

Comprehensive Annual Financial Report

For Fiscal Year Ended
March 31, 2019



Photo courtesy of Claire Budd

City of Kirkwood, Missouri

CITY OF KIRKWOOD, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2019



Report issued by the Finance Department

Sandra F. Stephens
Finance Director

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Table of Contents

Page

Part I – INTRODUCTORY SECTION:

Letter of Transmittal.....	i - iv
List of City Officials.....	v
Organization Chart.....	vi
Certificate of Achievement For Excellence In Financial Reporting.....	vii

Part II – FINANCIAL SECTION:

Independent Auditor's Report.....	1 – 3
Management's Discussion and Analysis.....	4 – 16

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position.....	17
Statement of Activities.....	18

Fund Financial Statements:

Balance Sheet – Governmental Funds	19
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	20
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	22
Statement of Fund Net Position – Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund.....	24
Statement of Cash Flows – Proprietary Funds.....	25 – 26
Statement of Fiduciary Net Position – Fiduciary Fund Types - Trust and Agency Funds.....	27
Statement of Changes in Fiduciary Net Position – Pension Trust Funds.....	28
Notes to Basic Financial Statements.....	29 – 77

Table of Contents

Page

Part II – Financial Section (*Continued*):

Required Supplementary Information – Budgetary Comparison Information:

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	78 – 81
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Public Park Board.....	82
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – P&F Property Tax Pension Fund...	83
Notes to Budgetary Comparison Information.....	84

Other Supplementary Information:

Combining Balance Sheet – Non-major Governmental Funds.....	85
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds.....	86
Combining Balance Sheet – Non-major Special Revenue Funds.....	87
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds.....	88
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds: Non-Major Special Revenues Funds: Downtown Special Business District Fund.....	89
Equitable Sharing Fund.....	90
Sewer Lateral Fund.....	91
Debt Service Fund.....	92
Capital Projects Funds: Capital Improvement Fund.....	93
Parks and Storm Water Improvement Fund.....	94
Combining Statement of Net Position – Internal Service Funds.....	95
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds.....	96
Combining Statement of Cash Flows – Internal Service Funds.....	97
Combining Statement of Net Position – Pension Trust Funds.....	98
Combining Statement of Changes in Net Position – Pension Trust Funds.....	99
Combining Balance Sheet – Agency Funds.....	100
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	101
Balance Sheet – Industrial Development Authority.....	102
Statement of Revenues, Expenses, and Change in Net Position – Industrial Development Authority.....	103

Table of Contents

Page

Part III – STATISTICAL SECTION:

Financial Trends Information:

Net Position by Component, Last Ten Fiscal Years.....	104
Changes in Net Position, Last Ten Fiscal Years.....	105-106
Program Revenues by Function/Program, Last Ten Fiscal Years.....	107
Fund Balances, Governmental Funds, Last Ten Fiscal Years.....	108
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years.....	109
Tax Revenues by Source, Governmental Funds, Last Ten Fiscal Years.....	110

Revenue Capacity Information:

Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	111
Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years.....	112
Principal Property Tax Payers, Current Year and Nine Years Ago.....	113
Property Tax Levies and Collections, Last Ten Fiscal Years.....	114
Electricity Sold by Type of Customer, Last Ten Fiscal Years.....	115
Water Sold by Type of Customer, Last Ten Fiscal Years.....	116
Sales Tax Revenues, Last Ten Fiscal Years.....	117
Direct and Overlapping Sales Tax Rates, Last Ten Fiscal Years.....	118

Debt Capacity Information:

Ratios of Outstanding Debt By Type, Last Ten Fiscal Years.....	119
Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years.....	120
Legal Debt Margin Information, Last Ten Fiscal Years.....	121
Direct and Overlapping Governmental Activities Debt as of March 31, 2019.....	122
Pledged – Revenue Coverage, Last Ten Fiscal Years.....	123

Demographic and Economic Information:

Demographic and Economic Statistics, Last Ten Calendar Years.....	124
Principal Employers, Current Year and Nine Years Ago.....	125

Operating Information:

Full-time Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years.....	126
Operating Indicators by Function/Program, Last Ten Fiscal Years.....	127-129
Capital Assets Statistics by Function/Program, Last Ten Fiscal Years.....	130-131

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City of

Introductory Section



Kirkwood

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WHERE COMMUNITY AND SPIRIT MEET

September 16, 2019

To the Honorable Mayor, Members of the City Council, and Citizens of Kirkwood, Missouri:

The Comprehensive Annual Financial Report (CAFR) of the City of Kirkwood (City), Missouri, for the fiscal year ended March 31, 2019, is hereby submitted. The City of Kirkwood's Finance Department prepared this report. The management of the City is responsible for the accuracy of the data and the completeness and fairness of the presentation of the financial statements and other information presented herein. We believe the presentation is accurate in all material respects and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial activities.

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). This association awards Certificates of Achievement for Excellence in Financial Reporting to those governments whose annual financial reports are judged to conform substantially with the high standards of public financial reporting including generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. It is our belief that the accompanying Fiscal Year 2018 Financial Report meets these program standards, and it will be submitted to the Government Finance Officers Association for review.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Kirkwood is located in St. Louis County, approximately 14 miles west of the City of St. Louis. The City covers approximately 9.1 square miles and is bounded by Interstate 44 on its southern boundary and traversed by Interstate 270 near its western boundary. Together, the interstate highways provide excellent access to all parts of the St. Louis metropolitan area.

Kirkwood was the first planned suburban residential area west of the Mississippi River. The City was established in 1853, incorporated in 1865, re-incorporated as a fourth class city in 1899, and as a third class city in 1930. In 1984, the City became a home rule city as permitted under a 1971 amendment to the Missouri Constitution.

Known as “The Green Tree City,” the City is an attractive suburban residential community with tree-lined streets, a vibrant downtown shopping district, and a highly rated public school system. The City has a diverse economic base, which includes several large retailers, limited industries, and many small specialty shops. Kirkwood also is a scheduled daily stop on Amtrak’s St. Louis to Kansas City route.

Missouri State Law and City ordinances require annual budgets to be prepared for the General and Special Revenue Funds on a basis that approximates generally accepted accounting principles. For the period covered by this annual financial report, budgetary control over expenditures was exercised by the City Council throughout the entire fiscal year. The City Council could amend the budget throughout the year provided total expenditures appropriations did not exceed projected revenues plus unencumbered reserves.

Appropriation transfers were made within or between departments with the approval of the Chief Administrative Officer. All budget amendments in excess of the original budget were approved by City ordinances or by transfer from an amount appropriated for contingencies. A City policy, which is not required by state statute, requires all budget amendments or transfers of \$10,000 or more be approved by ordinance. Therefore, the legal level of budgetary control is established by law at the sub object or account level.

The City’s accounting system provides for internal controls to ensure that assets of the City are protected from loss, theft or misuse, and are properly accounted for. The City has designed a comprehensive set of internal controls to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the valuation of costs and benefits requires estimates and judgments by management.

It is the opinion of management that the internal controls utilized are adequate and provide for the safeguarding of assets and assure proper recording of financial transactions.

FACTORS AFFECTING FINANCIAL CONDITION

In order to continue to deliver the high quality of life for our citizens, we must have strong stewardship of our finances. The City’s finance staff monitors closely the day to day cash flow and budget expenditures. Our strong fund balances is one of the primary reasons the City of Kirkwood has been able to maintain and keep the Aa2 bond rating. This is only one level from the highest rating possible. The strong investment grade bond rating has allowed the City broad access to the credit markets over the years and provided opportunity to borrow funds at some of the lowest possible borrowing costs, which can and will save our citizens hundreds of thousands of dollars whenever new debt is issued. We must strive to maintain and build our strong fund balances citywide.

We continue to evaluate opportunities to create and drive new revenue streams for the City. Opportunity abounds in the controlled redevelopment of our commercial corridors.

The Envision Kirkwood 2035 Plan will guide development that is sustainable, and complimentary to the character and current land uses throughout the City for years to come. Through the implementation of the Downtown Master Plan, the City will benefit by engaging in strategic investment through the SBD, and directing quality development to underutilized locations of the downtown area. This is exemplified by the new Performing Arts Center which, along with The Magic House, will act as an anchor for an arts and entertainment sector in downtown. These investments will provide the seeds of change to more fully realize great potential in underdeveloped sites.

The City needs to refocus its efforts regarding economic development opportunities. The Zoning and Code Subcommittee of City Council is working diligently to update our zoning code to allow flexibility in certain redevelopment situations. This will be a key piece of the puzzle in securing quality private investment in some of the City's more difficult to develop properties. Obtaining highest and best use on these underutilized land parcels will grow the property and sales tax bases to provide the highest quality services our citizens' demand and expect. To this end we plan to include in the budget a reorganization of the planning and development functions of the City to provide a more coordinated and effective service delivery.

Our solid waste operation is undergoing a complete overhaul. We no longer collect commercial trash and our residential solid waste that was exclusively plastic bags will be modernized and offer residents two sizes of bins for their solid waste disposal. This change will mean less personnel for an automated collection method for residential solid waste.

Threats to the City's fiscal health do not stop the economy or the weather. As there have been in the recent past, there are sure to be more initiatives at the state level that erode Home Rule, and could bring more restrictions on municipalities. One need only to read a randomly selected issue of the St. Louis Post-Dispatch to glean that the issues in some cities are generalized and broadly extended to encompass other, better operated municipalities.

INDEPENDENT AUDIT

State statutes and the City Charter require an annual audit by independent certified public accountants. The accounting firm of Hochschild, Bloom & Company, LLP was selected by the City Council for this year's audit. The external auditors met with the City's Audit Committee at the start of fieldwork and at the conclusion of fieldwork. The Audit Committee met together and privately with the external auditors and management to ensure review and oversight. The auditor's report on the basic financial statements is included in the financial section of this report.

AWARDS AND ACKNOWLEDGEMENTS

The (GFOA) awarded a Certificate of Achievement for Excellence in Financial reporting to the City of Kirkwood, Missouri, for its CAFR for the fiscal year ended March 31, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must

satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The preparation of the CAFR was made possible by the dedicated service of the entire staff of the finance department. Each member of the department and all City employees who supplied information have our sincere appreciation for the contributions made in preparation of this report.

In closing, without the leadership, interest and support of the Mayor, City Council and Chief Administrative Officer, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in black ink, reading "Sandra F. Stephens". The signature is written in a cursive, flowing style.

Sandra Stephens
Director of Finance

CITY OF KIRKWOOD, MISSOURI

CITY OFFICIALS

MAYOR

Timothy Griffin

COUNCIL MEMBERS

Maggie Duwe

Ellen Edman

Nancy Luetzow

Wallace Ward

Kara Wurtz

Mark Zimmer

COUNCIL STAFF

Laurie Asche

City Clerk

ADMINISTRATION

Russell Hawes

Chief Administrative Officer

Georgia Ragland

Asst. Chief Administrative Officer

Elizabeth Von Behren

Public Information Officer

DEPARTMENT HEADS

Sandra Stephens

Finance Director

David Weidler

Purchasing Director

Kevin Campe

Information Systems Director

Brian Murphy

Police Chief

James Silvernail

Fire Chief

Mark Petty

Electric Director

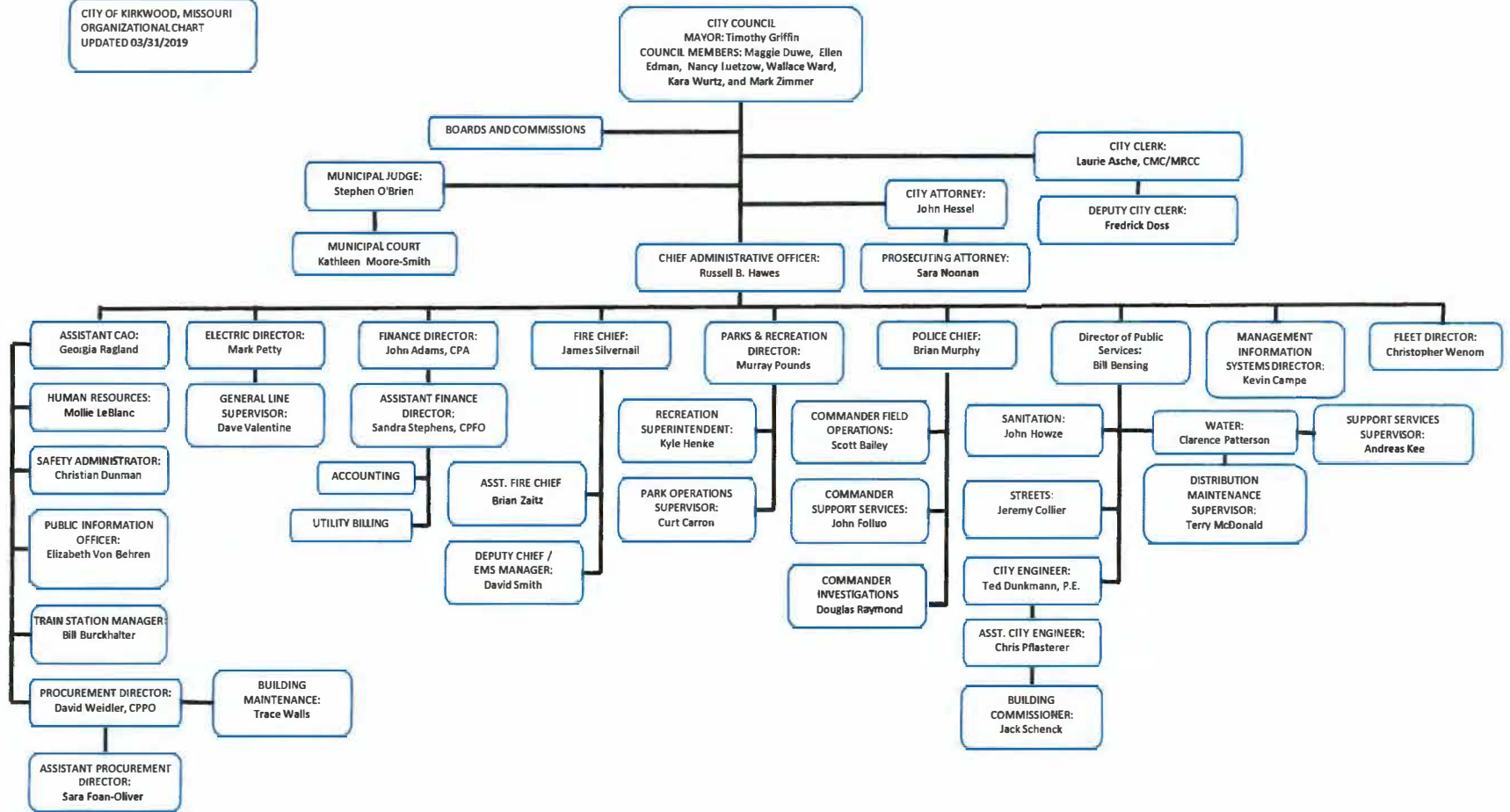
Bill Bensing

Public Services Director

Murray Pounds

Parks and Recreation Director

CITY OF KIRKWOOD, MISSOURI
ORGANIZATIONAL CHART
UPDATED 03/31/2019





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Kirkwood
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

March 31, 2018

Christopher P. Morrell

Executive Director/CEO

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City of	Financial Section
Kirkwood	



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

INDEPENDENT AUDITOR'S REPORT

September 16, 2019

Honorable Mayor and Members of the City Council
CITY OF KIRKWOOD, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF KIRKWOOD, MISSOURI** (the City) as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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.

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

We believe that our 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 business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of March 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary 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 supplementary 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 supplementary information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.


The other supplementary 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.


CERTIFIED PUBLIC ACCOUNTANTS
Chesterfield, Missouri

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CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2019

As management of the CITY OF KIRKWOOD, we offer readers of the CITY OF KIRKWOOD'S financial statements this narrative overview and analysis of the financial activities of the CITY OF KIRKWOOD for the fiscal year ended MARCH 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through v of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the CITY OF KIRKWOOD exceeded its liabilities at the close of the most recent fiscal year by \$134,133 (*net position*). Of this amount, \$93,478 is invested in capital assets, net of related debt; \$31,293 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. While \$9,362 is restricted for a specific use (see NET POSITION, page 17).
- As of the close of the current fiscal year, the CITY OF KIRKWOOD'S governmental funds reported combined ending fund balances of \$40,295 a decrease of \$2,033 in comparison with the prior year. This decrease is due primarily to the use of bond proceed received in the previous fiscal year for the performing arts center, contributions to the police & fire pension fund, and general government capital improvements. A total of \$6,544 is *available for spending* at the government's discretion (*unassigned fund balance*). While \$33,751 has been assigned for a specific use (see FUND BALANCES, page 19).
- At the end of the current fiscal year, nonspendable, assigned, and unassigned fund balance for the general fund was \$7,976, or 33 percent of total general fund annual operating expenditures.
- At the end of the current fiscal year, nonspendable, assigned, and unassigned net position for our business-type activities were \$50,709. Electric, Water, and Sanitation funds all had an increase in net position.

Overview of Financial Statements

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

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the CITY OF KIRKWOOD'S finances, in a manner similar to a private-sector business.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Overview of Financial Statements (continued)

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

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

Both of the government-wide financial statements distinguish functions of the CITY OF KIRKWOOD that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the CITY OF KIRKWOOD include general government, public safety, highways and streets, economic development, and culture and recreation. The business-type activities of the CITY OF KIRKWOOD include Water, Sanitation and an Electric Distribution operation.

The government-wide financial statements include not only the CITY OF KIRKWOOD itself (known as the *primary government*), but also a legally separate Industrial Development Authority for which the CITY OF KIRKWOOD is financially accountable. Financial information for this *component unit* is reported by the City.

The government-wide financial statements can be found on pages 17 and 18 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CITY OF KIRKWOOD, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the CITY OF KIRKWOOD can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Overview of Financial Statements (continued)

Governmental Funds (continued)

fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The CITY OF KIRKWOOD maintains 10 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, public park board, police & fire property tax pension and our two voter approved capital improvement funds which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The CITY OF KIRKWOOD adopts an annual appropriated budget for its general, public parks, and P&F property tax pension fund. A budgetary comparison statement has been provided for the general, public parks, and P&F property tax pension fund. Due to the management controls adopted, which provide for the budget to be controlled at a detail greater than the statutory level of control, the legal level of budgetary control for all governmental funds is established at the sub object level. Compliance with the legal level of budgetary control is demonstrated through the issuance of a separate report, which is available for inspection on the city's web site www.kirkwoodmo.org or at the Finance Department.

The basic governmental fund financial statements can be found on pages 19 through 22 of this report.

Proprietary Funds. The CITY OF KIRKWOOD maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The CITY OF KIRKWOOD uses enterprise funds to account for its Water, Sanitation and for its Electric Distribution operation. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the CITY OF KIRKWOOD'S various functions. The CITY OF KIRKWOOD uses internal service funds to account for the maintenance & repair of its vehicles and equipment, worker's compensation program and to self-insure for our healthcare needs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water distribution, Sanitation and for the Electric Distribution operation, the three of which are considered to be major funds of the CITY OF KIRKWOOD. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Overview of Financial Statements (continued)

The basic proprietary fund financial statements can be found on pages 23 through 26 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the CITY OF KIRKWOOD'S own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 29 through 77 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the CITY OF KIRKWOOD'S budgetary comparisons. Required supplementary information can be found starting on page 79.

The combining statements referred to earlier in connection with nonmajor governmental funds, the nonmajor governmental funds budget comparisons, and internal service funds are presented in other supplementary information. Combining and individual fund statements and schedules can be found on pages 86 through 104 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CITY OF KIRKWOOD, assets and deferred outflows of resources exceeded liabilities by \$134,133 at the close of the most recent fiscal year.

By far the largest portion of the CITY OF KIRKWOOD'S net positions (70 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) net of related debt. The CITY OF KIRKWOOD uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The second largest portion of the CITY OF KIRKWOOD'S net position is the unrestricted portion of net position (23 percent).

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

The following table reflects the condensed statement of net position as of MARCH 31, 2019:

City of Kirkwood's Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>
Current and other assets	\$49,496	\$47,485	\$23,839	\$25,867	\$73,335	\$73,352
Capital assets	<u>63,423</u>	<u>66,559</u>	<u>36,295</u>	<u>38,334</u>	<u>99,718</u>	<u>104,893</u>
Total Assets	<u>112,919</u>	<u>114,044</u>	<u>60,134</u>	<u>64,201</u>	<u>173,053</u>	<u>178,245</u>
Deferred Outflow of Resources:						
Deferred charge on Refunding	<u>44</u>	--	<u>106</u>	<u>98</u>	<u>149</u>	<u>98</u>
Long-term liabilities						
Outstanding	26,994	25,759	10,403	12,096	37,397	37,855
Other liabilities	<u>4,151</u>	<u>4,861</u>	<u>1,479</u>	<u>1,494</u>	<u>5,630</u>	<u>6,355</u>
Total Liabilities	<u>31,145</u>	<u>30,620</u>	<u>11,882</u>	<u>13,590</u>	<u>43,027</u>	<u>44,210</u>
Net Position:						
Net investment in						
Capital assets	61,751	65,595	26,082	27,883	87,833	93,478
Restricted	11,245	8,679	681	683	11,926	9,362
Unrestricted	<u>8,821</u>	<u>9,150</u>	<u>21,595</u>	<u>22,143</u>	<u>30,416</u>	<u>31,293</u>
Total Net Position	<u>\$81,817</u>	<u>\$83,424</u>	<u>\$48,358</u>	<u>\$50,709</u>	<u>\$ 130,175</u>	<u>\$134,133</u>

A portion of the CITY OF KIRKWOOD'S Governmental Activities net position (10 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net positions* \$9,150 (11 percent) may be used to meet the government's ongoing obligations.

At the end of the current fiscal year, the CITY OF KIRKWOOD is able to report positive balances in all three categories of net position, for the government as a whole, business type activities as well as for its component unit.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2019

The CITY OF KIRKWOOD'S net position increased by \$3,958 during the current fiscal year as a result of the activity shown in the following table:

City of Kirkwood's Changes in Net Position

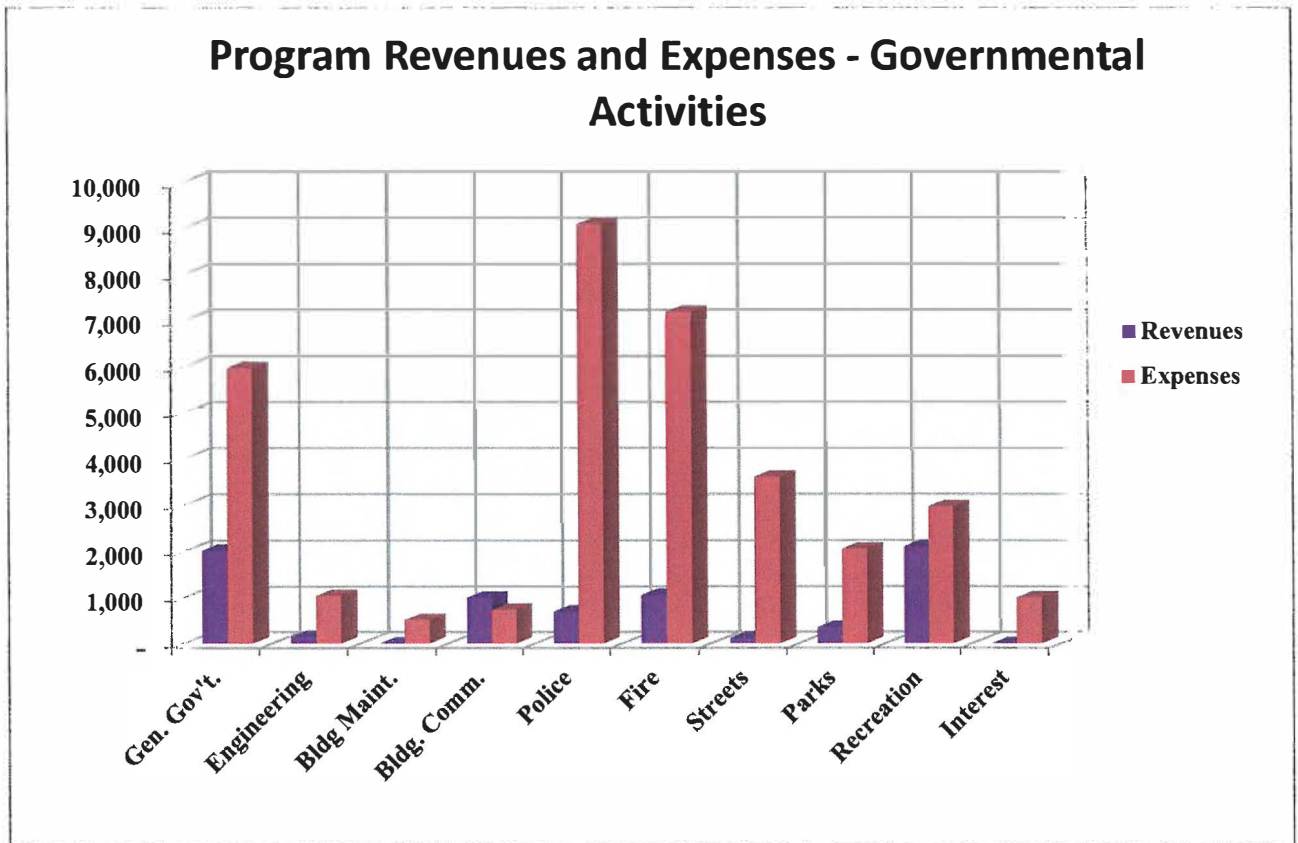
	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Revenues:						
Program Revenues:						
Charges for services	\$6,309	\$6,893	\$36,430	\$37,438	\$42,739	\$44,331
Operating grants and Contributions	181	199	--	--	181	199
Capital grants and Contributions	716	452	217	362	933	814
General Revenues:						
Property taxes	4,999	5,228	--	--	4,999	5,228
Other taxes	18,733	19,485	--	--	18,733	19,485
Other revenues	675	1,188	358	669	1,033	1,857
Total Revenues	<u>31,163</u>	<u>33,445</u>	<u>37,005</u>	<u>38,469</u>	<u>68,618</u>	<u>71,914</u>
Expenses:						
General government	5,314	5,986	--	--	5,314	5,986
Engineering	1,013	1,043	--	--	1,013	1,043
Building maintenance	506	513	--	--	506	513
Building commissioner	673	739	--	--	673	739
Police	8,929	9,106	--	--	8,929	9,106
Fire	7,015	7,209	--	--	7,015	7,209
Streets	3,631	3,623	--	--	3,631	3,623
Parks	1,982	2,065	--	--	1,982	2,065
Recreation	2,813	2,980	--	--	2,813	2,980
Interest on long-term debt	745	1,007	--	--	745	1,007
Electric	--	--	25,153	26,114	25,153	26,114
Water	--	--	5,292	4,967	5,292	4,967
Sanitation	--	--	2,395	2,604	2,395	2,604
Total Expenses	<u>32,621</u>	<u>34,271</u>	<u>32,840</u>	<u>33,685</u>	<u>65,461</u>	<u>67,956</u>
Increase (decreased) in net position before special items and transfers	(1,008)	(826)	4,165	4,784	3,157	3,958
Special item	602	--	--	--	602	--
Transfers	<u>2,520</u>	<u>2,433</u>	<u>(2,520)</u>	<u>(2,433)</u>	<u>--</u>	<u>--</u>
Increase/decrease in net position	<u>2,114</u>	<u>1,607</u>	<u>1,645</u>	<u>2,351</u>	<u>3,759</u>	<u>3,958</u>
Net position - April 1, 2018	<u>\$ 81,817</u>		<u>\$ 48,358</u>		<u>\$ 130,175</u>	
Net position - MARCH 31, 2019		<u>\$83,424</u>		<u>\$50,709</u>		<u>\$134,133</u>

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Government-wide Financial Analysis (continued)

The following exhibit presents expenditures and program revenues of governmental activities:



Governmental activities and Business activities showed growth this past fiscal year.

Overall governmental revenues have remained flat with a small increase however the City is still concerned because the recovery appears to be sluggish.

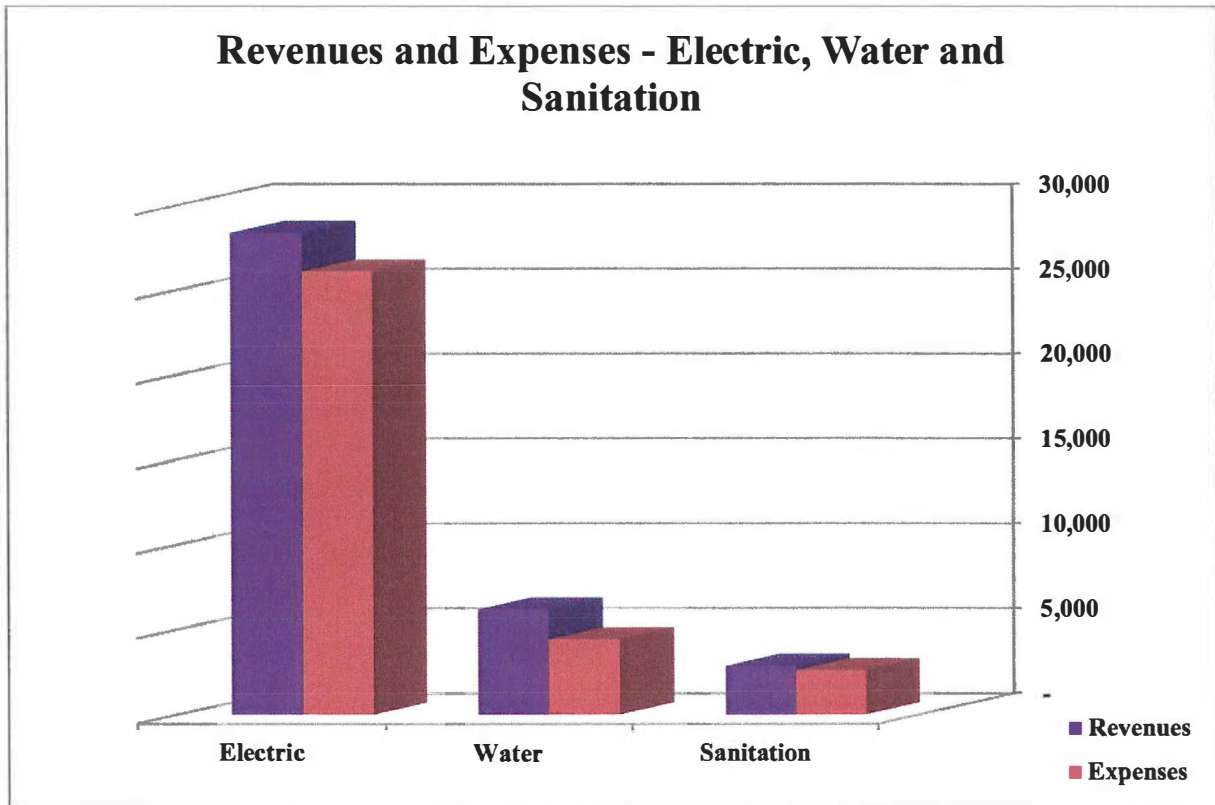
Business-type Activities. Our Water, Electric, and Sanitation, business-type activities showed a positive increase in net position. The largest increase was in the electric fund which had an increase in net position of \$1,231.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Business-type Activities (continued)

- Operational revenues for electric, water, and sanitation services increased by \$1,008 compared to our last fiscal year. Operating expenses compared to the last fiscal year increased by \$775. The warm summer increased usage so we sold more electricity and water.
- The Water Distribution System purchases 100% of its water from Missouri American Water Company. The water is delivered to Kirkwood through five separate interconnects and a long term contract with Missouri American Water system have made our system more reliable, in addition to providing the City with predictable costs.
- Sanitation had a \$522 change in net position in 2018. Sanitation's change in net position in 2019 is \$367. The turnaround was due to the elimination of commercial sanitation and a rate increase.



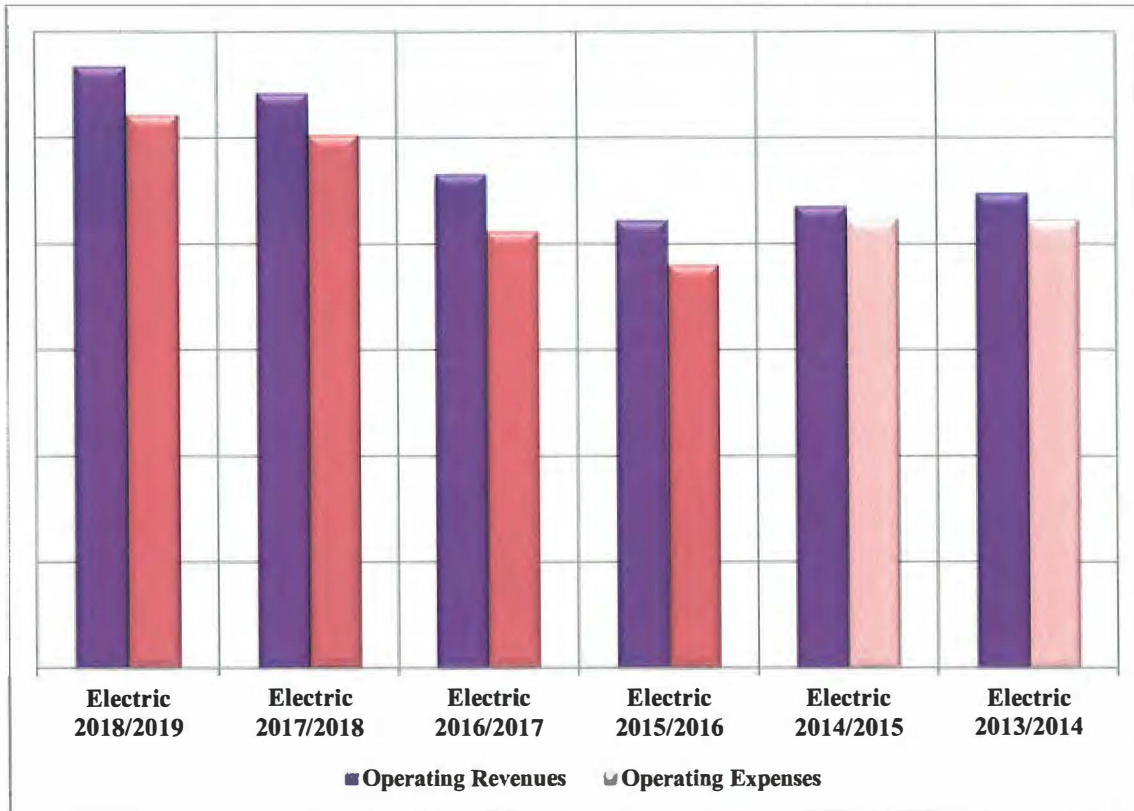
CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Government-wide Financial Analysis (continued)

Business-type Activities (continued)

ELECTRIC FUND



Financial Analysis of the Government's Funds

As noted earlier, the CITY OF KIRKWOOD uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the CITY OF KIRKWOOD'S *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the CITY OF KIRKWOOD'S financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CITY OF KIRKWOOD'S governmental funds reported combined ending fund balance of \$40,295, a decrease of \$2,034 in comparison with the prior year. This decrease is due to the use of bond proceeds received in a prior fiscal year, the general government capital fund using fund balance and the police and fire pension fund also used fund balance.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Financial Analysis of the Government's Funds (continued)

Approximately (16 percent, \$6,544) of this total ending fund balance constitutes unassigned *fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is either assigned, nonspendable, or restricted. To indicate that it is not available for new spending because it has already been committed 1) Nonspendable, inventory, and prepaid items (\$83), 2) Restricted, legally restricted by outside parties or by law through constitutional provisions or enabling legislation (\$33,667).

The general fund is the chief operating fund of the CITY OF KIRKWOOD. At the end of the current fiscal year, fund balance of the general fund was \$7,976.

The fund balance of the CITY OF KIRKWOOD'S general fund increased by \$1,192 during the current fiscal year. A key factor in the increase was:

- Full year of collections from Prop P monies went from \$600 in 2018 to \$1,512 in 2019.

The fund balance of the Public Park Board increased by \$180 during the current fiscal year. A key factors in the increase was:

- Transfers in went from \$571 in 2018 to \$623,908 in 2019.

The fund balance of the Police & Fire property Tax Pension Fund decreased by (\$223)

- We are maintaining the property tax rate however we continue to use fund balance. We hired on seven new firefighters and as a result of Proposition P passing council gave all of our police officers a 6.25 salary increase. We are paying deferred contributions and medicare for police and fire from the general fund. Council reversed the voluntary reduction in the police and fire property tax which increased our property tax collections by \$190. These actions have cut in half the deficit from previous years.

The fund balance of the Capital Improvement Fund decreased by \$435 during the current fiscal year. Key factors in the decrease were:

- Increased street expenditures used funds from the fund balance.
- Total capital expenditures increased by \$437 over 2018 totals.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Financial Analysis of the Government's Funds (continued)

The fund balance of the Park & Storm Water Improvement Fund decreased by \$2,632 compared to the previous fiscal year. A key factor in the decrease were:

- Use of bond proceeds issued the previous fiscal year meant the increased fund balance was used to fund the performing arts center construction.

The debt service fund has a total fund balance of \$574, all of which is restricted for the payment of debt service. The City enacted a dedicated property tax for debt service when initially approved by the voters. This annual property tax produced revenues of \$616 in the current fiscal year which, when combined with investment and other income in addition to the fund balance, is more than enough to service our general obligation debt.

Proprietary Funds. The CITY OF KIRKWOOD'S proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Proprietary funds at the end of the year increased by \$2,351. The total change in net position for the water fund was \$753, sanitation fund was \$367 and \$1,231 in the electric fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the CITY OF KIRKWOOD'S business-type activities.

General Fund Budgetary Highlights

Differences between the General Fund original budgeted expenditures and the final amended budgeted expenditures increased \$700.

Capital Asset and Debt Administration

Capital Assets. The CITY OF KIRKWOOD'S investment in capital assets for its governmental and business type activities as of MARCH 31, 2019, amounts to \$104,893 net of accumulated depreciation. This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the CITY OF KIRKWOOD'S investment in capital assets for the current fiscal year was \$5,175.

Additional information on the CITY OF KIRKWOOD'S capital assets can be found in note 4 on pages 51 through 54 of this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Long-Term Debt. At the end of the current fiscal year, the CITY OF KIRKWOOD had total debt outstanding of \$36,447. Of this amount, \$525 comprises debt backed by the full faith and credit of the government. The remainder of the CITY OF KIRKWOOD'S debt represents bonds secured solely by specified revenue sources (i.e., leasehold revenue bonds) and notes.

City of Kirkwood's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>
General Obligation Bonds	\$1,030	\$ 525	\$ --	\$ --	\$ 1,030	\$ 525
Certificates of Participation	\$23,880	\$23,515	\$ 9,985	\$ 9,330	\$33,865	\$32,845
Capital Leases	\$ 806	\$ 446	\$ 268	\$ 2,631	\$ 1,074	\$ 3,074

The CITY OF KIRKWOOD'S total debt increased by \$478 during the current fiscal year. The City issued \$2,631 in debt in the fiscal year ending MARCH 31, 2019.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the CITY OF KIRKWOOD is \$82,914, which is significantly in excess of the CITY OF KIRKWOOD'S outstanding general obligation debt.

Additional information on the CITY OF KIRKWOOD'S long-term debt can be found in note 6 on pages 61 through 67 of this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Economic Factors and Next Year's Budgets and Rates

- While the Electric Fund is healthy our plan is to increase our profit margin by purchasing the lowest cost electric power possible to supplement our long term purchasing contract with Prairie State.
- Our sanitation fund is back on solid financial footing. However, the City will no longer provide single stream recycling because there aren't any firms to take the recycling. This will increase our landfill costs significantly and we expect another increase in the rate soon.
- Council increased the water rates by 2.5% and will evaluate small increases for the next few years.

All of these factors were considered in preparing the CITY OF KIRKWOOD'S budget for the 2019/2020 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the CITY OF KIRKWOOD'S finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Kirkwood, Finance Director, 139 S. Kirkwood Road Kirkwood, Missouri 63122-4303. Budget and Comprehensive Annual Financial Report documents are available online at - <http://www.ci.kirkwood.mo.us/finance/finance.htm>.

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF NET POSITION
MARCH 31, 2019

	Primary Government			Component Unit Industrial Development Authority
	Governmental Activities	Business-Type Activities	Total	
ASSETS:				
Cash and short-term investments.....	\$ 46,857,586	\$ 19,254,725	\$ 66,112,311	\$ 90,311
Receivables:				
Taxes - net of uncollectible amount of \$11,767.....	2,996,605	-	2,996,605	-
Services - net of uncollectible amounts of \$90,966 and \$54,438.....	515,475	2,577,659	3,093,134	-
Interest.....	44,715	33,957	78,672	179
Other.....	100,113	222,396	322,509	-
Internal balances.....	(3,115,000)	3,115,000	-	-
Inventories.....	78,513	663,342	741,855	-
Prepaid items.....	6,882	-	6,882	-
Capital assets:				
Nondepreciable.....	11,891,159	5,924,618	17,815,777	-
Depreciable.....	54,667,667	32,409,588	87,077,255	-
TOTAL ASSETS.....	\$ 114,043,715	\$ 64,201,285	\$ 178,245,000	\$ 90,490
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred charge on refunding.....	\$ -	\$ 97,508	\$ 97,508	\$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES..	\$ -	\$ 97,508	\$ 97,508	\$ -
LIABILITIES:				
Accounts payable.....	\$ 1,443,112	\$ 1,097,921	\$ 2,541,033	\$ -
Accrued interest.....	303,866	85,825	389,691	-
Other accrued liabilities.....	373,144	92,714	465,858	-
Claims payable.....	875,758	-	875,758	-
Unearned revenues.....	450,233	-	450,233	-
Deposits and escrow funds.....	1,414,961	217,774	1,632,735	-
Long-Term Liabilities:				
Due within one year.....	1,827,272	964,965	2,792,237	-
Due in more than one year.....	23,931,244	11,130,965	35,062,209	-
TOTAL LIABILITIES.....	30,619,590	13,590,164	44,209,754	-
NET POSITION:				
Net investment in capital assets.....	65,594,860	27,882,833	93,477,693	-
Restricted for:				
Capital projects.....	4,704,702	-	4,704,702	-
Debt service.....	634,691	683,298	1,317,989	-
Law enforcement.....	95,266	-	95,266	-
Park operations.....	1,834,772	-	1,834,772	-
Police and fire pension.....	795,563	-	795,563	-
Sewer lateral.....	433,030	-	433,030	-
Special Business district.....	180,657	-	180,657	-
Unrestricted.....	9,150,584	22,142,498	31,293,082	90,490
TOTAL NET POSITION.....	\$ 83,424,125	\$ 50,708,629	\$ 134,132,754	\$ 90,490

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Industrial Development Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Governmental Activities:								
General government and finance.....	\$ 5,986,243	\$ 2,031,865	\$ -	\$ -	\$ (3,954,378)	\$ -	\$ (3,954,378)	\$ -
Engineering.....	1,043,364	152,229	-	-	(891,135)	-	(891,135)	-
Building maintenance.....	512,995	-	-	-	(512,995)	-	(512,995)	-
Building commissioner.....	739,362	1,002,409	-	-	263,047	-	263,047	-
Police.....	9,106,398	536,959	151,401	11,342	(8,406,696)	-	(8,406,696)	-
Fire.....	7,208,493	1,059,882	-	-	(6,148,611)	-	(6,148,611)	-
Streets.....	3,623,002	56,740	-	69,882	(3,496,380)	-	(3,496,380)	-
Parks.....	2,064,446	63,426	-	292,577	(1,708,443)	-	(1,708,443)	-
Recreation.....	2,980,394	1,989,796	47,426	78,289	(864,883)	-	(864,883)	-
Interest and fiscal agent fees on long-term debt.....	1,006,577	-	-	-	(1,006,577)	-	(1,006,577)	-
Total Governmental Activities.....	34,271,274	6,893,306	198,827	452,090	(26,727,051)	-	(26,727,051)	-
Business-Type Activities:								
Electric.....	26,113,998	28,391,620	-	280,927	-	2,558,549	2,558,549	-
Water.....	4,967,026	6,185,437	-	81,269	-	1,299,680	1,299,680	-
Sanitation.....	2,603,702	2,861,242	-	-	-	257,540	257,540	-
Total Business-Type Activities.....	33,684,726	37,438,299	-	362,196	-	4,115,769	4,115,769	-
TOTAL PRIMARY GOVERNMENT.....	\$ 67,956,000	\$ 44,331,605	\$ 198,827	\$ 814,286	\$ (26,727,051)	\$ 4,115,769	\$ (22,611,282)	\$ -
General Revenues:								
Property taxes levied for:								
General purposes.....					\$ 2,255,853	\$ -	\$ 2,255,853	\$ -
Park.....					1,014,025	-	1,014,025	-
P&F Property Tax Pension.....					1,176,929	-	1,176,929	-
Special business district.....					131,511	-	131,511	-
Debt service.....					649,980	-	649,980	-
Sales tax levied for:								
General purposes.....					6,326,766	-	6,326,766	-
Capital improvement purposes.....					2,177,931	-	2,177,931	-
Park and stormwater purposes.....					2,562,274	-	2,562,274	-
Gasoline/motor vehicle sales tax.....					1,102,188	-	1,102,188	-
Utility gross receipts.....					4,583,761	-	4,583,761	-
Cigarette taxes.....					58,513	-	58,513	-
Highway, road and bridge.....					762,275	-	762,275	-
County public safety.....					1,503,259	-	1,503,259	-
Franchise taxes.....					407,646	-	407,646	-
Earnings on investments.....					673,630	586,809	1,260,439	1,865
Gain on sale of capital assets.....					-	81,703	81,703	-
Other revenues.....					514,414	-	514,414	-
Transfers in (out).....					2,433,000	(2,433,000)	-	-
TOTAL GENERAL REVENUES, SPECIAL ITEMS, AND TRANSFERS.....					28,333,955	(1,764,488)	26,569,467	1,865
CHANGE IN NET POSITION.....					1,606,904	2,351,281	3,958,185	1,865
NET POSITION BEGINNING OF YEAR.....					81,817,221	48,357,348	130,174,569	88,625
NET POSITION END OF YEAR.....					\$ 83,424,125	\$ 50,708,629	\$ 134,132,754	\$ 90,490

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
MARCH 31, 2019

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Public Park Board	P&F Property Tax Pension	Capital Improvement	Park & Storm Water Improvement	Other Governmental Funds	
ASSETS:							
Cash and investments (including cash equivalents):							
Held by trustees.....	\$ -	\$ -	\$ -	\$ -	\$ 24,233,863	\$ -	\$ 24,233,863
Restricted.....	1,403,199	25,000	-	26,754	-	-	1,454,953
Unrestricted.....	9,767,889	1,766,938	700,636	2,578,135	2,777,582	1,350,328	18,941,508
Receivables, net of allowances where applicable:							
Taxes.....	2,017,014	107,163	123,846	294,738	346,752	107,092	2,996,605
Interest.....	22,130	3,548	1,388	5,077	5,493	2,700	40,336
Ambulance.....	515,475	-	-	-	-	-	515,475
Other.....	44,336	-	-	39,889	-	9,339	93,564
Inventory.....	76,081	-	-	-	-	-	76,081
Prepaid items.....	6,882	-	-	-	-	-	6,882
TOTAL ASSETS.....	<u>\$ 13,853,006</u>	<u>\$ 1,902,649</u>	<u>\$ 825,870</u>	<u>\$ 2,944,593</u>	<u>\$ 27,363,690</u>	<u>\$ 1,469,459</u>	<u>\$ 48,359,267</u>
LIABILITIES:							
Accounts payable.....	\$ 248,418	\$ 36,665	\$ 27,271	\$ 97,623	\$ 932,167	\$ 46,863	\$ 1,389,007
Accrued wages and vacation payable.....	338,248	17,299	2,971	-	-	3,692	362,210
Advance to other funds.....	2,775,000	-	-	-	340,000	-	3,115,000
Deposits payable.....	1,403,199	25	65	-	-	11,672	1,414,961
Unearned revenue.....	372,757	13,888	-	-	-	63,588	450,233
Total Liabilities.....	<u>5,137,622</u>	<u>67,877</u>	<u>30,307</u>	<u>97,623</u>	<u>1,272,167</u>	<u>125,815</u>	<u>6,731,411</u>
DEFERRED INFLOWS OF RESOURCES:							
Unavailable revenue-taxes.....	739,058	94,866	109,636	127,291	149,753	94,172	1,314,776
Unavailable revenue-special assessment.....	-	-	-	18,493	-	-	18,493
Total Deferred Inflows of Resources.....	<u>739,058</u>	<u>94,866</u>	<u>109,636</u>	<u>145,784</u>	<u>149,753</u>	<u>94,172</u>	<u>1,333,269</u>
FUND BALANCES:							
Nonspendable:							
Inventories.....	76,081	-	-	-	-	-	76,081
Prepaid items.....	6,882	-	-	-	-	-	6,882
Restricted for:							
Capital projects.....	-	-	-	2,701,186	25,941,770	-	28,642,956
Debt service.....	-	-	-	-	-	573,786	573,786
Law enforcement.....	-	-	-	-	-	95,266	95,266
Park operations.....	-	1,739,906	-	-	-	-	1,739,906
Police and fire pension.....	-	-	685,927	-	-	-	685,927
Sewer lateral.....	-	-	-	-	-	433,030	433,030
Special business district.....	-	-	-	-	-	147,390	147,390
Assigned to:							
Projected use of reserves.....	1,349,092	-	-	-	-	-	1,349,092
Unassigned:	6,544,271	-	-	-	-	-	6,544,271
Total Fund Balances.....	<u>7,976,326</u>	<u>1,739,906</u>	<u>685,927</u>	<u>2,701,186</u>	<u>25,941,770</u>	<u>1,249,472</u>	<u>40,294,587</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	<u>\$ 13,853,006</u>	<u>\$ 1,902,649</u>	<u>\$ 825,870</u>	<u>\$ 2,944,593</u>	<u>\$ 27,363,690</u>	<u>\$ 1,469,459</u>	<u>\$ 48,359,267</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
MARCH 31, 2019

Total fund balance - governmental funds..... \$ 40,294,587

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 funds. The cost of the assets is \$121,223,257
and the accumulated depreciation is \$54,664,431 66,558,826

Property taxes and special assessments assessed by the City, but not collected within
60 days of year end, are deferred within the fund financial statements. However, revenue
for this amount is recognized in the government-wide statements..... 1,333,269

The internal service funds are used by the City to charge the cost of medical
and worker's compensation insurance and city-wide vehicle and equipment
maintenance and repair costs to individual funds. The assets and liabilities
of the internal service fund are included in governmental activities in the
statement of net position..... 1,275,410

Long-term liabilities applicable to the City's governmental activities are not
due and payable in the current period and, accordingly, are not reported as
liabilities within the fund financial statements. Interest on long-term debt
is not accrued in governmental funds, but rather is recognized as an
expenditure when due. All liabilities - both current and long-term - are
reported on the government-wide statement of net position. Discounts,
premiums, and deferred amount on refunding are reported in the
governmental fund financial statements when the debt was issued whereas
these amounts are deferred and amortized over the life of the debt as an
adjustment to interest expense on the government-wide financial
statements.

Balances as of March 31, 2019 are:

Accrued compensated absences, vacation.....	(536,344)	
Accrued interest on outstanding debts.....	(303,866)	
Bonds and notes payable.....	(24,486,053)	
Unamortized bond premium.....	(711,704)	
		<u>(26,037,967)</u>

Total net position - governmental activities..... \$ 83,424,125

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Public Park Board	P&F Property Tax Pension	Capital Improvement	Park & Storm Water Improvement	Other Governmental Funds	
REVENUES:							
Taxes, including interest and penalties.....	\$ 16,931,553	\$ 960,247	\$ 1,107,165	\$ 2,187,787	\$ 2,573,868	\$ 732,061	\$ 24,492,681
Intergovernmental.....	643,422	-	-	-	78,289	-	721,711
Licenses, permits, fines and fees.....	2,448,979	356,004	-	-	-	542,757	3,347,740
Investment income.....	220,446	31,337	11,830	60,651	267,860	28,199	620,323
Charges for services.....	3,054,434	-	-	-	-	-	3,054,434
Grants.....	66,831	-	-	76,669	-	-	143,500
Other.....	729,459	-	-	6,865	-	6,753	743,077
Total Revenues.....	24,095,124	1,347,588	1,118,995	2,331,972	2,920,017	1,309,770	33,123,466
EXPENDITURES:							
Current:							
General government and finance.....	3,782,238	-	-	-	7,142	681,769	4,471,149
Engineering.....	1,012,638	-	-	-	-	-	1,012,638
Building maintenance.....	491,852	-	-	-	-	-	491,852
Building commissioner.....	732,599	-	-	-	-	-	732,599
Police.....	8,086,212	-	694,021	-	-	7,055	8,787,288
Fire.....	6,018,587	-	647,974	-	-	-	6,666,561
Streets.....	1,586,216	-	-	-	-	-	1,586,216
Recreation.....	2,220,274	-	-	-	-	-	2,220,274
Parks.....	-	1,457,368	-	-	-	-	1,457,368
Capital outlay.....	63,098	338,906	-	3,986,162	3,590,480	179,991	8,158,637
Debt Service:							
Principal retirement.....	-	-	-	359,874	365,000	505,000	1,229,874
Interest and fiscal charges.....	86,700	-	-	10,158	794,340	33,455	924,653
Total Expenditures.....	24,080,414	1,796,274	1,341,995	4,356,194	4,756,962	1,407,270	37,739,109
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	14,710	(448,686)	(223,000)	(2,024,222)	(1,836,945)	(97,500)	(4,615,643)
OTHER FINANCING SOURCES (USES):							
Transfers in.....	1,258,035	623,908	-	1,445,000	-	-	3,326,943
Transfers out.....	(80,908)	-	-	-	(795,035)	(18,000)	(893,943)
Proceeds from sale of capital assets.....	-	4,863	-	144,089	15	-	148,967
Insurance recoveries.....	-	200	-	-	-	-	200
Total Other Financing Sources (Uses).....	1,177,127	628,971	-	1,589,089	(795,020)	(18,000)	2,582,167
NET CHANGE IN FUND BALANCES.....	1,191,837	180,285	(223,000)	(435,133)	(2,631,965)	(115,500)	(2,033,476)
FUND BALANCES, BEGINNING OF YEAR.....	6,784,489	1,559,621	908,927	3,136,319	28,573,735	1,364,972	42,328,063
FUND BALANCES, END OF YEAR.....	\$ 7,976,326	\$ 1,739,906	\$ 685,927	\$ 2,701,186	\$ 25,941,770	\$ 1,249,472	\$ 40,294,587

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2019**

Net change in fund balances - total governmental funds.....		\$ (2,033,476)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000, for general and infrastructure, are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Donated assets are not recorded in the governmental funds but are recognized as revenue in the statement of activities. This is the amount by which depreciation exceeded capital outlays and donated capital assets in the current period.		
Capital outlays.....	6,802,634	
Depreciation expense.....	<u>(3,451,899)</u>	3,350,735
In the statement of activities, the gain (loss) on the disposition of capital assets is reported. The fund financial statements recognize only the proceeds from the sale of those assets.....		
		(214,585)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. This is the net effect of these differences in the treatment of long-term debt.		
Repayment during the current year:		
Bond principal.....	870,000	
Capital leases.....	359,874	
Amortization of premiums on debt issuance.....	34,763	
Amortization of deferred charge on refunding.....	<u>(43,654)</u>	1,220,983
Under the modified accrual basis of accounting used in the governmental funds financial statements, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses, and liabilities are reported regardless of when financial resources are available.		
The net changes of these items are:		
Accrued interest on bonds.....	(73,033)	
Compensated absences.....	<u>(22,560)</u>	(95,593)
The internal service funds are used by management to charge the costs of the risk management and fleet services activities to individual funds. The adjustments for the internal service fund "close" the fund by charging additional amounts to participating activities to completely cover the internal service fund's costs for the year.		
Total net decrease for the internal service fund.....		(835,836)
Property tax revenues, sales tax revenues and special assessment revenue received prior to the year for which they are being levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred revenues increased this year.....		
		<u>214,676</u>
Change in net position of governmental activities.....		\$ 1,606,904

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
MARCH 31, 2019

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Electric</u>	<u>Water</u>	<u>Sanitation</u>	<u>Total</u>	
ASSETS:					
Current Assets:					
Cash and investments:					
Restricted.....	\$ 188,810	\$ 23,203	\$ -	\$ 212,013	\$ -
Held by trustees.....	-	2,156,031	-	2,156,031	17,048
Unrestricted.....	8,791,753	6,622,647	1,472,281	16,886,681	2,210,214
Receivables, net of allowances:					
Services.....	1,813,051	484,929	279,679	2,577,659	-
Interest.....	17,876	13,164	2,917	33,957	4,379
Other.....	130,303	822	91,271	222,396	6,549
Inventory.....	516,140	131,062	16,140	663,342	2,432
Advance to other funds.....	2,945,000	170,000	-	3,115,000	-
Total Current Assets.....	<u>14,402,933</u>	<u>9,601,858</u>	<u>1,862,288</u>	<u>25,867,079</u>	<u>2,240,622</u>
Noncurrent Assets:					
Capital Assets:					
Land and construction in progress.....	3,948,037	1,842,524	134,057	5,924,618	-
Buildings and system.....	13,029,944	25,340,419	423,314	38,793,677	-
Machinery and equipment.....	3,213,506	1,460,580	3,108,868	7,782,954	-
Less: Accumulated depreciation.....	<u>(5,733,250)</u>	<u>(6,576,185)</u>	<u>(1,857,608)</u>	<u>(14,167,043)</u>	<u>-</u>
Total Noncurrent Assets.....	<u>14,458,237</u>	<u>22,067,338</u>	<u>1,808,631</u>	<u>38,334,206</u>	<u>-</u>
Total Assets.....	<u>28,861,170</u>	<u>31,669,196</u>	<u>3,670,919</u>	<u>64,201,285</u>	<u>2,240,622</u>
DEFERRED OUTFLOW OF RESOURCES:					
Deferred charge on refunding.....	-	97,508	-	97,508	-
Total Deferred Outflow of Resources.....	<u>-</u>	<u>97,508</u>	<u>-</u>	<u>97,508</u>	<u>-</u>
LIABILITIES:					
Current Liabilities:					
Accounts payable.....	259,284	796,904	41,733	1,097,921	54,105
Accrued wages and vacation.....	77,074	37,898	38,310	153,282	30,833
Accrued interest payable.....	-	85,825	-	85,825	-
Deposits payable from restricted assets.....	194,223	23,551	-	217,774	-
Claims payable.....	-	-	-	-	875,758
Capital lease payable - current.....	-	224,397	-	224,397	-
Bonds payable - current.....	-	680,000	-	680,000	-
Total Current Liabilities.....	<u>530,581</u>	<u>1,848,575</u>	<u>80,043</u>	<u>2,459,199</u>	<u>960,696</u>
Noncurrent Liabilities:					
Compensated absences.....	6,602	3,158	3,988	13,748	4,516
Capital lease payable.....	-	2,406,876	-	2,406,876	-
Bonds payable.....	-	8,710,341	-	8,710,341	-
Total Noncurrent Liabilities.....	<u>6,602</u>	<u>11,120,375</u>	<u>3,988</u>	<u>11,130,965</u>	<u>4,516</u>
Total Liabilities.....	<u>537,183</u>	<u>12,968,950</u>	<u>84,031</u>	<u>13,590,164</u>	<u>965,212</u>
NET POSITION:					
Net investment in capital assets.....	14,458,237	11,615,965	1,808,631	27,882,833	-
Restricted for debt service.....	-	683,298	-	683,298	-
Unrestricted.....	<u>13,865,750</u>	<u>6,498,491</u>	<u>1,778,257</u>	<u>22,142,498</u>	<u>1,275,410</u>
TOTAL NET POSITION.....	<u>\$ 28,323,987</u>	<u>\$ 18,797,754</u>	<u>\$ 3,586,888</u>	<u>\$ 50,708,629</u>	<u>\$ 1,275,410</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
OPERATING REVENUES:					
Electric sales.....	\$23,160,102	\$ -	\$ -	\$23,160,102	\$ -
Electric wholesale sales.....	4,947,879	-	-	4,947,879	-
Water sales.....	-	5,388,657	-	5,388,657	-
Sanitation fees.....	-	-	2,810,435	2,810,435	-
Charges for services.....	-	-	-	-	4,962,001
Other.....	283,639	796,780	50,807	1,131,226	53,729
Total Operating Revenues.....	28,391,620	6,185,437	2,861,242	37,438,299	5,015,730
OPERATING EXPENSES:					
Administrative and general.....	1,364,303	534,316	1,034,765	2,933,384	1,367,309
Customer accounting.....	212,346	194,614	128,167	535,127	-
Purchased power.....	20,986,574	-	-	20,986,574	-
Purchased water.....	-	1,165,766	-	1,165,766	-
Distribution maintenance.....	2,443,109	1,766,765	-	4,209,874	-
Maintenance and supplies.....	490,981	33,880	18,933	543,794	-
Pickup, hauling and disposal.....	-	-	1,163,933	1,163,933	-
Claims and insurance premiums.....	-	-	-	-	4,539,548
Depreciation.....	615,216	724,198	257,164	1,596,578	-
Total Operating Expenses.....	26,112,529	4,419,539	2,602,962	33,135,030	5,906,857
OPERATING INCOME (LOSS).....	2,279,091	1,765,898	258,280	4,303,269	(891,127)
NONOPERATING REVENUES (EXPENSES):					
Investment income.....	395,840	163,186	27,783	586,809	53,306
Grants.....	280,927	-	-	280,927	-
Interest expense.....	-	(454,699)	(740)	(455,439)	-
Gain (loss) on sales of property, plant and equipment.....	(1,469)	(92,788)	81,703	(12,554)	-
Insurance recoveries.....	-	-	-	-	1,985
Total Nonoperating Revenues (Expenses).....	675,298	(384,301)	108,746	399,743	55,291
INCOME (LOSS) BEFORE TRANSFERS.....	2,954,389	1,381,597	367,026	4,703,012	(835,836)
Capital contributions-Federal subsidy.....	-	81,269	-	81,269	-
Transfers in (out).....	(1,723,000)	(710,000)	-	(2,433,000)	-
CHANGE IN NET POSITION.....	1,231,389	752,866	367,026	2,351,281	(835,836)
NET POSITION, BEGINNING OF YEAR.....	27,092,598	18,044,888	3,219,862	48,357,348	2,111,246
NET POSITION, END OF YEAR.....	\$ 28,323,987	\$ 18,797,754	\$ 3,586,888	\$ 50,708,629	\$ 1,275,410

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers.....	27,424,546	6,015,946	\$ 2,748,431	\$ 36,188,923	\$ -
Receipts from interfund services provided.....	764,945	53,463	35,183	853,591	4,962,001
Other receipts (payments).....	100,740	163,427	51,975	316,142	50,748
Payments to suppliers.....	(23,384,324)	(2,240,951)	(1,068,333)	(26,693,608)	(5,462,062)
Payments to employees.....	(2,142,251)	(1,063,997)	(814,412)	(4,020,660)	(515,386)
Payments for interfund services.....	(240,910)	(272,575)	(430,830)	(944,315)	(23,038)
Net Cash Provided By (Used In)					
Operating Activities.....	2,522,746	2,655,313	522,014	5,700,073	(987,737)
CASH FLOWS FROM NONCAPITAL					
FINANCING ACTIVITIES:					
Transfers out.....	(1,723,000)	(710,000)	-	(2,433,000)	-
Receipt (payment) of interfund borrowing.....	200,000	85,000	-	285,000	-
Net Cash Provided By (Used In)					
Noncapital Financing Activities.....	(1,523,000)	(625,000)	-	(2,148,000)	-
CASH FLOWS FROM CAPITAL AND					
RELATED FINANCING ACTIVITIES:					
Acquisition and construction of					
capital assets.....	(1,343,174)	(2,362,179)	(130,111)	(3,835,464)	-
Proceeds from sale of property,					
plant and equipment.....	63,033	13,080	111,116	187,229	-
Capital grants.....	280,927	-	-	280,927	-
Insurance Recoveries.....	-	-	-	-	1,985
Capital contribution-Federal subsidy.....	-	81,269	-	81,269	-
Principal paid on bonds and capital leases.....	-	(655,000)	(267,904)	(922,904)	-
Proceeds from capital lease.....	-	2,631,273	-	2,631,273	-
Interest paid on bonds and capital leases.....	-	(400,579)	(2,960)	(403,539)	-
Net Cash Provided By (Used In) Capital					
and Related Financing Activities.....	(999,214)	(692,136)	(289,859)	(1,981,209)	1,985
CASH FLOWS PROVIDED BY INVESTING					
ACTIVITIES:					
Interest received on investments.....	391,735	160,681	26,818	579,234	54,159
NET INCREASE (DECREASE) IN CASH					
AND CASH EQUIVALENTS.....	392,267	1,498,858	258,973	2,150,098	(931,593)
CASH AND CASH EQUIVALENTS AT					
BEGINNING OF YEAR.....	8,588,296	7,303,023	1,213,308	17,104,627	3,158,855
CASH AND CASH EQUIVALENTS AT					
END OF YEAR.....	\$ 8,980,563	\$ 8,801,881	\$ 1,472,281	\$ 19,254,725	\$ 2,227,262

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

RECONCILIATION OF OPERATING INCOME
(LOSS) TO NET CASH PROVIDED BY
(USED IN) OPERATING ACTIVITIES:

Operating income (loss).....	\$ 2,279,091	\$ 1,765,898	\$ 258,280	\$ 4,303,269	\$ (891,127)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	615,216	724,198	257,164	1,596,578	-
(Increase) decrease in assets:					
Service receivable.....	(118,490)	48,583	(26,820)	(96,727)	-
Miscellaneous receivables.....	15,619	(779)	1,167	16,007	(2,981)
Inventory.....	(56,159)	(42,101)	23,085	(75,175)	960
Increase (decrease) in liabilities:					
Accounts payable.....	(218,001)	157,812	1,205	(58,984)	28,585
Accrued wages and vacation.....	3,988	2,107	7,933	14,028	7,915
Deposits held for others.....	1,482	(405)	-	1,077	-
Claims Payable.....	-	-	-	-	(131,089)
Total adjustments.....	<u>243,655</u>	<u>889,415</u>	<u>263,734</u>	<u>1,396,804</u>	<u>(96,610)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 2,522,746</u>	<u>\$ 2,655,313</u>	<u>\$ 522,014</u>	<u>\$ 5,700,073</u>	<u>\$ (987,737)</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUND TYPES - TRUST AND AGENCY FUNDS
MARCH 31, 2019

	<u>Pension Trust</u>	<u>Agency</u>
ASSETS:		
Cash and investments:		
Held by trustees:		
Short-term reserves.....	\$ 5,996,013	\$ -
Bond funds.....	5,728,639	-
Balanced funds.....	19,930,413	-
Domestic stock funds.....	25,646,074	-
International stock funds.....	5,437,286	-
Money market funds.....	851,169	-
Specialty stock fund.....	311,691	-
TIAA traditional annuity option.....	2,301,141	-
TIAA brokerage option fund.....	485,312	-
Restricted.....	172	11,575
Receivables, net of allowances:		
Interest.....	1,742	-
Contribution receivable.....	41,142	-
Prepaid expenses.....	7,750	-
	<u>66,738,544</u>	<u>11,575</u>
Total Assets.....		
LIABILITIES:		
Accounts payable.....	2,033	-
Deposits payable.....	-	11,575
	<u>2,033</u>	<u>11,575</u>
Total Liabilities.....		
NET POSITION:		
Net position restricted for pensions.....	<u>\$ 66,736,511</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Pension Trust Fund
ADDITIONS:	
Contributions:	
Employer.....	\$ 1,826,130
Employee, net of refunds.....	595,487
Total Contributions.....	<u>2,421,617</u>
Investment income:	
Interest and dividends.....	2,978,311
Net depreciation in the fair value of plan investments.....	(266,585)
Total investment income.....	<u>2,711,726</u>
Less: investment expenses.....	40,115
Net investment income.....	<u>2,671,611</u>
Total Additions.....	<u>5,093,228</u>
DEDUCTIONS:	
Benefit payments.....	<u>2,206,278</u>
Administrative and general expenses:	
Insurance, taxes and other premiums.....	163,374
Professional fees.....	63,796
Total administrative and general expenses.....	<u>227,170</u>
Total Deductions.....	<u>2,433,448</u>
CHANGE IN NET POSITION.....	2,659,780
NET POSITION RESTRICTED FOR PENSIONS	
BEGINNING OF YEAR.....	<u>64,076,731</u>
END OF YEAR.....	<u><u>\$ 66,736,511</u></u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Kirkwood, Missouri (the “City”) was formally established as the Town of Kirkwood in 1853. In 1865, the citizens requested and received a charter from the Missouri State Legislature. As a result of being incorporated, Kirkwood became a village governed by a Board of Trustees elected by the voters. The City now operates under a charter form of government adopted in 1983 in accordance with the provisions of the Missouri Constitution. The governing body is comprised of a mayor and six council members who appoint a chief administrative officer who is responsible for the day-to-day operations of the City. The City provides the following services: public safety (police and fire), engineering, streets, vehicle, building maintenance, electric, water, sanitation, parks and recreation and general administrative services.

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

Reporting Entity

The City’s financial reporting entity has been determined in accordance with governmental standards for defining the financial reporting entity and identifying entities to be included in its basic financial statements. These standards identify the City’s financial accountability for potential component units as the primary, but not only, criteria for inclusion. The City’s financial reporting entity consists of the City of Kirkwood (the primary government) and its component units. The component units discussed below are included in the City’s financial reporting entity because of the significance of their operational or financial relationships with the City.

Blended Component Units

The following component units are legally separate from the City; however, the activities are so intertwined with the City as the primary government that they are, in substance, the same as the primary government. As such, the balances and transactions of the component units are blended into the accompanying basic financial statements and reported in a manner similar to the balances and transactions of the City itself.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity (continued)

City of Kirkwood, Missouri Public Facilities Authority (PFA)

The PFA is a not-for-profit corporation created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. Board members are appointed by the Mayor of the City and must be approved by Council. The purpose of the PFA is to facilitate the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City of Kirkwood, Missouri. Funding of such capital improvements and facilities is provided through the issuance of leasehold revenue bonds. The PFA is accounted for as if it were part of the City's operations because it was established to provide services exclusively to the City. The activities and accounts of the PFA have been blended into the City's Park & Storm Water Improvement fund.

Downtown Special Business District (SBD)

The SBD was created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. The SBD is reported as a blended component unit because the City Council retains governance over the SBD and appoints the members to the Downtown Kirkwood Special Business District Advisory Commission. In addition, the City Council retains operational responsibility in approving and amending the SBD's budget, levies the SBD property taxes, and is responsible for fiscal management. The resources of this fund are utilized for the enhancement of the SBD; promote retail trade, and development within the SBD, for the substantial benefit of maintaining and/or increasing the economic activity taxes (EATs) which are used by the City in providing governmental services.

Discretely Presented Component Unit

The discretely presented component unit column in the government-wide financial statements includes the financial data of the City's other component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Industrial Development Authority of the City of Kirkwood, Missouri (IDA)

The IDA is a not-for-profit corporation established by an Ordinance of the City Council and formed under RSMo. Chapter 349, *The Industrial Development Corporations Act*. It is designed to develop, advance, encourage and promote commercial, industrial and manufacturing facilities in the City. The IDA Board of Directors are appointed by the Mayor with consent of the City Council. The City provides the IDA financial and administrative support. Separate financial statements are not prepared for the IDA. Schedules for the IDA are included in the "Other Supplementary Information" section.

Related Organizations

The City's officials are also responsible for appointing members to the boards of other organizations, but the City's accountability for these organizations does not extend beyond making such appointments. The Mayor or the City Council appoints a majority of the governing members of the Municipal Library District of Kirkwood and the Kirkwood Housing Authority. These related organizations are not included as component units within the City's financial reporting entity.

The Public Park Board is an agency of the City with its Board members appointed by the Mayor and the City Council. The Park Board has the authority to adopt and amend its own budget only. The City sets and levies the Park Board's property taxes and holds all corporate powers. The Public Park Board is therefore not a legal entity and is accounted for as a separate special revenue fund.

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 City. However, interfund services provided and used are not eliminated in the process of consolidation. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 for goods and/or services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes, unrestricted interest earnings and other items that are not generated by programs are reported instead as general revenues.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-Wide and Fund Financial Statements (continued)

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds is reconciled to total net assets for governmental activities as shown on the statement of net assets. The net change in fund balance for all governmental funds is reconciled to the total change in net assets as shown on the statement of activities in the government-wide financial statements. The City has three enterprise (business-type activity) funds which are all considered major funds. Additionally, the City has internal service funds which are reported in a separate column on the proprietary fund financial statements.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the City's governmental major funds:

General - The general 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.

Public Park Board - Used to account for property tax proceeds restricted specifically for park operations.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds (continued)

P&F Property Tax Pension - Used to account for property tax proceeds restricted specifically for police officers and firefighters pension.

Capital Improvements - This fund is used to account for financial resources designated for the acquisition or construction of major capital facilities or improvements.

Park & Storm Water Improvements - This fund is used to account for financial resources designated for the construction of the City's recreation/facilities complex.

The other governmental funds of the City are considered nonmajor. They are special revenue funds which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, the capital project funds which account for financial resources to be used for acquisition or construction of major capital facilities and the debt service fund which is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income, changes in net assets (or cost recovery), financial position, and cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The following are the City's proprietary fund types:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has three enterprise funds which are all considered major funds as follows:

Electric - The electric fund is used to account for the billing and collection of charges for electric services for customers of the electric utility system. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Funds (continued)

Water - The water fund is used to account for the billing and collection of charges for water services for customers of the waterworks system. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

Sanitation - The sanitation fund is used to account for the provision of solid waste collection to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

Internal Service Funds - Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City. Three internal service funds have been established to account for the payment of medical insurance, workers' compensation and city-wide vehicle and equipment maintenance and repair costs.

Fiduciary Fund Type - Trust and Agency Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Pension trust funds are accounted for and reported similar to proprietary funds. The pension trust funds account for the City's Police Officers' and Firefighters' Pension Plan and the Employees' Pension Plan. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The City's agency fund accounts for municipal court collections for bail bonds.

Measurement Focus

Measurement focus refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Position.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus (continued)

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds used the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues - Exchange and Non-Exchange Transactions (continued)

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. For the City, available means expected to be received within 60 days of year end.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals. For the City, available for these revenue sources means expected to be received within 30 days of year end.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

Cash and Investments

The City maintains a cash and investment pool available to all City funds. For financial reporting purposes, investments are allocated in proportion to each fund's cash balance to the total cash balance.

Investments are shown at fair value. Fair value is determined by closing market prices at year-end as reported by the investment custodian.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond March 31, 2019, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unearned Revenues

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Certain park program fees received before eligibility requirements are met are reported as unearned revenues in the government-wide financial statements as well as the governmental fund statements.

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, deferred outflows of resources, 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 government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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, deferred inflows of resources, 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 government has only one type of item, which arises only under a modified accrual basis of accounting, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, principal and interest on general long-term debt, which have not matured are recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Allowance for Uncollectible Accounts

The City provides an allowance for uncollectible accounts equal to the estimated collection losses that will be incurred in collection of its ambulance, court fines, property tax and enterprise fund services receivable. The estimated losses are based on historical collection experience coupled with a review of the current status of the existing receivables. The City follows the practice of writing off uncollectible accounts as they are incurred for all other receivables.

Inventory

Inventory recorded in the general fund is valued at average cost, using the first-in, first-out (FIFO) method and consist of expendable supplies held for consumption. The cost of inventory is recorded as expenditures as the individual inventory items are utilized. The reserve for inventory is equal to the inventory capitalized to indicate that a portion of the fund balance is not available for appropriation.

Inventory recorded in the enterprise funds are valued at average cost using a first-in, first-out method, and consist of materials and supplies held for consumption and construction of distribution systems.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, including infrastructure, are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	30 - 40 years
Building improvements	5 - 30 years
Distribution system	20 - 75 years
Machinery and equipment	3 - 15 years
Automotive equipment	3 - 10 years
Streets, bridges and sidewalks	20 - 75 years

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Long-Term Liabilities

In the government-wide and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums or discounts, and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using the straight-line method and the effective interest method. Bonds payable are reported adjusted by the applicable bond premium or discount.

In the fund financial statements, governmental funds 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 costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Accumulated Unpaid Vacation, Compensatory Time, and Sick Leave

City employees earn vacation based upon their years of continuous service on a calendar year basis. Accrued vacation time is payable to employees upon termination. Based on the policy of the City, all of the accrued vacation is due within one year and is recorded in the government-wide and proprietary fund financial statements as a short-term liability. A liability is recorded in the governmental fund financial statements when payment is due.

City employees may earn compensatory time in lieu of overtime pay at the discretion of the Department Head. Accrued compensatory time is payable to employees upon termination. Based on the policy of the City, no employee shall be permitted to accrue more than forty (40) hours of compensatory time with the exception of law enforcement and fire protection personnel who shall not be permitted to accrue more than one hundred twenty (120) hours of compensatory time. A liability is recorded in the governmental fund financial statements when payment is due.

Sick leave accrues each month of continuous service, subject to a maximum of 130 days, and is payable during periods of illness. The City does not accrue nor is obligated for payment of accumulated sick days.

Capital Contributions

Capital contributions in the enterprise funds represent government grants, contributions and other aid to fund capital projects. In accordance with GASB 33, capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Transactions

In the fund financial statements, the City has the following types of transactions among funds:

Transfers

Legally required transfers are reported when incurred as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.

Interfund Services Provided/Used

Charges or collections for services rendered by one fund for another are recognized as revenues (interfund services provided) of the recipient fund and expenditures or expenses (interfund services used) of the disbursing fund. These transactions are recorded as interfund services provided and used because they would be treated as revenue and expenditures or expenses if they involved organizations external to the city.

Certain internal payments are treated as program revenues, such as internal services provided and used. Certain internal payments are treated as a reduction of expense, such as reimbursements.

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

Net Position

In the government-wide and proprietary fund financial statements, net position are displayed in three components as follows:

Net Investment in Capital Assets - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This consists of assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of assets that do not meet the definition of "restricted" or "net investment in capital assets."

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Fund Balances

In the governmental fund financial statements the following classifications are used to define the governmental fund balances.

Nonspendable – This consists of the governmental fund balances that are not in spendable form or legally or contractually required to be maintained intact.

Restricted - This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Committed – This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (ordinance) of the City Council, the City’s highest level of decision-making authority.

Assigned – This consists of the governmental fund balances that are intended to be used for specific purposes. The City Council has by resolution authorized the Chief Administrative Officer or their designee to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

Unassigned – Amounts that are available for any purpose and do not meet the definition of “nonspendable,” “restricted,” “committed,” or “assigned; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the City will spend the least restricted dollars before the restricted dollars in the following order: Unassigned, Assigned, Committed, Restricted, and then Nonspendable.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Statement of Cash Flows

The proprietary funds considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Estimates and Assumptions

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

2. CASH AND INVESTMENTS

The City is governed by the deposit and investment limitations of state law. It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. The City's policy and state law authorize the following types of investments:

- a. United States Treasury Securities for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- b. United States Agency Securities, including:
 - U.S. Government Agency Coupon and Zero Coupon Securities with no embedded options.
 - U.S. Government Agency Discount Notes purchased at a discount with maximum maturities of one (1) year.
 - U.S. Government Agency Callable Securities restricted to securities callable at par only with final maturities of five (5) years.
 - U.S. Government Agency Step-Up Securities where the coupon rate is fixed for an initial term. At coupon date, the coupon rate rises to a new, higher fixed term. Restricted to securities with final maturities of five (5) years.
 - U.S. Government Agency Floating Rate Securities where the coupon rate floats off one index. Restricted to coupons with no interim caps that reset at least quarterly.
 - U.S. Government Mortgage Backed Securities restricted to securities with final maturities of five (5) years.
- c. Repurchase agreements with commercial banks or government securities dealers. The purchaser in a repurchase agreement enters into a contractual agreement to purchase U.S. Treasury and government agency securities while simultaneously agreeing to resell the securities at predetermined dates and prices.
- d. Collateralized public deposits (Certificates of Deposits) issued by financial institutions which state that specified sums have been deposited for specified periods of time and at specified rates of interest. The certificates of deposit are required to be backed by acceptable collateral securities as dictated by state statute.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

2. CASH AND INVESTMENTS (continued)

- e. Bankers' Acceptances issued by domestic commercial banks possessing the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation.
- f. Commercial Paper issued by domestic corporations, which has received the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that have total assets in excess of five hundred million dollars.

The deposits and investments held at March 31, 2019, and reported at fair value, are as follows:

Type	Carrying Value
Deposits:	
Demand deposits	\$ 9,365,143
Cash on hand	3,815
Non-negotiable Certificates of Deposit	<u>2,000,000</u>
	<u>11,368,958</u>
Pooled Investments:	
Money Market Mutual Funds	26,389,894
Negotiable Certificates of Deposit	19,382,205
Federal Farm Credit	492,540
Federal Home Loan Mortgage Corporation	2,886,315
Federal Home Loan Banks.....	5,196,807
Federal National Mortgage Association	<u>497,650</u>
	<u>54,845,411</u>
Pension Trust Cash and Investments:	
Mutual funds:	
Short-Term reserves.....	5,996,013
TIAA brokerage.....	485,312
TIAA traditional annuity option	2,301,141
International stock funds.....	5,437,286
Balanced funds.....	19,930,413
Bond funds	5,728,639
Money market funds	851,169
Specialty stock fund.....	311,691
Domestic stock funds.....	<u>25,646,074</u>
	<u>66,687,738</u>
Total Deposits and Investments	<u>\$132,902,107</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

2. CASH AND INVESTMENTS (continued)

<u>Type</u>	<u>Carrying Value</u>
Reconciliation to the Financial Statements:	
Statement of Net Assets:	
Cash and Investments:	
Governmental Activities	\$ 46,857,586
Business-Type Activities	19,254,725
Component Unit.....	90,311
Statement of Fiduciary Net Assets:	
Cash and Investments:	
Held by trustees – Pension Trust Funds.....	66,687,738
Restricted:	
Pension Trust Funds.....	172
Agency Fund.....	<u>11,575</u>
	<u><u>\$132,902,107</u></u>

Since the investment strategies and associated risks for the City Pension Investment portfolios are substantially different than those of the remainder of the City, the investment disclosures for the Pension Investment Portfolios are presented separately.

Custodial Credit Risk- Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. 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. As of March 31, 2019, the City's bank balance of \$11,368,958, including \$90,311 of the component unit, was fully insured by depository insurance and collateralized with securities held by the financial institution's trust department or agent in the City's name or letter of credit with the City as beneficiary.

Custodial Credit Risk - Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that are in the possession of the outside party. The City's policy to minimize credit risk is to pre-qualify the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business and diversify the portfolio so that potential losses on individual securities will be minimized. The City's investments were not exposed to custodial credit risk this year.

Investment Interest Rate Risk - The City's policy to limit investment interest rate risk is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Investments in bankers' acceptances and commercial paper shall mature and become payable not more than one hundred eighty days (180) from the date of purchase. All other investments shall mature and become payable not more than five (5) years from the date of purchase. Maturities of investments held at March 31, 2019 are as follows:

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

2. CASH AND INVESTMENTS (continued)

Investment Type	Fair Value	Maturities				Credit Risk
		No Maturity	Less than 1	1 – 5	6 - 10	
Primary Government:						
Money Market Mutual Funds.....	\$26,389,894	\$26,389,894	\$ --	\$ --	\$ --	Not rated
Negotiable Certificates of Deposit..	19,382,205	--	5,817,073	13,565,132	--	Not rated
Federal Farm Credit.....	492,540	--	--	492,540	--	AAA
Federal Home Loan Mortgage Corp.	2,886,315	--	--	2,886,315	--	AAA
Federal Home Loan Banks.....	5,196,807	--	746,700	4,450,107	--	AAA
Federal National Mortgage Association.....	497,650	--	497,650	--	--	AAA
Total Primary Government Investments.....	54,845,411	26,389,894	7,061,423	21,394,094	--	
Pension Trust:						
Money market funds.....	851,169	851,169	--	--	--	Not rated
Short-term reserve mutual funds.....	5,996,013	5,996,013	--	--	--	Not rated
TIAA brokerage.....	485,312	485,312	--	--	--	Not rated
TIAA traditional annuity option.....	2,301,141	2,301,141	--	--	--	Not rated
International stock fund.....	5,437,286	5,437,286	--	--	--	Not rated
Balanced funds.....	19,930,413	19,930,413	--	--	--	Not rated
Specialty stock fund.....	311,691	311,691	--	--	--	Not rated
Domestic stock fund.....	25,646,074	25,646,074	--	--	--	Not rated
Bond funds						
Vanguard Total Bond Market Index.....	2,729,919	--	--	--	2,729,919	AA
Nuveen Symphony Floating Income.....	367,487	--	367,487	--	--	B
Loomis Sayles Core Plus Bond Y...	2,631,233	--	--	--	2,631,233	BBB
Total Pension Trust Investments.....	66,687,738	60,959,099	367,487	--	5,361,152	
Total Investments.....	\$121,533,149	\$87,348,993	\$ 7,428,910	\$21,394,094	\$5,361,152	

Investment Credit Risk - The City's investment policy and state law limit its investment choices, as documented above.

Concentration of Investment Credit Risk - Concentration of credit risk is required to be disclosed by the City for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the US Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments).

It is the City's policy to diversify the portfolio so that potential losses on individual securities will be minimized. No more than 5% of the total fair value of the portfolio may be invested in bankers' acceptances issued by any one commercial bank and no more than 5% of the total fair value of the portfolio may be invested in commercial paper of any one issuer.

At March 31, 2019, the City did not have any investments that were more than 5% of the City's total investments.

Description	Concentration
Federal Home Loan Mortgage Corporation	5.3%
Federal Home Loan Banks	9.5%

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

2. CASH AND INVESTMENTS (continued)

Fair Value Measurements

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

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

The City has the following recurring fair value measurements as of March 31, 2019.

	Total	Level 1	Level 2	Level 3
Primary Government				
Investments by fair value level:				
Government securities:				
Federal Home Loan Mortgage Corporation.....	\$2,886,315	2,886,315	--	--
Federal Home Loan Banks.....	5,196,807	5,196,807	--	--
Federal National Mortgage Association.....	497,650	497,650	--	--
Federal Farm Credit.....	492,540	492,540	--	--
Negotiable Certificates of Deposit.....	19,382,205	--	19,382,205	--
Total Investments by Fair Value Level	28,455,517	9,073,312	19,382,205	--
Investments not subject to fair value level classification:				
Money Market Mutual Funds.....	26,389,894			
Non-negotiable Certificates of Deposit.....	2,000,000			
Total Primary Government Investments	\$56,845,411			
Fiduciary Fund				
Mutual funds:				
Bond funds.....	\$ 5,728,639	5,728,639	--	--
Balanced funds.....	19,930,413	19,930,413	--	--
Domestic stock funds.....	25,646,074	25,646,074	--	--
International stock funds.....	5,437,286	5,437,286	--	--
Specialty stock fund.....	311,691	311,691	--	--
TIAA stable value.....	5,996,013	--	--	5,996,013
TIAA traditional annuity option.....	2,301,141	--	--	2,301,141
TIAA brokerage option funds.....	485,312	485,312	--	--
Total Investments by Fair Value Level	65,836,569	57,539,415	--	8,297,154
Investments not subject to fair value level classification:				
Restricted deposit.....	172			
Money market mutual funds.....	851,169			
Total Fiduciary Fund Investments	\$66,687,910			

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

2. CASH AND INVESTMENTS (continued)

Pension Trust Investments

The Pension Trust Funds are governed by Articles I and II, Chapter 18 ½ of the Kirkwood Code of Ordinance and state law. The Pension Trust funds consist of the Police Officers' and Firefighters' Pension Plan and the Employees' Pension Plan.

The Police Officers' and Firefighters' Pension Plan is authorized to invest in the following types of investments:

- a. Stock funds, which are primarily invested in common stocks of publicly traded companies, as well as securities that can be converted into common stocks.
- b. Bond funds that typically include U.S. Treasury obligations, obligations of government sponsored entities, Federal Agency obligations, corporate notes, debentures, preferred stocks, mortgage backed securities, asset backed securities, commercial paper and commercial bank Certificates of Deposit.
- c. Balanced funds that typically invest in a combination of stocks and bonds.
- d. Stable Asset funds that typically include contracts (GICs) issued by banks and top-rated insurance companies as well as synthetic GICs backed by top rated banks and insurance companies.
- e. Money market funds that typically invest in short term cash alternatives.

The Employees' Pension Plan is authorized to invest in Equity Securities and Fixed Income securities.

Custodial Credit Risk - The plans do not have a specific policy addressing custodial credit risk. Neither the Pension Trust's bank balances nor its investments were subject to custodial credit risk this year.

Investment Interest Rate Risk – The plans require active managers to manage the effective duration of their portfolio type comparable to their peers and relative to specific indices outlined in the Plan's policies. As of March 31, 2019, the Pension Trust investments of \$60,959,099 were in money market and mutual funds which have no maturity date. In addition, the Pension Trust held the following bond funds, Nuveen Symphony Floating Income (\$367,487), Vanguard Total Bond Market Index Fund (\$2,729,919), and Loomis Sayles Core Plus Bond Y (\$2,631,233) with an average maturity of 0.28, 6, and 5.89 years, respectively.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

2. CASH AND INVESTMENTS (continued)

Pension Trust Investments

Investment Credit Risk - The plans investment policies limit its investment choices, as documented above. As of March 31, 2019, the Pension Trust investments of \$60,959,099 were in money market and mutual funds which are not rated. In addition, the Pension Trust held the following bond funds, Nuveen Symphony Floating Income (\$367,487), Vanguard Total Bond Market Index Fund (\$2,729,919), and Loomis Sayles Core Plus Bond Y (\$2,631,233) with average credit rating of B, AA, and BBB, respectively.

Concentration of Investment Credit Risk - Participation accounts are self-directed by the participants. Investments used to fund future uplift benefits for the two retirement plans are limited as follows:

Police Officers' and Firefighters' Retirement Plan

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Equity Total:	55%	65%	75%
Mid Cap Equity	0%	10%	20%
Small Cap Equity	0%	10%	20%
International Equity	0%	15%	20%
Fixed Income:			
Including GICs	25%	35%	45%

Civilian Employees' Retirement Plan

<u>Asset Class</u>	<u>Pension Fund Guidelines</u>	<u>Range</u>
Equity Investments	70%	60-80%
Fixed Income Investments	30%	20-40%

Concentration of credit risk is not required to be disclosed for investments in mutual funds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

3. PROPERTY TAX

The City's property tax is levied annually on or before October 1 based on the assessed valuation of all real and personal property located in the City as of the previous January 1. Assessed valuations are established by the St. Louis County Assessor. Kirkwood citizen's approved a 34 cent property tax to be used for General Government Services. Council certified 29.7 cents of this 34 cent authorization to generate approximately two million dollars in property tax revenues to be used for General Government services. The City's tax rate per \$100 of assessed valuation is levied as follows:

	<u>Real Estate</u>		<u>Personal</u>
	<u>Residential</u>	<u>Commercial</u>	<u>Property</u>
General government services	\$.278	\$.284	\$.262
Maintenance and operation of parks125	.127	.119
Police Officers' and Fire Fighters' Retirement Fund137	.157	.180
Debt service	<u>.080</u>	<u>.080</u>	<u>.080</u>
	<u>\$.592</u>	<u>\$.617</u>	<u>\$.634</u>

Additionally, the SBD levies an additional tax of \$0.413 per \$100 assessed valuation for businesses in the SBD.

Taxes are billed October 1, are due and collectible on December 31, and are delinquent and represent a lien on related property on January 1 of the following year. Taxes are billed, collected, and remitted to the City by the St. Louis County Collector.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2019:

	Balance April 1, 2018	Additions And Transfers	Disposals And Transfers	Balance March 31, 2019
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	\$ 7,075,996	\$ -	\$ -	\$ 7,075,996
Construction in Progress.....	1,456,617	3,659,958	301,412	4,815,163
Total Capital Assets, Not Being Depreciated.....	8,532,613	3,659,958	301,412	11,891,159
Capital Assets, Being Depreciated:				
Buildings.....	28,628,470	14,749	-	28,643,219
Building improvements.....	17,465,826	530,879	-	17,996,705
Machinery and equipment.....	7,576,914	685,968	358,215	7,904,667
Automotive equipment.....	6,599,691	1,153,502	316,934	7,436,259
Infrastructure.....	46,668,202	1,011,840	328,794	47,351,248
Total Capital Assets, Being Depreciated.....	106,939,103	3,396,938	1,003,943	109,332,098
Less – Accumulated Depreciation For:				
Buildings.....	16,214,879	885,761	-	17,100,640
Building improvement.....	4,878,148	647,951	-	5,526,099
Machinery and equipment.....	5,122,306	441,714	348,807	5,215,213
Automotive equipment.....	4,644,404	524,265	286,130	4,882,539
Infrastructure.....	21,189,303	952,208	201,571	21,939,940
Total Accumulated Depreciation.....	52,049,040	3,451,899	836,508	54,664,431
Total Capital Assets Being Depreciated, Net	54,890,063	(54,961)	167,436	54,667,667
Governmental Activities, Capital Assets, Net.....	\$ 63,422,676	\$3,604,997	\$ 468,848	\$66,558,826

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

4. CAPITAL ASSETS (continued)

	Balance April 1, 2018	Additions And Transfers	Disposals And Transfers	Balance March 31, 2019
Business-Type Activities:				
Electric:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	\$ 154,994	\$ -	\$ -	\$ 154,994
Construction in Progress.....	3,288,452	504,591	-	3,793,043
Total Capital Assets, Not Being Depreciated.....	3,443,446	504,591	-	3,948,037
Capital Assets, Being Depreciated:				
Buildings.....	297,891	-	-	297,891
Distribution system.....	12,205,493	805,771	279,211	12,732,053
Machinery and equipment.....	1,964,569	-	101,659	1,862,910
Automotive equipment.....	1,380,919	32,812	80,610	1,333,121
Traffic Lights/Street Lights.....	17,475	-	-	17,475
Total Capital Assets, Being Depreciated.....	15,866,347	838,583	461,480	16,243,450
Less – Accumulated Depreciation For:				
Buildings.....	226,292	3,001	-	229,293
Distribution system.....	3,154,118	445,263	223,851	3,375,530
Machinery and equipment.....	1,630,431	43,486	100,578	1,573,339
Automotive equipment.....	496,482	122,767	72,549	546,700
Traffic Lights/Street Lights.....	7,689	699	-	8,388
Total Accumulated Depreciation.....	5,515,012	615,216	396,978	5,733,250
Total Capital Assets Being Depreciated, Net	10,351,335	223,367	64,502	10,510,200
Electric:				
Capital Assets, Net.....	13,794,781	727,958	64,502	14,458,237
Water:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	31,274	-	-	31,274
Construction in Progress.....	-	1,811,250	-	1,811,250
Total Capital Assets, Not Being Depreciated.....	31,274	1,811,250	-	1,842,524
Capital Assets, Being Depreciated:				
Buildings.....	545,433	-	-	545,433
Distribution system.....	24,228,525	518,377	198,674	24,548,228
Improvements other than buildings.....	246,758	-	-	246,758
Machinery and equipment.....	697,318	-	-	697,318
Automotive equipment.....	762,902	32,552	32,192	763,262
Total Capital Assets, Being Depreciated.....	26,480,936	550,929	230,866	26,800,999

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

4. CAPITAL ASSETS (continued)

	Balance April 1, 2018	Additions And Transfers	Disposals And Transfers	Balance March 31, 2019
Business-Type Activities (continued):				
Water (continued):				
Less – Accumulated Depreciation For:				
Buildings.....	97,076	15,098	-	112,174
Distribution system.....	4,966,599	591,678	92,806	5,465,471
Improvements other than buildings.....	151,747	10,203	-	161,950
Machinery and equipment.....	281,160	60,143	-	341,303
Automotive equipment	480,403	47,076	32,192	495,287
Total Accumulated Depreciation.....	5,976,985	724,198	124,998	6,576,185
Total Capital Assets Being Depreciated, Net	20,503,951	(173,269)	105,868	20,224,814
Water:				
Capital Assets, Net.....	20,535,225	1,637,981	105,868	22,067,338
Sanitation:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	134,057	-	-	134,057
Total Capital Assets, Not Being Depreciated.....	134,057	-	-	134,057
Capital Assets, Being Depreciated:				
Buildings.....	423,314	-	-	423,314
Machinery and equipment.....	655,145	-	-	655,145
Automotive equipment.....	2,617,256	130,111	293,644	2,453,723
Total Capital Assets, Being Depreciated.....	3,695,715	130,111	293,644	3,532,182
Less – Accumulated Depreciation For:				
Buildings.....	127,342	13,376	-	140,718
Machinery and equipment.....	390,923	32,957	-	423,880
Automotive equipment.....	1,346,410	210,831	264,231	1,293,010
Total Accumulated Depreciation.....	1,864,675	257,164	264,231	1,857,608
Total Capital Assets Being Depreciated, Net	1,831,040	(127,053)	29,413	1,674,574
Sanitation:				
Capital Assets, Net.....	1,965,097	(127,053)	29,413	1,808,631
Business-Type Activities, Capital Assets, Net.....	\$ 36,295,103	\$2,238,886	\$ 199,783	\$ 38,334,206

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

4. CAPITAL ASSETS (continued)

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

Government Activities:	
General government.....	\$ 386,175
Building maintenance.....	9,522
Building commissioner.....	6,002
Engineering.....	26,173
Police.....	217,108
Fire.....	519,363
Streets.....	1,184,405
Recreation.....	509,294
Parks.....	<u>593,857</u>
Total depreciation expense – governmental-type activities.....	<u>\$ 3,451,899</u>
Business-Type Activities	
Electric.....	\$ 615,216
Water.....	724,198
Sanitation.....	<u>257,164</u>
Total depreciation expense – business-type activities.....	<u>\$ 1,596,578</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

5. EMPLOYEES' RETIREMENT SYSTEMS

Civilian

Effective April 1, 1987, the City enacted Ordinance No. 7627 which established the Employees' Pension Plan (PLAN). The PLAN is a defined contribution multiple employer plan which covers all non-uniformed employees of the City of Kirkwood, the Kirkwood Public Library, and the Kirkwood Housing Authority. Benefit and contribution provisions are established and amended by the City Council. Employees are eligible for participation upon completing 500 hours of service in a consecutive six month period. At March 31, 2019, there were 203 active Plan members, 48 retired members, and 2 disabled members.

The PLAN receives contributions from the City, in accordance with City ordinances, in an amount equal to 6.5% of each participating employee's gross wages. Vesting of employer contributions occurs after five years of service.

Nonvested participant accounts are forfeited to the PLAN upon termination of employment. The forfeited amounts reduce the City's required contribution in the year of termination. In the current year, the amount of forfeitures used for contributions was \$109,340.

Retirement benefits are paid either as a lump-sum, series of substantially equal installments, or an annuity with optional surviving spouse benefits. The PLAN purchases annuities for retirees who choose the annuity form of retirement payment. These annuities are not reflected in the assets of the PLAN. The PLAN also provides for disability and life insurance.

Participants may choose to have funds invested on their behalf in any one of the following, or any combination thereof, types of investments of open-end mutual funds: Short-term reserves, bond funds, balanced funds (stocks and bonds), domestic stock funds and international stock funds.

A summary of contributions and percentage of covered plan payroll of the City is presented below for fiscal year 2019:

Contributions required	\$ 724,675
Less: Forfeitures used	<u>109,340</u>
Contributions made	<u>\$ 615,335</u>
Contribution required as a percent of covered payroll - City	6.5%

The PLAN issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: City of Kirkwood, 139 South Kirkwood Road, Kirkwood, Missouri 63122.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Civilian Plan for Retirees of Previous Plan

Effective April 1, 1987, the City terminated its Civilian Employees Defined Benefit Retirement Plan (former plan) and established the defined contribution plan as described above. Annuities were purchased for all retired participants to provide benefits equal to the amount received under the terminated former plan. For active participants, initial contributions were made to the new defined contribution plan equaling the amount determined to be actuarially equivalent to the accrued benefits of the former plan. The remaining assets of the former plan were segregated in a separate fund and may be used for the following:

- Disability insurance premiums
- Group life insurance premiums
- Discretionary uplift benefits to retirees
- Certain administrative expenses of the plan

Effective April 1, 1988, the City enacted Ordinance No. 7788 which provides supplemental pension benefits to those retirees and terminated vested participants who had received annuity payments under the terminated former plan. The effects of this Ordinance were to increase monthly benefits to retirees who were receiving benefits prior to January 1, 1987 to 2% times the number of years retired (or portion thereof) at April 1, 1988. Ordinance No. 8160 subsequently provided a 7% increase in benefits to a retiree effective January 1, 1992.

Annuities were purchased for all retired and terminated vested participants to provide uplift benefits.

Effective January 1, 1996, the City enacted Ordinance No. 8474 which provides an additional monthly benefit increase by an amount equal to 5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1995 for those retirees receiving benefits on or about April 1, 1987. Ordinance 8474 also provides a lump-sum retroactive payment equivalent to such monthly increase for the period from July 1, 1995 to December 31, 1995.

Annuities were purchased for all retired participants to provide uplift benefits.

Effective July 1, 1997, the City enacted Ordinance No. 8661 which provides an additional monthly benefit increase, in an amount equal to 5.5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1997, for those retirees receiving benefits on or about April 1, 1987.

Annuities were purchased for all retired participants to provide uplift benefits.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Civilian Plan for Retirees of Previous Plan (continued)

During 2013, the City engaged a consulting actuary to perform a calculation as to the future benefit obligations of the segregated fund based upon the assumptions that current disability and group life insurance premiums and certain administrative expenses would continue for 50 or 100 years. The calculated reserve is as follows:

	<u>50 Years</u>	<u>100 Years</u>
Future benefit obligation	<u>\$2,376,043</u>	<u>\$2,711,538</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	7.0% per annum
Inflation rate:	2.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.0% per annum
Benefit payout period:	50 or 100 years
Discount rate:	7.0% per annum

At March 31, 2019, the fair value of assets available to fund future uplift payments and other benefits was \$3,725,166 and are included in the accompanying fiduciary fund financial statements.

In August 2014, the City passed a resolution which authorizes the allocation of assets in excess of \$3.4 million from Trust II, the remaining assets of the former defined benefit pension plan, to current and certain former PLAN participants. During 2016, Trust II distribution in the amount of \$1,830,288 was made to eligible participants.

Police Officers' and Firefighters' Pension Plan For Active Participants

Effective April 1, 1987, the City enacted Ordinance No. 7627 which established the Policemen's and Firemen's Pension Plan (PLAN). The PLAN is a defined contribution single employer plan which covers all City commissioned police officers and salaried fire fighters. Benefit and contribution provisions are established and amended by the City Council. Participation in the PLAN occurs upon completion of 500 hours of service in a consecutive six-month period. At March 31, 2019, there were 113 active Plan members, 33 retired members, and 2 disabled.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Active Participants (continued)

The PLAN is funded in accordance with City ordinances from taxes levied for such purpose and employee contributions. City contributions to participant accounts are established at an amount equal to the current social security rate for civilian employees, in addition to 6.5% of employee participant gross wages. Employee contributions are established at an amount equal to the current social security withholding percentages.

Vesting of employee contributions and initial account balances occurs immediately. Vesting of employer contributions occurs after five years of service. Retirement benefits are paid either as a lump-sum, a series of substantially equal installments, or as an annuity with optional surviving spouse benefits. The PLAN purchases annuities for retirees who choose the annuity form of retirement payment. These annuities are not included in the assets of the PLAN. The PLAN also provides for disability and life insurance.

Non-vested participant accounts are forfeited to the Plan upon termination of employment. The forfeited amounts reduce the City's required contributions in the year of termination. In the current year, the amount of forfeitures used for contributions was \$16,942.

Participants may choose to have funds invested on their behalf in any one of the following, or any combination thereof, types of investments of open end mutual funds: Equity bonds, bond funds, balanced funds, stable asset funds and money market funds.

A summary of contributions and percentage of covered Plan payroll of the City is presented below for fiscal year 2019:

Contributions made and required:	
City contribution required	\$ 1,227,737
Less: Forfeitures used	16,942
City contributions made	<u>\$ 1,210,795</u>
Employees' contribution made and required	\$ 595,487
Contribution required as a percent of covered payroll:	
City	12.7%
Employees	6.2%

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: City of Kirkwood, 139 South Kirkwood Road, Kirkwood, Missouri 63122.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Retirees of Previous Plan

Effective April 1, 1987, the City terminated its Policemen and Firemen Defined Benefit Retirement Plan (former plan) and established the defined contribution plan as described above. Annuities were purchased for all retired participants to provide benefits equal to the amount received under the terminated former plan. For active participants, initial contributions were made to the new defined contribution plan equaling an amount determined to be actuarially equivalent to the accrued benefits of the former plan. The remaining assets of the former plan were segregated in a separate fund and may be used for the following:

- Disability insurance premiums
- Group life insurance premiums
- Discretionary uplift benefits to retirees
- Certain administrative expenses of the plan

Effective April 1, 1988, the City enacted Ordinance No. 7788 which provides supplemental pension benefits to those retirees and terminated vested participants who had received annuity payments under the terminated former plan. Ordinance No. 8096 provided a 6% increase in benefits to a retiree effective October 1, 1991. The effects of these Ordinances were as follows:

1. Increased monthly benefits to retirees who were receiving benefits prior to December 31, 1977 to one-half the salary of a Kirkwood police officer at March 31, 1987.
2. Increased monthly benefits to retirees and terminated vested participants who retired under the former plan enacted in 1978 to reflect an additional rank accrual monthly benefit of \$38.50.

Effective June 30, 1995, the City enacted Ordinance No. 8431 which provides an additional monthly benefit increase in an amount equal to 6% of the amount of the monthly benefit being paid to such retirees as of June 30, 1995 for those retirees receiving benefits on or before April 1, 1987.

Effective July 1, 1997, the City enacted Ordinance No. 8661 which provides an additional monthly benefit increase, in an amount equal to 5.5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1997, for those retirees receiving benefits on or before April 1, 1987.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Retirees of Previous Plan (continued)

Annuities were purchased for all retired and terminated vested participants to provide uplift benefits.

During 2013, the City engaged a consulting actuary to perform a calculation as to the future benefit obligations of the assumption that current disability and group life insurance premiums and certain administrative expenses would continue for 50 or 100 years. The calculated reserve was as follows:

	<u>50 Years</u>	<u>100 Years</u>
Future benefit obligation	<u>\$2,633,548</u>	<u>\$3,000,988</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	7.0% per annum
Inflation rate:	2.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.0% per annum
Benefit payout period:	50 or 100 years
Discount rate:	7.0% per annum

At March 31, 2019, the fair value of plan assets available to fund future uplift payments and other benefits was \$3,718,056 and are included in the accompanying fiduciary fund financial statements.

In August 2014, the City passed a resolution which authorizes the allocation of assets in excess of \$3.5 million from Trust II, the remaining assets of the former defined benefit pension plan, to current and certain former PLAN participants. During 2016, Trust II distribution in the amount of \$2,065,750 was made to eligible participants.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

6. LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the year ended March 31, 2019:

	Original Issuance Amounts	Balance April 1, 2018	Additions	Retirements	Balance March 31, 2019	Current Portion
Governmental Activities						
General Obligation Bonds:						
Series 2009 Refunding	\$ 4,185,000	\$ 1,030,000	\$ -	\$ (505,000)	\$ 525,000	\$ 525,000
Certificate of Participation:						
Series 2012 Refunding	5,000,000	365,000	-	(365,000)	-	-
Series 2017	23,515,000	23,515,000	-	-	23,515,000	480,000
Capital Leases	1,083,722	805,927	-	(359,874)	446,053	365,253
Accrued compensated absences	-	531,990	1,467,676	(1,438,907)	560,759	457,019
	<u>\$33,783,722</u>	<u>26,247,917</u>	<u>1,467,676</u>	<u>(2,668,781)</u>	<u>25,046,812</u>	<u>\$1,827,272</u>
Add: Unamortized premium, net		<u>746,467</u>	<u>-</u>	<u>(34,763)</u>	<u>711,704</u>	
Total Governmental Activities		<u>\$26,994,384</u>	<u>\$ 1,467,676</u>	<u>\$(2,703,544)</u>	<u>\$ 25,758,516</u>	
 Business-Type Activities						
Certificate of Participation						
Series 2009	\$ 6,450,000	\$ 4,470,000	\$ -	\$ (275,000)	\$ 4,195,000	\$ 285,000
Series 2012 Refunding	3,520,000	2,510,000	-	(170,000)	2,340,000	175,000
Series 2014	3,605,000	3,005,000	-	(210,000)	2,795,000	220,000
Capital Leases	4,368,248	267,904	2,631,273	(267,904)	2,631,273	224,397
Accrued compensated absences	-	83,399	293,463	(302,546)	74,316	60,568
	<u>\$17,943,248</u>	<u>10,336,303</u>	<u>2,924,736</u>	<u>(1,225,450)</u>	<u>12,035,589</u>	<u>\$ 964,965</u>
Add: Unamortized premium, net		<u>66,127</u>	<u>-</u>	<u>(5,786)</u>	<u>60,341</u>	
Total Business-Type Activities		<u>\$10,402,430</u>	<u>\$ 2,924,736</u>	<u>\$(1,231,236)</u>	<u>\$12,095,930</u>	

For compensated absences, the general fund historically liquidates 93.0 percent, and the Park and Special Business District funds historically liquidate 4.5 percent and 2.0 percent respectively. The remaining 0.5 percent is liquidated in the Sewer Lateral, and internal service funds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

6. LONG-TERM LIABILITIES (continued)

General Obligation Bonds

General obligation bonds are obligations of the City, and the full faith credit, and resources of the City have been pledged to the payment of principal of and interest on the bonds and payable are comprised of the following issues:

On December 1, 2009, the City issued \$4,185,000 in General Obligation Refunding Bonds, Series 2009 with interest rates ranging between 1.00% and 3.35%. The City issued the bonds to advance refund \$4,140,000 of the outstanding principal on the General Obligation Bonds, Series 2001, maturing on March 1, 2014 and thereafter.

Public Facilities Authority (PFA) Leasehold Revenue Bonds Payable

On May 22, 1992, the PFA was formed as a Missouri not-for-profit corporation. The purpose of the PFA is to facilitate the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City of Kirkwood, Missouri. Funding of such capital improvements and facilities has been provided through the issuance of leasehold revenue bonds. The leasehold revenue bonds do not constitute a legal debt or liability for the City, the State of Missouri, or for any political subdivision thereof and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the leasehold revenue bonds does not obligate the City to levy any form of taxation therefore or to make any appropriation for their payment in any fiscal year. The PFA has no taxing power. The activities and accounts of the PFA have been blended into the City's Park & Storm Water Improvement fund.

In June 2012, the City issued \$5,000,000 in Certificates of Participation Refunding Series 2012 ("COPS") for the purpose of providing funds to redeem in full the City's outstanding principal amount of \$5,310,000 on its 2004 PFA Leasehold Revenue Bonds. The COPS mature on September 1, 2018 and bear interest at varying rates from 1.25% to 2%.

Certificates of Participation, Governmental Activities

In December 2017, the City issued \$23,515,000 in Certificates of Participation Series 2018 ("COPS") for the purpose of providing funds to acquire, construct, furnish and equip a new performing arts center and improvements to facilities in Kirkwood Park including the renovation of the City's community center. The COPS mature on December 1, 2047 and bear interest at varying rates from 2% to 4%.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

6. LONG-TERM LIABILITIES (continued)

Principal and Interest Requirements on Long-Term Debt

The annual principal and interest requirements to maturity on long-term debt outstanding (other than tax increment financing bonds) as of March 31, 2019 are as follows:

Governmental Activities

<u>Year ending March 31,</u>	<u>General Obligation Bonds Payable/ Certificates of Participation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,005,000	\$ 855,894	\$ 1,860,894
2021	490,000	828,706	1,318,706
2022	505,000	814,006	1,319,006
2023	520,000	798,856	1,318,856
2024	535,000	783,256	1,318,256
2025 - 2029.....	3,015,000	3,577,481	6,592,481
2030 - 2034.....	3,665,000	2,931,281	6,596,281
2035 - 2039.....	4,305,000	2,296,775	6,601,775
2040 - 2044.....	5,140,000	1,453,125	6,593,125
2045 - 2048.....	<u>4,860,000</u>	<u>416,813</u>	<u>5,276,813</u>
Total.....	<u>\$ 24,040,000</u>	<u>\$ 14,756,193</u>	<u>\$ 38,796,193</u>

Certificates of Participation, Business-type Activities

In June 2012, the City issued \$3,520,000 in Certificates of Participation Refunding Series 2012 ("COPS") for the purpose of providing funds to redeem in full the City's outstanding principal amount of \$3,410,000 on its Series 2005 COPS. The COPS mature on September 1, 2030 and bear interest at varying rates from 1.25% to 3.25%.

The American Recovery and Reinvestment Act of 2009 authorizes the City to issue taxable obligations known as "Build America Bonds" to finance capital expenditures for which it could otherwise issue tax-exempt obligations and to elect to receive a subsidy payment on each payment date, from the United States Treasury equal to 35% of the amount of each interest payment on the Build America Bonds. The City made an irrevocable election to issue the Certificates as Build America Bonds. The US Treasury Interest Subsidy will be paid directly to the City. The City intends to apply, but has not pledged, the US Treasury Interest Subsidy to payment of the Certificates. Additionally, no holder of any Build America Bonds issued by the City will be entitled to any federal income tax credits associated with the Build America Bonds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

6. LONG-TERM LIABILITIES (continued)

Certificates of Participation, Business-type Activities (continued)

On September 1, 2009, Taxable Certificates of Participation (“COPS”), Series 2009, in the amount of \$6,450,000 were issued evidencing proportionate ownership interests in the right to receive basic rent to be paid by the City pursuant to an annually renewable Taxable Lease/Purchase Agreement.

The purpose of the Series 2009 Certificates is to finance the cost of constructing a water tower and all appurtenances thereto, the construction of water mains and the costs of delivery of the Series 2009 Certificates. The Series 2009 Certificates are taxable, bear interest rates ranging from 1.5% to 6.05% and mature September 1, 2030.

In conjunction with the issuance of these Certificates, the City entered into a base lease agreement to lease to UMB Bank, N.A. (the “Trustee”) the real estate on which the water tower will be located. The Trustee has subleased the real estate and all improvements thereon back to the City pursuant to the Lease/Purchase Agreement. The base lease provides for, among other things, rental income equal to the COPS proceeds and a term that ends September 1, 2050 or after the City has paid either the option price or all the basic and supplemental rent payments. Terms of the Lease/Purchase Agreement include, among other things, rental payments equal to the principal and interest amounts of the COPS issuance including supplemental rental payments to cover trustee fees, taxes, repair and maintenance costs, insurance, and amounts needed to meet applicable reserve requirements. The Lease/Purchase Agreement also provides for an initial rental term ending March 31, 2010 with annual renewal options not to extend beyond September 1, 2030.

On September 2014, the City issued \$3,605,000 in Certificates of Participation Series 2014 (“COPS”) to finance an automated water meter reading system. The Series 2014 COPS mature on September 1, 2029 and bear interest rates varying from 2% to 3%.

In conjunction with the issuance of these Certificates, the City entered into a lease purchase agreement to lease from U.S. Bank N. A. (the “Trustee”) the automated water meter reading system. The Trustee hereby demises, leases and lets to the City, and the City rents, leases and hires from the trustee, the equipment in accordance with the lease. The lease purchase agreement provides for, among other things, rental income equal to the 2014 COPS proceeds and a term that end September 1, 2029. The terms of the Lease/Purchase agreement include, among other things, rental payments equal to the principal and interest amounts of the COPS issuance. The Lease/Purchase Agreement also provides for an initial rental term ending March 31, 2019 with annual renewal options not to extend beyond September 1, 2029.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

6. LONG-TERM LIABILITIES (continued)

Certificates of Participation, Business-type Activities (continued)

The Certificates of Participation mature through 2031 as follows:

Business-Type Activities

<u>Year</u> <u>Ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020.....	\$ 680,000	\$ 375,423	\$ 1,055,423
2021.....	695,000	351,281	1,046,281
2022.....	715,000	325,615	1,040,615
2023.....	740,000	298,328	1,038,328
2024.....	760,000	269,409	1,029,409
2025 – 2029.....	4,185,000	836,273	5,021,273
2030 – 2031.....	<u>1,555,000</u>	<u>69,175</u>	<u>1,624,175</u>
Total.....	<u>\$ 9,330,000</u>	<u>\$ 2,525,504</u>	<u>\$11,855,504</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

6. LONG-TERM LIABILITIES (continued)

Capital Leases

In July 2013 the City of Kirkwood, Missouri entered into a capital lease for sanitation trucks. The City will be lease financing five Labrie Sanitation trucks. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

In May 2017 the City of Kirkwood, Missouri entered into a capital lease for fire rescue pumper and an ambulance. The City will be lease financing one fire rescue pumper and one ambulance. The lease agreements qualify as capital lease for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The City received and accepted possession of the 2018 Freightliner M2 Osage Ambulance and the 2018 Pierce Dash Pumper in April 2018 and June 2018, respectively.

In May 2017 the City of Kirkwood, Missouri entered into a capital lease for power loaders and stretchers to be installed in ambulances. The City will be lease financing three Stryker power load systems with stretchers. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. There is no interest charged on this lease.

In August 2018 the City of Kirkwood, Missouri entered into a capital lease to construct the Swan pump station and associated water main replacement. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. As of March 31, 2019, the project has not been completed.

The assets acquired through the capital leases are as follows:

	March 31, 2019	
	Governmental Activities	Business Activities
Equipment.....	\$ 136,376	\$ -
Vehicles.....	980,815	1,310,555
Distribution System (CIP).....	-	1,800,139
Less – Accumulated depreciation.....	81,554	698,963
Net Book Value.....	<u>\$ 1,035,637</u>	<u>\$ 2,411,731</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

6. LONG-TERM LIABILITIES (continued)

A schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of March 31, 2019 are as follows:

For the Years Ended March 31	Governmental Activities Amount	Business Activities Amount
2020	\$ 370,031	\$ 316,228
2021	81,143	316,228
2022	-	316,228
2023	-	316,228
2024	-	316,228
2025	-	316,228
2026	-	316,229
2027	-	316,229
2028	-	316,229
2029	-	316,229
Subtotal	451,174	3,162,284
Less – Amount representing interest	5,121	531,011
Present Value of Minimum Lease Payments	<u>\$ 446,053</u>	<u>\$ 2,631,273</u>

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. The computation is as follows:

Assessed valuation - 2018 tax year	<u>\$829,137,956</u>
Debt limit - 10% of assessed valuation	\$ 82,913,796
Amount of debt applicable to debt limit:	
Total general obligation bonded debt.....	525,000
Less: Amount available in debt service fund.....	<u>(525,000)</u>
Bonded indebtedness applicable to debt limit.....	<u>-</u>
Legal Debt Margin.....	<u>\$ 82,913,796</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

7. RESTRICTED CASH AND INVESTMENTS

(A) The following trustee held account has been established in accordance with the Indenture related to the Certificates of Participation Series 2009 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2019, cash and investments in the COPS Series 2009 revenue fund total \$104.

Reserve Fund

The Indenture required that a Reserve Fund be established in the original amount of \$438,697. The amounts to be held in the reserve is determined thereafter on a yearly basis in accordance with the formula in the Indenture. At March 31, 2019, cash and investments in the COPS reserve fund was \$443,839.

Project Fund

The Project Fund will be used for the purpose of providing monies to pay project costs. Proceeds received from the sale of the bonds, after deposit into the Revenue Fund of the accrued interest, if any, and deposit into the Debt Service Reserve Fund of the amount requirement pursuant to the bond indenture, shall be deposited into the Project Fund. As of March 31, 2019, there were no cash and investments in the COPS Series 2009 project fund.

(B) The following trustee held account has been established in accordance with the Indenture related to the Refunding Certificates of Participation Series 2012 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2019, cash and investments in the Refunding COPS Series 2012 revenue fund was \$6.

Reserve Fund

The Indenture required that a Reserve Fund be established in the original amount of \$663,636. The amounts to be held in the reserve is determined thereafter on a yearly basis in accordance with the formula in the Indenture. At March 31, 2019, cash and investments in the Refunding COPS Series 2012 reserve fund was \$239,458.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

7. RESTRICTED CASH AND INVESTMENTS (continued)

(C) The following trustee held account has been established in accordance with the Indenture related to the Refunding Certificates of Participation Series 2014 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2019, cash or investments in the Refunding COPS Series 2014 revenue fund was \$1.

Project Fund

The Project Fund will be used for the purpose of providing monies to pay project costs. Proceeds received from the sale of the bonds, after deposit into the Revenue Fund of the accrued interest, if any, shall be deposited into the Project Fund. As of March 31, 2019, were no cash and investments in the COPS Series 2014 project fund.

(D) The following trustee held account has been established in accordance with the Indenture related to the Certificates of Participation Series 2017 ("COPS"):

Project Fund

The Project Fund will be used for the purpose of providing monies to pay project costs. Proceeds received from the sale of the bonds, after deposit into the Revenue Fund of the accrued interest, if any, shall be deposited into the Project Fund. As of March 31, 2019, cash and investments in the COPS Series 2018 project fund was \$24,233,863.

(E) Certain assets are classified on the Balance Sheet – Governmental Funds as restricted because of their use is limited. Contractor deposits can only be expended if a deposit is forfeited for noncompliance per the terms of the issued permit. Capital donation received by the Park Fund and Capital Improvement Fund must be used only for approved capital improvements.

(F) The Electric and Water Fund, based on city ordinance, is required to collect a deposit from all commercial applicants and renters. The deposits can only be used in the event the consumer defaults on their accounts to pay outstanding balances. At March 31, 2019, utility deposits restricted total \$188,810 for the Electric Fund and total \$23,203 for the Water Fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

8. RECONCILIATION OF INTERFUND TRANSACTIONS

The following represents a reconciliation of transfers between individual funds for the year ended March 31, 2019.

	Transfers From	Transfers To	Net Transfers
Major Funds:			
General Fund.....	\$ (80,908)	\$ 1,258,035	\$ 1,177,127
<i>Special Revenue:</i>			
Public Park Board.....	-	623,908	623,908
<i>Capital Improvement:</i>			
Capital Improvement.....	-	1,445,000	1,445,000
Park & Storm Water Improvement....	(795,035)	-	(795,035)
Non-Major Funds	(18,000)	-	(18,000)
Major Enterprise Funds			
Electric.....	(1,723,000)	-	(1,723,000)
Water.....	(710,000)	-	(710,000)
Total.....	<u>\$ (3,326,943)</u>	<u>\$3,326,943</u>	<u>\$ -</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them primarily for operating or capital purposes.

Individual fund interfund receivable and payable balances as of March 31, 2019, are as follows:

	Interfund Receivable	Interfund Payable
Major Funds		
General Fund.....	\$ -	\$ 2,775,000
<i>Capital Projects</i>		
Park & Storm Water Improvement.....	-	340,000
Major Enterprise Funds		
Electric.....	2,945,000	-
Water.....	170,000	-
Total.....	<u>\$ 3,115,000</u>	<u>\$ 3,115,000</u>

The amounts due to or from individual funds represents interfund borrowings and arise in the normal course of business. Interfund borrowings are necessary due to the nature and timing of governmental receipts.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City, including its component units, use the Workers' Compensation Internal Service Fund to account for and finance risks for workers' compensation, general liability and property damage. For workers' compensation the City retains the risk for the first \$750,000 of an individual claim. Excess insurance coverage is purchased to cover individual claims in excess of \$750,000.

The City, including its component units, uses the Medical Self Insurance Internal Service Fund to account for and finance medical health coverage for eligible employees. For medical health insurance, the City retains the risk for the first \$100,000 of an individual claim. Excess insurance coverage is purchased to cover individual claims in excess of \$100,000.

The Workers' Compensation Internal Service Fund is funded by charges to the City's other funds and is based primarily upon the contributing funds' claims experience. The Medical Self Insurance Internal Service Fund is funded by premiums established by City Council based upon recommendations from the City's benefit consultants. The City obtains periodic funding valuations from the claims-servicing companies managing the self-insurance programs and adjusts the charges to the various funds as required to maintain the appropriate level of estimated claims liability.

Changes in the internal service fund claims liability for the past two years are as follows:

	Workers' Compensation	Medical Self Insurance
Liability – March 31, 2017	\$ 389,977	\$ 201,850
Claims payments	(399,703)	(2,885,983)
Claims incurred and changes to prior years estimates	662,624	3,038,082
Liability – March 31, 2018	652,898	353,949
Claims payments	(941,787)	(2,741,256)
Claims incurred and changes to prior years estimates	884,683	2,667,271
Liability – March 31, 2019	\$ 595,794	\$ 279,964

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

9. RISK MANAGEMENT (continued)

The City purchases commercial insurance policies for the following exposures including workers' compensation and medical health coverage:

<u>Coverage Type</u>	<u>Coverage Limit</u>	<u>Deductible</u>
Workers' Compensation.....	Statutory	\$ 750,000
General Liability.....	7,000,000	100,000
Auto Liability.....	7,000,000	100,000
Auto Physical Damage.....	1,475,000	25,000
Public Officials Liability.....	7,000,000	50,000
Law Enforcement Liability.....	7,000,000	50,000
Employee Benefits.....	7,000,000	50,000
Pollution Liability.....	2,000,000	50,000
City Administrator Bond.....	500,000	--
Court Clerk Bond.....	50,000	--
Property.....	62,869,638	25,000
Fiduciary Liability.....	5,000,000	10,000
Crime – Employee Theft.....	500,000	25,000
Cyber Liability.....	1,000,000	5,000
Flood.....	48,400	5,000
Flood.....	150,000	1,250
Anthem Blue Cross/Blue Shield..	100,000	--

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

10. MUNICIPAL COURT TRAFFIC VIOLATIONS FINES AND COSTS

Missouri State statutes require municipalities to report an accounting of the percent of “annual general operating revenue” from fines and costs for traffic violations. All fines and costs from traffic violations in excess of 20% of the City’s “annual general operating revenue” is required to be remitted to the director of the department of revenue for annual distribution to the schools of the county. “Annual general operating revenue of the City” is defined by the Missouri State Auditor as revenue that is not required by the enacting ordinance law or Constitution to be used only for a designated purpose and can be used to pay any bill or obligation of the City. This includes, but is not limited to, general sales tax, general property tax, and fees from certain licenses and permits, interest, fines, and penalties. “General Operating Revenues” does not include, among other items, designated sales or use taxes, user fees, grant funds or other revenue designated by law, ordinance, or Constitution, for a specific purpose.

Total court fines and costs (traffic cases).....	\$ 344,617
Total general operating revenue of the city.....	<u>16,294,961</u>
Court fines and costs as a percentage of total general operating revenue of the city.....	<u>2.11%</u>

11. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in a number of lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of all legal proceedings, it is the opinion of management that they will not have a material effect on the City's financial position.

Federal Grants

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the City's financial position.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2019

11. COMMITMENTS AND CONTINGENCIES (continued)

Major Supplier

The City has an agreement with a local utility company to be the City's sole provider of its water for resale. The agreement has fixed rates for each calendar year, with the contract expiring January 13, 2036. There are no minimum or maximum purchase commitments under the agreement.

The City obtains its capacity and energy requirements from various suppliers, including the Midwest Independent System Operator (MISO) and the Missouri Joint Municipal Electric Utility Commission (MJMEUC).

During the fiscal year, the City's average cost of power was \$74.73 per megawatt hour. The City obtained 80% of its energy from the Prairie State Energy Campus, 15% of its power from MISO and 5% from Nextera.

Joint Venture

The City has entered into a multi-governmental arrangement creating an organization that is owned, operated, and governed by two or more participants as a separate and specific activity subject to joint control, in which the City retains an ongoing financial responsibility.

The Missouri Joint Municipal Electric Utility Commission (MJMEUC) was formed under the laws of the state of Missouri for the purpose of procuring electric energy and capacity for the benefit of, and pursuant to the governance and direction of, MJMEUC's members. The governing body of each of the contracting municipalities appoints one MJMEUC Director and one alternate, who may be employees of the contracting municipality.

MJMEUC has acquired an undivided ownership interest in the Prairie State Energy Campus, a two-unit, coal-fueled, mine-mouth generating station with an anticipated net capacity of approximately 1600 megawatts, and associated coal reserves and coal-mining facilities ("PSEC"), in Washington County, Illinois. The City's purchase percentage equates to 12.5 MW of unit power from each of the two PSEC units.

The first PSEC unit entered into commercial operation in June 2013 and the second unit began commercial operation in November 2013. Each unit is expected to have a useful service life of at least 40 years.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

11. COMMITMENTS AND CONTINGENCIES (continued)

Joint Venture (continued)

The City does not have any equity interests. The City will be responsible for its proportionate share of (a) the fixed and variable costs MJMEUC incurs in connections with its PSEC ownership, and (b) MJMEUC's administrative and other reasonable costs associated with its role as power supplier to the City.

The City paid approximately \$893,250 prior to commercial operation of the PSEC units. The City now pays approximately \$54.48/MWH for capacity and energy from the units prior to sales back into the grid and experiences a net price of \$32.83/MWH after excess sales back into the grid are included in the calculation.

Separate financial statements prepared for the MJMEUC can be furnished upon request.

Construction Commitments

The City has active construction projects as of March 31, 2019. The projects include performance art center (PAC), park improvements, streets, sidewalks, electric distribution system upgrades, electric meter based upgrades, and water distribution system upgrades. At year end the City's commitments with contractors are as follows:

<u>Project/Contractor</u>	<u>Total Spent As of March 31, 2019</u>	<u>Remaining Commitment</u>
PAC Design Services-Jacobs Engineering.....	\$ 1,868,239	\$ 46,654
PAC Construction Manager-BSI Construction.....	2,044,242	20,116,758
PAC Geotechnical Services-Geotech.....	71,259	5,046
Traffic Signals-CMT.....	54,379	772,157
Traffic Signals-Gerstner Electric.....	16,685	4,187,995
Meter Base Upgrades-Schaeffer Electric.....	157,256	238,628
Electric Distribution System Upgrades.....	511,201	23,940
New Alfred Substation Construction.....	70,816	83,639
Alfred Substation Programming/Training-Novatech..	2,400	27,825
Storm Water Study-Amec Foster Wheeler.....	69,093	4,481
Essex Design-GBA Companies.....	90,252	30,763
Sidewalk Design-Pizman's Company.....	23,928	9,312
ADA Transition Plan-Oats Associates.....	108,095	27,035
Asphaltic Overlay-Spencer Contracting.....	313,376	15,705
Quan Avenue Design Services-GBA Companies.....	100,493	54,029
Quan Avenue ROW-Payken Consulting.....	--	65,750

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

11. COMMITMENTS AND CONTINGENCIES (continued)

Construction Commitments (continued)

<u>Project/Contractor</u>	Total Spent As of March 31, 2019	Remaining Commitment
Manchester Road Design-TWM.....	\$ 102,610	\$ 121,352
Manchester Road ROW-MoDOT.....	--	300,896
Geyer Road ROW-Payken Consulting.....	--	65,875
Geyer Road Design-Alta Planning & Design.....	30,715	46,455
Bike Route Signage-Alta Planning & Design.....	20,648	68,396
Commercial Market Analysis (IDA)-PGA V.....	2,500	22,500
Park Water Tank No. 1 Mixing-CMT Consulting.....	11,111	6,889
Water Main Replacement-CMT Consulting.....	74,622	60,378
Water Main Replacement-Donohue & Associates....	35,676	10,174
Pressure Reduction Study-Brown & Caldwell.....	33,115	17,831
Solid Waste Collection-SCS Engineers.....	18,933	6,457
Water Main Replacement Swan-Unnerstall.....	899,925	390,485
Swan Pump Station/Water Main Design-CMT.....	366,690	132,006
Swan Pump Station Replacement-Plocher.....	655,518	366,870
Total.....	<u>\$ 7,753,777</u>	<u>\$ 27,326,281</u>

12. SUBSEQUENT EVENT

In September 2019, the City issued \$3,335,000 in Certificates of Participation Refunding Series 2019 ("COPS") for the purpose of providing funds which, together with other funds of the City, will be used to refund \$3,910,000 outstanding principal amount on its Series 2009 COPS with varying interest rates ranging from 5.05% to 6.05%. The Series 2019 COPS mature on September 1, 2029 and bear an interest rate of 3%.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2019

13. RECENT ACCOUNTING PRONOUNCEMENTS

The accounting principles governing the reported amounts, presentation and related disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various governing bodies. The Government Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments

In May 2018, the GASB issued Statement No. 86, "Certain Debt Extinguishment Issues." The objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt. This Statement also improves account and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

In June 2018, the GASB issued Statement No. 87, "Leases." The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

In March 2018, the GASB issued Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements." The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2019. Earlier application is encouraged.

In June 2018, the GASB issued Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period." The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

The effects on the City's financial statements as a result of the adoption of these new pronouncements are unknown.

**Required Supplementary Information –
Budgetary Comparison Information**

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes, including interest and penalties:				
Gasoline/motor vehicle sales.....	\$ 1,087,000	\$ 1,087,000	\$ 1,109,229	\$ 22,229
Utility gross receipts.....	4,456,000	4,456,000	4,598,693	142,693
Property.....	2,260,000	2,260,000	2,318,171	58,171
Sales.....	6,145,000	6,145,000	6,343,887	198,887
Cigarette.....	70,000	70,000	57,736	(12,264)
Highway road and bridge.....	770,000	770,000	826,142	56,142
County public safety.....	1,300,000	1,300,000	1,506,734	206,734
Franchise.....	475,000	475,000	411,880	(63,120)
Total Taxes.....	<u>16,563,000</u>	<u>16,563,000</u>	<u>17,172,472</u>	<u>609,472</u>
Intergovernmental.....	<u>594,887</u>	<u>594,887</u>	<u>706,152</u>	<u>111,265</u>
Licenses, Permits, Fines and Fees:				
Motor vehicle licenses and fees.....	137,000	137,000	138,219	1,219
Business licenses.....	765,000	765,000	792,633	27,633
Alcoholic beverage licenses.....	26,000	26,000	25,890	(110)
Building and plumbing permits.....	797,000	797,000	879,364	82,364
Excavation and sign permits.....	32,300	32,300	37,602	5,302
Fines and court costs.....	204,000	204,000	388,422	184,422
Miscellaneous fees.....	140,000	140,000	182,705	42,705
Total Licenses, Permits, Fines and Fees.....	<u>2,101,300</u>	<u>2,101,300</u>	<u>2,444,835</u>	<u>343,535</u>
Investment income.....	<u>48,750</u>	<u>48,750</u>	<u>213,806</u>	<u>165,056</u>
Charges For Services:				
Skating rink.....	778,200	778,200	840,807	62,607
Aquatic facility.....	418,000	418,000	406,490	(11,510)
Ambulance fees.....	900,000	900,000	1,032,100	132,100
Program fees.....	797,350	797,350	785,348	(12,002)
Total Charges For Services.....	<u>2,893,550</u>	<u>2,893,550</u>	<u>3,064,745</u>	<u>171,195</u>
Other	<u>694,634</u>	<u>696,253</u>	<u>729,088</u>	<u>32,835</u>
Total Revenues.....	<u>\$ 22,896,121</u>	<u>\$ 22,897,740</u>	<u>\$ 24,331,098</u>	<u>\$ 1,433,358</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
EXPENDITURES:				
Current:				
General Government and Finance:				
Personnel services.....	2,346,712	2,389,770	2,202,618	187,152
Contractual services.....	1,209,705	1,321,046	1,160,448	160,598
Commodities.....	304,560	344,980	112,656	232,324
Capital outlay.....	33,800	49,687	25,273	24,414
Interdepartmental charges, net.....	292,045	299,716	297,363	2,353
Debt service:				
Principal.....	115,000	115,000	-	115,000
Interest, and fiscal charges.....	86,700	86,700	86,700	-
Total General Government and Finance....	4,388,522	4,606,899	3,885,058	721,841
Engineering:				
Personnel services.....	590,127	585,030	555,965	29,065
Contractual services.....	458,342	606,429	436,872	169,557
Commodities.....	9,360	9,415	7,559	1,856
Capital outlay.....	5,500	5,900	5,899	1
Interdepartmental charges, net.....	12,183	12,183	8,452	3,731
Total Engineering.....	1,075,512	1,218,957	1,014,747	204,210
Building Maintenance:				
Personnel services.....	264,690	264,825	260,376	4,449
Contractual services.....	197,110	200,035	183,792	16,243
Commodities.....	47,250	47,250	35,785	11,465
Capital outlay.....	2,500	2,500	2,113	387
Interdepartmental charges, net.....	11,745	11,745	10,050	1,695
Total Building Maintenance.....	523,295	526,355	492,116	34,239
Building Commissioner:				
Personnel services.....	660,671	662,833	646,777	16,056
Contractual services.....	96,434	94,272	67,298	26,974
Commodities.....	14,135	14,135	8,988	5,147
Interdepartmental charges, net.....	9,097	9,097	7,929	1,168
Total Building Commissioner.....	780,337	780,337	730,992	49,345

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
EXPENDITURES (CONTINUED)				
Current (continued):				
Police:				
Personnel services.....	7,255,936	7,351,456	6,989,064	362,392
Contractual services.....	715,468	734,384	681,945	52,439
Commodities.....	120,910	124,735	110,805	13,930
Capital outlay.....	5,450	10,450	10,273	177
Interdepartmental charges, net.....	344,858	344,858	298,417	46,441
Total Police.....	<u>8,442,622</u>	<u>8,565,883</u>	<u>8,090,504</u>	<u>475,379</u>
Fire:				
Personnel services.....	5,199,460	5,413,589	5,283,905	129,684
Contractual services.....	449,910	441,713	399,783	41,930
Commodities.....	139,537	141,889	126,368	15,521
Capital outlay.....	15,700	17,900	17,222	678
Interdepartmental charges, net.....	227,568	230,015	201,176	28,839
Total Fire.....	<u>6,032,175</u>	<u>6,245,106</u>	<u>6,028,454</u>	<u>216,652</u>
Streets:				
Personnel services.....	957,074	952,375	904,281	48,094
Contractual services.....	276,470	282,178	263,191	18,987
Commodities.....	282,771	286,620	226,038	60,582
Capital outlay.....	10,000	10,000	2,318	7,682
Interdepartmental charges, net.....	228,753	223,895	192,405	31,490
Total Streets.....	<u>1,755,068</u>	<u>1,755,068</u>	<u>1,588,233</u>	<u>166,835</u>
Recreation:				
Personnel services.....	1,161,653	1,153,877	1,128,449	25,428
Contractual services.....	720,222	738,118	699,393	38,725
Commodities.....	157,446	139,974	129,976	9,998
Interdepartmental charges, net.....	257,809	264,082	260,550	3,532
Total Recreation.....	<u>2,297,130</u>	<u>2,296,051</u>	<u>2,218,368</u>	<u>77,683</u>
Total Expenditures.....	<u>25,294,661</u>	<u>25,994,656</u>	<u>24,048,472</u>	<u>1,946,184</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
EXCESS REVENUES OVER (UNDER)				
EXPENDITURES.....	(2,398,540)	(3,096,916)	282,626	(3,379,542)
OTHER FINANCING SOURCES (USES):				
Transfers in.....	1,283,653	1,283,653	1,258,035	(25,618)
Transfers out.....	(455,926)	(482,005)	(80,908)	401,097
Total Other Financing Sources (Uses).....	827,727	801,648	1,177,127	375,479
NET CHANGE IN FUND BALANCE.....	\$ (1,570,813)	\$ (2,295,268)	1,459,753	\$ (3,755,021)
ADJUSTMENTS TO RECONCILE TO GAAP				
BASIS				
Revenue accrual adjustments.....			(235,973)	
Expenditure accrual adjustments.....			(31,943)	
Total Adjustments To Reconcile to				
GAAP Basis.....			(267,916)	
NET CHANGE IN FUND BALANCE - GAAP				
BASIS.....			1,191,837	
FUND BALANCE, BEGINNING OF YEAR.....			6,784,489	
FUND BALANCE, END OF YEAR.....			\$ 7,976,326	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - PUBLIC PARK BOARD FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes, including interest and penalties.....	\$ 950,000	\$ 950,000	\$ 1,041,554	\$ 91,554
Licenses, permits, fines and fees.....	80,250	365,250	356,079	(9,171)
Investment income.....	5,000	5,000	30,213	25,213
Total Revenues.....	<u>1,035,250</u>	<u>1,320,250</u>	<u>1,427,846</u>	<u>107,596</u>
EXPENDITURES:				
Current:				
Parks.....	1,539,767	1,545,309	1,455,051	90,258
Capital outlay.....	183,100	610,461	338,906	271,555
Total Expenditures.....	<u>1,722,867</u>	<u>2,155,770</u>	<u>1,793,957</u>	<u>361,813</u>
EXCESS REVENUES UNDER EXPENDITURES.....	<u>(687,617)</u>	<u>(835,520)</u>	<u>(366,111)</u>	<u>(469,409)</u>
OTHER FINANCING SOURCES:				
Transfers in.....	624,500	628,540	623,908	(4,632)
Proceeds from sale of capital assets.....	9,000	9,000	4,863	(4,137)
Insurance recoveries.....	-	-	200	200
Total Other Financing Sources.....	<u>633,500</u>	<u>637,540</u>	<u>628,971</u>	<u>(8,569)</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (54,117)</u>	<u>\$ (197,980)</u>	<u>262,860</u>	<u>\$ (460,840)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(80,258)	
Expenditure accrual adjustments.....			(2,317)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(82,575)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			180,285	
FUND BALANCE, BEGINNING OF YEAR.....			<u>1,559,621</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 1,739,906</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - P&F PROPERTY TAX PENSION FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes, including interest and penalties.....	\$ 945,000	\$ 945,000	\$ 1,183,385	\$ 238,385
Investment income.....	10,250	10,250	11,806	1,556
Total Revenues.....	955,250	955,250	1,195,191	239,941
EXPENDITURES:				
Police.....	860,033	860,033	694,056	165,977
Fire.....	759,250	759,250	648,007	111,243
Total Expenditures.....	1,619,283	1,619,283	1,342,063	277,220
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>\$ (664,033)</u>	<u>\$ (664,033)</u>	<u>(146,872)</u>	<u>\$ (517,161)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(76,196)	
Expenditure accrual adjustments.....			68	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(76,128)</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(223,000)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>908,927</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 685,927</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

NOTES TO BUDGETARY COMPARISON INFORMATION FOR THE FISCAL YEAR ENDED MARCH 31, 2019

1. BUDGETARY DATA

Missouri state law and City ordinances require annual budgets to be prepared and legally adopted for the general fund; Public Park Board, P&F Property Tax Pension, Downtown Special Business District, Equitable Sharing and Sewer Lateral special revenue funds; debt service fund and capital projects funds. Budgets are prepared by the Chief Administrative Officer on the modified accrual basis according to the City of Kirkwood, Missouri Charter Article VI, Section 6.3. The budgets are reviewed by a Citizens' Finance Committee, and are discussed in public hearings prior to their legal adoption by April 1 each year. The City Council may revise the approved budget provided that the total authorized expenditures do not exceed the estimated revenues plus unreserved fund balance at the beginning of the year. The budget is legally enacted by ordinance following public hearings on the proposed budget. The Public Park Board is the only City agency that adopts its own budget.

Following adoption of the budget, the Chief Administrative Officer may transfer appropriations between departments provided that total appropriations do not exceed the authorized amount established by ordinance. City policy requires all budget amendments or transfers of \$10,000 or more to be approved by ordinance. All appropriations lapse at year end.

Due to the management controls adopted, which provide for the budget to be controlled at a detail level greater than the statutory level of control, the legal level of budgetary control for all governmental funds except the Public Park Board is established at the sub object level. Compliance with the legal level of budgetary control is demonstrated through the issuance of a separate report, which is available for inspection at the Finance Department. Budgetary comparisons presented herein are on the modified accrual basis in compliance with the City's Charter.

2. LEGAL COMPLIANCE – BUDGETS

The following is a list of expenditures at the legal level control which exceeded budget appropriations:

	<u>Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
CAPITAL IMPROVEMENT FUND:			
Machinery & Equipment (Fire).....	\$ 191,166	\$ 324,831	\$ 133,665

The over expenditure was financed by other financing sources, proceeds from capital leases.

Other Supplementary Information

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
MARCH 31, 2019

	Combined Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS:			
Cash and investments - unrestricted.....	\$ 785,541	\$ 564,787	1,350,328
Receivables, net of allowances:			
Taxes.....	38,307	68,785	107,092
Interest.....	1,581	1,119	2,700
Other.....	9,339	-	9,339
TOTAL ASSETS.....	<u>\$ 834,768</u>	<u>\$ 634,691</u>	<u>\$ 1,469,459</u>
LIABILITIES:			
Accounts payable.....	\$ 46,863	\$ -	\$ 46,863
Accrued wages and vacation.....	3,692	-	3,692
Deposits payable.....	11,672	-	11,672
Unearned revenue.....	63,588	-	63,588
Total Liabilities.....	<u>125,815</u>	<u>-</u>	<u>125,815</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue-taxes.....	33,267	60,905	94,172
Total Deferred Inflows of Resources.....	<u>33,267</u>	<u>60,905</u>	<u>94,172</u>
FUND BALANCES:			
Restricted for:			
Debt service.....	-	573,786	573,786
Law enforcement.....	95,266	-	95,266
Sewer lateral.....	433,030	-	433,030
Special business district.....	147,390	-	147,390
Total Fund Balances.....	<u>675,686</u>	<u>573,786</u>	<u>1,249,472</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES.....	<u>\$ 834,768</u>	<u>\$ 634,691</u>	<u>\$ 1,469,459</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Combined Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES:			
Taxes, including interest and penalties.....	\$ 116,404	\$ 615,657	\$ 732,061
Licenses, permits, fines and fees.....	542,757	-	542,757
Investment income.....	16,127	12,072	28,199
Other.....	6,753	-	6,753
Total Revenues.....	682,041	627,729	1,309,770
EXPENDITURES:			
General government and finance.....	681,769	-	681,769
Police.....	7,055	-	7,055
Capital outlay.....	179,991	-	179,991
Debt service:			
Principal retirement.....	-	505,000	505,000
Interest and fiscal charges.....	-	33,455	33,455
Total Expenditures.....	868,815	538,455	1,407,270
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(186,774)	89,274	(97,500)
OTHER FINANCING USES:			
Transfers out.....	(18,000)	-	(18,000)
Total Other Financing Uses.....	(18,000)	-	(18,000)
NET CHANGE IN FUND BALANCES.....	(204,774)	89,274	(115,500)
FUND BALANCES, BEGINNING OF YEAR.....	880,460	484,512	1,364,972
FUND BALANCES, END OF YEAR.....	\$ 675,686	\$ 573,786	\$ 1,249,472

See accompanying independent auditor's report

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NON-MAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The special revenue funds maintained by the City are as follows:

Downtown Special Business District - Used to account for property taxes and business license fees set aside for the economic development of the special business district.

Equitable Sharing - Used to account for proceeds from the City's portion of seized assets as required by the United States Attorney General's Guidelines on Seized and Forfeited Property.

Sewer Lateral - Used to account for the sewer lateral insurance fees restricted specifically for repairs of broken single-family and condominium residential sewer laterals.

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
MARCH 31, 2019

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Total
ASSETS:				
Cash and investments - unrestricted.....	\$ 210,524	\$ 113,194	\$ 461,823	\$ 785,541
Receivables, net of allowances:				
Taxes.....	38,307	-	-	38,307
Interest.....	417	249	915	1,581
Other.....	6,512	-	2,827	9,339
TOTAL ASSETS.....	\$ 255,760	\$ 113,443	\$ 465,565	\$ 834,768
LIABILITIES:				
Accounts payable.....	\$ 6,813	\$ 18,177	\$ 21,873	\$ 46,863
Accrued wages and vacation.....	2,755	-	937	3,692
Deposits payable.....	1,947	-	9,725	11,672
Unearned revenue.....	63,588	-	-	63,588
Total Liabilities.....	75,103	18,177	32,535	125,815
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-taxes.....	33,267	-	-	33,267
Total Deferred Inflows of Resources.....	33,267	-	-	33,267
FUND BALANCES:				
Restricted for:				
Law enforcement.....	-	95,266	-	95,266
Sewer lateral.....	-	-	433,030	433,030
Special business district.....	147,390	-	-	147,390
Total Fund Balances.....	147,390	95,266	433,030	675,686
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 255,760	\$ 113,443	\$ 465,565	\$ 834,768

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Total
REVENUES:				
Taxes, including interest and penalties.....	\$ 116,404	\$ -	\$ -	\$ 116,404
Licenses, permits, fines and fees.....	190,292	83,922	268,543	542,757
Investment income.....	3,973	2,998	9,156	16,127
Miscellaneous.....	6,593	-	160	6,753
Total Revenues.....	317,262	86,920	277,859	682,041
EXPENDITURES:				
General government and finance.....	298,942	-	382,827	681,769
Police.....	-	7,055	-	7,055
Capital outlay.....	62,888	117,103	-	179,991
Total Expenditures.....	361,830	124,158	382,827	868,815
EXCESS REVENUES OVER (UNDER)				
EXPENDITURES.....	(44,568)	(37,238)	(104,968)	(186,774)
OTHER FINANCING USES:				
Transfers out.....	(18,000)	-	-	(18,000)
Total Other Financing Uses.....	(18,000)	-	-	(18,000)
NET CHANGE IN FUND BALANCES.....	(62,568)	(37,238)	(104,968)	(204,774)
FUND BALANCES,				
BEGINNING OF YEAR.....	209,958	132,504	537,998	880,460
FUND BALANCES, END OF YEAR.....	\$ 147,390	\$ 95,266	\$ 433,030	\$ 675,686

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DOWNTOWN SPECIAL BUSINESS DISTRICT FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes, including interest and penalties.....	\$ 142,000	\$ 142,000	\$ 172,310	\$ 30,310
Licenses, permits, fines and fees.....	187,600	187,600	187,931	331
Investment income.....	2,000	2,000	3,899	1,899
Miscellaneous.....	23,800	23,800	6,593	(17,207)
Total Revenues.....	<u>355,400</u>	<u>355,400</u>	<u>370,733</u>	<u>15,333</u>
EXPENDITURES:				
General government and finance.....	301,450	301,714	298,401	3,313
Capital outlay.....	61,200	63,101	62,888	213
Total Expenditures.....	<u>362,650</u>	<u>364,815</u>	<u>361,289</u>	<u>3,526</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>(7,250)</u>	<u>(9,415)</u>	<u>9,444</u>	<u>(18,859)</u>
OTHER FINANCING USES:				
Transfers out.....	<u>(20,500)</u>	<u>(21,035)</u>	<u>(18,000)</u>	<u>(3,035)</u>
Total Other Financing Uses.....	<u>(20,500)</u>	<u>(21,035)</u>	<u>(18,000)</u>	<u>(3,035)</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (27,750)</u>	<u>\$ (30,450)</u>	<u>(8,556)</u>	<u>\$ (21,894)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(53,471)	
Expenditure accrual adjustments.....			(541)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(54,012)</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(62,568)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>209,958</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 147,390</u>	

See accompanying independent auditors' report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - EQUITABLE SHARING FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES:				
Licenses, permits, fines and fees.....	\$ 100,000	\$ 100,000	\$ 83,922	\$ (16,078)
Investment income.....	750	750	3,010	2,260
Total Revenues.....	100,750	100,750	86,932	(13,818)
EXPENDITURES:				
Police.....	-	18,200	7,055	11,145
Capital Outlay.....	-	124,705	117,103	7,602
Total Expenditures.....	-	142,905	124,158	18,747
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	100,750	(42,155)	(37,226)	(4,929)
OTHER FINANCING USES:				
Transfers out.....	(65,000)	-	-	-
Total Other Financing Uses.....	(65,000)	-	-	-
NET CHANGE IN FUND BALANCES.....	\$ 35,750	\$ (42,155)	(37,226)	\$ (4,929)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(12)	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			(12)	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(37,238)	
FUND BALANCE, BEGINNING OF YEAR.....			132,504	
FUND BALANCE, END OF YEAR.....			\$ 95,266	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - SEWER LATERAL FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES:				
Licenses, permits, fines and fees.....	\$ 275,000	\$ 275,000	\$ 276,082	\$ 1,082
Investment income.....	4,000	4,000	9,115	5,115
Miscellaneous.....	-	-	160	160
Total Revenues.....	279,000	279,000	285,357	6,357
EXPENDITURES:				
General government and finance.....	476,588	476,588	382,912	93,676
Total Expenditures.....	476,588	476,588	382,912	93,676
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(197,588)	(197,588)	(97,555)	(100,033)
OTHER FINANCING SOURCES:				
Transfers out.....	(3,129)	(3,129)	-	(3,129)
Total Other Financing Sources.....	(3,129)	(3,129)	-	(3,129)
NET CHANGE IN FUND BALANCES.....	<u>\$ (200,717)</u>	<u>\$ (200,717)</u>	<u>(97,555)</u>	<u>\$ (103,162)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(7,498)	
Expenditure accrual adjustments.....			85	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(7,413)</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(104,968)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>537,998</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 433,030</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes, including interest and penalties.....	\$ 625,000	\$ 625,000	\$ 668,343	\$ 43,343
Investment income.....	5,000	5,000	11,637	6,637
Total Revenues.....	<u>630,000</u>	<u>630,000</u>	<u>679,981</u>	<u>49,981</u>
EXPENDITURES:				
Debt Service:				
Principal retirement.....	505,000	505,000	505,000	-
Interest and fiscal charges.....	<u>35,000</u>	<u>35,000</u>	<u>33,455</u>	<u>1,545</u>
Total Expenditures.....	<u>540,000</u>	<u>540,000</u>	<u>538,455</u>	<u>1,545</u>
EXCESS REVENUES OVER (UNDER)				
EXPENDITURES.....	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>141,526</u>	<u>\$ (51,526)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(52,252)	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(52,252)</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			89,274	
FUND BALANCE, BEGINNING OF YEAR.....			<u>484,512</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 573,786</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES:				
Taxes, including interest and penalties.....	\$ 2,155,000	\$ 2,155,000	\$ 2,185,508	\$ 30,508
Grants.....	914,545	930,845	62,166	(868,679)
Investment income.....	15,000	15,000	59,026	44,026
Other.....	30,000	46,000	6,865	(39,135)
Total Revenues.....	3,114,545	3,146,845	2,313,565	(833,280)
EXPENDITURES:				
Capital outlay.....	5,901,513	6,811,344	3,986,162	2,825,182
Debt Service:				
Principal retirement.....	359,874	359,874	359,874	-
Interest and fiscal charges.....	10,158	10,158	10,158	-
Total Expenditures.....	6,271,545	7,181,376	4,356,194	2,825,182
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(3,157,000)	(4,034,531)	(2,042,629)	(1,991,902)
OTHER FINANCING SOURCES (USES):				
Transfers in.....	2,414,341	2,439,341	1,445,000	(994,341)
Proceeds from sale of capital assets.....	54,000	54,000	144,089	90,089
Total Other Financing Sources (Uses).....	2,468,341	2,493,341	1,589,089	(904,252)
NET CHANGE IN FUND BALANCES.....	\$ (688,659)	\$ (1,541,190)	(453,540)	\$ (1,087,650)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			18,407	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			18,407	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(435,133)	
FUND BALANCE, BEGINNING OF YEAR.....			3,136,319	
FUND BALANCE, END OF YEAR.....			\$ 2,701,186	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - PARK & STORM WATER IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES:				
Taxes, including interest and penalties.....	\$ 2,551,047	\$ 2,551,047	\$ 2,571,187	\$ 20,140
Intergovernmental.....	78,453	78,453	78,289	(164)
Investment income.....	25,000	25,000	270,388	245,388
Grants.....	525,000	525,000	-	(525,000)
Total Revenues.....	3,179,500	3,179,500	2,919,864	(259,636)
EXPENDITURES:				
General government and finance.....	38,750	11,167	7,142	4,025
Capital outlay.....	784,500	27,441,938	3,590,480	23,851,458
Debt Service:				
Principal retirement.....	535,000	535,000	365,000	170,000
Interest and fiscal charges.....	795,782	795,782	794,340	1,442
Total Expenditures.....	2,154,032	28,783,887	4,756,962	24,026,925
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	1,025,468	(25,604,387)	(1,837,098)	(23,767,289)
OTHER FINANCING SOURCES (USES):				
Transfers out.....	(882,675)	(844,583)	(795,035)	49,548
Proceeds from sale of capital assets.....	1,000	1,000	15	(985)
Certificates of participation issued.....	432,345	432,345	-	(432,345)
Total Other Financing Sources (Uses).....	(449,330)	(411,238)	(795,020)	(383,782)
NET CHANGE IN FUND BALANCES.....	\$ 576,138	\$ (26,015,625)	(2,632,118)	\$ (23,383,507)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			153	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			153	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(2,631,965)	
FUND BALANCE, BEGINNING OF YEAR.....			28,573,735	
FUND BALANCE, END OF YEAR.....			\$ 25,941,770	

See accompanying independent auditor's report

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INTERNAL SERVICE FUNDS

Medical Self Insurance - This fund is used to account for financial resources to be used for medical insurance premiums and claims expenditures.

Fleet Services - This fund is used to account for citywide vehicle and equipment maintenance and repair costs.

Workers' Compensation - This fund is used to account for financial resources to be used for medical and disability claims expenditures relating to workers' compensation.

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
MARCH 31, 2019

	Medical Self Insurance	Fleet Services	Workers' Compensation Self Insurance	Total
ASSETS:				
Cash and investments:				
Held by trustees.....	\$ -	\$ -	\$ 17,048	\$ 17,048
Unrestricted.....	1,650,393	175,200	384,621	2,210,214
Interest receivable.....	3,270	347	762	4,379
Other receivable.....	-	6,549	-	6,549
Inventory.....	-	2,432	-	2,432
Total Assets.....	1,653,663	184,528	402,431	2,240,622
LIABILITIES:				
Current Liabilities:				
Accounts payable.....	8,664	28,320	17,121	54,105
Accrued wages and vacation.....	-	25,549	5,284	30,833
Claims payable.....	279,964	-	595,794	875,758
Total Current Liabilities.....	288,628	53,869	618,199	960,696
Noncurrent Liabilities:				
Compensated absences.....	-	3,692	824	4,516
Total Noncurrent Liabilities.....	-	3,692	824	4,516
Total Liabilities.....	288,628	57,561	619,023	965,212
NET POSITION				
Unrestricted.....	1,365,035	126,967	(216,592)	1,275,410
TOTAL NET POSITION.....	\$ 1,365,035	\$ 126,967	\$ (216,592)	\$ 1,275,410

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Medical Self Insurance</u>	<u>Fleet Services</u>	<u>Workers' Compensation Self Insurance</u>	<u>Total</u>
OPERATING REVENUES:				
Charges for services.....	\$ 3,205,069	\$ 842,517	\$ 914,415	\$ 4,962,001
Other.....	-	53,729	-	53,729
Total Operating Revenues.....	<u>3,205,069</u>	<u>896,246</u>	<u>914,415</u>	<u>5,015,730</u>
OPERATING EXPENSES:				
Administrative and general.....	79,759	975,171	312,379	1,367,309
Claims and insurance premiums.....	<u>3,292,577</u>	-	<u>1,246,971</u>	<u>4,539,548</u>
Total Operating Expenses.....	<u>3,372,336</u>	<u>975,171</u>	<u>1,559,350</u>	<u>5,906,857</u>
OPERATING INCOME (LOSS).....	<u>(167,267)</u>	<u>(78,925)</u>	<u>(644,935)</u>	<u>(891,127)</u>
NONOPERATING REVENUES:				
Insurance recoveries.....	-	1,985	-	1,985
Investment income.....	<u>35,659</u>	<u>6,430</u>	<u>11,217</u>	<u>53,306</u>
Total Nonoperating Revenues.....	<u>35,659</u>	<u>8,415</u>	<u>11,217</u>	<u>55,291</u>
CHANGE IN NET POSITION.....	(131,608)	(70,510)	(633,718)	(835,836)
NET POSITION, BEGINNING OF YEAR.....	<u>1,496,643</u>	<u>197,477</u>	<u>417,126</u>	<u>2,111,246</u>
NET POSITION, END OF YEAR.....	<u>\$ 1,365,035</u>	<u>\$ 126,967</u>	<u>\$ (216,592)</u>	<u>\$ 1,275,410</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Medical Self Insurance	Fleet Services	Workers' Compensation Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from interfund services provided.....	\$ 3,205,069	\$ 842,517	\$ 914,415	\$ 4,962,001
Other receipts.....	-	50,748	-	50,748
Payments to suppliers.....	(3,440,597)	(510,873)	(1,510,592)	(5,462,062)
Payments to employees.....	-	(437,309)	(78,077)	(515,386)
Payments for interfund services.....	-	(13,038)	(10,000)	(23,038)
Net Cash Provided By (Used In) Operating Activities.....	(235,528)	(67,955)	(684,254)	(987,737)
CASH FLOWS PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES:				
Insurance recoveries.....	-	1,985	-	1,985
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:				
Interest received on investments.....	35,518	6,460	12,181	54,159
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	(200,010)	(59,510)	(672,073)	(931,593)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	1,850,403	234,710	1,073,742	3,158,855
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 1,650,393	\$ 175,200	\$ 401,669	\$ 2,227,262
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss).....	\$ (167,267)	\$ (78,925)	\$ (644,935)	\$ (891,127)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in assets:				
Miscellaneous receivables.....	-	(2,981)	-	(2,981)
Inventory.....	-	960	-	960
Increase (decrease) in liabilities:				
Accounts payable.....	5,724	7,284	15,577	28,585
Accrued wages and vacation.....	-	5,707	2,208	7,915
Claims payable.....	(73,985)	-	(57,104)	(131,089)
Total adjustments.....	(68,261)	10,970	(39,319)	(96,610)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	\$ (235,528)	\$ (67,955)	\$ (684,254)	\$ (987,737)

See accompanying independent auditor's report

FIDUCIARY FUND TYPES

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 governmental units, and other funds.

Trust and Agency Funds

Trust and agency funds include pension trust funds and agency funds. Pension trust funds are accounted for and reported similar to proprietary funds. Agency funds are accounted for and reported similar to governmental funds. The trust and agency funds maintained by the City are as follows:

Pension Trust Funds – Used to account for the receipt, investment, and distribution of retirement contributions for civilian, police and fire employees.

Agency Funds – Used to account for municipal court collections for bail bonds.

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - PENSION TRUST FUNDS
MARCH 31, 2019

	<u>Police Officers' and Fire Retirement</u>	<u>Civilian Employees Retirement</u>	<u>Total</u>
ASSETS:			
Cash and investments:			
Held by trustees:			
Short-Term reserves.....	\$ 3,560,570	\$ 2,435,443	\$ 5,996,013
Bond funds.....	3,521,768	2,206,871	5,728,639
Balanced funds.....	11,756,617	8,173,796	19,930,413
Domestic stock funds.....	20,304,205	5,341,869	25,646,074
International stock funds.....	4,021,414	1,415,872	5,437,286
Money market funds.....	730,245	120,924	851,169
Specialty stock funds.....	-	311,691	311,691
TIAA traditional annuity option.....	2,301,141	-	2,301,141
TIAA brokerage option fund.....	485,312	-	485,312
Restricted.....	-	172	172
Receivables, net of allowances:			
Interest.....	887	855	1,742
Contributions receivable.....	27,271	13,871	41,142
Prepaid expenses.....	4,000	3,750	7,750
	<u>46,713,430</u>	<u>20,025,114</u>	<u>66,738,544</u>
LIABILITIES:			
Accounts payable.....	<u>930</u>	<u>1,103</u>	<u>2,033</u>
	<u>930</u>	<u>1,103</u>	<u>2,033</u>
NET POSITION:			
Net Position Restricted for Pensions.....	<u>\$ 46,712,500</u>	<u>\$ 20,024,011</u>	<u>\$ 66,736,511</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CHANGES IN NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Police Officers' and Fire Retirement	Civilian Employees Retirement	Total
ADDITIONS:			
Contributions:			
Employer.....	\$ 1,210,795	\$ 615,335	\$ 1,826,130
Employee, net of refunds.....	595,487	-	595,487
Total Contributions.....	<u>1,806,282</u>	<u>615,335</u>	<u>2,421,617</u>
Investment income:			
Interest and dividends.....	2,284,409	693,902	2,978,311
Net appreciation(depreciation) in the fair value of plan investments.....	(358,051)	91,466	(266,585)
Total Investment Income.....	<u>1,926,358</u>	<u>785,368</u>	<u>2,711,726</u>
Less: investment expenses.....	39,932	183	40,115
Net investment income.....	<u>1,886,426</u>	<u>785,185</u>	<u>2,671,611</u>
TOTAL ADDITIONS.....	<u>3,692,708</u>	<u>1,400,520</u>	<u>5,093,228</u>
DEDUCTIONS:			
Benefit payments.....	<u>1,150,718</u>	<u>1,055,560</u>	<u>2,206,278</u>
Administrative and general expenses:			
Insurance, taxes and other premiums.....	81,699	81,675	163,374
Professional and administrative fees.....	36,523	27,273	63,796
Total Administrative and General Expenses.....	<u>118,222</u>	<u>108,948</u>	<u>227,170</u>
TOTAL DEDUCTIONS.....	<u>1,268,940</u>	<u>1,164,508</u>	<u>2,433,448</u>
CHANGE IN NET POSITION.....	2,423,768	236,012	2,659,780
NET POSITION RESTRICTED FOR PENSIONS, BEGINNING OF YEAR.....	<u>44,288,732</u>	<u>19,787,999</u>	<u>64,076,731</u>
END OF YEAR.....	<u>\$ 46,712,500</u>	<u>\$ 20,024,011</u>	<u>\$ 66,736,511</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - AGENCY FUND
MARCH 31, 2019

	<u>Appearance Bond Deposits</u>
ASSETS:	
Cash and investments:	
Restricted.....	<u>\$ 11,575</u>
TOTAL ASSETS.....	<u><u>\$ 11,575</u></u>
 LIABILITIES:	
Deposits payable.....	<u>\$ 11,575</u>
TOTAL LIABILITIES.....	<u><u>\$ 11,575</u></u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS

FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	Balance April 1, 2018	Additions	Deletions	Balance March 31, 2019
Appearance Bond Deposits				
ASSETS:				
Cash and investments - restricted.....	\$ 10,200	\$ 27,460	\$ 26,085	\$ 11,575
Total Assets.....	<u>\$ 10,200</u>	<u>\$ 27,460</u>	<u>\$ 26,085</u>	<u>\$ 11,575</u>
LIABILITIES:				
Deposits payable.....	\$ 10,200	\$ 27,460	\$ 26,085	\$ 11,575
Total Liabilities.....	<u>\$ 10,200</u>	<u>\$ 27,460</u>	<u>\$ 26,085</u>	<u>\$ 11,575</u>

See accompanying independent auditor's report

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DISCRETELY PRESENTED COMPONENT UNIT

Industrial Development Authority of the City of Kirkwood, Missouri (IDA)

The IDA is a not-for-profit corporation established by an Ordinance of the City Council and formed under RSMo. Chapter 39, *The Industrial Development Corporations Act*. It is designed to develop, advance, encourage and promote commercial, industrial and manufacturing facilities in the City. Separate financial statements are not prepared for the IDA.

CITY OF KIRKWOOD, MISSOURI

BALANCE SHEET - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)

MARCH 31, 2019

	<u>Total</u>
ASSETS:	
Cash and investments:	
Unrestricted.....	\$ 90,311
Interest receivable.....	<u>179</u>
Total Assets.....	<u>90,490</u>
LIABILITIES:	
Accounts payable.....	<u>-</u>
Total Current Liabilities.....	<u>-</u>
NET POSITION	
Unrestricted.....	<u>90,490</u>
TOTAL NET POSITION.....	<u><u>\$ 90,490</u></u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)
FOR THE FISCAL YEAR ENDED MARCH 31, 2019

	<u>Total</u>
REVENUES:	
Investment income.....	\$ 1,865
Total Revenues.....	<u>1,865</u>
EXPENDITURES:	
Administrative and general.....	<u>-</u>
Total Expenditures.....	<u>-</u>
CHANGE IN NET POSITION.....	1,865
NET POSITION, BEGINNING OF YEAR.....	<u>88,625</u>
NET POSITION, END OF YEAR.....	<u><u>\$ 90,490</u></u>

See accompanying independent auditor's report

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City of

Statistical Section



Kirkwood

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CITY OF KIRKWOOD, MISSOURI

Statistical Section

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

Contents

Page

Financial Trends

These pages contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 104

Revenue Capacity

These pages contain information to help the reader assess the City's most significant local revenue sources. 111

Debt Capacity

These pages present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 119

Demographic and Economic Information

These pages offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 124

Operating Information

These pages contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 126

Sources: Unless otherwise noted, the information in this section is derived from the comprehensive annual financial reports for the relevant year.

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CITY OF KIRKWOOD, MISSOURI

NET POSITIONS BY COMPONENT
LAST TEN FISCAL YEARS

	2010 ^a	2011	2012	2013	2014	2015	2016 ^a	2017	2018	2019
Governmental Activities:										
Net investment in capital assets.....	\$ 40,389,161	\$ 46,153,655	\$ 50,144,786	\$ 52,963,465	\$ 54,136,854	\$ 55,385,115	\$ 56,933,992	\$ 59,955,716	\$ 61,068,308	\$ 65,594,860
Restricted for:										
Capital projects.....	5,217,404	2,465,998	2,415,994	2,331,658	3,056,534	4,003,381	5,047,521	3,612,663	6,593,534	4,704,702
Debt service.....	2,134,897	2,289,210	1,941,607	1,454,116	1,272,840	1,153,844	1,102,928	1,193,771	1,885,784	634,691
Law enforcement.....	130,511	104,620	236,162	100,630	146,567	146,261	189,954	282,410	132,504	95,266
Park operations.....	1,164,982	1,244,613	1,384,988	1,433,102	1,544,679	1,534,683	1,486,942	1,512,157	1,600,709	1,834,772
Police and fire pension.....	3,479,833	3,279,934	3,118,751	2,973,222	2,779,281	2,395,294	1,977,258	1,436,867	948,799	795,563
Sewer lateral.....	463,476	596,602	771,756	867,327	918,456	898,909	795,862	673,200	537,998	433,030
Special business district.....	179,197	204,396	191,749	179,592	139,165	149,432	154,691	210,958	228,118	180,657
TIF bonds and notes.....	-	-	-	-	-	-	-	-	-	-
Unrestricted.....	6,585,255	7,335,848	6,748,336	8,674,045	8,989,005	9,084,425	10,017,247	10,824,747	8,688,006	9,150,584
Total Governmental Activities Net Assets.....	\$ 59,744,716	\$ 63,674,876	\$ 66,954,129	\$ 70,977,157	\$ 72,983,381	\$ 74,751,344	\$ 77,706,395	\$ 79,702,489	\$ 81,683,760	\$ 83,424,125
Business-Type Activities:										
Invested in capital assets, net of related debt.....	\$ 8,194,874	\$ 10,249,193	\$ 11,424,626	\$ 11,023,698	\$ 11,856,557	\$ 13,084,426	\$ 14,369,570	\$ 20,933,441	\$ 26,081,706	\$ 27,882,833
Restricted for Debt Service.....	704,360	704,368	704,381	675,039	675,097	787,160	832,892	676,278	681,019	683,298
Unrestricted.....	25,521,922	19,966,392	24,884,483	29,086,263	29,229,073	29,051,984	29,390,702	25,103,461	21,594,623	22,142,498
Total Business-Type Activities Net Assets.....	\$ 34,421,156	\$ 30,919,953	\$ 37,013,490	\$ 40,785,000	\$ 41,760,727	\$ 42,923,570	\$ 44,593,164	\$ 46,713,180	\$ 48,357,348	\$ 50,708,629
Primary Government:										
Net investment in capital assets.....	\$ 48,584,035	\$ 56,402,848	\$ 61,569,412	\$ 63,987,163	\$ 65,993,411	\$ 68,469,541	\$ 71,303,562	\$ 80,889,157	\$ 87,150,014	\$ 93,477,693
Restricted for:										
Capital projects.....	5,217,404	2,465,998	2,415,994	2,331,658	3,056,534	4,003,381	5,047,521	3,612,663	6,593,534	4,704,702
Debt service.....	2,839,257	2,993,578	2,645,988	2,129,155	1,947,937	1,941,004	1,935,820	1,870,049	2,566,803	1,317,989
Law enforcement.....	130,511	104,620	236,162	100,630	146,567	146,261	189,954	282,410	132,504	95,266
Park operations.....	1,164,982	1,244,613	1,384,988	1,433,102	1,544,679	1,534,683	1,486,942	1,512,157	1,600,709	1,834,772
Police and fire pension.....	3,479,833	3,279,934	3,118,751	2,973,222	2,779,281	2,395,294	1,977,258	1,436,867	948,799	795,563
Sewer lateral.....	463,476	596,602	771,756	867,327	918,456	898,909	795,862	673,200	537,998	433,030
Special business district.....	179,197	204,396	191,749	179,592	139,165	149,432	154,691	210,958	228,118	180,657
TIF bonds and notes.....	-	-	-	-	-	-	-	-	-	-
Unrestricted.....	32,107,177	27,302,240	31,632,819	37,760,308	38,218,078	38,136,409	39,407,949	35,928,208	30,282,629	31,293,082
Total Primary Government Net Assets.....	\$ 94,165,872	\$ 94,594,829	\$ 103,967,619	\$ 111,762,157	\$ 114,744,108	\$ 117,674,914	\$ 122,299,559	\$ 126,415,669	\$ 130,041,108	\$ 134,132,754

aThe following prior period adjustment was made in Fiscal Year 2010:

Governmental Activities

Unrestricted was increased by \$556,645 to record sales tax revenue from modified accrual to full accrual.

bThe following prior period adjustment was made in Fiscal Year 2016:

Business Activities

Net investment in capital assets was decreased by \$343,604 to expense amounts recorded as Construction in Progress.

CITY OF KIRKWOOD, MISSOURI

**CHANGES IN NET POSITIONS
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Governmental Activities:										
General government.....	\$ 3,491,882	\$ 3,021,818	\$ 3,822,665	\$ 3,257,778	\$ 4,943,107	\$ 4,228,990	\$ 4,762,594	\$ 5,054,280	\$ 5,314,163	\$ 5,986,243
Purchasing(a).....	348,064	355,320	370,231	384,978	-	-	-	-	-	-
Engineering.....	381,851	344,617	331,728	347,880	377,683	386,031	535,097	684,392	1,013,395	1,043,364
Building maintenance.....	392,958	419,619	477,318	464,338	503,534	479,287	463,526	538,735	505,663	512,995
Building commissioner.....	642,225	633,227	587,664	588,061	619,165	655,724	661,117	748,850	672,847	739,362
Police.....	6,540,285	6,994,710	7,324,109	7,363,086	7,662,023	7,906,959	8,020,277	8,290,366	8,929,012	9,106,398
Fire.....	5,769,209	5,788,620	5,852,373	5,814,394	5,989,740	6,316,710	6,469,721	7,012,980	7,015,377	7,208,493
Streets.....	2,348,174	2,472,040	2,502,988	2,455,034	2,536,437	2,564,618	2,749,944	2,906,468	3,630,913	3,623,002
Parks.....	1,446,396	1,559,311	1,608,918	1,777,302	1,807,512	1,962,345	1,900,996	1,991,578	1,982,446	2,064,446
Recreation.....	2,478,971	2,580,364	2,573,528	2,619,015	2,670,425	2,623,291	2,885,760	2,774,489	2,812,414	2,980,394
Interest on long-term debt.....	1,021,841	733,959	607,851	549,588	415,651	366,537	309,657	251,586	744,784	1,006,577
Total Governmental Activities Expenses.....	24,861,856	24,903,605	26,059,373	25,621,454	27,525,277	27,490,492	28,758,689	30,253,724	32,621,014	34,271,274
Business-Type Activities Expenses:										
Electric.....	21,826,992	22,983,408	15,766,443	17,682,247	21,157,397	21,183,366	19,064,132	20,624,925	25,152,997	26,113,998
Water.....	3,606,859	4,056,703	4,011,031	4,214,911	4,492,087	4,432,946	4,178,436	4,377,695	5,292,264	4,967,026
Sanitation.....	2,395,032	2,929,443	2,531,020	2,613,619	2,683,206	2,724,726	2,702,667	2,784,666	2,395,299	2,603,702
Total Business-Type Activities Expenses.....	27,828,883	29,969,554	22,308,494	24,510,777	28,332,690	28,341,038	25,945,235	27,787,286	32,840,560	33,684,726
Total Primary Government Expenses.....	\$ 52,690,739	\$ 54,873,159	\$ 48,367,867	\$ 50,132,231	\$ 55,857,967	\$ 55,831,530	\$ 54,703,924	\$ 58,041,010	\$ 65,461,574	\$ 67,956,000
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General government.....	\$ 2,063,903	\$ 2,137,260	\$ 2,240,380	\$ 2,215,846	\$ 2,173,825	\$ 2,081,215	\$ 1,934,072	\$ 1,944,020	\$ 1,828,344	\$ 2,031,865
Building commissioner.....	582,796	823,535	750,809	626,011	716,253	867,478	897,572	971,198	924,622	1,002,409
Police.....	302,081	300,813	281,192	285,732	357,256	484,432	462,601	470,818	524,758	536,959
Fire.....	567,230	674,579	725,835	787,223	831,292	797,923	820,457	1,009,220	936,849	1,059,882
Recreation.....	1,679,237	1,659,948	1,669,546	1,745,590	1,721,692	1,734,579	1,850,523	1,941,066	1,881,769	1,989,796
Other activities.....	116,915	155,442	133,241	181,099	174,204	249,904	164,545	183,518	212,566	272,395
Operating grants and contributions.....	151,388	183,938	397,780	186,525	194,135	225,084	300,332	342,857	180,809	198,827
Capital grants and contributions.....	512,625	203,389	1,143,090	518,559	103,384	101,787	489,443	180,201	716,604	452,090
Total Governmental Activities Program Revenues.....	5,976,175	6,138,904	7,341,873	6,546,585	6,272,041	6,542,402	6,919,545	7,042,898	7,206,321	7,544,223
Business-Type Activities:										
Charges for Services:										
Electric.....	14,278,400	19,989,393	20,632,374	21,373,776	22,403,293	21,785,886	21,125,937	22,301,051	27,104,935	28,391,620
Water.....	4,513,334	4,710,065	5,257,765	5,709,160	5,296,369	5,161,698	5,942,006	6,139,679	6,432,978	6,185,437
Sanitation.....	2,493,754	2,556,415	2,668,890	2,617,301	2,714,589	2,720,061	2,733,461	2,703,399	2,892,236	2,861,242
Operating grants and contributions.....	41,015	202,558	176,465	2,999	-	-	-	-	-	-
Capital grants and contributions.....	46,755	109,683	108,285	106,453	95,952	94,278	91,523	345,032	217,104	362,196
Total Business-Type Activities Program Revenues.....	21,373,258	27,568,114	28,843,779	29,809,689	30,510,203	29,761,923	29,892,927	31,489,161	36,647,253	37,800,495
Total Primary Government Program Revenues.....	\$ 27,349,433	\$ 33,707,018	\$ 36,185,652	\$ 36,356,274	\$ 36,782,244	\$ 36,304,325	\$ 36,812,472	\$ 38,532,059	\$ 43,853,574	\$ 45,344,718

CITY OF KIRKWOOD, MISSOURI
CHANGES IN NET POSITIONS (CONTINUED)
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (Expense)/Revenue:										
Governmental activities.....	\$ (18,885,681)	\$ (18,764,701)	\$ (18,717,500)	\$ (19,074,869)	\$ (21,253,236)	\$ (20,948,090)	\$ (21,839,144)	\$ (23,210,826)	\$ (25,414,693)	\$ (26,727,051)
Business-type activities.....	(6,455,625)	(2,401,440)	6,535,285	5,298,912	2,177,513	1,420,885	3,947,692	3,701,875	3,806,693	4,115,769
Total Primary Government Net Expense.....	<u>\$ (25,341,306)</u>	<u>\$ (21,166,141)</u>	<u>\$ (12,182,215)</u>	<u>\$ (13,775,957)</u>	<u>\$ (19,075,723)</u>	<u>\$ (19,527,205)</u>	<u>\$ (17,891,452)</u>	<u>\$ (19,508,951)</u>	<u>\$ (21,608,000)</u>	<u>\$ (22,611,282)</u>
General Revenues and Other Changes in Net Assets:										
Governmental Activities:										
Taxes:										
Property taxes.....	\$ 4,863,382	\$ 4,860,932	\$ 4,301,948	\$ 4,562,003	\$ 4,568,455	\$ 4,545,472	\$ 4,471,266	\$ 4,739,916	\$ 4,998,964	\$ 5,228,298
Sales taxes.....	8,986,499	8,576,654	8,818,010	9,236,068	9,432,200	9,802,534	10,187,522	11,007,313	11,087,194	11,066,971
Other taxes.....	7,135,966	7,060,839	7,005,351	7,217,597	7,399,191	7,275,507	6,963,303	6,987,578	7,646,017	8,417,642
Investment earnings.....	328,843	149,812	369,438	125,888	38,727	121,404	324,298	92,619	125,418	673,630
Gain/(loss) on sale of capital assets.....	-	24,571	70,873	-	-	49,761	-	-	-	-
Other revenues.....	417,228	494,988	349,562	403,990	380,887	346,862	377,806	534,163	550,272	514,414
Special item - forgiveness of debt.....	-	-	-	-	-	-	-	-	602,000	-
Transfers.....	877,065	1,527,065	1,081,571	1,683,406	1,440,000	574,513	2,470,000	1,845,331	2,519,560	2,433,000
Total Government Activities.....	<u>22,608,983</u>	<u>22,694,861</u>	<u>21,996,753</u>	<u>23,228,952</u>	<u>23,259,460</u>	<u>22,716,053</u>	<u>24,794,195</u>	<u>25,206,920</u>	<u>27,529,425</u>	<u>28,333,955</u>
Business-Type Activities										
Investment earnings.....	519,343	267,698	531,897	300,843	190,339	299,696	534,012	256,432	319,074	586,809
Gain/(loss) on sale of capital assets.....	-	159,604	30,574	25,186	47,875	16,775	1,494	7,040	37,961	81,703
Transfers.....	(877,065)	(1,527,065)	(1,081,571)	(1,683,406)	(1,440,000)	(574,513)	(2,470,000)	(1,845,331)	(2,519,560)	(2,433,000)
Total Business-Type Activities.....	<u>(357,722)</u>	<u>(1,099,763)</u>	<u>(519,100)</u>	<u>(1,357,377)</u>	<u>(1,201,786)</u>	<u>(258,042)</u>	<u>(1,934,494)</u>	<u>(1,581,859)</u>	<u>(2,162,525)</u>	<u>(1,764,488)</u>
Total Primary Government.....	<u>\$ 22,251,261</u>	<u>\$ 21,595,098</u>	<u>\$ 21,477,653</u>	<u>\$ 21,871,575</u>	<u>\$ 22,057,674</u>	<u>\$ 22,458,011</u>	<u>\$ 22,859,701</u>	<u>\$ 23,625,061</u>	<u>\$ 25,366,900</u>	<u>\$ 26,569,467</u>
Change in Net Assets:										
Governmental activities.....	\$ 3,723,302	\$ 3,930,160	\$ 3,279,253	\$ 4,154,083	\$ 2,006,224	\$ 1,767,963	\$ 2,955,051	\$ 1,996,094	\$ 2,114,732	\$ 1,606,904
Business-type activities.....	(6,813,347)	(3,501,203)	6,016,185	3,941,535	975,727	1,162,843	2,013,198	2,120,016	1,644,168	2,351,281
Total Primary Government.....	<u>\$ (3,090,045)</u>	<u>\$ 428,957</u>	<u>\$ 9,295,438</u>	<u>\$ 8,095,618</u>	<u>\$ 2,981,951</u>	<u>\$ 2,930,806</u>	<u>\$ 4,968,249</u>	<u>\$ 4,116,110</u>	<u>\$ 3,758,900</u>	<u>\$ 3,958,185</u>
Total Primary Government Net Assets										
Governmental activities										
Net assets, beginning.....	\$ 56,021,414	\$ 59,744,716	\$ 63,674,876	\$ 66,954,129	\$ 70,977,157	\$ 72,983,381	\$ 74,751,344	\$ 77,706,395	\$ 79,702,489	\$ 81,817,221
Prior period adjustment.....	-	-	-	(131,055)	-	-	-	-	-	-
Net assets, beginning, as restated.....	<u>56,021,414</u>	<u>59,744,716</u>	<u>63,674,876</u>	<u>66,823,074</u>	<u>70,977,157</u>	<u>72,983,381</u>	<u>74,751,344</u>	<u>77,706,395</u>	<u>79,702,489</u>	<u>81,817,221</u>
Net assets, ending.....	<u>59,744,716</u>	<u>63,674,876</u>	<u>66,954,129</u>	<u>70,977,157</u>	<u>72,983,381</u>	<u>74,751,344</u>	<u>77,706,395</u>	<u>79,702,489</u>	<u>81,817,221</u>	<u>83,424,125</u>
Business-type activities										
Net assets, beginning.....	41,234,503	34,421,156	30,919,953	36,936,138	40,785,000	41,760,727	42,923,570	44,936,768	46,713,180	48,357,348
Prior period adjustment.....	-	-	-	(92,673)	-	-	-	(343,604)	-	-
Net assets, beginning, as restated.....	<u>41,234,503</u>	<u>34,421,156</u>	<u>30,919,953</u>	<u>36,843,465</u>	<u>40,785,000</u>	<u>41,760,727</u>	<u>42,923,570</u>	<u>44,593,164</u>	<u>46,713,180</u>	<u>48,357,348</u>
Net assets, ending.....	<u>34,421,156</u>	<u>30,919,953</u>	<u>36,936,138</u>	<u>40,785,000</u>	<u>41,760,727</u>	<u>42,923,570</u>	<u>44,936,768</u>	<u>46,713,180</u>	<u>48,357,348</u>	<u>50,708,629</u>
Total Primary Government.....	<u>\$ 94,165,872</u>	<u>\$ 94,594,829</u>	<u>\$ 103,890,267</u>	<u>\$ 111,762,157</u>	<u>\$ 114,744,108</u>	<u>\$ 117,674,914</u>	<u>\$ 122,643,163</u>	<u>\$ 126,415,669</u>	<u>\$ 130,174,569</u>	<u>\$ 134,132,754</u>

NOTES:

(a) Purchasing is now included in General government and finance. This change was made to be consistent in putting all administrative and service departments in this category.

CITY OF KIRKWOOD, MISSOURI

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function/Program:										
Governmental Activities:										
General government and finance..	\$ 2,123,036	\$ 2,165,451	\$ 2,244,379	\$ 2,237,845	\$ 2,184,835	\$ 2,101,817	\$ 1,967,800	\$ 1,995,537	\$ 1,846,956	\$ 2,031,865
Engineering.....	52,050	75,545	75,125	84,645	99,699	169,180	115,504	133,921	160,475	152,229
Building commissioner.....	582,796	823,535	750,809	626,011	716,253	867,478	897,572	971,198	924,622	1,002,409
Police.....	378,783	447,086	655,922	430,280	518,402	678,339	769,499	760,563	658,740	699,702
Fire.....	590,515	676,579	728,835	787,223	831,292	797,923	820,682	1,009,220	936,849	1,059,882
Streets.....	17,325	122,329	644,744	155,128	525	-	3,345	36,617	52,823	126,622
Parks.....	147,902	59,083	63,521	87,509	77,018	95,739	72,078	58,383	80,896	356,003
Recreation.....	2,083,768	1,769,296	2,178,538	2,137,944	1,844,017	1,831,926	2,273,065	2,077,459	2,544,961	2,115,511
Subtotal Governmental Activities.....	<u>5,976,175</u>	<u>6,138,904</u>	<u>7,341,873</u>	<u>6,546,585</u>	<u>6,272,041</u>	<u>6,542,402</u>	<u>6,919,545</u>	<u>7,042,898</u>	<u>7,206,322</u>	<u>7,544,223</u>
Business-Type Activities:										
Electric.....	14,278,400	19,989,393	20,632,374	21,373,776	22,403,293	21,785,886	21,125,937	22,557,748	27,237,356	28,672,547
Water.....	4,560,089	4,819,748	5,366,050	5,815,613	5,392,321	5,255,976	6,033,529	6,228,014	6,517,661	6,266,706
Sanitation.....	2,534,769	2,758,973	2,845,355	2,620,300	2,714,589	2,720,061	2,733,461	2,703,399	2,892,236	2,861,242
Subtotal Business-Type Activities....	<u>21,373,258</u>	<u>27,568,114</u>	<u>28,843,779</u>	<u>29,809,689</u>	<u>30,510,203</u>	<u>29,761,923</u>	<u>29,892,927</u>	<u>31,489,161</u>	<u>36,647,253</u>	<u>37,800,495</u>
Total Primary Government.....	<u>\$ 27,349,433</u>	<u>\$ 33,707,018</u>	<u>\$ 36,185,652</u>	<u>\$ 36,356,274</u>	<u>\$ 36,782,244</u>	<u>\$ 36,304,325</u>	<u>\$ 36,812,472</u>	<u>\$ 38,532,059</u>	<u>\$ 43,853,575</u>	<u>\$ 45,344,718</u>

CITY OF KIRKWOOD, MISSOURI

**FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund:										
Nonspendable:										
Inventories.....	\$ 71,342	\$ 75,303	\$ 76,868	\$ 73,950	\$ 75,070	\$ 75,332	\$ 74,276	\$ 61,245	\$ 55,308	\$ 76,081
Prepaid assets.....	6,062	8,072	3,897	13,391	8,718	14,469	10,610	9,169	9,038	6,882
Long-term interfund advance.....	-	-	-	-	-	-	10,000	-	-	-
Assigned to:										
Projected use of reserves.....	2,811,462	2,530,257	1,332,554	1,909,810	1,420,265	1,325,561	950,528	1,854,331	1,570,813	1,349,092
Unassigned:	5,841,312	6,213,145	6,378,603	6,732,252	7,276,151	7,360,130	8,175,236	7,736,383	5,149,330	6,544,271
Total General Fund.....	\$ 8,730,178	\$ 8,826,777	\$ 7,791,922	\$ 8,729,403	\$ 8,780,204	\$ 8,775,492	\$ 9,220,650	\$ 9,661,128	\$ 6,784,489	\$ 7,976,326
All Other Governmental Funds:										
Restricted for:										
Capital projects.....	\$ 5,217,404	\$ 2,465,998	\$ 2,415,994	\$ 2,331,658	\$ 3,056,534	\$ 3,645,968	\$ 4,753,801	\$ 3,290,660	\$ 30,335,364	\$ 28,642,956
Debt service.....	2,142,334	1,586,419	1,592,510	1,082,438	905,833	790,007	728,988	808,765	1,859,202	573,786
Law enforcement.....	130,511	104,620	236,162	100,630	146,567	146,261	189,954	282,410	132,504	95,266
Park operations.....	1,118,546	1,244,613	1,384,988	1,433,102	1,544,679	1,444,312	1,449,015	1,478,029	1,559,621	1,739,906
Police and fire pension.....	3,442,950	3,279,934	3,118,751	2,973,222	2,779,281	2,308,225	1,940,337	1,403,024	908,927	685,927
Sewer lateral.....	463,476	596,602	771,756	867,327	918,456	898,909	795,862	673,200	537,998	433,030
Special business district.....	164,190	204,396	191,749	179,592	139,165	118,412	145,771	203,111	209,958	147,390
TIF bonds and notes.....	669,766	680,217	354,091	371,996	364,204	382,225	390,803	383,448	-	-
Total All Other Governmental Funds.....	\$ 13,349,177	\$ 10,162,799	\$ 10,066,001	\$ 9,339,965	\$ 9,854,719	\$ 9,734,319	\$ 10,394,531	\$ 8,522,647	\$ 35,543,574	\$ 32,318,261

CITY OF KIRKWOOD, MISSOURI

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Taxes.....	\$ 20,427,387	\$ 20,489,250	\$ 20,231,294	\$ 20,939,301	\$ 21,140,400	\$ 21,475,444	\$ 21,964,593	\$ 22,685,471	\$ 23,516,468	\$ 24,492,681
Intergovernmental.....	461,501	522,915	479,014	425,188	484,153	606,148	593,983	606,650	684,806	721,711
Licenses, permits, fines and fees.....	2,527,056	2,890,393	3,159,029	2,794,934	2,857,464	3,000,167	2,914,121	2,982,152	2,773,459	3,347,740
Interest on investments.....	310,834	139,449	341,129	112,395	35,659	108,286	286,323	82,685	112,420	620,323
Charges for services.....	2,234,267	2,312,891	2,376,950	2,513,499	2,534,545	2,508,851	2,653,757	2,934,253	2,802,124	3,054,434
Grants and contributions.....	452,828	116,893	1,044,132	516,163	101,391	98,869	397,922	130,868	636,702	143,500
Other.....	715,179	692,495	654,804	648,060	630,191	689,589	693,110	878,124	839,459	743,077
Total Revenues.....	27,129,052	27,164,286	28,286,352	27,949,540	27,783,803	28,487,354	29,503,809	30,300,203	31,365,438	33,123,466
Expenditures:										
General government.....	3,243,396	3,337,487	3,475,859	3,504,637	4,048,516	4,066,910	4,353,129	4,359,967	4,587,228	4,471,149
Purchasing (a).....	334,393	350,191	366,809	381,138	-	-	-	-	-	-
Engineering.....	375,395	337,229	332,089	331,305	363,980	380,904	525,630	656,624	983,417	1,012,638
Building maintenance.....	334,676	379,951	393,925	428,068	451,232	453,158	451,573	474,864	492,328	491,852
Building commissioner.....	636,016	635,226	579,708	580,761	612,942	646,783	655,718	737,827	668,472	732,599
Police.....	6,445,351	6,896,387	7,147,973	7,164,412	7,445,505	7,667,135	7,783,412	8,032,816	8,497,956	8,787,288
Fire.....	5,229,074	5,313,435	5,362,889	5,372,685	5,513,560	5,680,975	5,913,338	6,464,492	6,483,513	6,666,561
Streets.....	1,445,518	1,462,292	1,518,372	1,441,724	1,481,168	1,470,530	1,478,553	1,682,050	1,510,369	1,586,216
Recreation.....	1,912,785	1,987,716	2,027,186	2,057,419	2,073,442	2,106,468	2,071,442	2,126,830	2,160,188	2,220,274
Parks.....	1,174,145	1,211,238	1,229,760	1,301,437	1,328,485	1,354,233	1,375,098	1,399,135	1,409,202	1,457,368
Capital outlay.....	5,640,735	7,018,006	6,005,542	4,628,866	3,533,070	3,774,329	4,615,055	5,744,123	5,930,850	8,158,637
Debt service:										
Issuance Costs.....	58,700	-	-	113,813	-	-	-	-	253,371	-
Interest.....	840,620	2,155,000	567,047	407,148	381,985	334,562	279,007	222,827	271,247	924,653
Principal.....	2,099,204	737,681	1,640,000	1,419,000	1,454,000	1,514,000	1,576,000	1,643,000	2,012,795	1,229,874
Payments to escrow agent.....	311,200	-	-	-	-	-	-	-	-	-
Total Expenditures.....	30,081,208	31,821,839	30,647,159	29,132,413	28,687,885	29,449,987	31,077,955	33,544,555	35,260,936	37,739,109
Excess of revenues over (under) expenditures.....	(2,952,156)	(4,657,553)	(2,360,807)	(1,182,873)	(904,082)	(962,633)	(1,574,146)	(3,244,352)	(3,895,498)	(4,615,643)
Other Financing Sources (Uses):										
Issuance of refunding debt.....	4,185,000	-	-	5,000,000	-	-	-	-	23,515,000	-
Discount on refunding debt.....	(27,202)	-	-	-	-	-	-	-	-	-
Premium on refunding debt.....	-	-	-	63,818	-	-	-	-	743,771	-
Payments to escrow agent.....	(4,099,098)	-	-	(5,394,474)	-	-	-	-	-	-
Proceeds from sale of capital assets.....	-	-	-	-	-	-	-	-	1,083,722	-
Proceeds from sale of capital assets.....	61,819	40,709	147,382	41,568	29,636	58,546	155,119	70,492	120,980	148,967
Insurance recoveries.....	-	-	-	-	-	198,975	54,397	202,454	24,462	200
Transfers in.....	1,860,288	2,132,530	3,424,009	2,517,630	2,754,105	1,487,693	3,652,473	2,391,675	6,296,402	3,326,943
Transfers out.....	(983,223)	(605,465)	(2,342,237)	(834,224)	(1,314,105)	(907,693)	(1,182,473)	(851,675)	(3,776,842)	(893,943)
Total Other Financing Sources (Uses).....	997,584	1,567,774	1,229,154	1,394,318	1,469,636	837,521	2,679,516	1,812,946	28,007,495	2,582,167
Net Change In Fund Balances.....	\$ (1,954,572)	\$ (3,089,779)	\$ (1,131,653)	\$ 211,445	\$ 565,554	\$ (125,112)	\$ 1,105,370	\$ (1,431,406)	\$ 24,111,997	\$ (2,033,476)
Debt service as a percentage of noncapital expenditures.....	11.9%	11.5%	8.8%	7.4%	7.2%	7.1%	6.8%	6.6%	7.4%	7.0%

(a) Purchasing is now included in General government and finance. This change was made to be consistent in putting all administrative and service departments in this category.

CITY OF KIRKWOOD, MISSOURI

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Sales & Use	Property	Utility Gross Receipts	Gasoline/Motor Vehicle Sales	Highway Road and Bridge	County Public Safety	Franchise	Cigarette	Total
2010	8,429,854	4,861,566	4,966,983	1,017,004	741,313	-	333,332	77,335	20,427,387
2011	8,533,126	4,891,680	4,798,038	1,053,301	741,644	-	392,896	78,565	20,489,250
2012	8,889,445	4,331,358	4,786,762	1,022,331	721,122	-	403,980	76,296	20,231,294
2013	9,154,959	4,565,887	4,978,547	983,792	746,093	-	435,251	74,772	20,939,301
2014	9,186,519	4,561,918	5,123,579	1,008,285	747,752	-	439,097	73,250	21,140,400
2015	9,962,574	4,239,182	4,961,101	1,057,443	694,097	-	490,472	70,575	21,475,444
2016	10,242,203	4,760,010	4,521,274	1,083,459	778,061	-	497,158	82,428	21,964,593
2017	10,927,472	4,751,546	4,569,514	1,097,557	794,974	-	470,713	73,695	22,685,471
2018	11,032,362	4,936,507	4,549,042	1,113,344	788,138	599,999	430,968	66,108	23,516,468
2019	11,129,627	4,936,013	4,583,761	1,103,678	762,275	1,512,226	407,646	57,455	24,492,681
Change 2010-2019	32.0%	1.5%	-7.7%	8.5%	2.8%	152.0%	22.3%	-25.7%	19.9%

CITY OF KIRKWOOD, MISSOURI

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended March 31,</u>	<u>Residential Real Estate Property</u>	<u>Commercial Real Estate Property</u>	<u>Regular Personal Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2010	526,140,160	117,452,818	73,310,002	716,902,980	0.631	3,356,150,794	21.361
2011	529,101,680	117,221,517	66,185,197	712,508,394	0.624	3,349,638,373	21.271
2012	518,688,130	105,102,560	65,525,970	689,316,660	0.645	3,254,980,596	21.177
2013	535,251,010	105,038,340	71,502,050	711,791,400	0.636	3,359,882,994	21.185
2014	533,417,190	104,833,670	72,778,170	711,029,030	0.621	3,353,420,459	21.203
2015	535,967,140	111,423,282	77,050,535	724,440,957	0.661	3,400,252,163	21.306
2016	557,258,520	117,332,508	76,549,720	751,140,748	0.606	3,529,275,794	21.283
2017	557,019,130	117,477,577	77,572,845	752,069,552	0.618	3,531,538,869	21.296
2018	616,118,550	124,532,915	78,757,581	819,409,046	0.600	3,868,190,943	21.183
2019	623,598,990	125,766,086	79,772,880	829,137,956	0.626	3,914,461,540	21.181

Source: Office of the St. Louis County Assessor

Note: St. Louis County assesses property at approximately 19 percent of actual value for residential, 32 percent for commercial, and 33-1/3 of value for personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed value.

CITY OF KIRKWOOD, MISSOURI

DIRECT AND OVERLAPPING PROPERTY TAX RATES (RATE PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Kirkwood Direct Rates:										
General Fund.....	\$ 0.280	\$ 0.274	\$ 0.293	\$ 0.295	\$ 0.295	\$ 0.333	\$ 0.286	\$ 0.293	\$ 0.276	\$ 0.277
Kirkwood Park Fund.....	0.132	0.127	0.138	0.139	0.133	0.134	0.128	0.131	0.124	0.125
Police and Firemen Retirement Fund....	0.129	0.133	0.136	0.137	0.128	0.129	0.125	0.127	0.120	0.144
Debt Service Fund.....	0.090	0.090	0.078	0.065	0.065	0.065	0.067	0.067	0.080	0.080
Total Direct Rate.....	<u>\$ 0.631</u>	<u>\$ 0.624</u>	<u>\$ 0.645</u>	<u>\$ 0.636</u>	<u>\$ 0.621</u>	<u>\$ 0.661</u>	<u>\$ 0.606</u>	<u>\$ 0.618</u>	<u>\$ 0.600</u>	<u>\$ 0.626</u>
Overlapping Rates:										
County and State.....	0.553	0.553	0.553	0.553	0.553	0.553	0.545	0.545	0.519	0.519
Kirkwood Public Library.....	0.302	0.302	0.302	0.302	0.302	0.302	0.303	3.070	0.286	0.287
Special Business District.....	0.456	0.456	0.456	0.454	0.458	0.460	0.405	0.424	0.398	0.413
School Districts.....	5.236	5.400	5.520	5.516	5.715	5.733	5.590	5.633	5.778	5.755
Sewer Districts.....	-	0.160	0.166	0.148	0.173	0.174	0.171	0.120	0.116	0.117
Other.....	0.323	0.334	0.351	0.352	0.369	0.370	0.366	0.368	0.353	0.356

Source: St. Louis County Department of Revenue

CITY OF KIRKWOOD, MISSOURI

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Tax Payer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value
Ashfield Active Living and Wellness.....	\$ 11,868,910	1	1.43%	\$ -		
Chaminade College Society.....	5,857,830	2	0.71%	4,596,960	3	0.64%
Kirkwood Commons LLC.....	5,787,100	3	0.70%	5,533,320	1	0.77%
Mills Timberlake Apartments.....	5,451,000	4	0.66%			
1001 Kirkwood LLC.....	4,720,640	5	0.57%			
Kirkwood Station Plaza LLC.....	4,356,630	6	0.53%			
Pioneer Place LLC.....	3,827,330	7	0.46%	3,724,800	5	0.52%
RJC Partnership LLC.....	3,721,500	8	0.45%	2,625,600	9	0.37%
Dayton Hudson Corporate.....	3,534,750	9	0.43%	2,679,340	8	0.37%
Lowes Home Centers Inc.....	3,400,640	10	0.41%	2,997,180	7	0.42%
Novus Investment LLC.....	-	-	-	4,985,030	2	0.70%
Geneva Exchange Fund XXXIII LLC.....	-	-	-	3,997,350	4	0.56%
SSM Health Care St Louis.....	-	-	-	3,617,340	6	0.50%
Supervalu Holdings Inc.....	-	-	-	2,336,000	10	0.33%
Total.....	<u>\$ 52,526,330</u>		<u>6.35%</u>	<u>\$ 37,092,920</u>		<u>5.18%</u>

Source: Office of the St. Louis County Assessor

CITY OF KIRKWOOD, MISSOURI

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 4,433,098	\$ 3,949,385	89.09 %	\$ 415,935	\$ 4,365,320	98.47 %
2011	4,405,908	3,973,019	90.17	359,507	4,332,526	98.33
2012	4,229,527	3,800,812	89.86	316,582	4,117,394	97.35
2013	4,467,045	3,961,521	88.68	354,087	4,315,608	96.61
2014	4,465,960	3,903,043	87.40	413,120	4,316,163	96.65
2015	4,499,609	3,955,765	87.91	389,353	4,345,118	96.57
2016	4,543,913	4,058,082	89.31	337,058	4,395,140	96.73
2017	4,644,369	4,142,513	89.19	362,857	4,505,370	97.01
2018	4,914,995	4,221,678	85.89	510,086	4,731,764	96.27
2019	5,192,602	4,622,303	89.02	-	4,622,303	89.02

Source: Office of the St. Louis County Assessor

CITY OF KIRKWOOD, MISSOURI

**ELECTRICITY SOLD BY TYPE OF CUSTOMER (IN MEGAWATT HOURS)
LAST TEN FISCAL YEARS**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Type of Customer:										
Residential	96,092	114,458	101,132	102,392	101,411	98,250	96,631	98,164	98,327	106,899
Commercial by type										
Electric Primary	10,880	9,647	8,526	8,293	7,886	7,581	7,573	7,696	7,508	7,700
Small Commercial	42,292	45,693	40,244	38,694	39,122	37,833	45,992	37,153	36,891	38,451
Large User	<u>55,501</u>	<u>64,492</u>	<u>62,225</u>	<u>66,003</u>	<u>66,106</u>	<u>64,778</u>	<u>52,067</u>	<u>64,478</u>	<u>63,496</u>	<u>63,721</u>
Total	<u>204,765</u>	<u>234,290</u>	<u>212,127</u>	<u>215,382</u>	<u>214,525</u>	<u>208,442</u>	<u>202,263</u>	<u>207,491</u>	<u>206,222</u>	<u>216,771</u>
Total direct rate per megawatt hour.....	\$ 67.25	\$ 82.24	\$ 94.75	\$ 95.95	\$ 101.85	\$ 102.26	\$ 102.45	\$ 104.77	\$ 107.40	\$ 106.75

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI

WATER SOLD BY TYPE OF CUSTOMER (IN HUNDRED CUBIC FEET)
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Type of Customer:										
Residential.....	884,399	953,661	965,730	1,078,098	963,864	917,012	848,767	860,371	931,273	897,065
Commercial.....	392,984	418,779	434,473	482,561	439,534	418,359	417,272	422,797	447,241	422,870
Total.....	<u>1,277,383</u>	<u>1,372,440</u>	<u>1,400,203</u>	<u>1,560,659</u>	<u>1,403,398</u>	<u>1,335,371</u>	<u>1,266,039</u>	<u>1,283,168</u>	<u>1,378,514</u>	<u>1,319,935</u>
Total direct rate per hundred cubic feet.....	\$ 3.17	\$ 3.12	\$ 3.38	\$ 3.34	\$ 3.43	\$ 3.50	\$ 3.46	\$ 3.63	\$ 3.56	\$ 3.61

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI
SALES TAX REVENUES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Sales Tax Type	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Regular Sales (1.0%)..... ^a	\$ 2,899,775	\$ 3,000,714	\$ 3,130,827	\$ 3,158,939	\$ 3,238,937	\$ 3,534,540	\$ 3,421,397	\$ 3,343,609	\$ 3,376,575	\$ 3,471,276
Local Option (0.25%)..... ^a	837,875	842,044	884,730	883,427	920,605	968,474	964,481	950,892	1,026,695	1,101,026
Fire Protection (0.25%).....	-	-	-	-	-	-	514,497	1,266,907	1,275,039	1,285,831
Local Use Tax	196,872	247,572	271,770	330,356	333,506	359,611	344,324	394,164	500,609	509,840
Capital Improvement (0.50%)... ^b	1,954,106	1,921,405	1,999,992	2,068,301	2,050,842	2,216,989	2,177,662	2,157,604	2,169,726	2,187,787
Stormwater and Parks (0.50%)..	2,268,143	2,244,674	2,342,214	2,422,225	2,402,275	2,604,584	2,561,285	2,538,355	2,552,618	2,573,868
TIF EATs (All sources)..... ^c	273,083	276,717	259,912	291,711	240,354	278,376	258,557	275,941	131,101	-
Total.....	<u>\$ 8,429,854</u>	<u>\$ 8,533,126</u>	<u>\$ 8,889,445</u>	<u>\$ 9,154,959</u>	<u>\$ 9,186,519</u>	<u>\$ 9,962,574</u>	<u>\$ 10,242,203</u>	<u>\$ 10,927,472</u>	<u>\$ 11,032,363</u>	<u>\$ 11,129,628</u>

NOTES:

The sales tax rate in the City is 8.613%, which includes 4.225% for the State of Missouri, 1.888% for St. Louis County, and 2.5% as the City's direct rate.

All sales tax revenues are collected by the Missouri Department of Revenue for a 1% collection fee.

^aThe regular (1%) and the local option (0.25%) sales taxes are remitted to St. Louis County for redistribution to municipal taxing authorities. St. Louis County collects 1.8242083% annexation and incorporation adjustment. St. Louis County distributes the remaining taxes based on "Point of Sale" cities or "Pooled" cities. Kirkwood derives 89% of these two sales tax revenue sources from the "Point of Sale" area and 11% from the "Pooled" area. It is because of the complex tax distribution formula that actual tax receipts are not proportionate to the tax percentages presented.

^bCapital improvement sales tax in addition to the State's 1% collection fee, has 15% retained by the State in subaccount of the trust fund for reallocation per statute and 85% is remitted to the City.

^cIn FY2008 the Kirkwood Commons TIF bonds were retired in full and the TIF district was terminated; however, public improvement revenue notes remain and the city pledge the "bottom half" of the EATs from this district to service the principal and interest on these notes. The City's obligation for the public improvement revenue notes will end November 2017. In FY2012, the Pioneer Place TIF bonds were retired in full and the TIF district was terminated.

Source: Basic Financial Statements

CITY OF KIRKWOOD, MISSOURI

**DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Kirkwood Direct Rates:										
General Corporate Sales Tax.....	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Local Option Use Tax.....	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Capital Improvement Sales Tax.....	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Fire Protection Sales Tax.....	-	-	-	-	-	-	0.25	0.25	0.25	0.25
Park and Stormwater Sales Tax.....	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Subtotal Direct Rate.....	<u>2.25</u>	<u>2.25</u>	<u>2.25</u>	<u>2.25</u>	<u>2.25</u>	<u>2.25</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>
Overlapping Rates:										
State.....	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225
St. Louis County Transportation.....	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Mass Transit Tax/Metrolink.....	0.250	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750
St. Louis County Regional Parks & Trails.....	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Children's Service Fund.....	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Emergency Communitions.....	-	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Metro Parks/Arch.....	-	-	-	-	-	0.188	0.188	0.188	0.188	0.188
Public Safety.....	-	-	-	-	-	-	-	-	-	0.500
Zoo.....	-	-	-	-	-	-	-	-	-	0.125
Subtotal Overlapping Rate.....	<u>5.325</u>	<u>5.925</u>	<u>5.925</u>	<u>5.925</u>	<u>5.925</u>	<u>6.113</u>	<u>6.113</u>	<u>6.113</u>	<u>6.113</u>	<u>6.738</u>
Total Sales Tax Rate.....	<u><u>7.575</u></u>	<u><u>8.175</u></u>	<u><u>8.175</u></u>	<u><u>8.175</u></u>	<u><u>8.175</u></u>	<u><u>8.363</u></u>	<u><u>8.613</u></u>	<u><u>8.613</u></u>	<u><u>8.613</u></u>	<u><u>9.238</u></u>

Source: St. Louis County Department of Revenue and Missouri Department of Revenue

NOTE: Kirkwood has a new development that council approved a 1% transportation development district tax. The development is a one block area in downtown Kirkwood.

CITY OF KIRKWOOD, MISSOURI

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Governmental Activities					Business-Type Activities			Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Leasehold Revenue Bonds	Certificates of Participation	Tax Increment Revenue Bonds and Notes	Capital Leases	Capital Leases	Certificates of Participation	Total Primary Government		
2010	\$ 4,853,376	\$ 6,476,320	\$ -	\$ 3,668,000	\$ -	\$ -	\$ 9,973,395	\$ 24,971,091	1.29%	907
2011	3,867,260	5,842,327	-	3,168,000	-	-	9,629,345	22,506,932	1.16%	817
2012	3,710,957	5,269,312	-	2,608,000	-	-	9,280,296	20,868,565	1.08%	758
2013	3,310,000	-	4,299,701	2,364,000	-	-	9,066,442	19,040,143	0.98%	691
2014	2,880,000	-	3,540,584	2,090,000	-	1,736,975	8,667,248	18,914,807	0.93%	687
2015	2,440,000	-	2,766,467	1,781,000	-	1,339,711	11,958,482	20,285,660	1.00%	737
2016	1,985,000	-	1,977,350	1,440,000	-	938,360	11,337,695	17,678,405	0.83%	642
2017	1,515,000	-	1,178,233	1,057,000	-	532,879	10,701,911	14,985,023	0.70%	544
2018	1,030,000	-	24,626,467	-	805,927	267,904	10,051,127	36,781,425	1.71%	1,336
2019	525,000	-	24,226,704	-	446,053	2,631,273	9,390,341	37,219,371	1.70%	1,351

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^a Income and population data can be found on schedule: Demographic and Economic Statistics.

CITY OF KIRKWOOD, MISSOURI

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Tax Value of Property ^a	Per Capita ^b
2010	4,853,376	1,266,492	3,586,884	0.11%	130
2011	3,867,260	710,576	3,156,684	0.09%	115
2012	3,491,352	716,667	2,774,685	0.09%	101
2013	3,121,767	661,251	2,460,516	0.07%	89
2014	2,723,139	594,276	2,128,863	0.06%	77
2015	2,440,000	474,762	1,965,238	0.06%	71
2016	1,985,000	459,302	1,525,698	0.04%	55
2017	1,515,000	381,421	1,133,579	0.03%	41
2018	1,030,000	424,224	605,776	0.02%	22
2019	525,000	525,000	-	0.00%	-

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^a Property value data can be found on schedule: Assessed Value and Actual Value of Taxable Property.

^b Population data can be found on schedule: Demographic and Economic Statistics.

CITY OF KIRKWOOD, MISSOURI

LEGAL DEBT MARGIN INFORMATION
(DOLLARS IN THOUSANDS)
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed valuation.....	\$ 716,903	\$ 712,508	\$ 689,317	\$ 711,791	\$ 711,029	\$ 724,441	\$ 751,141	\$ 752,070	\$ 816,944	\$ 829,138
Debt limit - 10% of assessed valuation.....	\$ 71,690	\$ 71,251	\$ 68,932	\$ 71,179	\$ 71,103	\$ 72,444	\$ 75,114	\$ 75,207	\$ 81,694	\$ 82,914
Amount of debt applicable to debt limit:										
Total general obligation bonded debt.....	4,853	3,867	3,491	3,122	2,723	2,440	1,985	1,515	1,030	525
Less: Amount available in debt										
service fund.....	(1,266)	(711)	(717)	(661)	(594)	(475)	(459)	(381)	(424)	(525)
Bonded indebtedness applicable										
to debt limit.....	3,587	3,156	2,774	2,461	2,129	1,965	1,526	1,134	606	-
Legal Debt Margin.....	\$ 68,103	\$ 68,095	\$ 66,158	\$ 68,718	\$ 68,974	\$ 70,479	\$ 73,588	\$ 74,073	\$ 81,088	\$ 82,914
Legal debt margin as a percentage										
of the debt limit.....	95.00%	95.57%	95.98%	96.54%	97.01%	97.29%	97.97%	98.49%	99.26%	100.00%

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^aAmount available in debt service fund.

^bUnder the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation.

^cThe legal debt margin is the City's available borrowing authority under the statutes of the State of Missouri and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

CITY OF KIRKWOOD, MISSOURI

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF MARCH 31, 2019

Governmental Unit	Debt Outstanding ^a	Estimated Percentage Applicable ^b	Estimated Share of Overlapping Debt ^c
St. Louis County.....	\$ 87,375,000	3.33%	\$ 2,909,588
Kirkwood School District			
General obligation bonds.....	12,955,000	57.89%	7,499,650
Leasehold revenue bonds.....	13,985,000	57.89%	<u>8,095,917</u>
Subtotal, Overlapping Debt.....			18,505,155
City of Kirkwood, Direct Debt			
General obligation bonds.....			525,000
Certificate of Participation.....			<u>23,515,000</u>
Subtotal, Direct Debt.....			<u>24,040,000</u>
Total Direct and Overlapping Debt.....			<u><u>\$ 42,545,155</u></u>

Source: Bond amounts were provided by the respective taxing districts or publicly available documents. Assessments were provided by the Office of the St. Louis County Collector.

^a Excludes overlapping taxing districts with assessed valuations applicable to the City that are less than 1%.

^b Estimated based on 2017 real and personal property.

^c Excludes lease obligations of overlapping taxing districts and taxing districts whose assessed valuation represents less than 1% of the City's total assessment.

CITY OF KIRKWOOD, MISSOURI

PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Tax Increment Financing Bonds and Notes						
	Revenue Sources				Debt Service		
	Property Tax	Sales Tax	Business License Revenue	Total Available Revenue	Principal	Interest	Coverage
2010	\$ 326,916	\$ 314,685	\$ 183,826	\$ 825,427	\$ 529,204	\$ 350,394	0.94
2011	350,119	344,600	177,368	872,087	500,000	290,605	1.10
2012	39,764	325,303	171,067	536,134	560,000	250,268	0.66
2013	-	318,398	165,348	483,746	244,000	216,530	1.05
2014	-	268,421	193,282	461,703	274,000	195,495	0.98
2015	-	306,723	192,311	499,034	309,000	170,638	1.04
2016	-	300,032	192,910	492,942	341,000	143,367	1.02
2017	-	304,635	184,664	489,299	383,000	112,285	0.99
2018	-	160,141	590	160,731	455,000	87,230	0.30
2019	-	-	-	-	-	-	-

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
The final maturity on the Public Improvement Revenue Notes was November 30, 2017.

CITY OF KIRKWOOD, MISSOURI

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Year	Population	Personal Income (thousand of dollars)	Per Capita Personal Income	Median Age ^a	Education Level		School Enrollment	Unemployment Rate
					High School Graduate (%)	Bachelor's Degree or Higher (%)		
2008	27,324	\$ 1,936,944	\$ 70,888	41.0	94.2%	51.5%	5,026	5.9%
2009	27,324						5,000	7.5%
2010	27,540						5,083	8.7%
2011	27,540						5,132	5.1%
2012	27,540						5,554	6.3%
2013	27,540						5,608	4.7%
2014	27,540	\$ 2,031,075	\$ 73,750	44.5	96.0%	59.4%	5,595	5.6%
2015	27,540	\$ 2,132,147	\$ 77,420	42.8	94.2%	51.5%	5,681	2.6%
2016	27,540	\$ 2,136,388	\$ 77,574	42.8	96.7%	68.6%	5,702	4.2%
2017	27,540	\$ 2,145,834	\$ 77,917	42.7	96.7%	62.8%	5,760	2.9%
2018	27,540	\$ 2,187,750	\$ 79,439	42.7	97.0%	63.0%	5,821	2.6%

Source: U.S. Census Bureau of Labor Statistics, *2013-2017 American Community Survey, 5-Year Estimates* and Kirkwood School District

^aMedian age was not available.

CITY OF KIRKWOOD, MISSOURI

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	Product or Service	2019		2010	
		Employees	Rank	Employees	Rank
Kirkwood School District R-7.....	Education	716	1	648	1
The Lutheran Church-Missouri Synod.....	Church Headquarters	354	2	371	2
Junior College District of St. Louis, St. Louis County Missouri.....	Education	348	3	350	3
City of Kirkwood.....	City Government	335	4	272	4
Ashfield Active Living and Wellness(Aberdeen).....	Retirement Residence	152	5		
Lowes.....	Retail	114	6	112	9
Wal-Mart.....	Retail	109	7	174	6
St. Agnes Home.....	Long-Term Care	98	8	85	10
Arrow Box Company.....	Manufacturing	69	9		
Rock Hill Mechanical.....	Manufacturing	56	10		
Shop 'n Save Supermarket.....	Retail Grocer			214	5
Target.....	Retail	*		119	7
AT&T (Formerly SBC Communications).....	Telephone			114	8
Total.....		2,351		2,459	

Source: Office of the Chief Administrative Officer

Note: Percentage of total city employment column has been omitted for both 2018 and 2009 because accurate information is unavailable.

* Target has historically ranked around the 5th to 8th major employer but has made it a policy decision not to disclose this information.

CITY OF KIRKWOOD, MISSOURI

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government:										
City clerk.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Administration.....	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.0	4.0	4.0
MIS ^a	5.5	5.5	5.5	5.5	5.5	6.0	6.0	6.0	5.0	5.0
Personnel.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance ^b	7.5	7.5	7.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Municipal court.....	2.0	2.0	2.5	2.5	2.8	3.0	3.0	2.0	2.0	2.0
Special Business District.....	2.6	2.6	2.3	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Purchasing.....	4.3	4.3	4.5	4.5	3.5	4.5	4.5	4.5	3.5	5.0
Engineering ^c	5.0	5.0	5.0	5.0	5.0	5.0	5.0	7.3	6.3	6.3
Building maintenance.....	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3.5	3.5	4.5
Building commissioner.....	8.0	7.0	7.2	7.3	7.5	7.7	8.7	7.0	7.0	8.5
Police:										
Commissioned Officers.....	58.0	59.0	60.0	60.0	60.0	62.0	60.0	61.0	62.0	59.0
Civilians.....	11.8	13.3	13.0	13.0	13.7	14.0	15.1	20.5	19.5	20.0
Fire:										
Officers, firefighters, and EMS.....	46.0	46.0	46.0	46.0	44.0	46.0	54.0	52.0	53.0	52.0
Civilians.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets.....	13.0	13.0	12.0	12.0	13.0	12.0	12.0	13.0	14.0	14.0
Parks.....	12.7	12.3	12.3	12.5	13.0	13.0	13.4	16.0	15.0	14.5
Recreation.....	17.5	18.8	17.0	17.0	17.0	17.0	16.0	18.7	16.8	15.2
Electric.....	21.0	21.0	21.0	21.0	21.0	22.0	21.0	19.5	19.5	18.5
Water.....	16.0	18.0	17.0	18.0	17.0	18.0	19.0	18.3	17.8	18.8
Sanitation ^d	20.6	17.8	16.0	17.8	16.8	14.9	15.8	15.2	15.0	17.3
Workers compensation.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fleet services.....	7.3	7.3	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Total.....	<u>271.6</u>	<u>273.2</u>	<u>268.6</u>	<u>272.5</u>	<u>270.2</u>	<u>275.5</u>	<u>283.9</u>	<u>292.1</u>	<u>287.5</u>	<u>288.2</u>

Source: City of Kirkwood Finance Department

^aEffective FY2000 GIS technician position included in MIS is funded by the Water Fund.

^bOffice manager, (2) utility billing clerks, and customer service representative included in Finance are funded equally by the Electric, Water, and Sanitation Funds.

^cDirector of Public Works included in Engineering is funded 40% by Sanitation.

^dCustomer service assistant included in Sanitation is funded 33-1/3% by Fleet Services until Fiscal Year 2012.

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government:										
Business/Liquor Licenses Issued.....	1,054	1,096	1,056	1,110	1,046	1,140	1,011	1,022	1,184	1,099
AP Checks Issued.....	4,875	4,754	4,838	4,466	3,994	3,332	3,715	3,941	3,212	2,444
Electronic Vendor Payments Processed.....	419	600	571	536	963	1,840	2,198	2,111	2,652	3,698
Payroll Checks Issued.....	128	122	125	42	28	12	32	11	14	19
Purchasing:										
Purchase Orders Issued.....	865	884	989	998	1,013	1,019	1,113	1,245	1,206	1,250
Invoices Processed.....	1,973	2,325	2,297	2,371	2,582	2,744	2,847	2,932	2,991	3,107
Formal Bids.....	93	100	187	197	212	218	185	267	217	193
Engineering:										
Concrete Street Replacement (Square Yds).....	13,226	13,570	16,499	20,385	17,978	12,516	29,676	22,065	12,164	7,596
Asphaltic Concrete Overlays (Tons).....	9,464	124,227	8,667	46,320	6,594	-	1,137	4,302	4,439	2,494
Planning & Zoning Applications including										
Performance Guarantee Administration.....	22	20	31	22	27	26	21	26	29	24
Excavation Deposits.....	141	148	162	200	225	296	274	271	141	149
Sewer Lateral Insurance Applications.....	94	140	120	141	174	165	173	191	175	161
Single Family Site Plan Reviews.....	25	19	28	41	52	66	54	65	79	93
Building Maintenance:										
Work Orders Completed.....	525	812	491	726	614	675	623	593	813	593
Building Commissioner:										
Cost Recovery Rate.....	92%	143% ^a	130%	108%	116%	130%	127%	121%	140%	136%
Permits Issued:										
Building.....	1,952	1,943	1,994	676	2,371	3,110	4,541	2,832	3,034	3,012
Occupancy.....	1,461	1,517	1,544	1,471	1,477	1,528	1,564	1,472	1,464	1,462
Inspections Performed:										
Construction.....	5,079	4,755	5,267	5,532	6,339	8,525	9,057	9,465	8,724	10,544
Re-Occupancy.....	2,856	3,026	3,049	2,746	2,490	2,586	2,809	2,554	2,343	2,204
Board of Adjustment Cases.....	14	19	25	27	33	44	29	43	30	26
Architectural Review Cases.....	43	57	49	204	216	247	272	252	238	262
Police:										
Number of Calls.....	18,442	18,451	20,893	22,929	22,730	24,223	24,009	24,738	25,383	25,337
Number of Code Violation Complaints.....	2,578	2,999	1,694	2,109	1,461	1,773	2,561	1,244	1,818	2,078

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fire:										
Number of Calls.....										
Fire.....	1,170	1,234	1,317	1,096	1,088	1,162	1,353	1,666	1,685	1,812
EMS.....	2,207	2,180	2,703	2,568	2,625	2,840	2,698	3,091	3,112	2,949
Percentage of "At Risk" Property Saved.....	95.71%	93.24%	97.74%	98.98%	98.80%	98.46%	93.91%	93.47%	85.50%	95.99%
Streets:										
Maintenance - Asphaltic Concrete (Tons).....	866	15,462	440	424	387	597	597	1,008	920	1,605
Maintenance - Crack Seal after FY2003 (Pounds).....	4,107	2,143	4,847	4,551	6,750	999	1,369	1,480	1,813	333
Ground/Forestry Maintenance (Hours).....	3,053	4,137	4,804	5,067	5,021	4,642	3,502	4,637	2,080	2,080
Snow Removal:										
Salt Used (Tons).....	1,920	3,413	919	1,206	3,008	1,120	819	453	456	1,354
Labor (Hours).....	1,163	1,809	469	1,173	2,031	993	660	479	478	1,315
Parks:										
Park Maintenance Cost per Acre.....	\$ 3,617	\$ 3,719	\$ 3,739	\$ 3,941	\$ 4,108	\$ 4,075	\$ 4,441	\$ 4,355	\$ 4,261	\$ 4,429
Recreation:										
Aquatic Facility Attendance.....	62,995	74,014	67,519	61,754	55,048	66,132	49,030	76,936	62,382	64,431
Ice Rink Facility Attendance.....	28,383	27,623	33,734	37,528	41,675	41,675	39,978	127,584	108,433	115,367
Cost Recovery Rate.....	90%	85%	84%	87%	84%	84%	89%	91%	88%	92.60%
Electric:										
Number of Customer Accounts:										
Residential.....	8,948	8,804	8,763	8,878	8,790	8,872	8,769	8,737	8,820	8,867
Commercial.....	1,405	1,349	1,259	1,276	1,263	1,268	1,261	1,256	1,267	1,232
Personnel Cost/Customer Accounts.....	\$ 174	\$ 185	\$ 188	\$ 196	\$ 200	\$ 209	\$ 202	\$ 201	\$ 201	\$ 207
Distribution Cost Per Circuit Line Mile.....	\$ 11,490	\$ 11,552	\$ 18,088	\$ 20,475	\$ 19,738	\$ 20,218	\$ 21,751	\$ 22,587	\$ 20,735	22,139
Water:										
Number of Customer Accounts:										
Residential.....	9,633	9,465	9,252	9,470	9,444	9,488	9,458	9,512	9,389	9,395
Commercial.....	836	831	801	832	820	830	833	821	823	826
Personnel Cost/Customer Accounts.....	\$ 124	\$ 137	\$ 144	\$ 135	\$ 132	\$ 139	\$ 141	\$ 140	\$ 137	\$ 138

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sanitation:										
Number of Customer Accounts										
Residential.....	9,275	9,338	9,324	9,325	9,187	9,167	9,154	9,142	9,200	9,179
Commercial.....	144	150	144	150	167	223	216	224	-	
Personnel Cost/Customer Accounts.....	\$ 120	\$ 123	\$ 120	\$ 117	\$ 114	\$ 106	\$ 113	\$ 113	\$ 105	\$ 118
Material Collected:										
Recycling Material Collected (Tons).....	2,733	2,929	4,163	4,162	4,203	4,238	4,347	2,299	4,175	4,083
Waste Disposal (Tons).....	8,923	8,378	6,974	6,737	7,071	7,944	7,634	7,923	6,280	6,322
Landfill Diversion Rate (% Recycled/Total).....	23%	26%	37%	38%	37%	41%	22%	48%	37%	39%
Yard Waste (Cubic Yards).....	6,955	7,034	7,814	6,437	7,748	7,587	7,479	7,929	6,885	6,573
Workers Compensation:										
Number of Claims.....	31	21	15	43	38	30	30	31	29	34
Average Cost per Claim.....	\$ 24,580	\$ 12,459	\$ 5,511	\$9,648	\$12,190	\$6,166	\$5,215	\$14,977	\$20,849	\$ 22,234
Fleet Services:										
Average Age of Vehicles.....	8.4	6.2	6.2	6.1	6.3	6.7	6.9	6.3	6.3	6.3
Maintenance Cost per Vehicle.....	\$ 5,827	\$ 6,115	\$ 6,139	\$ 7,084	\$ 5,720	\$ 5,608	\$ 3,684	\$ 4,848	\$ 4,966	\$ 4,702

Source: Various city departments

^aIncludes permit for Aberdeen of \$282,456

^bBeginning FY18 additional forestry and ground maintenance is outsourced.

^cFY18 commercial sanitation was terminated.

CITY OF KIRKWOOD, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government:										
Vehicles.....	2	2	2	2	2	1	1	1	1	2
Purchasing:										
Vehicles.....	2	2	1	1	1	1	1	1	1	1
Warehouse										
Vehicles.....	-	-	-	-	-	0	1.5	0.5	0.5	0.5
Engineering:										
Vehicles.....	4	3	3	3	3	3	3	4	4	4
Building Maintenance:										
Vehicles.....	3	2	2	2	3	3	2.5	3.5	3.5	3.5
Building commissioner:										
Vehicles.....	4	4	4	4	4	4	4	4	5	5
Police:										
Stations.....	1	1	1	1	1	1	1	1	1	1
Vehicles.....	29	27	28	29	29	31	30	32	33	34
Fire:										
Stations.....	3	3	3	3	3	3	3	3	3	3
Vehicles.....										
Pumpers.....	4	4	3	3	4	4	4	4	4	4
Aerial Ladder.....	1	1	1	1	1	1	1	1	1	1
Ambulance.....	4	4	4	4	4	4	5	4	5	5
Hazmat/Rescue/Utility.....	2	2	2	2	5	5	3	3	3	3
Command Vehicles.....	4	4	4	4	4	3	3	4	3	3
Streets:										
Miles of Streets.....	109	109	221	221	221	221	221	221	248	248
Miles of Sidewalks.....	111	111	111	111	111	111	111	111	120	120
Vehicles.....	22	21	21	20	21	21	21	21	21	20
Parks and Recreation:										
Acres of Parks.....	325	326	330	330	330	330	324.5	324.5	330	332.3
Community Center.....	1	1	1	1	1	1	1	1	1	1

CITY OF KIRKWOOD, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Parks and Recreation (Continued):										
Outdoor Amphitheater.....	1	1	1	1	1	1	1	1	1	1
Aquatic Facility.....	1	1	1	1	1	1	1	1	1	1
Enclosed Ice Rink.....	1	1	1	1	1	1	1	1	1	1
Ball Diamonds.....	8	8	8	8	8	7	5	5	7	7
Tennis Courts.....	10	10	10	10	10	9	9	9	9	9
Handball Courts.....	2	2	2	2	2	2	2	2	2	2
Pickleball Courts.....	-	-	-	-	-	1	1	1	1	1
Vehicles.....	16	14	14	12	13	16	15	15	15	15
Electric:										
Substations.....	6	6	6	6	6	6	6	6	6	6
Miles of Line.....	132	132	132	132	132	132	132	132	132	132
Street Lights.....	2,316	2,316	2,316	2,316	2,316	2316	2316	2316	2316	2,316
Traffic Lights.....	121	121	121	121	121	121	121	121	121	121
Vehicles.....	12	14	14	16	16	16	17	16	16	14
Water:										
Pumping Stations.....	6	6	6	6	6	6	4	4	6	6
Inter Connect Valves.....	2	2	2	2	2	2	4	6	2	6
Miles of Water Line.....	135	135	135	135	135	135	135	135	135	135
Vehicles.....	17	15	15	15	14	16	16	17	17	17
Sanitation:										
Collection Trucks.....	8	8	8	8	12	10	14	14	14	13
Other Vehicles.....	6	4	4	4	6	5	3	2	3	2
Recycling Equipment.....	4	4	4	4	4	4	5	5	5	5
Fleet Services:										
Vehicles.....	2	5	4	4	3	3	3	3	3	3

Source: Various city departments