

Comprehensive Annual Financial Report

*FOR THE FISCAL YEAR
ENDED DEC. 31, 2018*



2018

Wentzville Missouri®
The Crossroads of the Nation

CITY OF WENTZVILLE, MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2018

Prepared By: Finance Department

CITY OF WENTZVILLE, MISSOURI

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CITY OF WENTZVILLE, MISSOURI

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INTRODUCTORY SECTION

May 14, 2019

The Honorable Mayor and Members of the Board of Aldermen
City of Wentzville, Missouri

The Comprehensive Annual Financial Report (CAFR) of the City of Wentzville, Missouri (the City) for the fiscal year ended December 31, 2018, is hereby submitted. This report was prepared by the Finance Department and staff. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The financial statements and supporting schedules have been prepared in accordance with U.S. generally accepted accounting principles (GAAP). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is designed to fairly present the financial position and results of the various funds and operations of the City.

To provide a reasonable basis for making these representations, management of the City has established internal controls that are designed to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformance with GAAP. Because the cost of internal controls should not outweigh their benefits, the internal controls have been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a 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 independent auditors' report. This year's CAFR is the eleventh year that the City has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB).

PROFILE OF THE GOVERNMENT

The community was founded in 1855 and served as a railroad depot. The City of Wentzville was incorporated in 1872. In compliance with Missouri State Statutes, the duties of the City are vested in the Mayor and Board of Aldermen consisting of six members. The City is located in western St. Charles County at the intersection of 1-70 and 1-64/US Highway 40-61.

LOCAL ECONOMY

The City has been fortunate in experiencing an increase in sales tax revenue and property tax revenue over the last year. Property taxes on both residential and commercial properties are one of the City's primary sources of revenue. The City also relies extensively on sales tax from local businesses as a key source of revenue.

The City of Wentzville is a community of neighbors working together to build a better future.

Housing sales have followed national trends and the City has seen continuing activity since 2015 in the number of homes being sold and new construction occurring throughout the community. The City continues to be a desirable community in which to live due to our superior services, excellent school district, and proximity to shopping and major highways.

The City of Wentzville continues to maintain a diverse economic base. This diverse base consists of industrial, retail and service commercial, medical-related facilities, and other support services within the community. A number of Fortune 500 companies maintain a presence in the City. These include Walmart, General Motors, CVS Health, CenturyLink, and Lear Corporation. Retail establishments are dispersed around the City, but Wentzville Parkway, Historic Downtown Wentzville and the Wentzville Bluffs area maintain a concentration of retail and service commercial businesses.

The City is home to over 600 brick and mortar businesses and an additional 250 home-based businesses. Of the 600 brick and mortar businesses, these include approximately 160 businesses in the Historic Downtown area; 60 in the industrial area near the General Motors Wentzville Assembly Center; 175 along Wentzville Parkway; and another 200+ businesses located throughout the community in other areas.

The City of Wentzville continues to be a very desirable place for business location and expansion. The addition of 400 single-family homes in 2018 ensures that we remain the fastest-growing City in the entire State of Missouri. With 29,000 counted in the 2010 census and an estimated 42,000 residents today-this aggressive residential growth helps to fuel Wentzville's economic engine.

The Wentzville Bluffs development continues to be an example of this growth. The B&B movie theatre opened in late 2015, the Stone Summit Steak & Seafood Restaurant and a retail center opened in 2016. The Hampton Inn and a Burger King opened in 2017. In 2018, a four-tenant retail center opened and included a boutique, dry cleaners, meat market and pizza business.

A number of new businesses recently opened in the City of Wentzville. These businesses include:

- Accent Dental
- A Loving Heart Homecare
- Arc Locksmith Service
- Captain D's
- Crossfit LSL
- FS Label Manufacturing
- Hearwell STL
- Lendnation
- (The) Morgan School
- World of Communications
(Boost Mobile)
- Nike Air Manufacturing Innovation
- Northstar Insurance Advisors
- (The) Prime Meat Co.
- St. Louis Consolidators
- Six Plus Cypress
- (The) Source Pharmacy
- (The) Station Beauty Suites
- Tracy Ratcliff Agency (Allstate)
- (The) Trophy Outlet

The continuing success of the Chevrolet Colorado and GMC Canyon pickup trucks, along with the full-sized van, continues at the General Motors Wentzville Assembly Center is noteworthy. Since adding a third shift in March 2015, the plant has continued to add employees. General Motors remains the largest employer in St. Charles County with a workforce of almost 5,000 employees operating on three shifts.

In 2015, the Board of Aldermen approved a substantial industrial development project to serve as a sub-assembly operation and provide warehousing space for the nearby GM assembly plant. The Wentzville Logistics Center is a 1.1 million square-foot facility located on 73 acres, near the intersection of Highway A and Westgate Business Court, near Highway 40/61. The Wentzville Logistics Center officially opened in January 2017 and is the second largest building in St. Charles County (the largest being GM Assembly Center). The facility provided 400 net new jobs in the community.

There are a number of additional projects which have been approved and currently are under construction. These include the Midtown Home Improvements, Heartland Women's Healthcare, McAlister's Deli, Sauce on the Side, Holiday Inn Express, Sugarfire Smoke House, and the new Wentzville Post Office.

The City's purchasing policy has played an important role in keeping spending under control. More items are purchased on citywide contracts rather than individual department purchases. Operating reserves required in the fund balance policy give additional assurance that the City can continue to operate if slight downturns in the economy occur.

MAJOR INITIATIVES

The City desires to plan for the success of the City for decades to come. To encourage growth and stability, the City has actively sought out and supported residential and commercial development. The Board of Aldermen have used a variety of available funding mechanisms to support projects including Transportation Development Districts (TDD), Neighborhood Improvement Districts (NID), Community Improvement Districts (CID), Chapter 353 and Chapter 100. These are applied to projects on a case-to-case basis.

In 2018, design work was completed and an advance grading package was awarded for the David Hoekel Parkway interchange project combining City, County and MoDOT funding to connect the northwest side of the City over and across both I-70 and the railroad to Interstate Drive with a full diamond interchange at I-70. Other major projects in 2018 included the start of a new drinking water well, a new well house, site improvements and a 2 MG elevated water tower which continues into 2019. Design and construction work continues for Wentzville Parkway Turn Lane Phase II and West Meyer Road Phase III as well as the completion of Highway 61 Outer Road design. Slab Replacement projects across the City exceed \$2.5 million in 2018 and again in 2019. 2018 also brought an opportunity to purchase 11 acres of land for a future Public Works Facility, while the Super 8 Hotel and Car Credit City parcels were acquired for Wentzville Parkway South and 1.25 acres of land for a future roundabout in Historic Downtown at Luetkenhaus Blvd for a future interconnect with Allen and E Pearce. The City has since received CMAQ and Road Board funding for design and construction of the Wentzville Parkway South Extension. Design of this important transportation project begins in 2019 with construction expected in 2021.

Water main replacement projects are underway on East and West Allen Street as part of the continued revitalization of Historic Downtown. In 2019, Historic Downtown Wentzville also received CMAQ and County Road Board funding for a new traffic signal on West Pearce at Meyer currently under design with construction planned for 2020. Water mains will also be replaced on Tiger Drive and other streets in advance of pavement rehabilitation in that neighborhood.

A Facility Plan was completed in 2018 and submitted to DNR in advance of the next planned expansion at the Water Reclamation Center located on Mette Road. Design of the Phase 3 expansion is underway in 2019 with construction expected to be underway in early 2020.

LONG-TERM FINANCIAL PLANNING

The voters approved a ½-cent capital improvement sales tax. These funds are being used to pay the annual debt requirement leasehold revenue bonds issued to build a new law enforcement center and for stormwater projects. The remaining funds are to purchase equipment for the City departments.

The voters also passed a ½-cent sales tax for transportation. The City uses this tax for transportation improvements. The revenues from this tax pay for the City's share of the new construction and improvements of roads.

The voters also passed a ½-cent sales tax for parks in August of 2010. Collection of this park sales tax began January 2011. The City is using 80% of the revenue generated to pay the debt issued to cover developing new parks and 20% on operations. In 2010, the City issued certificates of participation for \$3,710,000 that included a 45% Recovery Zone subsidy on interest through the Missouri Department of Economic Development. In 2011, certificates of participation for \$18,900,000 were issued. The funds from these two issues will be used to build the new parks projects.

INDEPENDENT AUDIT

City ordinances require an annual audit by independent certified public accountants. The certified public accounting firm of Botz Deal & Co was selected by the Board of Aldermen to perform this year's audit. The auditors' report is included in this report.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awards the Certificate of Achievement for Excellence in Finance Reporting. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR. Such CAFR must satisfy both GAAP and applicable legal requirements.

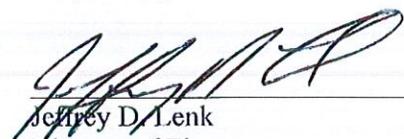
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for the certificate.

ACKNOWLEDGMENTS

The preparation of the CAFR on a timely basis was made possible by the dedicated service and cooperation of the entire staff of the City. Each member has my sincere appreciation for their contributions made in the preparation of this report. We would also like to acknowledge the assistance of our independent public accountants, Botz Deal & Co in formulating this report.

In closing, without the support of the Mayor and Board of Aldermen, preparation of this report would not have been possible.

Respectfully submitted,



Jeffrey D. Lenk
Director of Finance

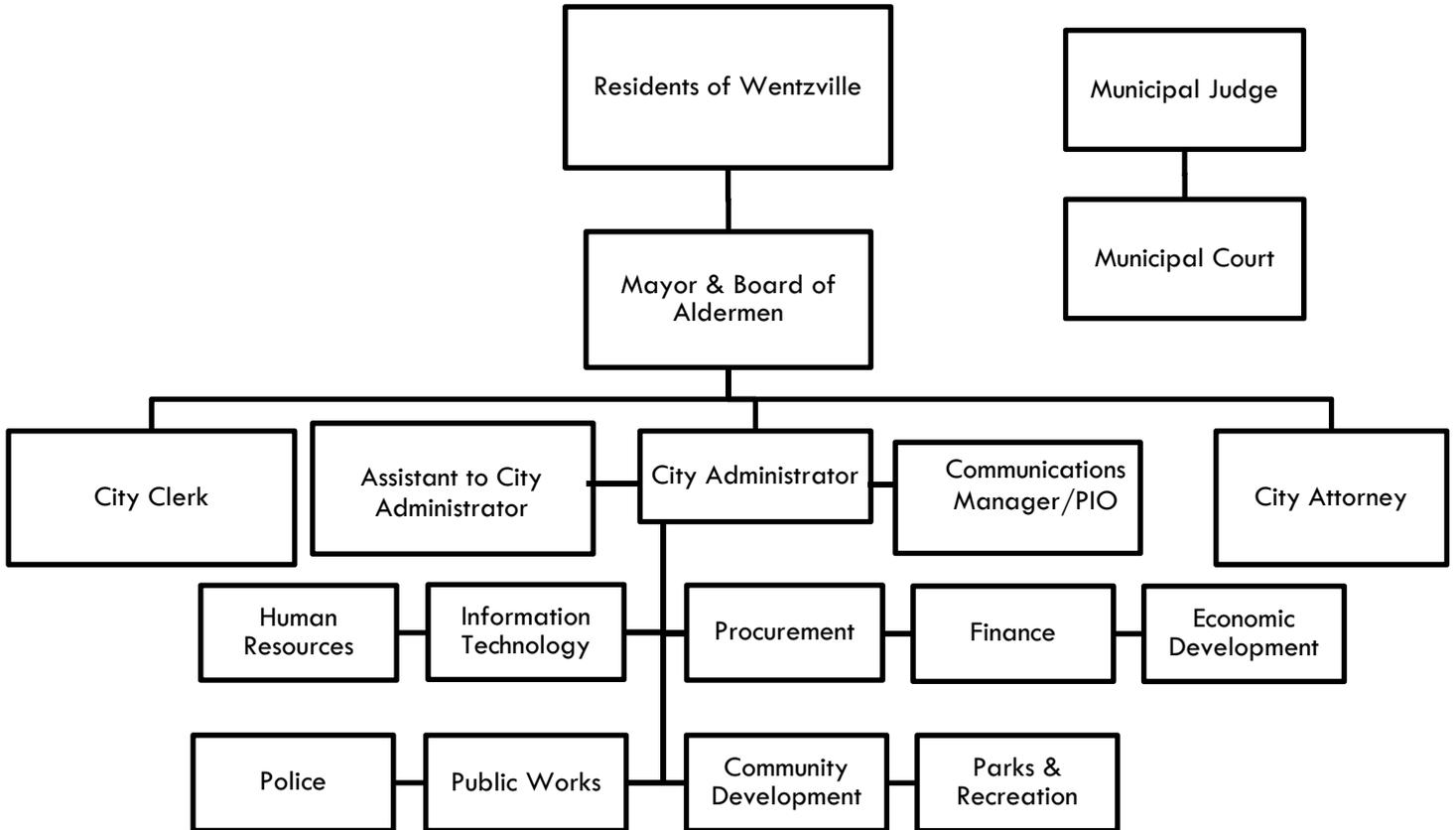


Danielle Bruckerhoff, CPA
Assistant Director of Finance

CITY OF WENTZVILLE, MISSOURI

ORANIZATIONAL CHART

DECEMBER 31, 2018



The Fire District is a separate taxing jurisdiction.

CITY OF WENTZVILLE, MISSOURI

LIST OF PRINCIPAL OFFICIALS

DECEMBER 31, 2018

MAYOR

Nick Guccione

ALDERMEN

**Bryan Harr
Robert Hussey
Brittany Gillett
Jeff Ottenlips
Michael Hays
Matt Swanson**

CITY ADMINISTRATOR

David Gipson

FINANCE DIRECTOR

Jeff Lenk

ASSISTANT FINANCE DIRECTOR

Danielle Bruckerhoff



Government Finance Officers Association

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

Presented to

**City of Wentzville
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



The Honorable Mayor and Members of
the Board of Aldermen
CITY OF WENTZVILLE, MISSOURI

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wentzville, Missouri, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 from 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 auditors' 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 entity'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 entity'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, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wentzville, Missouri, as of December 31, 2018, and the respective changes in the financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 15 to the financial statements, in 2018 the City adopted new accounting guidance, *GASBS No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions and Accounting Standards Update No. 2016-20, Revenue From Contracts with Customers (Topic 606)*. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension and postemployment information pages 4 through 15 and 60 through 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

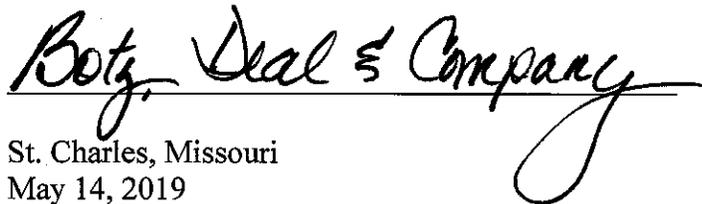
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Wentzville, Missouri's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the budgetary comparison schedules included in the other supplemental information section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated May 14, 2019, on our consideration of the City of Wentzville'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 the report is to describe the scope of our testing of internal control over financial reporting and compliance and the result 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 City of Wentzville's internal control over financial reporting and compliance.


St. Charles, Missouri
May 14, 2019

CITY OF WENTZVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2018

Our discussion and analysis of the City of Wentzville's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the City's financial statements, which follows this section.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended December 31, 2018, the City's total net position increased by \$15,659,402 from current year activities. The City ended with \$245,444,262 net position, a 6.99% increase from the prior year.
- During the year, the City's expenses for governmental activities were \$37,282,110 and were funded by program revenues and grants of \$16,676,977 and further funded with taxes and other general revenues which totaled \$34,047,369.
- For the City's business-type activities, such as utilities, the change in net position including capital contributions and transfers from current year activities was \$2,217,166.
- General Fund balance increased \$2,340,172 to \$17,020,639 representing an increase of 15.94% from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City and its component units using the integrated approach as prescribed by GASB Statement No. 34. Included in this report are governmental-wide statements for each of three categories of activities, governmental, business-type and discretely presented component units. The government-wide financial statements present the complete financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately and combined. These statements include all assets of the City (including infrastructure capital assets) as well as liabilities (including all long-term debt).

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most frequently asked questions about the City's finances is, "Has the City's overall financial condition improved, declined, or remained steady over the past year?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two government-wide statements report the City's net position and changes in them from the prior year. You can think of the City's net position - the difference between assets and liabilities - as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other nonfinancial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

As mentioned above, in the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities - Most of the City's basic services are reported here, including the general government, law enforcement, economic development, public works, community development, and parks. Sales taxes, property taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type activities - The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, wastewater, and sanitation activities are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental funds - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic service it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

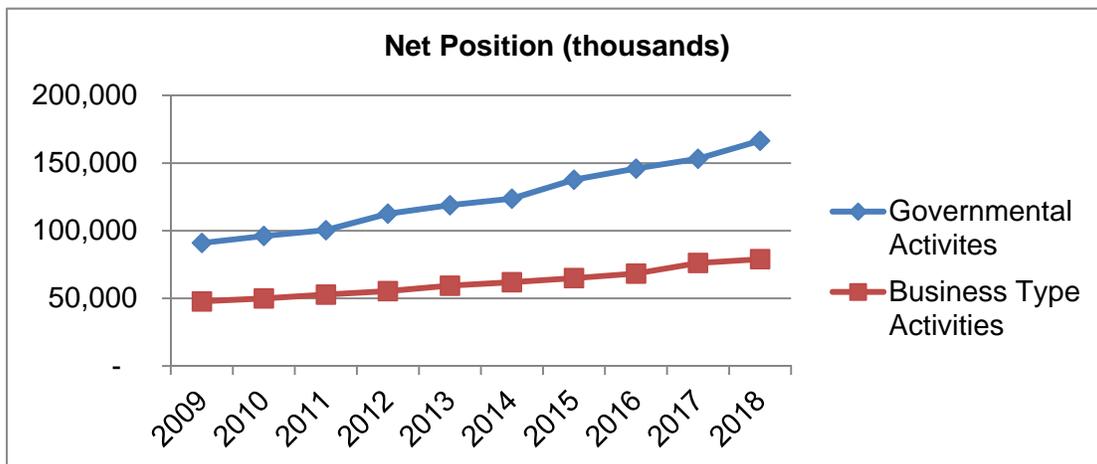
Proprietary funds - When the City charges customers for the services it provides - whether to outside customers or to other units of the City - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's Proprietary Funds are essentially the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows. This includes an Internal Service Fund where cost is centralized then fully allocated to the departments of the City.

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The City's combined net position increased from \$229,402,481 to \$245,444,262 between fiscal years 2017 and 2018. Looking at the net position of governmental and business-type activities separately, governmental activities had a \$13,442,236 increase while business-type activities had a \$2,217,166 increase as a result of current year activity.

Governmental Activities		
	<u>2018</u>	<u>2017</u>
Assets		
Current and other assets	\$ 48,936,912	\$ 40,763,620
Capital assets, net	149,579,748	143,458,296
Total assets	\$ 198,516,660	\$ 184,221,916
Deferred Outflows	\$ 1,950,902	\$ 2,431,718
Liabilities		
Current liabilities	\$ 5,761,704	\$ 5,310,321
Noncurrent liabilities	27,291,797	28,107,799
Total liabilities	\$ 33,053,501	\$ 33,418,120
Deferred Inflows	\$ 920,024	\$ 950
Net Position		
Net investment in capital assets	\$ 129,053,385	\$ 121,988,531
Restricted	20,536,321	16,806,886
Unrestricted	16,904,331	14,439,147
Total net position	\$166,494,037	\$153,234,564



Business Type Activities		
	<u>2018</u>	<u>2017</u>
Assets		
Current and other assets	\$ 27,594,956	\$ 25,034,382
Capital assets, net	80,969,851	82,465,005
Total assets	\$ 108,564,807	\$ 107,499,387
Deferred Outflows	\$ 402,218	\$ 480,405
Liabilities		
Current liabilities	\$ 1,953,612	\$ 1,486,747
Noncurrent liabilities	27,914,314	30,324,890
Total liabilities	\$ 29,867,926	\$ 31,811,637
Deferred Inflows	\$148,874	\$238
Net Position		
Net investment in capital assets	\$ 53,759,101	\$ 52,603,660
Restricted	1,349,257	1,319,726
Unrestricted	23,841,867	22,244,531
Total net position	\$ 78,950,225	\$ 76,167,917

Total		
	<u>2018</u>	<u>2017</u>
Assets		
Current and other assets	\$ 76,531,868	\$ 65,798,002
Capital assets, net	230,549,599	225,923,301
Total assets	\$ 307,081,467	\$ 291,721,303
Deferred Outflows	\$ 2,353,120	\$ 2,912,123
Liabilities		
Current liabilities	\$ 7,715,316	\$ 6,797,068
Noncurrent liabilities	55,206,111	58,432,689
Total liabilities	\$ 62,921,427	\$ 65,229,757
Deferred Inflows	\$ 1,068,898	\$1,188
Net Position		
Net investment in capital assets	\$ 182,812,486	\$ 174,592,191
Restricted	21,885,578	18,126,612
Unrestricted	40,746,198	36,683,678
Total net position	\$ 245,444,262	\$ 229,402,481

Changes in Net Position

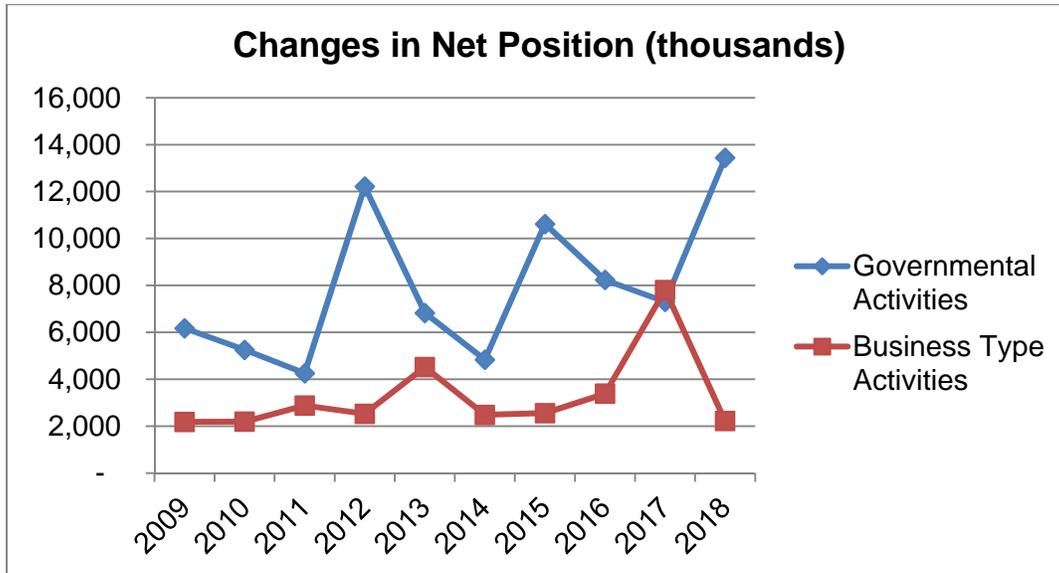
For the year ended December 31, 2018 net position of the primary activities changed as follows:

	Governmental Activities	Business Type Activities	Total
Revenues			
Charges for services	\$ 4,295,283	\$ 18,732,801	\$ 23,028,084
Capital grants and contributions	12,381,694	1,502,410	13,884,104
Total program revenues	16,676,977	20,235,211	36,912,188
Sales tax	21,116,305	--	21,116,305
Property tax	8,450,751	--	8,450,751
Utility tax	3,979,684	--	3,979,684
Investment income	460,867	397,279	858,146
Other	307,919	23,870	331,789
Total general revenues	34,315,526	421,149	34,736,675
Total revenues	50,992,503	20,656,360	71,648,863
Expenses			
General government	5,224,991	--	5,224,991
Public safety	9,348,627	--	9,348,627
Community development and public works	16,265,903	--	16,265,903
Parks and recreation	5,324,447	--	5,324,447
Interest and fiscal charges	1,118,142	--	1,118,142
Water	--	7,797,156	7,797,156
Sewer	--	8,263,989	8,263,989
Trash	--	2,646,206	2,646,206
Total expenses	37,282,110	18,707,351	55,989,461
Excess of revenues over expenses	13,710,393	1,949,009	15,659,402
Transfers	(268,157)	268,157	--
Changes in net position	\$ 13,442,236	\$ 2,217,166	\$ 15,659,402
Beginning net position, previously stated	\$ 153,234,564	\$ 76,167,917	\$229,402,481
Prior period adjustment	\$ (182,763)	\$ 565,142	\$ 382,379
Beginning net position, as restated	\$ 153,051,801	\$ 76,733,059	\$229,784,860
Ending net position	\$ 166,494,037	\$ 78,950,225	\$245,444,262

Changes in Net Position

For the year ended December 31, 2017 net position of the primary activities changed as follows:

	Governmental Activities	Business Type Activities	Total
Revenues			
Charges for services	\$ 4,312,489	\$ 18,815,537	\$ 23,128,026
Capital grants and contributions	9,650,952	4,470,472	14,121,424
Total program revenues	13,963,441	23,286,009	37,249,450
Sales tax	19,724,966	--	19,724,966
Property tax	7,253,305	--	7,253,305
Utility tax	3,869,364	--	3,869,364
Investment income	239,301	187,412	426,713
Other	237,379	25,116	262,495
Total general revenues	31,324,315	212,528	31,536,843
Total revenues	45,287,756	23,498,537	68,786,293
Expenses			
General government	4,652,308	--	4,652,308
Public safety	9,066,117	--	9,066,117
Community development and public works	16,799,986	--	16,799,986
Parks and recreation	5,000,246	--	5,000,246
Interest and fiscal charges	1,168,817	--	1,168,817
Water	--	6,941,868	6,941,868
Sewer	--	7,516,724	7,516,724
Trash	--	2,537,099	2,537,099
Total expenses	36,687,474	16,995,691	53,683,165
Excess of revenues over expenses	8,600,282	6,502,846	15,103,128
Transfers	(1,300,582)	1,300,582	--
Changes in net position	\$ 7,299,700	\$ 7,803,428	\$ 15,103,128
Beginning net position	\$145,934,864	\$ 68,364,489	\$214,299,353
Ending net position	\$153,234,564	\$ 76,167,917	\$229,402,481



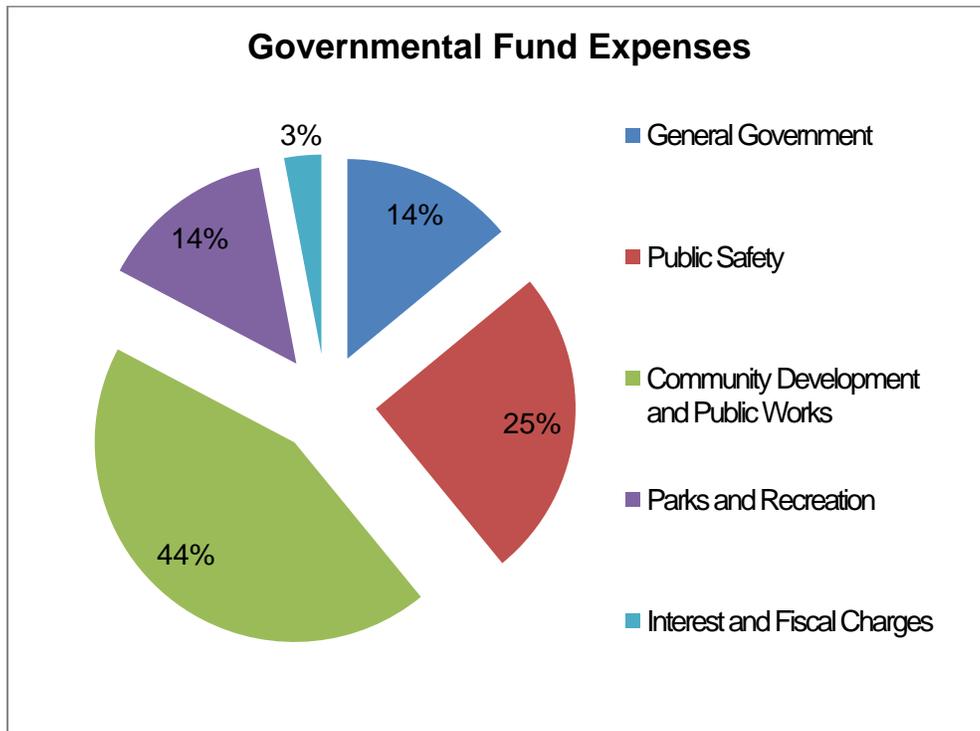
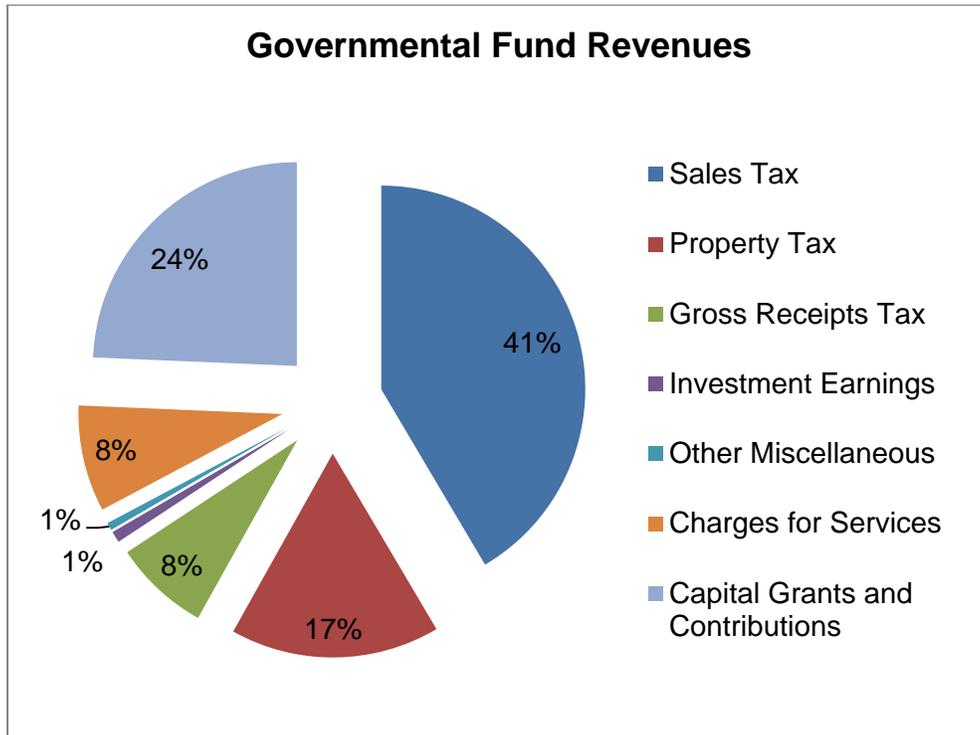
Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenditures, and Changes in Fund Balance. You will notice expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net Revenues (Expenses). The reason for this format is to highlight the relative financial burden of each of the functions on the City’s taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants or contributions. All other governmental revenues are reported as general. It is important to note all taxes are classified as general revenue even if restricted for a specific purpose.

Total expenses and net revenues (expenses) of the functions as reported in the Statement of Activities for governmental activities are as follows:

	Total revenues of function	Total expenses of function	Net revenue (expense) of function
General government	\$ 65,808	\$ 5,224,991	\$ (5,159,183)
Public safety	1,223,880	9,348,627	(8,124,747)
Community development and public works	12,686,755	16,265,903	(3,579,148)
Parks and recreation	2,700,534	5,324,447	(2,623,913)
Interest and fiscal charges	-	1,118,142	(1,118,142)
Total	\$ 16,676,977	\$ 37,282,110	\$(20,605,133)

For the year ended December 31, 2018, the City's governmental fund activities were as follows:



The City's governmental activities increase in net position of \$13,442,236 represents an 8.78% increase in net position from the prior year. In governmental activities, revenues increased from \$45,287,756 to \$50,992,503 or \$5,704,747. Taxes and other general revenues before transfers increased \$2,991,211. Charges for services have decreased by \$17,206. Capital grants for road projects increased by \$2,730,742.

Governmental activities expenses increased by 1.62%, or \$594,636, from \$36,687,474 to \$37,282,110. Of these total expenses, taxpayers and other general revenues before transfers funded \$34,315,526, while those directly benefiting from the programs funded \$12,381,694 from grants and other contributions and \$4,295,283 from charges for services.

Of the increase in expenditures, General Government increased \$572,683, Public Safety increased \$282,510, Community Development (which includes Public Works) decreased \$534,083, Parks increased \$324,201, and interest and other fiscal charges decreased \$50,675.

Business-type Activities

In reviewing the business-type activities net revenues (expenses), the following highlights should be noted:

Total business-type activities reported revenues and transfers in of \$20,924,517 and expenses of \$18,707,351 for a net increase of \$2,217,166.

In business-type activities program revenues decreased by \$3,050,798 or 13.10%, meanwhile expenses increased by \$1,711,660 or 10.07%. The revenue includes a decrease in charges for services of \$82,736 and a decrease of \$2,968,062 for capital grants and contributions.

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2018 fiscal year, the Governmental Funds reported a combined fund balance of \$38,726,938 which is a \$5,117,454, or 15.23%, increase from the prior year. The Enterprise Funds reported combined net position of \$78,671,600 which is a \$2,714,941, or 3.57%, increase from 2017's combined net position of \$75,956,659. The City fund balance policy requires an unrestricted fund balance (not withstanding restrictions imposed by the enabling tax legislation) of not less than 25% of operating expenditures for the General Fund and the Park. The policy also requires Water and Wastewater Funds to have an unassigned operating fund balance of 15% of operating expenditures. Fund balances being reported exceed the minimum in the General Fund. In the General Fund, the budgeted required minimum for operating was \$5,149,918 and the ending unassigned was \$14,222,380.

Other fund highlights include:

- For the fiscal year ended December 31, 2018, the General Fund had revenues of \$21,198,434 and expenditures of \$19,030,369, resulting in a \$2,168,065 increase in fund balance before any transfers and sale of capital assets. Transfers to and from other funds of \$134,286 and sale of capital assets of \$37,821 resulted in a net increase to fund balance of \$2,340,172 or 15.9%.

- Total revenues in the General Fund grew in 2018 compared to 2017, resulting in an increase of \$639,568 or 3.11%. Property tax increased by \$212,269 due to new construction. Sales tax increased \$402,472 in 2018 as the population continued to grow. Investment income was up as the City held true to its investment policy of safety of principal first, and then liquidity and yield last. Gross receipts tax increased by \$110,320, licenses and permits were down \$318,593, and fines were up \$100,423.
- General Fund expenditures increased by \$1,423,426 or 8.08%. General government increased by \$213,329, public safety increased by \$689,592, and community development and public works increased by \$544,960 while capital outlay decreased by \$24,455 as all General Fund capital expenditures were funded by the Capital Improvement Fund.
- The Park Special Revenue Fund's total fund balance decreased by \$40,991 including transfers out of \$1,503,776. The revenues increased by \$823,861, which is related to the first full year of operations at Peruque Valley Park and sales tax. The expenditures increased by \$1,147,341, with operating costs increasing by \$325,628 as a result of a full year of operations at Peruque Valley Park. Capital outlay and debt service increased by \$821,713. Revenues exceeded expenditures, before transfers and other financing source by \$1,449,046.
- The Transportation Special Revenue Fund's total fund balance increased by \$2,449,874. The revenues increased by \$4,827,919, which is related to county road board grants received for road construction on Wentzville Parkway Turn Lane Phase II, Highway 61 Outer Road, Wentzville Parkway South, David Hoekel Parkway, and the signal at Route N and Perry Kate Blvd. The expenditures increased by \$2,352,372, with operating costs decreasing by \$2,040,892 and capital outlay and debt service increasing by \$4,393,264. Expenditures were related to road projects and yearly slab and asphalt replacement projects. Road projects expenditures included construction on Highway 61 Outer Road, Highway N and Perry Cate Blvd. Signal, David Hoekel Parkway, Wentzville Parkway Turn Lane – Phase II, downtown revitalization and Interstate Drive Trail, right of way acquisition for David Hoekel Parkway, West Meyer Road, Wentzville Parkway Turn Lane and Wentzville Parkway South, and design work for West Meyer Road Phase III and Highway 61 Outer Road Extension. Expenditures exceeded revenues, before transfers and other financing sources and uses, by \$2,553,605.
- The Park Debt Fund's total fund balance decreased by \$296,130 including transfers in of \$1,503,776. The revenues increased by \$45,143. The expenditures increased by \$237,448, with operating costs decreasing by \$3,143, capital outlay increasing by \$244,141, and debt service decreasing by \$3,550. Expenditures exceeded revenues, before transfers and other financing source by \$1,799,906. The decrease in the fund balance for the year is due to the completion of Peruque Valley Park and construction on the maintenance shed at Peruque Valley Park.
- The Water Fund reported an increase in net position for the year ended December 31, 2018 of \$1,414,022 and the Wastewater Fund reported an increase of \$719,506. The increases are due to additional customers resulting from new construction activity.

General Fund Budgetary Highlights

Actual revenues were \$21,198,434, \$896,706 or 4.42% more than the revised budget of \$20,301,728. Actual expenditures were \$19,080,304, \$1,519,369 or 7.38% under revised budget of \$20,599,673.

Fiscal year 2018 revenues were budgeted originally at \$257,138 less than the 2017 actual. The actual increase from 2017 to 2018 is \$639,568 or 3.11%. Property and sales tax was budgeted \$169,569 below 2017 and came in \$1,321,467 above budget. The increase in property tax and sales tax was primarily due to increased new home sales and new residents moving to Wentzville and increase in sales tax.

Expenditures were originally budgeted to increase \$2,874,757 or 16.22% over 2017 actual, the actual increase in expenditures was \$1,355,388 or 7.65% more than the 2017 actual.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2016, the City had \$211,300,757 invested in capital assets, net of depreciation, including police equipment, building, park facilities, water lines and sewer lines. At the end of December 31, 2017 the amount had risen to \$225,923,301, an increase of \$14,622,544 or 6.92%. By the end of 2018, the amount increased to \$230,549,599.

Governmental activities capital assets increased by \$6,121,452 while business activities decreased by \$1,495,154.

See Note 3 to the financial statements for more detailed information on the City's capital assets and changes therein.

Primary Government Long-Term Debt

See Note 4 to the financial statements for more detailed information on the City's long-term debt and changes therein.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The 2019 budget includes expenditures of \$89,404,862 and revenues of \$84,964,823. Consistent with the plan outlined in the Capital Improvement Plan, the 2019 budget calls for specific drawdowns on fund balance reserves to fund one-time major capital projects in the Transportation, Water, and Wastewater funds. Major items in 2019 include the revitalization of historic downtown, Reclamation Center expansion, wet weather storage basin, dollars for street replacements and sidewalks, waterline extensions and replacements, as well as road projects including: David Hoekel Parkway, Wentzville Parkway Turn Lane – Phase II, West Meyer Road Phase III, and Wentzville Parkway South.

The City of Wentzville continues to experience an increase in its sales tax revenue. This increase is expected to continue due to the number of new homes being constructed throughout the community. Having new residents results in more localized spending, creating increased sales tax revenue. Also, the City of Wentzville has a regional draw from Warren County residents to the west and Lincoln County and beyond to the north. Thus, a combination of new residents and the regional draw of the area has produced increased sales volume and revenue. With a population of 29,000 persons in 2010 and a current estimated population of over 40,000 – the City of Wentzville remains one of the fastest-growing Cities in the entire State of Missouri.

This aggressive residential growth has resulted in a heightened interest from the retail and service commercial sectors. During 2018 a total of 40 new businesses opened in the City of Wentzville. These new businesses have resulted in over 600 brick-and-mortar businesses and 250 home-based businesses in the community.

Likewise, the industrial sector remains strong especially with the General Motors Wentzville Assembly Center serving as an anchor in the community and the region. With almost 5,000 employees, the GM facility remains the largest employer in St. Charles County. The City of Wentzville remains pro-active in the area of automotive support and will continue to solicit additional business through its direct-mail campaign.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's Office at 1001 Schroeder Creek Blvd., Wentzville, MO 63385 or by phone (636) 639-2020.

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wentzville Bluffs Community Improvement District
ASSETS				
Cash and investments	\$ 34,268,545	\$ 23,422,715	\$ 57,691,260	\$ 3,409
Taxes receivable:				
Property, net	3,738,729	-	3,738,729	-
Other	5,382,696	-	5,382,696	18,226
Accounts receivable, net	156,010	1,730,300	1,886,310	384,718
Accrued interest receivable	78,456	39,004	117,460	-
Inventory	304,189	361,550	665,739	-
Prepaid items	451,700	65,224	516,924	-
Restricted assets:				
Cash and investments	2,637,920	1,613,731	4,251,651	77,448
Net pension asset	1,918,667	362,432	2,281,099	
Capital assets - net				
Nondepreciable	27,133,225	3,658,308	30,791,533	-
Depreciable	122,446,523	77,311,543	199,758,066	-
TOTAL ASSETS	<u>198,516,660</u>	<u>108,564,807</u>	<u>307,081,467</u>	<u>483,801</u>
DEFERRED OUTFLOWS				
Deferred outflow related to pension	1,415,678	201,184	1,616,862	-
Deferred charge on refunding of debt	535,224	201,034	736,258	-
TOTAL DEFERRED OUTFLOWS	<u>1,950,902</u>	<u>402,218</u>	<u>2,353,120</u>	<u>-</u>
LIABILITIES				
Accounts payable	2,405,389	1,292,786	3,698,175	3,325
Retainage payable	166,936	12,679	179,615	-
Due (to) from other funds	557,825	(557,825)	-	-
Accrued liabilities	1,024,913	99,054	1,123,967	-
Accrued interest payable	391,696	264,474	656,170	2,113,200
Developer deposits	1,127,650	-	1,127,650	-
Customer deposits	2,500	234,202	236,702	-
Unearned revenue	84,795	608,242	693,037	-
Noncurrent liabilities:				
Due in one year	2,827,469	2,590,691	5,418,160	-
Due in more than one year	24,110,404	25,295,113	49,405,517	3,735,134
Due in more than one year - Net OPEB obligation	353,924	28,510	382,434	-
TOTAL LIABILITIES	<u>33,053,501</u>	<u>29,867,926</u>	<u>62,921,427</u>	<u>5,851,659</u>
DEFERRED INFLOWS				
Deferred inflows related to other post-employment benefits	8,499	1,158	9,657	-
Deferred inflow related to pension	911,525	147,716	1,059,241	-
TOTAL DEFERRED INFLOWS	<u>920,024</u>	<u>148,874</u>	<u>1,068,898</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	129,053,385	53,759,101	182,812,486	-
Restricted for:				
Parks	3,143,295	-	3,143,295	-
Transportation	12,668,575	-	12,668,575	-
Capital improvement	3,755,141	-	3,755,141	-
NID Projects	813,324	-	813,324	-
TIF Districts	155,986	-	155,986	-
Debt service	-	1,349,257	1,349,257	-
Unrestricted	16,904,331	23,841,867	40,746,198	(5,367,858)
TOTAL NET POSITION	<u>\$ 166,494,037</u>	<u>\$ 78,950,225</u>	<u>\$ 245,444,262</u>	<u>\$ (5,367,858)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenue			Primary Government			Component Unit
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Wentzville Bluffs Community Improvement District
Governmental Activities								
General government	\$ 5,224,991	\$ 65,808	\$ -	\$ -	\$ (5,159,183)	\$ -	\$ (5,159,183)	\$ -
Public safety	9,348,627	1,176,104	-	47,776	(8,124,747)	-	(8,124,747)	-
Community development and public works	16,265,903	941,787	-	11,744,968	(3,579,148)	-	(3,579,148)	-
Parks and recreation	5,324,447	2,111,584	-	588,950	(2,623,913)	-	(2,623,913)	-
Interest and fiscal charges	1,118,142	-	-	-	(1,118,142)	-	(1,118,142)	-
TOTAL GOVERNMENTAL ACTIVITIES	37,282,110	4,295,283	-	12,381,694	(20,605,133)	-	(20,605,133)	-
Business-type Activities								
Water	7,797,156	7,865,233	-	1,025,264	-	1,093,341	1,093,341	-
Wastewater	8,263,989	8,207,347	-	477,146	-	420,504	420,504	-
Trash	2,646,206	2,660,221	-	-	-	14,015	14,015	-
TOTAL BUSINESS-TYPE ACTIVITIES	18,707,351	18,732,801	-	1,502,410	-	1,527,860	1,527,860	-
TOTAL PRIMARY GOVERNMENT	\$ 55,989,461	\$ 23,028,084	\$ -	\$ 13,884,104	(20,605,133)	1,527,860	(19,077,273)	-
Component Unit								
Community Improvement District	\$ 331,919	\$ -	\$ -	\$ -	-	-	-	(331,919)
General revenues								
Taxes:								
Sales					21,116,305	-	21,116,305	214,820
Property					8,450,751	-	8,450,751	384,715
Gross receipts					3,979,684	-	3,979,684	-
Investment earnings					460,867	397,279	858,146	949
Other miscellaneous revenue					298,539	14,478	313,017	-
Gain on the disposal of capital assets					9,380	9,392	18,772	-
Interfund Transfers					(268,157)	268,157	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					34,047,369	689,306	34,736,675	600,484
CHANGE IN NET POSITION					13,442,236	2,217,166	15,659,402	268,565
NET POSITION - BEGINNING OF YEAR, AS PREVIOUSLY STATED					153,234,564	76,167,917	229,402,481	(5,636,423)
Prior period adjustments (Note 15)					(182,763)	565,142	382,379	-
NET POSITION - BEGINNING OF YEAR, AS RESTATED					153,051,801	76,733,059	229,784,860	(5,636,423)
NET POSITION - END OF YEAR					\$ 166,494,037	\$ 78,950,225	\$ 245,444,262	\$ (5,367,858)

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	General Fund	Park Fund	Transportation Fund	Park Debt Fund	Capital Improvement Fund	West Pearce Neighborhood Improvement District Fund	Other Nonmajor Funds	Total
ASSETS AND OTHER DEBITS								
Cash and investments	\$ 14,863,133	\$ 2,628,692	\$ 11,492,632	\$ -	\$ 3,018,503	\$ -	\$ -	\$ 32,002,960
Taxes receivable:								
Property, net	2,665,646	259,759	-	-	-	-	-	2,925,405
Other	2,085,448	743,958	1,658,766	-	738,795	-	155,729	5,382,696
Special assessments receivable	-	-	-	-	-	813,324	-	813,324
Accounts receivable, net	815	4,204	-	-	-	-	-	5,019
Accrued interest receivable	28,176	3,483	17,886	15,077	10,592	-	-	75,214
Inventory	280,951	3,103	20,135	-	-	-	-	304,189
Prepaid items	349,400	36,124	-	-	63,259	-	1,250	450,033
Restricted assets:								
Cash and investments	330,316	-	-	1,712,887	-	-	594,717	2,637,920
Due from other funds	-	124,425	-	-	-	-	-	124,425
TOTAL ASSETS	\$ 20,603,885	\$ 3,803,748	\$ 13,189,419	\$ 1,727,964	\$ 3,831,149	\$ 813,324	\$ 751,696	\$ 44,721,185
LIABILITIES								
Accounts payable	\$ 1,683,117	\$ 82,555	\$ 401,758	\$ -	\$ 76,008	\$ -	\$ -	\$ 2,243,438
Retainage payable	-	47,850	119,086	-	-	-	-	166,936
Due to other funds	-	-	-	124,425	-	-	279,200	403,625
Accrued liabilities	582,160	442,753	-	-	-	-	-	1,024,913
Customer deposits	-	2,500	-	-	-	-	-	2,500
Unearned revenue	-	84,795	-	-	-	-	-	84,795
Developer deposits	1,127,650	-	-	-	-	-	-	1,127,650
TOTAL LIABILITIES	3,392,927	660,453	520,844	124,425	76,008	-	279,200	5,053,857
DEFERRED INFLOWS								
Unavailable revenue:								
Property taxes	190,319	18,080	-	-	-	-	-	208,399
Special assessments	-	-	-	-	-	731,991	-	731,991
TOTAL DEFERRED INFLOWS OF RESOURCES	190,319	18,080	-	-	-	731,991	-	940,390
FUND BALANCES								
Nonspendable:								
Prepaid items	349,400	36,124	-	-	63,259	-	1,250	450,033
Inventory	280,951	3,103	20,135	-	-	-	-	304,189
Restricted for:								
Parks	-	3,085,988	-	-	-	-	-	3,085,988
Transportation	-	-	12,648,440	-	-	-	-	12,648,440
Capital improvement	-	-	-	-	3,691,882	-	-	3,691,882
TIF districts	-	-	-	-	-	-	155,986	155,986
Debt service	-	-	-	1,603,539	-	81,333	472,270	2,157,142
Assigned for:								
Purchase of supplies and services	167,908	-	-	-	-	-	-	167,908
Future capital projects	2,000,000	-	-	-	-	-	-	2,000,000
Unassigned	14,222,380	-	-	-	-	-	(157,010)	14,065,370
TOTAL FUND BALANCES	17,020,639	3,125,215	12,668,575	1,603,539	3,755,141	81,333	472,496	38,726,938
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 20,603,885	\$ 3,803,748	\$ 13,189,419	\$ 1,727,964	\$ 3,831,149	\$ 813,324	\$ 751,696	\$ 44,721,185

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
RECONCILIATION OF THE STATEMENT OF NET POSITION
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
AS OF DECEMBER 31, 2018

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

Total fund balance per balance sheet	\$ 38,726,938
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	149,579,748
Revenues that are not available to pay for current period expenditures and are therefore deferred in the fund statements.	940,390
The net pension asset reported in governmental activities is not a financial resource and therefore is not reported in the funds.	1,918,667
The Internal Service Fund is used by the City to provide insurance to the individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities statement of net position.	1,980,909
Interest payable recorded in the statement of net position does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.	(391,696)
Certain items related to the pension plan and OPEB are recorded as deferred inflows of resources and deferred outflows of resources in the statement of net position. They do not affect current financial resources and are therefore not reported in the fund statements.	495,654
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:	
Net other post employment benefit obligation	(353,924)
Accrued compensated absences	(975,011)
Deferred items on refunding	535,224
Outstanding debt, including premiums	<u>(25,962,862)</u>
 Net position of governmental activities	 <u>\$ 166,494,037</u>

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	Park Fund	Transportation Fund	Park Debt Fund	Capital Improvement Fund	West Pearce Neighborhood Improvement District Fund	Other Nonmajor Funds	Total
REVENUES								
Taxes	\$ 18,706,533	\$ 4,778,491	\$ 4,880,506	\$ -	\$ 4,244,089	\$ 81,333	\$ 155,729	\$ 32,846,681
Intergovernmental	98,293	483,696	7,076,152	105,254	-	-	-	7,763,395
Licenses and permits	1,007,595	-	-	-	-	-	-	1,007,595
Fines and forfeitures	781,155	-	-	-	-	-	-	781,155
Charges for service	394,949	2,111,584	-	-	-	-	-	2,506,533
Investment income	118,178	(3,524)	188,906	47,163	64,784	-	8,291	423,798
Miscellaneous	91,731	20,957	32,479	-	60,994	-	92,378	298,539
TOTAL REVENUES	21,198,434	7,391,204	12,178,043	152,417	4,369,867	81,333	256,398	45,627,696
EXPENDITURES								
Current:								
General government	4,130,443	-	226,756	-	281,073	-	483	4,638,755
Police department	8,726,700	-	-	-	-	-	-	8,726,700
Community development and public works	6,173,226	-	2,627,027	-	-	-	-	8,800,253
Parks and recreation	-	4,107,407	-	477	-	-	-	4,107,884
Capital outlay	-	1,284,456	6,770,655	299,752	2,983,898	628,027	-	11,966,788
Debt service:								
Principal, interest and fiscal charges	-	550,295	-	1,652,094	21,392	-	1,305,766	3,529,547
TOTAL EXPENDITURES	19,030,369	5,942,158	9,624,438	1,952,323	3,286,363	628,027	1,306,249	41,769,927
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,168,065	1,449,046	2,553,605	(1,799,906)	1,083,504	(546,694)	(1,049,851)	3,857,769
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	37,821	13,739	3,395	-	-	-	-	54,955
Debt proceeds	-	-	-	-	700,000	628,027	-	1,328,027
Transfer in (out)	134,286	(1,503,776)	(107,126)	1,503,776	(1,188,946)	-	1,038,489	(123,297)
TOTAL OTHER FINANCING SOURCES (USES)	172,107	(1,490,037)	(103,731)	1,503,776	(488,946)	628,027	1,038,489	1,259,685
CHANGE IN FUND BALANCE	2,340,172	(40,991)	2,449,874	(296,130)	594,558	81,333	(11,362)	5,117,454
FUND BALANCES - BEGINNING OF YEAR,	14,680,467	3,166,206	10,218,701	1,899,669	3,160,583	-	483,858	33,609,484
FUND BALANCES - END OF YEAR	\$ 17,020,639	\$ 3,125,215	\$ 12,668,575	\$ 1,603,539	\$ 3,755,141	\$ 81,333	\$ 472,496	\$ 38,726,938

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, 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 DECEMBER 31, 2018

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

Change in fund balance-total governmental funds	\$ 5,117,454
The acquisition of capital assets requires the use of current financial resources but has no effect on net position.	10,625,677
Capital assets contributed to the City are recorded at their fair value in the statement of activities, but are not reported in the fund statements.	4,618,299
The cost of capital assets is allocated over their estimated useful lives and is reported as depreciation expense in the statement of activities.	(8,932,089)
In the statement of activities, only the gain or loss on the disposal of capital assets is reported, whereas in the governmental funds financial resources received are reflected as revenue. As a result, the change in net position differs from the change in fund balance by the net book value of the disposed or transferred capital assets.	(190,435)
Revenues in the statements of activities that do not provide current financial resources are not reported as revenue in the funds.	700,059
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	2,364,087
The proceeds from the issuance of long-term debt is an other financing source in the fund financial statements, however it is a liability in the government-wide financial statements and has not affect on net position.	(1,328,027)
Some expenditures in the statement of activities do not require the use of current financial resources, and therefore are not reported as expenditures in the governmental funds:	
Decrease in accrued interest payable	76,069
Decrease in accrued compensated absences	(52,913)
Change in other post-employment benefits liability and related deferred inflows	(34,819)
Change in net pension asset/liability and related deferred outflows/inflows	(23,465)
The amortization of deferred refunding charges on bonds payable does not affect current financial resources to governmental funds but is amortized over the life of the bonds in the statement of activities.	(70,689)
The amortization of bond premiums and discounts decrease the long-term liabilities in the statement of net position but do not provide current financial resources to the funds.	41,938
The Internal Service Fund is used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service Fund is reported with governmental activities in the statement of activities.	531,090
Change in net position of governmental activities	\$ 13,442,236

The accompanying notes are integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2018

	Water Fund	Wastewater Fund	Nonmajor Trash Fund	Total	Governmental Activities Internal Service Fund
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 3,441,945	\$ 2,666,209	\$ 40,456	\$ 6,148,610	\$ 786,205
Investments	9,944,844	7,201,908	127,353	17,274,105	1,479,380
Accounts receivable, net	706,521	768,444	255,335	1,730,300	150,991
Accrued interest	24,900	13,731	373	39,004	3,242
Inventory	344,065	17,485	-	361,550	-
Prepaid items	23,610	38,157	3,457	65,224	1,667
Due from other funds	-	279,200	-	279,200	-
Restricted cash	36,826	1,128,468	-	1,165,294	-
Restricted investments	-	448,437	-	448,437	-
TOTAL CURRENT ASSETS	<u>14,522,711</u>	<u>12,562,039</u>	<u>426,974</u>	<u>27,511,724</u>	<u>2,421,485</u>
NONCURRENT ASSETS					
Net pension asset	181,216	181,216	-	362,432	-
Capital assets:					
Land and construction in progress	2,591,967	1,066,341	-	3,658,308	-
Other capital assets, net of accumulated depreciation	24,598,494	52,713,049	-	77,311,543	-
Total capital assets, net of accumulated depreciation	<u>27,371,677</u>	<u>53,960,606</u>	<u>-</u>	<u>81,332,283</u>	<u>-</u>
TOTAL NONCURRENT ASSETS	<u>27,371,677</u>	<u>53,960,606</u>	<u>-</u>	<u>81,332,283</u>	<u>-</u>
TOTAL ASSETS	<u>41,894,388</u>	<u>66,522,645</u>	<u>426,974</u>	<u>108,844,007</u>	<u>2,421,485</u>
DEFERRED OUTFLOWS					
Deferred outflow related to pension	100,592	100,592	-	201,184	-
Deferred charge on refunding	178,442	22,592	-	201,034	-
TOTAL DEFERRED OUTFLOWS	<u>279,034</u>	<u>123,184</u>	<u>-</u>	<u>402,218</u>	<u>-</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	905,579	297,036	90,171	1,292,786	161,951
Retainage payable	12,679	-	-	12,679	-
Accrued liabilities	46,716	49,403	2,935	99,054	-
Accrued interest payable	36,825	227,649	-	264,474	-
Unearned revenue	219,212	389,030	-	608,242	-
Compensated absences - current	38,722	47,088	4,881	90,691	-
Customer deposits	234,202	-	-	234,202	-
Bonds and COP's payable - current	405,000	2,095,000	-	2,500,000	-
TOTAL CURRENT LIABILITIES	<u>1,898,935</u>	<u>3,105,206</u>	<u>97,987</u>	<u>5,102,128</u>	<u>161,951</u>
NONCURRENT LIABILITIES					
Compensated absences	-	20,897	-	20,897	-
Net other post employment benefits liability	14,255	14,255	-	28,510	-
Bonds and COP's payable, net of current portion	2,354,286	22,919,930	-	25,274,216	-
TOTAL NONCURRENT LIABILITIES	<u>2,368,541</u>	<u>22,955,082</u>	<u>-</u>	<u>25,323,623</u>	<u>-</u>
TOTAL LIABILITIES	<u>4,267,476</u>	<u>26,060,288</u>	<u>97,987</u>	<u>30,425,751</u>	<u>161,951</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflow related to other post-employment benefits	579	579	-	1,158	-
Deferred inflow related to pension	73,858	73,858	-	147,716	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>74,437</u>	<u>74,437</u>	<u>-</u>	<u>148,874</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	24,790,833	28,968,268	-	53,759,101	-
Restricted for debt service	1	1,349,256	-	1,349,257	-
Unrestricted	13,040,675	10,193,580	328,987	23,563,242	2,259,534
TOTAL NET POSITION	<u>\$ 37,831,509</u>	<u>\$ 40,511,104</u>	<u>\$ 328,987</u>	<u>78,671,600</u>	<u>\$ 2,259,534</u>
Adjustment to reflect the consolidation of the Internal Service Fund's activities related to Proprietary Funds				<u>278,625</u>	
Net position of business-type activities				<u>\$ 78,950,225</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Water Fund	Wastewater Fund	Nonmajor Trash Fund	Total	Governmental Activities Internal Service Fund
OPERATING REVENUE					
Charges for services	\$ 7,856,211	\$ 8,207,347	\$ 2,660,221	\$ 18,723,779	\$ 3,500,099
Licenses and permits	9,022	-	-	9,022	-
Miscellaneous	7,949	6,529	-	14,478	-
TOTAL OPERATING REVENUE	<u>7,873,182</u>	<u>8,213,876</u>	<u>2,660,221</u>	<u>18,747,279</u>	<u>3,500,099</u>
OPERATING EXPENSES					
Personnel services	1,266,599	1,252,712	87,677	2,606,988	-
Contractual services	40,434	169,775	2,500,116	2,710,325	2,433,951
Depreciation	1,329,614	3,528,114	-	4,857,728	-
Repairs and maintenance	239,576	1,003,386	-	1,242,962	-
Operating supplies	976,710	172,044	12,305	1,161,059	-
Other services and charges	3,897,211	1,249,757	46,108	5,193,076	504,760
TOTAL OPERATING EXPENSES	<u>7,750,144</u>	<u>7,375,788</u>	<u>2,646,206</u>	<u>17,772,138</u>	<u>2,938,711</u>
OPERATING INCOME (LOSS)	<u>123,038</u>	<u>838,088</u>	<u>14,015</u>	<u>975,141</u>	<u>561,388</u>
NONOPERATING REVENUE (EXPENSE)					
Investment income	206,999	188,024	2,256	397,279	37,069
Interest and fiscal charges	(80,695)	(921,885)	-	(1,002,580)	-
Gain (loss) on the disposal of assets	8,406	986	-	9,392	-
TOTAL NONOPERATING REVENUE (EXPENSE)	<u>134,710</u>	<u>(732,875)</u>	<u>2,256</u>	<u>(595,909)</u>	<u>37,069</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>257,748</u>	<u>105,213</u>	<u>16,271</u>	<u>379,232</u>	<u>598,457</u>
CAPITAL CONTRIBUTIONS	<u>1,130,066</u>	<u>517,204</u>	<u>-</u>	<u>1,647,270</u>	<u>-</u>
TRANSFERS IN (OUT)	<u>26,208</u>	<u>97,089</u>	<u>-</u>	<u>123,297</u>	<u>-</u>
CHANGE IN NET POSITION	<u>1,414,022</u>	<u>719,506</u>	<u>16,271</u>	<u>2,149,799</u>	<u>598,457</u>
NET POSITION - BEGINNING OF YEAR AS PREVIOUSLY STATED	<u>36,244,041</u>	<u>39,576,653</u>	<u>135,965</u>		<u>1,661,077</u>
Prior period adjustments (note 15)	173,446	214,945	176,751		-
NET POSITION - BEGINNING OF YEAR, AS RESTATED	<u>36,417,487</u>	<u>39,791,598</u>	<u>312,716</u>		<u>1,661,077</u>
NET POSITION - END OF YEAR	<u>\$ 37,831,509</u>	<u>\$ 40,511,104</u>	<u>\$ 328,987</u>		<u>\$ 2,259,534</u>
Adjustment to reflect the consolidation of the Internal Service Fund's activities related to Proprietary Funds				<u>67,367</u>	
Change in net assets of business-type activities				<u>\$ 2,217,166</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Water Fund	Wastewater Fund	Nonmajor Trash Fund	Total	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 7,711,325	\$ 8,165,863	\$ 2,653,285	\$ 18,530,473	\$ -
Receipts from interfund services provided	-	-	-	-	3,500,099
Cash paid to suppliers	(4,524,553)	(2,421,312)	(2,549,749)	(9,495,614)	(3,079,378)
Cash paid to employees	(1,242,136)	(1,223,734)	(85,785)	(2,551,655)	-
Other revenue	7,949	6,529	-	14,478	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,952,585</u>	<u>4,527,346</u>	<u>17,751</u>	<u>6,497,682</u>	<u>420,721</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from other funds	26,208	97,089	-	123,297	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>26,208</u>	<u>97,089</u>	<u>-</u>	<u>123,297</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Net change in due to/from other funds	-	69,800	-	69,800	-
Acquisition of capital assets	(1,440,429)	(273,847)	-	(1,714,276)	-
Proceeds from sale of assets	8,406	986	-	9,392	-
Proceeds from the issuance of debt	-	-	-	-	-
Principal repayments	(400,000)	(2,033,000)	-	(2,433,000)	-
Interest and fiscal charges	(83,240)	(954,334)	-	(1,037,574)	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,915,263)</u>	<u>(3,190,395)</u>	<u>-</u>	<u>(5,105,658)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	196,084	180,430	2,144	378,658	35,560
Purchase of restricted investments	-	(3,521,011)	-	(3,521,011)	-
Proceeds from the sale of restricted investments	-	3,522,782	-	3,522,782	-
Net change in pooled investments	(177,269)	(1,449,326)	(14,860)	(1,641,455)	(410,668)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>18,815</u>	<u>(1,267,125)</u>	<u>(12,716)</u>	<u>(1,261,026)</u>	<u>(375,108)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	82,345	166,915	5,035	254,295	45,613
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>3,396,426</u>	<u>3,627,762</u>	<u>35,421</u>	<u>7,059,609</u>	<u>740,592</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 3,478,771</u>	<u>\$ 3,794,677</u>	<u>\$ 40,456</u>	<u>\$ 7,313,904</u>	<u>\$ 786,205</u>
Reconciliation of cash and cash equivalents:					
Cash and cash equivalents	\$ 3,441,945	\$ 2,666,209	\$ 40,456	\$ 6,148,610	\$ 786,205
Restricted cash	36,826	1,128,468	-	1,165,294	-
Total cash and cash equivalents	<u>\$ 3,478,771</u>	<u>\$ 3,794,677</u>	<u>\$ 40,456</u>	<u>\$ 7,313,904</u>	<u>\$ 786,205</u>

The accompanying notes are an integral part of these financial statements.

**RECONCILIATION OF OPERATING INCOME (LOSS) TO
NET CASH PROVIDED BY OPERATING ACTIVITIES**

	Water Fund	Wastewater Fund	Nonmajor Trash Fund	Total	Governmental Activities Internal Service Fund
OPERATING INCOME (LOSS)	\$ 123,038	\$ 838,088	\$ 14,015	\$ 975,141	\$ 561,388
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Depreciation	1,329,614	3,528,114	-	4,857,728	-
(Increase) decrease in assets:					
Accounts receivable	(132,848)	(15,384)	(6,936)	(155,168)	(79,820)
Prepaid items	380	2,023	12	2,415	(1,667)
Inventory	128,333	(2,269)	-	126,064	-
Pension related items	3,465	3,471	-	6,936	-
Increase (decrease) in liabilities:					
Accounts payable	500,665	173,896	8,768	683,329	(59,180)
Accrued expenses	-	-	-	-	-
Accrued wages and related items	19,204	23,713	1,892	44,809	-
Other post-employment benefits items	1,794	1,794	-	3,588	-
Customer deposit	(9,160)	-	-	(9,160)	-
Unearned revenue	(11,900)	(26,100)	-	(38,000)	-
TOTAL ADJUSTMENTS	<u>1,829,547</u>	<u>3,689,258</u>	<u>3,736</u>	<u>5,522,541</u>	<u>(140,667)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,952,585</u>	<u>\$ 4,527,346</u>	<u>\$ 17,751</u>	<u>\$ 6,497,682</u>	<u>\$ 420,721</u>
SUPPLEMENTAL DISCLOSURES					
Contributed capital assets	\$ 1,130,066	\$ 517,204	\$ -	\$ 1,647,270	\$ -

The accompanying notes are an integral part of these financial statements.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Wentzville, Missouri (the City) was incorporated on March 5, 1872. The City's major operations include public safety (police), highways and streets, culture and recreation, public improvements, planning and zoning, and general administrative services. The City, with a population of approximately 37,000, is located in St. Charles County and covers 19.98 square miles.

The City of Wentzville has established a Council-Administrator form of government as set forth in Chapter 77 of the Revised Statutes of Missouri. The Mayor is elected at-large for a four-year term. The Board of Aldermen is comprised of six members, two from each of the three wards. Board members serve staggered two-year terms and are responsible for determining policy, enacting ordinances, and authorizing expenditures. The City Administrator, appointed by the Board of Aldermen, provides professional leadership in carrying out the policies and objectives formulated by the Board of Aldermen.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America. The more significant accounting and reporting policies and practices employed by the City are as follows:

A. **REPORTING ENTITY**

Generally accepted accounting principles require that the basic financial statements present the City (the primary government) and its component units. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's governing body or because the component unit will provide a financial benefit or impose a financial burden on the City.

Wentzville Bluffs Community Improvement District (CID) - The CID was incorporated in 2006. Three of the five directors of the CID are appointed by the City and the directors have the ability to impose the City's will. The CID is organized to develop certain public infrastructure improvements. The CID is a component unit of the City and is discretely presented as such in the financial statements.

A separately issued financial report is available for the Wentzville Bluffs Community Improvement District. This report may be obtained by contacting the administrator of the community improvement district, Development Dynamics, 1001 Boardwalk Springs Place, Suite 50, O'Fallon, Missouri 63366 or by calling 636-561-8602.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

A. **REPORTING ENTITY** - continued

Wentzville Economic Development Council (WEDC) - The WEDC was formed in 1994 as a Missouri not-for-profit corporation for the purpose of facilitating the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City. The WEDC is legally separate from the City; however, its governing body is substantively the same as the City's. Consequently, it is, in substance, the same as the primary government. As such, the balances and transactions of this component unit are blended into the accompanying financial statements and reported in a capital projects fund in a manner similar to the balances and transactions of the City itself. Separate financial statements for the WEDC may be obtained from the City's Finance Director at the City's administrative office.

B. **BASIC FINANCIAL STATEMENTS**

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's funds).

Government-wide Financial Statements

The government wide financial statements (i.e., Statement of Net Position and the Statement of Activities) report information about the City as a whole. Governmental activities, which are generally supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Eliminations of interfund charges and balances have been made in these statements to minimize the double-counting of internal activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each program of the governmental activities. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City.

The City's net position is reported in three components - net investment in capital assets; restricted net position; and unrestricted net position. The government-wide focus is on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities. The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the primary government.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued
- B. **BASIC FINANCIAL STATEMENTS** - continued

Fund Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The major governmental funds of the City are described below:

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

Park Fund - This special revenue fund is used to account for taxes and park programs revenue and for the activities related to the parks department.

Transportation Fund - This special revenue fund is used to account for the special revenues received from transportation taxes.

Park Debt Fund - This debt service fund is used to account for debt proceeds and related capital projects.

Capital Improvement Fund - This fund is used to account for the special revenues received from capital improvement taxes.

West Pearce Neighborhood Improvement District Fund - This fund is used to account for the activities related to the district, which include collecting taxes and making debt service payments.

Water Fund - This enterprise fund is used to account for the operations of the City's water department.

Wastewater Fund - This enterprise fund is used to account for the operations of the City's wastewater department.

Additionally, the City reports the following fund type:

Internal Service Fund - This fund is used to account for services provided to other departments of the City by the Self-Insurance Fund. Charges for services are allocated to various City departments on a cost recovery basis.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

C. **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING** - continued

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-wide Financial Statements - The government-wide financial statement are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. All assets and liabilities associated with the operation of the City are included on the statement of net position. 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 budget year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this measurement focus, only current assets and current liabilities are generally included on the balance sheet. 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, with the exception of reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available once all eligibility requirements have been met. 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 and claims and judgments, are recorded only when payment is due.

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

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

D. **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE**

Deposits and Investments

The City considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. State statute RSMo 30.260 authorizes the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. Investments are reported at fair value based on quoted market prices.

The City pools temporarily idle cash from all funds for investments purposes. Each fund's portion of the pool is shown on the Statement of Net Position as cash and cash equivalents and investments. Deposits during the year included cash in interest bearing and demand bank accounts, money market funds, and repurchase agreements. Interest is allocated to each fund based on the respective invested balance on a monthly basis.

Receivables

Property tax receivable - The City's property taxes are levied each October based on the assessed valuation for all real property located in the City as of the previous January 1. Taxes are due upon receipt of billing and become delinquent after December 31. Liens are placed on property for delinquent taxes on January 1 following the due date.

The St. Charles County Assessor establishes assessed values and the County tax collector makes collections. The assessed value at January 1, 2018 upon which the 2018 levy was based for real estate, personal property, and railroads and utilities taxes was \$897,763,284. The City's tax rate was levied at \$0.6463 per \$100 of assessed valuation for general government services and \$0.0632 per \$100 of assessed valuation for parks and recreation.

Special assessment receivable - Special assessments receivable represents the residents' portions of improvements related to the Neighborhood Improvement District which have been completed and billed. The City's portion of such improvements is expended as incurred.

Allowance for uncollectible receivables

The allowance for uncollectible receivables is as follows as of December 31, 2018:

	Governmental activities	Business-type activities
	<u> </u>	<u> </u>
General Fund	\$ 107,287	\$ -
Park Fund	10,081	-
Water Fund	-	10,000
Wastewater Fund	-	3,181
Trash Fund	-	3,000
Total	<u>\$ 117,368</u>	<u>\$ 16,181</u>

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

D. **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE** - continued

Inventories - Inventory in the governmental and proprietary funds are valued at cost (first-in, first-out) and the expense is recognized when inventory items are consumed in operations. Inventories are equally offset by a fund balance amount which indicates that they do not constitute "available spendable resources" even though they are a component of current assets.

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

Capital assets - Balances include property, equipment, and infrastructure assets (i.e. roads, bridges, sidewalks, etc.) and are reported in the applicable governmental activities or business-type activities columns in the government-wide financial statements. In the governmental fund statements, capital assets are charged to capital outlay expenditures as purchased. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, works of art, and service concession agreements are recorded at acquisition value.

Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and a useful life in excess of one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset or that significantly increase the capacity of an asset are capitalized. Other costs incurred for repairs and maintenance which do not add value to the asset or materially extend the asset's useful lives are expensed as incurred. Assets which have been acquired with funds received through grants must be used in accordance with the terms of the grant.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position, and is computed on the straight-line basis over the following estimated useful lives:

<u>Major Group</u>	<u>Life</u>
Buildings and improvements	10-30 years
Equipment	3-10 years
Infrastructure	30-40 years

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

D. **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE** - continued

Compensated absences - City employees earn vacation at varying rates based upon their length of service. The City's policies allow up to 240 hours of vacation leave to be carried over into the next year for full-time employees. Regular full-time employees who are separated from service are compensated for vacation accrued up to the date of separation. All vacation pay is accrued when earned in the government-wide and proprietary fund financial statements.

City employees earn sick leave at varying rates based upon their length of service and is available only to provide compensation during periods of illness. No portion of sick leave is payable to the employee upon termination but is payable upon retirement or death. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations or retirements. Compensated absences are generally liquidated by the funds in which they originate.

Long-Term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund balance - As prescribed by GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, governmental funds report fund balance classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

In the governmental funds, equity is shown as fund balance and classified into five components:

Nonspendable - Assets that are not in spendable form.

Restricted - Amounts with externally imposed constraints, such as those mandated by creditors, grantors, contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws or regulations.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued
- D. **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE** - continued

Fund balance - continued

Committed - Amounts with a purpose formally imposed by formal action (ordinance) of the Board of Aldermen; the highest level of decision making authority; binding unless modified or rescinded by the Board of Aldermen.

Assigned - Amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned amounts represent intended uses established by the Board of Aldermen or a City official delegated that authority. The Board of Alderman has not authorized by resolution any other City official the ability to assign fund balance. Encumbrances shall be considered assigned unless they specifically meet the requirements to be restricted or committed.

Unassigned - This consists of the governmental fund balances that do not meet the definition of “nonspendable,” “restricted,” “committed,” or “assigned.” The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

The City applies restricted resources first to finance qualifying expenditures, when either restricted or unrestricted amounts are available. For unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then unassigned amounts.

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 a General Fund balance of not less than 25% of annual operating expenditures for the current fiscal year. Should the balance fall below the 25% threshold, the City will identify a plan to restore the fund balance to its targeted amount as part of the budget proposal.

Net position - Represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted resources are used first to fund appropriations.

Restricted assets - Certain General Fund monies are classified as restricted assets on the balance sheet because their use is limited to refunding court bonds paid and protested taxes. Certain cash and investments of the Enterprise Funds and Government Funds are restricted for the repayment of the outstanding bonds, interest, and capital improvements in accordance with bond ordinances and the related trust indentures.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued
- D. **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE** - continued

Deferred Outflows/Inflows of Resources and Unearned Revenue - In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports Deferred Outflows/Inflows of Resources as follows:

Unavailable Revenues - Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues relating to property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Unearned revenue arises when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, revenue is recognized.

Gain/Loss on Refunding - In the government-wide and proprietary fund financial statements, deferred outflows of resources on refunding represent the difference between the reacquisition price of a refunded bond and its net carrying amount, which is amortized and recognized as a component of interest expense over the remaining life of the old refunded bonds or the new refunding bonds, whichever is shorter.

Pension Related Items - Deferred outflows and inflows of resources related to pensions represents the deferral of the City's contributions subsequent to the measurement date of June 30, 2018 as well as the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and the difference between expected and actual plan experience.

Other Post-Employment Benefits - Deferred inflows of resources related to other post-employment benefits represents the deferral of the changes in plan assumptions.

Proprietary funds - Distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Fund, Wastewater Fund, Trash Fund, and Internal Service Fund are charges to customers for sales and services.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

D. **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE** - continued

The Water Fund and Wastewater Fund also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Capital Contributions - Represent government grants and other aid used to fund capital projects. Donations by developers are recognized as revenue in the Statement of Activities and proprietary funds when final subdivision plats are accepted by the City. Other capital contributions are recognized as revenue when the expenditure is made and the amounts become subject to claim for reimbursement

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect: (1) the reported amounts of assets and liabilities, (2) disclosures such as contingencies, and (3) the reported amounts of revenues and expenses included in such financial statements. Actual results could differ from those estimates.

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

2. **DEPOSITS AND INVESTMENTS**

Custodial Credit Risk - For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the financial institution, the City will not be able to recover the value of its deposits or collateral securities that are 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 these securities must amount to 100% of the City's cash not insured by the Federal Deposit Insurance Corporation.

At December 31, 2018, the City's deposits were covered by the FDIC or were fully collateralized by securities held by the City's agent in the City's name.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. At December 31, 2018, the City's investments were exposed to custodial credit risk due to the investments being held in custody by the counterparty.

2. **DEPOSITS AND INVESTMENTS** - continued

Credit Risk - According to the City's investment policy on credit risk, the City will minimize credit risk by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business. In addition, the City will diversify the portfolio so that potential losses on individual securities will be minimized. Credit risk is the risk that the issuer or other counterparty to an investment will be unable to fulfill its obligations to the holder of the investment. This risk can be measured by the assignment of a rating by a nationally recognized statistical rating organization. As of December 31, 2018, as rated by Moody's Investment Service or Standard & Poor's, the City's investments in Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, and U.S. Treasuries are rated AA+.

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

At December 31, 2018, the City held \$7,742,356 (13%) of its portfolio in investments issued by the Federal National Mortgage Association.

Interest Rate Risk - As a means of managing its exposure to fair value losses arising from increasing interest rates, the City's investment policy follows state statutes which generally limit investments maturities to less than five years. Certain investments related to long-term debt bond reserve funds are held in investments which mature beyond 10 years as it is anticipated the funds will not be utilized until the debt matures. To minimize the risk of loss, the City matches investments to anticipated cash flows and diversifies the investment types to the extent practicable.

As of December 31, 2018, the City had the following investments and maturities:

	Investment maturities (in Years)			
	Fair Value	Less Than 1	1-5	> 10
Repurchase agreement	\$ 14,652,708	\$ 14,652,708	\$ -	\$ -
Certificates of deposit	15,443,127	10,247,691	5,195,436	-
US government agencies	26,074,717	9,701,412	16,373,305	-
US treasuries	2,693,114	2,249,107	444,007	-
Money market funds	257	257	-	-
Total Investments	\$ 58,863,923	\$ 36,851,175	\$ 22,012,748	\$ -

2. **DEPOSITS AND INVESTMENTS** - continued

Fair Value of Investments - The City measures and records its investments, other than money market accounts, using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- **Level 1 input:** Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.
- **Level 2 input:** Quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are observable.
- **Level 3 input:** Unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If the fair value of an asset or liability is measured using inputs from more than one level of fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

For the City, the following fair value techniques were utilized in measuring the fair value of its investments:

U.S. Treasury Securities: These investments are reported at fair value based on quoted market prices obtained from exchanges.

Government-sponsored agencies: U.S. Government Securities are reported at fair value using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

As of December 31, 2018, the City holds the following investments measured at fair value:

	Fair Value Measurement Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets Level One	Significant Other Observable Inputs Level Two	Significant Unobservable Inputs Level Three
U.S. Treasuries	\$ 2,693,114	\$ 2,693,114	\$ -	\$ -
Government-sponsored agencies:				
FNMA	7,742,356	-	7,742,356	-
FHLM	4,534,647	-	4,534,647	-
FHLMC	4,984,803	-	4,984,803	-
FFCB	1,959,619	-	1,959,619	-
REFCORP	5,353,590	-	5,353,590	-
FFCB	1,501,680	-	1,501,680	-
Total	<u>\$ 28,769,809</u>	<u>\$ 2,693,114</u>	<u>\$26,076,695</u>	<u>\$ -</u>

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	Balance January 1, 2018	Increase	Decrease	Transfers	Balance December 31, 2018
Government activities:					
Capital assets, not being depreciated:					
Land	\$ 17,557,810	\$ 5,482,656	\$ -	\$ -	\$ 23,040,466
Construction in progress	<u>4,713,628</u>	<u>3,753,037</u>	<u>(4,229,046)</u>	<u>(144,860)</u>	<u>4,092,759</u>
Total capital assets, not being depreciated	<u>22,271,438</u>	<u>9,235,693</u>	<u>(4,229,046)</u>	<u>(144,860)</u>	<u>27,133,225</u>
Capital assets, being depreciated:					
Buildings and improvements	32,027,828	956,462	(54,165)	-	32,930,125
Equipment	15,828,423	2,421,970	(398,735)	(68,474)	17,783,184
Infrastructure	<u>140,887,070</u>	<u>6,858,897</u>	<u>-</u>	<u>-</u>	<u>147,745,967</u>
Total capital assets, being depreciated	<u>188,743,321</u>	<u>10,237,329</u>	<u>(452,900)</u>	<u>(68,474)</u>	<u>198,459,276</u>
Less accumulated depreciation for:					
Building	(8,962,549)	(1,079,944)	50,615	-	(9,991,878)
Equipment	(8,745,973)	(1,559,755)	356,710	68,474	(9,880,544)
Infrastructure	<u>(49,847,941)</u>	<u>(6,292,390)</u>	<u>-</u>	<u>-</u>	<u>(56,140,331)</u>
Total accumulated depreciation	<u>(67,556,463)</u>	<u>(8,932,089)</u>	<u>407,325</u>	<u>68,474</u>	<u>(76,012,753)</u>
Total capital assets, being depreciated, net	<u>121,186,858</u>	<u>1,305,240</u>	<u>(45,575)</u>	<u>-</u>	<u>122,446,523</u>
Governmental activities capital assets, net	<u>\$ 143,458,296</u>	<u>\$ 10,540,933</u>	<u>\$ (4,274,621)</u>	<u>\$ (144,860)</u>	<u>\$ 149,579,748</u>

3. **CAPITAL ASSETS** - continued

	Balance January 1, 2018	Increase	Decrease	Transfers	Balance December 31, 2018
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 1,638,445	\$ 50,000	\$ -	\$ -	\$ 1,688,445
Construction in progress	609,712	1,646,833	(286,682)	-	1,969,863
Total capital assets, not being depreciated	<u>2,248,157</u>	<u>1,696,833</u>	<u>(286,682)</u>	<u>-</u>	<u>3,658,308</u>
Capital assets, being depreciated:					
Buildings and improvements	38,544,711	-	-	-	38,544,711
Equipment	3,663,397	305,151	(46,969)	-	3,921,579
Infrastructure	85,504,976	1,502,412	-	144,860	87,152,248
Total capital assets, being depreciated	<u>127,713,084</u>	<u>1,807,563</u>	<u>(46,969)</u>	<u>144,860</u>	<u>129,618,538</u>
Less accumulated depreciation for:					
Building	(10,723,881)	(1,276,481)	-	-	(12,000,362)
Equipment	(2,420,545)	(366,192)	46,969	-	(2,739,768)
Infrastructure	(34,351,810)	(3,215,055)	-	-	(37,566,865)
Total accumulated depreciation	<u>(47,496,236)</u>	<u>(4,857,728)</u>	<u>46,969</u>	<u>-</u>	<u>(52,306,995)</u>
Total capital assets, being depreciated, net	<u>80,216,848</u>	<u>(3,050,165)</u>	<u>-</u>	<u>144,860</u>	<u>77,311,543</u>
Business-type activities capital assets, net	<u>\$ 82,465,005</u>	<u>\$ (1,353,332)</u>	<u>\$ (286,682)</u>	<u>\$ 144,860</u>	<u>\$ 80,969,851</u>

Depreciation expense was charged to functions/programs of the primary government for the year ended December 31, 2018 as follows:

Governmental activities:	
General government	\$ 690,273
Public safety	589,157
Community development and public works	6,458,106
Parks and recreation	1,194,554
Total depreciation expense	<u>\$ 8,932,090</u>
Business-type activities:	
Wastewater	\$ 3,528,114
Water	1,329,614
Total depreciation expense	<u>\$ 4,857,728</u>

4. LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2018 was as follows:

	Balance December 31, 2017	Additions	Reductions	Balance December 31, 2018	Due Within One Year
Governmental activities					
Leasehold revenue bonds	\$ 615,970	\$ -	\$ 74,000	\$ 541,970	\$ 77,000
(Discount) premium	513,760	-	41,938	471,822	-
Certificates of participation	21,390,000	-	1,815,000	19,575,000	1,855,000
Tax increment revenue notes	1,002,000	-	-	1,002,000	-
Neighborhood improvements district bonds	70,000	-	70,000	-	-
2005A and 2005B notes payable	3,449,130	-	403,144	3,045,986	-
Neighborhood improvements district note payable	-	628,027	-	628,027	49,931
Energy Efficiency Note	-	700,000	1,943	698,057	38,244
Compensated absences	922,098	850,276	797,363	975,011	807,294
OPEB obligation	327,604	26,320	-	353,924	-
Total governmental activities	<u>\$ 28,290,562</u>	<u>\$ 2,204,623</u>	<u>\$ 3,203,388</u>	<u>\$ 27,291,797</u>	<u>\$ 2,827,469</u>
Business-type activities					
Leasehold revenue bonds	\$ 1,949,030	\$ -	\$ 296,000	\$ 1,653,030	\$ 308,000
Sewer system revenue bonds	24,935,001	-	1,737,000	23,198,001	1,787,000
Certificates of participation	3,010,000	-	400,000	2,610,000	405,000
Premium	334,717	-	21,532	313,185	-
Compensated absences	96,142	111,895	96,449	111,588	90,691
OPEB obligation	-	28,510	-	28,510	-
Total business-type activities	<u>\$ 30,324,890</u>	<u>\$ 140,405</u>	<u>\$ 2,550,981</u>	<u>\$ 27,914,314</u>	<u>\$ 2,590,691</u>
Component unit					
CID notes payable	<u>\$ 3,735,134</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,735,134</u>	<u>\$ -</u>

The General Fund and certain special revenue funds have typically been used in prior years to liquidate the compensated absences and other post-employment benefit obligation liabilities.

WEDC - Leasehold Revenue Bonds

Funding of certain capital improvements and facilities has been provided through the issuance of Leasehold Revenue Bonds by the WEDC. The Leasehold Revenue Bonds do not constitute a legal debt of liability for the City, the State of Missouri, or any other political subdivision thereof and do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the leasehold revenue bonds does not obligate the City to levy any form of taxation or to make any appropriation for payment in any fiscal year. The WEDC has no taxing power.

4. **LONG - TERM DEBT** - continued

WEDC - Leasehold Revenue Bonds - continued

Leasehold Revenue Bonds outstanding at December 31, 2018 are as follows:

	<u>Date Issued</u>	<u>Interest Rates</u>	<u>Original Amount</u>	<u>Maturity Date</u>	<u>Outstanding December 31, 2018</u>
Series 2008	02/26/08	3.83%	\$ 5,630,000	7/01/22	\$ 2,195,000

The annual debt service requirements to maturity on the Leasehold Revenue Bonds outstanding as of December 31, 2018 are as follows:

<u>For the Year ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 385,000	\$ 84,068	\$ 469,068
2020	400,000	69,323	469,323
2021	415,000	54,003	469,003
2022	995,000	38,108	1,033,108
TOTAL	\$ 2,195,000	\$ 245,502	\$ 2,440,502

On February 26, 2008, the WEDC issued \$5,630,000 of Leasehold Revenue Bonds, Series 2008. The proceeds used to advance refund \$5,625,000 of outstanding 2002 Leasehold Revenue Bonds which were used to construct a lift station and sewer main and basin for stormwater control. Payment of principal is for varying amounts each year through 2022. Interest is due semi-annually with an interest rate of 3.83%.

Although the City may pay for the principal and interest on the bonds with money from any fund legally available for such purpose, the City intends to annually appropriate and pay for the bonds from revenue from the City's waterworks system.

Certificates of Participation

Certificates of Participation outstanding at December 31, 2018 are as follows:

	<u>Date Issued</u>	<u>Interest Rates</u>	<u>Original Amount</u>	<u>Maturity Date</u>	<u>Outstanding December 31, 2018</u>
Series 2015B	11/01/15	2.00%	\$ 4,630,000	02/01/21	\$ 2,785,000
Series 2010B	12/15/10	6.75%	3,710,000	08/01/32	3,710,000
Series 2015	07/01/15	2.00-4.00%	15,675,000	08/01/30	13,080,000
Series 2016	11/01/16	2.00-3.00%	3,430,000	07/11/24	2,610,000
			<u>\$ 27,445,000</u>		<u>\$ 22,185,000</u>

4. **LONG - TERM DEBT** - continued

The annual debt service requirements to maturity on the Certificates of Participation outstanding as of December 31, 2018 are as follows:

For the Year ending December 31	Principal	Interest	Total
2019	\$ 2,260,000	745,403	3,005,403
2020	2,325,000	677,653	3,002,653
2021	2,305,000	608,753	2,913,753
2022	1,470,000	547,403	2,017,403
2023	1,525,000	493,003	2,018,003
2024 - 2028	6,485,000	1,692,746	8,177,746
2029 - 2033	5,815,000	544,762	6,359,762
TOTAL	\$ 22,185,000	\$ 5,309,723	\$ 27,494,723

On November 1, 2016, the City issued \$3,430,000 of Certificates of Participation, Series 2016. The proceeds, along with other funds from the City, were used for a current refunding of \$4,000,000 of outstanding Series 2011 Leasehold Revenue Bonds. Payment of the principal is for varying amounts due each year on July 1st through July 2025. Interest is due semi-annually with interest rates that vary from 2-3%.

On November 1, 2015, the City issued \$4,630,000 of Certificates of Participation, Series 2015B. The proceeds were used to refund \$4,720,000 of outstanding Series 2010A Certificates of Participation. Payment of the principal is for varying amounts due each year on February 1st through February 2021. Interest is due semi-annually with an interest rate of 2%.

On July 1, 2015, the City issued \$15,675,000 of Certificates of Participation, Series 2015. The proceeds were used to refund \$15,700,000 of outstanding Series 2011 Certificates of Participation. Payment of the principal is for varying amounts due each year on August 1st through August 2030. Interest is due semi-annually with interest rates that vary from 2- 4%.

On December 15, 2010, the City issued \$3,710,000 of taxable Certificates of Participation, Series 2010B. The proceeds were used to acquire land and to construct improvements to parks. Payment of principal is for varying amounts through 2032. Interest is due semi-annually with an interest rate of 6.75%. The City has made an election to issue these certificates as Recovery Zone Economic Development Bonds in order to receive a subsidy payment equal to 45% of the amount of each interest payment.

4. **LONG - TERM DEBT** - continued

Sewerage System Revenue Bonds

Sewerage System Revenue Bonds outstanding at December 31, 2018 are as follows:

	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Maturity Date</u>	<u>Outstanding December 31, 2018</u>
Series 2005C	11/30/05	3.23-5.25%	\$ 19,430,000	07/01/27	\$ 9,700,000
Series 2011	03/14/11	1.66%	<u>17,640,777</u>	07/01/32	<u>13,498,001</u>
TOTAL			<u>\$ 37,070,777</u>		<u>\$ 23,198,001</u>

The City voters approved a total of \$80 million of revenue bonds for wastewater treatment plant expansion. On November 30, 2005, the Missouri State Environmental Improvement and Energy Resources Authority (the Authority) authorized and issued Water Pollution Control Revenue Bonds (State Revolving Fund Programs) Series 2005C. The Series 2005C bonds provided funds to make loans to various Missouri Political subdivisions that will be used to finance water treatment projects.

A portion of the proceeds of the Series 2005C bonds issued by the Authority were used to purchase Participant Revenue Bonds (Participant Bonds) authorized and issued by the City in the aggregate principal amount of \$19,430,000, the proceeds of which will be used for construction, repairing and equipping the existing wastewater facilities. The City's Participant Bonds have interest rates ranging from 3.25% to 5.25% and are payable in semi-annual installments at varying amounts through 2027.

In connection with the City's issuance of the 2005C bonds, the City participates in the State Revolving Funds Program established by the Missouri Department of Natural Resources (DNR). Monies from federal capitalization grants and state matching funds are used to fund a reserve account for each participant. As the City incurs approved capital expenses, the DNR reimburses the City for the expenses from the bond proceeds account and deposits in a bond reserve fund in the City's name and additional 70% for the Series 2005C bonds. On the date of each payment of the principal amount of the City's Participant Bonds, the trustee transfers from this reserve account to the master trustee an amount equal to 70% for the Series 2005C bonds. The costs of operation and maintenance of the wastewater treatment and sewerage facilities and the debt service is payable from wastewater revenues.

On March 14, 2011, the City began participating in the State of Missouri Direct Loan Program of the Missouri Department of Natural Resources (DNR) and the Clean Water Commission of the State of Missouri to issue Sewerage Revenue Bonds - Direct Loan Program. The City authorized the issuance of bonds not to exceed \$20,631,000 with an interest rate of 1.66% due in various principal installments through 2032. The project was completed in October 2012 and the final draw was made in 2013. Total bonds issued were \$17,640,777.

4. **LONG - TERM DEBT** - continued

Sewerage System Revenue Bonds - continued

The annual debt service requirements to maturity on the Sewerage System Revenue Bonds outstanding as of December 31, 2018 are as follows:

For the Year ending December 31	Principal	Interest	Total
2019	\$ 1,787,000	\$ 687,926	\$ 2,474,926
2020	1,835,000	622,989	2,457,989
2021	1,883,000	556,347	2,439,347
2022	1,930,000	493,172	2,423,172
2023	1,978,000	428,444	2,406,444
2024 - 2028	9,410,000	1,123,377	10,533,377
2029 - 2032	4,375,001	165,925	4,540,926
	<u>\$ 23,198,001</u>	<u>\$ 4,078,180</u>	<u>\$ 27,276,181</u>

Notes Payable

	Interest Rate	Principal Balance
\$700,000 note issued September 2018 for energy and efficiency capital improvements, payable in annual installments of \$5,218 including interest, final payment due in 2033; secured by equipment	3.58%	\$ 698,057
\$628,027 note issued July 2018 for the Wentzville Pearce Neighborhood Improvement District to relocate a maintenance facility, payable in annual installments of \$81,332 including interest, final payment due in 2029.	5.00%	628,027
In 2005, the City issued \$4,714,771 of Series 2005A and 2005B notes payable for land which are special, limited obligations of the City payable from a portion of the sales tax generated within certain development property. Future payments on the notes are limited to the collection of sales tax generated.	4.50%	3,045,986
In 2007, the City issued \$1,002,000 in tax increment revenue notes pursuant to an ordinance dated May 23, 2007. The notes are special obligations of the City, payable solely from payment in lieu of taxes and economic activity tax revenues generated in the redevelopment area. The notes mature in 2029. Future payments on the notes are limited to the collection of economic activity tax generated.	8.25% - 9.25%	1,002,000

4. **LONG - TERM DEBT** - continued

Notes Payable - continued

	<u>Interest Rate</u>	<u>Principal Balance</u>
In 2007, the CID issued \$3,735,134 in Community Improvement Revenue Notes with interest at prime plus 1.00% maturing March 2027. The notes are special obligations payable from certain revenues and are not a general obligation of the CID, City or any other political subdivision. Future payments on the notes are limited to the collection of revenue generated from the site.	Prime plus 1%	<u>3,735,134</u>
TOTAL		<u>\$ 9,109,204</u>

The debt service of the 2005A and 2005B notes payable, tax increment revenue notes, and Community Improvement Revenue Notes is paid using net excess revenues or from taxes revenues generated within each development, therefore no maturity schedule is available. The annual debt service requirements to maturity on the remaining notes payable outstanding as of December 31, 2018 are as follows:

For the Year ending December 31	<u>West Pearce NID Notes</u>		<u>Efficiency Notes</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2019	\$ 49,931	\$ 31,401	\$ 38,244	\$ 24,367
2020	52,428	28,905	39,636	22,975
2021	55,049	26,283	41,078	21,533
2022	57,801	23,531	42,573	20,038
2023	60,691	20,641	44,123	18,488
2024-2028	352,127	54,536	245,901	67,154
2029-2034	-	-	246,502	19,594
TOTAL	<u>\$ 628,027</u>	<u>\$ 185,297</u>	<u>\$ 698,057</u>	<u>\$ 194,149</u>

Pledged Revenues

The City has pledged specific revenue streams to secure the repayment of certain outstanding debt issues. The following table lists those revenues and the corresponding debt issues, the amount and term of the pledge remaining, the current fiscal year principal and interest on the debt, the amount of the pledged revenue recognized during the current fiscal year, and the approximate percentage of the revenue stream that has been committed:

4. **LONG - TERM DEBT** - continued

Pledged Revenues - continued

Issues	Revenue Pledged	Term of Commitment	Percent of Revenue Pledged	Principal and Interest for 2018	Net Revenues Recognized in 2018
Governmental Activities					
2005A and 2005B notes payable	Sales tax generated from sales on the development property	Until obligation is satisfied	100 %	\$ 550,294	\$ 550,295
Business-type Activities					
Sewerage System Revenue Bonds	Revenue from the City's waterworks system	Through 2032	100	2,475,838	4,556,599
Component Unit					
Community Improvement Revenue Notes	CID sales tax and CID property tax	Through 2027	100	501,239	214,820

Revenue Bond Ordinance Provisions and Reserve Requirements

Revenue bond ordinances related to the issuance of revenue bonds of the respective enterprise funds provide for specific deposits to debt service and other related bond reserve and maintenance accounts. At December 31, 2018, the City is in compliance with all reserve requirements as outlined below.

	Actual	Required
Series 2008 LRB	\$ 568,760	\$ 563,000
Series 2015 COP	1,278,823	1,269,273
Series 2010B COP	372,000	371,000
Series 2015B COP	486,525	463,000
TOTAL	<u>\$ 2,706,108</u>	<u>\$ 2,666,273</u>

The sewerage system revenue bond ordinance requires net revenue not less than 110% coverage of the aggregate debt service for each fiscal year. As of December 31, 2018, the City is in compliance with the requirement.

Legal Debt Margin

The City is subject to state statutes, which limit the amount of bonded debt that the City may issue to 10% of the most recent assessed valuation. Currently, the City has a debt limit of \$91,415,473, leaving a debt margin of \$91,415,473.

4. **LONG - TERM DEBT** - continued

Conduit Debt

The City issued Industrial Development Revenue Bonds to provide economic financial assistance to the private sector entities, General Motors Project and Wentzville Industrial, LLC, for the purpose of acquiring, constructing, and equipping an industrial development project deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. At December 31, 2018, the principal amount payable for General Motors and Wentzville Industrial, LLC was approximately \$286,219,606 and \$44,441,762, respectively.

5. **INTERFUND RECEIVABLES AND PAYABLES**

A summary of interfund balances as of December 31, 2018 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Park Fund	Park debt fund	\$ 124,425
Wastewater fund	WEDC	<u>279,200</u>
TOTAL		<u>\$ 403,625</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided of reimbursable expenditures occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made.

6. **INTERFUND TRANSFERS**

A summary of interfund transfers by fund type for the year ended December 31, 2018 is as follows:

	<u>Transfer From:</u>					
	<u>Nonmajor- Governmental</u>	<u>Transportation Fund</u>	<u>Park Fund</u>	<u>Capital Improvement Fund</u>	<u>Wastewater</u>	<u>Total</u>
Transfer to:						
General Fund	\$ 27,160	\$ 107,126	\$ -	\$ -	\$ -	\$ 134,286
Park Debt Fund	-	-	1,503,776	-	-	1,503,776
Nonmajor- Governmental	-	-	-	995,849	69,800	1,065,649
Wastewater	-	-	-	166,889	-	166,889
Water	-	-	-	26,208	-	26,208
TOTAL	<u>\$ 27,160</u>	<u>\$ 107,126</u>	<u>\$ 1,503,776</u>	<u>\$ 1,188,946</u>	<u>\$ 69,800</u>	<u>\$ 2,896,808</u>

6. **INTERFUND TRANSFERS** - continued

Transfers are used to (1) move revenues from the fund that a statute or the budget requires to collect them to the fund that a statute or the budget requires to expend them; (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and (4) move fixed assets purchased in the Capital Improvement Fund to Enterprise Funds. Any transfers within the governmental funds have been eliminated in the government-wide Statement of Activities.

7. **RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, loss and damage to property, errors and omissions and injuries to employees. The City currently purchases commercial insurance coverage for these risks. Settled claims have not exceeded the commercial insurance coverage in any of the past three years.

The City is self-insured for health claims. The Internal Service Fund, funded by charges to the government's other funds, is used to account for self-funded health insurance offered to the City's employees. Premiums are paid by employer and employee contributions into the Internal Service Fund and are available to pay claims and costs of an administrative service agreement. The rates charged to the City's funds are based primarily on an annually determined estimate varying based on coverage elected by employees. Claims for the City's employees are administered through a third party administrator for the City's self-insured plan. The City purchases commercial insurance to cover all health insurance claims in excess of \$75,000.

Incurred but not reported claims of \$110,482 have been accrued as a liability. In 2018, \$2,938,711 was paid for claims and administrative costs. The outstanding claims liability is calculated from historical data and future expectations. This includes an estimated liability for known claims as well as an estimated liability for claims incurred but not reported.

The following is a summary of the changes in the unpaid claims liability:

December 31, 2016 liability balance	\$	157,247
Claims and changes in estimates		2,493,809
Claim payments		<u>(2,433,124)</u>
December 31, 2017 liability balance		217,932
Claims and changes in estimates		2,295,117
Claim payments		<u>(2,402,567)</u>
December 31, 2018 liability balance	\$	<u>110,482</u>

8. **COMMITMENTS AND CONTINGENCIES**

Litigation

Various legal actions and claims against the City are currently pending. The ultimate liability that might result from their resolution is not presently determinable; however, in the opinion of management and counsel, the probability of material aggregate liabilities resulting from these claims is remote.

Commitments

The City entered into an agreement with Public Water Supply District No. 2 of St. Charles County (Water District) as of September 26, 2007 for the purchase of a maximum of 20 million gallons of water daily. The contract is in effect until July 18, 2026 and will automatically renew for two ten-year terms unless terminated by either party.

Grant Programs

Resources received by the City from other governments are accounted for within applicable funds based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the fund's measurement objective.

Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred. Any excess or deficiency of grant revenues received compared to expenditures incurred is recorded as deferred revenue or amounts receivable from the grantor.

Encumbrances

Encumbrances included in fund balances are as follows:

General Fund:	
Encumbered for expenditures	\$ 167,908
Park Fund	112,872
Park Debt Fund	44,192
Transportation Fund	5,407,146
Capital Improvement Fund	333,847
Water Fund	6,807,851
Wastewater Fund	429,088
Trash	10,358
	<u> </u>
TOTAL	\$ <u>13,313,262</u>

9. **DEFICIT BALANCE**

The WEDC Fund had a deficit fund balance as of December 31, 2018 of \$157,010. This fund deficit resulted from expenditures to be funded with future revenues.

10. **PENSION PLAN**

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 supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

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

	<u>2018</u>
Benefit Program	1.50% for life
Final Average Salary	5 years
Member Contribution Rate	0%

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 February 28, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	69
Inactive employees entitled to but not yet receiving benefits	106
Active employees	<u>210</u>
TOTAL	<u><u>385</u></u>

10. **PENSION PLAN** - continued

Contributions - The employer 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 employer do not contribute to the pension plan. Employer contribution rates are 8.5% (General) and 10.4% (Police) of annual covered payroll.

Net Pension Liability - The employer's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2018.

Actuarial assumptions - The total pension liability in the February 28, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.50% price; 3.25% wage
Salary Increase:	3.25% to 6.55% including wage inflation
Investment rate of return:	7.25%, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2018 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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:

10. **PENSION PLAN** - continued

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	43%	5.16%
Fixed Income	26	2.86
Real Assets	21	3.23
Strategic Asset	10	5.59

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

Changes in the Net Pension Liability (Asset)

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balances as of June 30, 2017	\$ 28,375,010	\$ 29,150,902	\$ (775,892)
Changes for the year:			
Service cost	1,007,080	-	1,007,080
Interest	2,062,650	-	2,062,650
Differences between expected and actual experience	377,381	-	377,381
Contributions - employer	-	1,130,046	(1,130,046)
Net investment income	-	3,764,409	(3,764,409)
Changes of assumptions	-	-	-
Benefit payments	(853,730)	(853,730)	-
Administrative expense	-	(29,374)	29,374
Other (net transfer)	-	87,237	(87,237)
Net Changes	<u>2,593,381</u>	<u>4,098,588</u>	<u>(1,505,207)</u>
Balances as of June 30, 2018	\$ <u>30,968,391</u>	\$ <u>33,249,490</u>	\$ <u>(2,281,099)</u>

Sensitivity of the net pension liability (asset) to changes in the discount rate - The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is 1 percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

10. **PENSION PLAN** - continued

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 3,233,253	\$ (2,281,100)	\$ (6,717,806)

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

For the year ended June 30, 2018 the employer recognized pension expense of \$1,213,846. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 474,676	\$ 946
Changes in assumptions	538,941	-
City contributions subsequent to the measurement date	603,245	-
Net differences between projected and actual earning on pension plan investment	-	1,058,295
Total	\$ <u>1,616,862</u>	\$ <u>1,059,241</u>

The deferred outflows of resources related to pension resulting from City contributions subsequent to measurement date of \$603,245 will be recognized as a reduction of net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ 327,325
2020	55,969
2021	(345,635)
2022	(215,076)
2023	90,260
Thereafter	41,533

11. **OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

Plan Description & Provisions - The City of Wentzville Health Benefit Plan (the “OPEB Plan”) provides healthcare benefits to non-uniformed employees who are eligible to retire once they have attained the age of 55 plus 30 years of service or age 62 plus 5 years of service and police who are eligible to retire once they have attained the age of 50 plus 30 years of service or age 62 plus 5 years of service. Medical and prescription drug benefits are available to retirees in the City's self-insured pool. The City pays the monthly group health insurance premium for the individual. Retirees must contribute the COBRA premium to retain coverage. The OPEB Plan does not issue a separate stand-alone financial report.

Contributions - The Plan was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City. The City funds these benefits on a pay as you go basis. Since other post-employment benefits are merely an implicit subsidy and not a direct expenditure of the City, funds used to pay for these benefits are paid out of any fund that incurs health insurance benefit costs. The most significant cost is out of the General Fund.

Employees Covered -

At January 1, 2018, the date of the actuarial valuation, the OPEB Plan covered the following number of participants:

Active employees	223
Inactive employees currently receiving benefits	<u>2</u>
TOTAL	<u><u>225</u></u>

Actuarial assumptions - The total OPEB liability was measured as of December 31, 2018. The total OPEB liability was determined by an actuarial valuation as of January 1, 2018 recalculated with the following assumptions and rolled forward to December 31, 2018.

Inflation:	2.50%
Salary Increase:	2.50%
20-year AA Municipal bond rate:	3.68%
Mortality:	RPH-2014 Adjusted to 2006 Total Dataset Headcount-weighted Mortality with MP-2018 Full Generational Improvement
Healthcare cost trend rates:	8.0% for 2018 and declining each year until reaching 4.50% in 2028

Valuation are preformed using the Entry Age Normal Cost Method, Level Percent of Pay. Under this method, a salary scale assumption is required.

Discount rate - The discount rate used to measure the total OPEB liability was 3.68%. There is no prefunding of benefits in an OPEB trust for this plan, therefore the discount rate is equal to the yield on a 20-year municipal bond AA index as of December 31, 2018.

11. **OTHER POST-EMPLOYMENT BENEFITS (OPEB) - continued**

Significant Accounting Policies

For purposes of measuring the employer’s net Other Postemployment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses will be determined for 2018 in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This guidance will be implemented for the fiscal year ending December 31, 2018 and will require the City to revise the measurement of its net OPEB liability and recognize the deferred outflows and inflows of resources related to the OPEB plan. Benefits payments are recognized when due and payable in accordance with the benefit terms.

Net OPEB Liability

As of December 31, 2018, the most recent actuarial valuation available, the City does not fund the OPEB Plan. The Plan fiduciary net position at December 31, 2018 was \$-0-.

Changes in Net OPEB Liability

Changes in net OPEB Liability are as follows:

	2018
Net OPEB liability at beginning of year	\$ 352,526
Service cost	27,635
Interest cost	12,321
Changes in assumptions	(10,262)
Benefit payments (Employer Contributions)	214
Net changes	<u>29,908</u>
Net OPEB liability at end of year	<u>\$ 382,434</u>

Actuarial methods - Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing costs between the employee and plan members to that point. The actuarial valuation involves estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The actuarial calculations reflect a long-term perspective.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and OPEB Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

11. **OTHER POST-EMPLOYMENT BENEFITS (OPEB) - continued**

Sensitivity of the Net OPEB Liability

Discount Rate Sensitivity - The following presents the net OPEB liability of the City, calculated using the discount rate of 3.68%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.68%) or 1 percentage-point higher (4.68%) than the current rate:

	1% Decrease (2.68%)	Current Discount Rate (3.68%)	1% Increase (4.68%)
City's Net OPEB liability	\$ 430,548	\$ 382,434	\$ 339,741

Healthcare Trend Rate Sensitivity - The following presents the net OPEB liability of the City, calculated using the healthcare trend rate of 8%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (7%) or 1 percentage-point higher (9%) than the current rate:

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
City's Net OPEB liability	\$ 325,836	\$ 382,434	\$ 451,827

Other Post Employment Benefit Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the OPEB

For the year ended December 31, 2018, the City recognized OPEB expense of \$39,352. At December 31, 2018, the City reported \$9,658 of deferred inflows of resources related to the OPEB Plan as a result of changes in assumptions.

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

Year ended December 31:	
2019	\$ (604)
2020	(604)
2021	(604)
2022	(604)
2023	(604)
Thereafter	(6,638)

12. TAX ABATEMENTS

As of December 31, 2018, the City provides tax abatements through two programs - the Chapter 353 Tax Abatement Program, Missouri Revised Statutes and the Industrial Development Financing under Chapter 100, Missouri Revised Statutes.

- Chapter 353 tax abatement is an incentive to encourage the redevelopment of blighted areas by providing real property tax abatement. These abatements are under the authority of Chapter 353 of the Revised Statutes of Missouri (the “Urban Redevelopment Corporation Law”). Under this program, real property taxes can be abated for a period up to 25 years. To be eligible for tax abatement, either the City or a private entity must form an Urban Redevelopment Corporation organized for the purpose of clearance, re-planning, reconstruction, or rehabilitation of blighted areas. Tax abatement is only extended to real property that has been found to be a “blighted area” by the City. Under Chapter 353, the City may grant tax abatements up to 100% of annual property taxes for the first 10 years for the increased assessed value over the base land value. The property owners continue to pay property taxes during this period based on the assessed value of the land only (exclusive of improvements) during the year preceding the Urban Redevelopment Corporation obtaining title of the property. During the last 15 years of tax abatement, up to 50% of the newly reassessed value may be abated. The City may also require the redevelopment corporation to make Payments In Lieu Of Taxes (PILOTs). The length of time abatements are permitted and the amount of abatement allowed is outlined within the guidelines developed for each area or project designated.

For the year ended December 31, 2018, the City abated property taxes of 50 percent totaling \$31,132 under this program related to the Wentzville Bluffs development.

- Industrial Development Financing under Chapter 100 of the Revised Statutes of Missouri authorize municipalities to issue revenue bonds to finance industrial development projects. Under this type of financing, the company passes title in the real or personal property involved to the City pursuant to a lease-purchase agreement. Because title to the property is held in the name of the City during the lease term, the property acquired with the bond proceeds is tax exempt, which effectively results in tax abatement for the company. It provides 100% property tax abatement but the payment of PILOTs and other performance measures (such as maintaining certain employment levels) may be required by agreement between the company receiving the benefit and the City. The City currently has the following Chapter 100 agreements in effect:
 - o An agreement with General Motors Corporation for an expansion to the Assembly Plant and the creation of new jobs and retention of existing jobs. The total city tax abated amounted to \$173,420 during 2018. General Motors Corporation is required to pay 25 percent in PILOTs which amounted to \$38,113 for the City in 2018. In the event the Company does not meet the guidelines established in the agreement in any given calendar year, a supplemental payment in lieu of taxes equal to the amount abated will be collected.

12. **TAX ABATEMENTS** - continued

- An agreement with Wentzville Industrial, LLC to acquire land and construct a new manufacturing/warehouse facility. The total city tax abated amounted to \$124,633 during 2018. PILOTS in the amount of \$48,088 were paid to the City during 2018.

13. **PENDING GOVERNMENTAL ACCOUNTING STANDARDS**

The effect on the City's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

This report does not incorporate GASB Statement No. 83, *Certain Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 85, *Omnibus 2017*, GASB Statement No. 86, *Certain Debt Extinguishment Issues*, and GASB Statement No. 87, *Leases*, GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placement*. The effects of the City's financial statements as a result of adoption of these new pronouncements are unknown. The City will adopt and implement these statements at the required time.

14. **CONCENTRATIONS**

General Motors Corporation (GM) is a major customer of the City's water and sewer services. The amount received from GM for the year ended December 31, 2018 was approximately \$2,200,000. In addition, this business and certain associated businesses accounted for approximately 11% of General Fund revenues and 3% of total City revenues.

15. **PRIOR PERIOD ADJUSTMENTS**

Change in Accounting Principle

In 2018, the City changed its method of recognizing revenue in its financial statements to conform with a recent pronouncement of the Financial Accounting Standards Board: Accounting Standard Update No. 2016-20, *Revenue from Contracts with Customers (Topic 606)*. The City customarily recognized revenue once it was billed. Under the new accounting method, revenue is recognized when earned. The effect of the change increased fund balance for the Water and Wastewater funds for the year ended December 31, 2017 by \$185,907 and \$227,406, respectively.

In 2018, the City adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Net position, as of December 31, 2017, has been restated for the retroactive implementation. The effect of the change decreased net position for the year ended December 31, 2017 by \$207,685. Within that amount, the Water and Wastewater fund's fund balance each decreased \$12,461 and governmental activities were reduced by \$182,763.

15. **PRIOR PERIOD ADJUSTMENTS** - continued

Correction of an Error

In 2018, an error was identified within the Trash fund in which the bill from the contracted service provider was being recorded within the wrong year based on service period covered. The resulted in an increase in the Trash's fund balance for the year ended December 31, 2017 by \$176,751.

16. **SUBSEQUENT EVENTS**

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through the date of the Independent Auditors' Report, the date the financial statements were available to be issued.

The City entered into a \$5,000,000 direct loan with Missouri Transportation Finance Corporation, in February 2018, for the purpose of constructing a new I-70 interchange. The loan will bear interest at 1% with payments beginning July 1, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES:				
General property and sales taxes	\$ 17,385,066	\$ 17,385,066	\$ 18,706,533	\$ 1,321,467
Licenses and permits	1,311,000	1,311,000	1,007,595	(303,405)
Intergovernmental	490,587	490,587	98,293	(392,294)
Fines and forfeitures	669,600	669,600	781,155	111,555
Charges for service	335,000	335,000	394,949	59,949
Investment income	50,000	50,000	118,178	68,178
Other	60,475	60,475	91,731	31,256
TOTAL REVENUES	<u>20,301,728</u>	<u>20,301,728</u>	<u>21,198,434</u>	<u>896,706</u>
EXPENDITURES:				
General government:				
Administration	3,374,775	3,415,235	3,219,270	195,965
Finance	562,332	562,332	556,283	6,049
Municipal court	301,052	301,052	278,393	22,659
Prosecutor	44,171	44,171	47,560	(3,389)
Total general government	<u>4,282,329</u>	<u>4,322,789</u>	<u>4,101,506</u>	<u>221,284</u>
Public safety - police department	<u>9,152,453</u>	<u>9,162,343</u>	<u>8,717,613</u>	<u>444,730</u>
Community development and public works:				
Economic development	187,860	220,850	179,858	40,993
Public works	4,427,277	4,580,264	4,084,910	495,354
Street	2,313,426	2,313,426	1,996,417	317,009
Total community development	<u>6,928,564</u>	<u>7,114,541</u>	<u>6,261,185</u>	<u>853,356</u>
TOTAL EXPENDITURES	<u>20,363,346</u>	<u>20,599,673</u>	<u>19,080,304</u>	<u>1,519,369</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(61,618)</u>	<u>(297,945)</u>	<u>2,118,130</u>	<u>2,416,075</u>
OTHER FINANCING SOURCES (USES):				
Transfer in (out)	119,490	119,490	134,286	14,796
Sale of capital assets	7,500	7,500	37,821	30,321
TOTAL OTHER FINANCING SOURCES (USES)	<u>126,990</u>	<u>126,990</u>	<u>172,107</u>	<u>45,117</u>
NET CHANGE IN FUND BALANCE	<u>65,372</u>	<u>(170,955)</u>	<u>2,290,237</u>	<u>\$ 2,461,192</u>
FUND BALANCE, BEGINNING OF YEAR	<u>14,562,494</u>	<u>14,562,494</u>	<u>14,562,494</u>	
FUND BALANCE, END OF YEAR	<u>\$ 14,627,866</u>	<u>\$ 14,391,539</u>	<u>16,852,731</u>	

Explanation of difference between budgetary and GAAP fund balances:

Encumbrances for equipment and supplies ordered but
not received are not reported for GAAP purposes until received.

167,908

GAAP fund balance end of year

\$ 17,020,639

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PARK FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
General property and sales tax	\$ 4,706,340	\$ 4,706,340	\$ 4,778,491	\$ 72,151
Intergovernmental	-	500,000	483,696	(16,304)
Parks memberships and programs	1,966,059	1,966,059	2,111,584	145,525
Investment income	-	-	(3,524)	(3,524)
Other	31,200	31,200	20,957	(10,243)
TOTAL REVENUES	<u>6,703,599</u>	<u>7,203,599</u>	<u>7,391,204</u>	<u>187,605</u>
EXPENDITURES:				
Parks and recreation	4,411,709	4,451,137	4,073,887	377,250
Capital outlay	207,788	1,238,637	341,475	897,162
Debt service:				
Interest	450,000	450,000	550,295	(100,295)
TOTAL EXPENDITURES	<u>5,069,497</u>	<u>6,139,774</u>	<u>4,965,657</u>	<u>1,174,117</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,634,102</u>	<u>1,063,825</u>	<u>2,425,547</u>	<u>1,361,722</u>
OTHER FINANCING SOURCES (USES):				
Sales of capital assets	800	800	13,739	12,939
Transfer in (out)	(1,545,756)	(1,545,756)	(1,503,776)	41,980
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,544,956)</u>	<u>(1,544,956)</u>	<u>(1,490,037)</u>	<u>54,919</u>
NET CHANGE IN FUND BALANCE	<u>89,146</u>	<u>(481,131)</u>	<u>935,510</u>	<u>\$ 1,416,641</u>
FUND BALANCES - BEGINNING OF YEAR	<u>2,076,833</u>	<u>2,076,833</u>	<u>2,076,833</u>	
FUND BALANCES - END OF YEAR	<u>\$ 2,165,979</u>	<u>\$ 1,595,702</u>	<u>3,012,343</u>	

Explanation of difference between budgetary and GAAP fund balance:

Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received	<u>112,872</u>
GAAP fund balance end of year	<u>\$ 3,125,215</u>

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
General property and sales taxes	\$ 4,739,184	\$ 4,739,184	\$ 4,880,506	\$ 141,322
Intergovernmental	13,778,975	13,778,975	7,076,152	(6,702,823)
Investment income	50,000	50,000	188,906	138,906
Other	-	-	32,479	32,479
TOTAL REVENUES	<u>18,568,159</u>	<u>18,568,159</u>	<u>12,178,043</u>	<u>(6,390,116)</u>
EXPENDITURES:				
General government:				
Administration	646,737	132,900	226,756	(93,856)
Public works:				
Street	2,742,366	3,318,748	2,262,085	1,056,663
Capital outlay	10,063,300	15,937,759	10,645,377	5,292,382
TOTAL EXPENDITURES	<u>13,452,403</u>	<u>19,389,407</u>	<u>13,134,218</u>	<u>6,255,189</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,115,756</u>	<u>(821,248)</u>	<u>(956,175)</u>	<u>(134,927)</u>
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	-	-	3,395	3,395
Transfer in (out)	(119,490)	(119,490)	(107,126)	12,364
TOTAL OTHER FINANCING SOURCES (USES)	<u>(119,490)</u>	<u>(119,490)</u>	<u>(103,731)</u>	<u>15,759</u>
NET CHANGE IN FUND BALANCE	<u>4,996,266</u>	<u>(940,738)</u>	<u>(1,059,906)</u>	<u>\$ (119,168)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>8,321,335</u>	<u>8,321,335</u>	<u>8,321,335</u>	
FUND BALANCES - END OF YEAR	<u>\$ 13,317,601</u>	<u>\$ 7,380,597</u>	7,261,429	

Explanation of difference between budgetary and GAAP fund balance:

Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received	<u>5,407,146</u>
GAAP fund balance end of year	<u>\$ 12,668,575</u>

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

Budgets and Budgetary Accounting

Budgetary Comparison Schedules

- A. The City utilizes encumbrances for budgetary reporting purposes. Encumbrances relating to certain contractual agreements, supplies and equipment that have been ordered but not received are reported in the year the commitment arises for budgetary reporting purposes. However, for financial reporting purposes, the goods or services are reported when they are

- B. The appropriated budget is prepared by fund, function, and equipment. The government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board of Aldermen. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

- C. The City follows the procedures outlined below in establishing the budgetary data reflected in the financial statements:
 - 1. Prior to December, the City Administrator, after receiving input from each department head, submits to the Board of Aldermen the operating budget for the fiscal year commencing the following January 1. The operating budget includes the proposed expenditures and the means of financing them.

 - 2. Prior to January 1, the budget is legally enacted through passage of an ordinance.

 - 3. A motion from the Board of Aldermen is required to transfer budgeted amounts between funds, or for any revisions that would alter the total expenditures of

 - 4. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Park Debt Fund, and Capital Projects Funds. The Tax Increment District Fund and West Pearce Neighborhood Improvement District Fund are not budgeted.

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OTHER POST-EMPLOYMENT BENEFIT LIABILITY
AND RELATED RATIOS AS OF DECEMBER 31,

Total Net Other Post-Employment Benefit Liability

	2018
Service cost	\$ 27,635
Interest	12,321
Changes in benefit terms	-
Difference between expected and actual experience	-
Changes in assumptions	(10,262)
Benefit payments, including refunds	214
Net change in total Other Post-Employment Benefit liability	29,908
Total Other Post-Employment Benefit liability - beginning of year	352,526
Total Other Post-Employment Benefit liability - end of year	\$ 382,434
Covered employee payroll	\$12,450,353
Total Other Post-Employment Benefit liability as a percentage of covered employee payroll	3.07%

Notes to Schedule

Valuation Date: December 31, 2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method, Level Percent Salary
Health Care Inflation	8% initially, grading down to 4.5%
Salary increases	2.5% per annum
Discount rate	3.68%
Retirement age	General Employees: Age 62 & 5 or Age 55 & 30 Police Employees: Age 62 & 5 or Age 50 & 30
Mortality	Society of Actuaries RPH-2014 Adjusted to 2006 Total Dataset Headcount-weighted Mortality with MP-2018 Full Generational Improvement
Other information:	There were no benefit changes during the year. The actuarial cost method was revised to be consistent with the requirements of GASB 75 and the discount rate was increased from 3.24% to 3.68%.

Note: The above information is not available for years prior to the implementation of GASB 75. Also, there are no assets in a trust compliant with GASB codification P22.101 or P52.101.

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAGERS (GENERAL AND POLICE DIVISIONS)
YEARS ENDING JUNE 30,

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability				
Service cost	\$ 1,007,080	\$ 950,214	\$ 862,039	\$ 743,387
Interest on the total pension liability	2,062,650	1,906,761	1,681,782	1,533,897
Change of benefit terms	-	-	-	-
Difference between expected and actual experience	377,381	10,424	126,883	239,938
Changes of assumptions	-	-	1,000,084	-
Benefit payments	(853,730)	(640,303)	(582,563)	(490,509)
Net change in total pension liability	<u>2,593,381</u>	<u>2,227,096</u>	<u>3,088,225</u>	<u>2,026,713</u>
Total pension liability - beginning	<u>28,375,010</u>	<u>26,147,914</u>	<u>23,059,689</u>	<u>21,032,976</u>
Total pension liability - ending	<u>\$ 30,968,391</u>	<u>\$ 28,375,010</u>	<u>\$ 26,147,914</u>	<u>\$ 23,059,689</u>
Plan Fiduciary Net Position				
Contributions-employer	\$ 1,130,046	\$ 983,796	\$ 900,373	\$ 870,408
Contributions-employee	-	-	-	-
Net investment income	3,764,409	3,138,615	(7,174)	477,673
Benefit payments, including refunds	(853,730)	(640,303)	(582,563)	(490,509)
Pension plan administrative expense	(29,374)	(27,398)	(25,333)	(27,311)
Other (net transfer)	87,237	(117,033)	18,396	393,776
Net change in plan fiduciary net position	<u>4,098,588</u>	<u>3,337,677</u>	<u>303,699</u>	<u>1,224,037</u>
Plan fiduciary net position - beginning	<u>29,150,902</u>	<u>25,813,226</u>	<u>25,509,527</u>	<u>24,285,490</u>
Plan fiduciary net position - ending	<u>\$ 33,249,490</u>	<u>\$ 29,150,903</u>	<u>\$ 25,813,226</u>	<u>\$ 25,509,527</u>
Employer net pension liability (asset)	<u>\$ (2,281,099)</u>	<u>\$ (775,892)</u>	<u>\$ 334,688</u>	<u>\$ (2,449,838)</u>
Plan fiduciary net position as a percentage of the total pension liability	107.37 %	102.73 %	98.72%	110.62 %
Covered payroll	\$ 11,877,380	\$ 11,380,839	\$ 10,635,751	\$ 9,776,849
Employer's net pension liability (asset) as a percentage of covered employee payroll	(19.21) %	(6.82) %	3.15%	(25.06) %

Notes to schedule:

Information for prior years is not available; amounts presented for the year-end were determined as of June 30, the measurement date.

CITY OF WENTZVILLE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 LAGERS (GENERAL AND POLICE DIVISIONS)
 LAST TEN FISCAL YEARS

<u>Year ended December 31,</u>	<u>Actuarial Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2009	\$ 679,794	\$ 679,794	\$ -	\$ 8,816,594	7.7 %
2010	850,677	738,419	112,259	8,474,827	8.7
2011	821,008	802,530	18,478	8,261,160	9.7
2012	803,094	803,094	-	8,010,965	10.0
2013	796,040	796,040	-	8,372,580	9.5
2014	811,390	811,390	-	9,059,358	9.0
2015	902,735	902,735	-	10,515,679	8.6
2016	892,842	892,842	-	10,930,796	8.2
2017	1,088,928	1,084,640	4,288	11,826,559	9.2
2018	1,184,597	1,184,597	-	12,885,552	9.2

Notes to Schedule of Contributions

Valuation date: 02/28/18

Notes: The roll-forward of total pension liability from February 28, 2018 to June 30, 2018 reflects expected service cost and interest reduced by actual benefit payments.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and Modified Terminal Funding
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market; 20% corridor
Inflation	3.25% wage inflation; 2.50% price inflation
Salary increases	3.25% - 6.55% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.

Mortality The healthy retiree mortality tables, for post retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Other information: None

SUPPLEMENTAL INFORMATION

NON MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Tax Increment Financing District Fund - This special revenue fund is used to account for the revenues and expenses of the tax increment financing district.

Capital Projects Fund

Wentzville Economic Development Council (WEDC) Fund - This fund is used to account for revenues received from facilitating the acquisition and construction of certain capital improvements.

Debt Service Fund

General Debt Service Fund - this fund is used to account for debt service activities of the City.

Neighborhood Improvement District Fund - This fund is used to account for the activities related to the district, which include collecting taxes and making debt service payments.

CITY OF WENTZVILLE, MISSOURI
COMBINING BALANCE SHEET - NONMAJOR FUNDS
DECEMBER 31, 2018

	Special Revenue Fund	Capital Projects Fund	Debt Service Funds		
	Tax Increment Financing District Fund	WEDC Fund	Neighborhood Improvement District Fund	General	Total
ASSETS AND OTHER DEBITS					
Taxes receivable:					
Other	\$ 155,729	\$ -	\$ -	\$ -	\$ 155,729
Prepaid items	-	-	-	1,250	1,250
Restricted cash and cash equivalents	257	122,190	-	472,270	594,717
TOTAL ASSETS	\$ 155,986	\$ 122,190	\$ -	\$ 473,520	\$ 751,696
LIABILITIES					
Due to other funds	\$ -	\$ 279,200	\$ -	\$ -	\$ 279,200
FUND BALANCES					
Nonspendable	-	-	-	1,250	1,250
Restricted for:					
TIF Districts	155,986	-	-	-	155,986
Debt service	-	-	-	472,270	472,270
Unassigned	-	(157,010)	-	-	(157,010)
TOTAL FUND BALANCES	155,986	(157,010)	-	473,520	472,496
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
	\$ 155,986	\$ 122,190	\$ -	\$ 473,520	\$ 751,696

CITY OF WENTZVILLE, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue Fund	Capital Projects Fund	Debt Service Fund		
	Tax Increment Financing District Fund	WEDC Fund	Neighborhood Improvement District Fund	General	Total
REVENUES					
Taxes	\$ 155,729	\$ -	\$ -	\$ -	\$ 155,729
Investment income	771	2,023	619	4,878	8,291
Miscellaneous income	-	92,378	-	-	92,378
TOTAL REVENUES	<u>156,500</u>	<u>94,401</u>	<u>619</u>	<u>4,878</u>	<u>256,398</u>
EXPENDITURES					
Current:					
General government	-	383	-	100	483
Debt service:					
Principal, interest and fiscal charges	142,663	94,603	71,750	996,750	1,305,766
TOTAL EXPENDITURES	<u>142,663</u>	<u>94,986</u>	<u>71,750</u>	<u>996,850</u>	<u>1,306,249</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	13,837	(585)	(71,131)	(991,972)	(1,049,851)
OTHER FINANCING SOURCES:					
Transfer in (out)	-	69,800	(27,160)	995,849	1,038,489
CHANGE IN FUND BALANCE	<u>13,837</u>	<u>69,215</u>	<u>(98,291)</u>	<u>3,877</u>	<u>(11,362)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>142,149</u>	<u>(226,225)</u>	<u>98,291</u>	<u>469,643</u>	<u>483,858</u>
FUND BALANCES - END OF YEAR	<u>\$ 155,986</u>	<u>\$ (157,010)</u>	<u>\$ -</u>	<u>\$ 473,520</u>	<u>\$ 472,496</u>

CITY OF WENTZVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
WEDC FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Investment income	\$ -	\$ -	\$ 2,023	\$ 2,023
Other	94,063	94,063	92,378	(1,685)
TOTAL REVENUES	<u>94,063</u>	<u>94,063</u>	<u>94,401</u>	<u>338</u>
EXPENDITURES:				
General government:				
Administration	225	383	383	-
Debt service:				
Principal	74,000	74,000	74,000	-
Interest	19,838	20,603	20,603	-
TOTAL EXPENDITURES	<u>94,063</u>	<u>94,986</u>	<u>94,986</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(923)	(585)	338
OTHER FINANCING SOURCES (USES):				
Transfer in (out)	-	-	69,800	69,800
CHANGE IN FUND BALANCE	-	(923)	69,215	<u>\$ 70,138</u>
FUND BALANCES - BEGINNING OF YEAR	<u>(226,225)</u>	<u>(226,225)</u>	<u>(226,225)</u>	
FUND BALANCES - END OF YEAR	<u>\$ (226,225)</u>	<u>\$ (227,149)</u>	<u>\$ (157,010)</u>	

CITY OF WENTZVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
NID Assessments	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	619	619
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>619</u>	<u>619</u>
EXPENDITURES:				
Debt service:				
Principal	70,000	70,000	70,000	-
Interest and fiscal charges	1,738	1,750	1,750	-
Total debt service	<u>71,738</u>	<u>71,750</u>	<u>71,750</u>	<u>-</u>
TOTAL EXPENDITURES	<u>71,738</u>	<u>71,750</u>	<u>71,750</u>	<u>-</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(71,738)	(71,750)	(71,131)	619
OTHER FINANCING SOURCES (USES):				
Transfer in (out)	-	-	(27,160)	(27,160)
CHANGE IN FUND BALANCE	(71,738)	(71,750)	(98,291)	<u>\$ (26,541)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>98,291</u>	<u>98,291</u>	<u>98,291</u>	
FUND BALANCES - END OF YEAR	<u>\$ 26,553</u>	<u>\$ 26,540</u>	<u>\$ -</u>	

CITY OF WENTZVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
GENERAL DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
REVENUES:				
Investment income	\$ -	\$ -	\$ 4,878	\$ 4,878
EXPENDITURES:				
General government:				
Administration	101	101	100	1
Debt service:				
Principal	930,000	930,000	930,000	-
Interest and fiscal charges	66,750	66,750	66,750	-
TOTAL EXPENDITURES	<u>996,851</u>	<u>996,851</u>	<u>996,850</u>	<u>1</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(996,851)	(996,851)	(991,972)	4,879
OTHER FINANCING SOURCES (USES):				
Transfer in (out)	996,851	996,851	995,849	(1,002)
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>3,877</u>	<u>\$ 3,877</u>
FUND BALANCES - BEGINNING OF YEAR	<u>469,643</u>	<u>469,643</u>	<u>469,643</u>	
FUND BALANCES - END OF YEAR	<u>\$ 469,643</u>	<u>\$ 469,643</u>	<u>\$ 473,520</u>	

CITY OF WENTZVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
PARK DEBT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Intergovernmental	\$ 104,916	\$ 104,916	\$ 105,254	\$ 338
Investment income	29,000	29,000	47,163	18,163
TOTAL REVENUES	<u>133,916</u>	<u>133,916</u>	<u>152,417</u>	<u>18,501</u>
EXPENDITURES:				
General government:				
Culture and recreation	477	477	477	-
Capital outlay	-	343,944	57,471	286,473
Debt service:				
Principal	885,000	885,000	885,000	-
Interest and other fiscal charges	765,194	767,094	767,094	-
TOTAL EXPENDITURES	<u>1,650,671</u>	<u>1,996,515</u>	<u>1,710,042</u>	<u>286,473</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,516,755)	(1,862,599)	(1,557,625)	304,974
OTHER FINANCING SOURCES (USES):				
Transfer in (out)	<u>1,545,756</u>	<u>1,545,756</u>	<u>1,503,776</u>	<u>(41,980)</u>
NET CHANGE IN FUND BALANCE	<u>29,001</u>	<u>(316,843)</u>	<u>(53,849)</u>	<u>\$ 262,994</u>
FUND BALANCES - BEGINNING OF YEAR	<u>1,613,196</u>	<u>1,613,196</u>	<u>1,613,196</u>	
FUND BALANCES - END OF YEAR	<u>\$ 1,642,197</u>	<u>\$ 1,296,353</u>	1,559,347	

Explanation of difference between budgetary and GAAP fund balance:

Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received

44,192

GAAP fund balance end of year

\$ 1,603,539

CITY OF WENTZVILLE, MISSOURI
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Sales taxes	\$ 4,014,184	\$ 4,014,184	\$ 4,244,089	\$ 229,905
Investment income	50,000	50,000	64,784	14,784
Miscellaneous	-	-	60,994	60,994
TOTAL REVENUES	<u>4,064,184</u>	<u>4,064,184</u>	<u>4,369,867</u>	<u>305,683</u>
EXPENDITURES:				
General government:				
Administration	209,188	209,188	281,073	(71,885)
Capital Outlay	2,091,079	4,055,392	2,853,422	1,201,970
Debt service:				
Principal, interest and fiscal charges	-	-	21,392	(21,392)
TOTAL EXPENDITURES	<u>2,300,267</u>	<u>4,264,580</u>	<u>3,155,887</u>	<u>1,108,693</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,763,917	(200,396)	1,213,980	1,414,376
OTHER FINANCING SOURCES (USES):				
Debt proceeds	-	700,000	700,000	-
Transfer in (out)	(1,291,851)	(1,523,073)	(1,188,946)	334,127
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,291,851)</u>	<u>(823,073)</u>	<u>(488,946)</u>	<u>334,127</u>
CHANGE IN FUND BALANCE	472,066	(1,023,469)	725,034	<u>\$ 1,748,503</u>
FUND BALANCES - BEGINNING OF YEAR	<u>2,696,260</u>	<u>2,696,260</u>	<u>2,696,260</u>	
FUND BALANCES - END OF YEAR	<u>\$ 3,168,326</u>	<u>\$ 1,672,791</u>	3,421,294	

Explanation of difference between budgetary and GAAP fund balance:

Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received

333,847

GAAP fund balance end of year

\$ 3,755,141

STATISTICAL SECTION

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

Contents

Financial Trends	PAGES
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These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

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Revenue Capacity	
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These schedules contain information to help the reader assess the City’s most significant local revenue sources.

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Debt Capacity	
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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.

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Demographic and Economic Information	
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These schedules offer demographic and economic indicators to help the reader understand the environment which the City’s financial activities take place.

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Operating Information	
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These schedules contain service and infrastructure data to help the reader understand how information in the City’s financial report relates to the services the City provides and the activities it performs.

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

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental Activities:										
Net investment in capital assets	\$ 129,053,385	\$ 121,988,531	\$ 107,905,462	\$ 101,673,046	\$ 94,585,991	\$ 94,463,657	\$ 89,486,138	\$ 81,931,132	\$ 81,260,495	\$ 76,098,747
Restricted	20,536,321	16,806,886	25,313,791	22,804,491	17,284,644	14,786,108	12,410,596	9,903,520	7,719,229	8,107,013
Unrestricted	16,904,331	14,439,147	12,715,611	13,061,338	11,842,223	9,630,595	10,724,310	8,569,356	7,169,285	6,741,798
Total Governmental Activities Net Position	<u>\$ 166,494,037</u>	<u>\$ 153,234,564</u>	<u>\$ 145,934,864</u>	<u>\$ 137,538,875</u>	<u>\$ 123,712,858</u>	<u>\$ 118,880,360</u>	<u>\$ 112,621,044</u>	<u>\$ 100,404,008</u>	<u>\$ 96,149,009</u>	<u>\$ 90,947,558</u>
Business-type Activities:										
Net investment in capital assets	\$ 53,759,101	\$ 52,603,660	\$ 47,555,767	\$ 45,727,990	\$ 44,319,489	\$ 43,752,558	\$ 41,874,539	\$ 43,106,783	\$ 39,106,298	\$ 38,337,688
Restricted	1,349,257	1,319,726	1,598,466	1,151,886	1,213,563	2,593,049	2,085,852	900,130	2,910,599	3,201,909
Unrestricted	23,841,867	22,244,531	19,210,256	18,099,898	16,368,781	13,076,270	11,386,014	8,812,747	7,924,848	6,212,747
Total Business- Type Net Position	<u>\$ 78,950,225</u>	<u>\$ 76,167,917</u>	<u>\$ 68,364,489</u>	<u>\$ 64,979,774</u>	<u>\$ 61,901,833</u>	<u>\$ 59,421,877</u>	<u>\$ 55,346,405</u>	<u>\$ 52,819,660</u>	<u>\$ 49,941,745</u>	<u>\$ 47,752,344</u>
Primary Activities:										
Net investment in capital assets	\$ 182,812,486	\$ 174,592,191	\$ 155,461,229	\$ 147,401,036	\$ 138,905,480	\$ 138,216,215	\$ 131,360,677	\$ 125,037,915	\$ 120,366,793	\$ 114,436,435
Restricted	21,885,578	18,126,612	26,912,257	23,956,377	18,498,207	17,379,157	14,496,448	10,803,650	10,629,828	11,308,922
Unrestricted	40,746,198	36,683,678	31,925,867	31,161,236	28,211,004	22,706,865	22,110,324	17,382,103	15,094,133	12,954,545
Total Net Position	<u>\$ 245,444,262</u>	<u>\$ 229,402,481</u>	<u>\$ 214,299,353</u>	<u>\$ 202,518,649</u>	<u>\$ 185,614,691</u>	<u>\$ 178,302,237</u>	<u>\$ 167,967,449</u>	<u>\$ 153,223,668</u>	<u>\$ 146,090,754</u>	<u>\$ 138,699,902</u>

Source: Basic Financial Statements

Note: GASB 68 was implemented in 2015.

CITY OF WENTZVILLE, MISSOURI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
EXPENSES:										
Governmental Activities:										
General Government	\$ 5,224,991	\$ 4,652,308	\$ 4,174,986	\$ 4,334,942	\$ 4,330,568	\$ 3,451,232	\$ 3,782,561	\$ 4,087,955	\$ 5,348,423	\$ 4,927,123
Public Safety	9,348,627	9,066,117	8,364,921	8,007,963	7,821,415	7,234,502	7,209,303	7,142,582	7,225,856	6,651,387
Community Development and Public Works	16,265,903	16,799,986	14,925,450	11,519,907	11,665,836	10,849,305	10,134,812	8,789,788	8,289,040	8,042,728
Parks and Recreation	5,324,447	5,000,246	4,461,290	3,797,193	3,205,222	2,496,995	2,278,578	2,339,552	2,464,295	2,369,700
Interest and Fiscal Charges	1,118,142	1,168,817	1,241,586	1,635,399	1,508,782	1,582,099	1,362,933	1,150,571	791,480	437,998
Total Governmental Activities Expenses	37,282,110	36,687,474	33,168,233	29,295,404	28,531,823	25,614,133	24,768,187	23,510,448	24,119,094	22,428,936
Business-type Activities:										
Water	7,797,156	6,941,868	6,555,780	5,741,345	5,357,782	5,079,909	5,405,112	5,007,476	5,029,383	4,303,783
Wastewater	8,263,989	7,516,724	7,777,547	7,663,079	6,703,381	6,368,687	5,760,124	5,183,392	5,188,043	5,084,398
Stormwater	-	-	-	-	-	-	1,572,190	142,587	126,446	101,441
Trash	2,646,206	2,537,099	2,390,964	2,237,299	2,046,975	2,080,567	1,794,272	1,782,492	1,655,983	1,635,192
WEDC	-	-	-	-	-	-	-	-	-	-
Total Business-type activities expenses	18,707,351	16,995,691	16,724,291	15,641,723	14,108,138	13,529,163	14,531,698	12,115,947	11,999,855	11,124,814
Total Primary Government Expenses	55,989,461	53,683,165	49,892,524	44,937,127	42,639,961	39,143,296	39,299,885	35,626,395	36,118,949	33,553,750
REVENUES:										
Governmental Activities										
Charges for services:										
General Government	65,808	66,825	60,589	62,783	55,535	53,619	1,877,796	1,688,292	1,755,571	1,771,754
Public Safety	1,176,104	1,041,030	916,990	1,177,088	1,515,825	1,590,435	24,834	21,456	21,350	22,104
Community Development and Public Works	941,787	1,259,363	1,762,094	997,155	762,679	618,691	583,749	340,163	477,903	516,809
Parks and Recreation	2,111,584	1,945,271	1,799,528	1,652,502	1,433,764	1,027,118	1,028,574	993,899	948,731	921,671
Operating Grants and Contributions	-	-	-	63,333	46,566	127,226	5,130,373	2,320,375	4,580,589	3,754,240
Capital Grants and Contributions	12,381,694	9,650,952	8,180,357	8,861,857	2,586,317	4,515,138	5,196,792	2,570,518	3,829,762	4,549,198
Total Governmental Activities Program Revenues	16,676,977	13,963,441	12,719,558	12,814,718	6,400,686	7,932,227	13,842,118	7,934,703	11,613,906	11,535,776

Continued

CITY OF WENTZVILLE, MISSOURI
CHANGES IN NET POSITION - continued
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Business-type Activities:										
Charges for services:										
Water	7,865,233	7,826,262	7,336,103	6,342,556	5,990,880	5,607,424	6,020,969	6,020,969	5,168,032	4,755,122
Wastewater	8,207,347	8,443,274	7,974,594	6,833,598	6,592,890	6,207,048	5,781,875	5,781,875	4,967,088	4,411,193
Trash	2,660,221	2,546,001	2,377,823	2,237,134	2,067,878	2,115,311	1,826,939	1,826,939	1,715,345	1,658,270
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	1,502,410	4,470,472	1,126,597	1,855,207	1,283,186	3,435,449	2,530,514	2,530,514	1,623,641	2,052,655
Total Business-Type Activities										
Program Revenues	20,235,211	23,286,009	18,815,117	17,268,495	15,934,834	17,365,232	16,160,297	16,160,297	13,474,106	12,877,240
Total Primary Government										
Program Revenues	36,912,188	37,249,450	31,534,675	30,083,213	22,335,520	25,297,459	30,002,415	24,095,000	25,088,012	24,413,016
NET REVENUES (EXPENSES)										
Governmental Activities	(20,605,133)	(22,724,033)	(20,448,675)	(16,480,686)	(22,131,137)	(17,681,906)	(10,926,069)	(10,926,069)	(15,575,745)	(12,505,188)
Business-type Activities	1,527,860	6,290,318	2,090,826	1,626,772	1,826,696	3,836,069	1,628,599	1,628,599	1,358,159	877,385
Net Revenues (Expenses)	<u>(19,077,273)</u>	<u>(16,433,715)</u>	<u>(18,357,849)</u>	<u>(14,853,914)</u>	<u>(20,304,441)</u>	<u>(13,845,837)</u>	<u>(9,297,470)</u>	<u>(9,297,470)</u>	<u>(14,217,586)</u>	<u>(11,627,803)</u>
GENERAL REVENUES AND TRANSFERS										
Governmental activities:										
Taxes	33,546,740	30,847,635	28,680,776	27,122,423	26,669,402	25,008,165	22,994,028	22,994,028	20,460,703	17,807,948
Investment earnings	460,867	239,301	476,977	295,529	298,677	(169,829)	76,134	76,134	139,781	53,853
Other miscellaneous revenues	307,919	237,379	303,219	228,384	289,926	312,996	604,790	604,790	625,760	1,100,859
Transfers	(268,157)	(1,300,582)	(778,250)	(547,770)	(294,370)	(644,267)	(531,847)	(531,847)	(1,395,500)	(1,205,799)
Total Governmental Activities										
General Revenues and Transfers	34,047,369	30,023,733	28,682,722	27,098,566	26,963,635	24,507,065	23,143,105	23,143,105	19,830,744	17,756,861
Business-type Activities:										
Investment earnings	397,279	187,412	448,099	360,943	331,405	34,282	262,065	262,065	71,676	92,077
Gain (loss) on sale of property	9,392	9,030	25,695	1,674	10,767	(21,167)	-	-	-	-
Other miscellaneous revenues	14,478	16,086	41,845	16,848	16,718	26,253	104,234	104,234	52,580	14,140
Transfers	268,157	1,300,582	778,250	547,770	294,370	644,267	531,847	531,847	1,395,500	1,205,799
Total Business-Type Activities										
General Revenues and Transfers	689,306	1,513,110	1,293,889	927,235	653,260	683,635	898,146	898,146	1,519,756	1,312,016
Total Primary Government										
General Revenues and Transfers	34,736,675	31,536,843	29,976,611	28,025,801	27,616,895	25,190,700	24,041,251	24,041,251	21,350,500	19,068,877
CHANGE IN NET POSITION										
Governmental Activities	13,442,236	7,299,700	8,234,047	10,617,880	4,832,498	6,825,159	12,217,036	12,217,036	4,254,999	5,251,673
Business-type Activities	2,217,166	7,803,428	3,384,715	2,554,007	2,479,956	4,519,704	2,526,745	2,526,745	2,877,915	2,189,401
Total Primary Government										
Changes In Net Position	<u>\$ 15,659,402</u>	<u>\$ 15,103,128</u>	<u>\$ 11,618,762</u>	<u>\$ 13,171,887</u>	<u>\$ 7,312,454</u>	<u>\$ 11,344,863</u>	<u>\$ 14,743,781</u>	<u>\$ 14,743,781</u>	<u>\$ 7,132,914</u>	<u>\$ 7,441,074</u>

Source: Basic Financial Statements

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 805,264	\$ 818,516
Unreserved	-	-	-	-	-	-	-	-	7,480,430	6,778,605
Nonspendable	630,351	427,944	362,136	534,645	608,674	492,640	544,692	575,662	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	294,912	-	-
Assigned	2,167,908	2,117,973	250,896	381,126	407,166	357,962	289,648	-	-	-
Unassigned	14,222,380	12,134,550	11,988,494	12,386,189	13,294,809	11,794,946	9,762,864	8,124,317	-	-
Total General Fund	<u>\$ 17,020,639</u>	<u>\$ 14,680,467</u>	<u>\$ 12,601,526</u>	<u>\$ 13,301,960</u>	<u>\$ 14,310,649</u>	<u>\$ 12,645,548</u>	<u>\$ 10,597,204</u>	<u>\$ 8,994,891</u>	<u>\$ 8,285,694</u>	<u>\$ 7,597,121</u>
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,723,504	\$ 8,074,882
Unreserved:										
Special Revenue Funds	-	-	-	-	-	-	-	-	3,593,941	(1,495,083)
Capital Projects Funds	-	-	-	-	-	-	-	-	3,598,954	402,376
Nonspendable	123,871	142,114	74,529	99,035	78,551	82,618	89,488	86,156	-	-
Restricted	21,739,438	19,013,128	27,646,040	28,715,338	25,255,222	27,173,299	29,896,128	28,559,060	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(157,010)	(226,225)	(295,061)	(375,791)	(447,054)	(513,998)	(489,201)	(210,293)	-	-
Total All Other Governmental Funds	<u>\$ 21,706,299</u>	<u>\$ 18,929,017</u>	<u>\$ 27,425,508</u>	<u>\$ 28,438,582</u>	<u>\$ 24,886,719</u>	<u>\$ 26,741,919</u>	<u>\$ 29,496,415</u>	<u>\$ 28,434,923</u>	<u>\$ 9,916,399</u>	<u>\$ 6,982,175</u>

Source: Basic Financial Statements

Note: GASB 54 was implemented in 2011.

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
REVENUES										
General Property and sales tax	\$ 32,846,681	\$ 30,933,068	\$ 28,823,374	\$ 27,227,970	\$ 25,351,001	\$ 25,324,410	\$ 23,213,487	\$ 20,728,813	\$ 18,184,970	\$ 17,721,568
Licenses and permits	1,007,595	1,326,188	1,822,683	1,059,938	818,214	672,310	628,119	412,489	545,064	590,327
Intergovernmental	7,763,395	3,288,618	5,450,662	5,274,414	2,046,975	242,092	5,243,189	2,382,278	4,580,589	3,761,276
NID assessments	-	-	-	-	-	-	-	149,959	179,199	155,074
Fines and forfeitures	781,155	680,732	674,720	894,463	1,253,241	1,327,208	1,283,818	1,128,081	1,198,840	1,221,071
Parks memberships and programs	2,506,533	2,305,569	2,041,798	1,935,127	1,696,348	1,290,345	1,028,574	993,721	948,561	921,671
Investment income	423,798	221,863	448,769	283,440	297,002	(170,961)	72,971	139,781	53,853	65,934
Other	298,539	191,179	293,370	213,371	265,509	276,215	1,229,081	1,059,774	1,585,273	972,623
Total Revenues	45,627,696	38,947,217	39,555,376	36,888,723	31,728,290	28,961,619	32,699,239	26,994,896	27,276,349	25,409,544
EXPENDITURES										
Current:										
General government	4,638,755	4,369,767	3,985,457	4,403,852	4,008,587	3,388,104	3,630,651	3,571,239	4,735,109	4,182,498
Public safety	8,726,700	8,037,108	7,550,644	7,717,118	7,414,377	6,904,261	6,755,198	6,639,915	6,771,675	6,231,993
Community development and public works	8,800,253	10,334,125	9,862,120	6,383,029	6,685,275	6,078,083	5,853,801	4,685,717	4,661,238	4,605,963
Parks and recreation	4,107,884	3,785,399	3,370,135	3,135,591	2,821,776	2,214,019	2,030,957	2,102,754	2,114,137	2,019,748
Capital outlay	11,966,788	15,489,954	13,530,049	9,148,773	7,846,315	7,527,514	8,593,104	6,633,844	6,281,386	4,536,426
Debt Service:										
Principal	1,528,011	1,528,011	1,528,011	1,528,011	1,434,190	1,392,506	1,327,011	420,016	691,088	813,279
Interest and fiscal charges	2,001,536	1,638,102	1,421,409	1,414,275	1,446,288	1,481,981	1,314,422	781,473	407,398	394,105
Debt issue costs	-	-	-	245,403	-	-	-	149,431	100,203	-
Total Expenditures	41,769,927	45,182,466	41,247,825	33,976,052	31,656,808	28,986,468	29,505,144	24,984,389	25,762,234	22,784,012
EXCESS REVENUES OVER (UNDER) EXPENDITURES	3,857,769	(6,235,249)	(1,692,449)	2,912,671	71,482	(24,849)	3,194,095	2,010,507	1,514,115	2,625,532
OTHER FINANCING SOURCES (USES)										
Sale of capital assets	54,955	48,877	46,667	21,151	32,789	36,781	1,557	13,602	25,440	582
Issuance of tax increment revenue	-	-	-	-	-	-	-	-	-	-
Issuance of long-term debt	1,328,027	-	-	20,305,000	-	-	-	18,900,000	9,265,000	-
Bond premium (discount)	-	-	-	965,349	-	-	-	(300,888)	(153,712)	-
Payment to escrow agent	-	-	-	(21,113,226)	-	-	-	-	(5,773,261)	-
Transfers in	2,676,551	2,243,110	4,989,970	3,179,777	2,776,806	2,679,635	2,275,317	782,186	1,589,502	2,275,297
Transfers out	(2,799,848)	(2,474,288)	(5,219,638)	(3,727,547)	(3,071,176)	(3,323,902)	(2,807,164)	(2,177,686)	(2,795,301)	(3,317,660)
Insurance recovery	-	-	-	-	-	-	-	-	1,236	192,420
Total Other Financing Sources (Uses)	1,259,685	(182,301)	(183,001)	(369,496)	(261,581)	(607,486)	(530,290)	17,217,214	2,158,904	(849,361)
CHANGE IN FUND BALANCES	\$ 5,117,454	\$ (6,417,550)	\$ (1,875,450)	\$ 2,543,175	\$ (190,099)	\$ (632,335)	\$ 2,663,805	\$ 19,227,721	\$ 3,673,019	\$ 1,776,171
Debt service as a percentage of noncapital expenditures	11.3%	10.4%	10.6%	11.7%	11.9%	15.3%	14.3%	6.3%	5.5%	6.6%

Source: Basic Financial Statements

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Property	\$ 7,750,692	\$ 7,338,738	\$ 6,699,987	\$ 6,350,321	\$ 6,063,605	\$ 5,900,865	\$ 4,586,707	\$ 5,473,163	\$ 6,027,269	\$ 5,992,094
Sales	21,116,305	19,724,966	18,540,722	17,261,678	15,777,696	14,520,419	13,768,060	11,889,230	9,006,813	8,822,127
Gross receipts	<u>3,979,684</u>	<u>3,869,364</u>	<u>3,582,665</u>	<u>3,615,971</u>	<u>3,509,700</u>	<u>3,335,478</u>	<u>3,024,369</u>	<u>2,922,041</u>	<u>2,828,583</u>	<u>2,592,429</u>
Total Governmental Activities	<u>\$ 32,846,681</u>	<u>\$ 30,933,068</u>	<u>\$ 28,823,374</u>	<u>\$ 27,227,970</u>	<u>\$ 25,351,001</u>	<u>\$ 23,756,762</u>	<u>\$ 21,379,136</u>	<u>\$ 20,284,434</u>	<u>\$ 17,862,665</u>	<u>\$ 17,406,650</u>

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

Fiscal Year	Residential	Commercial	Agriculture	Personal	Total	Estimated Actual Value	Ratio Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
2018	\$ 549,215,298	\$ 169,209,320	\$ 463,743	\$ 195,266,372	\$ 914,154,733	\$ 4,009,049,598	22.8 %	\$ 0.7095
2017	520,465,071	171,085,744	468,897	176,284,875	868,304,587	3,806,694,897	22.8	0.7095
2016	443,185,988	158,338,171	644,918	146,812,756	748,981,833	3,273,177,202	22.9	0.7518
2015	415,157,030	154,251,973	722,815	121,979,772	692,111,590	3,039,037,190	22.8	0.7545
2014	367,594,145	141,146,083	942,617	108,308,066	625,159,561	2,730,698,907	22.9	0.7902
2013	351,316,323	141,146,083	993,123	112,076,581	605,532,110	2,634,620,557	23.0	0.7902
2012	355,999,506	145,133,381	1,461,358	108,128,115	610,722,360	2,660,785,755	22.9	0.7902
2011	351,117,611	147,554,070	1,471,190	102,899,469	603,042,340	2,630,052,219	22.9	0.8958
2010	367,255,750	157,256,782	1,673,350	95,399,922	621,555,804	2,724,338,899	22.8	0.9075
2009	359,178,280	160,849,246	1,859,270	98,100,035	619,986,831	2,702,859,916	22.9	0.9079

Reassessments are currently performed every odd-numbered year. Residential property assessed valuation equals 19% of appraised value, agricultural equals 12%, and commercial and industrial equals 32%. Personal Property is valued as one-third of the property market value.

Tax rates per \$100 of assessed valuation.

Source: Office of the St. Charles County Assessor

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
City of Wentzville										
Operating	0.6463	0.6463	0.6848	0.6873	0.7198	0.7198	0.7198	0.8218	0.8325	0.8329
Parks	0.0632	0.0632	0.0670	0.0672	0.0704	0.0704	0.0704	0.0740	0.0750	0.0750
Total City of Wentzville	<u>0.7095</u>	<u>0.7095</u>	<u>0.7518</u>	<u>0.7545</u>	<u>0.7902</u>	<u>0.7902</u>	<u>0.7902</u>	<u>0.8958</u>	<u>0.9075</u>	<u>0.9079</u>
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Charles County (county, road and bridge, and alarm dispatch)	0.2301	0.2301	0.2403	0.2340	0.2431	0.2430	0.2431	0.2431	0.2431	0.2431
Fire District #13 - Wentzville	0.8317	0.8667	0.8756	0.7960	0.5080	0.5080	0.4858	0.4858	0.4592	0.4592
Wentzville R-IV School District	4.9836	4.9801	5.2117	5.2117	4.9891	4.9891	4.9891	4.9891	4.5872	4.5830
Special Districts*	0.8288	0.7966	0.8469	0.8114	0.8549	0.7487	0.7252	0.7196	0.7024	0.7024
Total Overlapping Governments	6.9042	6.9035	7.2045	7.0831	6.6251	6.5188	6.4732	6.4676	6.0219	6.0177
Total City and Overlapping Governments	7.6137	7.6130	7.9563	7.8376	7.4153	7.3090	7.2634	7.3634	6.9294	6.9256

*Special includes St. Charles County Ambulance, Development Disability, St. Charles County Library District, and St. Charles Community College.

Source: St. Charles County Collector

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

<u>Tax Payer</u>	<u>2018</u>			<u>2009</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Assessed Value</u>
General Motors Corp	\$ 81,060,676	1	8.87 %	\$ 44,660,177	1	7.20 %
Union Electric	6,680,955	2	0.73			
Dierbergs of Wentzville LLC	5,977,094	3	0.65	6,305,403	3	1.02
THF Wentzville Two and Three	5,642,304	4	0.62	10,958,130	2	1.77
THF Wentzville Development LLC	4,653,854	5	0.51	5,136,503	4	0.83
Sparrowhawk STL Industrial LLC	4,159,104	6	0.45			
Etrailer Corp	4,026,689	7	0.44			
THF Wentzville TWO Development, Bear Creek	3,810,733	8	0.42			
Parr Four LLC RK Stratman	3,543,670	9	0.39	3554112	7	0.57
Peine Lakes LP	2,592,143	10	0.28			
Atkins Realty, LLC (US Fidelis)				4,501,692	5	0.73
Target Corporation				3,578,525	6	0.58
Madison Warehouse Corp				3,127,652	8	0.50
Home Depot USA, Inc.				2,333,728	9	0.38
MCW-RD Wentzville Commons				2,187,510	10	0.35
Total	<u>\$122,147,222</u>		<u>13.36 %</u>	<u>\$ 86,343,432</u>		<u>13.93 %</u>

Source: St. Charles County Assessors Office

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

<u>Fiscal Year</u>	<u>Net Tax Levy</u>	<u>Collections in Year of Levy</u>	<u>Percentage Collected in Year of Levy</u>	<u>Collected in Subsequent Years</u>	<u>Total Collected</u>	<u>Percentage Collected</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes as a Percentage of Net Tax Levy</u>
2018	\$ 6,235,868	\$ 5,838,941	93.6 %	\$ -	\$ 5,838,941	93.6 %	\$ 396,927	6.4 %
2017	5,877,526	5,561,812	94.6	280,644	5,842,456	99.4	35,070	0.6
2016	5,373,894	5,143,777	95.7	221,159	5,364,936	99.8	8,958	0.2
2015	4,964,821	4,680,685	94.6	278,121	4,958,806	99.9	6,015	0.1
2014	4,791,618	4,532,362	93.4	255,548	4,787,910	99.9	3,708	0.1
2013	4,788,941	4,474,919	93.7	309,294	4,784,213	99.9	4,728	0.1
2012	5,470,851	5,126,809	87.8	343,952	5,470,761	100.0	90	0.0
2011	5,402,053	4,745,373	91.9	656,601	5,401,974	100.0	79	0.0
2010	5,381,566	4,943,973	89.1	437,502	5,381,475	100.0	91	0.0
2009	5,386,874	4,801,856	91.3	585,018	5,386,874	100.0	-	-

Source: St. Charles County Collector's records 2009-2018

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt Limit	\$ 91,415,473	\$ 86,830,459	\$ 74,898,183	\$ 69,211,159	\$ 62,515,956	\$ 60,553,211	\$ 61,072,236	\$ 60,304,234	\$ 62,155,580	\$ 61,998,683
Net debt applicable to limit	-	70,000	225,000	375,000	520,000	655,000	790,000	920,000	1,045,000	1,165,000
Legal Debt Margin	<u>\$ 91,415,473</u>	<u>\$ 86,760,459</u>	<u>\$ 74,673,183</u>	<u>\$ 68,836,159</u>	<u>\$ 61,995,956</u>	<u>\$ 59,898,211</u>	<u>\$ 60,282,236</u>	<u>\$ 59,384,234</u>	<u>\$ 61,110,580</u>	<u>\$ 60,833,683</u>
Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	0.00%	0.08%	0.30%	0.54%	0.83%	1.08%	1.29%	1.53%	1.68%	1.88%

Note: Bonded indebtedness is limited by Section 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property. An additional 10% may be used for certain purposes such as streets and sewerage system improvements. The table above reflects only the basic 10% limit.

CITY OF WENTZVILLE, 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	Per Capita
	Neighborhood Improvement District Bonds	Leasehold Revenue Bonds	Certificates of Participation	Notes Payable	Tax Increment Revenue Bonds	Leasehold Revenue Bonds	Certificates of Participation	Sewer System Revenue Bonds				
2018	\$ -	\$ 541,486	\$ 20,046,822	\$ 4,372,070	\$ 1,002,000	\$ 1,651,810	\$ 2,759,286	\$ 23,363,120	53,736,594	4 %	\$ 1,317	
2017	69,800	615,379	21,904,551	3,449,130	1,002,000	1,947,381	3,161,822	25,119,545	57,269,608	5	1,444	
2016	224,000	687,272	23,396,798	3,734,717	1,002,000	2,529,716	3,584,356	26,840,970	61,999,829	6	1,735	
2015	373,202	757,165	24,614,040	4,076,398	1,002,000	7,426,909	-	28,533,395	66,783,109	6	1,914	
2014	517,403	823,871	24,795,456	4,362,409	1,002,000	8,471,496	-	30,189,819	70,162,454	6	2,118	
2013	655,000	888,970	26,175,000	4,582,599	1,002,000	9,566,030	-	31,547,777	74,417,376	8	2,220	
2012	790,000	950,970	27,180,000	4,773,105	1,002,000	10,554,030	-	32,811,288	78,061,393	8	2,525	
2011	920,000	994,008	28,165,000	4,942,078	1,002,000	11,565,993	-	22,914,922	70,504,001	7	2,308	
2010	1,045,000	1,104,925	9,265,000	5,126,177	1,002,000	12,190,075	-	16,910,000	46,643,177	5	1,696	
2009	1,165,000	6,992,900	-	5,469,290	1,002,000	13,027,100	-	17,755,000	45,411,290	0	1,651	

CITY OF WENTZVILLE, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding⁽¹⁾</u>	<u>Estimated Percentage Applicable⁽²⁾</u>	<u>Estimated Share of Overlapping Debt</u>
Wentzville School District	\$ 158,410,445	45.16 %	\$ 71,538,157
Wentzville Fire Protection District	27,750,000	50.19	13,927,725
St. Charles County	2,767,000	10.52	291,088
St. Charles County Community College	20,545,000	10.58	2,173,661
St. Charles County Ambulance	49,900,000	10.52	5,249,480
Subtotal, Overlapping Debt	<u>259,372,445</u>		<u>93,180,111</u>
City Direct Debt	<u>25,962,378</u>	100.00	<u>25,962,378</u>
Total Direct and Overlapping Debt	<u><u>\$285,334,823</u></u>		<u><u>\$ 119,142,489</u></u>

Source: Information was obtained from Taxing Jurisdictions or other public records. The debt, except for the City, excludes lease obligations and other annual appropriation financings.

(1) Represents only general obligation bonds.

(2) Estimates are based on 2018 real and personal property assessment.

Note: Excludes Fort Zumwalt School District which has approximately 1% of its assessed valuation in Wentzville.

CITY OF WENTZVILLE, MISSOURI
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Gross Earnings</u>	<u>Operating and Maintenance Expense</u>	<u>Net Revenue Available for Debt Service</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>
2018	\$ 8,401,900	\$ 3,847,674	\$ 4,554,226	\$ 1,737,000	\$ 738,838	1.84
2017	8,522,067	3,082,545	5,439,522	1,702,000	788,474	2.18
2016	8,299,764	3,205,560	5,094,204	1,673,000	837,988	2.02
2015	7,107,547	3,062,430	4,045,117	1,637,000	886,594	1.59
2014	6,834,080	2,187,275	4,646,805	1,600,776	944,438	1.83
2013	6,214,087	2,196,179	4,017,908	1,283,000	986,584	1.77
2012	8,184,895	5,324,554	2,860,341	234,373	641,199	3.27
2011	6,269,706	4,988,654	1,281,052	170,474	687,747	1.49
2010	6,428,726	4,988,654	1,538,533	120,000	694,363	1.89
2009	5,677,287	4,806,018	871,269	120,000	689,180	1.08

Source: City Records

CITY OF WENTZVILLE, MISSOURI
DEMOGRAPHICS AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Fiscal Year	Population (1)	Median Age (1)	Personal Income	Per Capita Income (2)	School Enrollment (3)	County Unemployment Rate (4)
2018	40,789	32.9	1,345,996,211	32,999	16,788	2.6 %
2017	39,660	33.2	1,228,428,840	30,974	16,375	2.7
2016	37,805	34.5	1,161,483,015	30,723	15,336	3.3
2015	35,702	33.6	1,018,970,782	28,541	14,769	3.9
2014	33,877	36.8	955,060,384	28,192	14,222	4.8
2013	32,187	36.8	1,022,967,234	31,782	13,659	5.6
2012	30,734	36.6	986,315,528	32,092	13,103	6.0
2011	29,659	35.4	909,463,576	30,664	12,603	7.2
2010	29,070	35.4	825,297,300	28,390	12,121	8.3
2009	26,957	34.7	707,905,000	25,742	11,636	8.6

(1) Source: Census Bureau, Official Census for 2010. All other numbers are estimates.

(2) Source: Census Bureau and ESRI except for 2012, 2013 and 2015 which reflect the American Community Survey Estimates.

(3) Source: Missouri Department of Elementary and Secondary Education.

(4) Source: Missouri Economic Research and Information Center.

(5) Fiscal years 2007 - 2015 reflect County unemployment rates; 2016 - 2018 reflect City unemployment rates.

(*) Population estimates are based on the number of new housing permits issued for the calendar year, multiplied by the U.S. Census Bureau recommended average of 2.7 persons per household. An inconsistency between the City's planning estimates and the estimates used here was discovered in the population numbers. Therefore, corrections have been made to the population estimates and the personal income for years 2007-2009 and 2011-2016.

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

<u>Employer</u>	<u>2018</u>			<u>2009</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>
General Motors	4,141	1	20.6 %	900	2
Wentzville R-IV School District (across multiple cities)	1,724	2	8.6	1,678	1
TVS Supply	550	3	2.7		
Etrailer Corp.	354	4	1.8		
Crider Health Center	330	5	1.6	300	4
City of Wentzville	282	6	1.4	198	6
Rapid Response	265	7	1.3		
RK Stratman Company Inc	198	8	1.0	302	3
Lear Corporation	194	9	1.0	227	5
SSM St. Joseph Health Center - Wentzville	171	10	0.8	175	7
US Fidelis				100	10
CenturyTel Telephone Company				160	8
Superior Home Products Inc				160	9
	<u>8,209</u>		<u>40.8 %</u>	<u>4,200</u>	

Source: City Economic Development Department
City Business Licenses (system in place since 2005)

Notes:
License data is number of employees part-time and full-time.

CITY OF WENTZVILLE, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Elected Officials:										
Mayor	1	1	1	1	1	1	1	1	1	1
Aldermen	6	6	6	6	6	6	6	6	6	6
Municipal Court Judge	1	1	1	1	1	1	1	1	1	1
General Government:										
City Administrator	1	1	1	1	1	1	0	1	1	1
Assistant City Administrator	0	0	0	1	0	0	0	0	0	0
Assistant To City Administrator	1	1	1	0	0	0	0	0	0	0
City Clerk	1	1	1	1	1	1	1	1	1	1
Administrative Services	3	3	3	3	5	4	4	4	4	4
Human Resources	3	2	2	2	2	2	2	2	2	2
Information Technology	3	3	3	3	2	0	1	1	1	2
Procurement	3	3	4	4	3	2	2	0	0	0
Finance	6	6	5	5	7	7	6	8	7	8
Municipal Court:										
Administrative & Support	4	4	4	4	3	3	3	3	3	3
Police:										
Chief, Mayor and Captain	4	4	3	3	3	3	3	2	2	2
Administrative and Detectives	9	8	10	7	1	6	7	8	8	8
Patrol Lieutenant	4	4	4	4	4	4	4	4	4	4
Patrol Sergeant	8	9	8	8	7	6	6	4	4	4
Patrol Officers	44	38	38	38	48	37	33	35	35	35
Animal Control/Park Rangers	1	1	1	1	2	2	2	2	2	2
Support Lieutenant	1	0	0	0	0	0	0	1	1	1
Support Patrol - DARE	1	1	1	1	0	1	1	1	1	1
Correction Technicians	6	6	7	7	8	7	5	6	6	6
Dispatch-Communications Officers	9	10	11	9	9	8	9	8	8	8
Records	3	3	3	3	3	3	3	4	4	3
Public Works:										
Administrative Services	2	2	2	2	3	3	2	2	1	2
Stormwater Management Coordinator	3	1	1	1	1	1	1	1	1	1
Engineering	12	12	11	8	8	8	7	8	8	8
Streets & Signals	15	18	16	14	16	15	15	15	14	15
Fleet	3	3	3	3	3	3	3	3	3	3
Facility Operations	7	6	5	5	5	4	5	5	5	5
Transportation	1	1	1	1	0	0	0	0	0	0

CITY OF WENTZVILLE, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Community Development:										
Administrative Services	3	3	3	3	3	3	3	3	3	3
Planning and Zoning	3	3	3	3	3	3	3	3	3	3
Building - Administrative & Support	1	2	2	2	2	2	2	2	2	2
Building - Inspectors & Code Officers	9	7	5	4	4	3	4	4	6	6
Building - Plan Examiners	1	1	1	1	1	1	1	1	0	0
Economic Development	2	2	2	2	1	1	2	2	1	2
Parks and Recreation:										
Administrative, Support, Park Ranger	5	6	5	4	2	2	2	2	4	4
Recreation	6	8	7	8	7	6	4	6	4	4
Maintenance	11	10	9	8	4	5	5	5	5	5
Water and Wastewater:										
Supervisor	6	1	2	2	2	0	1	1	1	1
Administrative Support	3	3	3	2	2	2	2	2	2	2
Water Maintenance	13	14	13	11	10	8	9	9	9	9
Wastewater Maintenance	12	13	13	13	12	10	10	9	8	9

CITY OF WENTZVILLE, MISSOURI
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police - Patrol:										
Arrests	2,149	2,322	2,163	1,945	2,370	2,453	2,303	2,312	2,222	4,283
Citations	12,371	9,806	9,438	8,769	9,981	9,923	8,012	9,496	9,116	8,889
Calls for Service	76,065	69,136	65,931	61,783	54,160	51,140	48,181	50,785	45,691	41,867
Accidents	858	897	973	1,002	725	644	515	582	596	508
Building Inspection:										
Single-family	397	573	663	596	549	434	318	182	245	309
Multi-family	21	114	116	80	77	104	80	36	134	36
Commercial	9	9	16	15	11	6	10	7	6	9
Occupancy	1,161	1,356	1,489	1,339	1,243	1,066	1,326	1,131	1,360	1,724
Other Permits	1,586	1,605	1,505	1,353	1,196	1,038	596	866	1,026	1,039
Inspections	33,465	36,356	24,574	24,593	22,679	11,687	10,570	10,490	13,224	15,408
Planning and Zoning:										
Rezoning	11	20	12	13	8	5	6	5	16	1
Site Plans	18	18	26	32	21	18	20	15	7	15
Record Plats	18	16	28	23	13	11	8	6	10	10
Prelim Plans/Plats	8	7	5	4	8	-	1	2	2	5
Planned Developments	2	12	4	9	8	1	2	-	-	-
Conditional Use Permits	18	22	27	27	21	16	14	22	27	13
Parks:										
Program Participation	18,722	11,103	10,417	13,650	9,543	11,588	9,854	11,637	8,795	8,147
Special Event Attendance	56,793	45,398	25,962	19,400	17,150	25,152	23,690	30,882	10,535	3,997
Daily Usage Rec Facility	13,612	14,338	13,526	10,185	11,065	21,629	27,663	13,844	9,473	8,371
Membership Usage	28,001	28,584	27,569	24,520	26,627	29,276	32,232	34,658	32,348	32,325
Pool Usage	49,829	56,010	52,448	50,931	53,605	25,137	27,663	29,483	29,233	27,452
Facility Rentals	428	318	349	253	359	269	222	157	163	133
Field Rentals	3,729	3,476	961	1,519						
Green Ltn Sr Meals	27,451	24,988	25,382	23,109	20,980	20,116	21,348	22,488	24,271	25,178
Acres Mowed *	247	247	250	143	143	154	154	154	154	154
Administrative and Finance										
Request for Information	108	92	106	87	70	74	79	108	88	73
Business License Issues	727	707	664	613	666	639	559	566	664	586
AP Checks	3,901	4,336	3,641	4,371	4,126	3,936	4,219	4,050	4,499	4,646
EFTs	2,003	1,823	1,694	1,406	1,216	1,193	1,084	1,063	993	881

*includes some private fields we maintain in exchange for usage

Source: City department records

CITY OF WENTZVILLE, MISSOURI
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Administration:										
Vehicles	-	-	1	1	3	1	-	1	3	3
Information Technology:										
Vehicles	2	2	1	1	-	-	-	-	-	-
Law Enforcement/Courts:										
Courts	1	1	1	1	1	1	1	1	1	1
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	53	51	52	51	55	47	38	37	37	37
Public Works:										
Vehicles	55	55	51	46	41	47	37	37	48	48
Miles of Streets	171	178	171	168	191	188	182	180	177	173
Traffic Lights and Signs	14	14	14	13	13	13	13	13	13	11
Miles of Storm Sewers	151	169	163	141	137	134	128	125	122	113
Community Development:										
Vehicles	13	13	11	11	9	10	10	9	-	-
Parks:										
Vehicles	26	22	19	16	11	11	11	11	10	9
Number of Parks	16	16	18	14	14	13	13	13	13	13
Acres of Parks	334	334	330	330	323	307	307	307	293	293
Community Centers	1	1	1	1	1	1	1	1	1	1
Swimming Pools	2	2	2	2	2	1	1	1	1	1
Water:										
Vehicles	19	18	17	15	13	13	13	14	15	15
Pumping Stations	3	3	3	3	3	3	3	2	2	2
Miles of Waterlines	243	262	252	250	245	243	240	235	231	131
Sewer:										
Vehicles	16	15	15	15	14	12	11	10	10	10
Lift Stations	39	39	39	38	38	37	36	34	35	35
Miles of Sanitary Sewer	252	242	243	237	273	275	268	262	258	190

Source: Various city departments.