



FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

For the Year Ended June 30, 2021

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
FINANCIAL REPORT

	Page
INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet - Governmental Funds	11
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Notes to Financial Statements	15
REQUIRED SUPPLEMENTAL INFORMATION	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budget Basis - General Fund	34
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	39
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios	40
Schedule of Pension Contributions	41
OTHER SUPPLEMENTAL INFORMATION	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budget Basis:	
Capital Improvement Fund	43
Debt Service Fund	44
Bond Fund	45
Sewer Lateral Fund	46

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Aldermen
CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI** (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing

an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

St. Louis, Missouri
June 1, 2023

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

This Management's Discussion and Analysis (MD&A) is intended to be an overview of the City of Bellefontaine Neighbors, Missouri's (the City) financial activities for the fiscal year ended June 30, 2021. It should be read in conjunction with the City's financial statements (attached).

FINANCIAL HIGHLIGHTS

Net position increased by \$1,314,347 during the fiscal year. Fund balances increased by \$557,034 primarily due to the receipt of CARES grant revenue. The fund balances are adequate for the City to operate efficiently and provide services to its citizens.

At the close of the fiscal year, the City's governmental funds reported combined fund balances of \$4,708,607. Approximately 23.9% of this amount (\$1,124,538) is available for spending at the City's discretion (unassigned fund balance).

The General Fund had changes in fund balance of \$746,023 and (\$208,163) in the current and prior year, respectively. The increase in the current year was primarily due to increased revenues from the CARES grant. The City's General Fund budget had reflected an anticipated increase in fund balance of \$36,342 in the original budget. There were no amendments to the original budget.

The Capital Improvement Fund had changes in fund balance of (\$233,840) and (\$162,443) in the current and prior year, respectively. The decrease in the current year was primarily due to an increase in intergovernmental expenditures.

The Debt Service Fund had changes in fund balance of (\$26,608) and (\$16,379) in the current and prior year, respectively. The decrease in the current year was primarily due to the decrease in tax revenue.

The Bond Fund had changes in fund balance of \$95 and \$6,772 in the current and prior year, respectively. The increase in the current year was primarily due to investment income received during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplemental information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. Note that the government-wide financial statements exclude fiduciary fund activities.

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

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, building, police, street, recreation center, and court, as well as interest and other fiscal charges on long-term debt. The City does not have any business-type activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds. It should be noted that the City does not have any proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the government-wide governmental activities.

The City maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvement Fund, Debt Service Fund, and Bond Fund, all of which are considered to be major funds. The Sewer Lateral Fund is a nonmajor fund.

The City adopts an annual appropriated budget for all of its funds except the Bond Fund. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

Fiduciary fund. The fiduciary fund is used to account for resources held for the benefit of parties outside the City. The fiduciary fund is not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for the fiduciary fund is much like that used for proprietary funds.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Supplemental information. In addition to the basic financial statements and accompanying notes, certain required and other supplemental information can be found after the basic financial statements.

CONDENSED FINANCIAL STATEMENTS

The City presents its financial statements under the reporting model pursuant to Governmental Accounting Standards Board pronouncements. Therefore, a comparative analysis of government-wide data is also included in this report.

A condensed version of the statement of net position follows:

	June 30	
	2021	2020
ASSETS		
Current and other assets	\$ 10,867,082	5,633,001
Capital assets	<u>14,391,213</u>	<u>14,844,491</u>
Total Assets	<u>25,258,295</u>	<u>20,477,492</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>391,148</u>	 <u>1,196,799</u>
 LIABILITIES		
Other liabilities	444,608	355,435
Long-term liabilities	<u>10,130,989</u>	<u>10,757,887</u>
Total Liabilities	<u>10,575,597</u>	<u>11,113,322</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>3,285,023</u>	 <u>86,493</u>
 NET POSITION		
Net investment in capital assets	5,334,898	5,134,487
Restricted	5,190,951	4,763,366
Unrestricted	<u>1,262,974</u>	<u>576,623</u>
Total Net Position	<u>\$ 11,788,823</u>	<u>10,474,476</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As illustrated above, in the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$11,788,823 at June 30, 2021.

The City's unrestricted net position of \$1,262,974 (10.71%) may be used to meet the City's ongoing obligations to citizens and creditors. Additionally, a portion of the City's governmental activities net position (\$5,190,951) represents resources that are subject to external restrictions on how they may be used.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

The remaining portion of the City's net position reflects its investment in capital assets (e.g., land, infrastructure, buildings, vehicles, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A condensed version of the statement of activities follows:

	For The Years Ended June 30	
	2021	2020
REVENUES		
Program revenues:		
Charges for services	\$ 313,880	330,212
Operating grants and contributions	1,220,068	446,933
Capital grants and contributions	66,479	55,327
General revenues:		
Property taxes	1,262,773	1,262,514
Sales taxes	2,894,592	2,813,158
Gross receipts taxes	1,149,385	1,202,554
Other	42,295	101,334
Total Revenues	6,949,472	6,212,032
EXPENSES		
General government	1,084,095	1,053,456
Building	143,906	182,993
Police	2,150,556	3,051,800
Street	1,257,194	1,154,447
Recreation center	585,882	458,874
Court	95,734	67,869
Interest and other fiscal charges on long-term debt	317,758	333,533
Total Expenses	5,635,125	6,302,972
CHANGE IN NET POSITION	1,314,347	(90,940)
NET POSITION, JULY 1	10,474,476	10,565,416
NET POSITION, JUNE 30	<u>\$ 11,788,823</u>	<u>10,474,476</u>

SIGNIFICANT CHANGE IN NET POSITION

Revenues increased by 11.9% from the previous year while expenses decreased by 10.6% from the previous year accounting for the increase in net position of \$1,314,347. The current year increase of revenue primarily relates to receiving the CARES grant money.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund exceeded projections during 2022 mainly due to tax revenue and grant revenue coming in higher than expected. The total revenue variance was favorable by 14.7% and the expenditures variance was favorable by 1.0%.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

The City has invested, net of accumulated depreciation, \$14,391,213 at June 30, 2021, in a broad range of capital assets, including land, buildings, vehicles, equipment, and infrastructure. This amount represents a net decrease of \$453,278 for the current fiscal year (including additions and deductions).

The City's capital assets, net of accumulated depreciation, consisted of:

	June 30	
	2021	2020
Land	\$ 467,275	467,275
Buildings	787,890	716,403
Vehicles	260,461	169,651
Equipment	461,642	547,442
Infrastructure	<u>12,413,945</u>	<u>12,943,720</u>
Total Capital Assets	<u>\$ 14,391,213</u>	<u>14,844,491</u>

The City's long-term debt consists of the Series 2017 general obligation bonds in the amount of \$7,242,596, including premium, Series 2017A general obligations bonds in the amount of \$2,765,432, including premium and compounded interest, and future liabilities for compensated absences including compensatory and vacation time payable in the amount of \$122,964.

Additional information on the City's capital assets and long-term liabilities can be found in Note C and Note G, respectively, in the notes to financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Bellefontaine Neighbors, Missouri, Office of the City Clerk, 9641 Bellefontaine Road, Bellefontaine Neighbors, MO 63137.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash	\$ 356,759
Investments	3,654,087
Receivables:	
Municipal taxes	898,352
Gross receipts taxes	104,365
Court fines, net of allowance	51,203
Intergovernmental	16,332
Special assessments	41,616
Prepaid items	316,263
Other	2,313
Net pension asset	5,434,486
Capital assets:	
Land and construction in progress	467,275
Other capital assets, net of accumulated depreciation	13,923,938
Total Assets	25,266,989
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pension	391,148
 LIABILITIES	
Accounts payable	166,928
Accrued interest payable	113,642
Accrued payroll	146,255
Other liabilities	26,477
Noncurrent liabilities:	
Due within one year	725,667
Due in more than one year	9,405,322
Total Liabilities	10,584,291
 DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pension	3,285,023
 NET POSITION	
Net investment in capital assets	5,334,898
Restricted for:	
Debt service	912,598
Sewer lateral	398,819
Capital improvements	1,201,047
Federal forfeitures	137,876
Pension	2,540,611
Unrestricted	1,262,974
Total Net Position	\$ 11,788,823

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

		Program Revenues			Net Revenues (Expenses) And Change In Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Governmental Activities					
General government	\$ 1,042,240	-	746,853	-	(295,387)
Building	144,296	67,642	-	-	(76,654)
Police	2,189,980	54,533	9,578	66,479	(2,059,390)
Street	1,258,396	124,942	463,637	-	(669,817)
Recreation center	586,721	66,763	-	-	(519,958)
Court	95,734	-	-	-	(95,734)
Interest and other fiscal charges on long-term debt	317,758	-	-	-	(317,758)
Total Governmental Activities	<u>\$ 5,635,125</u>	<u>313,880</u>	<u>1,220,068</u>	<u>66,479</u>	<u>(4,034,698)</u>
General Revenues					
Property taxes					1,262,773
Sales taxes					2,894,592
Gross receipts taxes					1,149,385
Licenses					34,856
Investment income					5,578
Other					1,861
Total General Revenues					<u>5,349,045</u>
CHANGE IN NET POSITION					1,314,347
NET POSITION, JULY 1					<u>10,474,476</u>
NET POSITION, JUNE 30					<u>\$ 11,788,823</u>

See notes to financial statements

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>General</u>	<u>Capital Improvement</u>	<u>Debt Service</u>	<u>Bond</u>	<u>Nonmajor Sewer Lateral</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash	\$ 356,759	-	-	-	-	356,759
Investments	700,805	1,358,429	250,849	934,339	409,665	3,654,087
Receivables:						
Municipal taxes	510,885	126,530	259,891	-	1,046	898,352
Gross receipts taxes	104,365	-	-	-	-	104,365
Court fines, net of allowance	51,203	-	-	-	-	51,203
Intergovernmental	-	16,332	-	-	-	16,332
Special assessments	41,616	-	-	-	-	41,616
Prepaid items	316,263	-	-	-	-	316,263
Other	2,313	-	-	-	-	2,313
Due from other funds	268,194	70,275	401,858	-	-	740,327
	<u>268,194</u>	<u>70,275</u>	<u>401,858</u>	<u>-</u>	<u>-</u>	<u>740,327</u>
Total Assets	<u>\$ 2,352,403</u>	<u>1,571,566</u>	<u>912,598</u>	<u>934,339</u>	<u>410,711</u>	<u>6,181,617</u>
LIABILITIES						
Accounts payable	\$ 67,487	99,441	-	-	-	166,928
Accrued payroll	131,479	14,776	-	-	-	146,255
Due to other funds	401,858	256,302	-	70,275	11,892	740,327
Other liabilities	26,477	-	-	-	-	26,477
Total Liabilities	<u>627,301</u>	<u>370,519</u>	<u>-</u>	<u>70,275</u>	<u>11,892</u>	<u>1,079,987</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue:						
Court fines	51,203	-	-	-	-	51,203
Property taxes	53,606	-	246,598	-	-	300,204
Special assessments	41,616	-	-	-	-	41,616
Total Deferred Inflows Of Resources	<u>146,425</u>	<u>-</u>	<u>246,598</u>	<u>-</u>	<u>-</u>	<u>393,023</u>
FUND BALANCES						
Nonspendable:						
Prepaid items	316,263	-	-	-	-	316,263
Restricted for:						
Debt service	-	-	666,000	-	-	666,000
Sewer lateral	-	-	-	-	398,819	398,819
Federal forfeitures	137,876	-	-	-	-	137,876
Capital improvement	-	1,201,047	-	864,064	-	2,065,111
Unassigned	1,124,538	-	-	-	-	1,124,538
Total Fund Balances	<u>1,578,677</u>	<u>1,201,047</u>	<u>666,000</u>	<u>864,064</u>	<u>398,819</u>	<u>4,708,607</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 2,352,403</u>	<u>1,571,566</u>	<u>912,598</u>	<u>934,339</u>	<u>410,711</u>	<u>6,181,617</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balances - Governmental Funds	\$ 4,708,607
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$25,376,692 and the accumulated depreciation is \$10,985,479.	14,391,213
Property taxes, municipal court, and special assessment receivables are assessed by or due to the City, but the amounts not collected as of August 31, 2021 (within 60 days) are deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	393,023
Certain items are not a financial resource and, therefore, are not reported in the governmental funds. These consist of:	
Net pension asset	5,434,486
Deferred outflows related to pensions	391,148
Deferred inflows related to pensions	(3,285,023)
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued interest payable	(113,642)
Accrued compensated absences	(122,963)
Compounded interest	(17,373)
General obligation bonds	(9,990,653)
Total Net Position Of Governmental Activities	<u><u>\$ 11,788,823</u></u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>General</u>	<u>Capital Improvement</u>	<u>Debt Service</u>	<u>Bond</u>	<u>Nonmajor Sewer Lateral</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$ 2,939,000	737,902	933,162	-	124,942	4,735,006
Gross receipts taxes	1,149,385	-	-	-	-	1,149,385
Licenses and permits	102,498	-	-	-	-	102,498
Charges for services	66,763	-	-	-	-	66,763
Fines and forfeitures	82,291	-	-	-	-	82,291
Intergovernmental	822,910	-	-	-	-	822,910
Special assessment	12,473	-	-	-	-	12,473
Investment income	1,045	3,236	209	95	993	5,578
Other	1,861	-	-	-	-	1,861
Total Revenues	<u>5,178,226</u>	<u>741,138</u>	<u>933,371</u>	<u>95</u>	<u>125,935</u>	<u>6,978,765</u>
EXPENDITURES						
Current:						
Administration	1,103,657	29,413	-	-	-	1,133,070
Building	142,051	-	-	-	-	142,051
Police	2,565,528	27,307	-	-	-	2,592,835
Street	299,274	363,634	-	-	-	662,908
Court	97,464	-	-	-	-	97,464
Recreation center	224,229	209,461	-	-	-	433,690
Sewer lateral	-	-	-	-	54,571	54,571
Capital outlay	-	345,163	-	-	-	345,163
Debt service:						
Principal	-	-	600,000	-	-	600,000
Interest and other fiscal charges	-	-	359,979	-	-	359,979
Total Expenditures	<u>4,432,203</u>	<u>974,978</u>	<u>959,979</u>	<u>-</u>	<u>54,571</u>	<u>6,421,731</u>
NET CHANGE IN FUND BALANCE	746,023	(233,840)	(26,608)	95	71,364	557,034
FUND BALANCES, JULY 1	<u>832,654</u>	<u>1,434,887</u>	<u>692,608</u>	<u>863,969</u>	<u>327,455</u>	<u>4,151,573</u>
FUND BALANCES, JUNE 30	<u>\$ 1,578,677</u>	<u>1,201,047</u>	<u>666,000</u>	<u>864,064</u>	<u>398,819</u>	<u>4,708,607</u>

CITY OF BELLEFONTAINE NEIGHBORS, 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 JUNE 30, 2021

Net Change In Fund Balances - Governmental Funds \$ 557,034

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of \$721,104 exceeded the capital asset additions of \$267,826 in the current period. (453,278)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (29,293)

The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.

Amortization of premium	41,069
Compounded interest accruals	(4,848)
General obligation bond payments	600,000

Under the modified accrual basis of accounting used in the governmental funds financial statements, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. The net changes of these items are:

Accrued compensated absences	(9,323)
Accrued interest on debt	6,000
Pension expense	606,986

Change In Net Position Of Governmental Activities \$ 1,314,347

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI

NOTES TO FINANCIAL STATEMENT

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI** (the City), is a fourth class city, was incorporated on June 19, 1950 and established a Mayor/Board of Aldermen form of government. The City's major operations include police protection, street maintenance and improvements, parks and recreation, general administrative services, legislative services, judicial services, and planning.

The significant accounting policies applied by the City in the preparation of the accompanying basic financial statements are summarized below:

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. The City does not currently have any component units.

2. Government-wide and Fund Financial Statements

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The City reports the following major governmental funds:

General Fund -- The General Fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

Capital Improvement Fund -- The Capital Improvement Fund is a special revenue fund that is used to account for receipts of the capital improvement sales tax and expenditures for certain capital improvements and maintenance.

Debt Service Fund -- The Debt Service Fund provides funding for payment of principal, interest, and other related costs from outstanding bond indebtedness.

Bond Fund -- The Bond Fund is a capital projects fund used to account for bond proceeds and the related expenditures for street improvements.

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

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Cash and Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. Investments are stated at fair value or cost which approximates fair value.

5. Capital Assets

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

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

The City has elected not to record the historical cost of infrastructure placed in service prior to July 1, 2003.

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

Assets	Years
Buildings	15 - 50
Vehicles	5 - 20
Equipment	5 - 25
Infrastructure	20 - 40

6. Interfund Transactions

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses) in the governmental fund types.

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

7. Due To/From Other Funds

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Compensated Absences

Under terms of the City's personnel policy, employees are granted vacations based on length of service and compensatory time is granted to all nonexempt employees for hours worked in excess of a normal work week. Vacations accrue on January 1 of each year. Upon termination, the employee is paid for unused vacation and accrued compensatory time. Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. A portion of sick leave may be payable to employees upon termination, but it is not vested. Vested or accumulated vacation leave and compensatory time accrued at year-end are expected to be used by the employee during the following fiscal year.

9. Property Taxes

The City levies a tax on the assessed value of all real and personal property located within the City as of January 1 each year. Taxes are levied in October and are considered delinquent if not paid by December 31. St. Louis County assesses property values, collects the tax, and remits collected amounts to the City.

10. Allowance for Doubtful Accounts

Management believes accounts receivable for taxes and grants to be fully collectible; accordingly, no allowance for doubtful accounts is needed. Management estimates 50% or \$78,961 of the municipal court fines outstanding to be uncollectible.

11. Grant Revenue

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 unearned revenue or amounts receivable from the grantor.

12. Fund Balances

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

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

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

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Fund Balances (Continued)

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

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by the applicable City officials to which the Board of Aldermen by ordinance has designated authority.

Unassigned -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

The City's policy is to maintain an unrestricted fund balance in the General Fund of at least 10% of the annual operating expenditure budget.

When both restricted and unrestricted resources are available, the City will spend the most restricted amounts first and then from less restrictive classification – committed, assigned and unassigned fund balances.

13. Deferred Outflows/Inflows of Resources

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

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

14. Use of Estimates

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

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Pensions

For purposes of measuring the net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the 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 are recognized when due and payable in accordance with the benefit terms. LAGERS' investments are reported at fair value.

16. Adoption of GASB No. 95

The City adopted GASB No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, and has delayed implementation of GASB No. 87, *Leases*.

NOTE B - CASH AND INVESTMENTS

1. Deposits

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

As of June 30, 2021, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

2. Investments

As of June 30, 2021, the City had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>			<u>Credit Risk</u>
		<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	
Money market funds	\$ 3,654,087	3,654,087	-	-	Not rated

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Investments Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City will minimize its credit risk by prequalifying financial institutions with which the City will do business. The selection bases shall include evaluation of each applicant's assets, liabilities, public deposits, local presence, credit characteristics, financial position, and collateral capabilities. Additionally, all banking contracts shall specify what types of investments may be used as collateral for deposits.

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

Custodial Credit Risk is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the position of an outside party. The City does not have a custodial credit risk policy.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City will diversify the portfolio so that potential losses on individual securities will be minimized.

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represents 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). At June 30, 2021, the City had all of its investments in money market funds.

3. Fair Value Measurements

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

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE C - CAPITAL ASSETS

The following is a summary of changes in capital assets - governmental activities:

	For The Year Ended June 30, 2021			Balance June 30 2021
	Balance June 30 2020	Increases	Decreases	
Capital assets not being depreciated:				
Land	\$ 467,275	-	-	467,275
Construction in progress	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>467,275</u>	<u>-</u>	<u>-</u>	<u>467,275</u>
Capital assets being depreciated:				
Buildings	5,369,093	103,645	-	5,472,738
Vehicles	1,024,916	164,181	117,964	1,071,133
Equipment	2,472,286	-	-	2,472,286
Infrastructure	15,893,260	-	-	15,893,260
Total Capital Assets Being Depreciated	<u>24,759,555</u>	<u>267,826</u>	<u>117,964</u>	<u>24,909,417</u>
Less - Accumulated depreciation for:				
Buildings	4,652,690	32,158	-	4,684,848
Vehicles	855,265	73,371	117,964	810,672
Equipment	1,924,844	85,800	-	2,010,644
Infrastructure	2,949,540	529,775	-	3,479,315
Total Accumulated Depreciation	<u>10,382,339</u>	<u>721,104</u>	<u>117,964</u>	<u>10,985,479</u>
Total Capital Assets Being Depreciated, Net	<u>14,377,216</u>	<u>(453,278)</u>	<u>-</u>	<u>13,923,938</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,844,491</u>	<u>(453,278)</u>	<u>-</u>	<u>14,391,213</u>

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

	For The Year Ended June 30 2021
General government	\$ 3,239
Building	4,189
Police	76,992
Street	543,126
Recreation center	<u>93,558</u>
Total	<u>\$ 721,104</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE D - 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, state-wide public employee pension plan established in 1967 and administered in accordance with RSMo 70.600-70.755. As such, it is LAGERS' responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS' Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplemental information. This report may be obtained by accessing the LAGERS' website at www.molagers.org.

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>2021 Valuation</u>
Benefit multiplier	2% for life
Final average salary	3 years
Member contributions	Noncontributory for employees

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

Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	55
Inactive employees entitled to but not yet receiving benefits	40
Active employees	<u>48</u>
Total	<u>143</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE D - PENSION PLAN (Continued)

Contributions

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the pension plan. The City contribution rates are 4.0% (General) and 15.0% (Police) of annual covered payroll.

Net Pension Liability (Asset)

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

Actuarial Assumptions

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

Inflation	2.75% wage inflation; 2.25% price inflation
Salary increase	2.75% to 6.75% including wage inflation
Investment rate of return	7.00%, net of investment expenses

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

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2021 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:

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE D - PENSION PLAN (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u> <u>(a)</u>	<u>Plan Fiduciary Net Position</u> <u>(b)</u>	<u>Net Pension Liability (Asset)</u> <u>(a)-(b)</u>
Balances at June 30, 2020	\$ 17,945,099	18,768,418	(823,319)
Changes for the year			
Service cost	306,317	-	306,317
Interest	1,280,458	-	1,280,458
Difference between expected and actual experience	(1,046,401)	-	(1,046,401)
Changes of Assumptions	(263,342)		(263,342)
Contributions - employer	-	264,288	(264,288)
Net investment income	-	5,000,821	(5,000,821)
Benefit payments, including refunds	(883,631)	(883,631)	-
Administrative expense	-	(12,220)	12,220
Other	-	(364,690)	364,690
Net Changes	<u>(606,599)</u>	<u>4,004,568</u>	<u>(4,611,167)</u>
Balances at June 30, 2021	<u>\$ 17,338,500</u>	<u>22,772,986</u>	<u>(5,434,486)</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE D - PENSION PLAN (Continued)

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

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

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Net pension liability (asset)	\$ (3,096,587)	(5,434,486)	(7,360,160)

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

For the year ended June 30, 2021, the City recognized pension expense of \$342,698. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences in experience	\$ 391,148	(706,849)	(315,701)
Assumption changes	-	(173,376)	(173,376)
Net difference between projected and actual earnings on pension plan investments	-	(2,404,798)	(2,404,798)
Total	\$ 391,148	(3,285,023)	(2,893,875)

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

**For The Plan
Years Ending
June 30**

2022	\$ (826,217)
2023	(688,252)
2024	(631,599)
2025	(747,807)
Total	\$ (2,893,875)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE D - PENSION PLAN (Continued)

Payable to the Pension Plan

Included in accounts payable, the City reported a payable of \$19,449 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

NOTE E - DEFINED CONTRIBUTION PLAN

The City has a defined contribution retirement plan funded through the Security Benefit Group of Companies. The plan was established by an ordinance of the Board of Aldermen through a plan agreement dated July 1, 2001. All full-time employees are eligible to participate in the plan after six months of service. Pursuant to the plan's provisions, the City is obligated to match 100% of the employee's contribution up to \$50 per month. Contributions are fully vested immediately. Contributions to the plan amounted to \$25,650 for the year ended June 30, 2021.

NOTE F - DEFERRED COMPENSATION PLAN

The City participates in a deferred compensation plan under Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The plan complies with Section 457 of the Internal Revenue Code and Trust provisions are incorporated so that plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. The assets and liabilities of the deferred compensation plan are not included in the accompanying financial statements.

NOTE G - LONG-TERM LIABILITIES

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

	For The Year Ended June 30, 2021				Due Within One Year
	Balance June 30 2020	Additions	Reductions	Balance June 30 2021	
General obligation bonds	\$ 10,060,000	-	600,000	9,460,000	615,000
Plus - premium on bonds	571,722	-	41,069	530,653	-
Compounded interest	12,525	4,848	-	17,373	-
Compensated absences	113,640	136,641	127,318	122,963	110,667
Total	\$ 10,757,887	141,489	768,387	10,130,989	725,667

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE G - LONG-TERM LIABILITIES (Continued)

The compensated absences are generally liquidated by the General Fund and Capital Improvement Fund. The general obligation bonds are liquidated by the Debt Service Fund.

General Obligation Bonds

In March 2017, the City issued \$8,000,000 in General Obligation Bonds (Series 2017) due in varying amounts through March 1, 2037 with interest at 2% to 4%. The Series 2017 Bond will be used for street improvements. The balance outstanding at June 30, 2021 was \$6,820,000.

In December 2017, the City issued \$3,545,000 in General Obligation Bonds (Series 2017A) due in varying amounts through March 1, 2029 with interest rates at 2% to 3%. The Series 2017A Bonds consist of current serial bonds and capital appreciation bonds. These bonds refunded the 2009 General Obligation Bonds. The balance outstanding at June 30, 2021 was \$2,640,000.

Aggregate maturities required on general obligation bonds are as follows:

<u>For The Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 615,000	340,925	955,925
2023	635,000	322,475	957,475
2024	660,000	303,425	963,425
2025	680,000	280,225	960,225
2026	665,000	256,325	921,325
2027 - 2031	3,140,000	912,475	4,052,475
2032 - 2036	2,500,000	421,000	2,921,000
2037	565,000	22,600	587,600
Total	<u>\$ 9,460,000</u>	<u>2,859,450</u>	<u>12,319,450</u>

NOTE H - INSURANCE

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

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE H - INSURANCE (Continued)

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

NOTE I - INTERFUND TRANSACTIONS

Due to/from other funds

Individual interfund assets and liabilities balances are as follows:

Receivable Fund	Payable Fund	June 30, 2021
General Fund	Capital Improvement Fund	\$ 256,302
Capital Improvement Fund	Bond Fund	70,275
Debt Service Fund	General Fund	401,858
General Fund	Nonmajor Fund	11,892
Total		\$ 740,327

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

Transfer in/out

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them. Total transfers for the year ended June 30, 2021 amounted to \$0.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI

NOTES TO FINANCIAL STATEMENT

NOTE J - COMMITMENTS AND CONTINGENCIES

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

The City had a commitment with a contractor for a Network Level Controller for the Recreation Center in the amount of \$28,200 prior to year-end. Additionally, the City had a commitment for a tree trim project in the amount of \$23,330 prior to year-end.

NOTE K - NEW PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the District. The Statement which might impact the District is as follows:

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.
- GASB Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). This Statement: 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset--an intangible asset--and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and 4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI

NOTES TO FINANCIAL STATEMENT

NOTE K - NEW PRONOUNCEMENTS (Continued)

- GASB Statement No. 99, *Omnibus 2022*, addresses a variety of topics including: Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives; clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to: a) the determination of the public-private and public-public partnership (PPP) term and b) recognition and measurement of installment payments and the transfer of the underlying PPP asset; clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability; extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP); disclosures related to non-monetary transactions; pledges of future revenues when resources are not received by the pledging government; clarification of provisions in Statement No. 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments*, as amended, related to the focus of the government-wide financial statements; terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and terminology used in Statement 53 to refer to resource flows statements. This statement is effective upon issuance for requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63. The effective date for the requirements related to leases, PPPs, and SBITAs is the fiscal year ending December 31, 2023. The effective date for the requirement related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 is the fiscal year ending December 31, 2024.

- GASB Statement No. 100, *Accounting Changes and Error Corrections--an amendment of GASB Statement No. 62*, enhances accounting and financial reporting requirement for accounting changes and error corrections. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. This Statement requires that: a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). This Statement is effective for the fiscal year ending December 31, 2024.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENT

NOTE K - NEW PRONOUNCEMENTS (Continued)

- GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for: 1) leave that has not been used and 2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if: a) the leave is attributable to services already rendered, b) the leave accumulates, and c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences--including parental leave, military leave, and jury duty leave--not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expend-able available financial resources. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as it is identified as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. This Statement is effective for the fiscal year ending December 31, 2024.

NOTE L - SUBSEQUENT EVENTS

Subsequent to year-end, the City entered into a contract to replace the roof at the Recreation Center and other renovations in the amount of approximately \$1.3 million. The project is partially funded by a municipal parks grant in the amount of \$420,000.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Taxes			
Sales	\$ 1,537,510	1,548,183	10,673
Proposition P	407,775	589,021	181,246
Real estate	161,600	138,658	(22,942)
Personal property	31,092	32,585	1,493
Motor vehicle	160,000	176,558	16,558
Railroad	100,000	77,597	(22,403)
Gasoline	230,175	287,079	56,904
Cigarette	18,100	19,486	1,386
Road and bridge	80,000	69,833	(10,167)
Total Taxes	<u>2,726,252</u>	<u>2,939,000</u>	<u>212,748</u>
Gross Receipts Taxes			
Utilities	1,323,250	1,055,173	(268,077)
Cable	104,000	94,212	(9,788)
Total Gross Receipts Taxes	<u>1,427,250</u>	<u>1,149,385</u>	<u>(277,865)</u>
Licenses			
Merchants	33,996	29,717	(4,279)
Liquor	925	1,073	148
Occupational	6,063	4,040	(2,023)
Manufacturers	2,253	-	(2,253)
Dog tags	-	26	26
Total Licenses	<u>43,237</u>	<u>34,856</u>	<u>(8,381)</u>
Permits and Inspections			
Building permits	36,822	46,097	9,275
Inspections	14,604	21,545	6,941
Total Permits And Inspections	<u>51,426</u>	<u>67,642</u>	<u>16,216</u>
Charges for Services			
Recreation programs	72,258	55,167	(17,091)
Meeting room rental	9,478	2,858	(6,620)

(Continued)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES (Continued)			
Charges for Services (Continued)			
Snack bar	5,753	3,995	(1,758)
Special events	9,731	973	(8,758)
Other	3,500	3,770	270
Total Charges For Services	100,720	66,763	(33,957)
 Fines and Forfeitures			
Court fines	93,052	60,912	(32,140)
Court costs	7,708	6,609	(1,099)
Bond forfeitures	-	1,000	1,000
Other	14,600	13,770	(830)
Total Fines And Forfeitures	115,360	82,291	(33,069)
 Intergovernmental			
	-	813,332	813,332
 Special Assessment			
	-	12,473	12,473
 Investment Income			
	5,000	1,045	(3,955)
 Other			
Total Revenues	4,504,745	5,168,648	663,903
 EXPENDITURES			
Administration			
Personnel costs:			
Salaries	212,085	205,916	(6,169)
Payroll tax	16,225	14,301	(1,924)
Total Personnel Costs	228,310	220,217	(8,093)
Employee insurance	378,382	442,790	64,408
Pension contribution	52,724	40,147	(12,577)
Utilities	134,100	104,044	(30,056)
Postage	5,000	4,149	(851)
Election costs	9,000	(1,109)	(10,109)
Supplies	23,000	29,886	6,886

(Continued)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
EXPENDITURES (Continued)			
Administration (Continued)			
Accounting	21,000	19,480	(1,520)
Legal fees	80,000	93,233	13,233
Insurance	21,000	23,880	2,880
Commission	2,500	1,185	(1,315)
Facility and bridge study	-	1,628	1,628
Public notices	1,000	1,049	49
Advertising	3,075	1,560	(1,515)
Professional development	14,500	10,616	(3,884)
Miscellaneous	53,400	110,902	57,502
Total Administration	<u>1,026,991</u>	<u>1,103,657</u>	<u>76,666</u>
Building			
Personnel costs:			
Salaries	136,000	113,383	(22,617)
Payroll tax	10,404	8,406	(1,998)
Total Personnel Costs	<u>146,404</u>	<u>121,789</u>	<u>(24,615)</u>
Pension contribution	5,500	3,294	(2,206)
Insurance	15,000	16,968	1,968
Total Building	<u>166,904</u>	<u>142,051</u>	<u>(24,853)</u>
Police			
Personnel costs:			
Salaries	1,813,817	1,796,698	(17,119)
Payroll tax	137,609	131,998	(5,611)
Total Personnel Costs	<u>1,951,426</u>	<u>1,928,696</u>	<u>(22,730)</u>
Pension contribution	259,157	226,972	(32,185)
Insurance	204,000	224,425	20,425
Telephone	4,500	2,973	(1,527)
Uniforms	15,000	9,642	(5,358)
Office supplies	9,200	5,893	(3,307)
Miscellaneous	38,950	26,711	(12,239)
Prisoner detention	500	-	(500)
Equipment maintenance	24,000	4,058	(19,942)

(Continued)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
EXPENDITURES (Continued)			
Police (Continued)			
Fuel	32,000	21,420	(10,580)
Dispatch	78,900	72,241	(6,659)
Service contract	33,000	32,919	(81)
Total Police	<u>2,650,633</u>	<u>2,555,950</u>	<u>(94,683)</u>
Street			
Personnel costs:			
Salaries	-	42,934	42,934
Payroll tax	-	2,902	2,902
Total Personnel Costs	<u>-</u>	<u>45,836</u>	<u>45,836</u>
Pension contribution	9,500	7,490	(2,010)
Street lights	210,196	196,556	(13,640)
Fuel	32,800	23,646	(9,154)
Insurance	22,000	24,381	2,381
Miscellaneous	200	6	(194)
Telephone	-	37	37
Uniforms	1,900	1,322	(578)
Total Street	<u>276,596</u>	<u>299,274</u>	<u>22,678</u>
Court			
Personnel costs:			
Salaries	64,980	82,310	17,330
Payroll tax	4,971	5,260	289
Total Personnel Costs	<u>69,951</u>	<u>87,570</u>	<u>17,619</u>
Pension contribution	2,800	1,187	(1,613)
Rejis	-	681	681
Insurance	7,000	7,416	416
Prosecutor	-	370	370
Supplies	-	240	240
Total Court	<u>79,751</u>	<u>97,464</u>	<u>17,713</u>

(Continued)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
EXPENDITURES (Continued)			
Recreation Center			
Personnel costs:			
Salaries	152,000	155,317	3,317
Payroll tax	11,628	12,105	477
Total Personnel Costs	<u>163,628</u>	<u>167,422</u>	<u>3,794</u>
Pension contribution	18,000	6,218	(11,782)
Insurance	57,000	28,836	(28,164)
Telephone	3,000	1,282	(1,718)
Supplies	1,000	3,270	2,270
Equipment maintenance	-	(330)	(330)
Snack bar	1,400	1,611	211
Special events	5,000	1,303	(3,697)
Recreational programs	10,000	9,318	(682)
Miscellaneous	8,500	5,299	(3,201)
Total Recreation Center	<u>267,528</u>	<u>224,229</u>	<u>(43,299)</u>
Total Expenditures	<u>4,468,403</u>	<u>4,422,625</u>	<u>(45,778)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 36,342</u></u>	746,023	<u><u>709,681</u></u>
FUND BALANCE, JULY 1		<u>832,654</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 1,578,677</u></u>	

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO SCHEDULES OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

Budgets and Budgetary Accounting

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

- a. Prior to July 1, the Mayor presents to the Board of Aldermen a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. Annually, the budget is approved and adopted by ordinance by the Board of Aldermen.
- c. Budgets are adopted on a basis generally consistent with accounting principles generally accepted in the United States of America, except for certain reimbursements of salaries are netted against expenditures in the Police Department. (This amounted to \$9,578 for the fiscal year ended June 30, 2021.) Expenditures may not legally exceed budgeted appropriations at the department level.
- d. The current year budget may include supplemental appropriations. An ordinance from the Board of Aldermen is required to amend budgeted amounts.
- e. Annual appropriated budgets are adopted for all governmental funds.

For the year ended June 30, 2021, the Capital Improvement Fund had expenditures exceeding appropriations by \$144,312. The Debt Service Fund had expenditures exceeding appropriations by \$1,054. These over expenditures were covered by additional current year revenues, available fund balance, or will be recovered by future year's revenues.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
FOR THE YEARS ENDED JUNE 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability							
Service cost	\$ 306,317	313,771	298,718	289,783	297,751	304,610	299,417
Interest on the total pension liability	1,280,458	1,219,189	1,131,036	1,072,204	1,085,812	1,016,170	985,396
Difference between expected and actual experience	(1,046,401)	264,064	749,812	330,450	(759,657)	(245,736)	(178,919)
Changes of assumptions	(263,342)	-	-	-	-	630,704	-
Benefit payments, including refunds	(883,631)	(1,010,673)	(932,816)	(839,514)	(776,977)	(707,823)	(660,933)
Net Change In Total Pension Liability	(606,599)	786,351	1,246,750	852,923	(153,071)	997,925	444,961
Total Pension Liability Beginning	17,945,099	17,158,748	15,911,998	15,059,075	15,212,146	14,214,221	13,769,260
Total Pension Liability Ending (a)	<u>\$ 17,338,500</u>	<u>17,945,099</u>	<u>17,158,748</u>	<u>15,911,998</u>	<u>15,059,075</u>	<u>15,212,146</u>	<u>14,214,221</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 264,288	272,244	299,678	308,280	294,285	316,774	331,332
Net investment income	5,000,821	247,244	1,196,537	2,108,360	1,723,360	(28,528)	300,876
Benefit payments, including refunds	(883,631)	(1,010,673)	(932,816)	(839,514)	(776,977)	(707,823)	(660,933)
Administrative expense	(12,220)	(16,938)	(15,331)	(10,670)	(10,535)	(11,104)	(12,024)
Other changes	(364,690)	196,301	(45,082)	730,593	(294,418)	169,296	72,282
Net Change In Plan Fiduciary Net Position	4,004,568	(311,822)	502,986	2,297,049	935,715	(261,385)	31,533
Plan Fiduciary Net Position Beginning	18,768,418	19,080,240	18,577,254	16,280,205	15,344,490	15,605,875	15,574,342
Plan Fiduciary Net Position Ending (b)	<u>\$ 22,772,986</u>	<u>18,768,418</u>	<u>19,080,240</u>	<u>18,577,254</u>	<u>16,280,205</u>	<u>15,344,490</u>	<u>15,605,875</u>
Net Pension Liability (Asset) Ending (a)-(b)	<u>\$ (5,434,486)</u>	<u>(823,319)</u>	<u>(1,921,492)</u>	<u>(2,665,256)</u>	<u>(1,221,130)</u>	<u>(132,344)</u>	<u>(1,391,654)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	131.34 %	104.59	111.20	116.75	108.11	100.87	109.79
Covered Payroll (for February 28/29 Valuation)	\$ 2,194,799	2,442,493	2,504,479	2,390,313	2,391,504	2,483,202	2,591,495
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(247.61) %	(33.71)	(76.72)	(111.50)	(51.06)	(5.33)	(53.70)

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

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION -
SCHEDULE OF PENSION CONTRIBUTIONS -
LAST TEN FISCAL YEARS

	For The Years Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined pension contribution	\$ 274,999	271,012	292,080	311,609	294,286	346,821	372,050	386,155	392,945	379,081
Contributions in relation to the actuarially determined contribution	264,288	271,012	292,080	308,623	294,286	316,774	331,333	307,876	291,266	267,380
Contribution Deficiency	\$ 10,711	-	-	2,986	-	30,047	40,717	78,279	101,679	111,701
Covered Payroll	\$ 2,178,672	2,326,431	2,546,342	2,432,351	2,384,722	2,544,802	2,571,924	2,501,379	2,579,917	2,597,315
Contributions as a Percentage of Covered Payroll	12.13 %	11.65	11.47	12.69	12.34	12.45	12.88	12.31	11.29	10.29

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of February 28/29 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method
 Amortization method

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

Remaining amortization period
 Asset valuation method
 Inflation
 Salary increases
 Investment rate of return
 Retirement age
 Mortality

Multiple bases from 10 to 15 years
 5 years smoothed market; 20% corridor
 2.75% wage inflation; 2.25% price inflation
 2.75% to 6.55% including wage inflation
 7.00%, net of investment expenses
 Experience-based table of rates that are specific to the type of eligibility condition to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

Other information:

There were no benefit changes during the year.

OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL IMPROVEMENT FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Taxes	\$ 712,000	737,902	25,902
Grants	-	-	-
Investment income	9,000	3,236	(5,764)
Total Revenues	721,000	741,138	20,138
EXPENDITURES			
Administration	44,295	29,413	(14,882)
Administration - capital outlay	-	-	-
Police	29,000	27,307	(1,693)
Police - capital outlay	-	183,206	183,206
Street	312,836	363,634	50,798
Street - capital outlay	8,000	8,279	279
Recreation center	216,535	209,461	(7,074)
Recreation center - capital outlay	220,000	153,678	(66,322)
Total Expenditures	830,666	974,978	144,312
NET CHANGE IN FUND BALANCE	\$ (109,666)	(233,840)	(124,174)
FUND BALANCE, JULY 1		1,434,887	
FUND BALANCE, JUNE 30		\$ 1,201,047	

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Taxes:			
Real estate	\$ 824,425	757,661	(66,764)
Personal property	130,000	175,501	45,501
Total Taxes	<u>954,425</u>	<u>933,162</u>	<u>(21,263)</u>
Investment income	4,500	209	(4,291)
Total Revenues	<u>958,925</u>	<u>933,371</u>	<u>(25,554)</u>
EXPENDITURES			
Principal	600,000	600,000	-
Interest	358,925	358,925	-
Bank fees	-	1,054	1,054
Total Expenditures	<u>958,925</u>	<u>959,979</u>	<u>1,054</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ -</u></u>	<u><u>(26,608)</u></u>	<u><u>(26,608)</u></u>
FUND BALANCE, JULY 1		<u>692,608</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 666,000</u></u>	

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - SEWER LATERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Taxes	\$ 120,000	124,942	4,942
Investment income	1,200	993	(207)
Total Revenues	121,200	125,935	4,735
EXPENDITURES			
Sewer lateral	116,500	54,571	(61,929)
NET CHANGE IN FUND BALANCE	\$ 4,700	71,364	66,664
FUND BALANCE, JULY 1		327,455	
FUND BALANCE, JUNE 30		\$ 398,819	

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - BOND FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Investment income	\$ 10,500	95	(10,405)
REVENUES OVER EXPENDITURES	10,500	95	(10,405)
OTHER FINANCING USES			
Transfer out	(70,965)	-	70,965
NET CHANGE IN FUND BALANCE	\$ (60,465)	95	60,560
FUND BALANCE, JULY 1		863,969	
FUND BALANCE, JUNE 30		\$ 864,064	