



**CITY OF FLORISSANT,  
MISSOURI**

**FINANCIAL REPORT**  
(Audited)

Year Ended November 30, 2016

# 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 13, 2017

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, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplemental Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information, 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 13, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Hochschild, Bloom & Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

# **CITY OF FLORISSANT, MISSOURI**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEAR ENDED NOVEMBER 30, 2016**

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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, 2016. We have prepared the management's discussion and analysis (MD&A) of the City's financial activities to add additional information to the financial schedules and the note disclosures.

#### **FINANCIAL HIGHLIGHTS**

- On a government-wide basis the assets and deferred outflows of resources of the City exceeded its liabilities by \$69,579,637 (net position). The City has an unrestricted net position totaling \$4,185,777.
- Total fund balances in the governmental funds decreased from \$16,335,809 to \$12,969,159, a decrease of \$3,366,650.
- The City's governmental funds reported combined ending fund balances of \$12,969,159. \$4,867,990 of this total is available for spending (unassigned).
- The unassigned fund balance for the General Fund was \$7,844,726 or 33.1% of total General Fund expenditures of \$23,689,440.

#### **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. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is reported as net position.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as transactions occur, regardless of when the related cash flows are reported. Therefore, some revenues and expenses included in this statement may reflect cash flows that actually occur in future periods.

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

# CITY OF FLORISSANT, MISSOURI

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE YEAR ENDED NOVEMBER 30, 2016

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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**

- ✓ Street
- ✓ Community Development
- ✓ 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, Sewer Lateral, and Court Building Funds are included with the required supplemental information. Budgetary comparisons for other funds that adopt a budget are presented with other supplemental information.

**Fiduciary funds.** Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries such as court bond deposits, construction deposits, and

**CITY OF FLORISSANT, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

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, 2016 and 2015 (dollars in thousands):

	<b>November 30</b>		<b>2016 Change</b>	
	<b>2016</b>	<b>2015</b>	<b>Amount</b>	<b>Percent</b>
<b>ASSETS</b>				
Current and other assets	\$ 14,737	17,792	(3,055)	(17.2) %
Capital assets, net	64,463	62,485	1,978	3.2
Total Assets	<u>79,200</u>	<u>80,277</u>	<u>(1,077)</u>	(1.3)
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred amounts related to pensions	596	396	200	50.5
Deferred charges on refunding	113	133	(20)	(15.0)
Total Deferred Outflows Of Resources	<u>709</u>	<u>529</u>	<u>180</u>	34.0
<b>LIABILITIES</b>				
Long-term debt outstanding	8,659	9,243	(584)	(6.3)
Other liabilities	1,670	1,118	552	49.4
Total Liabilities	<u>10,329</u>	<u>10,361</u>	<u>(32)</u>	(0.3)
<b>NET POSITION</b>				
Net investment in capital assets	61,013	58,239	2,774	4.8
Restricted	4,381	4,958	(577)	(11.6)
Unrestricted	<u>4,186</u>	<u>7,248</u>	<u>(3,062)</u>	(42.2)
Total Net Position	<u>\$ 69,580</u>	<u>70,445</u>	<u>(865)</u>	(1.2) %

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, and its liabilities is called



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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

*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 \$10,178,241 in unrestricted cash and investments and \$4,297,326 in receivables. Total net position decreased by \$865,478.

The application of Governmental Accounting Standards Board Statement (GASB) No. 68, *Accounting and Financial Reporting for Pensions -- an Amendment of GASB Statement No. 27* (GASB 68) resulted in deferred outflows of resources in the amount of \$596,131 and a net pension liability of \$3,666,202.

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, 2016 and 2015 (dollars in thousands):

	<b>For The Years</b>		<b>2016 Change</b>	
	<b>Ended November 30</b>		<b>Amount</b>	<b>Percent</b>
	<b>2016</b>	<b>2015</b>		
<b>REVENUES</b>				
Program revenues:				
Charges for services	\$ 3,710	4,415	(705)	(16.0) %
Operating grants and contributions	2,659	2,869	(210)	(7.3)
Capital grants and contributions	268	510	(242)	(47.5)
General revenues:				
Sales tax	16,274	15,025	1,249	8.3
Utility tax	5,760	6,182	(422)	(6.8)
Investment income	57	16	41	256.3
Licenses and permits	909	833	76	9.1
Other general revenues	1,711	1,579	132	8.4
Total Revenues	<u>31,348</u>	<u>31,429</u>	<u>(81)</u>	(0.3)
<b>PROGRAM EXPENSES</b>				
General government	4,928	4,861	67	1.4
Culture and recreation	7,021	7,030	(9)	(0.1)
Public safety	10,762	10,690	72	0.7
Public works and health	9,349	8,825	524	5.9
Economic development	-	378	(378)	(100.0)
Interest on long-term debt	153	129	24	18.6
Total Program Expenses	<u>32,213</u>	<u>31,913</u>	<u>300</u>	0.9
<b>CHANGE IN NET POSITION</b>	<u>\$ (865)</u>	<u>(484)</u>	<u>(381)</u>	(78.7) %

# **CITY OF FLORISSANT, MISSOURI**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEAR ENDED NOVEMBER 30, 2016**

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

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

Public safety activities of \$10,762,079 accounted for 33.4% of all expenses. Sales tax revenues of \$16,274,044 accounted for 65.9% of total general revenues.

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

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

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 \$3,366,650. The General Fund balance decreased \$901,420 to \$11,528,508, the Capital Improvements Fund balance decreased \$60,557 to \$1,671,708, the Park Improvement Fund balance decreased \$3,234,807 to a deficit of (\$1,932,767), the Sewer Lateral Fund balance decreased \$248,463 to \$1,675,167, and the Court Building Fund balance increased \$44,779 to a deficit of (\$1,043,969).

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

### **BUDGETARY HIGHLIGHTS - MAJOR FUNDS**

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

Revisions to the adopted budget fall into three general categories:

- Transfers between departmental accounts.
- Appropriations from reserve balances to prevent budget overruns and to fund various projects, programs, commodities, grants, and services.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

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- 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:

- No transfers exceeded \$25,000

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

- \$104,000 - Legal services and attorney fees
- \$ 97,000 - Police training and equipment
- \$ 60,000 - Purchase various properties
- \$ 58,500 - Koch pool repairs
- \$ 45,000 - Telephone expenditures
- \$ 30,000 - Police vehicle maintenance and repairs

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

- No interfund transfers exceeded \$25,000

The RSI includes information on budget to actual amounts for the General Fund, Capital Improvements Fund, Park Improvement Fund, Sewer Lateral Fund, and the Court Building Fund. In addition, the RSI contains a schedule of changes in net pension liability and related ratios and a schedule of pension contributions.

## **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, 2016 and 2015 (dollars in thousands):

**CITY OF FLORISSANT, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

	<b>November 30</b>		<b>2016 Change</b>	
	<b>2016</b>	<b>2015</b>	<b>Amount</b>	<b>Percent</b>
Land	\$ 5,328	5,212	116	2.2 %
Construction in progress	4,310	356	3,954	1,110.7
Buildings	4,935	5,146	(211)	(4.1)
Improvements	9,194	9,493	(299)	(3.1)
Land improvements	160	183	(23)	(12.6)
Infrastructure	36,927	38,555	(1,628)	(4.2)
Vehicles and equipment	3,609	3,540	69	1.9
<b>Total</b>	<b>\$ 64,463</b>	<b>62,485</b>	<b>1,978</b>	<b>3.2 %</b>

Capital assets, other than land and construction in progress, reflect a depreciated value. The largest single capital asset is infrastructure or streets, roads and bridges with a depreciated value of \$36,926,769. Construction in progress of \$4,310,541 represents ongoing street projects and building improvements. Additional information on capital assets can be found in Note C of the financial statements.

**Long-term debt.** The following table summarizes the City's scheduled long-term outstanding debt for the governmental activities as of November 30, 2016 and 2015 (dollars in thousands):

	<b>November 30</b>		<b>2016 Change</b>	
	<b>2016</b>	<b>2015</b>	<b>Amount</b>	<b>Percent</b>
Certificates of participation	\$ 3,415	4,205	(790)	(18.8) %

The City has \$3,415,000 in debt outstanding from the \$7,200,000 in Series 2011 Certificate of Participation debt issued to refinance the Series 2002 Certificate of Participation debt and to pay for HVAC improvements to City buildings, construction of a salt storage facility, improvements to the aquatic center, and improvements to the bandstand at St. Ferdinand Park. Certificates of Participation are not included in the calculation of the City's legal debt margin. Since there are no general obligation debt issues outstanding, the City has not committed any funds against the legal debt margin.

## **HIGHLIGHTS FROM 2016 AND THE OUTLOOK FOR THE FUTURE**

General Fund revenue was \$418,724 less than budgeted revenue. One of the primary contributors to the drop in revenue was utility license tax revenue which finished at \$5,772,997 or \$227,003 under the budget of \$6,000,000 and down \$429,726 from last year. Electric decreased \$43,961, gas decreased \$268,118, water decreased \$13,209, and telephone decreased \$104,438. Telephone utility tax continued a downward spiral with receipts decreasing \$80,850 in 2012, \$134,823 in 2013, \$132,184 in 2014, \$210,133 in 2015, and \$104,438 in 2016 for a total of \$662,428 during this five year period, a decline of 36%. The ascension of cell phone service and shrinking landline service have combined to rapidly shrink the telephone utility tax as a revenue source. In

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

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addition, the difficulty in getting cell phone companies to comply with utility license tax regulations has compounded the situation.

Municipal court revenue was also 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 in general. The Missouri State Legislature also stepped in to place additional restrictions, limits and reporting requirements on municipal court systems statewide.

Sales tax revenue reflected positive growth for the fourth year in a row, finishing at \$8,095,499, up \$69,858 from 2015. Sales tax collections in the Park Improvement fund continued to show growth as well, finishing at \$3,518,059, marking the seventh year in a row of positive growth. Capital Improvement Sales Tax finished at \$3,587,290.

The City's 2016 combined assessed value for real estate and personal property was \$536,233,848, which was up \$5,130,475 or 1.0% from 2015. 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 \$138,169,240 or 23.8% to \$441,703,170. 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.

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

- *CVS Pharmacy* opened a second location in the City in the Florissant Meadows Shopping Center on Lindbergh Boulevard.
- *A Dollar Tree* retail store opened near the intersection of North Hwy 67 and New Halls Ferry Road.
- *Starbuck's Coffee* retail store opened at the corner of Lindbergh Boulevard and New Halls Ferry Road.
- *Popeye's Restaurant* is opening a restaurant on Lindbergh Boulevard near St. Ferdinand.
- *U-Haul Storage* is building a three story facility on Lindbergh Boulevard.
- *Dunkin Donut* is building a new facility on Lindbergh Boulevard across from Schnuck's.
- *Total Access Urgent Care* is under construction on Lindbergh Boulevard at St. Jean.
- *Irma Jeans Family Restaurant and Sport Bar* is opening in the former Deaver's location at the corner of Shackleford and Charbonier.
- *The Jewel Banquet Center* is scheduled to open in a few months in the former Yacavelli's Restaurant location at Lafayette and Dunn Roads.

**CITY OF FLORISSANT, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

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**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, 2016**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Industrial Development Authority</u>
<b>ASSETS</b>		
Cash	\$ 5,728,241	44,737
Investments	4,450,000	1,662,363
Prepaid items	151,514	-
Receivables:		
Taxes	3,998,130	201,500
Interest	3,096	-
Intergovernmental	167,280	-
Court	128,820	-
Due from Fiduciary Fund	96,196	-
Inventories	13,855	-
Capital assets:		
Land and construction in progress	9,638,498	-
Other capital assets, net of accumulated depreciation	54,824,558	-
Total Assets	<u>79,200,188</u>	<u>1,908,600</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amounts related to pensions	596,131	-
Deferred charges on refunding	112,626	-
Total Deferred Outflows of Resources	<u>708,757</u>	<u>-</u>
<b>LIABILITIES</b>		
Accounts payable	637,139	-
Accrued interest payable	30,687	43,548
Accrued payroll	841,414	-
Deposit	160,600	-
Noncurrent liabilities:		
Due within one year	1,943,642	1,400,000
Due in more than one year	2,650,074	8,460,000
Due in more than one year - net pension liability	3,666,202	-
Due in more than one year - net OPEB obligation	399,550	-
Total Liabilities	<u>10,329,308</u>	<u>9,903,548</u>
<b>NET POSITION</b>		
Net investment in capital assets	61,012,982	-
Restricted:		
Capital improvements	1,671,708	-
Sewer lateral	1,675,167	-
Street improvements	1,034,003	-
Debt service	-	1,662,363
Unrestricted	4,185,777	(9,657,311)
Total Net Position	<u>\$ 69,579,637</u>	<u>(7,994,948)</u>

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

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
<b>Primary Government</b>						
<b>Governmental Activities</b>						
General government	\$ 4,928,420	-	213,901	-	(4,714,519)	-
Culture and recreation	7,021,033	1,495,745	50,988	-	(5,474,300)	-
Public safety	10,762,079	1,129,687	295,384	42,145	(9,294,863)	-
Public works and health	9,349,110	1,084,213	2,098,509	225,438	(5,940,950)	-
Interest on long-term debt	152,760	-	-	-	(152,760)	-
Total Governmental Activities	<u>\$ 32,213,402</u>	<u>3,709,645</u>	<u>2,658,782</u>	<u>267,583</u>	<u>(25,577,392)</u>	<u>-</u>
<b>Component Unit</b>						
Industrial Development Authority	<u>\$ 602,394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(602,394)</u>
<b>General Revenues</b>						
Taxes:						
Sales					16,274,044	1,217,274
Utility					5,760,032	3,996
Property					-	735,070
Other					144,521	-
Investment income					57,260	45,760
Licenses and permits					909,344	-
Other					1,566,713	-
Total General Revenues					<u>24,711,914</u>	<u>2,002,100</u>
<b>CHANGE IN NET POSITION</b>					(865,478)	1,399,706
<b>NET POSITION, DECEMBER 1, AS RESTATED</b>					<u>70,445,115</u>	<u>(9,394,654)</u>
<b>NET POSITION, NOVEMBER 30</b>					<u>\$ 69,579,637</u>	<u>(7,994,948)</u>

See notes to financial statements



**CITY OF FLORISSANT, MISSOURI**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**NOVEMBER 30, 2016**

	General Fund	Capital Improvements Fund	Park Improvement Fund	Sewer Lateral Fund	Court Building Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash	\$ 4,097,403	733,642	-	63,880	1,031	832,285	5,728,241
Investments	2,150,000	500,000	200,000	1,600,000	-	-	4,450,000
Prepaid items	151,514	-	-	-	-	-	151,514
Receivables:							
Taxes	2,381,343	651,800	659,322	18,589	-	287,076	3,998,130
Interest	1,789	738	259	310	-	-	3,096
Intergovernmental	80,844	48,367	14,134	-	-	23,935	167,280
Court	128,820	-	-	-	-	-	128,820
Inventories	13,855	-	-	-	-	-	13,855
Due from other funds	3,638,273	-	-	-	-	-	3,638,273
Total Assets	<u>\$ 12,643,841</u>	<u>1,934,547</u>	<u>873,715</u>	<u>1,682,779</u>	<u>1,031</u>	<u>1,143,296</u>	<u>18,279,209</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 195,259	262,839	117,043	7,612	-	54,386	637,139
Accrued payroll	791,254	-	49,580	-	-	580	841,414
Deposit	-	-	160,600	-	-	-	160,600
Due to other funds	-	-	2,479,259	-	1,045,000	17,818	3,542,077
Total Liabilities	<u>986,513</u>	<u>262,839</u>	<u>2,806,482</u>	<u>7,612</u>	<u>1,045,000</u>	<u>72,784</u>	<u>5,181,230</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenues - court	<u>128,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,820</u>
<b>FUND BALANCES</b>							
Nonspendable:							
Inventories	13,855	-	-	-	-	-	13,855
Prepaid items	151,514	-	-	-	-	-	151,514
Long-term interfund amounts	1,060,000	-	-	-	-	-	1,060,000
Restricted for:							
Capital improvements	-	1,671,708	-	-	-	-	1,671,708
Sewer lateral	-	-	-	1,675,167	-	-	1,675,167
Street improvements	-	-	-	-	-	1,034,003	1,034,003
Committed for:							
Property revitalization	-	-	-	-	-	36,509	36,509
Assigned to:							
Purchases on order	190,387	-	-	-	-	-	190,387
Subsequent year's budget	2,268,026	-	-	-	-	-	2,268,026
Unassigned	<u>7,844,726</u>	<u>-</u>	<u>(1,932,767)</u>	<u>-</u>	<u>(1,043,969)</u>	<u>-</u>	<u>4,867,990</u>
Total Fund Balances	<u>11,528,508</u>	<u>1,671,708</u>	<u>(1,932,767)</u>	<u>1,675,167</u>	<u>(1,043,969)</u>	<u>1,070,512</u>	<u>12,969,159</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 12,643,841</u>	<u>1,934,547</u>	<u>873,715</u>	<u>1,682,779</u>	<u>1,031</u>	<u>1,143,296</u>	<u>18,279,209</u>

**CITY OF FLORISSANT, MISSOURI**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERN-**  
**MENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**NOVEMBER 30, 2016**

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Total Fund Balances - Governmental Funds \$ 12,969,159

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 \$150,373,598 and the accumulated depreciation is \$85,910,542. 64,463,056

Municipal court receivables are assessed by the City, but are not collected as of November 30, 2016 and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements. 128,820

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

Deferred outflows related to pensions	596,131
Net pension liability	(3,666,202)
Net OPEB obligation	(399,550)

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	(30,687)
Certificates of participation	(3,450,074)
Compensated absences	(1,143,642)
Unamortized deferred charges	112,626

Total Net Position Of Governmental Activities \$ 69,579,637

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

	<b>General Fund</b>	<b>Capital Improvements Fund</b>	<b>Park Improvement Fund</b>	<b>Sewer Lateral Fund</b>	<b>Court Building Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>							
Taxes	\$ 16,089,664	3,596,282	3,557,157	521,076	-	1,034,003	24,798,182
Licenses and permits	1,472,481	-	-	-	-	-	1,472,481
Charges for services	1,495,745	-	-	-	-	-	1,495,745
Other	1,325,122	-	418	-	-	500	1,326,040
Investment income	49,199	1,505	765	5,791	-	-	57,260
Fines and forfeitures	1,290,397	-	-	-	83,891	-	1,374,288
Intergovernmental	378,990	43,468	20,534	-	-	213,901	656,893
Total Revenues	<u>22,101,598</u>	<u>3,641,255</u>	<u>3,578,874</u>	<u>526,867</u>	<u>83,891</u>	<u>1,248,404</u>	<u>31,180,889</u>
<b>EXPENDITURES</b>							
Current:							
General government	4,552,478	-	-	-	-	214,586	4,767,064
Culture and recreation	3,911,070	-	2,022,116	-	-	-	5,933,186
Public safety	10,312,786	-	-	-	-	-	10,312,786
Public works and health	4,913,106	-	-	208,586	-	-	5,121,692
Capital outlay	-	3,383,936	4,220,002	138,961	-	-	7,742,899
Debt service:							
Principal	-	305,000	485,000	-	-	-	790,000
Interest	-	17,350	86,563	-	39,112	-	143,025
Total Expenditures	<u>23,689,440</u>	<u>3,706,286</u>	<u>6,813,681</u>	<u>347,547</u>	<u>39,112</u>	<u>214,586</u>	<u>34,810,652</u>
<b>REVENUES OVER (UNDER)</b>							
<b>EXPENDITURES</b>	<u>(1,587,842)</u>	<u>(65,031)</u>	<u>(3,234,807)</u>	<u>179,320</u>	<u>44,779</u>	<u>1,033,818</u>	<u>(3,629,763)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Insurance proceeds	258,639	4,474	-	-	-	-	263,113
Transfers in	427,783	-	-	-	-	-	427,783
Transfers out	-	-	-	(427,783)	-	-	(427,783)
Total Other Financing Sources (Uses)	<u>686,422</u>	<u>4,474</u>	<u>-</u>	<u>(427,783)</u>	<u>-</u>	<u>-</u>	<u>263,113</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(901,420)</u>	<u>(60,557)</u>	<u>(3,234,807)</u>	<u>(248,463)</u>	<u>44,779</u>	<u>1,033,818</u>	<u>(3,366,650)</u>
<b>FUND BALANCES (DEFICIT), DECEMBER 1</b>	<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>
<b>FUND BALANCES (DEFICIT), NOVEMBER 30</b>	<u>\$ 11,528,508</u>	<u>1,671,708</u>	<u>(1,932,767)</u>	<u>1,675,167</u>	<u>(1,043,969)</u>	<u>1,070,512</u>	<u>12,969,159</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, 2016**

Net Change In Fund Balances - Governmental Funds \$ (3,366,650)

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold totaling \$7,064,368 exceeded depreciation (\$5,215,514) in the current period. 1,848,854

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.

Contributed capital assets	170,962	
Cost of disposals, net of accumulated depreciation	(41,506)	

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (244,601)

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

Accrued compensated absences	(48,603)	
Accrued interest payable	3,951	
Pension expense	35,801	(8,851)

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	790,000	
Amortization	(13,686)	776,314

Change In Net Position Of Governmental Activities \$ (865,478)

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**NOVEMBER 30, 2016**

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	<u>Pension Trust Fund</u>	<u>Agency Fund</u>
<b>ASSETS</b>		
Cash	\$ -	1,097,990
Investments	<u>10,425,381</u>	<u>300,000</u>
Total Assets	<u>10,425,381</u>	<u>1,397,990</u>
<b>LIABILITIES</b>		
Due to others:		
Court bonds	-	76,815
Construction deposits	-	400,797
Other deposits	<u>-</u>	<u>824,182</u>
	-	1,301,794
Due to other funds	<u>-</u>	<u>96,196</u>
Total Liabilities	<u>-</u>	<u>1,397,990</u>
<b>NET POSITION</b>		
Restricted for pensions	<u><u>\$ 10,425,381</u></u>	<u><u>-</u></u>

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF CHANGE IN FIDUCIARY**  
**NET POSITION - PENSION TRUST FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

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**ADDITIONS**

Employer contributions	<u>\$ 616,284</u>
Investment income:	
Net appreciation in fair value of investments and interest and dividends	313,164
Investment expense	<u>(72,509)</u>
Net Investment Income	<u>240,655</u>
Total Additions	<u>856,939</u>

**DEDUCTIONS**

Benefits	<u>2,213,949</u>
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<b>CHANGE IN NET POSITION</b>	(1,357,010)
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NET POSITION - RESTRICTED FOR PENSIONS, DECEMBER 1	<u>11,782,391</u>
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<b>NET POSITION - RESTRICTED FOR PENSIONS, NOVEMBER 30</b>	<u><u>\$ 10,425,381</u></u>
----------------------------------------------------------------	-----------------------------

**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 capital improvements sales tax and acquisition or improvement of capital assets within the City's departments.

**Park Improvement Fund** -- This fund is used to account for 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 special court amounts and acquisition of the court building.

Additionally, the City reports the following fund types:



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

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

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

**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.

# CITY OF FLORISSANT, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### 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. There is also an interfund balance between the General Fund and the Agency Fund for \$15,000 that is not expected to be repaid within the upcoming fiscal year.

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

#### 8. Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g.; roads, bridges, sidewalks, and similar items), are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Assets	Years
Buildings and improvements	15 - 50
Land improvements	10 - 40
Infrastructure	5 - 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)**

brances 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 \$190,387 for the General Fund, \$427,288 for the Capital Improvements Fund, \$320,340 for the Park Improvement Fund, \$18,394 for the Sewer Lateral Fund, and \$2,000 for the Property Revitalization 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 and deferred outflows of resources related to the pension reported on the government-wide statement of net position.

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

**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 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, 2016, 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, 2016, the City had the following investments:

Investments	Fair Value	Maturities				Credit Risk
		No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	
<b>Primary Government</b>						
Certificates of deposit	\$ 4,450,000	-	4,450,000	-	-	N/A
<b>Fiduciary Funds</b>						
Agency Fund:						
Certificates of deposit	300,000	-	300,000	-	-	N/A
Pension plan pooled investments:						
Common stock funds	2,543,441	2,543,441	-	-	-	N/A
Bond funds	268,189	268,189	-	-	-	N/A
Group annuity contract	7,613,751	7,613,751	-	-	-	Not rated
Total Fiduciary Funds Investments	10,725,381	10,425,381	300,000	-	-	
<b>Component Unit</b>						
Money market	671,363	671,363	-	-	-	Not rated
Repurchase agreement	991,000	-	-	-	991,000	N/A
Total Component Unit Investments	1,662,363	671,363	-	-	991,000	
Total Investments	\$ 16,837,744	11,096,744	4,750,000	-	991,000	

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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

**2. Investments (Continued)**

**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.

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represents 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). Defined benefit plans are also required to disclose investments in any one issuer that represent 5% or more of total investments with the same exemptions as above. At November 30, 2016, the City had the following investment concentrations:

<u>Investments</u>	<u>Fair Value</u>	<u>Percent Of Total Investments</u>
<b>Primary Government</b>		
Certificates of deposit:		
Citizens National Bank	\$ 1,100,000	24.72 %
Commerce Bank	2,500,000	56.18
Commercial Bank	600,000	13.48
Reliance Bank	250,000	5.62
<b>Fiduciary Funds</b>		
Pension plan pooled investments:		
Common stock funds	2,543,441	23.71
Group annuity contract	7,613,751	70.99
<b>Component Unit</b>		
Money market	671,363	40.39
Repurchase agreement	991,000	59.61

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

**3. Fair Value Measurement**

The City classifies its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

The City has the following recurring fair value measurements as of November 30, 2016:

- Money market funds are valued using quoted market process (Level 1 inputs)
- Common stock funds and bond funds are valued using the quoted price obtained for the underlying mutual fund which is then adjusted to apply the expense factor disclosed in the annuity contract (Level 2 inputs)
- Group annuity contract funds are valued using existing contracts and readily available financial information (Level 2 inputs)
- Certificates of deposit and repurchase agreements are not subject to fair value level classification.

**NOTE C - CAPITAL ASSETS**

Capital asset activity was as follows:

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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

<b>For The Year Ended November 30, 2016</b>				
	<b>Balance November 30 2015</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance November 30 2016</b>
Capital assets not being depreciated:				
Land	\$ 5,212,268	115,689	-	5,327,957
Construction in progress	355,669	4,400,578	445,706	4,310,541
Total Capital Assets Not Being Depreciated	<u>5,567,937</u>	<u>4,516,267</u>	<u>445,706</u>	<u>9,638,498</u>
Capital assets being depreciated:				
Buildings	13,677,971	151,456	-	13,829,427
Improvements	14,887,228	434,780	-	15,322,008
Land improvements	448,270	-	-	448,270
Infrastructure	99,504,103	1,610,548	-	101,114,651
Vehicles and equipment	10,483,336	967,985	1,430,577	10,020,744
Total Capital Assets Being Depreciated	<u>139,000,908</u>	<u>3,164,769</u>	<u>1,430,577</u>	<u>140,735,100</u>
Less - Accumulated depreciation for:				
Buildings	8,532,540	362,038	-	8,894,578
Improvements	5,394,070	733,887	-	6,127,957
Land improvements	265,205	22,982	-	288,187
Infrastructure	60,949,083	3,238,799	-	64,187,882
Vehicles and equipment	6,943,201	857,808	1,389,071	6,411,938
Total Accumulated Depreciation	<u>82,084,099</u>	<u>5,215,514</u>	<u>1,389,071</u>	<u>85,910,542</u>
Total Capital Assets Being Depreciated, Net	<u>56,916,809</u>	<u>(2,050,745)</u>	<u>41,506</u>	<u>54,824,558</u>
Total Capital Assets, Net	<u>\$ 62,484,746</u>	<u>2,465,522</u>	<u>487,212</u>	<u>64,463,056</u>

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

	<b>For The Year Ended November 30 2016</b>
General government	\$ 106,488
Public safety	306,086
Public works and health, including depreciation of infrastructure	3,727,020
Culture and recreation	<u>1,075,920</u>
Total	<u>\$ 5,215,514</u>



**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - LONG-TERM DEBT**

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

	<b>For The Year Ended November 30, 2016</b>			<b>Amounts Due Within One Year</b>
	<b>Balance November 30 2015</b>	<b>Additions</b>	<b>Reductions</b>	
Certificates of participation	\$ 4,205,000	-	790,000	3,415,000
Plus - Premium	41,264	-	6,190	35,074
Compensated absences	1,095,039	1,096,112	1,047,509	1,143,642
Total	<u>\$ 5,341,303</u>	<u>1,096,112</u>	<u>1,843,699</u>	<u>4,593,716</u>

The certificates of participation are to be liquidated by the Park Improvement and Capital Improvements Funds. Compensated absences are generally liquidated by the General Fund and the Park Improvement Fund.

Certificates of participation consist of the following:

	<b>November 30 2016</b>
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>\$ 3,415,000</u>

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

<b>For The Years Ending November 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	535,000	34,062	569,062
2022	555,000	17,344	572,344
Total	<u>\$ 3,415,000</u>	<u>334,156</u>	<u>3,749,156</u>

On December 8, 2003 the IDA issued \$19,040,000 in tax increment refunding revenue bonds for the City of Florissant-Cross Keys Redevelopment Project. Interest on the bonds will be payable semi-annually on each May 1 and November 1, with interest rates of 5% and 5.625% and final maturity of May 1, 2024. The bonds are being issued by the IDA pursuant to a trust indenture dated December 1, 2003 by and between the IDA and

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

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, 2015 was \$11,270,000, principal payments made during the year were \$1,410,000, and the balance outstanding at November 30, 2016 was \$9,860,000.

**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, 2016 was \$69,796. The future minimum lease payments required for the lease are as follows:

**For The  
Year Ending  
November 30**

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.

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)**

***Employees Covered by Benefit Terms***

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

Inactive employees or beneficiaries currently receiving benefits	21
Inactive employees entitled to but not yet receiving benefits	18
Active employees	<u>16</u>
Total	<u>55</u>

***Contributions***

The City contributes to the Plan based on an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the Plan. For the year ended November 30, 2016, the City's contribution to the Plan was 473.99% of annual covered payroll.

***Net Pension Liability***

The City's net pension liability was measured as of November 30, 2016, 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, 2016 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 investment expense, including inflation

Mortality rates were based in accordance with the mortality tables (optional combined basis) promulgated by the IRS for determination of funding targets for minimum funding purposes in plan years beginning in 2015 (with no further assumed improvements for mortality).

The actuarial assumptions used in the November 30, 2016 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

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)**

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	24.4 %	6.0 %
Debt securities	2.6	6.0
Other	73.0	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.

**Changes in the Net Pension Liability**

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a) - (b)</u>
<b>Balances at November 30, 2015</b>	<u>\$ 15,284,451</u>	<u>11,782,391</u>	<u>3,502,060</u>
<b>Changes for the year</b>			
Service cost	23,839	-	23,839
Interest	881,163	-	881,163
Difference between expected and actual experience	116,079	-	116,079
Contributions - employer	-	616,284	(616,284)
Net investment income	-	240,655	(240,655)
Benefit payments	(2,213,949)	(2,213,949)	-
Net Changes	<u>(1,192,868)</u>	<u>(1,357,010)</u>	<u>164,142</u>
<b>Balances at November 30, 2016</b>	<u><u>\$ 14,091,583</u></u>	<u><u>10,425,381</u></u>	<u><u>3,666,202</u></u>

# CITY OF FLORISSANT, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

#### *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	\$ 5,072,983	3,666,202	2,472,324

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

For the year ended November 30, 2016, the City recognized pension expense of \$580,483. At November 30, 2016, 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>\$ 596,131</u>	<u>-</u>

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

<u>For The Years Ending November 30</u>	
2017	\$ 173,795
2018	173,795
2019	173,795
2020	<u>74,746</u>
Total	<u>\$ 596,131</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.

# CITY OF FLORISSANT, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### 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, 2016.

There was no significant reduction in insurance coverage during the year ended November 30, 2016 and settlement amounts have not exceeded insurance coverage for the current or three prior years.

### NOTE I - CONTINGENCIES AND COMMITMENTS

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

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

### NOTE J - INTERFUND TRANSACTIONS

Individual interfund transactions are as follows:

#### Due from/to other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>November 30 2016</u>
General Fund	Agency Fund	\$ 96,196
General Fund	Park Improvement Fund	2,479,259
General Fund	Court Building Fund	1,045,000
General Fund	Community Development Fund	<u>17,818</u>
Total		<u>\$ 3,638,273</u>

All of these interfund balances are due to either timing differences or to the elimination of negative cash balances within the various funds. Most interfund balances are expected to be repaid during the next fiscal year. The interfund balance between the General Fund and the Court Building Fund is not expected to be repaid within the upcoming fiscal year. The General Fund loaned the Court Building Fund money to purchase a court building. The loan will be repaid in semi-annual payments at an interest rate of 3.5% from future court cost revenues. There is also an interfund balance between the General Fund and the Agency Fund for \$15,000 that is not expected to be repaid within the upcoming fiscal year.

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE J - INTERFUND TRANSACTIONS (Continued)**

**Interfund transfers**

		<b>For The Year Ended November 30 2016</b>
<b><u>Transfers Out</u></b>	<b><u>Transfers In</u></b>	
Sewer Lateral Fund	General Fund	<u>\$ 427,783</u>

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

**NOTE K - DEFINED CONTRIBUTION PLAN**

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

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

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

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

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

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, 2016, amounted to \$345,276 for employees and \$1,351,081 for the City.

**NOTE L - DEFICIT FUND BALANCE**

At November 30, 2016, the Court Building Fund has a deficit fund balance of (\$1,043,969). This deficit will be financed through future revenues of the fund. The Park Improvement Fund has a deficit fund balance of (\$1,932,767). This deficit will be financed with bond proceeds from the 2016 special obligation bonds that were issued subsequent to year end.

**NOTE M - RESTRICTED NET POSITION**

The government-wide statement of net position reports \$4,380,878 of restricted net position, all of which is restricted by enabling legislation.

**NOTE N - TAX INCREMENT REVENUES PLEDGED**

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds issued by the IDA to finance certain improvements in the City. The bonds are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds per Note D is payable through May 1, 2024. For the current year, the IDA's principal and interest paid, and total incremental tax revenues were \$2,006,391 and \$1,956,340, respectively.

**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:



**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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

	<b>For The Year Ended November 30 2015</b>
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.

**Required Supplemental Information**

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

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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

<b>Schedule Of Employer Contributions</b>			
<b>For The Years Ended November 30</b>	<b>Annual Required Contribution</b>	<b>Expected Employer Contribution</b>	<b>Percent Contributed</b>
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

**NOTE P - FUTURE ACCOUNTING PRONOUNCEMENTS**

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

In December 2016, the City issued \$8,030,000 in special obligation bonds. Proceeds will be used to make HVAC improvements to the James J. Eagan Community Center and to renovate the new court building.

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE R - RESTATEMENT OF NET POSITION**

The previously stated net position has been restated as follows:

	<b><u>Governmental Activities</u></b>
Net position, November 30, 2015, as previously reported	\$ 69,553,692
Restatement for GASB 68 correction	<u>891,423</u>
Net Position, November 30, 2015, As Restated	<u><u>\$ 70,445,115</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, 2016**

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	Budget
REVENUES				
Taxes				
Cigarette	\$ 125,000	125,000	148,660	23,660
Gasoline	1,550,000	1,550,000	1,614,151	64,151
Road and bridge	550,000	550,000	536,467	(13,533)
Sales	7,800,000	7,800,000	8,095,499	295,499
Utility	6,000,000	6,000,000	5,772,997	(227,003)
Total Taxes	16,025,000	16,025,000	16,167,774	142,774
Licenses and Permits				
Business licenses	800,000	800,000	825,165	25,165
Liquor license	50,000	50,000	52,204	2,204
Building permits	250,000	250,000	287,120	37,120
Minimum housing	230,000	230,000	254,277	24,277
Annual sign fee	20,000	20,000	21,096	1,096
Other permits and fees	20,000	20,000	32,619	12,619
Total Licenses And Permits	1,370,000	1,370,000	1,472,481	102,481
Charges for Services				
Golf Course:				
Green fees	200,000	200,000	213,808	13,808
Cart fees	220,000	220,000	200,861	(19,139)
Pro shop sales	30,000	30,000	39,880	9,880
Concession sales and fees	90,000	90,000	104,394	14,394
Miscellaneous	10,000	10,000	10,206	206
Recreation:				
Rentals - Nature lodge/gym	25,000	25,000	25,004	4
Center activity	284,500	284,500	299,923	15,423
Ice rink	60,000	60,000	64,228	4,228
Outdoor pool receipts	175,000	175,000	134,078	(40,922)
Miscellaneous	180,500	180,500	165,181	(15,319)
Playground program	87,300	87,300	83,111	(4,189)
Theatre	120,000	120,000	97,332	(22,668)
Concession sales and fees	70,000	70,000	57,739	(12,261)
Total Charges For Services	1,552,300	1,552,300	1,495,745	(56,555)

(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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES (Continued)</b>				
<b>Other</b>				
Other miscellaneous	325,000	325,000	563,975	238,975
Cable television	750,000	750,000	723,020	(26,980)
Senior citizen luncheons	25,000	25,000	24,707	(293)
Total Other	1,100,000	1,100,000	1,311,702	211,702
<b>Investment Income</b>	10,000	10,000	78,489	68,489
<b>Fines and Forfeitures</b>	2,250,000	2,250,000	1,321,391	(928,609)
<b>Intergovernmental</b>	250,000	347,000	387,994	40,994
Total Revenues	22,557,300	22,654,300	22,235,576	(418,724)
<b>EXPENDITURES</b>				
<b>General Government</b>				
Legislative:				
Salaries	105,612	105,612	105,612	-
Employees' benefits	23,923	23,923	23,922	(1)
Dues, travel, and training	27,000	27,000	22,330	(4,670)
Total Legislative	156,535	156,535	151,864	(4,671)
Administrative:				
Salaries	994,305	994,305	983,071	(11,234)
Employees' benefits	397,766	397,766	380,285	(17,481)
Residency incentive program	120,000	120,000	110,950	(9,050)
Unemployment claims	15,000	27,000	21,814	(5,186)
Postage and printing	45,000	60,000	47,282	(12,718)
Office supplies/printing	54,800	54,800	38,971	(15,829)
Copy equipment rental/supplies	46,500	51,500	51,136	(364)
Mayor's expenditures	10,000	10,000	9,776	(224)
Dues, travel, and training	9,300	9,300	7,040	(2,260)
Election expenditures	35,000	35,000	10,800	(24,200)
Professional services	326,720	449,720	425,649	(24,071)
Legal notices and advertising	12,000	12,000	3,518	(8,482)
Service awards	12,000	12,000	3,108	(8,892)
Insurance, fire, and liability	931,000	916,000	900,929	(15,071)
Organization dues	24,165	24,165	23,941	(224)
Boards and commissions	2,000	2,000	744	(1,256)
Total Administrative	3,035,556	3,175,556	3,019,014	(156,542)

**(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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>EXPENDITURES (Continued)</b>				
<b>General Government (Continued)</b>				
Senior services:				
Salaries	94,832	94,832	90,040	(4,792)
Employees' benefits	38,385	38,385	37,470	(915)
Uniforms and allowances	200	200	148	(52)
Utilities	6,600	6,600	4,095	(2,505)
Building maintenance and supplies	9,500	9,500	5,173	(4,327)
Office supplies/printing	2,700	2,700	1,179	(1,521)
Dues, travel, and training	500	500	214	(286)
Professional services	15,200	15,200	8,076	(7,124)
Senior citizen luncheons	28,600	28,600	17,127	(11,473)
Publicity	1,500	1,500	1,500	-
Total Senior Services	198,017	198,017	165,022	(32,995)
Media:				
Salaries	132,062	132,062	117,142	(14,920)
Employees' benefits	43,752	43,752	42,335	(1,417)
Equipment repairs	3,000	3,000	413	(2,587)
Office supplies/printing	2,000	2,000	59	(1,941)
Materials and supplies	2,500	2,500	847	(1,653)
Dues, travel, and training	3,000	3,000	549	(2,451)
Professional services	28,750	28,750	27,694	(1,056)
Total Media	215,064	215,064	189,039	(26,025)
Municipal court:				
Salaries	504,762	504,762	464,795	(39,967)
Employees' benefits	131,154	131,154	128,740	(2,414)
Office supplies/printing	8,300	8,300	8,276	(24)
Dues, travel, and training	5,250	5,250	3,602	(1,648)
Professional services	60,800	60,800	36,978	(23,822)
Total Municipal Court	710,266	710,266	642,391	(67,875)
Information technology:				
Salaries	92,321	92,321	92,178	(143)
Employees' benefits	40,797	40,797	38,814	(1,983)
Uniforms and allowances	300	300	300	-
Telephone	120,000	165,000	145,742	(19,258)
Office supplies/printing	13,800	13,800	12,897	(903)

**(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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>EXPENDITURES (Continued)</b>				
<b>General Government (Continued)</b>				
Information technology (Continued):				
Materials and supplies	10,200	10,200	10,053	(147)
Dues, travel, and training	4,700	4,700	4,376	(324)
Professional services	70,000	70,000	65,789	(4,211)
Total Information Technology	352,118	397,118	370,149	(26,969)
Housing center:				
Salaries	30,274	30,274	29,485	(789)
Employees' benefits	11,915	11,915	9,798	(2,117)
Uniforms and allowances	450	450	450	-
Office supplies/printing	1,000	1,000	999	(1)
Dues, travel, and training	1,000	1,000	1,000	-
Total Housing Center	44,639	44,639	41,732	(2,907)
Total General Government	4,712,195	4,897,195	4,579,211	(317,984)
<b>Culture and Recreation</b>				
Community and civic center:				
Salaries	1,325,534	1,325,534	1,253,859	(71,675)
Employees' benefits	285,501	285,501	256,421	(29,080)
Utilities	352,800	352,800	273,097	(79,703)
Total Community And Civic Center	1,963,835	1,963,835	1,783,377	(180,458)
Recreation - theatre:				
Salaries	156,535	156,535	140,926	(15,609)
Employees' benefits	64,115	64,115	48,001	(16,114)
Uniforms and allowances	250	250	207	(43)
Building maintenance and supplies	7,700	7,700	5,197	(2,503)
Office supplies/printing	12,640	12,640	12,115	(525)
Dues, travel, and training	3,800	3,800	3,800	-
Professional services	9,000	9,000	7,371	(1,629)
Theatre workshop	97,154	97,154	96,798	(356)
Publicity	14,150	14,150	10,791	(3,359)
Total Recreation - Theatre	365,344	365,344	325,206	(40,138)
Recreation - playground:				
Salaries	141,153	141,153	124,454	(16,699)
Employees' benefits	10,798	10,798	9,521	(1,277)
Total Recreation - Playground	151,951	151,951	133,975	(17,976)

**(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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>EXPENDITURES (Continued)</b>				
<b>Culture and Recreation (Continued)</b>				
Recreation - Bangert:				
Salaries	148,991	138,991	136,550	(2,441)
Employees' benefits	11,398	11,398	9,700	(1,698)
Utilities	25,000	35,000	33,337	(1,663)
Total Recreation - Bangert	<u>185,389</u>	<u>185,389</u>	<u>179,587</u>	<u>(5,802)</u>
Recreation - Golf Course:				
Salaries	290,200	314,200	311,297	(2,903)
Employees' benefits	73,586	73,586	72,739	(847)
Uniforms and allowances	1,000	1,000	814	(186)
Postage and printing	1,696	1,696	1,442	(254)
Utilities	67,200	67,200	60,263	(6,937)
Gasoline	20,000	16,000	295	(15,705)
Merchandise	110,750	75,750	42,344	(33,406)
Building, maintenance, and supplies	105,000	104,500	82,173	(22,327)
Equipment repairs	17,000	28,500	27,749	(751)
Office supplies/printing	3,500	3,500	3,052	(448)
Dues, travel, and training	4,170	4,170	3,423	(747)
Professional services	91,005	102,005	96,855	(5,150)
Publicity	1,500	11,300	11,224	(76)
Total Recreation - Golf Course	<u>786,607</u>	<u>803,407</u>	<u>713,670</u>	<u>(89,737)</u>
Recreation - parks:				
Salaries	386,220	386,220	343,136	(43,084)
Employees' benefits	85,411	85,411	80,263	(5,148)
Utilities	114,200	114,200	68,927	(45,273)
Professional services	40,000	40,000	28,656	(11,344)
Total Recreation - Parks	<u>625,831</u>	<u>625,831</u>	<u>520,982</u>	<u>(104,849)</u>
Recreation - Koch Aquatic Center:				
Salaries	173,533	173,533	167,993	(5,540)
Employees' benefits	13,275	13,275	12,851	(424)
Utilities	65,000	65,000	54,599	(10,401)
Total Recreation - Koch Aquatic Center	<u>251,808</u>	<u>251,808</u>	<u>235,443</u>	<u>(16,365)</u>
Total Culture And Recreation	<u>4,330,765</u>	<u>4,347,565</u>	<u>3,892,240</u>	<u>(455,325)</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, 2016**

EXPENDITURES (Continued)	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Budget
Public Safety				
Police:				
Salaries	7,096,937	7,096,937	6,870,508	(226,429)
Employees' benefits	2,654,711	2,654,711	2,546,171	(108,540)
Uniforms and allowances	84,700	84,700	81,932	(2,768)
Utilities	62,500	62,500	46,241	(16,259)
Gasoline	256,500	256,500	121,021	(135,479)
Building maintenance and supplies	72,000	72,000	47,748	(24,252)
Equipment repairs - vehicles	27,800	57,800	46,739	(11,061)
Office supplies/printing	41,000	41,000	39,252	(1,748)
Copy equipment - rental/supply	11,500	11,500	10,045	(1,455)
Communication service	296,900	296,900	279,381	(17,519)
Ammunition - armory supplies	28,700	28,700	26,966	(1,734)
Police forfeiture expenditures	-	97,000	89,641	(7,359)
Dues, travel, and training	80,400	80,400	57,196	(23,204)
Gasoline control account	65,000	65,000	-	(65,000)
Total Public Safety - Police	10,778,648	10,905,648	10,262,841	(642,807)
Public Works and Health				
Public works:				
Salaries	2,450,829	2,450,829	2,373,018	(77,811)
Employees' benefits	973,050	973,050	927,576	(45,474)
Uniforms and allowances	9,900	9,900	8,327	(1,573)
Utilities	100,000	100,000	90,905	(9,095)
Gasoline	80,000	80,000	32,791	(47,209)
Office supplies/printing	21,000	21,000	20,376	(624)
Ice/snow removal	217,320	217,320	68,348	(148,972)
Dues, travel, and training	37,715	37,715	23,963	(13,752)
Professional services	83,000	83,000	65,406	(17,594)
Street lighting	530,000	530,000	464,870	(65,130)
Gasoline control account	25,000	25,000	-	(25,000)
Total Public Works	4,527,814	4,527,814	4,075,580	(452,234)
Health:				
Salaries	566,220	566,220	514,262	(51,958)
Employees' benefits	187,199	187,199	157,939	(29,260)
Uniforms and allowances	3,600	3,600	3,060	(540)
Utilities	11,000	11,000	7,850	(3,150)
Gasoline	45,000	45,000	27,942	(17,058)

**(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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>EXPENDITURES (Continued)</b>				
<b>Public Works and Health (Continued)</b>				
Health (Continued):				
Building maintenance and supplies	31,600	31,600	21,874	(9,726)
Office supplies/printing	7,000	7,000	4,734	(2,266)
Materials and supplies	33,000	33,000	30,651	(2,349)
Dues, travel, and training	2,000	2,000	430	(1,570)
Professional services	20,000	20,000	10,680	(9,320)
Total Health	906,619	906,619	779,422	(127,197)
Total Public Works And Health	5,434,433	5,434,433	4,855,002	(579,431)
Total Expenditures	25,256,041	25,584,841	23,589,294	(1,995,547)
<b>REVENUES UNDER EXPENDITURES</b>	(2,698,741)	(2,930,541)	(1,353,718)	1,576,823
<b>OTHER FINANCING SOURCES</b>				
Insurance proceeds	-	-	258,639	258,639
Transfers in	425,000	425,000	427,783	2,783
Total Other Financing Sources	425,000	425,000	686,422	261,422
<b>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>	<u>\$ (2,273,741)</u>	<u>(2,505,541)</u>	<u>(667,296)</u>	<u>1,838,245</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			(133,978)	
Expenditure accrual adjustments			(124,880)	
Encumbrance adjustments			24,734	
Total Adjustments To Reconcile To GAAP Basis			(234,124)	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			(901,420)	
<b>FUND BALANCE, DECEMBER 1</b>			12,429,928	
<b>FUND BALANCE, NOVEMBER 30</b>			<u>\$ 11,528,508</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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 3,300,000	3,300,000	3,587,290	287,290
Investment income	-	-	767	767
Intergovernmental	236,662	236,662	19,939	(216,723)
Total Revenues	<u>3,536,662</u>	<u>3,536,662</u>	<u>3,607,996</u>	<u>71,334</u>
<b>EXPENDITURES</b>				
Capital outlay	3,588,428	3,613,428	3,203,544	(409,884)
Debt service	328,000	328,000	322,763	(5,237)
Total Expenditures	<u>3,916,428</u>	<u>3,941,428</u>	<u>3,526,307</u>	<u>(415,121)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(379,766)	(404,766)	81,689	486,455
<b>OTHER FINANCING SOURCES</b>				
Insurance proceeds	-	-	4,474	4,474
<b>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>	<u>\$ (379,766)</u>	<u>(404,766)</u>	<u>86,163</u>	<u>490,929</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			33,259	
Expenditure accrual adjustments			(153,689)	
Unbudgeted activity			(357,062)	
Encumbrance adjustments			330,772	
Total Adjustments To Reconcile To GAAP Basis			<u>(146,720)</u>	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			(60,557)	
FUND BALANCE, DECEMBER 1			<u>1,732,265</u>	
<b>FUND BALANCE, NOVEMBER 30</b>			<u>\$ 1,671,708</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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 3,400,000	3,400,000	3,518,059	118,059
Other	-	-	418	418
Investment income	-	-	506	506
Intergovernmental	26,400	26,400	425,122	398,722
Total Revenues	<u>3,426,400</u>	<u>3,426,400</u>	<u>3,944,105</u>	<u>517,705</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	2,187,937	2,253,937	1,992,317	(261,620)
Capital outlay	475,350	510,350	462,503	(47,847)
Debt service	577,000	577,000	573,999	(3,001)
Total Expenditures	<u>3,240,287</u>	<u>3,341,287</u>	<u>3,028,819</u>	<u>(312,468)</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>\$ 186,113</u>	<u>85,113</u>	<u>915,286</u>	<u>830,173</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			(365,231)	
Expenditure accrual adjustments			(67,332)	
Unbudgeted activity			(4,009,800)	
Encumbrance adjustments			292,270	
Total Adjustments To Reconcile To GAAP Basis			<u>(4,150,093)</u>	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			(3,234,807)	
FUND BALANCE, DECEMBER 1			<u>1,302,040</u>	
<b>FUND BALANCE (DEFICIT), NOVEMBER 30</b>			<u>\$ (1,932,767)</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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 500,000	500,000	509,661	9,661
Investment income	5,000	5,000	5,808	808
Total Revenues	<u>505,000</u>	<u>505,000</u>	<u>515,469</u>	<u>10,469</u>
<b>EXPENDITURES</b>				
Current:				
Public works	247,900	247,900	181,566	(66,334)
Capital outlay	25,000	25,000	19,900	(5,100)
Total Expenditures	<u>272,900</u>	<u>272,900</u>	<u>201,466</u>	<u>(71,434)</u>
<b>REVENUES OVER EXPENDITURES</b>	232,100	232,100	314,003	81,903
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(427,783)</u>	<u>(427,783)</u>	<u>(427,783)</u>	<u>-</u>
<b>REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (195,683)</u>	<u>(195,683)</u>	<u>(113,780)</u>	<u>81,903</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			11,398	
Expenditure accrual adjustments			(4,781)	
Encumbrance adjustments			<u>(141,300)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>(134,683)</u>	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			(248,463)	
FUND BALANCE, DECEMBER 1			<u>1,923,630</u>	
<b>FUND BALANCE, NOVEMBER 30</b>			<u>\$ 1,675,167</u>	

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED 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, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Fines and forfeitures	\$ 132,000	132,000	83,891	(48,109)
<b>EXPENDITURES</b>				
Debt service	252,000	252,000	69,825	(182,175)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (120,000)</u>	<u>(120,000)</u>	14,066	<u>134,066</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Expenditure accrual adjustments			30,713	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			44,779	
<b>FUND BALANCE (DEFICIT), DECEMBER 1</b>			(1,088,748)	
<b>FUND BALANCE (DEFICIT), NOVEMBER 30</b>			<u>\$ (1,043,969)</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, 2016**

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**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 Street, Community Development, and Neighborhood Stabilization Program. 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 YEARS ENDED NOVEMBER 30**

	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability</b>		
Service cost	\$ 23,839	37,832
Interest	881,163	857,542
Difference between expected and actual experience	116,079	(69,856)
Benefit payments	<u>(2,213,949)</u>	<u>(358,944)</u>
Net Change In Total Pension Liability	(1,192,868)	466,574
 Total Pension Liability Beginning	 <u>15,284,451</u>	 <u>14,817,877</u>
 Total Pension Liability Ending (a)	 <u><u>\$ 14,091,583</u></u>	 <u><u>15,284,451</u></u>
 <b>Plan Fiduciary Net Position</b>		
Contributions - employer	\$ 616,284	922,608
Net investment income	240,655	113,444
Benefit payments	<u>(2,213,949)</u>	<u>(358,944)</u>
Net Change In Plan Fiduciary Net Position	(1,357,010)	677,108
 Plan Fiduciary Net Position Beginning	 <u>11,782,391</u>	 <u>11,105,283</u>
 Plan Fiduciary Net Position Ending (b)	 <u><u>\$ 10,425,381</u></u>	 <u><u>11,782,391</u></u>
 <b>Net Pension Liability (a-b)</b>	 <u><u>\$ 3,666,202</u></u>	 <u><u>3,502,060</u></u>
  Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	  73.98 %	  77.09
 Covered Employee Payroll	 \$ 130,021	 163,648
 Net Pension Liability as a Percentage of Covered Employee Payroll	 2,819.70 %	 2,140.00

Note: 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									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$ 847,430	800,761	695,708	890,132	805,819	867,911	1,033,246	1,597,209	364,775	525,967
Contributions in relation to the actuarially determined contribution	616,284	922,608	892,849	973,417	1,039,121	945,205	1,301,778	1,283,642	1,165,885	1,128,974
Contribution Deficiency (Excess)	<u>\$ 231,146</u>	<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>
Covered Employee Payroll	\$ 130,021	163,648	320,625	351,853	481,416	655,949	792,439	930,946	1,053,624	1,134,536
Contributions as a Percentage of Covered Employee Payroll	473.99 %	563.78	278.47	276.65	215.85	144.10	164.27	137.89	110.65	99.51

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	Frozen entry age
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%, net of investment expenses, including inflation
Retirement age	Earlier of normal retirement age (age 60 with 10 years of service) and the date that the sum of age plus years of service total 85, or valuation date, if later
Mortality	In accordance with the mortality tables (optional combined basis) promulgated by the IRS for determination of funding targets for minimum funding purposes in plan years beginning in 2015 (with no further assumed improvements in mortality)

Other information:

There were no benefit changes during the year.

**OTHER SUPPLEMENTAL INFORMATION SECTION**

**CITY OF FLORISSANT, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION**

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**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, 2016**

	<b>Special Revenue Funds</b>				<b>Total Nonmajor Governmental Funds</b>
	<b>Street Fund</b>	<b>Community Development Fund</b>	<b>Neighborhood Stabilization Program Fund</b>	<b>Property Revitalization Fund</b>	
<b>ASSETS</b>					
Cash	\$ 746,927	-	48,849	36,509	832,285
Receivables:					
Taxes	287,076	-	-	-	287,076
Intergovernmental	-	23,935	-	-	23,935
Total Assets	<u>\$ 1,034,003</u>	<u>23,935</u>	<u>48,849</u>	<u>36,509</u>	<u>1,143,296</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	5,537	48,849	-	54,386
Accrued payroll	-	580	-	-	580
Due to other funds	-	17,818	-	-	17,818
Total Liabilities	<u>-</u>	<u>23,935</u>	<u>48,849</u>	<u>-</u>	<u>72,784</u>
<b>FUND BALANCES</b>					
Restricted for:					
Street improvements	1,034,003	-	-	-	1,034,003
Committed for:					
Property revitalization	-	-	-	36,509	36,509
Total Fund Balances	<u>1,034,003</u>	<u>-</u>	<u>-</u>	<u>36,509</u>	<u>1,070,512</u>
Total Liabilities And Fund Balances	<u>\$ 1,034,003</u>	<u>23,935</u>	<u>48,849</u>	<u>36,509</u>	<u>1,143,296</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, 2016**

	<b>Special Revenue Funds</b>				<b>Total Nonmajor Governmental Funds</b>
	<b>Street Fund</b>	<b>Community Development Fund</b>	<b>Neighborhood Stabilization Program Fund</b>	<b>Property Revitalization Fund</b>	
<b>REVENUES</b>					
Taxes	\$ 1,034,003	-	-	-	1,034,003
Other	-	-	-	500	500
Intergovernmental	-	207,329	6,572	-	213,901
Total Revenues	<u>1,034,003</u>	<u>207,329</u>	<u>6,572</u>	<u>500</u>	<u>1,248,404</u>
<b>EXPENDITURES</b>					
Current:					
General government	<u>-</u>	<u>207,329</u>	<u>6,572</u>	<u>685</u>	<u>214,586</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,034,003	-	-	(185)	1,033,818
<b>FUND BALANCES, DECEMBER 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,694</u>	<u>36,694</u>
<b>FUND BALANCES, NOVEMBER 30</b>	<u><u>\$ 1,034,003</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>36,509</u></u>	<u><u>1,070,512</u></u>

**CITY OF FLORISSANT, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**PROPERTY REVITALIZATION FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Other	\$ -	-	500	500
<b>EXPENDITURES</b>				
Current:				
General government	30,000	30,000	2,685	(27,315)
<b>REVENUES UNDER EXPENDITURES</b>	<u>\$ (30,000)</u>	<u>(30,000)</u>	(2,185)	<u>27,815</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Encumbrance adjustments			2,000	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			(185)	
<b>FUND BALANCE, DECEMBER 1</b>			36,694	
<b>FUND BALANCE, NOVEMBER 30</b>			<u>\$ 36,509</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, 2016**

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	<b>Balance November 30 2015</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance November 30 2016</b>
<b>ASSETS</b>				
Cash	\$ 1,319,538	127,717	349,265	1,097,990
Investments	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total Assets	<u><u>\$ 1,319,538</u></u>	<u><u>427,717</u></u>	<u><u>349,265</u></u>	<u><u>1,397,990</u></u>
<b>LIABILITIES</b>				
Due to others:				
Court bonds	\$ 95,086	-	18,271	76,815
Construction deposits	318,657	82,140	-	400,797
Other deposits	<u>778,605</u>	<u>45,577</u>	<u>-</u>	<u>824,182</u>
	1,192,348	127,717	18,271	1,301,794
Due to other funds	<u>127,190</u>	<u>-</u>	<u>30,994</u>	<u>96,196</u>
Total Liabilities	<u><u>\$ 1,319,538</u></u>	<u><u>127,717</u></u>	<u><u>49,265</u></u>	<u><u>1,397,990</u></u>

**CITY OF FLORISSANT, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2016**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Number</u>	<u>Expenditures</u>
<b>U.S. Department of Housing and Urban Development:</b>			
Community Development Block Grants/ Entitlement	14.218	-	\$ 207,329
Missouri Department of Economic Development:			
Community Development Block Grants/States Program	14.228	08-DN-06	<u>6,572</u>
Total U.S. Department Of Housing And Urban Development			<u>213,901</u>
<b>U.S. Department of Justice:</b>			
Federal Equitable Sharing	16.922	-	<u>42,145</u>
<b>U.S. Department of Transportation:</b>			
Missouri Department of Transportation:			
Highway Planning and Construction	20.205	BRM-5595(616)	43,469
State and Community Highway Safety	20.600	16-PT-02-026	8,786
Alcohol Open Container Requirements	20.607	16-154-AL-034	3,060
National Priority Safety Programs	20.616	16-M2HVE-05-013	<u>4,425</u>
Total U.S. Department Of Transportation			<u>59,740</u>
<b>U.S. Department of Homeland Security:</b>			
Missouri Emergency Management Agency:			
Disaster Grants – Public Assistance	97.036	-	11,007
Emergency Management Performance Grant	97.042	-	<u>9,061</u>
Total U.S. Department Of Homeland Security			<u>20,068</u>
Total Awards Expended			<u>\$ 335,854</u>