cash	\$ -	1,319,538
Investments	11,782,391	-
Total Assets	<u>11,782,391</u>	<u>1,319,538</u>
LIABILITIES		
Due to others:		
Court bonds	-	95,086
Construction deposits	-	318,657
Other deposits	-	778,605
	<u>-</u>	<u>1,192,348</u>
Due to other funds	-	127,190
Total Liabilities	<u>-</u>	<u>1,319,538</u>
NET POSITION		
Held in trust for pension benefits	<u>\$ 11,782,391</u>	<u>-</u>

CITY OF FLORISSANT, MISSOURI
STATEMENT OF CHANGE IN FIDUCIARY
NET POSITION - PENSION TRUST FUND
FOR THE YEAR ENDED NOVEMBER 30, 2015

ADDITIONS

Employer contributions	<u>\$ 922,608</u>
Investment income:	
Net appreciation in fair value of investments and interest and dividends	187,011
Investment expense	<u>(73,567)</u>
Net Investment Income	<u>113,444</u>
Total Additions	<u>1,036,052</u>

DEDUCTIONS

Benefits	<u>358,944</u>
----------	----------------

NET INCREASE

677,108

NET POSITION - ASSETS HELD IN TRUST FOR PENSION
BENEFITS, DECEMBER 1

11,105,283

NET POSITION - ASSETS HELD IN TRUST FOR PENSION
BENEFITS, NOVEMBER 30

\$ 11,782,391

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.

Complete financial statements 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, 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, 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 acquisition or improvement of capital assets within the City's departments.

Park Improvement Fund -- This fund is used to account for improvements in the City's parks.

Sewer Lateral Fund -- This fund is used to account for special assessments to be utilized for maintenance of sewer lateral lines within the City.

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

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Agency Fund -- The Escrow and Court Bond 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.

As a general rule the effect of interfund activity 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. 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 are stated at fair value or amortized cost which approximates 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.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 fair 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 - 33 $\frac{1}{3}$
Vehicles and equipment	3 - 15

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. Encum-

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Encumbrances (Continued)

branches outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. For the budgetary purposes, encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase.

Encumbrances outstanding at year-end were \$253,327 for the General Fund, \$227,481 for the Capital Improvements Fund, \$133,612 for the Park Improvement Fund, and \$164,476 for the Sewer Lateral Fund.

10. Compensated Absences

Vested or accumulated vacation leave and comp time that are expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. 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.

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 target is to maintain an unassigned fund balance of not less than 10% of annual operating expenditures for the fiscal year.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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 the pension reported on the government-wide statement of net position.

14. Use of Estimates

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

15. Pensions

For purposes of measuring the net pension 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

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Pensions (Continued)

by the Plan. For this purpose, benefit payments (including refunds of employee contributions) 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 must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of November 30, 2015, the City's and IDA's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

2. Investments

As of November 30, 2015, 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	
Primary Government						
Certificates of deposit	\$ 4,619,710	-	4,619,710	-	-	N/A
Fiduciary Funds						
Pension plan pooled investments:						
Common stock funds	3,066,127	3,066,127	-	-	-	N/A
Group annuity contract	8,716,264	8,716,264	-	-	-	Not rated
Total Fiduciary Funds Investments	11,782,391	11,782,391	-	-	-	
Component Unit						
Money market	663,186	663,186	-	-	-	Not rated
Repurchase agreement	991,000	-	-	-	991,000	N/A
Total Component Unit Investments	1,654,186	663,186	-	-	991,000	
Total Investments	\$ 18,056,287	12,445,577	4,619,710	-	991,000	

Investment Policies

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.

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

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

CITY OF FLORISSANT, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

For The Year Ended November 30, 2015			
	Balance November 30 2014	Increases	Decreases
Capital assets not being depreciated:			
Land	\$ 4,686,268	526,000	-
Construction in progress	132,470	483,824	260,625
Total Capital Assets Not Being Depreciated	4,818,738	1,009,824	260,625
Capital assets being depreciated:			
Buildings	12,535,877	1,142,094	-
Improvements	14,301,686	585,542	-
Land improvements	432,770	15,500	-
Infrastructure	97,313,978	2,190,125	-
Vehicles and equipment	9,953,676	760,643	230,983
Total Capital Assets Being Depreciated	134,537,987	4,693,904	230,983
Less - Accumulated depreciation for:			
Buildings	8,170,575	361,965	-
Improvements	4,719,993	674,077	-
Land improvements	243,423	21,782	-
Infrastructure	57,821,712	3,127,371	-
Vehicles and equipment	6,327,373	793,800	177,972
Total Accumulated Depreciation	77,283,076	4,978,995	177,972
Total Capital Assets Being Depreciated, Net	57,254,911	(285,091)	53,011
Total Capital Assets, Net	\$ 62,073,649	724,733	313,636

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

	For The Year Ended November 30 2015
General government	\$ 94,574
Public safety	300,446
Public works and health, including depreciation of infrastructure	3,564,415
Culture and recreation	1,019,560
Total	\$ 4,978,995

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, 2015			Amounts
	Balance		Balance	Due
	November 30		November 30	Within
	2014	Additions	2015	One Year
Certificates of participation	\$ 4,980,000	-	4,205,000	790,000
Plus - Premium	47,454	-	41,264	-
Tax increment revenue bonds	100,000	-	-	-
Compensated absences	1,049,182	1,078,633	1,095,039	1,095,039
Total	<u>\$ 6,176,636</u>	<u>1,078,633</u>	<u>5,341,303</u>	<u>1,885,039</u>

The certificates of participation are to be liquidated by the Park Improvement and Capital Improvements Funds. The tax increment revenue bonds are liquidated by the Koch TIF Fund. Compensated absences are generally liquidated by the General Fund and the Park Improvement Fund.

Certificates of participation consist of the following:

	November 30
	2015
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%.	<u>\$ 4,205,000</u>

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

For The			
Years Ending			
November 30	Principal	Interest	Total
2016	\$ 790,000	103,913	893,913
2017	800,000	92,062	892,062
2018	500,000	76,063	576,063
2019	500,000	64,813	564,813
2020	525,000	49,812	574,812
2021 - 2022	<u>1,090,000</u>	<u>51,406</u>	<u>1,141,406</u>
Total	<u>\$ 4,205,000</u>	<u>438,069</u>	<u>4,643,069</u>

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

The City had tax increment revenue bonds which are limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property, incremental increases in economic activity taxes in the project area, and monies on deposit in the Debt Service Reserve Fund. The bonds do not constitute a general obligation of the City. Tax increment revenue bonds consist of Series 2006 Tax Increment Improvement and Refunding Revenue Bonds for the Koch Plaza Redevelopment Project, issued September 1, 2006 for \$2,330,000 and maturing on April 17, 2028. These bonds were paid in full during the year ended November 30, 2015.

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, 2014 was \$12,290,000, principal payments made during the year were \$1,020,000, and the balance outstanding at November 30, 2015 was \$11,270,000.

NOTE E - OPERATING LEASE

The City entered into an operating lease for golf carts in May 2014 for a period through 2017. The City has determined this lease does not meet the criteria for capitalization and, accordingly, accounts for this lease as an operating lease. Operating leases do not give rise to property rights or lease obligations and, therefore, the lease agreement is not reflected in the City's assets or liabilities.

Rent expense for the golf carts for the year ended November 30, 2015 was \$69,796. The future minimum lease payments required for the lease are as follows:

**For The
Years Ending
November 30**

2016	\$ 69,796
2017	69,796

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 ½% 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, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	20
Inactive employees entitled to but not yet receiving benefits	19
Active employees	20

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, 2015, the City's contribution to the Plan was 287.75% of annual covered payroll.

Net Pension Liability

The City's net pension liability was measured as of November 30, 2015, 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, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary increases	3%, average, including inflation
Investment rate of return	6%, net of pension plan investment expense, including inflation

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

Mortality rates were based on the RP-2000 Mortality Tables with no further assumed improvements for mortality.

The actuarial assumptions used in the November 30, 2015 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 Asset Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equity securities	23.5 %	6.0 %
Debt securities	2.5	6.0
Other	74.0	6.0

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 (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at November 30, 2014	<u>\$ 14,817,877</u>	<u>11,105,283</u>	<u>3,712,594</u>
Changes for the year			
Service cost	37,832	-	37,832
Interest	857,542	-	857,542
Difference between expected and actual experience	(69,856)	-	(69,856)
Contributions - employer	-	922,608	(922,608)
Net investment income	-	113,444	(113,444)
Benefit payments, including refunds	(358,944)	(358,944)	-
Net Changes	<u>466,574</u>	<u>677,108</u>	<u>(210,534)</u>
Balances at November 30, 2015	<u><u>\$ 15,284,451</u></u>	<u><u>11,782,391</u></u>	<u><u>3,502,060</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	\$ 5,079,183	3,502,060	2,163,697

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

For the year ended November 30, 2015, the City recognized pension expense of \$1,209,303. At November 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Outflows</u>	<u>Inflows</u>
Differences between expected and actual experience	<u><u>\$ -</u></u>	<u><u>495,235</u></u>

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

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

**For The
Years Ending
November 30**

2016	\$ 99,047
2017	99,047
2018	99,047
2019	99,047
2020	<u>99,047</u>
Total	<u><u>\$495,235</u></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, 2015.

There was no significant reduction in insurance coverage during the year ended November 30, 2015 and settlement amounts have not exceeded insurance coverage for the current or three prior years.

NOTE I - CONTINGENCIES AND COMMITMENTS

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.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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 2015</u>
General Fund	Agency Fund	\$ 127,190
General Fund	Court Building Fund	1,200,713
General Fund	Neighborhood Stabilization Program Fund	<u>14,943</u>
Total		<u>\$ 1,342,846</u>

All of these interfund balances are due to either timing differences or to the elimination of negative cash balances within the various funds. All interfund balances, except Court Building Fund, are expected to be repaid during the next fiscal year. The General Fund loaned the Court Building Fund \$1,170,000 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.

Interfund transfers

<u>Transfers Out</u>	<u>Transfers In</u>	<u>For The Year Ended November 30 2015</u>
Sewer Lateral Fund	General Fund	\$ 427,783
Koch TIF Fund	Capital Improvements Fund	44,124
Koch TIF Fund	Park Improvement Fund	<u>88,875</u>
Total		<u>\$ 560,782</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.

CITY OF FLORISSANT, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE K - DEFINED CONTRIBUTION PLAN (Continued)

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.

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, 2015, amounted to \$339,892 for employees and \$1,358,165 for the City.

NOTE L - DEFICIT FUND BALANCE

The Court Building Fund has a deficit fund balance at November 30, 2015 of (\$1,088,748). This deficit will be financed through future revenues of the fund.

NOTE M - RESTRICTED NET POSITION

The government-wide statement of net position reports \$4,957,935 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 and the City 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 inter-

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE N - TAX INCREMENT REVENUES PLEDGED (Continued)

est 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 \$1,684,516 and \$1,807,810, respectively. For the current year, the City's principal and interest paid, and total incremental tax revenues were \$103,375 and \$185,058, respectively. During the current year, the City paid off the tax increment revenue bonds and closed the Koch TIF Fund.

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

Plan Description

The City provides healthcare benefits to employees defined as City retirees who have attained age 55 plus 10 years of service 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. \$5,000 life insurance coverage is also provided for retirees. The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The City's annual OPEB cost as of the most recent actuarial valuation and the related information are as follows:

	For The Year Ended November 30 2015
Amortization of past service cost	\$ 82,720
Normal cost	48,516
Interest to end of fiscal year	5,249
ARC	136,485
Interest on net OPEB obligation	13,452
Adjustment to ARC	(24,746)
Annual OPEB cost	125,191
Contributions made	(61,950)
Increase In Net OPEB Obligation	63,241
Net OPEB Obligation, December 1, 2014	336,309
Net OPEB Obligation, November 30, 2015	<u>\$ 399,550</u>

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. The City has elected to have actuarial valuations performed bi-annually.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

Required Supplemental Information

Schedule Of Funding Progress				
For The Actuarial Valuation December 1	Actuarial Value Of Assets (1)	Actuarial Accrued Liability (2)	Unfunded Accrued Liability (UAAL) (1)-(2)	Funded Ratio (1)/(2)
2014	\$ -	\$ 1,169,163	\$ 1,169,163	- %
2012	-	1,027,854	1,027,854	-
2010	-	887,357	887,357	-

Schedule Of Employer Contributions				
For The Years Ended November 30	Annual Required Contribution	Expected Employer Contribution	Percent Contributed	
2015	\$ 136,485	\$ 61,950	45.39	%
2014	111,994	52,316	46.71	
2013	111,994	41,560	37.11	

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit credit method
Latest valuation date	November 30, 2015
Discount rate	4% per annum
Amortization period	20 years for initial UAAL
Payroll inflation	N/A
Mortality	RPH 2014 Mortality Table
Medical premium rates	9.0% initial rate; 5.0% alternate rate

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE P - FUTURE ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will require the City to record unfunded actuarial accrued liability (UAAL) on the government-wide statement of net position. UAAL equals the difference between the total OPEB liability and the value of assets set aside to pay OPEB benefits. GASB 75 will be effective for the City for the year ending November 30, 2018.

GASB Statement No. 77 (GASB 77), *Tax Abatement Disclosures*, will require the City to disclose details regarding tax abatement agreements they have entered into. GASB 77 will be effective for the City for the year ending November 30, 2017.

NOTE Q - RESTATEMENT OF NET POSITION

The previously stated net position has been restated as follows:

	<u>Governmental Activities</u>
Net position, November 30, 2014, as previously reported	\$ 75,725,040
Restatement for GASB 68 implementation	<u>(4,795,724)</u>
Net Position, November 30, 2014, As Restated	<u><u>\$ 70,929,316</u></u>

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 - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes				
Cigarette	\$ 125,000	125,000	144,467	19,467
Gasoline	1,550,000	1,550,000	1,617,398	67,398
Road and bridge	550,000	550,000	553,983	3,983
Sales	7,500,000	7,500,000	8,025,641	525,641
Utility	6,400,000	6,400,000	6,202,723	(197,277)
Total Taxes	16,125,000	16,125,000	16,544,212	419,212
Licenses and Permits				
Business licenses	700,000	700,000	750,323	50,323
Liquor license	50,000	50,000	51,188	1,188
Building permits	275,000	275,000	255,304	(19,696)
Minimum housing	225,000	225,000	245,566	20,566
Annual sign fee	20,000	20,000	20,665	665
Other permits	20,000	20,000	19,060	(940)
Total Licenses And Permits	1,290,000	1,290,000	1,342,106	52,106
Charges for Services				
Green fees	234,000	234,000	170,222	(63,778)
Cart fees	266,000	266,000	170,644	(95,356)
Pro shop sales	35,000	35,000	32,765	(2,235)
Concession sales and fees, golf course	120,000	120,000	85,538	(34,462)
Nature lodge rental	10,000	10,000	17,700	7,700
Classes (except skate/swim)	90,000	90,000	89,834	(166)
Gym rental	10,000	10,000	10,435	435
Ice rink	60,000	60,000	55,914	(4,086)
Swimming pool - JJE	100,000	100,000	93,465	(6,535)
Swimming pool - Bangert	55,000	55,000	55,171	171
Swimming pool - Koch	120,000	120,000	93,745	(26,255)
Miscellaneous	288,000	288,000	287,742	(258)
Playground	62,000	62,000	66,764	4,764
Theatre	107,000	107,000	105,739	(1,261)
Concessions	55,000	55,000	69,845	14,845
Total Charges For Services	1,612,000	1,612,000	1,405,523	(206,477)
Other				
Other miscellaneous	322,217	322,217	470,976	148,759
Cable television	700,000	700,000	757,561	57,561
Senior citizen luncheons	25,000	25,000	26,920	1,920
Total Other	1,047,217	1,047,217	1,255,457	208,240
Investment Income	10,000	10,000	9,931	(69)
Fines and Forfeitures	2,550,000	2,550,000	1,956,197	(593,803)
Intergovernmental	250,000	316,000	339,476	23,476
Total Revenues	22,884,217	22,950,217	22,852,902	(97,315)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2015

EXPENDITURES	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
General Government				
Legislative:				
Salaries	105,612	105,612	105,612	-
Employees' benefits	28,148	28,148	28,146	(2)
Dues, travel, and training	27,000	27,000	25,085	(1,915)
Total Legislative	160,760	160,760	158,843	(1,917)
Administrative:				
Salaries	962,971	962,971	952,761	(10,210)
Employees' benefits	397,871	397,871	374,443	(23,428)
Residency incentive program	114,000	114,000	112,500	(1,500)
Unemployment claims	15,000	15,000	11,617	(3,383)
Uniforms and allowances	200	200	195	(5)
Postage and printing	45,000	65,000	46,723	(18,277)
Office supplies/printing	55,800	55,800	43,492	(12,308)
Copy equipment rental/supplies	46,500	46,500	46,391	(109)
Mayor's expenditures	10,000	10,000	9,829	(171)
Dues, travel, and training	10,057	10,057	7,376	(2,681)
Election expenditures	30,000	75,000	71,530	(3,470)
Professional services	334,820	344,820	237,211	(107,609)
Legal notices and advertising	15,000	15,000	2,237	(12,763)
Service awards	12,000	12,000	6,020	(5,980)
Insurance, fire, and liability	812,000	835,000	824,378	(10,622)
Organization dues	23,287	23,287	23,265	(22)
Boards and commissions	2,000	2,000	1,525	(475)
Total Administrative	2,886,506	2,984,506	2,771,493	(213,013)
Senior services:				
Salaries	92,063	92,063	87,675	(4,388)
Employees' benefits	39,646	39,646	37,667	(1,979)
Uniforms and allowances	200	200	123	(77)
Utilities	6,600	6,600	4,172	(2,428)
Building maintenance and supplies	9,500	9,500	5,016	(4,484)
Office supplies/printing	2,200	2,200	1,683	(517)
Dues, travel, and training	500	500	334	(166)
Professional services	13,800	13,800	8,849	(4,951)
Senior citizen luncheons	31,375	31,375	18,749	(12,626)
Total Senior Services	195,884	195,884	164,268	(31,616)
Media:				
Salaries	130,274	130,274	120,366	(9,908)
Employees' benefits	45,488	45,488	43,058	(2,430)
Equipment repairs	3,000	3,000	594	(2,406)
Office supplies/printing	2,000	2,000	1,368	(632)
Materials and supplies	2,500	2,500	130	(2,370)
Dues, travel, and training	3,000	3,000	217	(2,783)
Professional services	28,750	28,750	26,179	(2,571)
Organization dues	300	300	-	(300)
Total Media	215,312	215,312	191,912	(23,400)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
General Government (Continued)				
Municipal court:				
Salaries	536,885	536,885	473,701	(63,184)
Employees' benefits	154,359	154,359	134,744	(19,615)
Office supplies/printing	10,800	10,800	8,983	(1,817)
Dues, travel, and training	3,250	3,250	2,936	(314)
Professional services	102,100	102,100	24,887	(77,213)
Total Municipal Court	807,394	807,394	645,251	(162,143)
Information technology:				
Salaries	90,800	90,800	90,638	(162)
Employees' benefits	42,475	42,475	39,473	(3,002)
Office supplies/printing	18,400	18,400	15,402	(2,998)
Materials and supplies	7,000	7,000	6,755	(245)
Dues, travel, and training	2,291	2,291	795	(1,496)
Professional services	57,800	57,800	55,034	(2,766)
Total Information Technology	218,766	218,766	208,097	(10,669)
Housing center:				
Salaries	55,510	55,510	52,573	(2,937)
Employees' benefits	29,136	29,136	24,712	(4,424)
Uniforms and allowances	450	450	448	(2)
Office supplies/printing	1,000	1,000	976	(24)
Dues, travel, and training	2,200	2,200	1,372	(828)
Total Housing Center	88,296	88,296	80,081	(8,215)
Total General Government	4,572,918	4,670,918	4,219,945	(450,973)
Culture and Recreation				
Community and civic center:				
Salaries	1,314,277	1,314,277	1,203,590	(110,687)
Employees' benefits	296,701	296,701	256,191	(40,510)
Utilities	352,800	352,800	289,578	(63,222)
Total Community And Civic Center	1,963,778	1,963,778	1,749,359	(214,419)
Recreation - theatre:				
Salaries	153,435	153,435	151,395	(2,040)
Employees' benefits	66,567	66,567	54,209	(12,358)
Uniforms and allowances	250	250	-	(250)
Building maintenance and supplies	12,200	12,200	10,802	(1,398)
Office supplies/printing	12,640	12,640	12,611	(29)
Dues, travel, and training	3,800	3,800	3,800	-
Professional services	6,000	6,000	4,777	(1,223)
Theatre workshop	89,690	89,690	89,689	(1)
Publicity	13,550	13,550	12,923	(627)
Total Recreation - Theatre	358,132	358,132	340,206	(17,926)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Culture and Recreation (Continued)				
Recreation - playground:				
Salaries	131,172	131,172	121,917	(9,255)
Employees' benefits	10,035	10,035	9,327	(708)
Total Recreation - Playground	141,207	141,207	131,244	(9,963)
Recreation - Bangert:				
Salaries	146,381	134,381	119,952	(14,429)
Employees' benefits	11,198	11,198	8,385	(2,813)
Utilities	20,000	32,000	31,567	(433)
Total Recreation - Bangert	177,579	177,579	159,904	(17,675)
Recreation - Golf Course:				
Salaries	374,784	390,784	390,413	(371)
Employees' benefits	132,771	132,771	126,786	(5,985)
Uniforms and allowances	1,000	1,000	821	(179)
Postage and printing	1,696	1,696	529	(1,167)
Utilities	67,200	68,700	68,644	(56)
Gasoline	20,000	20,000	17,840	(2,160)
Merchandise	114,750	114,750	69,799	(44,951)
Building, maintenance, and supplies	118,000	118,000	115,354	(2,646)
Equipment repairs	17,000	17,000	16,315	(685)
Office supplies/printing	4,500	4,500	2,947	(1,553)
Dues, travel, and training	3,367	3,367	2,378	(989)
Professional services	91,000	91,000	87,386	(3,614)
Publicity	3,000	3,000	310	(2,690)
Total Recreation - Golf Course	949,068	966,568	899,522	(67,046)
Recreation - parks:				
Salaries	353,453	353,453	332,912	(20,541)
Employees' benefits	85,174	85,174	80,355	(4,819)
Utilities	114,200	114,200	79,262	(34,938)
Professional services	40,000	40,000	33,694	(6,306)
Total Recreation - Parks	592,827	592,827	526,223	(66,604)
Recreation - Koch Aquatic Center:				
Salaries	239,965	214,965	212,166	(2,799)
Employees' benefits	18,357	18,357	16,196	(2,161)
Utilities	50,000	80,500	80,183	(317)
Total Recreation - Koch Aquatic Center	308,322	313,822	308,545	(5,277)
Total Culture And Recreation	4,490,913	4,513,913	4,115,003	(398,910)
Public Safety				
Police:				
Salaries	6,935,205	7,085,205	6,995,893	(89,312)
Employees' benefits	2,770,413	2,796,913	2,682,622	(114,291)
Uniforms and allowances	79,500	79,500	66,800	(12,700)
Telephone	142,000	192,000	185,605	(6,395)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Public Safety (Continued)				
Police (continued):				
Utilities	62,500	62,500	51,246	(11,254)
Gasoline	256,500	256,500	149,864	(106,636)
Building maintenance and supplies	72,000	72,000	55,778	(16,222)
Equipment repairs - vehicles	27,500	27,500	16,614	(10,886)
Office supplies/printing	35,500	35,500	33,006	(2,494)
Copy equipment - rental/supply	11,000	11,000	9,394	(1,606)
Communication service	286,300	286,300	270,761	(15,539)
Ammunition - armory supplies	24,200	24,200	15,188	(9,012)
Police forfeiture expenditures	-	66,000	49,739	(16,261)
Dues, travel, and training	71,700	71,700	67,627	(4,073)
Gasoline control account	65,000	65,000	17,868	(47,132)
Total Public Safety - Police	<u>10,839,318</u>	<u>11,131,818</u>	<u>10,668,005</u>	<u>(463,813)</u>
Public Works and Health				
Public works:				
Salaries	2,404,518	2,404,518	2,338,936	(65,582)
Employees' benefits	1,014,425	1,014,425	945,651	(68,774)
Uniforms and allowances	9,700	9,700	8,622	(1,078)
Utilities	96,000	102,000	97,371	(4,629)
Gasoline	81,000	81,000	46,136	(34,864)
Office supplies/printing	19,000	22,000	21,398	(602)
Ice/snow removal	276,000	276,000	213,460	(62,540)
Dues, travel, and training	36,361	36,361	30,478	(5,883)
Professional services	68,000	68,000	43,743	(24,257)
Street lighting	550,000	541,000	448,931	(92,069)
Gasoline control account	25,000	25,000	2,025	(22,975)
Total Public Works	<u>4,580,004</u>	<u>4,580,004</u>	<u>4,196,751</u>	<u>(383,253)</u>
Health:				
Salaries	547,451	547,451	499,846	(47,605)
Employees' benefits	191,633	191,633	160,925	(30,708)
Uniforms and allowances	3,600	3,600	3,410	(190)
Utilities	9,800	9,800	8,667	(1,133)
Gasoline	44,000	44,000	35,351	(8,649)
Building maintenance and supplies	24,000	24,000	19,067	(4,933)
Office supplies/printing	7,000	7,000	4,894	(2,106)
Materials and supplies	28,000	28,000	25,733	(2,267)
Dues, travel, and training	1,500	1,500	370	(1,130)
Professional services	20,000	20,000	12,427	(7,573)
Total Health	<u>876,984</u>	<u>876,984</u>	<u>770,690</u>	<u>(106,294)</u>
Total Public Works And Health	<u>5,456,988</u>	<u>5,456,988</u>	<u>4,967,441</u>	<u>(489,547)</u>
Total Expenditures	<u>25,360,137</u>	<u>25,773,637</u>	<u>23,970,394</u>	<u>(1,803,243)</u>
REVENUES UNDER EXPENDITURES	<u>(2,475,920)</u>	<u>(2,823,420)</u>	<u>(1,117,492)</u>	<u>1,705,928</u>

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
OTHER FINANCING SOURCES				
Insurance proceeds	-	-	15,800	15,800
Transfers in	427,783	427,783	427,783	-
Total Other Financing Sources	427,783	427,783	443,583	15,800
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	<u>\$ (2,048,137)</u>	<u>(2,395,637)</u>	<u>(673,909)</u>	<u>1,721,728</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			85,454	
Expenditure accrual adjustments			15,511	
Encumbrance adjustments			(45,354)	
Total Adjustments To Reconcile To GAAP Basis			<u>55,611</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(618,298)	
FUND BALANCE, DECEMBER 1			<u>13,048,226</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 12,429,928</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, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,200,000	3,200,000	3,484,965	284,965
Intergovernmental	64,000	96,200	104,219	8,019
Total Revenues	<u>3,264,000</u>	<u>3,296,200</u>	<u>3,589,184</u>	<u>292,984</u>
EXPENDITURES				
Capital outlay	3,007,175	3,089,875	2,906,102	(183,773)
Debt service	324,000	324,000	318,706	(5,294)
Total Expenditures	<u>3,331,175</u>	<u>3,413,875</u>	<u>3,224,808</u>	<u>(189,067)</u>
REVENUES OVER (UNDER) EXPENDITURES	(67,175)	(117,675)	364,376	482,051
OTHER FINANCING SOURCES				
Insurance proceeds	<u>-</u>	<u>-</u>	<u>61,465</u>	<u>61,465</u>
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	<u>\$ (67,175)</u>	<u>(117,675)</u>	<u>425,841</u>	<u>543,516</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			51,124	
Expenditure accrual adjustments			311,320	
Unbudgeted activity - transfer for TIF surplus			44,124	
Encumbrance adjustments			<u>(878,864)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>(472,296)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(46,455)	
FUND BALANCE, DECEMBER 1			<u>1,778,720</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 1,732,265</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PARK IMPROVEMENT FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,125,000	3,125,000	3,278,362	153,362
Intergovernmental	286,400	286,400	-	(286,400)
Total Revenues	<u>3,411,400</u>	<u>3,411,400</u>	<u>3,278,362</u>	<u>(133,038)</u>
EXPENDITURES				
Current:				
Culture and recreation	2,207,834	2,207,834	1,970,869	(236,965)
Capital outlay	703,000	1,033,000	704,765	(328,235)
Debt service	582,000	582,000	578,107	(3,893)
Total Expenditures	<u>3,492,834</u>	<u>3,822,834</u>	<u>3,253,741</u>	<u>(569,093)</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>\$ (81,434)</u>	<u>(411,434)</u>	<u>24,621</u>	<u>436,055</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			443,923	
Expenditure accrual adjustments			120,296	
Unbudgeted activity - transfer for TIF surplus			88,875	
Encumbrance adjustments			<u>(474,738)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>178,356</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			202,977	
FUND BALANCE, DECEMBER 1			<u>1,099,063</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 1,302,040</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
SEWER LATERAL FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under)
	Original	Final	Actual	Budget
REVENUES				
Taxes	\$ 500,000	500,000	508,852	8,852
Investment income	5,000	5,000	6,041	1,041
Total Revenues	<u>505,000</u>	<u>505,000</u>	<u>514,893</u>	<u>9,893</u>
EXPENDITURES				
Current:				
Public works	240,125	241,125	202,479	(38,646)
Capital outlay	130,000	129,000	119,061	(9,939)
Total Expenditures	<u>370,125</u>	<u>370,125</u>	<u>321,540</u>	<u>(48,585)</u>
REVENUES OVER (UNDER)				
EXPENDITURES	134,875	134,875	193,353	58,478
OTHER FINANCING USES				
Transfers out	<u>(427,783)</u>	<u>(427,783)</u>	<u>(427,783)</u>	<u>-</u>
REVENUES UNDER EXPENDITURES				
AND OTHER FINANCING USES	<u>\$ (292,908)</u>	<u>(292,908)</u>	<u>(234,430)</u>	<u>58,478</u>
ADJUSTMENTS TO RECONCILE				
TO GAAP BASIS				
Revenue accrual adjustments			1,943	
Expenditure accrual adjustments			9,858	
Encumbrance adjustments			<u>136,409</u>	
Total Adjustments To Reconcile				
To GAAP Basis			<u>148,210</u>	
NET CHANGE IN FUND BALANCE -				
GAAP BASIS			(86,220)	
FUND BALANCE, DECEMBER 1			<u>2,009,850</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 1,923,630</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, 2015

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 Neighborhood Stabilization Program, Community Development, and Koch TIF. All budgets are adopted on a cash basis except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase and adjustments for issuance of long-term debt is not included. Budgetary comparisons presented in this report compare budgeted amounts on the budgetary basis to actual amounts on the budgetary basis.

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED NOVEMBER 30, 2015

Total Pension Liability

Service cost	\$ 37,832
Interest	857,542
Difference between expected and actual experience	(69,856)
Benefit payments	(358,944)
Net Change In Total Pension Liability	<u>466,574</u>
Total Pension Liability Beginning	<u>14,817,877</u>
 Total Pension Liability Ending (a)	 <u><u>\$ 15,284,451</u></u>

Plan Fiduciary Net Position

Contributions - employer	\$ 922,608
Net investment income	113,444
Benefit payments	(358,944)
Net Change In Plan Fiduciary Net Position	<u>677,108</u>
 Plan Fiduciary Net Position Beginning	 <u>11,105,283</u>
 Plan Fiduciary Net Position Ending (b)	 <u><u>\$ 11,782,391</u></u>
 Net Pension Liability Ending (a-b)	 <u><u>\$ 3,502,060</u></u>

Plan Fiduciary Net Position as a Percentage
of the Total Pension Liability

77.09 %

Covered Employee Payroll

\$ 320,625

Net Pension Liability as a Percentage
of Covered Employee Payroll

1,092.26 %

Note: Required supplemental information is not available for fiscal years prior to 2015.

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

	For The Years Ending November 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially determined contribution	\$ 800,761	695,708	890,132	805,819	867,911	1,033,246	1,597,209	364,775	525,967	664,951
Contributions in relation to the actuarially determined contribution	922,608	892,849	973,417	1,039,121	945,205	1,301,778	1,283,642	1,165,885	1,128,974	974,760
Contribution deficiency (excess)	<u>\$ (121,847)</u>	<u>(197,141)</u>	<u>(83,285)</u>	<u>(233,302)</u>	<u>(77,294)</u>	<u>(268,532)</u>	<u>313,567</u>	<u>(801,110)</u>	<u>(603,007)</u>	<u>(309,809)</u>
Covered-employee payroll	320,625	351,853	481,416	655,949	792,439	930,946	1,053,624	1,134,536	1,264,203	1,809,894
Contributions as a percentage of covered-employee payroll	287.75 %	253.76	202.20	158.41	119.28	139.83	121.83	102.76	89.30	53.86

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	15 years
Asset valuation method	5 years smoothed market
Inflation	3%
Salary increases	3% compounded annually
Investment rate of return	6.0%, net of investment expenses, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Mortality Tables with no further assumed improvements for mortality

Other information:

There were no benefit changes during the year.

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.

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
NOVEMBER 30, 2015

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Community Development Fund	Neighborhood Stabilization Program Fund	Property Revitalization Fund	
ASSETS				
Cash	\$ 7,073	-	36,694	43,767
Receivables:				
Intergovernmental	14,014	19,058	-	33,072
Total Assets	<u>\$ 21,087</u>	<u>19,058</u>	<u>36,694</u>	<u>76,839</u>
LIABILITIES				
Accounts payable	\$ 20,047	4,115	-	24,162
Accrued payroll	1,040	-	-	1,040
Due to other funds	-	14,943	-	14,943
Total Liabilities	<u>21,087</u>	<u>19,058</u>	<u>-</u>	<u>40,145</u>
FUND BALANCES				
Committed for:				
Property revitalization	-	-	36,694	36,694
Total Fund Balances	<u>-</u>	<u>-</u>	<u>36,694</u>	<u>36,694</u>
Total Liabilities And Fund Balances	<u>\$ 21,087</u>	<u>19,058</u>	<u>36,694</u>	<u>76,839</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, 2015

	Special Revenue Funds				
	Community Development Fund	Koch TIF Fund	Neighborhood Stabilization Program Fund	Property Revitalization Fund	Total Nonmajor Governmental Funds
REVENUES					
Taxes	\$ -	185,058	-	-	185,058
Other	-	-	6,825	3,750	10,575
Intergovernmental	158,595	-	165,468	-	324,063
Total Revenues	<u>158,595</u>	<u>185,058</u>	<u>172,293</u>	<u>3,750</u>	<u>519,696</u>
EXPENDITURES					
Current:					
General government	158,595	1,625	179,113	125,615	464,948
Economic development	-	378,042	-	-	378,042
Debt service:					
Principal	-	100,000	-	-	100,000
Interest	-	3,375	-	-	3,375
Total Expenditures	<u>158,595</u>	<u>483,042</u>	<u>179,113</u>	<u>125,615</u>	<u>946,365</u>
REVENUES UNDER EXPENDITURES	-	(297,984)	(6,820)	(121,865)	(426,669)
OTHER FINANCING USES					
Transfers out	-	(132,999)	-	-	(132,999)
NET CHANGE IN FUND BALANCES	-	(430,983)	(6,820)	(121,865)	(559,668)
FUND BALANCES, DECEMBER 1	<u>-</u>	<u>430,983</u>	<u>6,820</u>	<u>158,559</u>	<u>596,362</u>
FUND BALANCES, NOVEMBER 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>36,694</u>	<u>36,694</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, 2015

	Budgeted Amounts			Over (Under) Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Other	\$ -	-	3,750	3,750
EXPENDITURES				
Current:				
General government	<u>195,000</u>	<u>158,559</u>	<u>125,615</u>	<u>(32,944)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (195,000)</u></u>	<u><u>(158,559)</u></u>	<u>(121,865)</u>	<u><u>36,694</u></u>
FUND BALANCE, DECEMBER 1			<u>158,559</u>	
FUND BALANCE, NOVEMBER 30			<u><u>\$ 36,694</u></u>	

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
COURT BUILDING FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Fines and forfeitures	\$ -	-	109,013	109,013
EXPENDITURES				
Capital outlay	-	1,170,000	1,167,048	(2,952)
REVENUES UNDER EXPENDITURES	<u>\$ -</u>	<u>(1,170,000)</u>	(1,058,035)	<u>111,965</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Expenditure accrual adjustments			(30,713)	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(1,088,748)	
FUND BALANCE, DECEMBER 1			-	
FUND BALANCE, NOVEMBER 30			<u>\$ (1,088,748)</u>	

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 Bond 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, 2015

	Balance November 30 2014	Additions	Reductions	Balance November 30 2015
ASSETS				
Cash	\$ 1,378,462	201,184	260,108	1,319,538
LIABILITIES				
Due to others:				
Court bonds	\$ 310,906	-	215,820	95,086
Construction deposits	178,004	140,653	-	318,657
Other deposits	718,074	60,531	-	778,605
	1,206,984	201,184	215,820	1,192,348
Due to other funds	171,478	-	44,288	127,190
Total Liabilities	\$ 1,378,462	201,184	260,108	1,319,538

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED NOVEMBER 30, 2015

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Number</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development:			
Community Development Block Grants/ Entitlement	14.218	-	\$158,595
Missouri Department of Economic Development:			
Community Development Block Grants/States Program	14.228	08-DN-06	<u>172,293</u>
Total U.S. Department Of Housing And Urban Development			<u>330,888</u>
U.S. Department of Interior:			
Missouri Department of Natural Resources:			
State Historic Preservation	15.904	29-14-121161-005	<u>9,000</u>
U.S. Department of Justice:			
Bulletproof Vest Programs	16.607	BA-2000S-SM01	4,359
Federal Equitable Sharing	16.922	-	60,004
Missouri Department of Public Safety:			
Justice Assistance Grant	16.738	2014-LLEBG-027	<u>8,200</u>
Total U.S. Department Of Justice			<u>72,563</u>
U.S. Department of Transportation:			
Missouri Department of Transportation:			
Highway Planning and Construction	20.205	BRM-5595(616)	31,364
State and Community Highway Safety	20.600	15-PT-02-021	13,322
State and Community Highway Safety	20.600	15-PT-02-136	9,000
State and Community Highway Safety	20.600	16-PT-02-026	3,224
Alcohol Open Container Requirements	20.607	16-154-AL-034	523
National Priority Safety Programs	20.616	15-M5HVE-03-013	3,205
National Priority Safety Programs	20.616	15-M2HVE-05-009	4,514
National Priority Safety Programs	20.616	16-M2HVE-05-013	<u>1,200</u>
Total U.S. Department Of Transportation			<u>66,352</u>
U.S. Department of Homeland Security:			
Missouri Emergency Management Agency:			
Emergency Management Performance Grant	97.042	-	<u>9,544</u>
Total Awards Expended			<u>\$488,347</u>