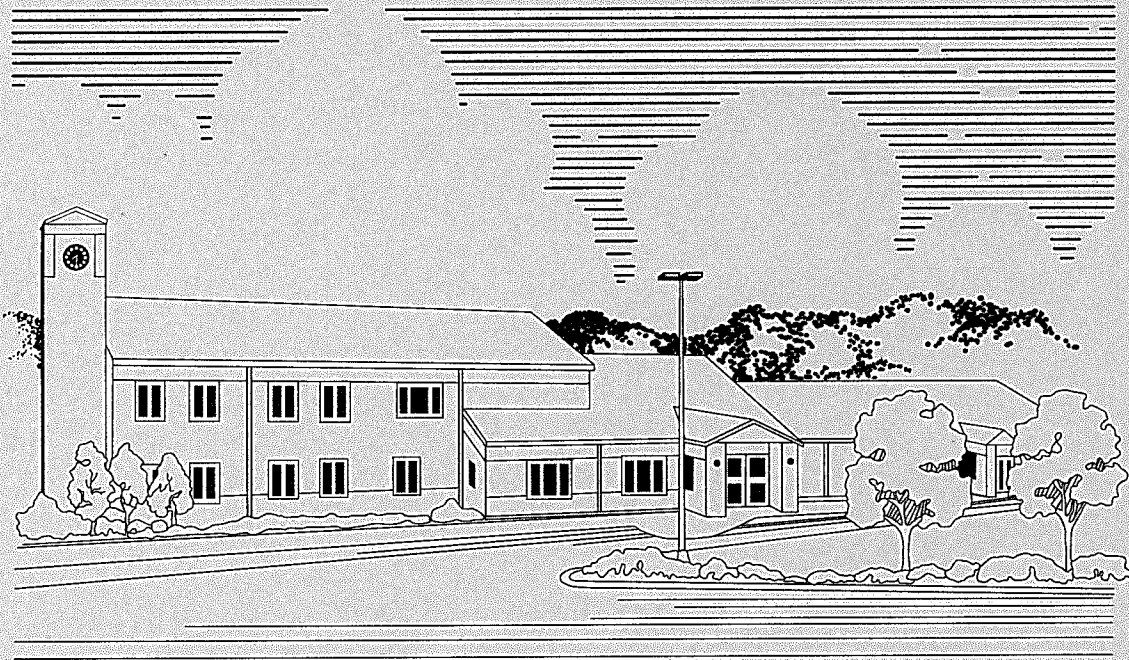


CITY OF ARNOLD, MISSOURI

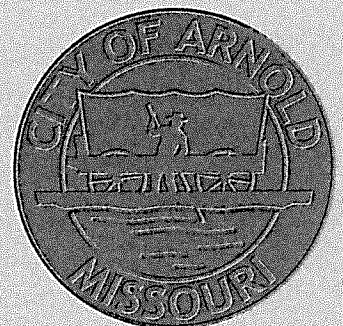
Comprehensive Annual Financial Report For The Fiscal Year Ended August 31, 2021



CITY OF ARNOLD, MISSOURI

Comprehensive Annual Financial Report
For The Fiscal Year Ended August 31, 2021

Prepared by the
Finance Department

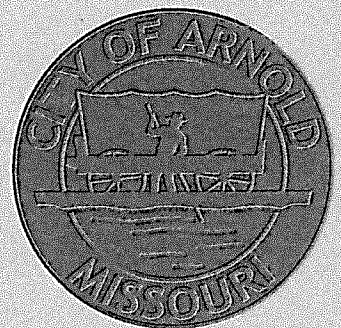


CITY OF ARNOLD, MISSOURI
FINANCIAL REPORT

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INTRODUCTION





May 23, 2022

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, 2021, 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.

Sikich 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, 2021, 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, 2021, are fairly presented in conformity with U.S. generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

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 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 20,858 residents in 8,278 households based on www.census.gov estimates as of July 1, 2020 and occupies an area of approximately 11.58 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 of Arnold continues to remain stable. 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.

In December 2021, the Federal Reserve Bank of St Louis reported that as of August 2021, the seasonally-unadjusted unemployment rate for Jefferson County is at 3.2% down 2.7 percentage points from 5.9% in August 2020. By comparison, as of August 2021, the unemployment rate for the State of Missouri was 3.5% while August 2020 was 6.1%. The St Louis metropolitan statistical area which includes some Illinois counties was 4.2% as of August 2021 and 6.9% for the same period last year. The adjacent counties of St. Louis, Franklin, and Washington were reported at 3.7%, 3.2%, and 3.9% in August 2021, respectively. From a high of 10.6% in January 2010, the August 2021 United States civilian unemployment rate of 5.3% has increased since its pre-recession level (August 2007; 4.6%) due to the Covid pandemic.

The residential real estate tax base for fiscal year 2021 showed an increase of approximately 12.9% over last year's levels. The City's residential stock, geographic location and variety of services have kept real estate marketable. Although the City is

close to being built-out, newer projects still underway include the development of 144 residential units called Henley Wood subdivision and expansion of the Strawberry Ridge subdivision called The Enclave at Strawberry Ridge to include 12 villas. The appraised value of commercial real estate within the City increased 0.43% during the same period. The potential for further retail and industrial development remains favorable, the number of existing commercial vacancies and corresponding days dormant has increased in older developments.

The City's revenue structure relies primarily on sales taxes and gross receipts utility taxes. Utility tax receipts from the electric, gas, and cable companies continue to hold even or increase at a modest rate. A continued dip in telecommunications gross receipts tax has been attributed to changes in telecom marketing strategies and a shift by consumers to mobile services over landline services. City general sales tax receipts for fiscal year 2021 were higher than last year with an increase of 8.58% compared to 2020. 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 8.88% over the net tax for the prior fiscal year. We have projected a 3.0% increase in gross sales tax for fiscal year 2022 and will re-evaluate as the fiscal year progresses.

Due to the state of the local economy and its financial policies and practices, the City of Arnold received a credit rating of A+/Stable from Standard & Poor's in 2010. This rating was reviewed and reaffirmed in 2015, 2017 and 2019.

Long-term Financial Planning

The annual budget serves as the foundation for the City's financial planning and control. The City bases its revenue and expenditure assumptions on historical data and trends, with future costs derived from basic inflationary cost assumptions and known costs. Throughout the fiscal year, the city administrator meets to monitor trends in monthly revenue and expenditure activity, prioritize capital needs, review financial policies and work with mayor and council to develop fees for services. Actual revenue results for the past five years are analyzed for any developing trends and to aid in forecasting funding for the new budget year. 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 expenditure budget based on the anticipated revenues forecasted.

Initial draft budget documents are refined through a series of reviews attended by the mayor, staff and interested councilpersons. Based on discussion during these meetings and according to City policy, 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).

During the year, 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.

Major Budget and other Initiatives

The City desires to plan for its success 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. ACC-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 provides an estimated 70 new manufacturing jobs and insures Metal Container Corporation's presence in the City well into the future.

Additionally, in May 2019 issued new Chapter 100 bonds, with a maximum principal amount of \$10 million, for the construction of an approximately 70,000 square foot senior living facility by Cedarhurst of Arnold Real Estate, LLC.

Construction was completed in 2020 on the Jeffco-Tenbrook intersection funded in part by a federal congestion mitigation air quality grant award.

In January 2016, city council established a five-year street and road improvement plan and earmarking \$2.5 million in sewer system sale proceeds as funding. In year two, commercial streets; sections of Arnold Tenbrook, the Richardson Road intersection at St. John's Crossing and Manufacturer's Drive were replaced. The City completed asphalt overlay of approximately 10,400 square yards and concrete of approximately 48,000 square yards on various streets in 2021. In 2020 street and storm water improvements were started on Melody and Harmony Lanes and completed in 2021. A new Director of Public Works started in 2020 and is studying additional projects including road projects and an upgrade to the public works facilities (which was started in 2020 and substantially completed in 2021).

In keeping with the City's focus on enhancing the leisure life provided residents, the City continues to acquire where possible additional properties to expand the footprint of the Arnold City Park. A new larger dog park with added amenities and features in Ferd B. Lang Park was completed in 2019 and replaces the existing dog areas in both Ferd B. Lang and Arnold City Park. The municipal golf course was permanently closed in 2020 and converted to Pomme Creek Park which features extensive walking and bicycling paths as well as ample open space that could be used for future park developments. Additionally, the City started on an American's with Disabilities Act (ADA) Transition and Bike Path Plan to make the City more accessible and connected. Also, a project for maintenance and renovation of the exterior and landscaping of the City Hall complex was started in 2021, to be completed in 2022.

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 to develop programs to enhance the services it offers to residents and to attract and support local business.

In 2016, the Arnold Community Foundation was established as an agency of the city to promote the general welfare by enriching the quality of life for its residents. The Foundation Board finalized its bylaws in 2017 and has the stated goals of: supporting community benefit activities, helping to support improvements in Parks & Recreation, and coordinating community beautification projects.

Technological improvements continue to play an important role in this year's activities. Current projects include additional firewall-related security enhancements to the City's network infrastructure. The City's main accounting and community development software systems were upgraded in 2021 utilizing funds from the Coronavirus Aid, Relief, and Economic Security (CARES) ACT as well as other minor support systems and equipment.

There were six houses identified in 2020 that qualified for FEMA flood buyout grants (from prior years' flooding). These houses were acquired in 2020 with demolition completed in 2021 as well as FEMA grant reimbursement received in 2021. The intent is that these properties will be added to existing City property. Also, completed the Melody Lane / Key West Drive areas as part of a storm water upgrade project that had been planned for 2020/2021.

Relevant Financial Policies

The City of Arnold has an established set of financial policies under which it operates. The most recently adopted is its Fund Balance Policy. Due to the General Fund's reliance on sales tax revenue, the City's Fund Balance Policy anticipates a target unassigned fund balance of not less than 34% or four months of annual operating revenues for the fiscal year and requires a plan of action to restore the balance if it falls below this level. For fiscal 2021, the General Fund unassigned fund balance of \$2,790,926 is approximately 16.36% of total revenues.

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, 2020. This is the 32nd 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 U.S. generally accepted accounting principles and applicable legal requirements.

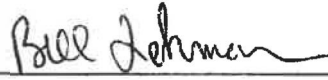
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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



Bill Lehmann
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Arnold
Missouri**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2020

Christopher P. Morill

Executive Director/CEO

CITY OF ARNOLD, MISSOURI
PRINCIPAL OFFICIALS

Ron Counts

Mayor

Council

EJ Fleischmann
Jason Fulbright
Tim Seidenstricker
Brian McArthur
Mark Hood
Rodney Mullins
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

Bill Lehmann

Finance Director

Robert Shockey

Chief of Police

David Bookless

Community Development Director

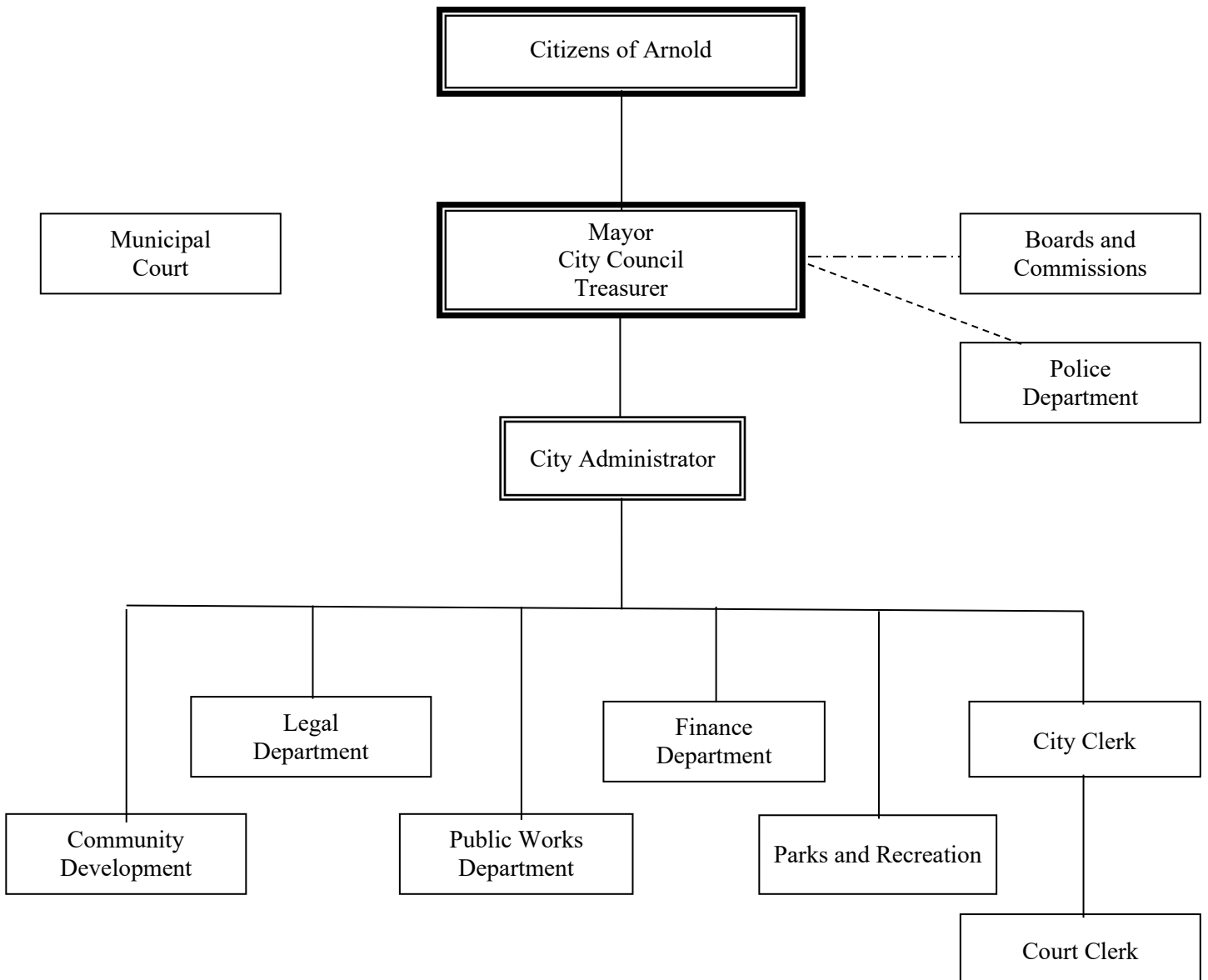
Judy Wagner

Public Works Director

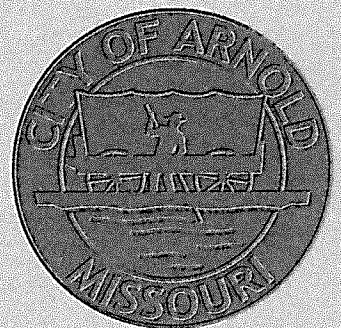
Dickie Brown

Parks and Recreation Director

City of Arnold Organization Chart



FINANCIAL



INDEPENDENT AUDITOR'S REPORT

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

opinion. An audit also 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, 2021, 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.

Adjustments to Prior Period Financial Statements

The financial statements as of August 31, 2020, were audited by Hochschild, Bloom & Company LLP who merged with Sikich LLP as of January 1, 2021, and whose report dated February 25, 2021, expressed an unmodified opinion on those statements. Hochschild, Bloom & Company LLP reported on the August 31, 2020 financial statements before the restatement.

As part of our audit of the 2021 financial statements we also audited adjustments described in Note O that were applied to restate the 2020 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2020 financial statements of the City other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2020 financial statements as a whole.

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.

The City has omitted the schedules of changes for the net pension liability and related ratios, for the Police Pension Plan for the year ended August 31, 2014 and the 2014 and 2015 money-weighted rate of return that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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 May 23, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

Washington, Missouri
May 23, 2022

CITY OF ARNOLD, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED AUGUST 31, 2021

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, 2021. 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 \$64,962,313 (*net position*). The City has a deficit unrestricted net position of \$14,264,619 due to \$19,220,774 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 \$63,305,874 and \$1,656,439 respectively, at fiscal year-end. The City's total net position increased by \$3,039,682 during the fiscal year. The combined governmental activities increased by \$6,351,271 while the combined business-type activities decreased by \$3,311,589.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$10,922,269, a decrease of \$4,171,479 in comparison with the prior year. Approximately 25.55% of this amount or \$2,790,926 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 \$4,853,635 or approximately 22.10% of total General Fund expenditures.
- The City's total outstanding long-term debt, including compensated absences, decreased by \$3,911,349 during the current fiscal year to a total of \$32,612,212. In December 2016, Series 2016 of Tax Increment Revenue Bonds (TIF) were issued to refund the Series 2009 TIF bonds. The Series 2017 Leasehold Revenue Bonds were issued in August 2017 refunding the Series 2010 Leasehold Revenue Bonds. In May 2019 the Series 2019 Certificates of Participation were issued to refund the Series 2012 Certificates

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

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2021**

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.

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 the 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**

	Fund Statements			
	Government-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds) and the City's component units	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: golf course and storm water system	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 * Statement of activities	* Balance Sheet * Statement of revenues, expenditures, and changes in fund balance	* Statement of net position * Statement of revenues, expenses, and changes in net position	* Statement of fiduciary 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 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 the 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 the 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.

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Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term 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 non-major 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 system and the Arnold City 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 assets and a statement of changes in fiduciary net assets. 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 58 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 59 through 69 of this report. Other supplemental information found on pages 70 through 76 contain comparative governmental funds statements and combining and individual statements for the non-major governmental funds.

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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 \$64,962,313 at the close of the most recent fiscal year. This represents an increase in net position of 4.91% or \$3,039,682 higher than fiscal 2020. (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 pension) however, its unrestricted net position had a deficit balance of \$14,264,619.

Table A-2
City of Arnold's Net Position as of August 31, 2020 and 2021
(In thousands of dollars)

	<i>Governmental</i>		<i>Business-type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	2020	2021	2020	2021	2020	2021
Current and other assets	\$ 24,203	26,798	650	981	24,853	27,779
Capital assets	70,490	76,151	4,931	1,334	75,422	77,485
Total assets	94,693	102,949	5,582	2,315	100,275	105,264
Total Deferred Outflows of Resources	4,530	3,245	57	7	4,588	3,252
Long-term debt outstanding	37,894	32,896	462	282	38,356	33,178
Other liabilities	4,391	4,765	198	150	4,589	4,915
Total liabilities	42,285	37,661	660	432	42,946	38,093
Total Deferred Inflows of Resources	520	5,227	10	234	531	5,461
Net Investment in capital assets	59,472	64,939	4,588	1,052	64,060	65,991
Restricted for capital improvements	5,569	5,972	-	-	5,569	5,972
Restricted for debt service	1,415	1,416	-	-	1,415	1,416
Restricted for public safety	17	9	-	-	17	9
Restricted for tax increment financing	3,209	3,348	-	-	3,209	3,348
Restricted for tourism	311	415	-	-	311	415
Restricted for pension	405	2,030	-	46	405	2,076
Unrestricted	(13,980)	(14,823)	380	558	(13,600)	(14,265)
Total net position	\$ 56,418	63,306	4,968	1,656	61,386	64,962

The largest portion of the City's net position, \$65,990,668 in 2021 (an increase of approximately 3.01% from 2020), 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

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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.

An additional portion of the City's net position, \$13,236,264 represents resources that are subject to external restrictions on how they may be used. Of this amount, \$ 1,416,428 or 10.7 % is restricted by debt covenants while use of the remaining, \$11,819,836 is restricted by other governmental entities.

The remaining category of the City's net position represents a deficit balance of *unrestricted net position* totaling \$14,264,619 in 2021. This represents a decreased deficit balance change as compared to the prior year's unrestricted net position of \$664,647 or 4.9%.

Table A-3
Change in City's Net Positions for the Years Ended August 31, 2020 and 2021
(In thousands of dollars)

			<i>Governmental Activities</i>					
	2020	2021	2020	2021	2020	2021		2020-2021
Revenues								
Program revenues:								
Charges for services	2,745	2,440	591	610	3,336	3,050	(8.60)	%
Operating grants	1,176	2,014	-	-	1,176	2,014	71.30	
Capital grants	476	15	-	-	476	15	(96.84)	
General revenues:								
Taxes	17,939	18,707	-	-	17,939	18,707	4.28	
Investment income	188	14	-	-	188	14	(92.62)	
Miscellaneous	123	311	-	-	123	311	153.60	
Gain on sales of asset	-	108	-	3	-	111	-	
Total revenues	<u>22,647</u>	<u>23,609</u>	<u>591</u>	<u>613</u>	<u>23,238</u>	<u>24,222</u>	4.23	
Expenses								
General government	4,020	3,813	-	-	4,020	3,813	(5.15)	
Public safety	7,766	7,352	-	-	7,766	7,352	(5.33)	
Public works	713	651	-	-	713	651	(8.63)	
Highways and streets	3,963	4,458	-	-	3,963	4,458	12.48	
Parks and recreation	2,608	2,172	-	-	2,608	2,172	(16.70)	
Health and sanitation	405	213	-	-	405	213	(47.42)	
Economic Development	126	129	-	-	126	129	1.89	
Storm Water system	-	-	552	615	552	615	11.16	
Golf Course	-	-	149	1	149	1	(99.26)	
Interest on long-term debt	2,038	1,779	-	-	2,038	1,779	(12.71)	
Total expenses	<u>21,639</u>	<u>20,567</u>	<u>701</u>	<u>616</u>	<u>22,340</u>	<u>21,183</u>	(5.18)	
Excess (deficiency) before special items and transfers	1,008	3,042	(110)	(3)	898	3,039	238.59	
Transfers	-	3,309	-	(3,309)	-	-	-	
Increase (decrease) in net position	<u>1,008</u>	<u>6,351</u>	<u>(110)</u>	<u>(3,312)</u>	<u>898</u>	<u>3,039</u>	238.59	
Net Position - September 1	55,312	56,418	5,078	4,968	60,390	61,386	2.54	
Restatement for capital assets and receivables	98	537	-	-	98	537		
Net position - September 1, as restated	<u>55,410</u>	<u>56,955</u>	<u>5,078</u>	<u>4,968</u>	<u>60,488</u>	<u>61,923</u>	2.37	
Net position - August 31	<u>56,418</u>	<u>63,306</u>	<u>4,968</u>	<u>1,656</u>	<u>61,386</u>	<u>64,962</u>	5.66	%

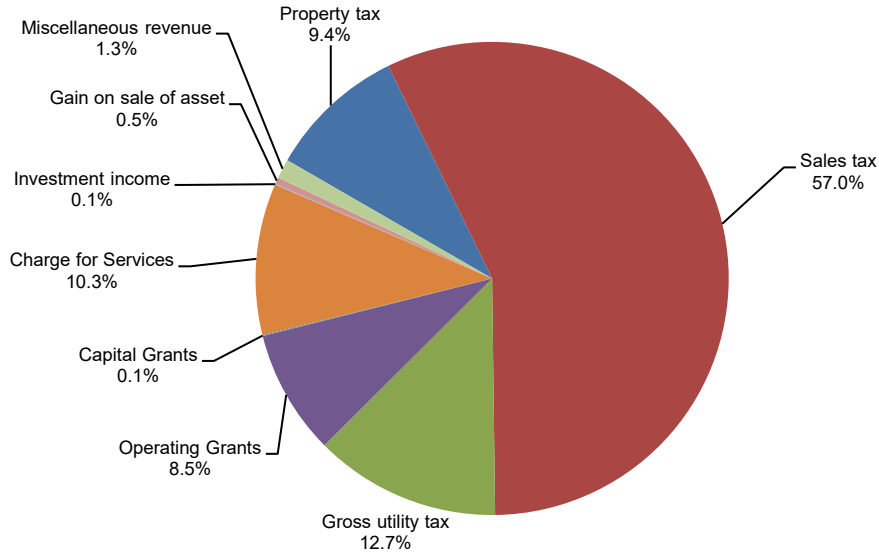
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Governmental activities. Governmental activities increased the City's net position by \$6,351,271. Key elements of this net increase are as follows:

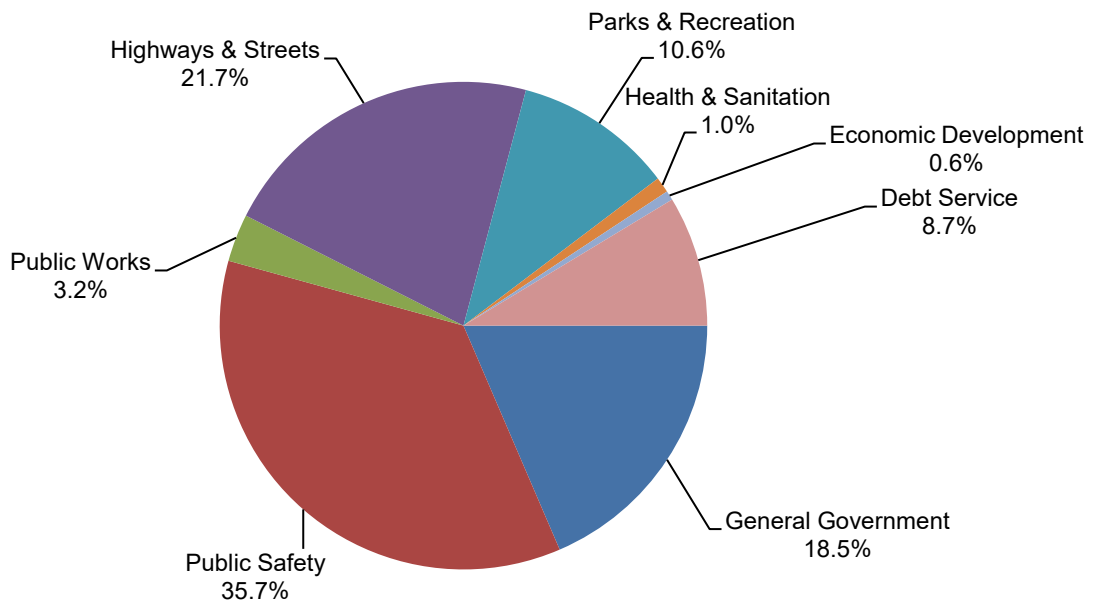
- Real property assessed valuations increased \$2,637,170 or 0.852%. Residential property values increased \$2,047,500 or 1.11% while commercial values including railroads & utilities increased \$212,331 or 0.16%. In compliance with the Hancock Amendment, the City held its property tax levy unchanged from .3837 cents/\$100 in assessed valuation, in 2020, to .3837 cents for fiscal year 2021. Triangle TIF District revenues were down by \$1,275. General Fund property tax revenues also increased approximately 3.93% or \$46,543.
- Sales tax revenues were \$953,610 or 7.64% higher than last year. Sales tax within the TIF Districts increased \$40,601 or 1.43%. Tourism tax received from the local hotels decreased \$12,112 or 11.6%.
- Overall gross receipts tax revenues decreased \$65,265 or approximately 2.13% for the year. Goss receipts tax on waste water treatment showed an increase in revenue over last year of \$10,425 or 4.01%. Cable TV fees decreased by 9.4% or 14,981 as traditional cable and other similar services continue to be flat ground against new streaming services available. Gas utility tax revenues remained flat increasing by \$15 (0%), while electric utility tax revenues increased \$4,722 or 0.24% above last year primarily due to fluctuations in temperature from 2020 to 2021. Variance swings in electric and gas revenues occur each year based on the weather that the area experiences. Telephone utility tax continued to decline showing a drop of \$65,448 or 22.07% which is consistent with the established trend as telecom companies change pricing strategies and consumers continue to eliminate residential landlines in favor of cellular service only.
- Overall charges for services were less than 2020 by \$305,223 or 11.12%. Fees for general government decreased 20.40% or \$304,696 primarily due to delayed effects of Covid on business license fees. Public Safety revenues increased by \$7,752 or 1.43%. Of this amount, court fines and costs account for \$98,393, approximately 27.2% under last year's court revenues. Parks & recreation revenue decreased approximately 1.98% or \$13,143 primarily due to a decrease in revenues due to intermittent Covid-19 related facilities closures. However, this was a substantial rebound over the prior year which saw more months of closures. Membership revenues remained flat increasing by \$128 or 0.07%, pool daily admissions increased by \$19,166 or 24.98% and correspondingly concessions increased by \$30,385 or 113.65%. Health and sanitation revenues increased by \$4,864 or 10.94%.
- Capital Grants and Contributions decreased by \$461,182 or 96.84% this fiscal year due to having received large grants primarily for road-related projects in the prior year. Operating grants and contributions showed an increase of \$838,438 or approximately 71.30% more than last year primarily due to Covid related relief funds.
- The City permanently closed the municipal golf course in January 2020 and as a result the golf course proceeded to wind down operations. This process was completed in fiscal year 2021 and resulted in the Golf Fund transferring \$3,622,481 in capital assets including \$182,708 of accumulated depreciation to the General Fund.

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**Figure A-1
Sources of Revenue - Governmental Activities**



**Figure A-2
Expenses by Function - Governmental Activities**



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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 \$20,567,146.
- However, the amount that our taxpayers paid for these activities through City taxes was \$16.10 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.

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

	Total Cost of Services		Percentage Change		Net Cost of Services		Percentage Change
	2020	2021	2020-2021		2020	2021	2020-2021
General government	\$ 4,020	3,813	(5.15) %	\$	2,526	2,617	3.58 %
Public safety	7,766	7,352	(5.33)		7,106	5,924	(16.64)
Public works	713	651	(8.63)		693	636	(8.20)
Highways and streets	3,963	4,458	12.48		2,451	3,331	35.88
Parks and recreation	2,608	2,172	(16.70)		1,942	1,520	(21.74)
Health and sanitation	405	213	(47.42)		360	164	(54.56)
Economic development	126	128	1.89		126	128	1.59
Interest on long-term debt	2,038	1,779	(12.71)		2,038	1,779	(12.70)
Total	<u>\$ 21,639</u>	<u>20,567</u>	(4.95) %	<u>\$</u>	<u>17,242</u>	<u>16,098</u>	(8.64) %

Business-type activities. Business activities decreased the City's net position by \$3,111,589 primarily due to the permanent closure of the municipal golf course and related transfers of capital assets. Other components are as follows:

- Storm water charges for services increased \$53,706 or approximately 9.72% while cost of services increased \$61,710 or approximately 11.16% during the current year. No major in-house projects were begun this year; some preliminary engineering was completed for contemplated future projects.
- Charges for services decreased \$35,462 or approximately 90.88% at the City's public golf course this year over last due to decision to permanently close the golf course effective January 1, 2020 due to extended flooding over the past several years. Operating expenses decreased \$147,981 or 99.23%.

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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, in past years, the City has transferred funds from the General Fund to eliminate the negative cash position in the Golf Fund. The City did not make a transfer in fiscal year 2020 due to the permanent closure of the golf course in January 2020. After all wind down costs were captured the City transferred \$3,622,481 in capital assets to the General Fund which includes \$182,708 of accumulated depreciation in fiscal year 2021. The City's General Fund balance decreased by \$4,737,224 as compared with the prior year, leaving the General Fund with an ending fund balance of \$5,701,276. The majority of the decrease (69.06%) is attributed to major roads projects totaling \$3,271,648. Of the ending General Fund balance amount \$705,957 represents prepaid items and is nonspendable. The City Council has committed portions of fund balance as follows: 1) \$578,062 for capital projects, 2) \$84,365 for greenway beautification, and, 3) \$758,056 for economic development. Assigned for use in the future budget is \$642,226 which includes various street repairs and projects. The remaining unassigned fund balance is \$2,790,926.

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 \$0. Of this balance, prepaid items totaling \$0 are reported as non-spendable while the remaining \$0 is reported as restricted. It is the City's policy to make a transfer from the General Fund to zero out any deficiency in Recreation Center ending fund balance. \$415,674 was transferred for this purpose in fiscal year 2021. As predicted prior to building the recreation center, sales tax receipts are intended to be 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 \$4,764,540 or an increase of \$140,665 or approximately 3.04% above last year. All of this amount is restricted for debt service. In December 2016, the City refunded the Series 2009 Triangle TIF bonds and issued Series 2016 bonds in the amount of \$27,674,501 for the Arnold Commons TIF project. As of August 2021, \$17,529,501 remains outstanding on the Series 2016 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 2021, \$0 remains outstanding on the Arnold Crossroads and \$1,691,273 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 unrestricted net position for the Storm Water Fund is \$558,427, a decrease of \$36,871 from prior year. The Golf Fund ended the year with an unrestricted net position of \$0 as the Fund was closed out in fiscal year 2021 due to the permanent closure of the golf course which has been converted to a city park.

GENERAL FUND BUDGETARY HIGHLIGHTS

Results for the General Fund this year were greater than anticipated by \$249,254. Actual total revenues were \$352,797 greater than final budget primarily due to intergovernmental transfer being higher than expected. However, Covid-19 did affect tax-based revenues due to a dampening of some revenue generating activities. Total expenditures were \$1,046,850 lower than budget. Proceeds from capital leases, insurance proceeds, proceeds from the sale of capital assets, and transfers totaling \$1,150,393 account for the remaining variance to budget.

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Total tax revenue was below final estimated budget by \$529,654 or approximately 3.83%. Property tax revenues were \$26,565 below budget or 2.19%. Sales tax revenues were \$290,548 or 3.33% lower than final budget due to Covid effects. Gross receipts tax was \$216,497 or 7.04% lower than final budget. Electrical and gas consumption were under budget by \$107,719 or 5.21% and under budget by \$26,437 or 6.22% respectively. Telephone tax fell short of final budget expectations by \$78,612 or approximately 25.39%. Sewer utility tax receipts were under budget expectations by \$3,729 or 1.36%. Motor fuel tax was \$3,314 under budget or 0.60%.

Licenses and permits ended the fiscal year lower than budget by approximately 18.35% or \$309,901. Licenses to do business in the City were \$349,693 or 29.14% under budget. The budget is usually adjusted at mid-year based on the number of permits issued but due a change in the calculation used on the business license total the total number was not readily able to be forecasted. Building, mechanical and existing structure permits were less than projected estimates by \$36,677 or almost 18.02%. Animal licenses exceeded budget by \$7,327 or approximately 19.26%. Covid continued to affect some parts of the economy in fiscal year 2021. Although, glimpses of owner/operator confidence to begin or expand business and consumers having additional discretionary income started to emerge near the end of the year.

Fines and court costs were under budget estimate by \$291,316 or 52.49%. Fines were under final budget by 52.88% or \$267,043. Court costs were also under budget estimate \$24,274 or 48.55%.

Intergovernmental revenues were above budget by \$1,311,140 or 366.2% due to timing of grant reimbursements received.

Charges for service revenues were under budget estimate by \$41,212 or approximately 41.8%.

Miscellaneous revenues were above budget by \$259,087 or 529.02% primarily due Covid-related grants received.

General government actual expenditures were under the final budget by just over 4.5% or \$1,046,850. This was due to several factors including buildings expense being under budget by \$369,173 or 97.2%; road projects expense was \$350,065 or 17.5% under budget; lastly, engineering was \$254,570 under budget or 76.91% due to planned projects being delayed.

Public safety actual expenditures were under budget \$104,396 or 1.3%. Of this variance, the police budget was under budget by \$70,772 or 1.02%. Dispatch was under the adjusted budget by \$34,072 or 8.22%.

The public works budget shows a favorable variance of \$651,993 or 46.03% primarily due to project delays.

Highway and street expenditures were lower than estimated by \$173,160 or 13.6%.

Parks and recreation expenses were lower than final budget by \$96,715 or 9.01% primarily due to the Covid-19 pandemic creating necessitated closings of some facilities throughout the first half of the fiscal year which caused cancellation of certain planned events. Park programs were \$39,440 (35.2%) under final budget.

Total health and sanitation expenses finished 2021 under budget by \$68,975 or 21.4% primarily due to a resolution passed in 2017 which transitions the cost of solid waste pickup from the City to the solid waste customers over a six-year period.

Capital outlays finished under budget by \$205,751 or 3.15%.

Debt service variance was over budget by \$294,644 or 63.9% due to capital lease payments for equipment received.

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, 2021, amounted to \$77,485,637 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, and bridges. The increase in the City's investment in capital assets for the current fiscal year was 2.74% (governmental activities increased 8.03% and a 72.94% decrease for business-type activities). (See table A-5)

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

- General Fund included new windows at city hall (\$41,917), a new roof at city hall (\$58,141), electric and HVAC improvements at the animal control/public health building (\$55,939), city hall irrigation/landscaping, the acquisition of three 2020 Ford Escapes for the building department (\$72,450), a 2020 Ford Edge for public works (\$30,572), Incode 10 accounting software (\$156,214) and a thermal camera system (\$22,000).
- As part of the annual police vehicle replacement program, six police cars were purchased (\$383,156), seven vehicles were retired (fully depreciated) and two were donated to other police departments (at fully depreciated value)
- Highway & streets acquired a Crafcro Crack Sealer (\$49,423), a John Deere Cab Tractor (\$83,446), a John Deere Wildkat Mower (\$53,312) a 2022 International HV607 truck (\$141,917), and a 2021 Ford F-250 (\$34,480).
- The Parks / Rec Center upgraded the electric service at the farmer's market (\$25,495), replaced the uninterrupted power system at the Recreation Center (\$59,514), acquired the following vehicles: 2020 Ford F-150 Supercab (\$29,929), 2021 Ford F-350 Supercab (\$41,422), 2021 Ford Transit Connect (\$23,955), and ionization/air purifiers (\$27,180).

For more detailed information about the City's capital assets, see note C to the financial statements, pages 38 through 39.

**Table A-5
City's Capital Assets as of August 31, 2019 and 2020
(Net of depreciation)**

	Governmental		Business-type		Total	
	Activities		Activities		Capital Assets	
	2020	2021	2020	2021	2020	2021
Land	\$ 29,506,379	32,866,985	3,363,160	2,554	32,869,539	32,869,539
Buildings	9,559,294	9,292,446	285,334	211,814	9,844,628	9,504,260
Machinery and Equipment	608,188	870,942	469,979	328,679	1,078,167	1,199,621
Automobiles and trucks	793,097	1,271,259	-	-	793,097	1,271,259
Infrastructure	29,565,832	27,661,471	-	-	29,565,832	27,661,471
Storm Water lines	-	-	812,832	791,136	812,832	791,136
Construction in progress	457,436	4,188,351	-	-	457,436	4,188,351
Total	\$ 70,490,226	76,151,454	4,931,305	1,334,183	75,421,531	77,485,637

Long-term debt. At year-end the City had \$31,429,731 in bonds and notes outstanding - a decrease of 10.97% from last year - as shown in Table A-6.

For more detailed information about the City's long-term liabilities, see note D in the notes to financial statements, pages 40 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 \$40,855,439. The City currently has no general obligation debt outstanding.

**CITY OF ARNOLD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2021**

**Table A-6
City's Outstanding Debt as of August 31, 2020 and 2021
(In thousands of dollars)**

	Governmental		Business-type		Total		Percentage
	Activities		Activities				Change
	2020	2021	2020	2021	2020	2021	2020-2021
Revenue bonds and notes (backed by specific tax and fee revenues)	\$ 34,931	31,147	372	283	35,303	31,430	(10.97) %

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate, not seasonally adjusted, for Jefferson County for August 2021 was 3.2%, which is a decrease from a rate of 5.9% a year ago (primarily due to Covid pandemic). This is lower than the national and state's average unemployment rate of 4.7% and 4.1% respectively, all rates not seasonally adjusted.
- The Consumer Price Index (CPI-U) for All Urban Consumers indicates that nationwide inflation has increased 5.3% over the August 2020 rate. Inflationary trends for the Midwest region (5.7%) compare unfavorably to the Northeast (4.4%), South (5.6%) and West (5.0%) regions indices.

All of these factors were considered in preparing the City's budget for the 2021 fiscal year.

The property tax rate set to support the 2020 fiscal year budget is \$0.3630 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.

Incorporated into the budget for fiscal year 2021 is the third year of City's second bargaining agreement with the Fraternal Order of Police. This four-year agreement provides for annual wage increases and other changes for commissioned and other personnel.

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, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Transportation Development District
ASSETS				
Cash and investments	\$ 7,373,951	-	7,373,951	1,644,790
Receivables (net of allowances for uncollectibles):				
Taxes	4,166,961	-	4,166,961	624,305
Special assessments	1,020,615	-	1,020,615	-
Service fees	226,169	265,665	491,834	-
Intergovernmental	7,290	-	7,290	-
Miscellaneous	168,567	-	168,567	-
Prepaid items	706,032	-	706,032	-
Net pension asset	6,029,973	272,956	6,302,929	
Restricted assets:				
Cash and investments	1,568,577	-	1,568,577	-
Capital improvements sales tax receivable	5,971,901	-	5,971,901	-
Internal balances	(442,485)	442,485	-	-
Capital assets:				
Land and construction in progress	37,055,336	2,554	37,057,890	-
Other capital assets, net of accumulated depreciation	39,096,118	1,331,629	40,427,747	-
Total Assets	102,949,005	2,315,289	105,264,294	2,269,095
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	2,013,926	-	2,013,926	-
Deferred amounts related to OPEB	53,686	-	53,686	-
Deferred amounts related to pensions	1,177,436	7,013	1,184,449	-
Total Deferred Outflows Of Resources	3,245,048	7,013	3,252,061	-
LIABILITIES				
Accounts payable	2,483,320	12,720	2,496,040	129,573
Accrued liabilities	195,591	46,531	242,122	-
Accrued interest payable	1,952,098	-	1,952,098	59,100
Unearned revenue	133,993	90,472	224,465	-
Noncurrent liabilities:				
Due within one year:				
Long-term debt	1,701,482	91,840	1,793,322	-
Due in more than one year:				
Long-term debt	30,628,209	190,681	30,818,890	5,910,000
Total OPEB liability	565,904	-	565,904	-
Total Liabilities	37,660,597	432,244	38,092,841	6,098,673
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to OPEB	49,693	-	49,693	-
Deferred amounts related to pensions	5,177,889	233,619	5,411,508	-
Total Deferred Inflows Of Resources	5,227,582	233,619	5,461,201	-
NET POSITION				
Net investment in capital assets	64,939,006	1,051,662	65,990,668	-
Restricted for capital improvements	5,971,901	-	5,971,901	-
Restricted for debt service	1,416,428	-	1,416,428	408,611
Restricted for public safety	9,299	-	9,299	-
Restricted for tax increment financing	3,348,112	-	3,348,112	-
Restricted for tourism	414,654	-	414,654	-
Restricted for transportation development	-	-	-	20,150
Restricted for pension	2,029,520	46,350	2,075,870	-
Unrestricted net position	(14,823,046)	558,427	(14,264,619)	(4,258,339)
Total Net Position	\$ 63,305,874	1,656,439	64,962,313	(3,829,578)

CITY OF ARNOLD, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021

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	\$ 3,813,231	1,189,079	7,500	-	(2,616,652)	-	(2,616,652)	-
Public safety	7,352,137	549,072	879,420	-	(5,923,645)	-	(5,923,645)	-
Public works	651,244	-	-	15,056	(636,188)	-	(636,188)	-
Highways and streets	4,458,061	-	1,127,520	-	(3,330,541)	-	(3,330,541)	-
Parks and recreation	2,172,096	652,239	-	-	(1,519,857)	-	(1,519,857)	-
Health and sanitation	212,876	49,308	-	-	(163,568)	-	(163,568)	-
Economic development	128,306	-	-	-	(128,306)	-	(128,306)	-
Interest and fiscal charges on long-term debt	1,779,195	-	-	-	(1,779,195)	-	(1,779,195)	-
Total Governmental Activities	<u>20,567,146</u>	<u>2,439,698</u>	<u>2,014,440</u>	<u>15,056</u>	<u>(16,097,952)</u>	<u>-</u>	<u>(16,097,952)</u>	<u>-</u>
Business-type Activities								
Storm water	614,442	606,137	-	-	-	(8,305)	(8,305)	-
Golf	1,110	3,579	-	-	-	2,469	2,469	-
Total Business-type Activities	<u>615,552</u>	<u>609,716</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,836)</u>	<u>(5,836)</u>	<u>-</u>
Total Primary Government	<u>\$ 21,182,698</u>	<u>3,049,414</u>	<u>2,014,440</u>	<u>15,056</u>	<u>(16,097,952)</u>	<u>(5,836)</u>	<u>(16,103,788)</u>	<u>-</u>
Component Unit								
Transportation development district	<u>\$ 1,021,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,021,268)</u>
General Revenues and Transfers								
Taxes:								
Property					2,225,181	-	2,225,181	-
Sales					13,442,921	-	13,442,921	3,402,371
Gross receipts					3,003,508	-	3,003,508	-
Miscellaneous					35,799	-	35,799	-
Investment income					13,865	-	13,865	140
Gain on sale of asset					107,662	2,999	110,661	-
Miscellaneous					311,535	-	311,535	-
Transfers					3,308,752	(3,308,752)	-	-
Total General Revenues and Transfers					<u>22,449,223</u>	<u>(3,305,753)</u>	<u>19,143,470</u>	<u>3,402,511</u>
CHANGE IN NET POSITION					6,351,271	(3,311,589)	3,039,682	2,381,243
NET POSITION, SEPTEMBER 1, RESTATED					<u>56,954,603</u>	<u>4,968,028</u>	<u>61,922,631</u>	<u>(6,210,821)</u>
NET POSITION, AUGUST 31					<u>\$ 63,305,874</u>	<u>1,656,439</u>	<u>64,962,313</u>	<u>(3,829,578)</u>

See notes to financial statement

CITY OF ARNOLD, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
AUGUST 31, 2021

	<u>General</u>	<u>Recreation Center</u>	<u>Special Allocation</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and investments	\$ 4,894,798	547,359	1,507,465	424,329	7,373,951
Receivables (net of allowances for uncollectibles):					
Taxes	1,897,258	353,368	1,884,286	32,049	4,166,961
Special assessments	1,020,615	-	-	-	1,020,615
Service fees	226,169	-	-	-	226,169
Intergovernmental	7,290	-	-	-	7,290
Court	39,508	-	-	-	39,508
Miscellaneous	86,347	42,712	-	-	129,059
Due from other funds	1,232,539	415,074	166,788	-	1,814,401
Prepaid items	705,957	-	-	75	706,032
Restricted assets:					
Cash and investments	152,149	-	1,416,428	-	1,568,577
Capital improvements sales tax receivable	5,971,901	-	-	-	5,971,901
Total Assets	<u>\$ 16,234,531</u>	<u>1,358,513</u>	<u>4,974,967</u>	<u>456,453</u>	<u>23,024,464</u>
LIABILITIES					
Accounts payable	\$ 2,189,141	83,752	210,427	-	2,483,320
Accrued liabilities	189,258	6,333	-	-	195,591
Due to other funds	1,021,246	1,235,640	-	-	2,256,886
Unearned revenue	101,205	32,788	-	-	133,993
Total Liabilities	<u>3,500,850</u>	<u>1,358,513</u>	<u>210,427</u>	<u>-</u>	<u>5,069,790</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue:					
Special assessments	1,021,536	-	-	-	1,021,536
Court fines	38,968	-	-	-	38,968
Taxes	5,971,901	-	-	-	5,971,901
Total Deferred Inflows Of Resources	<u>7,032,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,032,405</u>
FUND BALANCES					
Nonspendable:					
Prepaid items	705,957	-	-	75	706,032
Restricted for:					
Debt service	-	-	1,416,428	-	1,416,428
Public safety	-	-	-	9,224	9,224
Tax increment financing	-	-	3,348,112	-	3,348,112
Tourism	-	-	-	414,654	414,654
Capital projects	141,684	-	-	-	141,684
Committed for:					
Capital projects	578,062	-	-	-	578,062
Greenway beautification	84,365	-	-	-	84,365
Economic development	758,056	-	-	-	758,056
Community foundation	-	-	-	32,500	32,500
Assigned for:					
Subsequent year's budget	642,226	-	-	-	642,226
Unassigned	2,790,926	-	-	-	2,790,926
Total Fund Balances	<u>5,701,276</u>	<u>-</u>	<u>4,764,540</u>	<u>456,453</u>	<u>10,922,269</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 16,234,531</u>	<u>1,358,513</u>	<u>4,974,967</u>	<u>456,453</u>	<u>23,024,464</u>

CITY OF ARNOLD, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
AUGUST 31, 2021

Total Fund Balances - Governmental Funds \$ 10,922,269

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 \$143,875,903 and the accumulated depreciation is \$67,724,449. 76,151,454

Certain assets and liabilities are not financial resources (uses) and, therefore, are not reported in the governmental funds.

Net pension asset	6,029,973
Deferred outflows related to pensions	1,177,436
Deferred inflows related to pensions	(5,177,889)
Total OPEB liability	(565,904)
Deferred outflows related to OPEB	53,686
Deferred inflows related to OPEB	(49,693)

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds. 7,032,405

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	(1,952,098)
Accrued compensated absences	(1,182,481)
Certificates of participation outstanding	(9,785,000)
Tax increment revenue bonds outstanding	(17,529,501)
Tax increment revenue notes outstanding	(1,691,273)
Capital lease payable	(1,469,633)
Unamortized bond premium	(741,989)
Unamortized bond deferred charges	2,013,926
Unamortized bond discount	70,186

Total Net Position Of Governmental Activities \$ 63,305,874

CITY OF ARNOLD, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	<u>General</u>	<u>Recreation Center</u>	<u>Special Allocation</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes	\$ 13,314,150	1,673,563	4,107,981	199,256	19,294,950
Special assessments	57,428	-	-	-	57,428
Licenses and permits	1,378,955	-	-	-	1,378,955
Fines and court costs	263,685	-	-	-	263,685
Intergovernmental	1,669,140	-	-	3,133	1,672,273
Charges for services	57,368	622,743	-	-	680,111
Investment income	13,024	168	673	-	13,865
Donations	-	-	-	7,500	7,500
Miscellaneous	308,062	8,808	-	-	316,870
Total Revenues	<u>17,061,812</u>	<u>2,305,282</u>	<u>4,108,654</u>	<u>209,889</u>	<u>23,685,637</u>
EXPENDITURES					
Current:					
General government	3,785,009	-	7,500	95,525	3,888,034
Public safety	7,996,683	-	-	10,261	8,006,944
Public works	764,398	-	-	-	764,398
Highways and streets	1,101,181	-	-	-	1,101,181
Parks and recreation	976,899	1,434,359	-	-	2,411,258
Health and sanitation	254,162	-	-	-	254,162
Economic development	-	-	128,306	-	128,306
Capital outlay	6,326,077	27,180	-	-	6,353,257
Debt service:					
Principal	633,751	600,000	3,070,296	-	4,304,047
Interest	121,968	289,650	761,887	-	1,173,505
Total Expenditures	<u>21,960,128</u>	<u>2,351,189</u>	<u>3,967,989</u>	<u>105,786</u>	<u>28,385,092</u>
REVENUES OVER (UNDER) EXPEN- DITURES	<u>(4,898,316)</u>	<u>(45,907)</u>	<u>140,665</u>	<u>104,103</u>	<u>(4,699,455)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from capital lease	589,357	-	-	-	589,357
Insurance proceeds	15,375	-	-	-	15,375
Proceeds from sale of capital assets	103,055	5,210	-	-	108,265
Transfer in	-	415,674	-	-	415,674
Transfer out	(546,695)	-	-	-	(546,695)
Total Other Financing Sources (Uses)	<u>161,092</u>	<u>420,884</u>	<u>-</u>	<u>-</u>	<u>581,976</u>
NET CHANGE IN FUND BALANCES	(4,737,224)	374,977	140,665	104,103	(4,117,479)
FUND BALANCES, SEPTEMBER 1	<u>10,438,500</u>	<u>(374,977)</u>	<u>4,623,875</u>	<u>352,350</u>	<u>15,039,748</u>
FUND BALANCES, AUGUST 31	<u>\$ 5,701,276</u>	<u>-</u>	<u>4,764,540</u>	<u>456,453</u>	<u>10,922,269</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, 2021

Net Change In Fund Balances - Governmental Funds \$ (4,117,479)

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 the capital outlays over the capitalization threshold (\$5,289,107) exceeded depreciation (\$3,067,049) in the current period. 2,222,058

The net effect of various transactions involving capital assets:

Transfer of assets	3,439,773
Disposal of capital assets	(603)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (191,509)

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.

Debt issued	
Capital lease	(589,357)

Repayments:	
Certificates of participation	975,000
Tax increment revenue bonds	2,640,000
Tax increment revenue notes	430,296
Capital lease	258,751
Amortization	<u>(310,308)</u>
Net Adjustment	3,993,739

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	(36,631)
OPEB expense	(30,805)
Accrued compensated absences	37,991
Pension expense	<u>1,624,094</u>
	<u>1,594,649</u>

Change In Net Position Of Governmental Activities \$ 6,351,271

CITY OF ARNOLD, MISSOURI
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
AUGUST 31, 2021

	Business-type Activities - Enterprise Funds		
	Storm Water	Nonmajor- Golf	Total
ASSETS			
Current Assets			
Receivables:			
Service fees	\$ 265,665	-	265,665
Due from other funds	472,742	-	472,742
Total Current Assets	<u>738,407</u>	<u>-</u>	<u>738,407</u>
Noncurrent Assets			
Net pension asset	<u>272,956</u>	<u>-</u>	<u>272,956</u>
Capital assets:			
Land and right-of-way	2,554	-	2,554
Other capital assets, net of accumulated depreciation	1,331,629	-	1,331,629
Total Capital Assets	<u>1,334,183</u>	<u>-</u>	<u>1,334,183</u>
Total Assets	<u>2,345,546</u>	<u>-</u>	<u>2,345,546</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts related to pensions	<u>7,013</u>	<u>-</u>	<u>7,013</u>
LIABILITIES			
Current Liabilities			
Accounts payable	12,720	-	12,720
Accrued liabilities	46,531	-	46,531
Unearned revenue	90,472	-	90,472
Capital lease payable - current installments	91,840	-	91,840
Due to other funds	30,257	-	30,257
Total Current Liabilities	<u>271,820</u>	<u>-</u>	<u>271,820</u>
Noncurrent Liabilities			
Capital lease payable	<u>190,681</u>	<u>-</u>	<u>190,681</u>
Total Noncurrent Liabilities	<u>190,681</u>	<u>-</u>	<u>190,681</u>
Total Liabilities	<u>462,501</u>	<u>-</u>	<u>462,501</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	<u>233,619</u>	<u>-</u>	<u>233,619</u>
NET POSITION			
Net investment in capital assets	1,051,662	-	1,051,662
Restricted for pension	46,350	-	46,350
Unrestricted	558,427	-	558,427
Total Net Position	<u>\$ 1,656,439</u>	<u>-</u>	<u>1,656,439</u>

See notes to financial statements

CITY OF ARNOLD, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	Business-type Activities - Enterprise Funds		
	Storm Water	Nonmajor- Golf	Total
OPERATING REVENUES			
Charges for services	\$ 606,137	3,579	609,716
OPERATING EXPENSES			
Cost of services	452,892	1,110	454,002
Depreciation	152,173	-	152,173
Total Operating Expenses	<u>605,065</u>	<u>1,110</u>	<u>606,175</u>
OPERATING INCOME	<u>1,072</u>	<u>2,469</u>	<u>3,541</u>
NONOPERATING REVENUES (EXPENSES)			
Gain on disposal of capital assets	-	2,999	2,999
Capital assets reassigned to governmental activities	-	(3,439,773)	(3,439,773)
Interest expense and fiscal charge	(9,377)	-	(9,377)
Total Nonoperating Revenues (Expenses)	<u>(9,377)</u>	<u>(3,436,774)</u>	<u>(3,446,151)</u>
LOSS BEFORE TRANSFERS	(8,305)	(3,434,305)	(3,442,610)
TRANSFERS	<u>-</u>	<u>131,021</u>	<u>131,021</u>
CHANGE IN NET POSITION	(8,305)	(3,303,284)	(3,311,589)
NET POSITION, SEPTEMBER 1	<u>1,664,744</u>	<u>3,303,284</u>	<u>4,968,028</u>
NET POSITION, AUGUST 31	<u><u>\$ 1,656,439</u></u>	<u><u>-</u></u>	<u><u>1,656,439</u></u>

CITY OF ARNOLD, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	Business-type Activities - Enterprise Funds		
	Storm Water	Nonmajor- Golf	Total
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash flows from operating activities:			
Receipts from customers and users	\$ 563,804	5,079	568,883
Payments to suppliers	(103,988)	(5,079)	(109,067)
Payments to employees	(457,277)	-	(457,277)
Net Cash Provided By Operating Activities	<u>2,539</u>	<u>-</u>	<u>2,539</u>
Cash flows from noncapital financing activities:			
Transfers	-	131,021	131,021
Due to/from other funds	(446,772)	(139,196)	(585,968)
Net Cash Used In Noncapital Financing Activities	<u>(446,772)</u>	<u>(8,175)</u>	<u>(454,947)</u>
Cash flows from capital and related financing activities:			
Proceeds from sale of capital assets	-	8,175	8,175
Principal payments lease	(89,582)	-	(89,582)
Interest expense and fiscal charge	(9,377)	-	(9,377)
Net Cash Provided By (Used In) Capital And Related Financing Activities	<u>(98,959)</u>	<u>8,175</u>	<u>(90,784)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(543,192)	-	(543,192)
CASH AND CASH EQUIVALENTS, SEPTEMBER 1	<u>543,192</u>	<u>-</u>	<u>543,192</u>
CASH AND CASH EQUIVALENTS, AUGUST 31	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

CITY OF ARNOLD, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
FOR THE YEAR ENDED AUGUST 31, 2021

	Business-type Activities - Enterprise Funds		
	Storm Water	Golf	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 1,072	2,469	3,541
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	152,173	-	152,173
(Increase) decrease in:			
Receivables	(17,260)	1,500	(15,760)
Net pension asset	(354,942)	(8,209)	(363,151)
Deferred outflows - pension related	44,868	5,195	50,063
Prepaid items	648	-	648
Increase (decrease) in:			
Accounts payable	(39,353)	-	(39,353)
Accrued liabilities	16,320	-	16,320
Unearned revenues	(25,073)	-	(25,073)
Deferred inflows - pension related	224,086	(955)	223,131
Total Adjustments	<u>1,467</u>	<u>(2,469)</u>	<u>(1,002)</u>
Net Cash Provided By Operating Activities	<u>\$ 2,539</u>	<u>-</u>	<u>2,539</u>
NONCASH TRANSACTIONS			
Capital assets reassigned to governmental activities	<u>\$ -</u>	<u>3,439,773</u>	<u>3,439,773</u>

CITY OF ARNOLD, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUND
AUGUST 31, 2021

ASSETS

Cash and cash equivalents	\$ 372,232
Receivable contributions	88,495
Fixed income	9,454,198
Stocks	8,375,245
Real estate	504,404
Alternative investments	979,531
Total Assets	<u>19,774,105</u>

LIABILITIES

-

NET POSITION

Restricted for pensions	<u><u>\$ 19,774,105</u></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, 2021

ADDITIONS

Contributions:

Employer contributions	\$ 767,748
Employee contributions	338,127
Total Contributions	1,105,875

Net appreciation in fair value of investments, interest, and dividends	
Total Additions	3,046,646
	4,152,521

DEDUCTIONS

Employee benefit distributions	126,840
Refund of employee contributions and lump sum distributions	133,648
Administrative expenses	17,067
Total deductions	277,555

CHANGE IN NET POSITION	3,874,966
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NET POSITION - RESTRICTED FOR PENSIONS, SEPTEMBER 1	15,899,139
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NET POSITION - RESTRICTED FOR PENSIONS, AUGUST 31	\$ 19,774,105
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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. The City Council appoints all Board of Directors and consists of the Mayor, a member of the City Council, the City of Arnold's Treasurer, Chief of Police and City Administrator and has the ability to impose its will on the Board. 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.

Pension Plan

Qualified employees participate in the Pension Trust Fund (The City of Arnold Police Department Pension Plan), a fiduciary component unit of the City. The Plan functions for the benefit of its qualified employees. The Plan's Board of Trustees members include the Mayor, City Administrator, Chief of Police, one member of the police department, and one member of the City Council. The Board of Trustees is designated as the Plan's trustee, and has the power, duty, and fiduciary responsibility to take all actions and make all decisions necessary to carry out the Plan. The Plan is governed by the terms of the Plan as approved and codified by the City Council. The City funds the Pension Fund costs along with participating employees, based upon actuarial valuations, creating a financial burden on the City. The Board of Trustees are authorized to approve the actuarial assumptions used in the determination of contribution levels. This results in the Plan being fiscally dependent upon the City. The Plan is reported as a pension trust fund, and does not issue a separate report.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-wide and Fund Financial Statements (Continued)

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.

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, sales 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 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 $\frac{1}{4}\%$ parks and recreation center sales tax which is deposited into this fund and used for bi-annual bond payments.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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:

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

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 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

5. Allowance for Doubtful Accounts

The allowance for uncollectible receivables is as follows:

	<u>August 31</u> <u>2021</u>
General Fund	<u>\$ 26,427</u>

6. 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”.

7. 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.

8. 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)

9. 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 their estimated acquisition 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
Storm water lines	50
Infrastructure	30
Intangibles	50

10. 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. Compensated 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.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

12. 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 has three items that qualify for reporting in this category in the government-wide statement of net position. The first item is the deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is deferred outflows related to the pension. The third item is deferred outflows related to other post-employee benefits.

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 has three items that qualifies for reporting in this category. The first item arises under a modified accrual basis of accounting. Unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is deferred inflows related to pension. The third item is deferred and is related to OPEB on the government-wide statements.

13. 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)

13. 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.

14. 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 \$578,062 for the General Fund.

15. 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)

16. Pensions

For purposes of measuring the net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's defined benefit pension plans (the Plans) and additions to/deductions from the Plans fiduciary net position have been determined on the same basis as they are reported by the Plans. 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.

17. Adopted Accounting Pronouncement

During the current year, the City adopted GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB Statement No. 87, *Leases* has been postponed 18 months and GASB Statement No. 91, *Conduit Debt Obligations* have been postponed one year.

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, 2021, 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, 2021, 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, 2021, 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>	
Fiduciary Fund					
Money market funds	\$ 372,232	372,232	-	-	Not rated
U.S. government securities	2,636,700	-	-	2,636,700	N/A
Corporate bonds	2,431,879	-	-	2,431,879	BB
Corporate bonds	4,385,619	-	-	4,385,619	B
Domestic stock funds	5,476,548	5,476,548	-	-	Not rated
International stock funds	2,898,697	2,898,697	-	-	Not rated
Real estate related	504,404	504,404	-	-	Not rated
Alternative investment	979,531	979,531	-	-	B
Total Fiduciary Fund					
Investments	<u>\$ 19,685,610</u>	<u>10,231,412</u>	<u>-</u>	<u>9,454,198</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 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. To limit its exposure, the City's investment policy required all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in the name of or for the account of the City and shall be held by a third-party custodian as evidenced by safekeeping receipts.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

3. Fair Value Measurements

The City classifies its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are prices quoted in active markets for these securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Certificates of deposit classified in level 2 are valued using broker quotes that utilize observable market inputs. Securities in Level 3 have limited trade information, these securities are priced or using the last trade price estimated using recent trade prices.

The City has the following recurring fair value measurements as of August 31, 2021:

Primary Government:

- Money market funds of \$3,428,944 are not subject to fair value classification
- Certificates of deposit of \$992,000 are not subject to fair value classification

Component Unit:

- Money market funds of \$1,702,494 are not subject to fair value classification

	<u>Total</u>	<u>August 31, 2021</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fiduciary Fund				
Investments by fair value level:				
U.S. government securities	\$ 2,636,700	-	2,118,900	-
Corporate bonds	2,431,879	-	2,431,879	-
Corporate bonds	4,385,619	-	4,385,619	-
Domestic stock funds	5,476,548	5,476,548	-	-
International stock funds	2,898,697	2,898,697	-	-
Real estate related	504,404	-	-	504,404
Alternative investment	979,531	979,531	-	-
Total Investments By Fair Value Level	19,313,378	<u>9,354,776</u>	<u>8,936,398</u>	<u>504,404</u>
Investments not subject to fair value classification:				
Money market funds	372,232			
Total Fiduciary Fund Investments	<u>\$ 19,685,610</u>			

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

	For The Year Ended August 31, 2021			
	Balance August 31 2020	Increases	Decreases	Balance August 31 2021
Governmental Activities				
Capital assets not being depreciated:				
Land and right-of-way	\$ 29,506,379	3,360,606	-	32,866,985
Construction in progress	457,436	3,730,915	-	4,188,351
Total Capital Assets Not Being Depreciated	<u>29,963,815</u>	<u>7,091,521</u>	<u>-</u>	<u>37,055,336</u>
Capital assets being depreciated:				
Buildings and other improvements	20,059,719	366,800	-	20,426,519
Automotive equipment	3,479,835	918,903	558,618	3,840,120
Machinery and equipment	2,652,730	534,364	40,491	3,146,603
Infrastructure	79,407,325	-	-	79,407,325
Total Capital Assets Being Depreciated	<u>105,599,609</u>	<u>1,820,067</u>	<u>599,109</u>	<u>106,820,567</u>
Less - Accumulated depreciation for:				
Buildings and other improvements	10,500,425	633,648	-	11,134,073
Automotive equipment	2,686,738	440,138	558,015	2,568,861
Machinery and equipment	2,044,542	271,610	40,491	2,275,661
Infrastructure	49,841,493	1,904,361	-	51,745,854
Total Accumulated Depreciation	<u>65,073,198</u>	<u>3,249,757</u>	<u>598,506</u>	<u>67,724,449</u>
Total Capital Assets Being Depreciated, Net	<u>40,526,411</u>	<u>(1,429,690)</u>	<u>603</u>	<u>39,096,118</u>
Governmental Activities Capital Assets, Net	<u>\$ 70,490,226</u>	<u>5,661,831</u>	<u>603</u>	<u>76,151,454</u>

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

	For The Year Ended August 31 2021
Governmental Activities	
General government	\$ 634,359
Public safety	274,009
Public works	38,391
Highways and streets	2,013,894
Parks and recreation	100,813
Health and Sanitation	<u>5,583</u>
Total	<u>\$ 3,067,049</u>

The Golf Fund transferred \$3,622,481 in capital assets including \$182,708 of accumulated depreciation to the General Fund.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

For The Year Ended August 31, 2021

	<u>Balance August 31 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance August 31 2021</u>
Business-type Activities				
Capital assets not being depreciated:				
Land and right-of-way	\$ 3,363,160	-	3,360,606	2,554
Capital assets being depreciated:				
Buildings	474,207	-	104,772	369,435
Machinery and equipment	957,263	-	260,652	696,611
Storm water lines	940,627	-	-	940,627
Total Capital Assets Being Depreciated	<u>2,372,097</u>	<u>-</u>	<u>365,424</u>	<u>2,006,673</u>
Less - Accumulated depreciation for:				
Buildings	188,873	16,531	47,783	157,621
Machinery and equipment	487,284	113,946	233,298	367,932
Storm water lines	127,795	21,696	-	149,491
Total Accumulated Depreciation	<u>803,952</u>	<u>152,173</u>	<u>281,081</u>	<u>675,044</u>
Total Capital Assets Being Depreciated, Net	<u>1,568,145</u>	<u>(152,173)</u>	<u>84,343</u>	<u>1,331,629</u>
Business-type Activities Capital Assets, Net	<u>\$ 4,931,305</u>	<u>(152,173)</u>	<u>3,444,949</u>	<u>1,334,183</u>

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

	<u>For The Year Ended August 31 2021</u>
Business-type Activities	
Storm water	<u>\$ 152,173</u>

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT

Long-term debt activity was as follows:

	For The Year Ended August 31, 2021			Balance August 31 2021	Amounts Due Within One Year
	Balance August 31 2020	Additions	Reductions		
Governmental Activities					
Certificates of participation	\$ 10,760,000	-	975,000	9,785,000	1,005,000
Plus - Premium	826,115	-	84,126	741,989	-
Tax increment revenue notes	2,121,569	-	430,296	1,691,273	125,000
Tax increment revenue bonds	20,169,501	-	2,640,000	17,529,501	-
Less - Discounts	(85,226)	-	(15,040)	(70,186)	-
Capital lease payable	1,139,027	589,357	258,751	1,469,633	275,862
Net Pension Liability	1,209,760	-	1,209,760	-	-
Total OPEB Liability	532,701	33,203	-	565,904	-
Compensated absences	1,220,472	267,127	305,118	1,182,481	295,620
	<u>\$ 37,893,919</u>	<u>889,687</u>	<u>5,888,011</u>	<u>32,895,595</u>	<u>1,701,482</u>
Business-type Activities					
Capital lease payable	\$ 372,103	-	89,582	282,521	91,840
Net Pension Liability	90,195	-	90,195	-	-
	<u>\$ 462,298</u>	<u>-</u>	<u>179,777</u>	<u>282,521</u>	<u>91,840</u>
Component Unit					
Sales tax revenue bonds	\$ 8,030,000	-	2,120,000	5,910,000	-

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. Tax increment revenue notes and bonds are generally liquidated by the Special Allocation Fund.

Governmental Activities

Certificates of Participation

In August 2017, the City issued \$4,015,000 of Certificates of Participation (Series 2017) to refund the Series 2010 Certificates of Participation. The Series 2017 bonds bear an interest rate of 3.0% and are due December 15, 2026.

In May 2019, the City issued \$8,455,000 of Certificates of Participation (Series 2019) to refund the Series 2012 Certificates of Participation. The Series 2019 bonds bear an interest rate from 3.0% to 4.0% and are due August 15, 2031.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

Governmental Activities - Events of Default

The Certificates of Participation contain a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount and may take possession of the leased property in event of default.

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

For The Years Ending August 31	Governmental Activities		
	Principal	Interest	Total
2022	\$ 1,005,000	341,325	1,346,325
2023	1,040,000	310,950	1,350,950
2024	1,070,000	279,525	1,349,525
2025	1,105,000	247,275	1,352,275
2026	1,145,000	207,100	1,352,100
2027 - 2031	4,420,000	495,350	4,915,350
Total	<u>\$ 9,785,000</u>	<u>1,881,525</u>	<u>11,666,525</u>

Capital Leases

During 2019, the City entered into a lease agreement totaling \$56,834 for a mower. The interest rate is 5.25% and the maturity date is February 23, 2024.

During 2020, the City entered into lease agreements totaling \$1,793,208 for various equipment, vehicles and a new steel building, engineering and materials. The interest rate ranges from 2.52% to 3.23% and the maturity date is October and November 2023 through 2028.

In 2021, the City entered into a lease agreements totaling \$330,891 for various equipment. The interest rate is 1.88% and the maturity date is October 2024.

In 2021, the City entered into a lease agreement totaling \$258,466 for various vehicles. The interest rate varies and the term is 48 months.

The assets acquired through the capital lease is as follows:

	August 31, 2021	
	Governmental Activities	Business-type Activities
Assets:		
Construction in progress - Buildings	\$ 972,511	-
Equipment	589,433	450,710
Less - Accumulated depreciation	168,648	124,835
Total	<u>\$ 1,393,296</u>	<u>325,875</u>

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

<u>For The Years Ending August 31</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2022	\$ 314,758	98,959
2023	314,758	98,959
2024	314,758	98,959
2025	235,205	-
2026	109,591	-
2027-2029	328,773	-
Total Minimum Lease Payments	1,617,843	296,877
Less - Imputed interest	(148,210)	(14,356)
Present Value Of Minimum Lease Payments	<u>\$ 1,469,633</u>	<u>282,521</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. The City does not maintain an amortization schedule as payments are made as funds become available.

Bonds and notes outstanding at August 31, 2021 are as follows:

	<u>Date Issued</u>	<u>Date Of Maturity</u>	<u>Date Of Annual Principal Payment</u>	<u>Original Amount</u>	<u>Balance August 31 2021</u>
Triangle Redevelopment (Series A)	12-14-2016	05-01-2028	May 1	\$ 23,050,000	\$ 12,905,000
Triangle Redevelopment (Series B)	12-14-2016	09-14-2028	May 1	4,624,501	4,624,501
Arnold Crossroads (Series B)	10-15-2009	07-06-2028	November 1	3,319,555	-
Arnold Crossroads (Series A) Drury Redevelopment	05-20-2011	07-06-2028	May 1	3,000,000	1,691,273

Component Unit

Sales Tax Revenue Bonds

On September 3, 2019, the District approved the issuance of Transportation Sales Tax Refunding Revenue Bonds, Series 2019 in the aggregate principal amount not to exceed \$12,500,000. On October 1, 2019, the District issued the Transportation Sales Tax Refunding Revenue Bonds, Series 2019 in the amount of \$9,060,000. The bonds bear an interest rate of 3.00% and are due in semi-annual installments with final maturity on November 1, 2028. The district does not maintain an amortization schedule as payments are made as funds become available.

NOTE D - LONG-TERM DEBT (Continued)

In 2021, the District paid \$2,120,000 in principal payment and \$225,900 in interest expense. The District had unpaid accrued interest of \$59,100 as of August 31, 2021.

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, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	5
Inactive employees entitled to but not yet receiving benefits	17
Active employees	<u>54</u>
Total	<u>76</u>

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, 2021, the City's contribution to the Plan was 24.64% of annual covered payroll.

Net Pension Liability (Asset)

The City's net pension liability (asset) was measured as of August 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
	(previously 2.5%)
Salary increases	4.5%, including inflation
Investment rate of return	6.0%, net of pension plan investment expense, including inflation

Mortality rates were based on Pub-2010 Safety/Disability Mortality MP-2021 projected generationally, male and female rates.

During the year ended August 31, 2021 the mortality improvement scale was updated from MP-2019 to MP-2021. The actuarial assumptions used in the August 31, 2021 valuation were based upon an annual review of actual experience compared to previous assumptions used, and a perspective on future expectations.

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)

The long-term expected rate of return on pension plan investments is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-term Expected Real Rate Of Return</u>
U.S. Cash	2.50%	N/A*
U.S Core Fixed Income	22.50	1.37%
U.S. Short Bonds	12.50	1.31
U.S. High Yield Bonds	12.50	3.95
U.S. Large Caps	17.50	5.15
U.S. Small Caps	5.00	6.58
U.S. Mid Caps	5.00	5.71
Non-US Equity	10.00	6.74
Non-US Small Cap	5.00	6.76
Non-US REITs	2.50	6.83
Infrastructure	5.00	5.22

*Expected to earn less than inflation

Discount Rate

The discount rate used to measure the total pension liability was 6.0%. 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.

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)

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at August 31, 2020	\$ 16,051,298	15,899,139	152,159
Changes for the year			
Service cost	805,799	-	805,799
Interest	1,003,725	-	1,003,725
Effect of economic/demographic gains or losses	(237,808)	-	(237,808)
Assumption changes or inputs	(30,533)	-	(30,533)
Contributions - employer	-	767,748	(767,748)
Contributions - employee	-	338,127	(338,127)
Net investment income	-	3,046,646	(3,046,646)
Benefit payments and expenses	(260,488)	(260,488)	-
Administrative expenses	-	(17,067)	17,067
Net Changes	<u>1,280,695</u>	<u>3,874,966</u>	<u>(2,594,271)</u>
Balances at August 31, 2021	<u>\$ 17,331,993</u>	<u>19,774,105</u>	<u>(2,442,112)</u>

The net pension liability (asset) is generally liquidated by the General Fund.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Plan, calculated using the discount rate of 6.0%, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1% point lower (5.0%) or 1% point higher (7.0%) than the current rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net pension liability (asset)	<u>\$ 105,224</u>	<u>(2,442,112)</u>	<u>(4,534,521)</u>

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

For the year ended August 31, 2021, the employer recognized pension expense of \$264,229. At August 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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)

	Outflows	Inflows	Net
Differences between expected and actual experience	\$ 407,896	(392,045)	15,851
Changes of assumptions	677,355	(90,560)	586,795
Net difference between projected and actual earnings	-	(1,624,474)	(1,624,474)
Total	\$ 1,085,251	(2,107,079)	(1,021,828)

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 Plan
Years Ending
August 31**

2022	\$ (216,172)
2023	(186,546)
2024	(277,485)
2025	(298,057)
2026	(11,518)
Thereafter	(32,050)
Total	\$ (1,021,828)

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 Missouri Local Government Employees Retirement System (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 supplemental information. This report may be obtained by accessing the LAGERS' website at www.molagers.org.

NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

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

Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, 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 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 and receive a reduced allowance.

	<u>2021 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, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	79
Inactive employees entitled to but not yet receiving benefits	26
Active employees	<u>71</u>
Total	<u>176</u>

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 18.1% of annual covered payroll.

Net Pension Liability (Asset)

The City's net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2021. The pension liability was then rolled forward to the measurement date of June 30, 2021, utilizing procedures incorporating the actuarial assumptions.

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)

Actuarial Assumptions

The total pension liability in the February 28, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation (previously .3.25% wage inflation; 2.5% price inflation)
Salary increase	2.75% to 6.75% including wage inflation (previously 3.25% to 6.55% including wage inflation)
Investment rate of return	7.00%, net of investment expenses (previously 7.25%)

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table. For males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.

The discount rate decreased from 7.25% to 7.00% during the year ended June 30, 2021.

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-term Expected Real Rate Of Return</u>
Alpha	15.00%	3.67%
Equity	35.00	4.78
Fixed income	31.00	1.41
Real assets	36.00	3.29
Strategic assets	8.00	5.25
Cash/leverage	(25.00)	(0.29)

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)

Discount Rate

The discount rate used to measure the total pension liability is 7.00%. 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 (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at June 30, 2020	\$ 21,867,876	20,720,080	1,147,796
Changes for the year			
Service cost	445,801	-	445,801
Interest	1,568,816	-	1,568,816
Difference between expected and actual experience	(309,308)	-	(309,308)
Changes of assumptions	(626,068)	-	(626,068)
Contributions - employer	-	691,657	(691,657)
Net investment income	-	5,565,541	(5,565,541)
Benefit payments, including refunds	(912,017)	(912,017)	-
Administrative expense	-	(17,046)	17,046
Other	-	(152,298)	152,298
Net Changes	<u>167,224</u>	<u>5,175,837</u>	<u>(5,008,613)</u>
Balances at June 30, 2021	<u>\$ 22,035,100</u>	<u>25,895,917</u>	<u>(3,860,817)</u>

The net pension liability (asset) is generally liquidated by the General Fund and Stormwater Fund.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability (asset) would be using a discount rate that is 1% point lower (6.00%) or 1% point higher (8.00%) than the current rate.

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>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
Net pension liability (asset)	<u>\$ (981,343)</u>	<u>(3,860,817)</u>	<u>(6,255,120)</u>

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

For the year ended August 31, 2021, the City recognized pension expense of (\$543,822). Reported deferred outflows and inflows of resources are related to the following sources:

	<u>Outflows</u>	<u>Inflows</u>	<u>Net</u>
Differences in experience	\$ -	(251,409)	(251,409)
Assumption changes	-	(420,287)	(420,287)
Net difference between projected and actual earnings	-	(2,632,733)	(2,632,733)
Contributions subsequent to the measurement date*	99,198	-	99,198
Total	\$ 99,198	(3,304,429)	(3,205,231)

*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 (asset) for the next fiscal year.

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

**For The Plan
Years Ending
June 30**

2022	\$ (1,069,233)
2023	(839,223)
2024	(580,530)
2025	(815,443)
Total	\$ (3,304,429)

Payable to the Pension Plan

At August 31, 2021, the City had \$9 of required contributions payable to the pension plan.

3. Aggregate Pension Expense

The aggregate amount of pension expense for the year ended August 31, 2021 for the two pension plans is (\$279,593).

NOTE F - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City’s OPEB plan (the Plan) provides OPEB for all full-time employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City. The Plan, as established by City resolution, assigned the authority to establish and amend the benefit terms and financing requirements to the City. No assets are accumulated in a trust for the Plan. The Plan does not issue a stand-alone report. The OPEB liability is generally liquidated by the General Fund.

Benefits Provided

The Plan 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 to the cost-sharing premium to retain coverage.

Employees Covered by Benefit Terms

At August 31, 2021, the following employees were covered by the benefit terms:

Actives	51
Retirees and Surviving Spouses	-
Spouses of Current Retirees	<u>-</u>
Total	<u>51</u>

Total OPEB Liability

The City’s total OPEB liability was measured as of August 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the August 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.30%
Salary increase	3.00% including inflation
Discount rate	2.14%
Healthcare cost trend rates	Medical cost trend rate of 5.1% for 2021, gradually decreasing to an ultimate rate of 3.70% for 2073 and beyond.

The discount rate changed from 2.20% to 2.14% based on updated 20-year municipal bond rates.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

Mortality rates were based on the PUB-2010 General and Safety mortality tables for employees and Healthy Annuitants with generational projection based on Scale MP-2016. The Plan has not had a formal actuarial experience study performed.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at August 31, 2020	<u>\$ 532,701</u>
Changes for the year	
Service cost	25,272
Interest	12,198
Effect of assumption changes or inputs	2,805
Benefit payments	<u>(7,072)</u>
Net Changes	<u>33,203</u>
Balance at August 31, 2021	<u><u>\$ 565,904</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.14%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.14%) or 1% point higher (3.14%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 610,530</u>	<u>565,904</u>	<u>523,649</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, calculated using the healthcare cost trend rates of 5.20% decreasing to 3.7%, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (4.20% decreasing to 2.70%) or 1% point higher (6.20% decreasing to 4.70%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 500,608</u>	<u>565,904</u>	<u>641,795</u>

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

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

For the year ended August 31, 2021, the City recognized OPEB expense of \$37,877. Deferred outflows and inflows of resources related to OPEB are from the following sources:

	Outflows	Inflows	Net Outflows
Differences between expected and actual experience	\$ -	(41,015)	(41,015)
Changes of assumptions	53,686	(8,678)	45,008
Total	\$ 53,686	(49,693)	3,993

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

For The Years Ending August 31				
2022		\$	407	
2023			407	
2024			407	
2025			1,849	
2026			632	
Thereafter			291	
Total		\$	3,993	

NOTE G - INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities are as follows:

Due From/To Other Funds:

Receivable Fund	Payable Fund	August 31 2021
Special Allocation Fund - Major Fund	General Fund - Major Fund	\$ 133,430
Special Allocation Fund - Major Fund	Recreation Center Fund - Major Fund	33,358
General Fund - Major Fund	Recreation Center Fund - Major Fund	1,202,282
General Fund - Major Fund	Stormwater Fund - Enterprise Fund	30,257
Stormwater Fund - Enterprise Fund	General Fund - Major Fund	472,742
Recreation Center Fund - Major Fund	General Fund - Major Fund	415,074
Total		\$ 2,287,143

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - INTERFUND ASSETS/LIABILITIES (Continued)

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, 2022.

Individual interfund transfers are as follows:

Transfers Out	Transfers In	2021
General Fund - Major Fund	Golf Fund - Nonmajor Fund	\$ 131,621
General Fund - Major Fund	Recreation Center Fund - Major Fund	415,074
Golf Fund - Nonmajor Fund	Recreation Center Fund - Major Fund	600
Total		\$ 547,295

Interfund transfers were used to: 1) move revenues from the fund that ordinance or budget required to collect them to the fund that ordinance or budget requires to expend them and 2) move revenues in excess of current year expenditures to other funds.

NOTE H - 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 I - 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. The policy is for replacement cost and expires June 30, 2022.

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

NOTE I - INSURANCE (Continued)

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 \$667,001 for MIRMA's fiscal year ended June 30, 2021. Settled claims resulting in these risks have not exceeded coverage in any of the past three years.

NOTE J - 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 K - CONDUIT DEBT

In December 2015 and June 2019, the City authorized to issue \$88,000,000, \$150,000,000, and \$10,000,000, respectively, of 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 repayment 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, 2021 the aggregate principal amount payable that can be substantiated for these bonds was \$174,099,454.

NOTE L - RESTRICTED NET POSITION

The government-wide statement of net position reports \$13,236,264 of restricted net position, none of which is restricted by enabling legislation.

NOTE M - 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 \$3,070,296 and \$761,887, respectively.

CITY OF ARNOLD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE N - TAX ABATEMENT

During 2017, the City implemented the disclosure requirements of GASB Statement No. 77, *Tax Abatement Disclosures*. In Missouri, a municipality can issue industrial development revenue bonds (Revenue Bonds) pursuant to Chapter 100 of the Revised Statutes of Missouri (RSMo). Under the Act, the municipality may issue Revenue Bonds to finance the cost of the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants, including the real estate either within or without the limits of such municipality, buildings, fixtures and machinery. Under the Chapter 100 Revenue Bonds, the City has two tax abatement projects which were entered into with Metal Container Corporation. Total property taxes abated under this agreement totaled \$48,824 in fiscal year ended August 31, 2021.

NOTE O - PRIOR PERIOD ADJUSTMENT

The previously stated net position has been restated as follows:

	Governmental Activities	Component Unit
Net position, August 31, 2020, as previously reported	\$ 56,417,690	\$ (6,567,437)
Restatement for receivables	536,913	553,122
Restatement for payables	-	(196,506)
	\$ 56,954,603	\$ (6,210,821)
Net Position, August 31, 2020, As Restated	\$ 56,954,603	\$ (6,210,821)

NOTE P - FUTURE ACCOUNTING PRONOUNCEMENT

The Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.
- In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

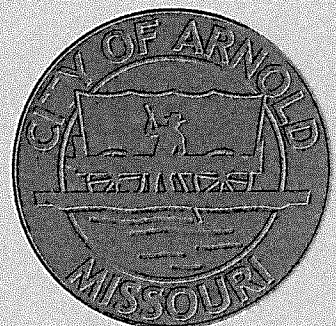
NOTE Q - FUTURE ACCOUNTING PRONOUNCEMENT (Continued)

- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). This Statement: 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset--an intangible asset--and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and 4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

NOTE R - SUBSEQUENT EVENT

Management has evaluated subsequent events through May 23, 2022, the date which the financial statements were available for issue.

**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, 2021

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
REVENUES				
Taxes				
Property	\$ 1,211,059	1,211,059	1,184,494	(26,565)
Sales	8,728,732	8,728,732	8,438,184	(290,548)
Public utility gross receipts	3,075,463	3,075,463	2,858,966	(216,497)
Motor fuel	555,275	555,272	551,961	(3,311)
Other	273,278	273,278	280,545	7,267
Total Taxes	<u>13,843,807</u>	<u>13,843,804</u>	<u>13,314,150</u>	<u>(529,654)</u>
Special Assessments	<u>20,000</u>	<u>20,000</u>	<u>57,428</u>	<u>37,428</u>
Licenses and Permits	<u>1,688,856</u>	<u>1,688,856</u>	<u>1,378,955</u>	<u>(309,901)</u>
Fines and Court Costs	<u>555,000</u>	<u>555,000</u>	<u>263,685</u>	<u>(291,315)</u>
Intergovernmental	<u>358,000</u>	<u>358,000</u>	<u>1,669,140</u>	<u>1,311,140</u>
Charges for Services	<u>98,580</u>	<u>98,580</u>	<u>57,368</u>	<u>(41,212)</u>
Investment Income	<u>95,800</u>	<u>95,800</u>	<u>13,024</u>	<u>(82,776)</u>
Miscellaneous				
Administration	7,500	7,500	7,500	-
Other	41,475	41,475	300,562	259,087
Total Miscellaneous	<u>48,975</u>	<u>48,975</u>	<u>308,062</u>	<u>259,087</u>
Total Revenues	<u>16,709,018</u>	<u>16,709,015</u>	<u>17,061,812</u>	<u>352,797</u>
EXPENDITURES				
General Government				
General and administrative	1,141,686	1,152,024	1,173,752	21,728
Mayor and council	159,446	159,446	159,596	150
Municipal court	165,276	165,276	157,216	(8,060)
Administrator	255,405	283,205	281,768	(1,437)
Treasurer	53,043	53,043	50,326	(2,717)
Finance	389,849	398,062	395,666	(2,396)
Collector of revenue	200,525	200,525	179,503	(21,022)
Attorney	163,550	168,143	167,726	(417)
Elections	15,550	15,550	8,687	(6,863)
Planning commission	328,648	351,843	328,573	(23,270)
IT Support	532,000	878,396	882,196	3,800
Total General Government	<u>3,404,978</u>	<u>3,825,513</u>	<u>3,785,009</u>	<u>(40,504)</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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (Continued)				
Public Safety				
Police	6,807,983	6,962,218	6,891,446	(70,772)
Dispatching	414,517	414,517	380,445	(34,072)
Building commission	444,538	724,344	724,792	448
Total Public Safety	<u>7,667,038</u>	<u>8,101,079</u>	<u>7,996,683</u>	<u>(104,396)</u>
Public Works	<u>1,391,004</u>	<u>1,416,391</u>	<u>764,398</u>	<u>(651,993)</u>
Highways and Streets	<u>1,239,334</u>	<u>1,274,341</u>	<u>1,101,181</u>	<u>(173,160)</u>
Parks and Recreation	<u>1,170,194</u>	<u>1,073,614</u>	<u>976,899</u>	<u>(96,715)</u>
Health and Sanitation				
Health department	69,227	70,727	67,598	(3,129)
Rabies control	202,508	202,508	163,600	(38,908)
Vector control	8,025	8,025	936	(7,089)
Solid waste	27,000	41,877	22,028	(19,849)
Total Health And Sanitation	<u>306,760</u>	<u>323,137</u>	<u>254,162</u>	<u>(68,975)</u>
Capital Outlay	<u>5,225,991</u>	<u>6,531,828</u>	<u>6,326,077</u>	<u>(205,751)</u>
Debt Service	<u>461,075</u>	<u>461,075</u>	<u>755,719</u>	<u>294,644</u>
Total Expenditures	<u>20,866,374</u>	<u>23,006,978</u>	<u>21,960,128</u>	<u>(1,046,850)</u>
REVENUES UNDER EXPENDITURES	<u>(4,157,356)</u>	<u>(6,297,963)</u>	<u>(4,898,316)</u>	<u>1,399,647</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital lease	1,741,871	1,741,871	589,357	(1,152,514)
Insurance proceeds	-	-	15,375	15,375
Proceeds from sale of capital assets	-	-	103,055	103,055
Transfer out	(430,386)	(430,386)	(546,695)	(116,309)
Total Other Financing Sources (Uses)	<u>1,311,485</u>	<u>1,311,485</u>	<u>161,092</u>	<u>(1,150,393)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (2,845,871)</u></u>	<u><u>(4,986,478)</u></u>	<u>(4,737,224)</u>	<u>249,254</u>
FUND BALANCE, SEPTEMBER 1			<u>10,438,500</u>	
FUND BALANCE, AUGUST 31			<u><u>\$ 5,701,276</u></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, 2021

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
REVENUES				
Taxes:				
Sales	\$ 1,687,772	1,687,772	1,673,563	(14,209)
Charges for services	622,300	622,300	622,743	443
Investment income	-	-	168	168
Miscellaneous	-	-	8,808	8,808
Total Revenues	<u>2,310,072</u>	<u>2,310,072</u>	<u>2,305,282</u>	<u>(4,790)</u>
EXPENDITURES				
Recreation center	1,829,349	1,855,282	1,434,359	(420,923)
Capital outlay	21,459	43,180	27,180	(16,000)
Debt service	889,650	889,650	889,650	-
Total Expenditures	<u>2,740,458</u>	<u>2,788,112</u>	<u>2,351,189</u>	<u>(436,923)</u>
REVENUES UNDER EXPENDITURES	(430,386)	(478,040)	(45,907)	432,133
OTHER FINANCING SOURCES				
Transfer in	430,386	430,386	415,674	(14,712)
Proceeds from sale of capital assets	-	-	5,210	5,210
Total Other Financing Sources	<u>430,386</u>	<u>430,386</u>	<u>420,884</u>	<u>(9,502)</u>
NET CHANGE IN FUND BALANCE (DEFICIT)	<u>\$ -</u>	<u>(47,654)</u>	374,977	<u>422,631</u>
FUND BALANCE (DEFICIT), SEPTEMBER 1			<u>(374,977)</u>	
FUND BALANCE, AUGUST 31			<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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes:				
Property	\$ 1,190,000	1,190,000	1,040,687	(149,313)
Sales	2,753,000	2,303,000	3,067,294	764,294
Investment income	16,500	16,500	673	(15,827)
Total Revenues	<u>3,959,500</u>	<u>3,509,500</u>	<u>4,108,654</u>	<u>599,154</u>
EXPENDITURES				
General government	7,500	7,500	7,500	-
Economic development	122,500	122,500	128,306	5,806
Debt service	3,236,875	3,236,875	3,832,183	595,308
Total Expenditures	<u>3,366,875</u>	<u>3,366,875</u>	<u>3,967,989</u>	<u>601,114</u>
NET CHANGE IN FUND BALANCE	<u>\$ 592,625</u>	<u>142,625</u>	140,665	<u>(1,960)</u>
FUND BALANCE, SEPTEMBER 1			<u>4,623,875</u>	
FUND BALANCE, AUGUST 31			<u>\$ 4,764,540</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, 2021

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 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.

For the year ended August 31, 2021, the Special Allocation Fund and Drug Forfeiture Fund had expenditures exceeding appropriations by \$601,114 and \$4,761, respectively. These over expenditures were covered by additional current year revenues, available fund balance, or will be recovered by future year's revenues.

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability							
Service cost	\$ 805,799	700,838	624,531	311,717	263,218	175,917	176,733
Interest	1,003,725	906,150	822,871	726,619	693,244	630,585	578,315
Differences between expected and actual experience	(237,808)	180,911	(231,253)	471,628	75,152	122,039	(136,162)
Change in assumptions or inputs	(30,533)	(28,134)	374,601	964,139	(153,868)	-	-
Contributions - employee	-	-	-	-	-	241,540	226,449
Benefit payments and expenses	(260,488)	(217,092)	(339,282)	(165,360)	(652,541)	(162,144)	(230,099)
Net Change In Total Pension Liability	<u>1,280,695</u>	<u>1,542,673</u>	<u>1,251,468</u>	<u>2,308,743</u>	<u>225,205</u>	<u>1,007,937</u>	<u>615,236</u>
Total Pension Liability Beginning	<u>16,051,298</u>	<u>14,508,625</u>	<u>13,257,157</u>	<u>10,948,414</u>	<u>10,723,209</u>	<u>9,715,272</u>	<u>9,100,036</u>
Total Pension Liability (a)	<u>\$ 17,331,993</u>	<u>16,051,298</u>	<u>14,508,625</u>	<u>13,257,157</u>	<u>10,948,414</u>	<u>10,723,209</u>	<u>9,715,272</u>
Plan Fiduciary Net Position							
Contributions - employee	\$ 338,127	631,329	417,960	269,023	240,428	241,540	226,449
Contributions - employer	767,748	325,232	296,055	379,796	350,724	343,409	319,690
Return on investment	3,046,646	1,131,444	273,908	925,639	876,341	550,354	(18,629)
Benefit payments and expenses	(260,488)	(217,092)	(339,282)	(165,360)	(652,541)	(162,144)	(230,099)
Administrative expenses	(17,067)	(13,288)	(14,099)	(26,645)	(47,085)	-	-
Net Change In Plan Fiduciary Net Position	<u>3,874,966</u>	<u>1,857,625</u>	<u>634,542</u>	<u>1,382,453</u>	<u>767,867</u>	<u>973,159</u>	<u>297,411</u>
Plan Fiduciary Net Position Beginning	<u>15,899,139</u>	<u>14,041,514</u>	<u>13,406,972</u>	<u>12,024,519</u>	<u>11,256,652</u>	<u>10,283,493</u>	<u>9,986,082</u>
Plan Fiduciary Net Position Ending (b)	<u>\$ 19,774,105</u>	<u>15,899,139</u>	<u>14,041,514</u>	<u>13,406,972</u>	<u>12,024,519</u>	<u>11,256,652</u>	<u>10,283,493</u>
Net Pension Liability (Asset) Ending (a)-(b)	<u>\$ (2,442,112)</u>	<u>152,159</u>	<u>467,111</u>	<u>(149,815)</u>	<u>(1,076,105)</u>	<u>(533,443)</u>	<u>(568,221)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	114.1 %	99.1	96.8	101.1	109.8	105.0	105.8
Covered Payroll	\$ 3,116,373	\$ 3,071,741	2,863,705	2,659,470	2,244,045	2,120,719	2,232,146
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(78.36) %	4.95	16.31	(5.63)	(47.95)	(25.15)	(25.46)

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

Changes in assumptions:

During the year ended August 31, 2021 the mortality improvement scale was updated to MP-2021.

During the year ended August 31, 2020 the mortality improvement scale was updated to MP-2019.

During the year ended August 31, 2019, the mortality assumption was updated to use the Public 2010 Safety Mortality Tables with MP -2018 projected generationally for healthy participants and the Public 2010 Safety Disable Mortality Table with MP-2018 project generationally for disabled participants.

During the year ended August 31, 2018, the interest rate and discount rate decreased to 6.0% from 6.5%.

During the year ended August 31, 2017, the mortality assumption was updated to use the 2017 Combined Current Liability Mortality Table, male and female rates for healthy participants and the RP-2014 Disabled Mortality Table, male and female rates for disabled participants.

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

	For The Years Ended August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined pension contribution	\$ 562,323	552,836	418,823	244,461	290,240	300,077	261,882	321,337	358,484	376,207
Contributions in relation to the actuarially determined contribution	767,748	631,329	417,960	379,796	350,724	343,409	320,444	385,966	312,110	436,396
Contribution Deficiency (Excess)	<u>\$ (205,425)</u>	<u>(78,493)</u>	<u>863</u>	<u>(135,335)</u>	<u>(60,484)</u>	<u>(43,332)</u>	<u>(58,562)</u>	<u>(64,629)</u>	<u>46,374</u>	<u>(60,189)</u>
Covered Payroll	\$ 3,116,373	3,071,741	2,863,705	2,659,470	2,244,045	2,120,719	2,232,146	2,563,733	2,118,338	2,137,664
Contributions as a Percentage of Covered Payroll	24.64 %	20.55	14.60	14.28	15.63	16.19	14.36	15.05	14.73	20.41

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	Aggregate cost method
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	Market value
Inflation	2.30%
Salary increases	4.5%, compounded annually
Investment rate of return	6.0%, net of investment expenses, including inflation
Retirement age	Age 55 for participants age 54 on the valuation date; immediate for all others
Mortality	Pub-2010 Safety/Disabled Mortality MP-2021 projected generationally, male and female rates

Other information:

There were no benefit changes during the year.

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF ANNUAL
MONEY-WEIGHTED RATE OF RETURN ON INVESTMENTS -
POLICE PENSION PLAN
FOR THE YEARS ENDED AUGUST 31

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses:								
Police Pension Plan	18.8 %	7.9	2.0	7.6	7.8	5.3	N/A	N/A

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability							
Service cost	\$ 445,801	410,763	403,675	385,281	369,891	388,891	395,808
Interest on the total pension liability	1,568,816	1,499,693	1,444,434	1,363,132	1,317,216	1,222,060	1,178,720
Difference between expected and actual experience	(309,308)	(81,237)	(203,633)	243,133	(156,327)	87,035	(171,511)
Changes of assumptions	(626,068)	-	-	-	-	556,016	-
Benefit payments, including refunds	(912,017)	(874,661)	(896,479)	(862,462)	(946,107)	(918,710)	(688,962)
Net Change In Total Pension Liability	167,224	954,558	747,997	1,129,084	584,673	1,335,292	714,055
Total Pension Liability Beginning	21,867,876	20,913,318	20,165,321	19,036,237	18,451,564	17,116,272	16,402,217
Total Pension Liability Ending (a)	<u>\$ 22,035,100</u>	<u>21,867,876</u>	<u>20,913,318</u>	<u>20,165,321</u>	<u>19,036,237</u>	<u>18,451,564</u>	<u>17,116,272</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 691,657	644,808	575,580	548,282	507,576	532,194	618,572
Contributions - employee	-	7,048	-	-	-	-	-
Net investment income	5,565,541	261,063	1,261,811	2,237,515	1,959,445	(55,034)	353,689
Benefit payments, including refunds	(912,017)	(874,661)	(896,479)	(862,462)	(946,107)	(918,710)	(688,962)
Administrative expense	(17,046)	(22,583)	(20,641)	(14,595)	(14,074)	(13,709)	(15,005)
Other	(152,298)	(229,628)	(42,555)	(62,687)	(8,630)	(18,372)	(70,688)
Net Change In Plan Fiduciary Net Position	5,175,837	(213,953)	877,716	1,846,053	1,498,210	(473,631)	197,606
Plan Fiduciary Net Position Beginning	20,720,080	20,934,033	20,056,317	18,210,264	16,712,054	17,185,685	16,988,079
Plan Fiduciary Net Position Ending (b)	<u>\$ 25,895,917</u>	<u>20,720,080</u>	<u>20,934,033</u>	<u>20,056,317</u>	<u>18,210,264</u>	<u>16,712,054</u>	<u>17,185,685</u>
Net Pension Liability (Asset) Ending (a)-(b)	<u>\$ (3,860,817)</u>	<u>1,147,796</u>	<u>(20,715)</u>	<u>109,004</u>	<u>825,973</u>	<u>1,739,510</u>	<u>(69,413)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	117.52 %	94.75	100.10	99.46	95.66	90.57	100.41
Covered Payroll (for February 28/29 Valuation)	\$ 3,713,133	3,495,282	3,176,384	3,298,031	3,032,161	3,012,624	3,246,681
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(103.98) %	32.84	(0.65)	3.31	27.24	57.74	(2.14)

Notes:

Information is not available for fiscal years prior to 2015.

The amounts noted above are as of the measurement date which is June 30 prior to the end of the fiscal year.

Changes of assumptions:

During the year ended August 31, 2021, assumption changes include a decrease in the discount rate from 7.25% to 7.0%; a reduction in wage inflation of 3.25% and price inflation of 2.5% to 2.75% and 2.25% respectively; salary increases from 3.25 - 6.55, to 1.75 - 6.75%; and investment rate of return from 7.25% to 7.0%, respectively.

During the year ended August 31, 2016, new assumptions were adopted based on the 5-year experience study including change of wage inflation and price inflation to 3.25% and 2.5% from 3.5% and 3.0% respectively; and change in salary increases to 3.25% to 6.55% from 3.5% to 6.8%, respectively.

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined pension contribution	\$ 666,984	655,447	588,038	581,350	505,454	541,736	604,504	643,932	654,442	631,978
Contributions in relation to the actuarially determined contribution	666,984	655,447	588,038	555,513	505,454	541,736	604,504	643,932	582,422	570,401
Contribution Deficiency	\$ -	-	-	25,837	-	-	-	-	72,020	61,577
Covered Payroll	\$ 3,684,992	3,621,256	3,266,878	3,229,727	3,120,084	3,186,682	3,232,643	3,285,367	3,131,304	3,240,915
Contributions as a Percentage of Covered Payroll	18.10 %	18.10	18.00	17.20	16.20	17.00	18.70	19.60	18.60	17.60

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of February 28/29 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 and modified terminal funding

Amortization method

A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.

Remaining amortization period

Multiple bases from 13 to 15 years

Asset valuation method

5 years smoothed market; 20% corridor

Inflation

2.75% wage inflation; 2.25% price inflation

Salary increases

2.75% to 6.75%, including wage inflation

Investment rate of return

7.00%, net of investment expenses

Retirement age

Experience-based table of rates that are specific to the type of eligibility condition

Mortality

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Tables for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

Other information:

There are no other benefit changes during the year.

CITY OF ARNOLD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED AUGUST 31

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 25,272	21,102	17,242	18,222
Interest	12,198	15,989	18,236	15,994
Changes of assumptions or other inputs	2,805	(58,469)	42,683	(18,798)
Benefit payments	(7,072)	36,852	(8,275)	(10,921)
Net Change In Total OPEB Liability	<u>33,203</u>	<u>15,474</u>	<u>69,886</u>	<u>4,497</u>
Total OPEB Liability Beginning	<u>532,701</u>	<u>517,227</u>	<u>447,341</u>	<u>442,844</u>
Total OPEB Liability Ending	<u>\$ 565,904</u>	<u>532,701</u>	<u>517,227</u>	<u>447,341</u>
Covered Payroll	\$ 8,385,965	8,280,543	7,688,896	7,267,314
Total OPEB Liability as a Percentage of Covered Payroll	6.75 %	6.43	6.73	6.16

Note:

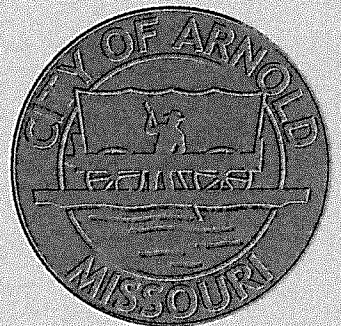
Information is not available for fiscal years prior to 2018.

There are no assets accumulated in a trust to pay related benefits for this Plan.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2021	2.14 %
2020	2.20
2019	2.97
2018	3.96
2017	3.51

**OTHER SUPPLEMENTAL
INFORMATION**



CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - GOVERNMENTAL FUNDS -
COMPARATIVE BALANCE SHEETS
AUGUST 31, 2021 AND 2020

	2021	2020
ASSETS		
Cash and investments	\$ 7,373,951	10,038,638
Receivables (net of allowances for uncollectibles):		
Taxes	4,166,961	3,885,563
Special assessments	1,020,615	1,078,043
Service fees	226,169	271,869
Intergovernmental	7,290	20,059
Court	39,508	39,393
Miscellaneous	129,059	128,764
Due from other funds	1,814,401	1,243,243
Prepaid items	706,032	617,243
Restricted assets:		
Cash and investments	1,568,577	2,410,749
Capital improvements sales tax receivable	5,971,901	5,568,964
Total Assets	\$ 23,024,464	25,302,528
 LIABILITIES		
Accounts payable	\$ 2,483,320	2,152,769
Accrued liabilities	195,591	200,318
Due to other funds	2,256,886	1,099,760
Unearned revenue	133,993	122,932
Total Liabilities	5,069,790	3,575,779
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue:		
Special assessments	1,021,536	1,078,964
Court fines	38,968	39,073
Taxes	5,971,901	5,568,964
Total Deferred Inflows Of Resources	7,032,405	6,687,001
 FUND BALANCES		
Nonspendable	706,032	617,243
Restricted	5,330,102	5,929,742
Committed	1,452,983	2,972,950
Assigned	642,226	2,345,871
Unassigned	2,790,926	3,173,942
Total Fund Balances	10,922,269	15,039,748
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	\$ 23,024,464	25,302,528

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - GOVERNMENTAL FUNDS -
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
REVENUES		
Taxes	\$ 19,294,950	17,265,493
Special assessments	57,428	36,903
Licenses and permits	1,378,955	1,887,233
Fines and court costs	263,685	362,078
Intergovernmental	1,672,273	595,677
Charges for services	680,111	681,282
Investment income	13,865	187,750
Donations	7,500	-
Miscellaneous	316,870	156,810
Total Revenues	23,685,637	21,173,226
EXPENDITURES		
Current:		
General government	3,888,034	3,405,983
Public safety	8,006,944	7,327,881
Public works	764,398	636,282
Highways and streets	1,101,181	1,863,043
Parks and recreation	2,411,258	2,432,646
Health and sanitation	254,162	306,084
Economic development	128,306	125,927
Capital outlay	6,353,257	1,959,508
Debt service:		
Principal	4,304,047	4,272,178
Interest	1,173,505	1,286,133
Total Expenditures	28,385,092	23,615,665
REVENUES UNDER EXPENDITURES	(4,699,455)	(2,442,439)
OTHER FINANCING SOURCES (USES)		
Insurance proceeds	15,375	6,605
Issuance of long-term debt	589,357	1,322,146
Proceeds from sale of capital assets	108,265	650
Transfer in	415,674	-
Transfer out	(546,695)	-
Total Other Financing Sources (Uses)	581,976	1,329,401
NET CHANGE IN FUND BALANCES	(4,117,479)	(1,113,038)
FUND BALANCES, SEPTEMBER 1	15,039,748	16,152,786
FUND BALANCES, AUGUST 31	\$ 10,922,269	15,039,748

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2021

	Special Revenue Funds			Totals
	Tourism	Drug Forfeiture	Community Foundation	
ASSETS				
Cash and investments	\$ 382,605	9,224	32,500	424,329
Receivables:				
Taxes	32,049	-	-	32,049
Prepays	-	75	-	75
	<u>\$ 414,654</u>	<u>9,299</u>	<u>32,500</u>	<u>456,453</u>
Total Assets				
LIABILITIES AND FUND BALANCES				
Liabilities	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable				
Prepays	-	75	-	75
Restricted for:				
Public safety	-	9,224	-	9,224
Tourism	414,654	-	-	414,654
Committed for:				
Community foundation	-	-	32,500	32,500
Total Fund Balances	<u>414,654</u>	<u>9,299</u>	<u>32,500</u>	<u>456,453</u>
	<u>\$ 414,654</u>	<u>9,299</u>	<u>32,500</u>	<u>456,453</u>
Total Liabilities And Fund Balances				

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, 2021

	Special Revenue Funds			Totals
	Tourism	Drug Forfeiture	Community Foundation	
REVENUES				
Taxes	\$ 199,256	-	-	199,256
Intergovernmental	-	3,133	-	3,133
Donations	-	-	7,500	7,500
Total Revenues	<u>199,256</u>	<u>3,133</u>	<u>7,500</u>	<u>209,889</u>
EXPENDITURES				
Current:				
General government	95,525	-	-	95,525
Public safety	-	10,261	-	10,261
Total Expenditures	<u>95,525</u>	<u>10,261</u>	<u>-</u>	<u>105,786</u>
NET CHANGES IN FUND BALANCES	103,731	(7,128)	7,500	104,103
FUND BALANCES, SEPTEMBER 1	<u>310,923</u>	<u>16,427</u>	<u>25,000</u>	<u>352,350</u>
FUND BALANCES, AUGUST 31	<u><u>\$ 414,654</u></u>	<u><u>9,299</u></u>	<u><u>32,500</u></u>	<u><u>456,453</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, 2021

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Taxes:			
Sales	\$ 114,750	199,256	84,506
EXPENDITURES			
General government	<u>114,750</u>	<u>95,525</u>	<u>(19,225)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ -</u></u>	<u>103,731</u>	<u>103,731</u>
FUND BALANCE, SEPTEMBER 1		<u>310,923</u>	
FUND BALANCE, AUGUST 31		<u><u>\$ 414,654</u></u>	

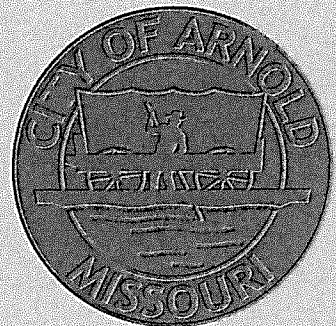
CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - DRUG FORFEITURE FUND
FOR THE YEAR ENDED AUGUST 31, 2021

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Intergovernmental	\$ -	3,133	3,133
EXPENDITURES			
Public safety	5,500	10,261	4,761
NET CHANGE IN FUND BALANCE	<u>\$ (5,500)</u>	<u>(7,128)</u>	<u>(1,628)</u>
FUND BALANCE, SEPTEMBER 1		<u>16,427</u>	
FUND BALANCE, AUGUST 31		<u>\$ 9,299</u>	

CITY OF ARNOLD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - COMMUNITY FOUNDATION FUND
FOR THE YEAR ENDED AUGUST 31, 2021

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Donations	\$ -	7,500	7,500
EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	7,500	7,500
FUND BALANCE, SEPTEMBER 1		25,000	
FUND BALANCE, AUGUST 31		\$ 32,500	

STATISTICS



This part of the City’s annual comprehensive 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.	77 - 81
Revenue Capacity These schedules contain information to help the reader assess the City’s local revenue sources.	82 - 89
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.	90 - 92
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.	93 - 95
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.	96 - 100

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

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

	August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities										
Net investment in capital assets	\$ 64,939,006	59,471,938	59,606,669	61,363,797	61,540,455	61,600,974	61,358,328	60,954,323	62,495,954	58,747,273
Restricted	13,189,914	10,925,615	9,508,076	7,895,892	5,751,073	7,168,385	7,020,552	6,209,178	5,750,389	5,795,745
Unrestricted	(14,823,046)	(13,979,863)	(13,802,457)	(14,166,217)	(13,801,156)	(15,902,356)	(13,878,273)	(25,947,438)	(25,777,303)	(24,245,868)
 Total Governmental Activities Net Position	 \$ 63,305,874	 56,417,690	 55,312,288	 55,093,472	 53,490,372	 52,867,003	 54,500,607	 41,216,063	 42,469,040	 40,297,150
Business-type Activities										
Net investment in capital assets	\$ 1,051,662	4,588,137	4,518,340	4,558,891	4,617,677	4,466,526	404,017	13,866,892	13,383,043	13,366,162
Restricted	46,350	-	-	-	-	-	325,978	526,603	588,203	701,303
Unrestricted	558,427	379,891	560,039	458,048	382,932	381,525	233,535	4,659,261	3,624,652	3,732,210
 Total Business-type Activities Net Position	 \$ 1,656,439	 4,968,028	 5,078,379	 5,016,939	 5,000,609	 4,848,051	 963,530	 19,052,756	 17,595,898	 17,799,675
Primary Government										
Net investment in capital assets	\$ 65,990,668	64,060,075	64,125,009	65,922,688	66,158,132	66,067,500	61,762,345	74,821,215	75,878,997	72,113,435
Restricted	13,236,264	10,925,615	9,508,076	7,895,892	5,751,073	7,168,385	7,346,530	6,735,781	6,338,592	6,497,048
Unrestricted	(14,264,619)	(13,599,972)	(13,242,418)	(13,708,169)	(13,418,224)	(15,520,831)	(13,644,738)	(21,288,177)	(22,152,651)	(20,513,658)
 Total Primary Government Net Position	 \$ 64,962,313	 61,385,718	 60,390,667	 60,110,411	 58,490,981	 57,715,054	 55,464,137	 60,268,819	 60,064,938	 58,096,825

Source: Basic financial statements

GASB 63 and 65 were implemented in 2013.

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

The City implemented GASB 75 and reported amounts restricted for pension in fiscal year 2018.

CITY OF ARNOLD, MISSOURI
CHANGE IN NET POSITION -
LAST TEN FISCAL YEARS

	For The Years Ended August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
EXPENSES										
Governmental Activities										
General government	\$ 3,813,231	4,020,105	3,980,145	3,984,929	3,748,672	3,771,398	3,507,185	3,521,130	3,437,488	3,560,571
Public safety	7,352,137	7,766,321	7,228,748	6,145,438	5,651,075	5,705,617	6,120,075	5,564,406	5,699,347	5,557,136
Public works	651,244	712,780	1,551,332	1,238,647	1,230,443	1,120,005	517,705	506,642	652,774	471,241
Highways and streets	4,458,061	3,963,281	3,124,045	3,414,602	3,600,472	3,578,202	3,022,074	3,499,006	3,180,611	3,247,948
Parks and recreation	2,172,096	2,607,594	2,596,256	2,695,515	2,595,859	2,599,236	2,371,529	2,430,932	2,286,290	2,311,042
Health and sanitation	212,876	404,895	470,807	661,153	1,335,456	1,345,275	1,232,741	1,202,951	1,209,726	1,199,147
Economic development	128,306	125,927	119,421	116,015	124,699	161,981	130,767	121,639	132,250	84,948
Interest on long-term debt	1,779,195	2,038,256	2,304,476	2,338,390	3,019,715	2,936,044	3,039,906	3,105,566	3,161,479	3,182,550
Total Governmental Activities Expenses	20,567,146	21,639,159	21,375,230	20,594,689	21,306,391	21,217,758	19,941,982	19,952,272	19,759,965	19,614,583
Business-type Activities										
Sewer system	-	-	-	-	-	-	2,883,157	4,111,479	4,138,224	3,604,074
Storm water	614,442	552,732	488,586	530,870	542,233	544,671	525,572	595,741	608,027	638,757
Golf	1,110	149,091	578,816	560,426	530,576	862,906	649,484	753,705	759,006	783,657
Special item - disposal of sewer system	-	-	-	-	-	-	8,247,633	-	-	-
Total Business-type Activities Expenses	615,552	701,823	1,067,402	1,091,296	1,072,809	1,407,577	12,305,846	5,460,925	5,505,257	5,026,488
Total Primary Government Expenses	21,182,698	22,340,982	22,442,632	21,685,985	22,379,200	22,625,335	32,247,828	25,413,197	25,265,222	24,641,071
PROGRAM REVENUES										
Governmental Activities										
Charges for services:										
General government	1,189,079	1,493,775	885,280	139,607	335,979	352,912	513,502	474,475	473,810	467,566
Public safety	549,072	541,320	795,822	1,011,285	912,036	823,464	1,084,746	1,076,383	1,335,540	1,227,070
Parks and recreation	652,239	665,382	1,026,853	1,213,846	1,428,013	1,393,972	1,262,388	1,279,638	1,284,012	1,378,811
Health and sanitation	49,308	44,444	51,915	111,543	917,019	894,289	822,800	31,859	27,951	29,407
Operating grants and contributions	2,014,440	1,176,005	1,167,911	1,451,208	1,239,193	1,491,836	1,182,988	1,151,413	1,086,620	1,085,599
Capital grants and contributions	15,056	476,238	88,202	502,348	111,320	1,608,538	1,572,516	148,700	2,375,066	1,408,288
Total Governmental Activities Program Revenues	4,469,194	4,397,164	4,015,983	4,429,837	4,943,560	6,565,011	6,438,940	4,162,468	6,582,999	5,596,741
Business-type Activities										
Charges for services:										
Sewer system	-	-	-	-	-	-	2,877,893	3,834,801	3,997,660	3,795,399
Storm water	606,137	552,431	594,657	586,259	573,452	576,378	580,298	585,636	589,987	575,621
Golf	3,579	39,041	192,299	426,544	389,878	381,704	324,046	482,520	434,990	561,806
Operating grants and contributions	-	-	-	3,179	-	41,513	-	-	-	-
Capital grants and contributions	-	-	-	-	13,940	137,216	87,311	89,460	16,000	1,150
Total Business-type Activities Program Revenues	609,716	591,472	786,956	1,015,982	977,270	1,136,811	3,869,548	4,992,417	5,038,637	4,933,976
Total Primary Government Revenues	5,078,910	4,988,636	4,802,939	5,445,819	5,920,830	7,701,822	10,308,488	9,154,885	11,621,636	10,530,717
NET REVENUES (EXPENSES)										
Governmental activities	(16,097,952)	(17,241,995)	(17,359,247)	(16,164,852)	(16,362,831)	(14,652,747)	(13,503,042)	(15,789,804)	(13,176,966)	(14,017,842)
Business-type activities	(5,836)	(110,351)	(280,446)	(75,314)	(95,539)	(270,766)	(8,436,298)	(468,508)	(466,620)	(92,512)
Total Primary Government Net Revenues (Expenses)	(16,103,788)	(17,352,346)	(17,639,693)	(16,240,166)	(16,458,370)	(14,923,513)	(21,939,340)	(16,258,312)	(13,643,586)	(14,110,354)

CITY OF ARNOLD, MISSOURI

CHANGE IN NET POSITION - (Continued)

LAST TEN FISCAL YEARS

	For The Years Ended August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
GENERAL REVENUES AND OTHER CHANGE IN NET POSITION										
Governmental Activities										
Taxes:										
Property	2,225,181	2,339,913	2,247,853	2,257,200	2,167,507	2,151,266	2,270,828	1,959,557	2,137,107	1,856,713
Sales	13,442,921	12,489,311	12,047,156	11,826,751	11,473,343	11,386,525	10,800,694	9,943,752	9,676,868	9,266,574
Gross receipts	3,003,508	3,068,773	3,276,670	3,657,747	3,459,426	3,418,667	3,371,996	3,375,222	3,264,019	3,014,815
Miscellaneous	35,799	41,494	34,601	45,703	45,475	37,719	71,954	41,950	43,139	38,972
Investment income	13,865	187,750	88,819	25,874	16,286	27,489	29,213	22,368	48,212	74,002
Gain on sale of assets	107,662	-	-	1,200	150	13,443	86,336	14,234	66,936	57,673
Miscellaneous	311,535	122,846	224,850	127,065	72,110	139,300	37,507	115,861	122,575	92,531
Transfers	3,308,752	-	(341,886)	(91,644)	(248,097)	(4,155,266)	9,737,008	(1,636,767)	(10,000)	(10,000)
Total Governmental Activities General Revenues And Other Change In Net Position	<u>22,449,223</u>	<u>18,250,087</u>	<u>17,578,063</u>	<u>17,849,896</u>	<u>16,986,200</u>	<u>13,019,143</u>	<u>26,405,536</u>	<u>13,836,177</u>	<u>15,348,856</u>	<u>14,391,280</u>
Business-type Activities										
Investment income	-	-	-	-	-	21	77,044	218,439	240,758	252,864
Sale of assets	2,999	-	-	-	-	-	-	700	8,801	-
Miscellaneous	-	-	-	-	-	-	7,036	1,550	3,284	-
Transfers	(3,308,752)	-	341,886	91,644	248,097	4,155,266	(9,737,008)	1,636,767	10,000	10,000
Total Business-type Activities General Revenues And Other Change In Net Position	<u>(3,305,753)</u>	<u>-</u>	<u>341,886</u>	<u>91,644</u>	<u>248,097</u>	<u>4,155,287</u>	<u>(9,652,928)</u>	<u>1,857,456</u>	<u>262,843</u>	<u>262,864</u>
Total Primary Government General Revenues And Other Change In Net Position	<u>19,143,470</u>	<u>18,250,087</u>	<u>17,919,949</u>	<u>17,941,540</u>	<u>17,234,297</u>	<u>17,174,430</u>	<u>16,752,608</u>	<u>15,693,633</u>	<u>15,611,699</u>	<u>14,654,144</u>
CHANGE IN NET POSITION										
Governmental activities	6,351,271	1,008,092	218,816	1,685,044	623,369	(1,633,604)	12,902,494	(1,953,627)	2,171,890	373,438
Business-type activities	(3,311,589)	(110,351)	61,440	16,330	152,558	3,884,521	(18,089,226)	1,388,948	(203,777)	170,352
Total Primary Government	<u>\$ 3,039,682</u>	<u>897,741</u>	<u>280,256</u>	<u>1,701,374</u>	<u>775,927</u>	<u>2,250,917</u>	<u>(5,186,732)</u>	<u>(564,679)</u>	<u>1,968,113</u>	<u>543,790</u>

Source: Basic financial statements

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

	August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 705,957	616,911	524,139	567,606	493,335	483,636	489,501	522,442	441,169	455,108
Restricted	141,684	978,849	20	53	36,567	1,136,598	1,137,151	1,136,477	1,136,421	1,136,361
Committed	1,420,483	2,947,950	3,168,193	2,513,975	3,709,280	3,675,215	2,067,288	1,513,074	1,557,117	4,410,590
Assigned	642,226	2,345,871	2,332,451	2,417,575	2,609,756	761,402	422,849	-	530,792	994,533
Unassigned	2,790,926	3,548,919	5,271,555	6,763,267	6,966,678	9,083,974	14,249,970	3,608,130	6,305,284	4,505,675
Total General Fund	\$ 5,701,276	10,438,500	11,296,358	12,262,476	13,815,616	15,140,825	18,366,759	6,780,123	9,970,783	11,502,267
All Other Governmental Funds										
Nonspendable	\$ 75	332	-	22,333	25,656	80,815	31,292	21,194	29,152	29,126
Restricted	5,188,418	4,950,893	4,903,663	4,422,783	4,391,577	5,752,721	5,750,583	5,163,232	4,923,977	4,430,694
Committed	32,500	25,000	25,000	206,471	282,505	239,475	204,631	316,059	-	-
Unassigned	-	(374,977)	(72,235)	-	-	-	-	-	(1,402,075)	(1,289,620)
Total All Other Governmental Funds	\$ 5,220,993	4,601,248	4,856,428	4,651,587	4,699,738	6,073,011	5,986,506	5,500,485	3,551,054	3,170,200

Source: Basic financial statements

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

	For The Years Ended August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
REVENUES										
Taxes	\$ 19,294,950	17,265,493	16,926,656	17,568,521	17,501,872	17,662,798	17,074,710	15,860,454	16,422,424	14,738,118
Special assessments	57,428	36,903	63,701	3,754	21,871	12,563	41,512	47,414	208,907	55,981
Licenses and permits	1,378,955	1,887,233	1,296,644	526,632	635,538	642,360	818,274	652,512	730,422	637,167
Fines and court costs	263,685	362,078	553,587	723,579	682,008	668,018	713,514	847,185	1,039,805	902,336
Intergovernmental	1,672,273	595,677	186,265	727,115	222,885	694,838	1,369,663	323,383	2,503,248	1,557,334
Charges for services	680,111	681,282	1,041,306	1,310,410	2,418,187	2,347,758	2,153,945	1,355,238	1,363,277	1,455,029
Investment income	13,865	187,750	88,819	25,874	16,286	27,489	29,213	22,368	48,212	74,002
Donations	7,500	-	-	25,000	-	-	-	-	-	-
Miscellaneous	316,870	156,810	172,513	202,675	159,320	329,228	318,015	333,865	349,730	324,627
Total Revenues	<u>23,685,637</u>	<u>21,173,226</u>	<u>20,329,491</u>	<u>21,113,560</u>	<u>21,657,967</u>	<u>22,385,052</u>	<u>22,518,846</u>	<u>19,442,419</u>	<u>22,666,025</u>	<u>19,744,594</u>
EXPENDITURES										
General government	3,888,034	3,405,983	3,342,686	3,356,980	3,023,190	3,022,711	2,896,449	2,876,530	2,767,426	2,938,282
Public safety	8,006,944	7,327,881	6,539,561	6,108,405	5,742,063	5,688,691	5,401,754	5,620,891	5,489,942	5,438,986
Public works	764,398	636,282	524,982	619,225	646,852	607,211	598,889	618,618	556,904	460,444
Highways and streets	1,101,181	1,863,043	997,731	1,112,571	1,427,853	1,440,050	1,004,793	1,401,373	1,377,329	1,318,793
Parks and recreation	2,411,258	2,432,646	2,455,074	2,511,434	2,445,720	2,510,169	2,333,348	2,320,950	2,250,733	2,241,380
Health and sanitation	254,162	306,084	399,915	559,781	1,318,330	1,330,789	1,233,389	1,203,039	1,204,374	1,198,127
Economic development	128,306	125,927	119,421	116,015	124,699	161,981	130,767	121,639	132,250	84,948
Capital outlay	6,353,257	1,959,508	1,538,217	3,093,943	1,726,012	1,339,597	1,611,488	348,711	5,718,016	1,734,019
Debt service:										
Principal	4,304,047	4,272,178	3,512,788	3,583,037	3,717,049	2,846,292	2,224,535	1,838,000	1,866,476	1,009,055
Interest	1,173,505	1,286,133	1,334,402	1,528,016	1,894,787	2,435,786	2,606,642	2,727,230	2,758,930	2,686,033
Bond issue costs	-	-	195,121	35,000	830,321	-	-	-	-	218,681
Payments to escrow agent	-	-	-	-	-	-	-	-	-	1,843,000
Total Expenditures	<u>28,385,092</u>	<u>23,615,665</u>	<u>20,959,898</u>	<u>22,624,407</u>	<u>22,896,876</u>	<u>21,383,277</u>	<u>20,042,054</u>	<u>19,076,981</u>	<u>24,122,380</u>	<u>21,171,748</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(4,699,455)</u>	<u>(2,442,439)</u>	<u>(630,407)</u>	<u>(1,510,847)</u>	<u>(1,238,909)</u>	<u>1,001,775</u>	<u>2,476,792</u>	<u>365,438</u>	<u>(1,456,355)</u>	<u>(1,427,154)</u>
OTHER FINANCING SOURCES (USES)										
Issuance of long-term debt	-	-	8,455,000	-	31,689,501	-	-	-	-	12,965,000
Premium/discount on issuance	-	-	774,256	-	52,250	-	-	-	-	(12,936)
Refunding of long-term debt	-	-	-	-	(32,953,377)	-	-	-	-	(12,733,383)
Issuance of capital lease	589,357	1,322,146	-	-	-	-	-	-	-	-
Proceeds from insurance premium	-	-	-	-	-	-	-	-	-	110,000
Proceeds from insurance	15,375	6,605	97,064	-	-	-	-	-	-	-
Proceeds from sale of capital assets	108,265	650	-	1,200	150	14,062	37,507	30,100	315,725	57,673
Payments to escrow agent	-	-	(9,115,304)	-	-	-	-	-	-	-
Transfers in	415,674	-	-	-	359,044	107,236	9,976,578	1,859,521	-	-
Transfers out	(546,695)	-	(341,886)	(91,644)	(607,141)	(4,262,502)	(418,220)	(3,496,288)	(10,000)	(10,000)
Total Other Financing Sources (Uses)	<u>581,976</u>	<u>1,329,401</u>	<u>(130,870)</u>	<u>(90,444)</u>	<u>(1,459,573)</u>	<u>(4,141,204)</u>	<u>9,595,865</u>	<u>(1,606,667)</u>	<u>305,725</u>	<u>376,354</u>
NET CHANGES IN FUND BALANCES	<u><u>\$ (4,117,479)</u></u>	<u><u>(1,113,038)</u></u>	<u><u>(761,277)</u></u>	<u><u>(1,601,291)</u></u>	<u><u>(2,698,482)</u></u>	<u><u>(3,139,429)</u></u>	<u><u>12,072,657</u></u>	<u><u>(1,241,229)</u></u>	<u><u>(1,150,630)</u></u>	<u><u>(1,050,800)</u></u>
Debt service as a percentage of noncapital expenditures	23.8 %	25.8	23.1	23.8	26.6	24.5	25.3	26.3	19.5	18.5

Source: Basic financial statements

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

FUNCTIONS/PROGRAMS	Program Revenues									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities										
General government	\$ 1,196,579	1,493,775	952,858	517,717	389,206	408,413	513,502	485,075	501,560	467,566
Public safety	1,428,492	660,759	893,885	1,409,868	1,069,486	1,255,381	1,267,963	1,260,519	1,472,757	1,362,136
Public works	15,056	20,285	20,624	19,238	25,434	18,534	22,131	-	1,661,672	453,885
Highways and streets	1,127,520	1,512,519	1,069,848	1,027,625	1,113,307	2,590,047	2,549,597	1,103,702	1,614,989	1,873,416
Parks and recreation	652,239	665,382	1,026,853	1,343,846	1,429,108	1,398,342	1,262,611	1,279,653	1,285,333	1,396,181
Health and sanitation	49,308	44,444	51,915	111,543	917,019	894,294	823,136	33,519	46,688	43,557
Total Governmental Activities	<u>4,469,194</u>	<u>4,397,164</u>	<u>4,015,983</u>	<u>4,429,837</u>	<u>4,943,560</u>	<u>6,565,011</u>	<u>6,438,940</u>	<u>4,162,468</u>	<u>6,582,999</u>	<u>5,596,741</u>
Business-type Activities										
Sewer system	-	-	-	-	-	-	2,877,893	3,924,261	4,013,660	3,796,549
Storm water	606,137	552,431	594,657	586,259	587,392	713,594	667,609	585,636	589,987	575,621
Golf	3,579	39,041	192,299	429,723	389,878	423,217	324,046	482,520	434,990	561,806
Total Business-type Activities	<u>609,716</u>	<u>591,472</u>	<u>786,956</u>	<u>1,015,982</u>	<u>977,270</u>	<u>1,136,811</u>	<u>3,869,548</u>	<u>4,992,417</u>	<u>5,038,637</u>	<u>4,933,976</u>
Total Primary Government	<u>\$ 5,078,910</u>	<u>4,988,636</u>	<u>4,802,939</u>	<u>5,445,819</u>	<u>5,920,830</u>	<u>7,701,822</u>	<u>10,308,488</u>	<u>9,154,885</u>	<u>11,621,636</u>	<u>10,530,717</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
2021	\$ 2,225,181	\$ 13,378,297	\$ 2,858,966	\$ 551,961	\$ 280,545	\$ 19,294,950
2020	2,339,913	11,201,704	2,909,251	532,031	282,594	17,265,493
2019	2,247,853	10,738,390	3,112,417	562,402	265,594	16,926,656
2018	2,257,200	11,023,584	3,497,797	556,250	233,690	17,568,521
2017	2,167,506	11,248,242	3,459,427	564,645	62,052	17,501,872
2016	2,151,266	11,537,907	3,197,614	549,872	226,139	17,662,798
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

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
2021	\$ 6,859,391	\$ 1,673,563	\$ 1,247,980	\$ 330,813	\$ 199,256	\$ 3,067,294	\$ 13,378,297
2020	6,299,762	1,527,625	-	283,435	143,254	2,947,628	11,201,704
2019	5,924,221	1,412,408	-	276,453	171,154	2,954,154	10,738,390
2018	6,003,196	1,450,669	434,980	283,388	165,967	2,685,384	11,023,584
2017	5,708,919	1,382,719	927,306	275,059	173,887	2,780,352	11,248,242
2016	5,694,010	1,380,546	1,140,340	271,890	154,724	2,896,397	11,537,907
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

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
				Assessed Value	Estimated Actual Value		Total Assessed Value To Total Estimated Actual Value
2021	2020	\$ 320,422,900	\$ 9,330,059	\$ 329,752,959	\$ 1,427,745,097	0.363	23.1 %
2020	2019	318,080,500	9,008,396	327,088,896	1,415,044,626	0.384	23.1
2019	2018	304,751,800	7,897,330	312,649,130	1,365,704,551	0.384	22.9
2018	2017	303,402,400	7,899,361	311,301,761	1,358,293,052	0.391	22.9
2017	2016	288,627,560	7,792,049	296,419,609	1,279,561,859	0.390	23.2
2016	2015	283,140,826	8,227,322	291,368,148	1,262,789,107	0.400	23.1
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

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 TEN FISCAL YEARS

Tax Year	Triangle TIF			Crossroads TIF			Crossroads Sub Area #1 TIF		
	Assessed Value	Base Assessed Value	Amount Above Base	Assessed Value	Base Assessed Value	Amount Above Base	Assessed Value	Base Assessed Value	Amount Above Base
2020	\$ 14,125,700	\$ 1,700,400	\$ 12,425,300	\$ 4,721,200	\$ 2,466,200	\$ 2,255,000	\$ 3,062,500	\$ 1,782,600	\$ 1,279,900
2019	14,098,500	1,700,400	12,398,100	4,721,200	2,466,200	2,255,000	3,062,500	1,782,600	1,279,900
2018	13,625,100	1,700,400	11,924,700	4,319,900	2,466,200	1,853,700	2,789,100	1,782,600	1,006,500
2017	13,625,100	1,700,400	11,924,700	4,319,900	2,466,200	1,853,700	3,058,400	1,782,600	1,275,800
2016	13,625,100	1,700,400	11,924,700	4,319,900	2,466,200	1,853,700	3,058,400	1,782,600	1,275,800
2015	13,625,100	1,700,400	11,924,700	4,319,900	2,466,200	1,853,700	3,058,400	1,782,600	1,275,800
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

Source: Jefferson County Assessor

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

	For The Years Ended August 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
City of Arnold:										
General revenue	0.363	0.384	0.384	0.391	0.390	0.400	0.401	0.397	0.397	0.397
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	0.523	0.561	0.561	0.557	0.567	0.526	0.531	0.532	0.533	0.505
Consolidated School No. 6 of Jefferson County	4.253	4.507	4.510	4.527	4.559	4.650	4.583	4.650	4.617	4.604
Rock Community Fire Protection District	1.184	1.219	1.233	1.246	1.245	0.763	0.803	0.931	0.707	0.712
Rock Township Ambulance District	0.209	0.209	0.215	0.131	0.202	0.209	0.210	0.210	0.210	0.132
The Junior College District of Jefferson County	0.311	0.330	0.330	0.332	0.332	0.341	0.344	0.340	0.339	0.336
The Jefferson County Library District	0.260	0.277	0.277	0.280	0.280	0.176	0.178	0.176	0.175	0.189
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	2021			2012		
	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value
Walmart Real Est Bus Trust 555	\$ 5,296,000	1	1.61 %	\$ 4,730,400	1	1.67 %
Metal Container Corporation	4,253,900	2	1.29	3,835,600	2	1.35
Missouri American Water Co	3,938,000	3	1.19	-	-	-
MCW-RD Richardson Crossing LLC (Schnucks)	2,857,300	4	0.87	2,964,500	4	1.04
THF Arnold Triangle Dev LLC (Lowe's)	2,809,600	5	0.85	3,700,400	3	1.30
Dayton Hudson Corp (Target)	2,796,000	6	0.85	2,496,000	7	0.88
Water Tower LLC	2,732,400	7	0.83	2,638,300	5	0.93
LSREF4 Rebound LLC (Convergy's Corp)	2,501,000	8	0.76	2,375,900	10	0.84
HD Development of Maryland (Home Depot)	2,477,800	9	0.75	2,542,600	6	0.90
Suellentrop Family Partnership LP	2,282,500	10	0.69	2,401,700	9	0.85
Dierbergs Arnold LLC	-	-	-	2,453,300	8	0.86
Total	<u>\$ 31,944,500</u>		<u>9.69 %</u>	<u>\$ 30,138,700</u>		<u>10.61 %</u>

Source: Jefferson County Assessor

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

<u>Fiscal Year</u>	<u>Tax Levy Year</u>	<u>Net Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent Collected As Current</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent Of Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As Percent Of Levy</u>
2021	2020	\$ 1,203,695	\$ 1,220,716	101.4 %	\$ -	\$ 1,220,716	101.4 %	\$ (17,021)	(1.4) %
2020	2019	1,137,568	1,130,255	99	25,244	1,155,499	101.6	(17,931)	(1.6)
2019	2018	1,164,881	1,151,057	98.8	9,236	1,160,293	99.6	4,588	0.4
2018	2017	1,125,135	1,107,362	98.4	13,578	1,120,940	99.6	4,195	0.4
2017	2016	1,095,000	1,085,348	99.1	12,193	1,097,541	100.2	(2,541)	(0.2)
2016	2015	1,075,295	1,060,702	98.6	15,009	1,075,711	100.0	(416)	-
2015	2014	1,064,577	1,042,115	97.9	22,572	1,064,687	100.0	(110)	-
2014	2013	1,040,624	1,011,172	97.2	29,405	1,040,577	100.0	47	-
2013	2012	1,042,510	1,025,466	98.4	17,044	1,042,510	100.0	-	-
2012	2011	1,040,059	987,178	94.9	45,601	1,032,779	99.3	7,280	0.7

(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	Tax Incremental Revenue Notes And Bonds	Revenue Bonds	Capital Lease Obligations	Notes Payable			
2021	\$ 1,469,633	\$ 10,526,989	\$ 19,150,588	\$ -	\$ 282,521	\$ -	\$ 31,429,731	3.23 %	\$ 1,486
2020	1,139,027	11,586,115	22,205,844	-	372,103	-	35,303,089	3.87	1,673
2019	-	12,620,241	25,329,863	-	51,121	-	38,001,225	4.22	1,803
2018	-	13,412,545	27,848,865	-	-	-	41,261,410	4.86	1,952
2017	-	14,428,829	30,420,608	-	-	-	44,849,437	5.41	2,068
2016	-	16,225,529	27,917,449	-	-	-	44,142,978	5.48	2,067
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

(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, 2021

<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	\$ 5,062,406	9.57 %	\$ 484,724
Consolidated School No. 6 of Jefferson County	<u>43,397,240</u>	31.96	<u>13,871,416</u>
	48,459,646		14,356,140
City direct debt	<u>31,147,210</u>	100.00 %	<u>31,147,210</u>
Total Direct And Overlapping Debt	<u>\$ 79,606,856</u>		<u>\$ 45,503,350</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									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt limit	\$ 40,855,439	38,842,803	38,896,083	38,419,609	36,924,409	36,126,514	35,712,870	35,185,812	36,029,611	36,369,775
Net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 40,855,439</u>	<u>38,842,803</u>	<u>38,896,083</u>	<u>38,419,609</u>	<u>36,924,409</u>	<u>36,126,514</u>	<u>35,712,870</u>	<u>35,185,812</u>	<u>36,029,611</u>	<u>36,369,775</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)
2021	21,146	41.0	\$ 973,286,942	\$ 46,027	11,150	3.2 %
2020	21,107	40.8	913,067,713	43,259	11,333	6.9
2019	21,073	39.8	901,502,940	42,780	11,389	3.0
2018	21,113	39.0	848,573,696	40,192	11,483	3.4
2017	21,319	40.1	815,537,026	38,254	11,619	3.7
2016	21,357	40.1	806,013,180	37,740	11,407	4.9
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

(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 -
2021 AND NINE YEARS AGO

<u>Employer</u>	<u>2021</u>			<u>2012</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>
Fox School District	780	1	3.88 %	-	-	- %
Concentrix/Convergys Corporation	741	2	3.69	1,120	1	5.57
Wal-Mart	485	3	2.41	411	2	2.05
Metal Container Corporation	250	4	1.24	177	3	0.88
LMC Industries	200	5	1.00	150	6	0.75
Sinclair & Rush	200	5	1.00	150	8	0.75
Kohl's Department Store	194	6	0.97	-	-	-
Schnuck's	191	7	0.95	157	5	0.78
Texas Roadhouse	150	8	0.75	150	7	0.75
Target	148	9	0.74	168	4	0.84
Dierberg's	147	10	0.73	135	9	0.67
Home Depot	-	-	-	120	10	0.60
Total	<u>3,486</u>		<u>17.33 %</u>	<u>2,738</u>		<u>13.64 %</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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government:										
Legislative services	1	1	1	1	1	1	1	1	1	1
Administrative services	5	5	5	5	5	5	5	6	6	6
Maintenance of municipal property	3	3	3	3	3	3	3	2	2	-
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	53	51	51	47	48	47	47	47	47	47
Administrative services	5	5	5	5	4	3	3	3	3	3
Dispatch	5	5	5	5	5	8	8	8	8	8
Public works:										
Administration	3	3	2	3	3	3	3	3	3	3
Street maintenance	9	9	9	9	9	8	9	10	9	8
Fleet	2	2	2	2	2	2	2	2	2	2
Building department:										
Administration	4	5	5	5	5	4	4	4	5	5
Inspectors	3	3	2	1	1	2	2	2	2	2
Engineers	1	1	1	1	1	1	1	1	1	1
Parks and recreation:										
Administration	2	3	2	3	3	3	3	3	6	4
Maintenance	8	10	10	10	10	11	12	12	10	6
Supervisors	3	3	3	2	2	2	2	2	1	1
Seasonal and part-time programs	10	5	13	13	13	16	13	13	12	-
Sewer:										
Maintenance	-	-	-	-	-	-	-	8	7	7
Storm water:										
Maintenance	5	5	5	5	5	4	5	5	5	5
Health department:										
Administration	1	1	1	1	1	1	1	1	1	1
Rabies controller	3	3	2	2	2	2	2	2	2	2
Golf course:										
Administration	-	1	1	2	2	1	1	1	3	2
Maintenance	-	2	2	2	2	1	2	2	5	1
Seasonal and part-time	-	7	7	7	5	4	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									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Police - patrol:										
Arrests	1,362	1,350	1,767	1,291	1,799	1,930	2,014	2,186	1,943	2,455
Traffic citations	3,616	4,224	5,791	6,982	7,342	7,555	7,687	8,105	8,075	10,451
Crime reports	15,123	16,050	16,373	16,623	16,155	15,028	14,408	14,074	12,230	14,552
Accident reports	685	705	891	901	893	830	775	712	603	730
Warrants	-	1,785	2,282	2,178	1,866	1,921	2,999	4,751	4,650	3,026
Public works:										
Road repair - tons of mix	3,884	6,500	6,500	6,220	339	416	311	4,100	4,500	1,252
Traffic control signs serviced	175	98	98	110	104	110	100	200	300	13
Weed violations issued - HW	-	176	244	220	36	159	321	150	186	164
Acres mowed and maintained	7	7	7	7	7	7	7	15	10	25
Parks and recreation (2):										
Park program participants	1,827	101	1,242	947	1,269	2,650	990	1,944	1,443	2,591
Park pavilion rentals	611	293	456	474	524	488	918	537	511	535
Recreation Center memberships	4,632	2,369	2,518	2,503	3,449	2,300	2,976	3,434	4,019	3,433
Recreation Center program participants	1,179	4,490	6,860	3,935	7,660	9,247	6,675	5,766	6,885	6,624
Recreation Center room rentals	753	217	354	772	935	1,041	1,101	1,136	1,264	1,325
Member golf rounds	-	567	1,677	N/A	N/A	2,333	2,832	3,596	4,957	5,870
9-hole golf rounds	-	1,434	2,886	7,152	N/A	5,245	5,114	5,862	5,708	4,767
18-hole golf rounds	-	-	970	8,672	N/A	6,849	6,158	9,982	9,485	11,036
All other golf rounds	-	52	1,599	N/A	N/A	4,296	981	1,294	1,802	7,701
Planning and building:										
Site development/concept plans	5	12	20	21	14	10	26	24	23	21
Rezoning applications	2.00	-	7	2	1	2	2	3	2	3
Text amendments	4	2	9	4	1	-	3	1	2	4
Building permits issued	848	1,689	796	753	995	655	568	559	595	503
Building inspections completed	2,796	2,818	1,802	1,815	2,935	3,064	3,006	2,431	2,899	2,952
Finance and administration:										
Merchant licenses issued (1)	660	657	662	704	692	699	665	661	655	90
Payroll checks issued	4,119	4,226	4,401	4,653	5,028	5,245	5,061	5,138	5,081	4,977
Accounts payable processed	3,062	2,818	3,502	3,597	3,691	4,083	4,537	4,795	4,919	4,686
Requests for public records	39	40	39	37	27	27	30	32	53	35

Source: City records - various departments listed

N/A - Information not available

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

(2) Information prior to 2012 not available.

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

FUNCTIONS/PROGRAMS	Fiscal Years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	20	20	20	22	22	23	24	31	31	31
Motorcycles	2	2	2	2	2	2	2	2	2	2
Public works:										
Miles of streets	85	85	85	83	83	82	80	80	80	80
Traffic lights and signals	6	6	6	6	6	6	7	6	6	6
Miles of sanitary sewers	-	-	-	-	-	-	-	112.1	112.1	112.1
Miles of storm sewers	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	59.0	59.0
Number of pumping stations	-	-	-	-	-	6	-	6	6	6
Parks and recreation:										
Number of parks	8	8	9	7	6	6	5	5	5	5
Acres of parks	418	418	418	488	488	488	488	488	488	485
Tennis courts	-	-	-	-	-	-	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	2	2	2
Golf course	-	1	1	1	1	1	1	1	1	1

Source: City finance department records

CITY OF ARNOLD, MISSOURI
TRIANGLE TIF FUNDS DEPOSITED -
LAST TEN FISCAL YEARS

Fiscal Year	Payments In Lieu Of Taxes	Economic Activity Taxes	Municipal Revenues	TDD Revenues	TDD Subsidy	Total
2021	\$ 934,134	\$ 2,085,799	\$ -	\$ 525,821	\$ 200,000	\$3,745,754
2020	935,409	1,748,040	-	439,845	200,000	3,323,294
2019	891,981	1,660,886	-	400,961	200,000	3,153,828
2018	869,383	1,422,678	-	377,061	200,000	2,869,122
2017	845,568	1,506,188	-	380,870	200,000	2,932,626
2016	847,030	1,562,951	-	417,397	200,000	3,027,378
2015	985,536	1,539,557	-	374,861	200,000	3,099,954
2014	693,358	1,463,569	-	345,749	200,000	2,702,676
2013	876,008	1,301,816	51,430	324,689	200,000	2,753,943
2012	617,086	1,674,140	51,557	322,007	200,000	2,864,790

Source: City records

CITY OF ARNOLD, MISSOURI
HISTORIC COLLECTIONS OF PILOTS AND ECONOMIC TAX REVENUES -
LAST TEN FISCAL YEARS

Fiscal Year	Triangle TIF		Crossroads TIF		Crossroads TIF - SubArea 1			Total
	PILOTS	EATS	PILOTS	EATS	PILOTS	EATS	Tourism	
2021	\$ 934,134	2,811,620	10,330	62,522	96,223	9,788	116,591	4,041,208
2020	935,409	2,387,885	170,041	447,579	96,512	7,685	104,479	4,149,590
2019	891,981	2,261,847	138,743	524,435	75,330	8,994	155,846	4,057,176
2018	906,716	1,999,739	140,994	516,176	79,412	8,697	160,673	3,812,407
2017	845,568	2,087,056	131,391	512,626	90,429	9,362	171,308	3,847,740
2016	847,030	2,180,348	131,668	541,672	90,624	8,925	165,452	3,965,719
2015	985,536	2,114,419	125,693	464,503	90,235	8,664	143,751	3,932,801
2014	693,358	2,009,318	126,332	277,028	94,998	(16,993)	114,094	3,298,135
2013	876,008	2,150,119	77,570	215,088	135,535	9,034	102,093	3,565,447
2012	617,086	1,996,146	60,456	89,084	133,811	8,069	85,663	2,990,315

Source: City records

CITY OF ARNOLD, MISSOURI
GENERAL FUND REVENUE SOURCES -
LAST SEVEN FISCAL YEARS

Sources	2021		2020		2019		2018		2017		2016		2015	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Retail sales taxes	\$ 6,859,391	40.20 %	\$ 6,299,762	42.81 %	\$ 5,924,221	43.23 %	\$ 6,003,196	41.36 %	\$ 5,708,919	38.67 %	\$ 5,694,010	37.09 %	\$ 5,575,444	35.34 %
Gross receipt tax on utilities	2,858,966	16.76	2,909,251	19.77	3,112,417	22.71	3,497,797	24.10	3,285,059	22.25	3,197,614	20.83	3,169,822	20.10
Jefferson County shared capital improvement sales taxes	1,247,980	7.31	-	-	-	-	434,980	3.00	927,306	6.28	1,140,340	7.43	781,784	4.96
Local property tax	1,184,494	6.94	1,137,951	7.73	1,141,799	8.33	1,130,078	7.79	1,100,119	7.45	1,081,943	7.05	1,069,364	6.78
Motor fuel taxes	551,961	3.24	532,031	3.62	562,402	4.10	556,250	3.83	564,646	3.83	549,872	3.58	559,752	3.55
Shared vehicle tax	330,813	1.94	283,435	1.93	276,453	2.02	283,388	1.95	275,059	1.86	271,890	1.77	255,947	1.62
Other taxes	280,545	1.64	282,594	1.92	265,594	1.94	233,690	1.61	236,418	1.60	226,139	1.47	224,224	1.42
Special assessments	57,428.00	0.34	36,903	0.25	63,701	0.46	3,754	0.03	21,871	0.15	12,563	0.08	41,512	0.26
License and permits	1,378,955	8.08	1,887,233	12.83	1,296,644	9.46	526,632	3.63	635,538	4.31	642,360	4.18	818,274	5.19
Fines and court costs	263,685	1.55	362,078	2.46	553,587	4.04	723,579	4.98	682,008	4.62	668,018	4.35	713,514	4.52
Intergovernmental	1,669,140	9.78	586,276	3.98	177,848	1.30	718,384	4.95	215,583	1.46	684,515	4.46	1,353,761	8.58
Charges for services	57,368	0.34	75,788	0.52	120,816	0.88	200,252	1.38	990,161	6.71	947,678	6.17	889,918	5.64
Investment income	13,024	0.08	165,471	1.12	44,521	0.33	6,828	0.05	14,061	0.10	25,037	0.16	25,039	0.16
Miscellaneous	308,062	1.81	156,133	1.06	164,974	1.20	194,050	1.34	105,085	0.71	211,519	1.38	296,757	1.88
Total Revenues	\$17,061,812	100.00 %	\$14,714,906	100.00 %	\$13,704,977	100.00 %	\$ 14,512,858	100.00 %	\$14,761,833	100.00 %	\$15,353,498	100.00 %	\$15,775,112	100.00 %

Source: Basic financial statements.

Note: Information will be expanded in future years.