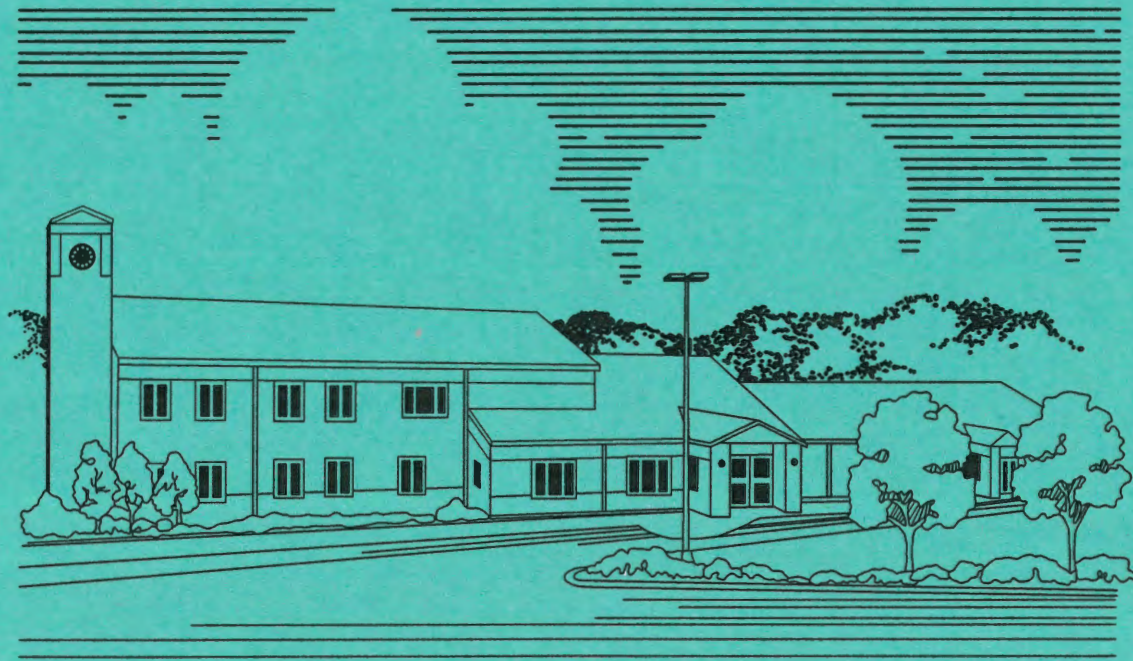


CITY OF ARNOLD, MISSOURI

Comprehensive Annual Financial Report

For The Fiscal Year Ended August 31, 2015



CITY OF ARNOLD, MISSOURI

**Comprehensive Annual Financial Report
For The Fiscal Year Ended August 31, 2015**

Prepared by the
Finance Department



CITY OF ARNOLD, MISSOURI
FINANCIAL REPORT

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INTRODUCTION





City of Arnold

Ron Counts, Mayor

February 8, 2016

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

State law and local ordinances require that all general-purpose local governments publish a complete set of financial statements presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the comprehensive annual financial report of the City of Arnold, Missouri (the City) for the fiscal year ended August 31, 2015, is hereby submitted.

The comprehensive annual financial report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Hochschild, Bloom & Company LLP audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended August 31, 2015, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended August 31, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

City Hall
2101 Jeffco Blvd.
Arnold, MO 63010
636/296-2100

Parks and Recreation
1695 Missouri State Rd.
Arnold, MO 63010
636/282-2380

Public Works
2900 Arnold Tenbrook Rd.
Arnold, MO 63010
636/282-2386

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

Profile of the Government

Incorporated in 1972 as a city of the third class, the City is located on the eastern border of the State of Missouri, south of the Meramec River at its confluence with the Mississippi River. The City has operated under the mayor-council-city administrator form of government since its inception. Policymaking and legislative authority are vested in a governing council consisting of the mayor and eight council members. The mayor and council are elected on a nonpartisan basis. The mayor is elected to serve a four-year term. Council members serve two-year staggered terms, with four council members elected every year. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the city administrator, police chief, and city attorney. The city administrator is responsible for carrying out the policies and ordinances of the governing council, hiring employees, and overseeing the day-to-day operations of the City.

The City provides a range of services, including police protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events. Trash, snow removal, and storm water system services are provided through the City. The City's recreation center operates as a department of the City, but is reported as a separate governmental fund. The storm water system service and golf course are reported separately as proprietary funds in the City's financial statements.

Local Economy

Arnold, the largest city in Jefferson County serves a population of 20,808 residents in 8,090 households based on the 2010 Census and occupies an area of approximately 11.2 square miles. Residents are ideally located to commute to employment within the City, County and throughout the surrounding Metropolitan St. Louis area. Interstate Highway 55, U.S. Highway 61-67, and State Highways 141 and 231 provide access to St. Louis City, St. Louis and St. Charles counties along with the Metro-East (Illinois).

The economic condition and outlook of the City has been stable throughout the recent recession. The City believes it is in a favorable situation for the future given the continued increase in the number of retail sales and services establishments and the growth in manufacturing jobs within the city.

The Federal Reserve Bank of St Louis reports that as of August 2015, the seasonally-unadjusted unemployment rate for Jefferson County dropped to 4.8% from 6.0% in August 2014. By comparison, as of August 2015, the unemployment rate for the State of Missouri was 5.2% while August 2014 was

6.1%. The St Louis metropolitan statistical area which includes some Illinois counties was 5.1% as of August 2015 and 6.6% for the same period last year. The adjacent counties of St. Louis, Franklin, and Washington were reported at 4.9%, 5.0%, and 6.6% in August 2015, respectively. From a high of 10.6% in January 2010, the August 2015 United States unemployment rate of 5.2% has almost rebounded to its pre-recession level (August 2007; 4.6%).

The residential real estate tax base for fiscal year 2015 showed a modest increase of approximately 1.0% over last year's levels. The City's residential stock, geographic location and variety of services have kept real estate marketable. While the potential for further retail and industrial development is favorable, the number of existing commercial vacancies has increased in older developments.

The City's tax structure relies primarily on sales taxes and gross receipts utility taxes. Utility tax receipts from the electric, gas, and cable companies continue to increase at a modest rate. The dip in telecommunications gross receipts tax has been attributed to the reduction in landlines as consumers continue to favor mobile services. City general sales tax receipts for fiscal year 2015 remained strong, up 6.9% from 2014. After factoring in the EATS pass-through payments for the TIF projects and economic development set-aside, the City's net general sales tax receipts were 6.8% over the net tax for the prior fiscal year. We have projected a slight increase in gross sales tax for fiscal year 2016 and will re-evaluate as the fiscal year progresses.

The City desires to plan for the success of the City for decades to come. To encourage growth and stability, the City has established an economic development committee to actively seek out and support commercial development. In 2008, the City established the Arnold Retail Corridor Transportation Development District (ARC-TDD) to accommodate anticipated changes in traffic patterns and density because of the Triangle and Arnold Crossroads TIFs and other future developments. ARC-TDD project funds were used to help with the construction of road improvements at Astra Way and Missouri State Roads and Lone Star Drive in past years. The ARC-TDD is included in the basis financial statements as a distinctly presented component unit. Separate financial statements may be obtained from the City's finance department.

In December 2015, the City issued additional Chapter 100 Industrial Bonds in support of a second expansion of the Metal Container Corporation facility with a maximum principal amount of \$150 million adding another 24,000 sq. ft. to their complex. In addition to the Chapter 100 Industrial Bonds, the state has offered economic incentives to support this project. This expansion will provide an estimated 70 new manufacturing jobs and insure Metal Container Corporation's presence in the City well into the future. In January 2015, Superior Oil, a major supplier of industrial solvent and chemical products, celebrated its first year of plant operations within the City.

Long-term Financial Planning

The annual budget serves as the foundation for the City's financial planning and control. Throughout the fiscal year, the Finance Review Committee meets to monitor trends in monthly revenue and expenditure activity, prioritize capital needs, review financial policies and work with staff to develop fees for services. All departments of the City are required to submit requests for appropriations to the city administrator and finance director. These requests are used as a starting point for developing a proposed budget. Initial draft budget documents are presented to the Finance Review Committee for refining. With the assistance of this Committee, the city administrator and finance director present the proposed budget to the mayor and city council for review in July prior to adoption. The city council is required to hold a public hearing on the proposed budget and to adopt a final budget prior to September 1. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The city administrator has the authority to make transfers of appropriations between line items within individual departments. Transfers of appropriations between departments, however, require approval of the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the financial statements for the governmental funds.

Due to the General Fund's reliance on sales tax revenue, the City has adopted a Fund Balance Policy that anticipates a target unassigned fund balance of not less than 34% of annual operating revenues for the fiscal year and requires a plan of action to restore the balance if it falls below this level. The City has and will continue to demonstrate its ability to compress government expenditures to accommodate this tighter economy and any temporary downturns in revenue.

Major Initiatives

Following the Comprehensive Plan's blueprint or guideline, the City utilized federal surface transportation improvement funds along with City funds for the reconstruction of Michigan Avenue completed in September 2015. Continued work on the Tenbrook Road sidewalk project with the acquisition of temporary construction easements. The portion of the funds needed for the construction of these sidewalks is provided by a grant from the Safe Routes to School program. The City received notice of a federal congestion mitigation air quality grant award in October 2015 for improvements to the Jeffco-Tenbrook intersection and is beginning design work in 2016. This project will be constructed in tandem with the Tenbrook sidewalks project.

In keeping with the City's focus on enhancing the leisure life provided residents, the City expanded the Dog Park and added additional permanent structures at the Arnold Farmers Market in Arnold City Park, introduced foot or soccer golf events at Pomme Creek Golf Course and approved the development of a new park devoted to archery.

In 2014, council approved the establishment of a small business development program. Corridor55 opened in September 2014 providing co-working office space and support for fledgling local entrepreneurs. The Arnold Chamber of Commerce has relocated to Corridor55. While space is still available in the common areas for use, all designated offices are occupied.

The City sold the sewer system to Missouri American Water for \$12.5 million in May 2015. At that time, a portion of the sale proceeds were used to pay off the Sewage System Series 2005, 2006 and 2007A revenue bonds. In addition, \$14 million in notes payable to the Metropolitan St. Louis Sewer District for improvements to the Lower Meramec River Waste Water System were assumed by Missouri American Water.

The City will continue to seek alternative funding sources, such as grants, and analyzing City operations for areas of efficiency and cost effectiveness. The City will also seek developing programs to enhance the services it offers to residents and to attract and support local business.

Awards and Acknowledgements

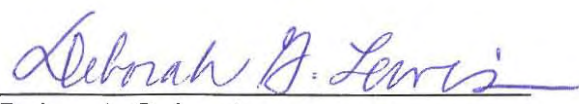
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended August 31, 2014. This is the 26th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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 this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,


Bryan Richison
City Administrator


Deborah G. Lewis
Finance Director



Government Finance Officers Association

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

Presented to

**City of Arnold
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2014

Executive Director/CEO

CITY OF ARNOLD, MISSOURI
PRINCIPAL OFFICIALS

Ron Counts

Mayor

Council

Nancy Crisler
Jason Fulbright
David Owens
Brian McArthur
Phil Amato
Paul Freese
Butch Cooley
Gary Plunk

Ward One
Ward One
Ward Two
Ward Two
Ward Three
Ward Three
Ward Four
Ward Four

Dan Kroupa

Treasurer

Todd Hamby

Judge

Robert Sweeney

City Attorney

Bryan Richison

City Administrator

Tammi Casey

City Clerk

Deborah Lewis

Finance Director

Robert Shockey

Chief of Police

Mary Holden

Community Development Director

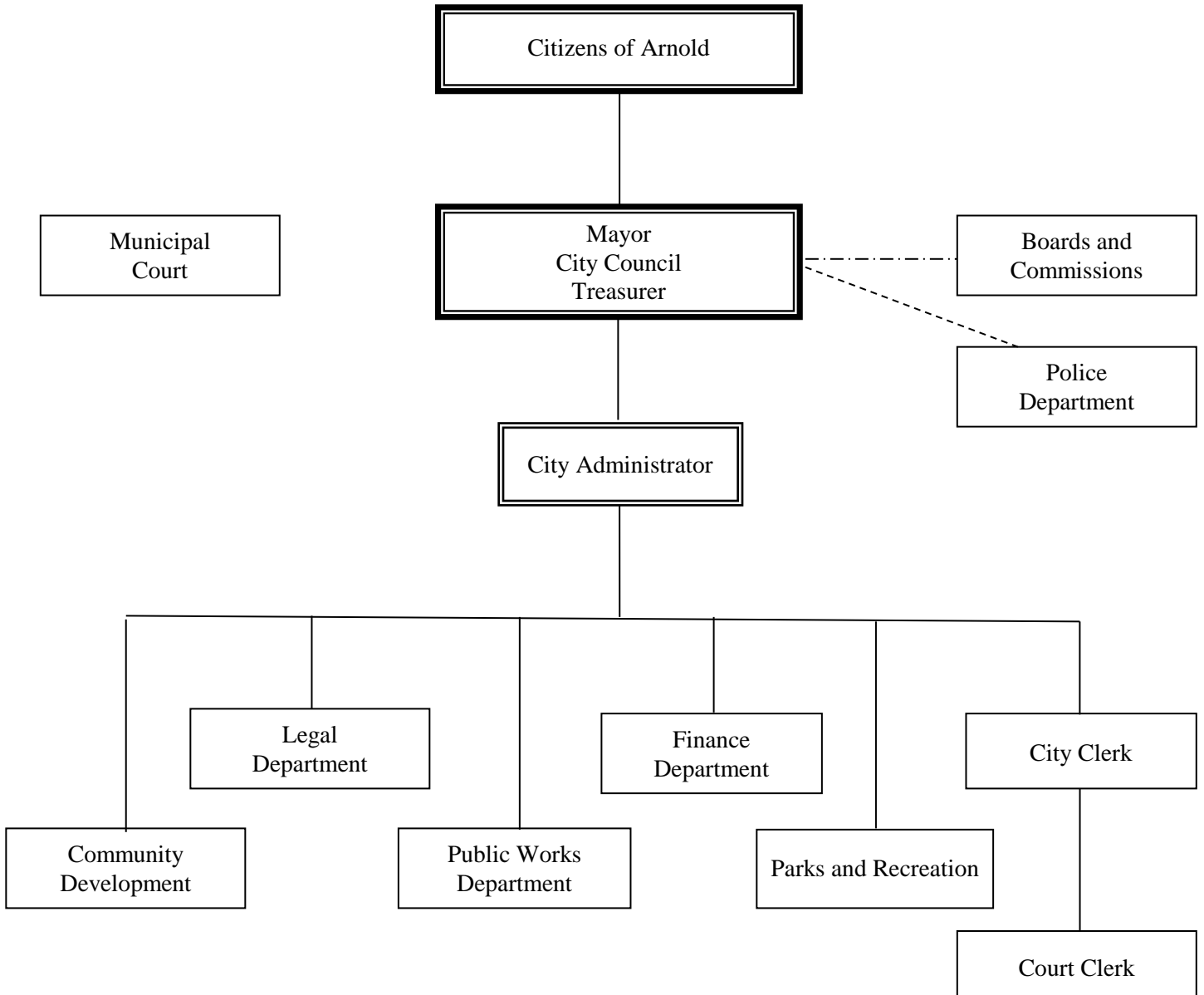
Ed Blattner

Public Works Director

Susie Boone

Parks and Recreation Director

City of Arnold Organization Chart



FINANCIAL





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

INDEPENDENT AUDITOR'S REPORT

February 8, 2016

Honorable Mayor and Members of the City Council
CITY OF ARNOLD, 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 ARNOLD, MISSOURI** (the City) as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of August 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

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

Other Information

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

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic

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

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 a report dated February 8, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Hochschild, Bloom + Company LLP
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF ARNOLD, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED AUGUST 31, 2015

As management of the City of Arnold, Missouri (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended August 31, 2015. Please read this narrative in conjunction with the letter of transmittal, the basic financial statements, and the accompanying notes to financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred outflows at the close of the most recent fiscal year by \$55,082,087 (*net position*). The City has a deficit unrestricted net position of \$14,244,361 due to \$29,974,794 in TIF bonds and notes outstanding at year-end for infrastructure assets not owned by the City.
- Governmental activities and business-type activities had a net position of \$54,118,557 and \$963,530, respectively, at fiscal year-end.
- The City's total net position decreased by \$5,186,732 during the fiscal year. The combined governmental activities increasing by \$12,902,494 while the combined business-type activities decreased by \$18,089,226.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$24,353,265, an increase of \$12,072,657 in comparison with the prior year. Approximately 59% of this amount or \$14,249,970 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the General Fund was \$16,740,107, or approximately 121% of total General Fund expenditures.
- The City's total outstanding long-term debt, including compensated absences, decreased by \$25,051,106 during the current fiscal year to a total of \$51,589,435. No new bonds were issued in the fiscal year.
- The City sold of the sewer system to Missouri American Water for \$13.2 million and other consideration.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains supplemental information intended to furnish additional detail to support the basic financial statements themselves.

Table A-1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with broad information about the City's finances, in a manner similar to a private-sector company. The two government-wide statements, **Statement of Net Position** and **Statement of Activities**, report the City's net position and how it has changed. In the government-wide statements, a distinction is made between governmental-type activities and business-type activities. Governmental-type activities are those activities that are normally associated with the operation of a government such as health, highways, public safety, and parks. Business-type activities are those activities of a government that are designed to be self-supporting.

The **Statement of Net Position** presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of net position also provides information on the City's net investment in capital assets, restricted items and unrestricted net position.

The **Statement of Activities** presents information on how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). To assess the overall health of the City you need to consider additional non-financial factors such as changes in the City's property tax base or the condition of the City's roadway network.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety (police, courts, and justice services), public works, highways and streets, health and sanitation, tourism, parks and recreation (including the Recreation Center), economic development as well as interest and fiscal charges. The business-type activities include the golf course and storm water system utility services provided by the City.

The government-wide financial statements include not only the City (known as the *primary government*), but also the legally separate Arnold Retail Corridor Transportation Development District (the District). The District is considered a component unit of the City. The District was organized to construct public infrastructure improvement projects to serve new transportation redevelopment projects in the City. The District's financial activity is discretely presented in the City's basic financial statements.

The government-wide financial statements can be found on pages 16 and 17 of this report.

**Table A-1
Major Features of City of Arnold's Government-wide
and Fund Financial Statements**

	Government-wide Statements	Fund Statements		
		Government Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds) and the City's component unit	The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks and recreation	Activities the City operates similar to private businesses: storm water system and golf course	Instances in which the City is the trustee or agent for someone else's resources, such as the retirement plan for City commissioned employees
Required financial statements	* Statement of net position	* Balance Sheet	* Statement of net position	* Statement of fiduciary net position
	* Statement of activities	* Statement of revenues, expenditures, and changes in fund balance	* Statement of revenues, expenses, and changes in net position	* Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the City's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Fund financial statements. A *fund* is an accounting device that groups related accounts together to keep track of specific sources of funding and spending for particular purposes. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds 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

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

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

The City maintains five individual government funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund, Recreation Center Fund and Special Allocation Fund, which are considered major funds. Data for the remaining governmental funds are combined into a single aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements in the other supplemental information section of this report.

The City adopts annual appropriated budgets for its General Fund, Recreation Center Fund, Special Allocation Fund, Tourism Fund, and Drug Forfeiture Fund. Budgetary comparison statements have been provided for each fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 18 through 21 of this report.

Proprietary funds. Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information, only with more detail. With the disposal of the sewer system, the City maintains two *Enterprise Funds*, which are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses Enterprise Funds to account for its storm water utility systems and the Pomme Creek Golf Course. The City does not utilize the second type of proprietary fund, the *Internal Service Fund*. Typically, Internal Service Funds provide services that predominantly benefit governmental rather than performing business-type functions and are used to accumulate and allocate costs internally among an entity's various functions and departments.

The basic proprietary fund financial statements can be found on pages 22 through 25 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City is the trustee, or *fiduciary*, for its police employees' pension plan. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations. 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 26 and 27 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 financial statements can be found on pages 28 through 55 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplemental information* concerning budgetary presentations of budget to actual amounts. Required supplemental information can be found on pages 56 through 64 of this report. Other supplemental information found on pages 65 through 70 contain comparative governmental funds statements and combining and individual statements for the nonmajor governmental funds.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

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, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$55,082,087 at the close of the most recent fiscal year. This represents a decrease in net position of 8.6% or \$5,186,732 lower than fiscal 2014. (Table A-2)

At the end of the current fiscal year, the City had positive balances in seven categories of net position (net investment in capital assets; restricted for capital improvements; restricted for debt service; restricted for public safety; restricted for tax increment financing; restricted for tourism; and restricted for recreation) however, its unrestricted net position had a deficit balance of \$14,244,361.

Table A-2
City of Arnold's Net Position as of August 31, 2014 and 2015
(In thousands of dollars)

	<i>Governmental</i>		<i>Business-type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	2014	2015	2014	2015	2014	2015
Current and other assets	\$ 17,601	30,343	6,267	690	23,868	31,033
Capital assets	77,541	77,165	40,591	4,219	118,132	81,384
Total assets	95,142	107,508	46,858	4,909	142,000	112,417
Total Deferred Outflows of Resources	917	1,553	-	77	917	1,630
Long-term debt outstanding	50,172	48,073	26,724	3,815	76,896	51,888
Other liabilities	5,372	6,432	1,149	194	6,521	6,626
Total liabilities	55,544	54,505	27,873	4,009	83,417	58,514
Total Deferred Inflows of Resources	-	438	-	13	-	451
Net Investment in capital assets	60,954	61,358	13,867	404	74,821	61,762
Restricted for capital improvements	473	687	-	-	473	687
Restricted for debt service	3,049	3,052	527	326	3,576	3,378
Restricted for public safety	34	54	-	-	34	54
Restricted for tax increment financing	2,543	2,993	-	-	2,543	2,993
Restricted for tourism	110	234	-	-	110	234
Restricted for recreation	328	218	-	-	328	218
Unrestricted	(26,976)	(14,478)	4,591	234	(22,385)	(14,244)
Total net position	\$ 40,515	54,118	18,985	964	59,500	55,082

The largest portion of the City's net position, \$61,762,345 in 2015 (a decrease of approximately 17.5% from 2014, due in large part to the sale of the sewer system), reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

An additional portion of the City's net position, \$7,564,103 represents resources that are subject to external restrictions on how they may be used. Of this amount, \$6,371,096 or over 84% is restricted by debt covenants while use of the remaining, \$1,193,007, is restricted by other governmental entities.

The remaining category of the City's net position represents a deficit balance of *unrestricted net position* totaling \$14,244,361 in 2015. This represents an increase in the prior year's net position of \$8,140,629 or slightly over 36% due to the sale of the sewer system and a reduction in the outstanding TIF bonds and notes.

Table A-3
Change in City's Net Positions for the Years Ended August 31, 2014 and 2015
(In thousands of dollars)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>		<i>Percentage Change</i>
	2014	2015	2014	2015	2014	2015	2014-2015
Revenues							
Program revenues:							
Charges for services	\$ 2,862	3,683	4,903	3,782	7,765	7,465	(3.86) %
Operating grants	1,151	1,183	-	-	1,151	1,183	2.78
Capital grants	149	1,573	90	88	239	1,661	594.98
General revenues:							
Taxes	15,321	16,515	-	-	15,321	16,515	7.79
Investment income	22	29	218	77	240	106	(55.83)
Miscellaneous	130	124	2	7	132	131	(0.76)
Total revenues	19,635	23,107	5,213	3,954	24,848	27,061	8.91
Expenses							
General government	3,521	3,507	-	-	3,521	3,507	(0.40)
Public safety	5,564	6,120	-	-	5,564	6,120	9.99
Public works	507	518	-	-	507	518	2.17
Highways and streets	3,499	3,022	-	-	3,499	3,022	(13.63)
Parks and recreation	2,431	2,371	-	-	2,431	2,371	(2.47)
Health and sanitation	1,203	1,233	-	-	1,203	1,233	2.49
Economic Development	121	131	-	-	121	131	8.26
Sewer system	-	-	4,111	2,883	4,111	2,883	(29.87)
Storm water system	-	-	596	526	596	526	(11.74)
Golf Course	-	-	754	649	754	649	(13.93)
Interest on long-term debt	3,106	3,040	-	-	3,106	3,040	(2.12)
Total expenses	19,952	19,942	5,461	4,058	25,413	24,000	(5.56)
Excess (deficiency) before special items and transfers	(317)	3,165	(248)	(104)	(565)	3,061	641.77
Special Item	-	-	-	(8,248)	-	(8,248)	(100.00)
Transfers	(1,637)	9,737	1,637	(9,737)	-	-	-
Increase (decrease) in net position	(1,954)	12,902	1,389	(18,089)	(565)	(5,187)	818.05
Net position - September 1	42,469	40,515	17,596	18,985	60,065	59,500	(0.94)
Restatement - Pension	-	701	-	68	-	769	100.00
Net Position - September 1 As Restated	42,469	41,216	17,596	19,053	60,065	60,269	0.34
Net position - August 31	\$ 40,515	54,118	18,985	964	59,500	55,082	(7.43) %

Governmental activities. Governmental activities increased the City's net position by \$12,902,494. Key elements of this net increase are as follows:

- Net proceeds of \$9,976,578 were transferred to the General Fund from the Sewer Fund. The City transferred \$418,220 from the General Fund to subsidize operations at the Golf Course.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

- Property tax revenues increased by \$311,271 or 15.9% in fiscal 2014 due in part to a slight increase in the levy and the settlement of disputed taxes on a commercial property. Real property valuations increased \$3,881,959 or 1.4%. Residential property values increased \$1,821,597 or 1% while commercial values increased 1.7%. Based on the increase in CPI, the City increased its property tax levy from .3973 cents/\$100 in assessed valuation to .4012 cents for the fiscal year 2015.
- Sales tax revenues were \$856,942 or 8.6% higher than last year. This can be attributed to new retailers and improvement in the local economy.
- The new gross receipts tax on waste water treatment of \$31,243 accounts for all of the \$28,017 or 0.8% increase over prior year. While weather provided a slight increase of \$59,009 or 0.24% in electric and gas utility tax revenues over last year, telephone utility tax revenues fell \$87,120 or 12.8% as consumers continue to eliminate residential landlines in favor of cellular service only. This year's cable TV fees were \$24,885 or 11.9% higher than last year.
- While most charges for services categories remained relatively flat, overall charges for services revenue increased 28.7% or \$821,081 as compared to 2014 due to the reinstatement of a fee for solid waste removal contributing \$793,995. The new sidewalk repair program in which property owners are responsible for 50% of the repair cost provided \$12,401. Corridor55, the City's small business co-working space project earned \$8,282 in rentals during this first year of operations.
- Capital Grants and Contributions were \$1,423,816 higher this fiscal year due to the Surface Transportation Program funded Michigan Avenue improvements project. Operating grants and contributions shows an increase of \$31,575 or almost 2.7% over last year. This increase is attributable to additional funds from highway safety programs.

Figure A-1

Sources of Revenue - Governmental Activities

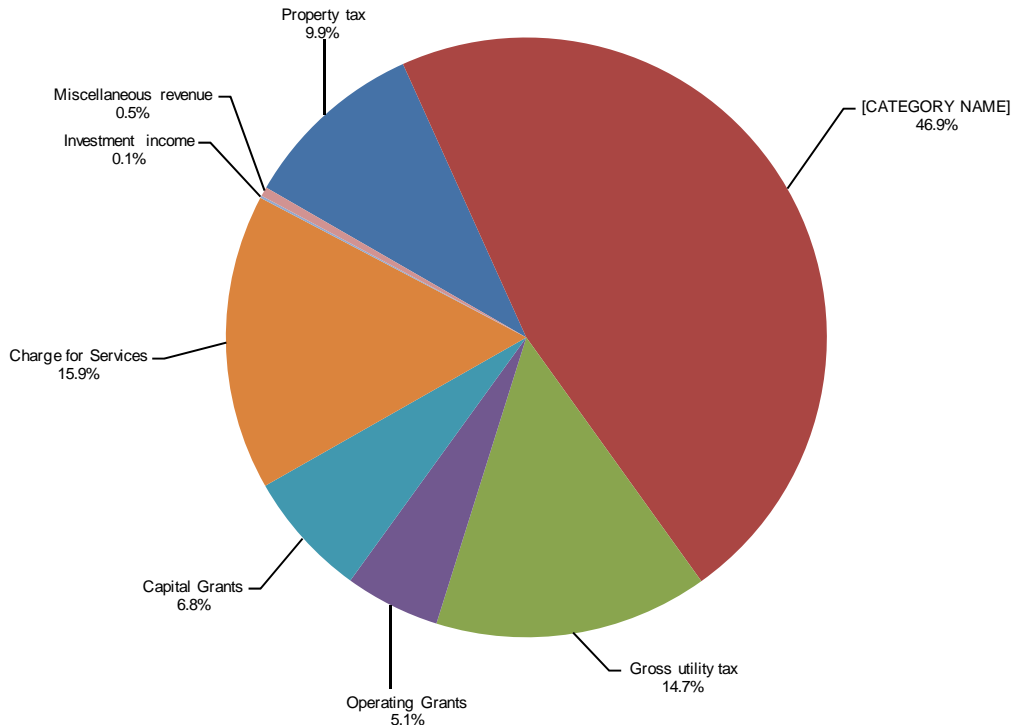


Figure A-2

Expenses by Function - Governmental Activities

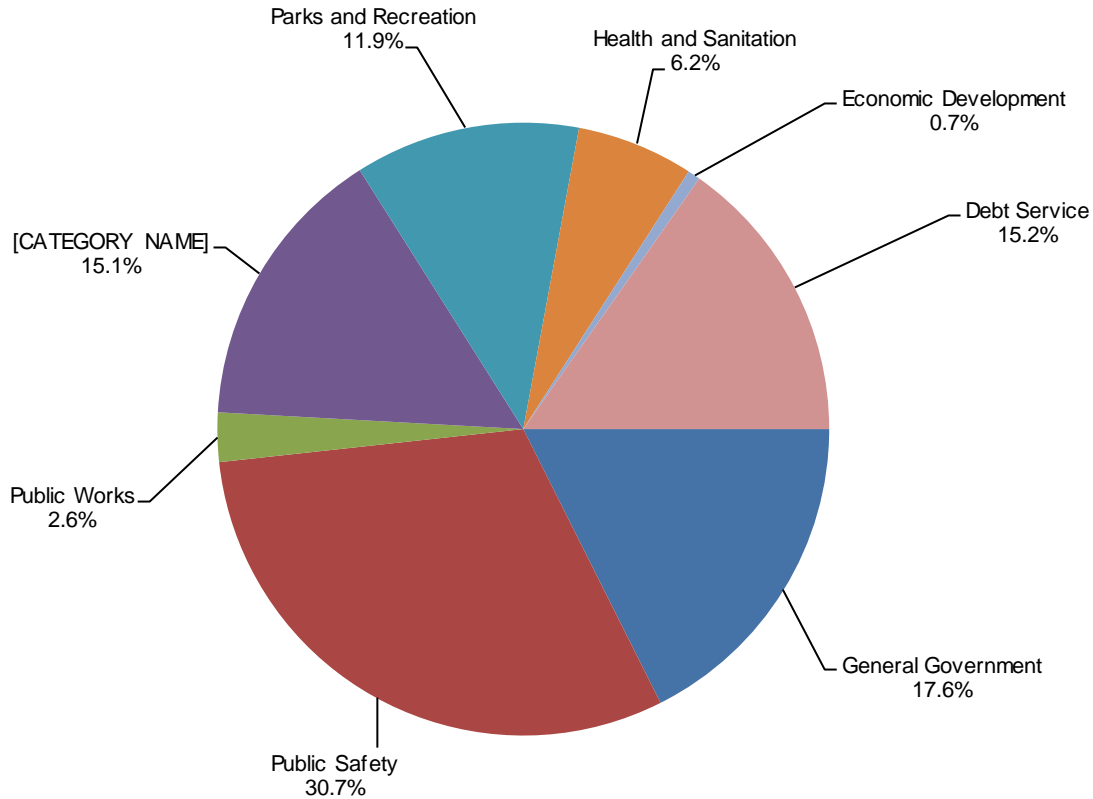


Table A-4 presents the cost of each of the City's seven governmental functions - general government including economic development, public safety (police, code enforcement, courts, and justice services), public works, highways and streets, parks and recreation (parks and recreation center), and health and sanitation - as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

- The cost of all governmental activities this year was \$19,941,982.
- However, the amount that our taxpayers paid for these activities through City taxes was \$13.5 million. Some of the costs were paid by:
 - Those who directly benefited from the programs,
 - Issuance of debt in conjunction or
 - Other governments and organizations that subsidized certain programs with grants and contributions.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

**Table A-4
Net Cost of the City's Governmental Activities
(In thousands of dollars)**

	Total Cost of Services		Percentage	Net Cost of Services		Percentage
	2014	2015	Change	2014	2015	Change
			2014-2015			2014-2015
General government	\$ 3,521	3,507	(0.40) %	\$ 3,036	2,994	(1.38) %
Public safety	5,564	6,120	9.99	4,304	4,852	12.73
Public works	507	518	2.17	507	495	(2.37)
Highways and streets	3,499	3,022	(13.63)	2,395	472	(80.29)
Parks and recreation	2,431	2,371	(2.47)	1,151	1,109	(3.65)
Health and sanitation	1,203	1,233	2.49	1,169	410	(64.93)
Economic development	121	131	8.26	122	131	7.38
Interest on long-term debt	3,106	3,040	(2.12)	3,106	3,040	(2.12)
Total	\$ 19,952	19,942	(0.05) %	\$ 15,790	13,503	(14.48) %

Business-type activities. Business activities decreased the City's net position by \$18,089,226. The key element of this decrease (\$17,984,641) was the disposal of the sewer system. Other components are as follows:

- Storm water rates remain the same with charges for services decreasing \$5,338 or approximately 0.91% while cost of services decreased \$70,169 or approximately 12% during the current year. No major in-house projects were begun this year and two staff positions were left vacant.
- Charges for services decreased \$158,474 or almost 33% at the City's public golf course this year over last as once again the course suffered from flooding. Operating expenses decreased \$104,221 or approximately 13.8% this year due to the elimination of one full-time staffer.
- Investment income for all business-type activities decreased by \$141,395 or 64.7% due to the loss of sewer bond funds and the low interest rates available on City approved investment instruments.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental funds. The focus of the City'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's financing requirements. In particular, *unrestricted 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 discussed previously, this year the City transferred \$418,220 to Pomme Creek Golf Course eliminating existing interfund receivables and received \$9,976,578 from the liquidation of the Sewer Fund after the sale of the sewer system. These transfers account for 82% of the increase in the City's General Fund of \$11,586,636 as compared with the prior year, leaving the General Fund with an ending fund balance of \$18,366,759. Of this amount \$489,501 represents prepaid items and is nonspendable. Additional amounts of \$572,793 and \$564,358 have been restricted for capital projects and debt service respectively. The City Council has committed portions of fund balance as follows: 1) \$633,461 for services and street improvements, 2) \$883,724 for sewer sub-district projects, 3) \$113,165 for greenway beautification, 4) \$341,880 for economic development, 5) \$9,067 for the pride in our City program, and 6) \$85,991 in continued support of a City bus route. Assigned for use in the future budget is \$422,849 for completion of the Michigan Ave reconstruction and Jeffco Tenbrook sidewalk project. The remaining unassigned fund balance is \$14,249,970.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

The Recreation Center Fund is strictly dedicated to the Center's revenues and expenses. Revenues are generated through a ¼ cent general sales tax and user fees. The Recreation Center Fund reported an ending fund balance of \$217,573. Of this balance, prepaid items totaling \$12,942 are reported as nonspendable while the remaining \$204,631 is reported as restricted. As predicted prior to building the recreation center, sales tax receipts are sufficient to cover debt service. User fees, although not adequate to cover operating expenditures, are set at a price point affordable for the vast majority of city residents and reviewed annually.

The Special Allocation Fund reports activities related to the City's Arnold Commons and Crossroads TIF projects. Revenues are received from incremental property and sales tax generated within the project area. These funds are then used to retire the related project debt. The Special Allocation Fund reported an ending fund balance of \$5,480,760 or an increase of \$452,586 or 9.0% above last year. Of this amount, 100% is restricted for debt service. In July 2009, bonds in the amount of \$28,485,000 were issued for the Arnold Commons TIF project. As of August 2015, \$24,640,000 remains outstanding on these bonds. In October 2009, notes in the amount of \$3,319,555 were issued for the Arnold Crossroads TIF project. Additional notes in the amount of \$3,000,000 were issued May 2011 for the Arnold Crossroads Sub-Area #1 TIF project. As of August 2015, \$3,045,202 remains outstanding on the Arnold Crossroads and \$2,289,592 on the Arnold Crossroads Sub-Area #1 projects.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Sewer Fund has been liquidated due to the sale of the system. The unrestricted net position for the Storm Water Fund is \$316,107, an increase of \$148,299 from prior year. The Golf Fund ended the year with an unrestricted net position of (\$82,572), up \$23,607 from prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Results for the General Fund this year were higher than anticipated by \$11,560,763. Actual total revenues were \$708,739 above final budget while actual total expenditures were \$864,308 below budget. Transfers to/from other funds totaling \$9,987,716 account for the remaining variance to budget.

Total tax revenue was over final estimated budget by \$589,398 or 5.3%. Sales tax revenues were \$81,329 or 1.2% higher than final budget. Gross receipts tax was \$428,278 or 15.6% higher than final budget. Due to milder weather as compared to the prior year, both gas and electric utility tax mid-year budget estimates were reduced. Actual tax receipts for gas & electric were over budget by \$346,002 or 15.7%. This was due in part to higher consumer usage in the summer months than anticipated. Gross receipts tax of \$31,243 from the new wastewater company was not anticipated in budget. Motor fuel tax was \$79,791 or 16.6% above final budget.

Special assessment revenues were higher than anticipated by \$6,512 or 18.6%.

Although the budget was adjusted for an increase in the number of permits being issued, building, mechanical and existing structure permits exceeded estimates by \$55,157 or 19.7%. Merchant and other license revenues account for \$18,785 or 17.5% of this variance to budget.

Fines and court costs were below budget estimate by \$66,486 or 8.5%.

Intergovernmental revenues were \$13,892 or 1.0% under budget estimate due to weather delays on the Surface Transportation Program Michigan Avenue project of \$42,845 offset by an increase in estimated revenues of \$28,815 from various public safety grants.

Charges for service revenues were over budget estimate by \$80,040 or approximately 10.0%. This is due to the reinstated solid waste fees producing \$76,495 more revenue than anticipated.

General government actual expenditures were lower than final budget by \$125,161 or 4.3%. This was driven in part by lower than anticipated general & administrative expenses below estimate by \$45,633 including the delay in completing the new City website while delays in other IT Support projects amounted to \$13,146. An unfilled position in Finance accounts for approximately \$23,020 of the variance.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

Public safety actual expenditures were under budget \$181,126 or 3.3% primarily due to police officer vacancies and lower than anticipated fleet maintenance costs.

The public works budget anticipated additional work on Melody Avenue improvements but this was delayed pending a change in the project scope.

Highway and street expenditures were lower than estimated due to a staff vacancy along with lower than anticipated street repairs, asphalt and concrete expenditures, and fuel costs. Once again, weather restricted some maintenance activities.

Parks and recreation wages were lower than final budget by \$88,246 or 46.6% of the variance with the balance in park programs and grass mowing accounts. These variances were due in part to flooding and adverse weather conditions.

Capital outlays ended the year under budget by \$122,112 or 7% due to slower than anticipated progress on the Tenbrook sidewalk project and delayed completion of the Michigan Avenue project.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of August 31, 2015, amounted to \$81,384,523 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, and bridges. The decrease in the City's investment in capital assets for the current fiscal year was 31.1% (governmental activities decreased 0.5% and a 94.5% decrease for business-type activities). (See table A-5)

Capital asset events occurring during the fiscal year included the following:

- Increases in General Fund CWIP include continued work on Michigan Avenue (\$1,456,105), Tenbrook Sidewalks (\$32,567) and remodeling of the Health Department (\$20,715).
- An above ground fuel tank for the City Hall back-up generator (\$36,899) was purchased and the old underground tank removed (\$8,000). The highway & streets department disposed of a portable lift system and crack seal machine. As part of a new annual police vehicle replacement program, six police cars were purchased (\$209,305) and seven police vehicles were retired (\$159,009).
- The Sewer Fund assets were purchased by Missouri American Water.
- The Storm Water Fund accepted the storm water improvements for the Windcrest subdivision (\$78,491).

For more detailed information about the City's capital assets, see note C to the financial statements, pages 37 through 39.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

**Table A-5
City's Capital Assets as of August 31, 2014 and 2015
(Net of depreciation)**

	Governmental Activities		Business-type Activities		Total Capital Assets	
	2014	2015	2014	2015	2014	2015
Land	\$ 27,816,002	27,816,002	3,516,553	3,363,160	31,332,555	31,179,162
Buildings	12,103,391	11,654,067	543,854	383,508	12,647,245	12,037,575
Treatment Plants	-	-	98,599	-	98,599	-
Machinery and Equipment	313,006	301,746	473,406	85,295	786,412	387,041
Automobiles and trucks	825,543	901,809	-	-	825,543	901,809
Infrastructure	36,037,999	34,537,532	-	-	36,037,999	34,537,532
Intangible	-	-	15,719,362	-	15,719,362	-
Stormwater lines	-	-	272,547	351,038	272,547	351,038
Sewer lines	-	-	19,655,581	-	19,655,581	-
Construction in progress	445,344	1,954,100	311,194	36,266	756,538	1,990,366
Total	\$ 77,541,285	77,165,256	40,591,096	4,219,267	118,132,381	81,384,523

Long-term debt. At year-end the City had \$50,791,830 in bonds and notes outstanding - a decrease of 33.08% from last year - as shown in Table A-6. All Sewer debt was retired as part of the system sale. No new debt was issued in fiscal year 2015. The City approved defeasing the series 2007 leasehold revenue bonds for fiscal year 2016.

For more detailed information about the City's long-term liabilities, see note D in the notes to financial statements, pages 39 through 43.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the City is \$35,712,870. The City currently has no general obligation debt outstanding.

**Table A-6
City's Outstanding Debt as of August 31, 2014 and 2015
(In millions of dollars)**

	Governmental Activities		Business-type Activities		Total		Percentage Change 2014-2015
	2014	2015	2014	2015	2014	2015	
Revenue bonds and notes (backed by specific tax and fee revenues)	\$ 49,188	46,977	26,724	3,815	75,912	50,792	(33.09) %

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015**

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate, not seasonally adjusted, for Jefferson County for August 2015 was 4.8%, which is a decrease from a rate of 6.0% a year ago. This is lower than the national and state's average unemployment rate of 5.2%, all rates not seasonally adjusted.
- The Consumer Price Index indicates that nationwide inflation has increased 0.2% over the August 2014 rate. Although unfavorable to the Northeast region (-0.1%), inflationary trends for the Midwest region (-0.3%) compare favorably to the South (-0.2%) and West (1.3%) regions indices.

All of these factors were considered in preparing the City's budget for the 2016 fiscal year.

The property tax rate set to support the 2016 fiscal year budget is \$0.4011 per \$100 of assessed value. The local sales tax rate is anticipated to remain at 1¼%, with 1% allocated for General Fund operations and ¼% allocated to the Recreation Center Fund.

Storm water fees remain at \$3 per month per equivalent residential unit.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Arnold Finance Office, 2101 Jeffco Blvd., Arnold, MO, 63010.

CITY OF ARNOLD, MISSOURI
STATEMENT OF NET POSITION
AUGUST 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Transportation Development District
ASSETS				
Cash and investments	\$ 18,988,221	282,797	19,271,018	3,711,135
Receivables (net of allowances for uncollectibles):				
Taxes	3,379,515	-	3,379,515	-
Special assessments	1,044,844	-	1,044,844	-
Service fees	561,844	100,205	662,049	-
Intergovernmental	611,952	-	611,952	-
Miscellaneous	241,361	-	241,361	-
Internal balances	26,462	(26,462)	-	-
Prepaid items	520,793	150	520,943	-
Restricted assets:				
Cash and investments	3,650,147	325,978	3,976,125	-
Capital improvements sales tax receivable	687,261	-	687,261	-
Net pension asset	630,762	6,872	637,634	-
Capital assets:				
Land and construction in progress	29,770,102	3,399,426	33,169,528	-
Other capital assets, net of accumulated depreciation	47,395,154	819,841	48,214,995	-
Total Assets	107,508,418	4,908,807	112,417,225	3,711,135
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	846,556	-	846,556	-
Deferred outflows - pension related	705,998	77,581	783,579	-
Total Deferred Outflows Of Resources	1,552,554	77,581	1,630,135	-
LIABILITIES				
Accounts payable	2,867,958	43,975	2,911,933	-
Accrued liabilities	276,581	59,356	335,937	-
Accrued interest payable	2,932,667	43,186	2,975,853	-
Unearned revenue	354,669	48,061	402,730	-
Noncurrent liabilities:				
Due within one year:				
Long-term debt	2,954,401	160,000	3,114,401	1,015,000
Due in more than one year:				
Long-term debt	44,819,784	3,655,250	48,475,034	15,670,000
Net OPEB obligation	298,600	-	298,600	-
Total Liabilities	54,504,660	4,009,828	58,514,488	16,685,000
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension related	437,755	13,030	450,785	-
NET POSITION				
Net investment in capital assets	61,358,328	404,017	61,762,345	-
Restricted for capital improvements	687,261	-	687,261	-
Restricted for debt service	3,052,124	325,978	3,378,102	1,878,742
Restricted for public safety	53,971	-	53,971	-
Restricted for tax increment financing	2,992,994	-	2,992,994	-
Restricted for tourism	234,202	-	234,202	-
Restricted for recreation	217,573	-	217,573	-
Restricted for transportation development	-	-	-	1,832,393
Unrestricted net position	(14,477,896)	233,535	(14,244,361)	(16,685,000)
Total Net Position	\$ 54,118,557	963,530	55,082,087	(12,973,865)

CITY OF ARNOLD, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2015

FUNCTIONS/PROGRAMS	Net Revenues (Expenses) And Changes In Net Position							Component Unit Transportation Development District
	Expenses	Program Revenues			Primary Government			
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 3,507,185	513,502	-	-	(2,993,683)	-	(2,993,683)	-
Public safety	6,120,075	1,084,746	183,217	-	(4,852,112)	-	(4,852,112)	-
Public works	517,705	-	-	22,131	(495,574)	-	(495,574)	-
Highways and streets	3,022,074	-	999,212	1,550,385	(472,477)	-	(472,477)	-
Parks and recreation	2,371,529	1,262,388	223	-	(1,108,918)	-	(1,108,918)	-
Health and sanitation	1,232,741	822,800	336	-	(409,605)	-	(409,605)	-
Economic development	130,767	-	-	-	(130,767)	-	(130,767)	-
Interest on long-term debt	3,039,906	-	-	-	(3,039,906)	-	(3,039,906)	-
Total Governmental Activities	<u>19,941,982</u>	<u>3,683,436</u>	<u>1,182,988</u>	<u>1,572,516</u>	<u>(13,503,042)</u>	<u>-</u>	<u>(13,503,042)</u>	<u>-</u>
Business-type Activities								
Sewer system	2,883,157	2,877,893	-	-	-	(5,264)	(5,264)	-
Storm water	525,572	580,298	-	87,311	-	142,037	142,037	-
Golf	649,484	324,046	-	-	-	(325,438)	(325,438)	-
Special item - disposal of sewer system	<u>8,247,633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,247,633)</u>	<u>(8,247,633)</u>	<u>-</u>
Total Business-type Activities	<u>12,305,846</u>	<u>3,782,237</u>	<u>-</u>	<u>87,311</u>	<u>-</u>	<u>(8,436,298)</u>	<u>(8,436,298)</u>	<u>-</u>
Total Primary Government	<u>\$ 32,247,828</u>	<u>7,465,673</u>	<u>1,182,988</u>	<u>1,659,827</u>	<u>(13,503,042)</u>	<u>(8,436,298)</u>	<u>(21,939,340)</u>	<u>-</u>
Component Unit								
Transportation development district	<u>\$ 1,325,845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,325,845)</u>
General Revenues								
Taxes:								
Property					2,270,828	-	2,270,828	-
Sales					10,800,694	-	10,800,694	2,309,755
Gross receipts					3,403,239	-	3,403,239	-
Miscellaneous					40,711	-	40,711	-
Investment income					29,213	77,044	106,257	480
Miscellaneous					86,336	7,036	93,372	-
Gain on sale of capital assets					37,507	-	37,507	-
Transfers					<u>9,737,008</u>	<u>(9,737,008)</u>	<u>-</u>	<u>-</u>
Total General Revenues And Transfers					<u>26,405,536</u>	<u>(9,652,928)</u>	<u>16,752,608</u>	<u>2,310,235</u>
CHANGE IN NET POSITION					12,902,494	(18,089,226)	(5,186,732)	984,390
NET POSITION, SEPTEMBER 1, AS RESTATED					<u>41,216,063</u>	<u>19,052,756</u>	<u>60,268,819</u>	<u>(13,958,255)</u>
NET POSITION, AUGUST 31					<u>\$ 54,118,557</u>	<u>963,530</u>	<u>55,082,087</u>	<u>(12,973,865)</u>

CITY OF ARNOLD, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
AUGUST 31, 2015

	General	Recreation Center	Special Allocation	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 16,434,445	482,409	1,824,692	246,675	18,988,221
Receivables (net of allowances for uncollectibles):					
Taxes	1,911,639	282,661	1,153,735	31,480	3,379,515
Special assessments	1,044,844	-	-	-	1,044,844
Service fees	561,844	-	-	-	561,844
Intergovernmental	611,952	-	-	-	611,952
Court	129,170	-	-	-	129,170
Miscellaneous	71,170	41,021	-	-	112,191
Due from other funds	225,524	-	164,567	3,645	393,736
Prepaid items	489,501	12,942	-	18,350	520,793
Restricted assets:					
Cash and investments	1,162,381	-	2,487,766	-	3,650,147
Capital improvements sales tax receivable	687,261	-	-	-	687,261
Total Assets	\$ 23,329,731	819,033	5,630,760	300,150	30,079,674
LIABILITIES					
Accounts payable	\$ 2,603,584	262,362	-	2,012	2,867,958
Accrued liabilities	265,547	11,034	-	-	276,581
Due to other funds	132,154	85,120	150,000	-	367,274
Unearned revenue	101,760	242,944	-	9,965	354,669
Total Liabilities	3,103,045	601,460	150,000	11,977	3,866,482
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue:					
Special assessments	1,044,841	-	-	-	1,044,841
Court fines	127,825	-	-	-	127,825
Taxes	687,261	-	-	-	687,261
Total Deferred Inflows Of Resources	1,859,927	-	-	-	1,859,927
FUND BALANCES					
Nonspendable:					
Prepaid items	489,501	12,942	-	18,350	520,793
Restricted for:					
Capital projects	572,793	-	-	-	572,793
Debt service	564,358	-	2,487,766	-	3,052,124
Recreation Center	-	204,631	-	-	204,631
Public safety	-	-	-	53,971	53,971
Tax increment financing	-	-	2,992,994	-	2,992,994
Tourism	-	-	-	215,852	215,852
Committed for:					
Purchase of services and street improvements	633,461	-	-	-	633,461
Sewer subdistrict projects	883,724	-	-	-	883,724
Greenway beautification	113,165	-	-	-	113,165
Economic development	341,880	-	-	-	341,880
Pride in our City	9,067	-	-	-	9,067
City bus route	85,991	-	-	-	85,991
Assigned for:					
Subsequent year's budget	422,849	-	-	-	422,849
Unassigned	14,249,970	-	-	-	14,249,970
Total Fund Balances	18,366,759	217,573	5,480,760	288,173	24,353,265
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	\$ 23,329,731	819,033	5,630,760	300,150	30,079,674

See notes to financial statements

CITY OF ARNOLD, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
AUGUST 31, 2015

Total Fund Balances - Governmental Funds	\$ 24,353,265
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$128,030,874 and the accumulated depreciation is \$50,865,618.	77,165,256
Certain assets and liabilities are not financial resources (uses) and, therefore, are not reported in the governmental funds.	
Net pension asset	630,762
Net OPEB obligation	(298,600)
Deferred outflows - pension related	705,998
Deferred inflows - pension related	(437,755)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	1,859,927
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued interest payable	(2,932,667)
Accrued compensated absences	(797,605)
Certificates of participation outstanding	(17,165,000)
Tax increment revenue bonds outstanding	(24,640,000)
Tax increment revenue notes outstanding	(5,334,794)
Unamortized bond premium	(6,128)
Unamortized bond deferred charges	846,556
Unamortized bond discount	169,342
	169,342
Total Net Position Of Governmental Activities	\$ 54,118,557

CITY OF ARNOLD, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>General</u>	<u>Recreation Center</u>	<u>Special Allocation</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes	\$ 11,636,337	1,347,848	3,932,800	157,725	17,074,710
Special assessments	41,512	-	-	-	41,512
Licenses and permits	818,274	-	-	-	818,274
Fines and court costs	713,514	-	-	-	713,514
Intergovernmental	1,353,761	-	-	15,902	1,369,663
Charges for services	889,918	1,212,644	-	51,383	2,153,945
Investment income	25,039	527	3,643	4	29,213
Miscellaneous	296,757	4,705	-	16,553	318,015
Total Revenues	<u>15,775,112</u>	<u>2,565,724</u>	<u>3,936,443</u>	<u>241,567</u>	<u>22,518,846</u>
EXPENDITURES					
Current:					
General government	2,803,534	-	7,500	85,415	2,896,449
Public safety	5,389,717	-	-	12,037	5,401,754
Public works	598,889	-	-	-	598,889
Highways and streets	1,004,793	-	-	-	1,004,793
Parks and recreation	582,211	1,751,137	-	-	2,333,348
Health and sanitation	1,233,389	-	-	-	1,233,389
Economic development	-	-	130,767	-	130,767
Capital outlay	1,611,488	-	-	-	1,611,488
Debt service:					
Principal	350,000	555,000	1,319,535	-	2,224,535
Interest	210,320	370,267	2,026,055	-	2,606,642
Total Expenditures	<u>13,784,341</u>	<u>2,676,404</u>	<u>3,483,857</u>	<u>97,452</u>	<u>20,042,054</u>
REVENUES OVER (UNDER) EXPEN- DITURES	<u>1,990,771</u>	<u>(110,680)</u>	<u>452,586</u>	<u>144,115</u>	<u>2,476,792</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	37,507	-	-	-	37,507
Transfers out	(418,220)	-	-	-	(418,220)
Transfers in	9,976,578	-	-	-	9,976,578
Total Other Financing Sources (Uses)	<u>9,595,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,595,865</u>
NET CHANGE IN FUND BALANCES	11,586,636	(110,680)	452,586	144,115	12,072,657
FUND BALANCES, SEPTEMBER 1	<u>6,780,123</u>	<u>328,253</u>	<u>5,028,174</u>	<u>144,058</u>	<u>12,280,608</u>
FUND BALANCES, AUGUST 31	<u>\$ 18,366,759</u>	<u>217,573</u>	<u>5,480,760</u>	<u>288,173</u>	<u>24,353,265</u>

CITY OF ARNOLD, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2015

Net Change In Fund Balances - Governmental Funds		\$ 12,072,657
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$2,723,003) exceeded capital outlays over the capitalization threshold (\$1,806,419) in the current period.		(916,584)
The net effect of various transactions involving capital assets:		
Disposal of capital assets		(24,165)
Donated capital assets		386,070
Assets transferred to the Sewer Fund		(47,285)
Assets transferred from the Sewer Fund		225,935
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		172,545
The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Repayments:		
Certificates of participation	905,000	
Tax increment revenue bonds	975,000	
Tax increment revenue notes	344,535	
Amortization	(83,070)	
Net Adjustment		2,141,465
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Accrued interest on bonds	(350,194)	
Net pension asset	(873,284)	
Net OPEB obligation	(83,200)	
Accrued compensated absences	(69,709)	
Deferred outflows - pension related	705,998	
Deferred inflows - pension related	(437,755)	(1,108,144)
Change In Net Position Of Governmental Activities		<u>\$ 12,902,494</u>

CITY OF ARNOLD, MISSOURI
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
AUGUST 31, 2015

	Storm Water	Golf	Total
ASSETS			
Current Assets			
Cash and investments	\$ 282,247	550	282,797
Service fees	100,205	-	100,205
Prepaid items	150	-	150
Total Current Assets	382,602	550	383,152
Noncurrent Assets			
Capital assets:			
Land and construction in progress	38,820	3,360,606	3,399,426
Other capital assets, net of accumulated depreciation	667,497	152,344	819,841
Total Capital Assets	706,317	3,512,950	4,219,267
Net pension asset	5,106	1,766	6,872
Restricted cash and investments	-	325,978	325,978
Total Noncurrent Assets	711,423	3,840,694	4,552,117
Total Assets	1,094,025	3,841,244	4,935,269
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pension related	57,646	19,935	77,581
LIABILITIES			
Current Liabilities			
Accounts payable	14,535	29,440	43,975
Accrued liabilities	31,507	27,849	59,356
Due to other funds	26,462	-	26,462
Accrued interest payable	-	43,186	43,186
Unearned revenue	47,061	1,000	48,061
Revenue bonds payable - current	-	160,000	160,000
Total Current Liabilities	119,565	261,475	381,040
Noncurrent Liabilities			
Revenue bonds payable	-	3,655,250	3,655,250
Total Liabilities	119,565	3,916,725	4,036,290
DEFERRED INFLOWS OF RESOURCES			
Deferred outflows - pension related	9,682	3,348	13,030
NET POSITION			
Net investment in capital assets	706,317	(302,300)	404,017
Restricted for debt service	-	325,978	325,978
Unrestricted	316,107	(82,572)	233,535
Total Net Position	\$ 1,022,424	(58,894)	963,530

CITY OF ARNOLD, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

	Business-type Activities - Enterprise Funds			
	Sewer	Storm Water	Golf	Total
OPERATING REVENUES				
Charges for services	\$ 2,877,893	580,298	324,046	3,782,237
OPERATING EXPENSES				
Cost of services	933,006	447,488	446,923	1,827,417
Administration	138,000	36,000	-	174,000
Depreciation and amortization	778,048	42,084	33,636	853,768
Total Operating Expenses	<u>1,849,054</u>	<u>525,572</u>	<u>480,559</u>	<u>2,855,185</u>
OPERATING INCOME (LOSS)	<u>1,028,839</u>	<u>54,726</u>	<u>(156,513)</u>	<u>927,052</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	75,982	1,028	34	77,044
Proceeds from insurance	7,036	-	-	7,036
Interest expense	(1,034,103)	-	(168,925)	(1,203,028)
Total Nonoperating Revenues (Expenses)	<u>(951,085)</u>	<u>1,028</u>	<u>(168,891)</u>	<u>(1,118,948)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS, TRANSFERS, AND SPECIAL ITEM	77,754	55,754	(325,404)	(191,896)
CAPITAL CONTRIBUTIONS	-	87,311	-	87,311
TRANSFER IN	-	-	418,220	418,220
TRANSFER OUT	(10,155,228)	-	-	(10,155,228)
SPECIAL ITEM - DISPOSAL OF SEWER SYSTEM	(8,247,633)	-	-	(8,247,633)
CHANGE IN NET POSITION	(18,325,107)	143,065	92,816	(18,089,226)
NET POSITION, SEPTEMBER 1, AS RESTATED	<u>18,325,107</u>	<u>879,359</u>	<u>(151,710)</u>	<u>19,052,756</u>
NET POSITION, AUGUST 31	<u>\$ -</u>	<u>1,022,424</u>	<u>(58,894)</u>	<u>963,530</u>

See notes to financial statements

CITY OF ARNOLD, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

	Business-type Activities - Enterprise Funds			
	Sewer	Storm Water	Golf	Total
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
Cash flows from operating activities:				
Receipts from customers and users	\$ 3,037,139	566,996	325,046	3,929,181
Payments to suppliers	(1,275,255)	(443,197)	(452,827)	(2,171,279)
Payments to employees	(196,759)	(38,711)	(903)	(236,373)
Other receipts	7,036	-	-	7,036
Net Cash Provided By (Used In) Operating Activities	<u>1,572,161</u>	<u>85,088</u>	<u>(128,684)</u>	<u>1,528,565</u>
Cash flows from noncapital financing activities:				
Due from other funds	265	-	-	265
Due to other funds	-	26,015	-	26,015
Transfer (to) from other funds	(9,627,255)	-	418,220	(9,209,035)
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>(9,626,990)</u>	<u>26,015</u>	<u>418,220</u>	<u>(9,182,755)</u>
Cash flows from capital and related financing activities:				
Proceeds from disposition of assets	12,645,380	-	-	12,645,380
Purchase of capital assets	(17,000)	-	(294)	(17,294)
Principal payments on bonds	(8,011,667)	-	(120,000)	(8,131,667)
Principal payments on notes payable	(395,349)	-	-	(395,349)
Additional costs on defeasance of bonds	(178,115)	-	-	(178,115)
Interest expense	(1,215,276)	-	(168,925)	(1,384,201)
Net Cash Provided By (Used In) Capital And Related Financing Activities	<u>2,827,973</u>	<u>-</u>	<u>(289,219)</u>	<u>2,538,754</u>
Cash flows from investing activities:				
Investment income	80,391	1,028	34	81,453
Proceeds from sale of investments	200,642	-	325,977	526,619
Purchase of investments	-	-	(325,978)	(325,978)
Net Cash Provided By Investing Activities	<u>281,033</u>	<u>1,028</u>	<u>33</u>	<u>282,094</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(4,945,823)</u>	<u>112,131</u>	<u>350</u>	<u>(4,833,342)</u>
CASH AND CASH EQUIVALENTS, SEPTEMBER 1	<u>4,945,823</u>	<u>170,116</u>	<u>200</u>	<u>5,116,139</u>
CASH AND CASH EQUIVALENTS, AUGUST 31	<u>\$ -</u>	<u>282,247</u>	<u>550</u>	<u>282,797</u>

CITY OF ARNOLD, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
FOR THE YEAR ENDED AUGUST 31, 2015

	Business-type Activities - Enterprise Funds			
	Sewer	Storm Water	Golf	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,028,839	54,726	(156,513)	927,052
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	778,048	42,084	33,636	853,768
Miscellaneous receipts	7,036	-	-	7,036
(Increase) decrease in:				
Receivables	474,180	(11,883)	-	462,297
Net pension asset	-	37,994	13,139	51,133
Deferred outflows - pension related	-	(50,286)	(17,390)	(67,676)
Prepaid items	146	(4)	2,530	2,672
Increase (decrease) in:				
Accounts payable	(342,395)	4,295	2,346	(335,754)
Accrued liabilities	(58,759)	(101)	(10,780)	(69,640)
Unearned revenues	(314,934)	(1,419)	1,000	(315,353)
Deferred inflows - pension related	-	9,682	3,348	13,030
Total Adjustments	<u>543,322</u>	<u>30,362</u>	<u>27,829</u>	<u>601,513</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 1,572,161</u>	<u>85,088</u>	<u>(128,684)</u>	<u>1,528,565</u>
Noncash operating, financing, and investing activities:				
Contributions of capital assets from developer	\$ -	87,311	-	87,311
Contributions of capital assets from government	47,285	-	-	47,285

CITY OF ARNOLD, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUND
AUGUST 31, 2015

ASSETS

Mutual funds	<u>\$ 10,240,893</u>
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NET POSITION

Restricted for pensions	<u>\$ 10,240,893</u>
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CITY OF ARNOLD, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUND
FOR THE YEAR ENDED AUGUST 31, 2015

ADDITIONS

Contributions:

Employer contributions	\$ 319,690
Employee contributions	226,449
Total Contributions	546,139

Investment income:

Net depreciation in fair value of investments, interest, and dividends	(18,630)
Less - Investment expense	(51,087)
Net Investment Income	(69,717)
Total Additions	476,422

DEDUCTIONS

Retirement benefits	179,012
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CHANGE IN NET POSITION

297,410

NET POSITION - RESTRICTED FOR PENSIONS,
SEPTEMBER 1

9,943,483

**NET POSITION - RESTRICTED FOR PENSIONS,
AUGUST 31**

\$ 10,240,893

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the **CITY OF ARNOLD, MISSOURI** (the City) in the preparation of the accompanying financial statements are summarized below:

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. The Arnold Retail Corridor Transportation Development District (the District) was created on March 12, 2008. A majority of the directors of the District are appointed by the Mayor of the City and confirmed by the City Council. The District is also included in the City's reporting entity because of the City's ability to impose its will on the District as the City provides administrative support to the District. The District is organized for the purpose of constructing certain transportation related projects in the City. The District is a component unit of the City and is discretely presented as such in the basic financial statements. Separate financial statements of the District may be obtained from the City's Finance Director.

2. Government-wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

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

The City reports the following major governmental funds:

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

Recreation Center Fund -- This fund is used exclusively for the revenues and expenditures related to the operations of the recreation center. The fund includes the ¼¢ parks and recreation center sales tax which is deposited into this fund and used for bi-annual bond payments.

Special Allocation Fund -- This fund is used exclusively for the revenues and expenditures related to the tax increment financing districts.

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 City reports the following major proprietary funds:

Sewer Fund -- This fund is used to account for operations of the sewer department. In 2015 the Sewer Fund was sold to Missouri American Water. The General Fund now accounts for any outstanding Sewer activity.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Storm Water Fund -- This fund is used to account for operations of the storm water department.

Golf Fund -- This fund is used to account for operations of the golf course.

Additionally, the City reports the following fund type:

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

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

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

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 operation. The principal operating revenues of the Enterprise Funds are charges for services. Operating expenses for the Enterprise Funds include the cost of services, administration expenses, and depreciation and amortization. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Cash, Cash Equivalents, and Investments

For cash flow statement purposes, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. The Pension Trust Fund is also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership, but excluding any debt of the City itself and individual insurance policies. Investments are stated at fair value.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Deposit Administration Contracts

Deposit administration contracts are pooled funds maintained by Great-West Life & Annuity Insurance Company and are carried at contract value. Contract value consist of contributions made under the contract plus investment income, less funds used to pay benefits, and investment expenses.

6. Allowance for Doubtful Accounts

The allowance for uncollectible receivables is as follows:

	<u>August 31</u> <u>2015</u>
General Fund	<u>\$18,027</u>

7. Due To/From Other Funds

Current portions of long-term interfund loans receivable (reported in “due from” asset accounts) are considered “available spendable resources” and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as “internal balances”.

8. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Prepaid items are recorded as expenditures when consumed rather than purchased. Prepaid items are equally offset by fund balance which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

9. Restricted Assets

Certain cash and investments set aside for the repayment of various long-term bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Certain capital improvement sales tax receivables are classified as restricted assets on the balance sheet because their use and availability is limited by the sales tax agreement with Jefferson County. The funds are to be used for capital improvements to publicly maintained roads and become available upon the City’s request for reimbursement of expenditures on approved projects.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Capital Assets

Capital assets, which include property, equipment, intangibles, and infrastructure (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 are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Intangible assets include the right to use other governmental entity's operating facilities and/or land. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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

Assets	Years
Buildings, treatment plants, and other improvements	10 - 30
Automotive equipment	3 - 5
Machinery and equipment	3 - 15
Sewer lines and storm water lines	50
Infrastructure	30
Intangibles	50

11. Compensated Absences

City employees generally earn vacation at the rate of 0.83 working days per month or 10 days per year. Regular full-time employees having completed 6 years of service earned vacation leave at the rate of 1.25 days per month or 15 days per year. Regular full-time employees having completed 15 years of service earned vacation leave at the rate of 1.67 working days per month or 20 days per year. Regular full-time employees who are separated from service are compensated for vacation accrued up to the date of separation. Comp time accrued is also paid upon the date of separation. Sick leave vests after 10 years of service at a rate of \$50 per day and is payable to the employee upon termination. All vacation pay, sick leave, and comp time is accrued when incurred in the government-wide and proprietary fund financial statements.

12. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bond

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Long-term Obligations (Continued)

using the straight-line method. Bonds payable are reported net of applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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 services expenditures.

13. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has deferred outflows of resources related to the pension and deferred charge on refunding reported on the statement of financial position.

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

14. Fund Balance Policies

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

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Balance Policies (Continued)

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by the applicable City Council officials to which the City Council has designated authority. Intent can be expressed by the City Council in the form of a motion. Action by the City Council must occur prior to year-end.

Unassigned -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund. In other governmental funds other than the general fund; if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred in governmental funds which may be paid using either restricted or unrestricted resources, the City's policy is to pay the expenditure from the restricted fund balance and then from less restrictive classification - committed, assigned, and then unassigned fund balances.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an unassigned fund balance of not less than 34% of annual operating revenues for the fiscal year. Should the balance fall below the 34%, the City will identify a plan to restore the fund balance to its targeted amount. Should the fund balance exceed the 34%, City Council may consider such fund balance surpluses for one-time expenditures that are nonrecurring in nature and which will not require additional future outlays for maintenance, additional staffing, or other recurring expenditures.

15. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental fund types. Since appropriations lapse at year-end, the subsequent fiscal year's budget specifically provides for reappropriation of outstanding encumbrances to honor the prior commitments. Encumbrances do not constitute current year expenditures or liabilities. Encumbrances outstanding at year-end were \$633,461 for the General Fund.

16. Use of Estimates

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Pensions

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

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

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS

1. Deposits

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

As of August 31, 2015, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

As of August 31, 2015, the discretely presented component units' bank balances were entirely insured or collateralized with securities by the discretely presented component units or by their agents in the discretely presented component units' name.

2. Investments

As of August 31, 2015, the City had the following investments:

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

2. Investments (Continued)

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>			<u>Credit Risk</u>
		<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	
Primary Government					
Certificates of deposit	\$ 735,000	-	735,000	-	N/A
Repurchase agreement	1,869,000	-	1,869,000	-	AAA
Money market funds	5,402,594	5,402,594	-	-	Not rated
Total Primary Government	8,006,594	5,402,594	2,604,000	-	
Component Unit					
Money market funds	3,710,935	3,710,935	-	-	Not rated
Fiduciary Fund					
Mutual funds	10,240,893	10,240,893	-	-	N/A
Grand Total Investments	<u>\$ 21,958,422</u>	<u>19,354,422</u>	<u>2,604,000</u>	<u>-</u>	

Investment Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In accordance with its investment policy, the City minimizes credit risk by diversifying the portfolio to reduce potential losses on individual securities.

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

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. In accordance with its investment policy, the City minimizes concentration of credit risk by diversifying the investment portfolio.

Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be fully able to recover collateral securities in the possession of an outside party. Protection of the City's deposits is provided by the FDIC, by eligible securities pledged by the financial institution, or by a single collateral pool established by the financial institution.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

2. Investments (Continued)

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by diversifying the investment portfolio.

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

	For The Year Ended August 31, 2015			
	Balance August 31 2014	Increases	Decreases	Balance August 31 2015
Governmental Activities				
Capital assets not being depreciated:				
Land and right-of-way	\$ 27,816,002	-	-	27,816,002
Construction in progress	445,344	1,532,921	24,165	1,954,100
Total Capital Assets Not Being Depreciated	28,261,346	1,532,921	24,165	29,770,102
Capital assets being depreciated:				
Buildings and other improvements	18,907,543	200,695	-	19,108,238
Automotive equipment	2,282,086	336,727	280,051	2,338,762
Machinery and equipment	2,278,812	45,369	83,689	2,240,492
Infrastructure	74,187,210	386,070	-	74,573,280
Total Capital Assets Being Depreciated	97,655,651	968,861	363,740	98,260,772
Less - Accumulated depreciation for:				
Buildings and other improvements	6,804,152	650,019	-	7,454,171
Automotive equipment	1,456,543	213,177	232,767	1,436,953
Machinery and equipment	1,965,806	56,628	83,688	1,938,746
Infrastructure	38,149,211	1,886,537	-	40,035,748
Total Accumulated Depreciation	48,375,712	2,806,361	316,455	50,865,618
Total Capital Assets Being Depreciated, Net	49,279,939	(1,837,500)	47,285	47,395,154
Governmental Activities Capital Assets, Net	\$ 77,541,285	(304,579)	71,450	77,165,256

A transfer was made to the governmental activities from the Sewer Fund of assets with an original cost of \$309,294 and accumulated depreciation of \$83,359.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the governmental activities as follows:

	For The Year Ended August 31 2015
Governmental Activities	
General government	\$ 591,254
Public safety	53,356
Public works	23,390
Highways and streets	2,015,367
Parks and recreation	<u>39,635</u>
Total	<u>\$ 2,723,002</u>

	For The Year Ended August 31, 2015			
	Balance August 31 2014	Increases	Decreases	Balance August 31 2015
Business-type Activities				
Capital assets not being depreciated:				
Land and right-of-way	\$ 3,516,553	-	153,393	3,363,160
Construction in progress	<u>311,194</u>	<u>-</u>	<u>274,928</u>	<u>36,266</u>
Total Capital Assets Not Being Depreciated	<u>3,827,747</u>	<u>-</u>	<u>428,321</u>	<u>3,399,426</u>
Capital assets being depreciated:				
Buildings	649,786	-	181,874	467,912
Treatment plants	523,600	-	523,600	-
Machinery and equipment	2,043,064	120,167	1,633,411	529,820
Intangibles	18,183,339	-	18,183,339	-
Storm water lines	296,800	87,311	-	384,111
Sewer lines	<u>29,494,220</u>	<u>-</u>	<u>29,494,220</u>	<u>-</u>
Total Capital Assets Being Depreciated	<u>51,190,809</u>	<u>207,478</u>	<u>50,016,444</u>	<u>1,381,843</u>
Less - Accumulated depreciation for:				
Buildings	105,932	26,179	47,707	84,404
Treatment plants	425,001	10,973	435,974	-
Machinery and equipment	1,569,658	145,242	1,270,375	444,525
Intangibles	2,463,977	274,035	2,738,012	-
Storm water lines	24,253	8,820	-	33,073
Sewer lines	<u>9,838,639</u>	<u>442,250</u>	<u>10,280,889</u>	<u>-</u>
Total Accumulated Depreciation	<u>14,427,460</u>	<u>907,499</u>	<u>14,772,957</u>	<u>562,002</u>
Total Capital Assets Being Depreciated, Net	<u>36,763,349</u>	<u>(700,021)</u>	<u>35,243,487</u>	<u>819,841</u>
Business-type Activities Capital Assets, Net	<u>\$ 40,591,096</u>	<u>(700,021)</u>	<u>35,671,808</u>	<u>4,219,267</u>

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

A transfer was made to the Sewer Fund from the governmental-type activities of an asset with an original cost of \$103,168 and accumulated depreciation of \$55,883.

Depreciation expense was charged to functions/programs of the business-type activities as follows:

	For The Year Ended August 31 2015
Business-type Activities	
Sewer	\$ 778,048
Storm water	42,084
Golf	31,484
Total	\$ 851,616

NOTE D - LONG-TERM DEBT

Long-term debt activity was as follows:

	For The Year Ended August 31, 2015			Balance August 31 2015	Amounts Due Within One Year
	Balance August 31 2014	Additions	Reductions		
Governmental Activities					
Certificates of participation	\$ 18,070,000	-	905,000	17,165,000	935,000
Plus - Premium	6,632	-	504	6,128	-
Tax increment revenue notes	5,679,329	-	344,535	5,334,794	480,000
Tax increment revenue bonds	25,615,000	-	975,000	24,640,000	1,340,000
Less - Discounts	(182,536)	-	(13,194)	(169,342)	-
Compensated absences	727,896	251,683	181,974	797,605	199,401
Total Governmen- tal Activities	\$ 49,916,321	251,683	2,393,819	47,774,185	2,954,401
Business-type Activities					
Revenue bonds payable	\$ 11,971,667	-	8,131,667	3,840,000	160,000
Less - Discounts	(26,902)	-	(2,152)	(24,750)	-
Plus - Premiums	132,665	-	132,665	-	-
MSD note payable	14,646,790	-	14,646,790	-	-
Total Business- type Activities	\$ 26,724,220	-	22,908,970	3,815,250	160,000
Component Unit					
Sales tax revenue bonds	\$ 17,670,000	-	985,000	16,685,000	1,015,000

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

Compensated absences are generally liquidated by the General Fund and the Recreation Center Fund. Certificates of participations are generally liquidated by the General Fund and the Recreation Center Fund. Revenue bonds are generally liquidated by the Sewer Fund and the Golf Fund. Tax increment revenue notes and bonds are generally liquidated by the Special Allocation Fund. Capital lease obligations are generally liquidated by the General Fund and the Storm Water Fund. Notes payable are generally liquidated by the Sewer Fund.

Governmental Activities

Certificates of Participation

In October 2010 the City issued \$7,140,000 in certificates of participation (Series 2010). These bonds were used to finance various road improvements and to refund the Series 2007B revenue bonds. The bonds bear interest ranging from 2% to 4% and are due November 1, 2027.

In June 2012, the City issued \$12,965,000 of certificates of participation (Series 2012) to refund the Series 2003 certificates of participation. The Series 2012 bonds bear interest ranging from 2% to 3.5% and are due August 15, 2031.

Certificates of participation debt service requirements to maturity are as follows:

For The Years Ending August 31	Governmental Activities		
	Principal	Interest	Total
2016	\$ 935,000	547,564	1,482,564
2017	960,000	525,039	1,485,039
2018	990,000	496,014	1,486,014
2019	1,015,000	470,664	1,485,664
2020	1,045,000	440,064	1,485,064
2021 - 2025	5,715,000	1,690,465	7,405,465
2026 - 2030	5,615,000	677,562	6,292,562
2031	890,000	31,150	921,150
Total	<u>\$ 17,165,000</u>	<u>4,878,522</u>	<u>22,043,522</u>

Tax Increment Revenue Bonds and Notes

The City has tax increment revenue bonds and notes which are special limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and incremental increases in economic activity taxes from the project areas. The bonds and notes do not constitute a general obligation of the City. Bonds and notes outstanding at August 31, 2015 are as follows:

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

	<u>Date Issued</u>	<u>Date Of Maturity</u>	<u>Date Of Annual Principal Payment</u>	<u>Original Amount</u>	<u>Balance August 31 2015</u>
Triangle Redevelopment	07-10-2009	05-1-2028	May 1	\$28,485,000	\$24,640,000
Arnold Crossroads (Series B)	10-15-2009	07-6-2028	November 1	3,319,555	3,045,202
Arnold Crossroads (Series A)	05-20-2011	07-6-2028	May 1	3,000,000	2,289,592

Business-type Activities

Revenue Bonds Payable

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt services. Revenue bonds outstanding at year-end are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance August 31 2015</u>
Sewerage system - Series 2005	3.25 - 5.250	\$ 6,125,000	-
Sewerage system - Series 2006	3.60 - 5.250	2,875,000	-
Golf course - Series 2007	3.90 - 4.375	4,290,000	3,840,000
Sewerage system - Series 2007A	3.70 - 5.000	<u>2,475,000</u>	<u>-</u>
Total		<u>\$15,765,000</u>	<u>3,840,000</u>

The revenue bonds dated November 1, 2005 maturing on July 1, 2016; July 1, 2017; July 2, 2021; and thereafter may be called for redemption and payment prior to maturity in whole or in part on each June 1 and December 1 commencing December 1, 2015, at the redemption price of 100% of the principal amount plus accrued interest thereon to the date of redemption. On May 22, 2015 the principal and accrued interest to the first redemption date was paid in full.

The revenue bonds dated April 2006 maturing on July 1, 2020 and thereafter may be called for redemption and payment prior to maturity in whole or in part on each June 1 and December 1 commencing June 1, 2016, at the redemption price of 100% of the principal amount plus accrued interest thereon to the date of redemption. On May 22, 2015 the principal and accrued interest to the first redemption date was paid in full.

The revenue bonds dated February 1, 2007 maturing on December 1, 2018 and thereafter may be called for redemption and payment prior to maturity in whole or in part on or after December 1, 2017, at the redemption price of 100% of the principal amount plus accrued interest thereon to the date of redemption.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

The revenue bonds dated November 1, 2007 maturing on November 1, 2019 and thereafter may be called for redemption and payment prior to maturity in whole or in part on or after November 1, 2017, at the redemption price of 100% of the principal amount plus accrued interest thereon to the date of redemption. On August 4, 2015 the entire amount of these bonds was defeased.

The revenue bonds dated November 1, 2007 maturing on November 1, 2019 may be called for redemption and payment prior to maturity in whole or in part on November 1, 2018 and 2019 and those maturing November 1, 2027 may be called for redemption and payment prior to maturity in whole or in part on each November 1 of the years 2020 through 2027, at the redemption price of 100% of the principal amount plus accrued interest thereon to the date of redemption. On August 4, 2015 the entire amount of these bonds was defeased.

During the year ended August 31, 2015, the Sewer System was sold to Missouri American Water. The proceeds from the sewer system sale were used to pay off the Sewage System Series 2005, 2006 and 2007A revenue bonds.

Revenue bond debt service requirements to maturity are as follows:

For The Years Ending August 31	Business-type Activities		
	Principal	Interest	Total
2016	\$ 160,000	160,360	320,360
2017	165,000	153,900	318,900
2018	175,000	147,056	322,056
2019	180,000	139,822	319,822
2020	185,000	132,317	317,317
2021 - 2025	1,060,000	533,451	1,593,451
2026 - 2030	1,310,000	279,797	1,589,797
2031 - 2032	605,000	26,796	631,796
Total	<u>\$ 3,840,000</u>	<u>1,573,499</u>	<u>5,413,499</u>

MSD Note Payable

The City had notes payable to the Metropolitan St. Louis Sewer District for Lower Meramec River System Improvements. These notes were due in quarterly payments with interest ranging from 3.52% to 4.35%, maturing in 2032. This note was assumed by Missouri American Water as a part of the Sewer System sale in 2015.

NOTE D - LONG-TERM DEBT (Continued)

Component Unit

Sales Tax Revenue Bonds

The District issued \$20,025,000 of sales tax revenue bonds on April 1, 2010 for the purpose of providing funds to finance additional costs of the Transportation Project Fund, the Debt Service Reserve Fund for the Series 2010 bonds, pay the costs of issuance of the Series 2010 bonds, and to advance refund the 2008A and 2009 sales tax revenue notes. The sales tax revenue bonds bear interest ranging from 5.7% to 6.65%.

The bonds and the interest, which are special limited obligations of the District, are payable solely from the pledged revenues appropriated by the District and held by the Trustee under the indenture. The bonds and interest do not constitute a debt of the District, the City, the Arnold Triangle Transportation Development District, the Missouri Highways and Transportation Commission, the State, or any political subdivision thereof.

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS

The City maintains a single-employer, defined benefit pension plan (City of Arnold, Missouri Police Pension Plan) which covers all members of the organized police force and participates in the state-wide Missouri Local Government Retirement System, an agent multiple-employer, defined benefit pension plan which covers all of the City's full-time employees except for members of the police force.

1. City of Arnold, Missouri Police Pension Plan

Plan Description

The Plan is a single-employer, defined benefit pension plan that covers all of the City's full-time police employees. The Plan was created and is governed by City Ordinance. The Plan does not issue a separate stand-alone financial report. The financial information is included as a Trust Fund in the City's basic financial statements. Information about the Plan is provided in a summary plan description.

Benefits Provided

Employees attaining the age of 55 who have completed five or more years of service are entitled to benefits based upon average earnings and years of service. The Plan also provides early retirement, death, and disability.

Employees Covered by Benefit Terms

At August 31, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	8
Active employees	47

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

1. City of Arnold, Missouri Police Pension Plan (Continued)

Contributions

The City contributes to the Plan based on an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. City Ordinance requires each member to contribute 8½% of gross salary. For the year ended August 31, 2015, the City's contribution to the Plan was 14.3% of annual covered payroll.

Net Pension Liability

The City's net pension liability was measured as August 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the August 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary increases	4.5%, average, including inflation
Investment rate of return	6.5%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the August 31, 2015 valuation were based upon an annual review of actual experience compared to previous assumptions used, and a perspective on future expectations.

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

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

1. City of Arnold, Missouri Police Pension Plan (Continued)

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Fixed income	51.7%	2.1%
Equity securities	41.2	7.5 - 8.4
Debt securities	7.1	3.8

Discount Rate

The discount rate used to measure the total pension liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a) - (b)</u>
Balances at August 31, 2014	\$ 9,057,437	9,943,483	(886,046)
Changes for the year			
Service cost	176,733	-	176,733
Interest	578,315	-	578,315
Difference between expected and actual experience	(136,162)	-	(136,162)
Contributions - employer	-	319,690	(319,690)
Contributions - employee	226,449	226,449	-
Net investment income	-	(18,629)	18,629
Benefit payments, including refunds	(230,099)	(230,099)	-
Net Changes	<u>615,236</u>	<u>297,411</u>	<u>317,825</u>
Balances at August 31, 2015	<u>\$ 9,672,673</u>	<u>10,240,894</u>	<u>(568,221)</u>

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

1. City of Arnold, Missouri Police Pension Plan (Continued)

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

The following presents the net pension liability (asset) of the Plan, calculated using the discount rate of 6.5%, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.5%) or one percentage point higher (7.5%) than the current rate:

	1% Decrease	Current Rate	1% Increase
Net pension liability (asset)	\$880,449	(568,221)	(1,770,043)

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

For the year ended August 31, 2015, the City recognized pension expense of \$15,003. At August 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences between expected and actual experience	\$ -	319,180	319,180

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

For The Years Ending August 31		
2016		\$ 46,256
2017		46,256
2018		46,256
2019		46,256
2020		134,156
Total		\$ 319,180

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

2. Missouri Local Government Employees Retirement System (LAGERS)

Plan Description

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

Benefits Provided

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

	<u>2015 Valuation</u>
Benefit multiplier	2% for life
Final average salary	3 years
Member contributions	- %

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered by Benefit Terms

At June 30, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	60
Inactive employees entitled to but not yet receiving benefits	33
Active employees	<u>78</u>
Total	<u><u>171</u></u>

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

2. Missouri Local Government Employees Retirement System (LAGERS) (Continued)

Contributions

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the pension plan. The City contribution rates are 18.7% of annual covered payroll.

Net Pension Liability

The City's net pension liability (asset) was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2015.

Actuarial Assumptions

The total pension liability in the February 28, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5% wage inflation; 3% price inflation
Salary increase	3.5% to 6.8% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses

Mortality rates were based on 105% of the 1994 Group Annuity Mortality Table set back zero years for both males and females.

The actuarial assumptions used in the February 28, 2015 valuation were based on the results of an actuarial experience study for the period March 1, 2005 through February 28, 2010.

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

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

2. Missouri Local Government Employees Retirement System (LAGERS) (Continued)

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equity	48.50%	5.50%
Fixed income	25.00	2.25
Real assets	20.00	4.50
Strategic Assets	6.50	7.50

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a) - (b)</u>
Balances at June 30, 2014	\$ 16,402,217	16,988,079	(585,862)
Changes for the year			
Service Cost	395,808	-	395,808
Interest	1,178,720	-	1,178,720
Difference between expected and actual experience	(171,511)	-	(171,511)
Contributions - employer	-	618,572	(618,572)
Net investment income	-	353,689	(353,689)
Benefit payments, including refunds	(688,962)	(688,962)	-
Administrative expense	-	(15,005)	15,005
Other changes	-	(70,688)	70,688
Net changes	<u>714,055</u>	<u>197,606</u>	<u>516,449</u>
Balances at June 30, 2015	<u>\$ 17,116,272</u>	<u>17,185,685</u>	<u>(69,413)</u>

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

2. Missouri Local Government Employees Retirement System (LAGERS) (Continued)

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

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

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
Net pension liability (asset)	\$2,285,427	(69,413)	(2,023,347)

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

For the year ended August 31, 2015, the City recognized pension expense of \$538,706. Reported deferred outflows and inflows of resources are related to the following sources:

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
Differences in experience	\$ -	(131,605)	(131,605)
Excess (deficit) investment returns	697,910	-	697,910
Contributions subsequent to the measurement date*	85,669	-	85,669
Total	<u>\$ 783,579</u>	<u>(131,605)</u>	<u>651,974</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending August 31, 2016.

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

**For The
Years Ending
August 31**

2016	\$ 220,241
2017	134,572
2018	134,572
2019	<u>162,589</u>
Total	<u>\$ 651,974</u>

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

2. Missouri Local Government Employees Retirement System (LAGERS) (Continued)

Payable to the Pension Plan

At August 31, 2015 the City reported a payable of \$22,741 for the outstanding amount of contributions to the pension plan required for the year ended August 31, 2015.

NOTE F - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City provides healthcare benefits to employees hired prior to March 4, 2010 who have attained 10 years of service and are eligible to receive retirement benefits. Non-uniformed employees who are eligible to retire once they have attained age 55 plus 5 years of service or age 60 and police who are eligible to retire once they have attained age 50 plus 5 years of service or age 55. The City pays the monthly group health insurance premium for the individual. Retirees must contribute the cost-sharing premium (\$497.43 per month) to retain coverage. The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the ARC of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 (GASB 45). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities.

The City sponsors and administers a single-employer OPEB plan that does not issue a separate stand-alone financial report. The OPEB obligation is generally liquidated by the General Fund. The City's annual OPEB cost for the most recent actuarial valuation and the related information are as follows:

	For The Year Ended August 31 2015
Amortization of past service cost	\$ 27,200
Normal cost	28,600
Interest to end of fiscal year	-
ARC	55,800
Interest on net OPEB obligation	9,600
Adjustment to ARC	(15,800)
Annual OPEB Cost	49,600
Contributions made	(8,000)
Increase In Net OPEB Obligation	41,600
Net OPEB obligation - Beginning of Year	<u>257,000</u>
Net OPEB Obligation - End of Year	<u>\$298,600</u>

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

The Plan was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City.

Fiscal year 2009 was the year of implementation of GASB 45 and the City has elected to have actuarial valuations performed bi-annually.

Required Supplemental Information

Schedule Of Funding Progress

Actuarial Valuation Date <u>August 31</u>	Actuarial Value Of Assets <u>(1)</u>	AAL <u>(2)</u>	UAAL <u>(1)-(2)</u>	Funded Ratio <u>(1)/(2)</u>	Covered Payroll <u>(3)</u>	UAAL As A Percentage Of Covered Payroll <u>(1-2)/(3)</u>
2015	\$ -	\$442,300	(\$442,300)	- %	\$6,769,428	6.5%
2013	-	573,300	(573,300)	-	6,342,192	9.0
2011	-	508,300	(508,300)	-	6,438,860	7.9

Schedule Of OPEB Costs And Employer Contributions

For The Year Ended <u>August 31</u>	Contribution Made	OPEB Cost		ARC		OPEB Liability
		<u>Amount</u>	<u>Percent Contributed</u>	<u>Amount</u>	<u>Percent Contributed</u>	
2015	\$8,000	\$49,600	16%	\$55,800	14%	\$298,600
2014	22,400	64,000	35	68,800	33	257,000
2013	22,700	65,200	35	68,800	33	215,400
2012	19,800	61,400	32	63,800	31	172,900
2011	13,500	62,300	22	63,800	21	131,300

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit cost method
Latest valuation date	August 31, 2015
Investment return	3.75% per annum
Amortization period	30 years for initial UAAL, open
Payroll increases	4% per annum
Mortality	RP2000 Mortality Table (employee and healthy annuitant tables)
Medical inflation rate	7.4% initial rate; 4.5% ultimate rate

NOTE G - INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities are as follows:

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - INTERFUND ASSETS/LIABILITIES (Continued)

Due From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>August 31 2015</u>
General Fund - Major Fund	Storm Water Fund - Major Fund	\$ 26,462
General Fund - Major Fund	Special Allocation Fund - Major Fund	150,000
General Fund - Major Fund	Recreation Center Fund - Major Fund	49,062
Special Allocation Fund - Major Fund	General Fund - Major Fund	131,654
Special Allocation Fund - Major Fund	Recreation Center Fund - Major Fund	32,913
Tourism Fund - Nonmajor Fund	General Fund - Major Fund	500
Tourism Fund - Nonmajor Fund	Recreation Center Fund - Major Fund	<u>3,145</u>
Total		<u>\$393,736</u>

The outstanding balances between funds result mainly from the time lag between dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in accounting system, and 3) payments between funds are made. All interfund balances are expected to be repaid during the fiscal year ending August 31, 2016.

NOTE H - INTERFUND TRANSACTIONS

Individual interfund transactions are as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>For The Year Ended August 31, 2015</u>
General Fund Major Fund	Sewer Fund - Major Fund	\$ 9,976,578
Golf - Major Fund	General Fund - Major Fund	<u>418,220</u>
Total		<u>\$10,394,798</u>

Interfund transfers were used to: 1) use unrestricted revenues collected in the General Fund to finance other funds in accordance with budgetary authorization or 2) move revenues from the fund that ordinance or budget 3) liquidate the Sewer Fund after the sale of the Sewer System.

NOTE I - PROPERTY TAXES

Property taxes are recorded as revenue in the fiscal year in which they are levied. Taxes levied and uncollected are carried as an asset of the General Fund. An allowance has been established for the estimated uncollectible property taxes.

The City's property tax calendar is as follows:

- a. Property is assessed by the County on January 1 each year.
- b. The tax levy ordinance is adopted and filed with the county clerk on or before October 1.
- c. Property taxes are due to be collected on or before December 31.
- d. Property taxes attach as an enforceable lien on property as of January 1.

NOTE J - INSURANCE

The City is a member of the Missouri Intergovernmental Risk Management Association (MIRMA), a statewide governmental self-insurance pool which provides property, liability, and workers' compensation coverages to its participating members in a single comprehensive multi-line package. The various lines of coverage are not available individually and the membership is limited to municipalities and municipally owned utilities. The City's policy covers all real and personal property owned by the City except sewer lines. The policy is for replacement cost and expires June 30, 2016.

MIRMA is funded by annual member assessments calculated at a rate per \$100 of annual payroll which applies to all lines of coverage on a composite basis. These funds are used to pay losses within specific risk retention limits shared equally by all members; purchase excess insurance which provides a transfer of catastrophic risk to private insurance carriers; purchase services such as claims administration, loss prevention, and data processing; and pay administrative expenses. Should actual insurance losses exceed MIRMA's estimates, the City could be required to contribute additional funds. Management believes the risk of additional loss is minimal and any additional contributions that may be required would not materially impact the overall operations of the City. The City paid an assessment totaling \$503,221 for MIRMA's fiscal year ended June 30, 2015. Settled claims resulting in these risks have not exceeded coverage in any of the past three years.

NOTE K - INTERFUND ADMINISTRATION FEE

During the year the Sewer Fund and the Storm Water Fund paid \$138,000 and \$36,000 respectively, to the General Fund for administrative costs incurred by the General Fund relating to the various operations of the Funds. These fees are included in miscellaneous revenue in the General Fund.

NOTE L - CONTINGENCIES AND COMMITMENTS

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

The City is subject to various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of most of these matters will not have material adverse effect on the financial condition of the City.

NOTE M - CONDUIT DEBT

In December 2012, the City authorized to issue \$88,000,000, industrial revenue bonds, to provide funds for the purpose of carrying out industrial development projects by the City providing a loan to a private corporation pursuant to a loan agreement between the City and the private corporation. The loan agreement calls for the private corporation to repay the loans in the principal amount of the bonds plus any interest thereon. Upon re-

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE M - CONDUIT DEBT (Continued)

payment of the bonds, ownership of the acquired facilities transfers to the corporation. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. At August 31, 2015 the principal amount payable was \$87,912,091.

NOTE N - RESTRICTED NET POSITION

The government-wide statement of net position reports \$7,564,103 of restricted net position, of which \$3,498,740 is restricted by enabling legislation.

NOTE O - TAX INCREMENT REVENUES PLEDGED

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds and notes to finance certain improvements in the City. The bonds and notes are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved areas. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds and notes per Note D is payable through July 2028. For the current year, principal and interest paid and total incremental tax revenues were \$3,345,590 and \$3,932,800, respectively.

NOTE P - DEFICIT BALANCES

The Golf Fund had a deficit in net position of \$58,894. This deficit will be offset by future revenues.

NOTE Q - RESTATEMENT OF NET POSITION

The previously stated net position has been restated as follows:

	Governmental Activities	Business-type Activities	Storm Water Fund	Golf Fund
Net position, August 31, 2014, as previously reported	\$ 40,515,413	18,984,846	828,899	(169,160)
Restatement for GASB 68 implementation	700,650	67,910	50,460	17,450
Net Position, August 31, As Restated	\$ 41,216,063	19,052,756	879,359	(151,710)

NOTE R - SUBSEQUENT EVENTS

The City approved the issuance of industrial revenue bonds for an amount not to exceed \$150,000,000. The City also approved defeasing the series 2007 leasehold revenue bonds.

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**REQUIRED SUPPLEMENTAL
INFORMATION**



CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
REVENUES				
Taxes				
Property	\$ 1,055,000	1,069,364	1,069,364	-
Sales	6,509,316	6,531,846	6,613,175	81,329
Public utility gross receipts	2,830,000	2,741,544	3,169,822	428,278
Motor fuel	475,000	479,961	559,752	79,791
Other	223,859	224,224	224,224	-
Total Taxes	<u>11,093,175</u>	<u>11,046,939</u>	<u>11,636,337</u>	<u>589,398</u>
Special Assessments	<u>50,000</u>	<u>35,000</u>	<u>41,512</u>	<u>6,512</u>
Licenses and Permits	<u>634,850</u>	<u>710,915</u>	<u>818,274</u>	<u>107,359</u>
Fines and Court Costs	<u>780,000</u>	<u>780,000</u>	<u>713,514</u>	<u>(66,486)</u>
Intergovernmental	<u>1,940,766</u>	<u>1,367,653</u>	<u>1,353,761</u>	<u>(13,892)</u>
Charges for Services	<u>751,803</u>	<u>809,878</u>	<u>889,918</u>	<u>80,040</u>
Investment Income	<u>15,050</u>	<u>18,500</u>	<u>25,039</u>	<u>6,539</u>
Miscellaneous				
Administration	181,500	181,500	181,500	-
Other	112,346	115,988	115,257	(731)
Total Miscellaneous	<u>293,846</u>	<u>297,488</u>	<u>296,757</u>	<u>(731)</u>
Total Revenues	<u>15,559,490</u>	<u>15,066,373</u>	<u>15,775,112</u>	<u>708,739</u>
EXPENDITURES				
General Government				
General and administrative	1,076,267	1,114,060	1,068,427	(45,633)
Mayor and council	128,371	124,537	121,406	(3,131)
Municipal court	182,422	180,208	176,107	(4,101)
Administrator	211,215	212,346	205,673	(6,673)
Treasurer	52,898	51,589	41,930	(9,659)
Finance	327,246	345,236	322,216	(23,020)
Collector of revenue	174,005	164,778	163,473	(1,305)
Attorney	174,000	196,500	190,487	(6,013)
Elections	25,375	37,471	32,037	(5,434)
Planning commission	261,457	259,307	252,261	(7,046)
IT Support	278,571	242,663	229,517	(13,146)
Total General Government	<u>2,891,827</u>	<u>2,928,695</u>	<u>2,803,534</u>	<u>(125,161)</u>

(Continued)

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
EXPENDITURES (Continued)				
Public Safety				
Police	4,764,739	4,756,803	4,602,768	(154,035)
Dispatching	528,437	532,546	516,039	(16,507)
Building commission	279,659	281,494	270,910	(10,584)
Total Public Safety	<u>5,572,835</u>	<u>5,570,843</u>	<u>5,389,717</u>	<u>(181,126)</u>
Public Works	<u>682,228</u>	<u>688,107</u>	<u>598,889</u>	<u>(89,218)</u>
Highways and Streets	<u>1,211,621</u>	<u>1,154,520</u>	<u>1,004,793</u>	<u>(149,727)</u>
Parks and Recreation	<u>765,406</u>	<u>771,493</u>	<u>582,211</u>	<u>(189,282)</u>
Health and Sanitation				
Health department	72,502	70,615	61,058	(9,557)
Rabies control	155,398	151,478	149,644	(1,834)
Vector control	8,570	7,485	7,027	(458)
Solid waste	1,011,493	1,011,493	1,015,660	4,167
Total Health And Sanitation	<u>1,247,963</u>	<u>1,241,071</u>	<u>1,233,389</u>	<u>(7,682)</u>
Capital Outlay	<u>2,460,796</u>	<u>1,733,600</u>	<u>1,611,488</u>	<u>(122,112)</u>
Debt Service	<u>560,376</u>	<u>560,320</u>	<u>560,320</u>	<u>-</u>
Total Expenditures	<u>15,393,052</u>	<u>14,648,649</u>	<u>13,784,341</u>	<u>(864,308)</u>
REVENUES OVER EXPENDITURES	<u>166,438</u>	<u>417,724</u>	<u>1,990,771</u>	<u>1,573,047</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	28,000	37,507	37,507	-
Transfers out	(10,251)	(429,358)	(418,220)	(11,138)
Transfers in	-	-	9,976,578	9,976,578
Total Other Financing Sources (Uses)	<u>17,749</u>	<u>(391,851)</u>	<u>9,595,865</u>	<u>9,987,716</u>
NET CHANGE IN FUND BALANCE	<u>\$ 184,187</u>	<u>25,873</u>	11,586,636	<u>11,560,763</u>
FUND BALANCE, SEPTEMBER 1			<u>6,780,123</u>	
FUND BALANCE, AUGUST 31			<u>\$ 18,366,759</u>	

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - RECREATION CENTER FUND
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Sales	\$ 1,278,000	1,266,046	1,347,848	81,802
Charges for services	1,274,500	1,126,500	1,212,644	86,144
Investment income	750	-	527	527
Miscellaneous	12,750	6,700	4,705	(1,995)
Total Revenues	<u>2,566,000</u>	<u>2,399,246</u>	<u>2,565,724</u>	<u>166,478</u>
EXPENDITURES				
Recreation center	1,839,499	1,905,525	1,751,137	(154,388)
Debt service	921,388	926,388	925,267	(1,121)
Total Expenditures	<u>2,760,887</u>	<u>2,831,913</u>	<u>2,676,404</u>	<u>(155,509)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (194,887)</u></u>	<u><u>(432,667)</u></u>	(110,680)	<u><u>321,987</u></u>
FUND BALANCE, SEPTEMBER 1			<u>328,253</u>	
FUND BALANCE, AUGUST 31			<u><u>\$ 217,573</u></u>	

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL ALLOCATION FUND
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 825,460	1,201,464	1,201,464	-
Sales	1,459,500	2,294,367	2,731,336	436,969
Investment income	-	3,210	3,643	433
Total Revenues	<u>2,284,960</u>	<u>3,499,041</u>	<u>3,936,443</u>	<u>437,402</u>
EXPENDITURES				
General government	7,500	7,500	7,500	-
Economic development	127,750	131,700	130,767	(933)
Debt service	2,706,606	3,345,590	3,345,590	-
Total Expenditures	<u>2,841,856</u>	<u>3,484,790</u>	<u>3,483,857</u>	<u>(933)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (556,896)</u></u>	<u><u>14,251</u></u>	452,586	<u><u>438,335</u></u>
FUND BALANCE, SEPTEMBER 1			<u>5,028,174</u>	
FUND BALANCE, AUGUST 31			<u><u>\$ 5,480,760</u></u>	

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2015

Budgetary Data

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

- a. On or before July 8, all departments submit requests for appropriations to the City's budget committee so that a budget may be prepared.
- b. During August the operating budget is presented to the City Council for review. The operating budget includes proposed expenditures for all funds.
- c. Public hearing meetings are held to obtain taxpayer comments.
- d. Prior to September 1 the budget is adopted by the City Council.
- e. Budgets are adopted on a basis generally consistent with accounting principles generally accepted in the United States of America except that budgets do not include economic development and debt proceeds related to the tax increment financing projects and refunding of long-term debt. Expenditures modified for some year-end accruals may not legally exceed budgeted appropriations at the department level.
- f. Budget amendments at the department level must be approved by the City Council. Management may authorize transfers of appropriations within a department. Current year includes budget amendments.
- g. Appropriations lapse at year-end.

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN NET PENSION ASSET AND RELATED RATIOS -
POLICE PENSION PLAN
FOR THE YEAR ENDED AUGUST 31, 2015

Total Pension Liability

Service cost	\$ 176,733
Interest	578,315
Differences between expected and actual experience	(136,162)
Contributions - employee	226,449
Benefit payments	(230,099)
Net Change In Total Pension Liability	615,236

Total Pension Liability Beginning

9,057,437

Total Pension Liability Ending (a)

\$ 9,672,673

Plan Fiduciary Net Position

Contributions - employee	\$ 226,449
Contributions - employer	319,690
Return on investment	(18,629)
Benefit payments	(230,099)
Net Change In Plan Fiduciary Net Position	297,411

Plan Fiduciary Net Position Beginning

9,943,483

Plan Fiduciary Net Position Ending (b)

\$ 10,240,894

Net Pension Liability (Asset) Ending (a-b)

\$ (568,221)

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

105.9 %

Covered Employee Payroll

\$ 2,232,146

Net Pension Liability (Asset) as a Percentage
of Covered Employee Payroll

(25.46) %

Note: Information is not available for fiscal years prior to 2015.

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS - POLICE PENSION PLAN
LAST TEN FISCAL YEARS

	For The Years Ended August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially determined pension contribution	\$ 261,882	321,337	358,484	376,207	387,774	426,095	391,668	398,846	425,810	393,674
Contributions in relation to the actuarially determined contribution	320,444	385,966	312,110	436,396	497,394	503,087	579,665	421,152	457,273	329,595
Contribution Deficiency (Excess)	<u>\$ (58,562)</u>	<u>(64,629)</u>	<u>46,374</u>	<u>(60,189)</u>	<u>(109,620)</u>	<u>(76,992)</u>	<u>(187,997)</u>	<u>(22,306)</u>	<u>(31,463)</u>	<u>64,079</u>
Covered Employee Payroll	\$ 2,232,146	2,563,733	2,118,338	2,137,664	2,095,229	2,166,741	2,133,648	2,024,539	2,151,441	2,080,320
Contributions as a Percentage of Covered Employee Payroll	14.36 %	15.05	14.73	20.41	23.74	23.22	27.17	20.80	21.25	15.84

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of September 1 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percent of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5 years smoothed market
Inflation	3%
Salary increases	4.5% , compounded annually
Investment rate of return	6.5%, net of investment expenses, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Mortality Tables with no further assumed improvements for mortality

Other information:

There were no benefit changes during the year.

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN NET PENSION ASSET AND RELATED RATIOS - LAGERS
FOR THE YEAR ENDED AUGUST 31, 2015

Total Pension Liability

Service cost	\$ 395,808
Interest on the total pension liability	1,178,720
Difference between expected and actual experience	(171,511)
Benefit payments	(688,962)
Net Change In Total Pension Liability	714,055

Total Pension Liability Beginning

16,402,217

Total Pension Liability, Ending (a)

\$ 17,116,272

Plan Fiduciary Net Position

Contributions - employer	\$ 618,572
Pension plan net investment income	353,689
Benefit Payments	(688,962)
Pension plan administrative expense	(15,005)
Other	(70,688)
Net Change In Plan Fiduciary Net Position	197,606

Plan Fiduciary Net Position Beginning

16,988,079

Plan Fiduciary Net Position Ending (b)

\$ 17,185,685

Net Pension Liability (Asset) Ending (a-b)

\$ (69,413)

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

100.41 %

Covered Employee Payroll (for February 28/29 Actuarial Valuation)

\$ 3,246,681

Net Pension Liability (Asset) as a Percentage
of Covered Employee Payroll

(2.14) %

Note: Information is not available for fiscal years prior to 2015.

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

	For The Years Ended August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially determined pension contribution	\$ 604,191	643,932	654,137	631,978	593,553	469,074	496,495	497,382	486,584	268,102
Contributions in relation to the actuarially determined contribution	<u>604,191</u>	<u>643,932</u>	<u>582,150</u>	<u>570,401</u>	<u>505,281</u>	<u>469,074</u>	<u>496,495</u>	<u>497,383</u>	<u>486,584</u>	<u>410,039</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>71,987</u>	<u>61,577</u>	<u>88,272</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(141,937)</u>
Covered Employee Payroll	\$ 3,230,968	3,285,367	3,129,844	3,240,915	3,043,863	3,006,886	2,990,934	2,826,035	2,602,053	2,252,957
Covered Employee Payroll Contributions as a Percentage of Covered Employee Payroll	18.70 %	19.60	18.60	17.60	16.60	15.60	16.60	17.60	18.70	18.20

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of February 28 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	Multiple bases form 14 to 19 years
Asset valuation method	5 years smoothed market; 20% corridor
Inflation	3.5% wage inflation; 3% price inflation
Salary increases	3.5% - 6.8% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	105% of the 1994 Group Annuity Mortality Table set back zero years for men and zero years for women. Based upon experience observed during the most recent 5-year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

Other information:

There were no benefit changes during the year.

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**OTHER SUPPLEMENTAL
INFORMATION**



CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - GOVERNMENTAL FUNDS -
COMPARATIVE BALANCE SHEETS
AUGUST 31, 2015 AND 2014

	2015	2014
ASSETS		
Cash and investments	\$ 18,988,221	7,597,896
Receivables (net of allowances for uncollectibles):		
Taxes	3,379,515	3,030,442
Special assessments	1,044,844	1,086,705
Service fees	561,844	-
Intergovernmental	611,952	126,057
Court	129,170	128,205
Miscellaneous	112,191	111,764
Due from other funds	393,736	310,100
Prepaid items	520,793	543,636
Restricted assets:		
Cash and investments	3,650,147	3,658,725
Capital improvements sales tax receivable	687,261	473,203
	<u>\$ 30,079,674</u>	<u>17,066,733</u>
 LIABILITIES		
Accounts payable	\$ 2,867,958	2,303,158
Accrued liabilities	276,581	244,563
Due to other funds	367,274	309,918
Unearned revenue	354,669	241,104
Total Liabilities	<u>3,866,482</u>	<u>3,098,743</u>
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue:		
Special assessments	1,044,841	1,086,354
Court fines	127,825	127,825
Taxes	687,261	473,203
Total Deferred Inflows Of Resources	<u>1,859,927</u>	<u>1,687,382</u>
 FUND BALANCES		
Nonspendable	520,793	543,636
Restricted	7,092,365	6,615,768
Committed	2,067,288	1,513,074
Assigned	422,849	-
Unassigned	14,249,970	3,608,130
Total Fund Balances	<u>24,353,265</u>	<u>12,280,608</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 30,079,674</u>	<u>17,066,733</u>

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - GOVERNMENTAL FUNDS -
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
AUGUST 31, 2015 AND 2014

	2015	2014
REVENUES		
Taxes	\$ 17,074,710	15,860,454
Special assessments	41,512	47,414
Licenses and permits	818,274	652,512
Fines and court costs	713,514	847,185
Intergovernmental	1,369,663	323,383
Charges for services	2,153,945	1,355,238
Investment income	29,213	22,368
Miscellaneous	318,015	333,865
Total Revenues	22,518,846	19,442,419
EXPENDITURES		
Current:		
General government	2,896,449	2,876,530
Public safety	5,401,754	5,620,891
Public works	598,889	618,618
Highways and streets	1,004,793	1,401,373
Parks and recreation	2,333,348	2,320,950
Health and sanitation	1,233,389	1,203,039
Economic development	130,767	121,639
Capital outlay	1,611,488	348,711
Debt service:		
Principal	2,224,535	1,838,000
Interest	2,606,642	2,727,230
Total Expenditures	20,042,054	19,076,981
REVENUES OVER EXPENDITURES	2,476,792	365,438
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	37,507	30,100
Transfers in	9,976,578	1,859,521
Transfers out	(418,220)	(3,496,288)
Total Other Financing Sources (Uses)	9,595,865	(1,606,667)
NET CHANGE IN FUND BALANCES	12,072,657	(1,241,229)
FUND BALANCES, SEPTEMBER 1	12,280,608	13,521,837
FUND BALANCES, AUGUST 31	\$ 24,353,265	12,280,608

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2015

	Special Revenue Funds		
	Tourism	Drug Forfeiture	Totals
ASSETS			
Cash and investments	\$ 192,704	53,971	246,675
Receivables:			
Taxes	31,480	-	31,480
Due from other funds	3,645	-	3,645
Prepaid items	18,350	-	18,350
	\$ 246,179	53,971	300,150
Total Assets	\$ 246,179	53,971	300,150
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 2,012	-	2,012
Unearned revenue	9,965	-	9,965
Total Liabilities	11,977	-	11,977
 Fund Balances			
Nonspendable:			
Prepaid items	18,350	-	18,350
Restricted for:			
Public safety	-	53,971	53,971
Tourism	215,852	-	215,852
Total Fund Balances	234,202	53,971	288,173
Total Liabilities And Fund Balances	\$ 246,179	53,971	300,150

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>Special Revenue Funds</u>		
	<u>Tourism</u>	<u>Drug Forfeiture</u>	<u>Totals</u>
REVENUES			
Taxes	\$ 157,725	-	157,725
Intergovernmental	-	15,902	15,902
Charges for services	51,383	-	51,383
Investment income	-	4	4
Miscellaneous	-	16,553	16,553
Total Revenues	<u>209,108</u>	<u>32,459</u>	<u>241,567</u>
EXPENDITURES			
Current:			
General government	85,415	-	85,415
Public safety	-	12,037	12,037
Total Expenditures	<u>85,415</u>	<u>12,037</u>	<u>97,452</u>
NET CHANGES IN FUND BALANCES	123,693	20,422	144,115
FUND BALANCES, SEPTEMBER 1	<u>110,509</u>	<u>33,549</u>	<u>144,058</u>
FUND BALANCES, AUGUST 31	<u><u>\$ 234,202</u></u>	<u><u>53,971</u></u>	<u><u>288,173</u></u>

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE - BUDGET AND ACTUAL - TOURISM FUND
FOR THE YEAR ENDED AUGUST 31, 2015

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 137,000	153,953	157,725	3,772
Charges for services	52,600	51,383	51,383	-
Total Revenues	189,600	205,336	209,108	3,772
EXPENDITURES				
General government	137,400	113,805	85,415	(28,390)
NET CHANGE IN FUND BALANCE	\$ 52,200	91,531	123,693	32,162
FUND BALANCE, SEPTEMBER 1			110,509	
FUND BALANCE, AUGUST 31			\$ 234,202	

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - DRUG FORFEITURE FUND
FOR THE YEAR ENDED AUGUST 31, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental	\$ -	15,902	15,902	-
Investment income	-	4	4	-
Miscellaneous	-	16,553	16,553	-
Total Revenues	-	32,459	32,459	-
EXPENDITURES				
Public safety	-	15,740	12,037	(3,703)
NET CHANGE IN FUND BALANCE	\$ -	16,719	20,422	3,703
FUND BALANCE, SEPTEMBER 1			33,549	
FUND BALANCE, AUGUST 31			\$ 53,971	

STATISTICS



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

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	72 - 76
Revenue Capacity	
These schedules contain information to help the reader assess the City’s local revenue sources.	77 - 84
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	85 - 87
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	88 - 90
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	91 - 92

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

CITY OF ARNOLD, MISSOURI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
Net investment in capital assets	\$ 61,358,328	60,954,323	62,495,954	58,747,273	60,189,604	61,515,001	60,433,335	60,816,793	64,429,584	61,737,432
Restricted	7,238,125	6,537,431	5,750,389	5,795,745	6,511,773	6,468,111	6,129,354	2,524,622	1,250,000	1,389,706
Unrestricted	(14,477,896)	(26,275,691)	(25,777,303)	(24,245,868)	(22,961,899)	(20,707,866)	(18,506,005)	(13,295,644)	(11,268,830)	5,890,607
Total Governmental Activities Net Position	<u>\$ 54,118,557</u>	<u>41,216,063</u>	<u>42,469,040</u>	<u>40,297,150</u>	<u>43,739,478</u>	<u>47,275,246</u>	<u>48,056,684</u>	<u>50,045,771</u>	<u>54,410,754</u>	<u>69,017,745</u>
Business-type Activities										
Net investment in capital assets	\$ 404,017	13,866,892	13,383,043	13,366,162	12,568,136	11,847,340	10,925,826	11,615,431	13,812,089	12,963,653
Restricted	325,978	526,603	588,203	701,303	804,880	906,603	1,001,303	7,146,872	5,064,591	842,007
Unrestricted	233,535	4,659,261	3,624,652	3,732,210	4,347,127	4,873,833	4,777,204	(2,255,279)	(2,005,776)	1,434,544
Total Business-type Activities Net Position	<u>\$ 963,530</u>	<u>19,052,756</u>	<u>17,595,898</u>	<u>17,799,675</u>	<u>17,720,143</u>	<u>17,627,776</u>	<u>16,704,333</u>	<u>16,507,024</u>	<u>16,870,904</u>	<u>15,240,204</u>
Primary Government										
Net investment in capital assets	\$ 61,762,345	74,821,215	75,878,997	72,113,435	72,757,740	73,362,341	71,359,161	72,432,224	78,241,673	74,701,085
Restricted	7,564,103	7,064,034	6,338,592	6,497,048	7,316,653	7,374,714	7,130,657	9,671,494	6,314,591	2,231,713
Unrestricted	(14,244,361)	(21,616,430)	(22,152,651)	(20,513,658)	(18,614,772)	(15,834,033)	(13,728,801)	(15,550,923)	(13,274,606)	7,325,151
Total Primary Government Net Position	<u>\$ 55,082,087</u>	<u>60,268,819</u>	<u>60,064,938</u>	<u>58,096,825</u>	<u>61,459,621</u>	<u>64,903,022</u>	<u>64,761,017</u>	<u>66,552,795</u>	<u>71,281,658</u>	<u>84,257,949</u>

Source: Basic financial statements

GASB 63 and 65 were implemented in 2013.

The City implemented GASB Statement No. 68 in fiscal year 2015.

CITY OF ARNOLD, MISSOURI

CHANGE IN NET POSITION

LAST TEN FISCAL YEARS

For The Years Ended August 31

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
EXPENSES										
Governmental Activities										
General government	\$ 3,507,185	3,521,130	3,437,488	3,560,571	3,631,193	3,486,489	3,597,393	3,606,327	2,026,103	2,646,655
Public safety	6,120,075	5,564,406	5,699,347	5,557,136	5,513,045	5,498,118	5,383,461	5,037,988	5,162,582	5,141,027
Public works	517,705	506,642	652,774	471,241	449,991	396,500	372,884	1,544,873	3,648,054	2,025,478
Highways and streets	3,022,074	3,499,006	3,180,611	3,247,948	3,056,308	2,882,196	2,660,880	3,217,725	445,648	1,405,773
Parks and recreation	2,371,529	2,430,932	2,286,290	2,311,042	2,172,650	2,205,143	2,130,516	2,166,365	1,990,090	1,889,036
Health and sanitation	1,232,741	1,202,951	1,209,726	1,199,147	1,147,650	1,054,674	1,157,513	927,232	884,918	826,303
Economic development	130,767	121,639	132,250	84,948	3,111,127	3,413,600	335,457	4,445,699	16,554,301	-
Interest on long-term debt	3,039,906	3,105,566	3,161,479	3,182,550	3,310,085	3,366,950	2,948,229	2,752,694	1,584,135	656,208
Total Governmental Activities Expenses	<u>19,941,982</u>	<u>19,952,272</u>	<u>19,759,965</u>	<u>19,614,583</u>	<u>22,392,049</u>	<u>22,303,670</u>	<u>18,586,333</u>	<u>23,698,903</u>	<u>32,295,831</u>	<u>14,590,480</u>
Business-type Activities										
Sewer system	2,883,157	4,111,479	4,138,224	3,604,074	3,866,989	3,678,042	3,658,824	4,036,658	2,139,774	1,869,840
Storm water	525,572	595,741	608,027	638,757	559,128	622,227	388,188	256,127	127,061	37,899
Golf	649,484	753,705	759,006	783,657	747,928	712,700	670,794	670,153	427,304	-
Special item - disposal of sewer system	8,247,633	-	-	-	-	-	-	-	-	-
Total Business-type Activities Expenses	<u>12,305,846</u>	<u>5,460,925</u>	<u>5,505,257</u>	<u>5,026,488</u>	<u>5,174,045</u>	<u>5,012,969</u>	<u>4,717,806</u>	<u>4,962,938</u>	<u>2,694,139</u>	<u>1,907,739</u>
Total Primary Government Expenses	<u>32,247,828</u>	<u>25,413,197</u>	<u>25,265,222</u>	<u>24,641,071</u>	<u>27,566,094</u>	<u>27,316,639</u>	<u>23,304,139</u>	<u>28,661,841</u>	<u>34,989,970</u>	<u>16,498,219</u>
PROGRAM REVENUES										
Governmental Activities										
Charges for services:										
General government	513,502	474,475	473,810	467,566	449,918	627,522	610,250	560,900	526,293	346,148
Public safety	1,084,746	1,076,383	1,335,540	1,227,070	1,344,111	1,552,797	1,474,468	1,481,357	1,694,748	1,379,817
Parks and recreation	1,262,388	1,279,638	1,284,012	1,378,811	1,308,168	1,307,476	1,142,149	1,148,889	1,187,075	920,846
Health and sanitation	822,800	31,859	27,951	29,407	224,383	569,093	32,845	35,505	19,568	14,888
Operating grants and contributions	1,182,988	1,151,413	1,086,620	1,085,599	1,050,800	1,122,352	1,089,981	1,134,789	1,144,088	1,138,664
Capital grants and contributions	1,572,516	148,700	2,375,066	1,408,288	66,116	2,625,844	255,553	956,755	1,331,064	781,372
Total Governmental Activities Program Revenues	<u>6,438,940</u>	<u>4,162,468</u>	<u>6,582,999</u>	<u>5,596,741</u>	<u>4,443,496</u>	<u>7,805,084</u>	<u>4,605,246</u>	<u>5,318,195</u>	<u>5,902,836</u>	<u>4,581,735</u>
Business-type Activities										
Charges for services:										
Sewer system	2,877,893	3,834,801	3,997,660	3,795,399	3,951,341	3,816,409	3,383,075	2,969,723	2,685,117	2,492,669
Storm water	580,298	585,636	589,987	575,621	574,991	570,520	579,425	557,094	513,150	61,267
Golf	324,046	482,520	434,990	561,806	454,091	407,735	480,578	473,022	401,008	-
Operating grants and contributions	-	-	-	-	-	29,382	21,011	-	-	-
Capital grants and contributions	87,311	89,460	16,000	1,150	2,432	806,725	60,407	-	-	-
Total Business-type Activities Program Revenues	<u>3,869,548</u>	<u>4,992,417</u>	<u>5,038,637</u>	<u>4,933,976</u>	<u>4,982,855</u>	<u>5,630,771</u>	<u>4,524,496</u>	<u>3,999,839</u>	<u>3,599,275</u>	<u>2,553,936</u>
Total Primary Government Program Revenues	<u>10,308,488</u>	<u>9,154,885</u>	<u>11,621,636</u>	<u>10,530,717</u>	<u>9,426,351</u>	<u>13,435,855</u>	<u>9,129,742</u>	<u>9,318,034</u>	<u>9,502,111</u>	<u>7,135,671</u>
NET REVENUES (EXPENSES)										
Governmental activities	(13,503,042)	(15,789,804)	(13,176,966)	(14,017,842)	(17,948,553)	(14,498,586)	(13,981,087)	(18,380,708)	(26,392,995)	(10,008,745)
Business-type activities	(8,436,298)	(468,508)	(466,620)	(92,512)	(191,190)	617,802	(193,310)	(963,099)	905,136	646,197
Total Primary Government Net Revenues (Expenses)	<u>(21,939,340)</u>	<u>(16,258,312)</u>	<u>(13,643,586)</u>	<u>(14,110,354)</u>	<u>(18,139,743)</u>	<u>(13,880,784)</u>	<u>(14,174,397)</u>	<u>(19,343,807)</u>	<u>(25,487,859)</u>	<u>(9,362,548)</u>

(Continued)

CITY OF ARNOLD, MISSOURI

CHANGE IN NET POSITION (Continued)

LAST TEN FISCAL YEARS

For The Years Ended August 31

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
GENERAL REVENUES AND OTHER CHANGE IN NET POSITION										
Governmental Activities										
Taxes:										
Property	2,270,828	1,959,557	2,137,107	1,856,713	1,956,378	1,767,838	1,448,479	1,125,304	992,520	949,500
Sales	10,800,694	9,943,752	9,676,868	9,266,574	8,934,269	8,492,485	7,619,458	7,018,675	6,860,615	6,771,832
Gross receipts	3,371,996	3,375,222	3,264,019	3,014,815	3,239,828	3,389,556	2,726,791	3,498,852	2,046,144	2,044,454
Miscellaneous	71,954	41,950	43,139	38,972	33,694	31,616	33,541	34,224	35,611	27,475
Investment income	29,213	22,368	48,212	74,002	86,446	83,444	131,284	290,449	364,016	242,701
Gain on sale of assets	86,336	14,234	66,936	57,673	28,128	20,085	-	800	504,457	143,126
Miscellaneous	37,507	115,861	122,575	92,531	144,042	22,812	42,447	2,091,921	1,294,524	221,895
Transfers	9,737,008	(1,636,767)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(44,500)	(144,683)	(349,562)
Total Governmental Activities General Revenues And Other Change In Net Position	<u>26,405,536</u>	<u>13,836,177</u>	<u>15,348,856</u>	<u>14,391,280</u>	<u>14,412,785</u>	<u>13,797,836</u>	<u>11,992,000</u>	<u>14,015,725</u>	<u>11,953,204</u>	<u>10,051,421</u>
Business-type Activities										
Investment income	77,044	218,439	240,758	252,864	273,557	295,641	380,619	554,719	585,981	344,263
Gain on sale of assets	-	700	8,801	-	-	-	-	-	-	-
Miscellaneous	7,036	1,550	3,284	-	-	-	-	-	-	-
Transfers	(9,737,008)	1,636,767	10,000	10,000	10,000	10,000	10,000	44,500	144,683	349,562
Total Business-type Activities General Revenues And Other Change In Net Position	<u>(9,652,928)</u>	<u>1,857,456</u>	<u>262,843</u>	<u>262,864</u>	<u>283,557</u>	<u>305,641</u>	<u>390,619</u>	<u>599,219</u>	<u>730,664</u>	<u>693,825</u>
Total Primary Government General Revenues And Other Change In Net Position	<u>16,752,608</u>	<u>15,693,633</u>	<u>15,611,699</u>	<u>14,654,144</u>	<u>14,696,342</u>	<u>14,103,477</u>	<u>12,382,619</u>	<u>14,614,944</u>	<u>12,683,868</u>	<u>10,745,246</u>
CHANGE IN NET POSITION										
Governmental activities	12,902,494	(1,953,627)	2,171,890	373,438	(3,535,768)	(700,750)	(1,989,087)	(4,364,983)	(14,439,791)	42,676
Business-type activities	(18,089,226)	1,388,948	(203,777)	170,352	92,367	923,443	197,309	(363,880)	1,635,800	1,340,022
Total Primary Government	<u>\$ (5,186,732)</u>	<u>\$ (564,679)</u>	<u>1,968,113</u>	<u>543,790</u>	<u>(3,443,401)</u>	<u>222,693</u>	<u>(1,791,778)</u>	<u>(4,728,863)</u>	<u>(12,803,991)</u>	<u>1,382,698</u>

Source: Basic financial statements

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

	August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
Reserved	\$ -	-	-	-	-	2,176,044	2,139,403	2,584,017	6,271,895	1,608,446
Unreserved	-	-	-	-	-	8,318,041	6,844,666	7,105,178	(1,713,188)	2,410,889
Nonspendable	489,501	522,442	441,169	455,108	511,169	-	-	-	-	-
Restricted	1,137,151	1,136,477	1,136,421	1,136,361	563,726	-	-	-	-	-
Committed	2,067,288	1,513,074	1,557,117	4,410,590	1,395,119	-	-	-	-	-
Assigned	422,849	-	530,792	994,533	-	-	-	-	-	-
Unassigned	14,249,970	3,608,130	6,305,284	4,505,675	9,213,575	-	-	-	-	-
Total General Fund	<u>\$ 18,366,759</u>	<u>6,780,123</u>	<u>9,970,783</u>	<u>11,502,267</u>	<u>11,683,589</u>	<u>10,494,085</u>	<u>8,984,069</u>	<u>9,689,195</u>	<u>4,558,707</u>	<u>4,019,335</u>
All Other Governmental Funds										
Reserved	\$ -	-	-	-	-	5,358,284	4,998,863	1,702,485	1,305,838	1,250,000
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	(1,074,478)	(828,954)	(479,601)	(44,678)	139,706
Nonspendable	31,292	21,194	29,152	29,126	10,285	-	-	-	-	-
Restricted	5,955,214	5,479,291	4,923,977	4,430,694	5,347,559	-	-	-	-	-
Unassigned	-	-	(1,402,075)	(1,289,620)	(1,318,166)	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 5,986,506</u>	<u>5,500,485</u>	<u>3,551,054</u>	<u>3,170,200</u>	<u>4,039,678</u>	<u>4,283,806</u>	<u>4,169,909</u>	<u>1,222,884</u>	<u>1,261,160</u>	<u>1,389,706</u>

Source: Basic financial statements

For fiscal year 2011 GASB 54 was implemented.

CITY OF ARNOLD, MISSOURI
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	For The Years Ended August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
REVENUES										
Taxes	\$17,074,710	15,860,454	16,422,424	14,738,118	14,939,098	14,551,361	12,279,968	12,209,618	10,866,182	10,753,278
Special assessments	41,512	47,414	208,907	55,981	111,477	95,886	161,495	551,076	306,798	428,599
Licenses and permits	818,274	652,512	730,422	637,167	555,788	522,881	615,026	590,067	648,771	501,547
Fines and court costs	713,514	847,185	1,039,805	902,336	1,105,288	1,216,172	1,131,240	1,122,605	1,177,581	1,060,849
Intergovernmental	1,369,663	323,383	2,503,248	1,557,334	263,517	458,470	138,593	2,592,876	1,910,417	337,205
Charges for services	2,153,945	1,355,238	1,363,277	1,455,029	1,549,582	2,132,339	1,375,957	1,395,577	1,326,128	937,009
Investment income	29,213	22,368	48,212	74,002	86,446	83,444	131,284	290,449	364,016	242,701
Miscellaneous	318,015	333,865	349,730	324,627	308,653	325,600	356,143	421,244	394,194	420,189
Total Revenues	<u>22,518,846</u>	<u>19,442,419</u>	<u>22,666,025</u>	<u>19,744,594</u>	<u>18,919,849</u>	<u>19,386,153</u>	<u>16,189,706</u>	<u>19,173,512</u>	<u>16,994,087</u>	<u>14,681,377</u>
EXPENDITURES										
General government	2,896,449	2,876,530	2,767,426	2,938,282	2,939,835	2,904,369	2,836,320	2,774,026	2,657,615	2,246,139
Public safety	5,401,754	5,620,891	5,489,942	5,438,986	5,452,098	5,513,458	5,530,890	5,087,615	5,124,954	4,790,213
Public works	598,889	618,618	556,904	460,444	542,848	505,578	424,779	414,040	3,583,152	1,997,244
Highways and streets	1,004,793	1,401,373	1,377,329	1,318,793	1,211,431	1,210,324	994,971	1,363,420	1,093,891	1,046,910
Parks and recreation	2,333,348	2,320,950	2,250,733	2,241,380	2,133,731	2,096,335	2,110,396	2,149,106	1,944,788	1,895,233
Health and sanitation	1,233,389	1,203,039	1,204,374	1,198,127	1,147,456	1,054,900	1,157,017	923,881	882,010	823,634
Economic development	130,767	121,639	132,250	84,948	3,111,127	3,413,600	335,457	4,445,699	16,554,301	-
Capital outlay	1,611,488	348,711	5,718,016	1,734,019	294,258	1,100,240	934,502	6,662,933	818,386	1,802,811
Debt service:										
Principal	2,224,535	1,838,000	1,866,476	1,009,055	1,554,964	1,261,679	820,284	612,946	547,723	858,743
Interest	2,606,642	2,727,230	2,758,930	2,686,033	2,762,969	2,603,519	2,041,283	924,959	721,577	927,996
Bond issue costs	-	-	-	218,681	155,551	125,000	796,889	244,699	-	-
Payments to escrow agent	-	-	-	1,843,000	414,390	-	-	-	-	-
Total Expenditures	<u>20,042,054</u>	<u>19,076,981</u>	<u>24,122,380</u>	<u>21,171,748</u>	<u>21,720,658</u>	<u>21,789,002</u>	<u>17,982,788</u>	<u>25,603,324</u>	<u>33,928,397</u>	<u>16,388,923</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>2,476,792</u>	<u>365,438</u>	<u>(1,456,355)</u>	<u>(1,427,154)</u>	<u>(2,800,809)</u>	<u>(2,402,849)</u>	<u>(1,793,082)</u>	<u>(6,429,812)</u>	<u>(16,934,310)</u>	<u>(1,707,546)</u>
OTHER FINANCING SOURCES (USES)										
Issuance of long-term debt	-	-	-	12,965,000	10,140,000	3,319,555	28,485,000	11,555,699	16,554,301	-
Premium/discount on issuance	-	-	-	(12,936)	8,564	-	(235,250)	(34,475)	-	-
Refunding of long-term debt	-	-	-	(12,733,383)	(6,420,507)	-	(24,236,569)	-	-	-
Issuance of capital lease	-	-	-	-	-	777,810	31,800	-	286,378	600,000
Proceeds from insurance premium	-	-	-	110,000	-	-	-	-	-	-
Proceeds from sale of capital assets	37,507	30,100	315,725	57,673	28,128	20,085	-	800	504,457	23,626
Transfers in	9,976,578	1,859,521	-	-	-	25,000	-	20,000	166,567	-
Transfers out	(418,220)	(3,496,288)	(10,000)	(10,000)	(10,000)	(35,000)	(10,000)	(20,000)	(166,567)	-
Total Other Financing Sources (Uses)	<u>9,595,865</u>	<u>(1,606,667)</u>	<u>305,725</u>	<u>376,354</u>	<u>3,746,185</u>	<u>4,107,450</u>	<u>4,034,981</u>	<u>11,522,024</u>	<u>17,345,136</u>	<u>623,626</u>
NET CHANGES IN FUND BALANCES	<u>\$12,072,657</u>	<u>\$(1,241,229)</u>	<u>(1,150,630)</u>	<u>(1,050,800)</u>	<u>945,376</u>	<u>1,704,601</u>	<u>2,241,899</u>	<u>5,092,212</u>	<u>410,826</u>	<u>(1,083,920)</u>
Debt service as a percentage of noncapital expenditures	26.5 %	24.5	25.3	19.0	20.3	18.8	16.9	7.6	4.3	12.9

Source: Basic financial statements

CITY OF ARNOLD, MISSOURI
PROGRAM REVENUES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Program Revenues									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
General government	\$ 513,502	485,075	501,560	467,566	453,075	787,472	695,250	565,148	526,313	442,738
Public safety	1,267,963	1,260,519	1,472,757	1,362,136	1,435,487	1,731,838	1,555,561	1,541,132	1,746,508	1,455,527
Public works	22,131	-	1,661,672	453,885	-	156,522	73,840	584,512	204,576	475,087
Highways and streets	2,549,597	1,103,702	1,614,989	1,873,416	999,630	3,243,512	1,094,219	1,418,309	2,142,388	1,272,649
Parks and recreation	1,262,611	1,279,653	1,285,333	1,396,181	1,314,691	1,315,837	1,152,846	1,172,677	1,262,728	920,846
Health and sanitation	823,136	33,519	46,688	43,557	240,613	569,903	33,530	36,417	20,323	14,888
Total Governmental Activities	<u>6,438,940</u>	<u>4,162,468</u>	<u>6,582,999</u>	<u>5,596,741</u>	<u>4,443,496</u>	<u>7,805,084</u>	<u>4,605,246</u>	<u>5,318,195</u>	<u>5,902,836</u>	<u>4,581,735</u>
Business-type Activities										
Sewer system	2,877,893	3,924,261	4,013,660	3,796,549	3,951,341	4,623,134	3,443,482	2,969,723	2,685,117	2,492,669
Storm water	667,609	585,636	589,987	575,621	577,423	599,902	600,436	557,094	513,150	61,267
Golf	324,046	482,520	434,990	561,806	454,091	407,735	480,578	473,022	401,008	-
Total Business-type Activities	<u>3,869,548</u>	<u>4,992,417</u>	<u>5,038,637</u>	<u>4,933,976</u>	<u>4,982,855</u>	<u>5,630,771</u>	<u>4,524,496</u>	<u>3,999,839</u>	<u>3,599,275</u>	<u>2,553,936</u>
Total Primary Government	<u>\$ 10,308,488</u>	<u>9,154,885</u>	<u>11,621,636</u>	<u>10,530,717</u>	<u>9,426,351</u>	<u>13,435,855</u>	<u>9,129,742</u>	<u>9,318,034</u>	<u>9,502,111</u>	<u>7,135,671</u>

Source: Basic financial statements

CITY OF ARNOLD, MISSOURI
TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	Property Taxes	Sales Taxes (1)	Public Utility Gross Receipts Taxes	Motor Fuel Taxes	Other Taxes	Total
2015	\$ 2,270,828	\$ 10,850,085	\$ 3,169,822	\$ 559,752	\$ 224,223	\$ 17,074,710
2014	1,959,557	9,974,869	3,166,690	529,739	229,599	15,860,454
2013	2,137,107	10,456,039	3,075,765	525,885	227,628	16,422,424
2012	1,856,713	9,283,841	2,850,729	533,081	213,754	14,738,118
2011	1,956,378	9,115,555	3,107,237	553,861	206,067	14,939,098
2010	1,767,838	8,738,803	3,274,363	561,099	209,258	14,551,361
2009	1,448,479	7,510,784	2,565,201	552,562	202,942	12,279,968
2008	1,125,304	6,906,699	3,411,545	569,799	196,271	12,209,618
2007	992,520	7,138,297	1,961,536	583,495	190,334	10,866,182
2006	949,500	7,026,936	2,044,454	565,520	166,868	10,753,278

Source: Required supplemental information and basic financial statements

(1) The City participates in the county-wide sales tax sharing pool and a point of sale sharing, therefore, not all sales tax is not the City's own source revenue.

CITY OF ARNOLD, MISSOURI
SALES TAX REVENUE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	General Sales Tax (1%)	Recreation Center Sales Tax (0.25%)	Jefferson County Shared Capital Improvement Sales Tax	Shared Vehicle Sales Tax	Hotel/Motel Sales Tax (5%)	Jurisdictional Sales Tax	Total Sales Tax
2015	\$ 5,575,444	\$ 1,347,848	\$ 781,784	\$ 255,947	\$ 157,724	\$ 2,731,338	\$ 10,850,085
2014	5,216,383	1,255,500	722,580	248,214	148,746	2,383,446	9,974,869
2013	4,966,989	1,200,381	1,452,885	218,971	140,480	2,476,333	10,456,039
2012	4,893,553	1,179,379	680,650	211,150	140,148	2,178,961	9,283,841
2011	4,715,004	1,136,159	835,050	210,437	124,359	1,686,544	8,707,553
2010	4,472,382	1,081,040	905,185	195,398	152,768	1,932,029	8,738,802
2009	4,464,163	1,079,581	567,880	190,543	145,115	1,063,503	7,510,785
2008	4,470,311	1,081,113	645,083	210,498	151,090	348,603	6,906,698
2007	4,262,286	1,030,252	1,416,771	277,683	151,306	-	7,138,298
2006	4,413,425	1,066,625	1,142,674	255,104	149,108	-	7,026,936

Source: Required supplemental information and basic financial statements

CITY OF ARNOLD, MISSOURI
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Calendar Year	Real Property	Railroads And Utilities	Total		Total Direct Tax Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
				Assessed Value	Estimated Actual Value		
2015	2014	\$ 280,800,247	\$ 7,414,869	\$ 288,215,116	\$ 1,244,969,539	0.401	23.2 %
2014	2013	276,950,700	7,382,457	284,333,157	1,228,943,555	0.397	23.1
2013	2012	277,940,900	6,893,679	284,834,579	1,227,103,131	0.397	23.2
2012	2011	277,026,900	7,018,823	284,045,723	1,221,808,487	0.397	23.2
2011	2010	274,310,100	6,370,930	280,681,030	1,188,269,463	0.397	23.6
2010	2009	267,251,900	6,042,845	273,294,745	1,180,555,245	0.397	23.1
2009	2008	257,603,500	5,639,930	263,243,430	1,144,071,678	0.425	23.0
2008	2007	244,660,300	5,698,063	250,358,363	1,096,031,833	0.420	22.8
2007	2006	221,014,200	5,640,294	226,654,494	990,383,737	0.420	22.9
2006	2005	211,786,300	5,511,854	217,298,154	943,764,731	0.440	23.0

Notes:

Property has an assessed value to estimated actual value as follows: commercial real estate 32%, residential real estate 19%, agricultural real estate 12%, and personal property 33-1/3%.

The City does not collect tax on personal property and such data is, therefore, not included.

Data for real property owned by exempt organizations is not included as it is not available.

Source: Jefferson County Assessor

CITY OF ARNOLD, MISSOURI
ASSESSED VALUES FOR TAX INCREMENT FINANCING DISTRICTS
LAST EIGHT FISCAL YEARS

Tax Year	Triangle TIF			Crossroads TIF			Crossroads Sub Area #1 TIF		
	Assessed Value	Base Assessed Value	Abated Assessed	Assessed Value	Base Assessed Value	Abated Assessed	Assessed Value	Base Assessed Value	Abated Assessed
2014	\$ 14,099,411	\$ 1,700,400	\$ 12,399,011	\$ 4,243,318	\$ 2,466,200	\$ 1,777,118	\$ 3,058,400	\$ 1,782,600	\$ 1,275,800
2013	13,674,300	1,700,400	11,973,900	4,243,200	3,124,400	1,118,800	3,058,400	1,124,400	1,934,000
2012	14,201,400	1,700,400	12,501,000	4,231,500	3,124,400	1,107,100	3,058,500	1,124,400	1,934,100
2011	14,137,200	1,700,400	12,436,800	3,998,400	3,124,400	874,000	3,058,500	1,124,400	1,934,100
2010	12,397,400	1,700,400	10,697,000	3,188,500	3,124,400	64,100	1,227,500	1,124,400	103,100
2009	12,397,400	1,700,400	10,697,000	3,188,500	3,124,400	64,100	1,227,500	1,124,400	103,100
2008	7,187,300	1,700,400	5,486,900	3,044,600	3,101,600	(57,000)	1,312,800	1,147,200	165,600
2007	2,936,100	1,855,300	1,080,800	3,325,100	3,197,100	128,000	1,312,800	1,147,200	165,600

Source: Jefferson County Assessor

Note: Information prior to 2007 is unavailable.

CITY OF ARNOLD, MISSOURI
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	For The Years Ended August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
City of Arnold:										
General	0.401	0.397	0.397	0.397	0.397	0.397	0.425	0.420	0.420	0.440
Overlapping governments:										
State of Missouri	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
Jefferson County	0.531	0.532	0.533	0.505	0.505	0.499	0.496	0.530	0.530	0.510
Consolidated School No. 6 of Jefferson County	4.583	4.650	4.617	4.604	4.587	4.563	4.530	4.530	4.520	4.460
Rock Community Fire Protection District	0.803	0.931	0.707	0.712	0.716	0.715	0.707	0.710	0.710	0.940
Rock Township Ambulance District	0.210	0.210	0.210	0.132	0.136	0.127	0.123	0.120	0.120	0.130
The Junior College District of Jefferson County	0.344	0.340	0.339	0.336	0.336	0.336	0.334	0.330	0.330	0.350
The Jefferson County Library District	0.178	0.176	0.175	0.189	0.189	0.188	0.186	0.190	0.190	0.180
Surtax-Commercial Only	0.240	0.240	0.240	0.240	0.240	0.240	0.240	0.240	0.240	0.240

Source: Jefferson County Assessor (rates stated per \$100 assessed valuation)

CITY OF ARNOLD, MISSOURI
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2015			2006		
	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value
Wal-Mart Real Estate Business Trust 55	\$ 4,729,836	1	1.64 %	\$ -	-	- %
Metal Container Corporation	3,781,800	2	1.31	3,618,300	4	1.67
THF Arnold Triangle Development, LLC	2,809,600	3	0.97	-	-	-
Schnucks	2,656,800	4	0.92	2,732,900	6	1.26
Water Tower, LLC	2,638,280	5	0.92	3,847,000	3	1.77
Target	2,496,012	6	0.87	2,496,000	9	1.15
Dierbergs Market	2,453,295	7	0.85	2,697,400	7	1.24
Convergy's Corporation	2,375,900	8	0.82	2,103,300	10	0.97
The Home Depot	2,245,700	9	0.78	-	-	-
Suellentrop Family Partnership, LP	2,080,000	10	0.72	-	-	-
Ameren	-	-	-	4,569,211	1	2.10
Southwestern Bell Telephone	-	-	-	3,990,064	2	1.84
Greater Missouri Builders	-	-	-	2,851,300	5	1.31
Total	\$ 28,267,223		9.80 %	\$ 28,905,475		13.30 %

Note: Amounts prior to 2006 are not available.

Source: Jefferson County Assessor

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

Fiscal Year	Tax Levy Year	Net Tax Levy (1)	Current Tax Collections	Percent Collected As Current	Delinquent Tax Collections	Total Tax Collections	Total Collections As Percent Of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent Of Levy
2015	2014	\$ 1,064,577	\$ 1,042,115	97.9 %	\$ -	\$ 1,042,115	97.9 %	\$ 22,462	2.1 %
2014	2013	1,040,624	1,011,172	97.2	22,841	1,034,013	99.4	6,610	0.6
2013	2012	1,042,510	1,025,466	98.4	13,181	1,038,647	99.6	3,863	0.4
2012	2011	1,040,059	987,178	94.9	45,495	1,032,673	99.3	7,387	0.7
2011	2010	1,028,100	1,003,690	97.6	23,852	1,027,542	99.9	558	0.1
2010	2009	1,023,806	1,003,897	98.1	19,909	1,023,806	100.0	-	-
2009	2008	1,072,745	1,042,501	97.2	30,244	1,072,745	100.0	-	-
2008	2007	1,032,992	982,678	95.1	50,314	1,032,992	100.0	-	-
2007	2006	992,520	951,674	95.9	15,896	967,570	97.5	24,950	2.5
2006	2005	944,339	897,486	95.0	15,376	912,862	96.7	31,477	3.3

(1) Originally adjusted for strike offs and additions by the Board of Equalization after 1978.

Source: Jefferson County Collector's office

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

Fiscal Year	Governmental Activities					Business-type Activities			Total Primary Government	Percentage Of Personal Income (1)	Per Capita
	Capital Lease Obligations	Certificates Of Participation	Leasehold Revenue Bonds	Revenue Bonds	Tax Increment Revenue Notes And Bonds	Revenue Bonds	Capital Lease Obligations	Notes Payable			
2015	\$ -	\$ 17,171,128	\$ -	\$ -	\$ 29,805,452	\$ 3,815,250	\$ -	\$ -	\$ 50,791,830	6.47 %	\$ 2,391
2014	-	18,076,632	-	-	31,111,793	12,077,430	-	14,646,790	75,912,645	9.97	3,592
2013	70,177	18,952,136	-	-	31,991,422	12,770,972	3,460	15,091,201	78,879,368	10.43	3,754
2012	279,320	19,775,000	-	-	33,014,485	13,369,667	13,605	14,939,207	81,391,284	11.26	3,906
2011	512,557	7,140,000	13,690,000	-	33,460,303	14,169,250	23,404	15,490,557	84,486,071	11.71	4,060
2010	768,269	-	14,090,000	6,670,000	31,359,555	14,750,416	47,135	16,120,537	83,805,912	12.28	4,066
2009	217,138	-	14,455,000	6,895,000	28,485,000	15,363,416	47,502	16,521,497	81,984,553	11.97	3,979
2008	455,622	-	14,790,000	7,110,000	21,000,000	15,941,166	79,603	22,780,378	82,156,769	11.64	3,990
2007	763,568	-	15,095,000	-	16,554,301	13,949,166	-	4,732,255	51,094,290	7.30	2,460
2006	749,910	-	15,370,000	-	-	10,120,833	-	842,007	27,082,750	4.31	1,327

(1) See Demographics and Economic Statistics Table

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

CITY OF ARNOLD, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AUGUST 31, 2015

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share Of Overlapping Debt</u>
The Junior College District of Jefferson County	\$ 12,749,143	9.90 %	\$ 1,262,165
Consolidated School No. 6 of Jefferson County	<u>63,927,138</u>	33.51	<u>21,421,984</u>
	76,676,281		22,684,149
City direct debt	<u>46,976,580</u>	100.00 %	<u>46,976,580</u>
Total Direct And Overlapping Debt	<u><u>\$ 123,652,861</u></u>		<u><u>\$ 69,660,729</u></u>

Source: Information was obtained by contacting the Taxing Jurisdiction and the Jefferson County Collector's office. The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

CITY OF ARNOLD, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt limit	\$ 35,712,870	35,185,812	36,029,611	36,369,775	36,055,771	35,520,119	34,691,869	33,081,629	30,513,314	28,247,720
Net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 35,712,870</u>	<u>35,185,812</u>	<u>36,029,611</u>	<u>36,369,775</u>	<u>36,055,771</u>	<u>35,520,119</u>	<u>34,691,869</u>	<u>33,081,629</u>	<u>30,513,314</u>	<u>28,247,720</u>
Total Net Debt Applicable To The Limit As Percentage Of Debt Limit	-	%	-	-	-	-	-	-	-	-

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

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

Fiscal Year	Population (1)	Median Age (2)	Personal Income (1)	Per Capita Income (2)	School Enrollment	Jefferson County Unemployment Rate (3)
2015	21,243	40.4	\$ 784,865,121	\$ 36,947	11,677	4.8 %
2014	21,134	39.1	761,119,876	36,014	11,567	6.0
2013	21,013	38.6	756,404,961	35,997	11,564	6.5
2012	20,837	42.1	722,647,997	34,681	11,614	7.2
2011	20,808	39.9	721,642,248	34,681	11,690	8.4
2010	20,609	40.1	682,446,426	33,114	11,767	9.5
2009	20,603	40.1	684,699,499	33,233	11,646	10.3
2008	20,589	34.9	705,873,276	34,284	11,535	7.4
2007	20,566	36.7	699,537,372	34,014	11,459	5.4
2006	20,413	36.7	628,393,792	30,784	11,459	5.6

(1) Source: U.S. Census Bureau

(2) Source: Department of Commerce Bureau of Economic Analysis

(3) Source: Federal Reserve Economic Data

CITY OF ARNOLD, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percent Of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent Of Total City Employment</u>
Convergy's Corporation	905	1	4.50 %	1,100	1	5.47 %
Fox School District	785	2	3.91	-	-	-
Wal-Mart	384	3	1.91	328	3	1.63
Metal Container Corporation	250	4	1.24	188	6	0.94
LMC Industries	250	5	1.24	350	2	1.74
Kohl's Department Store	187	6	0.93	106	10	0.53
Schnucks	158	7	0.79	230	4	1.14
Texas Roadhouse	150	8	0.75	136	9	0.68
Sinclair & Rush	150	9	0.75	205	5	1.02
Target	148	10	0.74	-	-	-
Dierbergs	142	11	0.71	-	-	-
Lowe's	118	12	0.59	-	-	-
City of Arnold	117	13	0.58	-	-	-
Shop & Save	112	14	0.56	127	8	-
Home Depot	107	15	0.53	150	7	0.63
Total	<u>3,963</u>		<u>19.73 %</u>	<u>2,920</u>		<u>13.78 %</u>

Source: City Clerk's office

CITY OF ARNOLD, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Full-Time Equivalent Employees As Of August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government:										
Legislative services	1	1	1	1	1	1	1	1	1	1
Administrative services	5	6	6	6	7	7	8	8	8	7
Maintenance of municipal property	3	2	2	-	-	-	-	1	1	1
Municipal court	2	2	2	2	2	2	2	2	2	2
Finance	4	4	4	4	4	4	4	4	4	4
Police:										
Officers	47	47	47	47	45	47	49	48	48	48
Administrative services	3	3	3	3	3	3	3	4	4	4
Dispatch	8	8	8	8	8	8	8	8	8	7
Public works:										
Administration	3	3	3	3	3	3	3	3	3	2
Street maintenance	9	10	9	8	9	8	8	8	8	8
Fleet	2	2	2	2	2	2	2	2	2	2
Building department:										
Administration	4	4	5	5	5	4	4	4	4	4
Inspectors	2	2	2	2	1	1	2	2	2	2
Engineers	1	1	1	1	1	1	1	1	1	1
Parks and recreation:										
Administration	3	3	6	4	3	1	3	3	3	3
Maintenance	12	12	10	6	6	6	6	6	6	4
Supervisors	2	2	1	1	1	1	1	2	2	2
Seasonal and part-time programs	13	13	12	-	-	-	-	-	-	-
Sewer:										
Maintenance	-	8	7	7	7	8	7	6	5	5
Storm water:										
Maintenance	5	5	5	5	5	4	4	2	2	-
Health department:										
Administration	1	1	1	1	1	1	1	1	1	1
Rabies controller	2	2	2	2	2	2	2	1	1	2
Golf course:										
Administration	1	1	3	2	2	2	2	2	2	-
Maintenance	2	2	5	1	1	1	1	1	1	-
Seasonal and part-time	5	5	2	-	-	-	-	-	-	-

Source: City payroll department records

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

FUNCTIONS/PROGRAMS	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police - patrol:										
Arrests	2,014	2,186	1,943	2,455	2,110	2,173	1,748	1,561	1,932	2,183
Traffic citations	7,687	8,105	8,075	10,451	9,345	9,263	13,740	7,178	9,657	8,039
Crime reports	14,408	14,074	12,230	14,552	13,996	14,417	14,970	15,598	15,741	15,072
Accident reports	775	712	603	730	798	776	912	1,048	964	1,009
Warrants	2,999	4,751	4,650	3,026	3,274	2,955	2,497	2,145	2,132	2,427
Public works:										
Road repair - tons of mix	311	4,100	4,500	1,252	806	2,248	1,684	511	816	N/A
Traffic control signs serviced	100	200	300	13	10	8	8	30	26	19
Weed violations issued - HW	321	150	186	164	238	181	159	117	172	140
Acres mowed and maintained	7	15	10	25	25	25	25	25	25	25
Parks and recreation: (2)										
Park program participants	990	1,944	1,443	2,591	-	-	-	-	-	-
Park pavilion rentals	918	537	511	535	-	-	-	-	-	-
Recreation Center memberships	2,976	3,434	4,019	3,433	-	-	-	-	-	-
Recreation Center program participants	6,675	5,766	6,885	6,624	-	-	-	-	-	-
Recreation Center room rentals	1,101	1,136	1,264	1,325	-	-	-	-	-	-
Member golf rounds	2,832	3,596	4,957	5,870	-	-	-	-	-	-
9-hole golf rounds	5,114	5,862	5,708	4,767	-	-	-	-	-	-
18-hole golf rounds	6,158	9,982	9,485	11,036	-	-	-	-	-	-
All other golf rounds	981	1,294	1,802	7,701	-	-	-	-	-	-
Planning and building:										
Site development/concept plans	26	24	23	21	22	21	23	25	43	67
Rezoning applications	2	3	2	3	3	4	1	6	6	5
Text amendments	3	1	2	4	3	1	4	5	8	3
Building permits issued	568	559	595	503	539	480	427	499	633	622
Building inspections completed	3,006	2,431	2,899	2,952	2,661	2,520	2,448	2,756	3,200	N/A
Finance and administration:										
Merchant licenses issued (1)	665	661	655	90	91	68	80	83	86	83
Payroll checks issued	5,061	5,138	5,081	4,977	4,842	4,995	4,799	4,677	4,548	4,151
Accounts payable processed	4,537	4,795	4,919	4,686	4,444	4,788	5,011	5,472	4,926	4,419
Requests for public records	30	32	53	35	71	34	25	44	49	34

Source: City records - various departments listed

(1) Note: Prior to 2013 merchant licenses only included merchants headquartered in the City. Starting in 2013 all merchants are included.

(2) Note: information prior to 2012 not available.

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

FUNCTIONS/PROGRAMS	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	24	31	31	31	31	31	29	29	29	29
Motorcycles	2	2	2	2	2	2	2	2	2	2
Public works:										
Miles of streets	80	80	80	80	80	80	80	80	81	81
Traffic lights and signals	7	6	6	6	6	6	6	6	3	3
Miles of sanitary sewers	-	112.1	112.1	112.1	112.1	112.1	112.1	107.6	98.5	98.5
Miles of storm sewers	60.0	60.0	59.0	59.0	58.0	58.0	57.0	55.0	7.4	7.4
Number of pumping stations	-	6	6	6	6	6	6	5	9	9
Parks and recreation:										
Number of parks	5	5	5	5	5	5	5	5	5	5
Acres of parks	488	488	488	485	485	485	485	485	485	485
Tennis courts	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Swimming pools	2	2	2	2	2	2	2	3	3	3
Golf course	1	1	1	1	1	1	1	1	1	-

Source: City finance department records