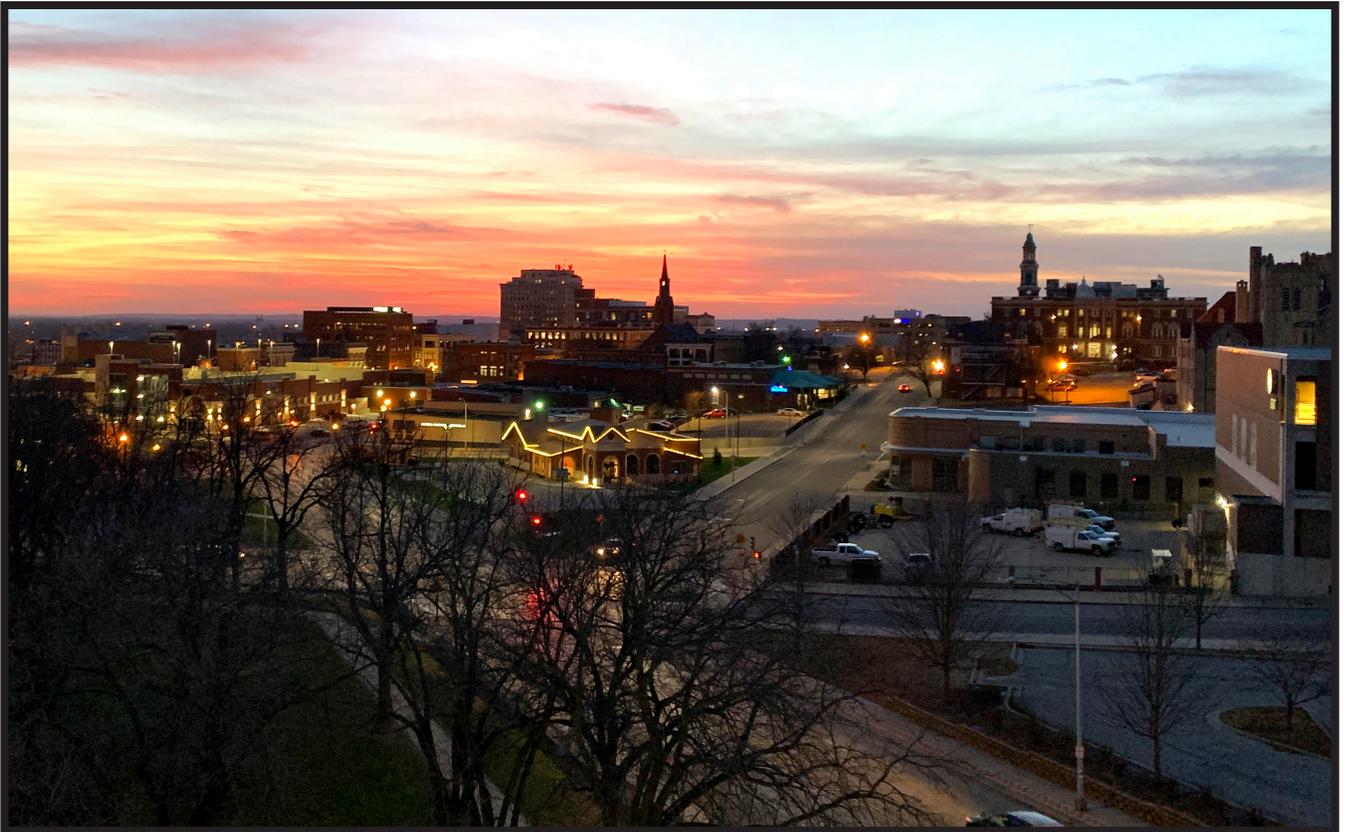


Comprehensive Annual Financial Report

City of
St. Joseph
Missouri



For the fiscal year ended June 30, 2020

CITY OF ST. JOSEPH, MISSOURI

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Prepared by the Administrative Services Department

Tom Mahoney
Director of Administrative Services

CITY OF ST. JOSEPH, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

INTRODUCTORY SECTION:	PAGE
Principal Officials.....	i
Organizational Chart	ii
Letter of Transmittal	iii-ix
GFOA Certificate of Achievement.....	x
 FINANCIAL SECTION:	
Independent Auditors' Report	1-3
Management's Discussion and Analysis.....	MD-1-16
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	GW-1
Statement of Activities.....	GW-2
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	FF-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	FF-2
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	FF-3
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	FF-4
Statement of Net Position – Proprietary Funds	FF-5
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds.....	FF-6
Statement of Cash Flows – Proprietary Funds	FF-7-8
Statement of Fiduciary Net Position – Fiduciary Funds.....	FF-9
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	FF-10
Notes to Financial Statements	FN-1-63
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund.....	RS-1-3
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Allocation Fund.....	RS-4
Notes to the Budgetary Comparison Schedules	RS-5-8
Schedule of Changes in Net Pension Liability and Related Ratios - Lagers	RS-9
Schedule of Changes in Net Pension Liability and Related Ratios - Police	RS-10
Schedule of Employer Contributions	RS-11
Notes to Schedule of Contributions - Lagers	RS-12
Notes to Schedule of Contributions - Police	RS-13
Schedule of Changes in the Total OPEB Liability, Related Ratios, and Notes	RS-14
Combining Individual Fund Statements:	
Combining Balance Sheet – Nonmajor Governmental Funds	CS-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	CS-2
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Nonmajor Governmental Funds:	
Streets Maintenance Fund.....	CS-3
Parks Maintenance Fund	CS-4
Public Safety Fund.....	CS-5

TABLE OF CONTENTS
(Continued)

FINANCIAL SECTION: - (Continued)	PAGE
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Nonmajor Governmental Funds (continued)	
Community Development Fund	CS-6
Riverboat Gaming Fund.....	CS-7
Museum Fund	CS-8
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund	CS-9
Combining Statement of Net Position – Nonmajor Enterprise Funds.....	CS-10
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds.....	CS-11
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	CS-12-13
Combining Statement of Changes in Assets and Liabilities – Agency Funds	CS-14
 STATISTICAL SECTION:	
Net Position by Component	T-1
Changes in Net Position.....	T-2-3
Governmental Activities Tax Revenues by Source.....	T-4
Fund Balances of Governmental Funds	T-5
Changes in Fund Balances of Governmental Funds	T-6
General Governmental Tax Revenues by Source	T-7
Total City Taxable Sales by Category.....	T-8
Sales Tax Rates - Direct and Overlapping Government.....	T-9
Assessed and Estimated Actual Value of Taxable Property.....	T-10
Property Tax Rates - Direct and Overlapping Government.....	T-11
Principal Taxpayers.....	T-12
Property Tax Levies and Collections	T-13
Ratios of Outstanding Debt by Type	T-14
Ratios of General Bonded Debt Outstanding	T-15
Direct and Overlapping Governmental Activities Debt.....	T-16
Legal Debt Margin Information.....	T-17
Pledged-Revenue Coverage.....	T-18
Demographic and Economic Statistics	T-19
Principal Employers	T-20
Full-time City Government Employees by Function/Program.....	T-21
Operating Indicators by Function/Program	T-22
Capital Asset Statistics by Function/Program	T-23

Introductory Section

CITY OF ST. JOSEPH, MISSOURI

PRINCIPAL OFFICIALS

Bill McMurray
Mayor

CITY COUNCIL

Brenda Blessing

Madison Davis

P J Kovac

Russell Moore

Brian Myers

Marty Novak

Kent O'Dell

Gary Roach

Chris Connally
Interim City Manager

Administrative Services

Tom Mahoney

City Attorney

Bryan Carter

City Clerk

Paula Heyde

Fire Chief

Michael Dalsing

Human Resources

Amy Cohorst

Parks, Recreation & Civic Facilities

Chuck Kempf

Planning & Community Development

Clint Thompson

Interim Police Chief

Eric Protzman

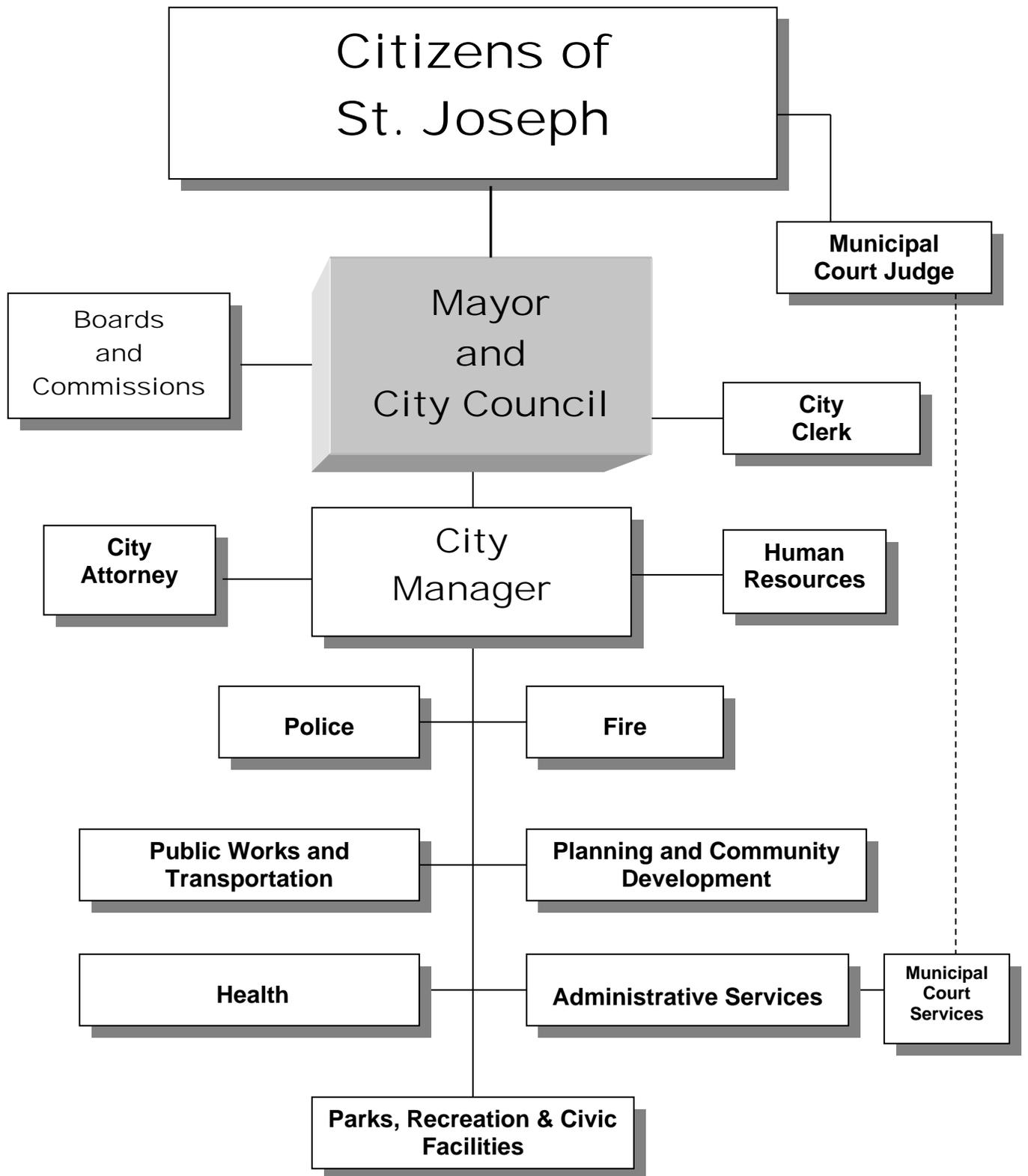
Public Health

Debra Bradley

Public Works & Transportation

Andy Clements

ORGANIZATION CHART



December 16, 2020

Honorable Mayor, Members of the City Council, and Citizens of the City of St. Joseph

The comprehensive annual financial report of the City of St. Joseph, Missouri (the City) for the Fiscal Year Ended June 30, 2020, is hereby submitted in compliance with Article IV, Section 4.4 (f) of the City Charter. The Charter requires that the City of St. Joseph issue annually a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. Responsibility for both the accuracy of its data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) which are standard guidelines for financial reporting, further ensuring that the financial position of the City is presented fairly. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

The independent accounting firm of CliftonLarsonAllen has audited the City's financial statements. The purpose of the audit conducted by CliftonLarsonAllen was to review and provide reasonable assurance that the City's financial statements for fiscal year ended June 30, 2020, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

As a recipient of federal, state, and local financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to assistance programs. The City is required to undergo an annual single audit in conformity with the provisions of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. *Audits of States, Local Governments and Non-Profit Organizations*. The standards governing Single Audit engagements require the independent auditor to report on the audited government's internal controls over compliance and compliance with legal requirements applicable to its major Federal programs. These reports are available in the City's separately issued Single Audit Report.

This report is prepared in accordance with accounting principles generally accepted in the United States of America in conformance with the standards of financial reporting set forth by the Governmental Accounting Standards Board (GASB), and the guidelines recommended by the Government Finance Officers Association (GFOA).

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

PROFILE OF THE CITY

St. Joseph is the county seat of Buchanan County, and the eighth largest city in Missouri. It was incorporated as a village in 1851, a second-class city in 1885, a first-class city in 1909, and as a constitutional charter city government in 1961. The current charter became effective April 19, 1982 and provides that the municipal government shall be known as a "Council-Manager Government." A City Manager is appointed by the Council and serves as the chief administrative officer of the City for an indefinite term.

The City Charter was amended August 8, 1989, to provide for the District Council system consisting of nine (9) members including a Mayor and three (3) Council members nominated and elected at-large, and five (5) Council members elected by District. Council members serve concurrent, four (4) year terms. The Mayor and eight (8) City Council members are charged with the formation of public policy to meet the community's needs. They provide leadership in the development of priorities for the City and in planning economic growth and stability for the community.

The City provides the full range of services normally associated with a municipality, including police and fire protection, public works services, parks and other recreational facilities, public health, street maintenance and general administrative services. The City also operates Rosecrans Memorial Airport, public parking garages, wastewater treatment plant, municipal golf course, mass transit system, and city landfill, all of which are accounted for in the financial statements as business-type funds.

This report includes all funds for the City as a primary government and component units for which the City is financially accountable. Component units, although legally separate entities, are, in substance, a part of the City's operations and are included as part of the primary government for reporting purposes. Accordingly, financial data for the Tax Increment Financing Commission of St. Joseph, Missouri and Public Building Authority (PBA) of the City of St. Joseph, Missouri are also included in this report as described in Note 1 to the financial statements.

The City Manager annually prepares a plan of services, or budget, for the upcoming fiscal year. The budget is the most significant annual policy document, operations guide, financial plan and communications device prepared by the City. It establishes the expectations of City Council and provides the fiscal resources and policy direction needed to achieve Council's goals. This plan is submitted to Council no later than 60 days prior to June 30, the end of the fiscal year. It is reviewed by the City Council and is formally adopted by the passage of a budget ordinance on or before the third Monday of the month prior to June 30. The appropriated budget is prepared by fund, department, and program or function. Strict budgetary compliance is maintained by the Administrative Services Department using the automated accounting system to ensure effective fiscal management and accountability. As purchase orders are issued, corresponding appropriations are encumbered for later payment to ensure that appropriations are not overspent. Open encumbrances are reported as a reservation of fund balances at year-end and all unencumbered appropriations lapse at year-end. Departments can transfer between accounts as long as unapproved positions or capital expenditures are not created. These require Council approval.

FACTORS AFFECTING FINANCIAL CONDITION

Local economy

The City is the central services provider for areas of northwest Missouri and northeast Kansas with a combined population of 162,194. The City's population of 76,780 represents 62% of the total service area. Located in the heart of the country, St. Joseph's prime location provides for access to customers and suppliers. From Canada to Mexico, Interstate 29, a major north-south interstate runs through the city. St. Joseph has two airports available. South of St. Joseph is Kansas City International (KCI) airport and just west over the Missouri River is Rosecrans Memorial Airport serving St. Joseph's civilian and military needs by providing capacity for any size aircraft. The Missouri River borders St. Joseph allowing the public river port facility the ability to give area businesses the option of transporting via river. In addition, rail service provides direct access to all parts of North America.

The City, Buchanan County (the County), and the Chamber of Commerce provide joint economic development structure and funding. This cooperative effort provides for aggressive economic development activities in the community including attracting new businesses, servicing existing businesses, assisting community development and promoting entrepreneurship. The City and County provide assistance through various means to build infrastructure, provide indirect and direct financial assistance, and facilitate compliance with government regulations and requirements.

Labor Force

St. Joseph's Metropolitan Statistical Area (MSA) consists of Andrew, Buchanan, and DeKalb Counties in Missouri and Doniphan County in Kansas. The St. Joseph MSA maintains a civilian labor force of 62,193 with 58,629 employed for the period ending June 30, 2020, producing an unemployment rate of 5.7. Compared to last year at this time the unemployment rate was 3.1%. The City's 5.7 unemployment rate is lower than Missouri's at a rate of 7.9%.

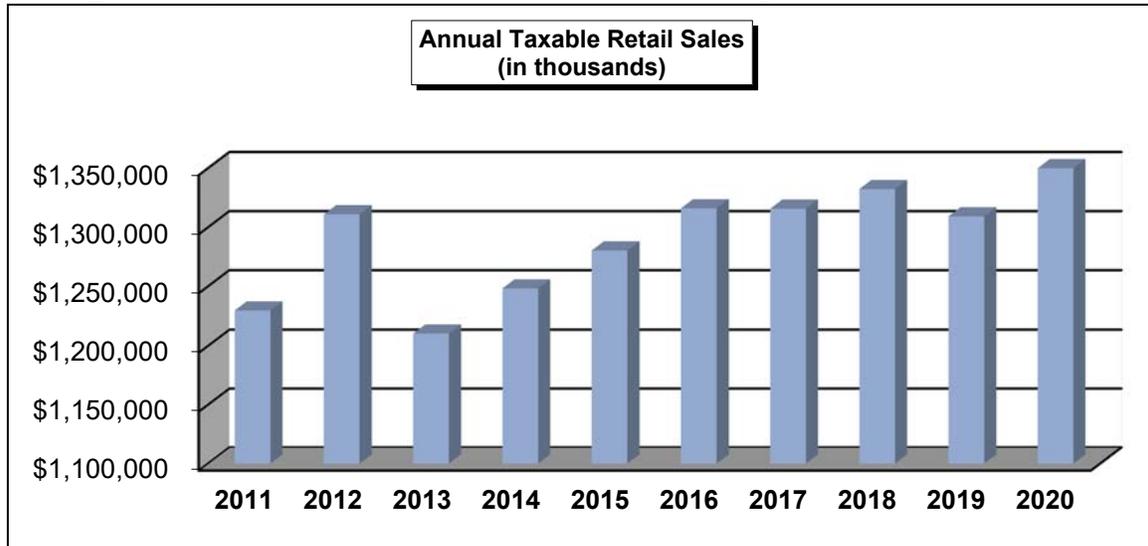
Major Employers

St. Joseph's economy is highly diversified, with major industrial, manufacturing, financial services, healthcare, and educational institutions. The City's largest employer, Mosaic Life Care, a partner with Mayo Clinic Care Network, provides 3,301 jobs, or 5.6% of the total employed work force. Mosaic Life Care, a physician led life care company, combines traditional health care while focusing on key life elements affecting a person's overall wellbeing. The ten largest employers provide a total of 13,931 jobs, representing 23.7% of the total employed work force. These employers are listed as follows:

TEN LARGEST EMPLOYERS			
Employer	Industry	Number	% of Work Force
Mosaic Life Care	Health Services	3,301	5.6%
Triumph Foods	Pork Processing	2,900	4.9%
139 th Airlift Wing-MO Air National Guard	Military / Government	1,663	2.8%
St. Joseph School District	Public Education	1,635	2.8%
Boehringer Ingelheim Vetmedica	Animal Pharmaceuticals	1,170	2.0%
Clarius	Battery Manufacturer	727	1.2%
Tyson Foods	Food Manufacturer	670	1.2%
City of St. Joseph	Local Government	656	1.1%
American Family	Insurance	631	1.1%
Missouri Western State University	Higher Education	536	1.0%
Total		13,889	23.7%

Taxable Annual Retail Sales and City Sales Tax

Receipts from one of the City's largest general revenue sources, the one and one-half cent local sales tax rebounded in fiscal year 2020 as well as the revenues received from the City's fifty percent (50%) of the general sales taxes generated in the economic development districts. Total retail sales in St. Joseph reflected an overall increase in the total sales tax remitted to the City. The following chart depicts annual taxable retail sales over the last ten years.



ECONOMIC CONDITIONS

City of St. Joseph voters have approved a five-year half cent CIP Sales Tax six times – 1993, 1997, 2003, 2008, 2012, and the latest in August 2018. This tax generates \$6.5 million annually in City revenues and provides infrastructure, enhancements to City facilities, and investment in the community.

On February 5, 2008, voters approved an increase in the Transit Tax from .15% to .375% effective July 1, 2008 to keep the public transportation in operation.

In June 2011, voters approved a 3% increase in the local Hotel/Motel occupancy tax. The revenues are earmarked for future, downtown convention center as well as other downtown/riverfront redevelopment activities.

In August 2013, voters approved a half cent Public Safety Sales Tax under a 20-year sunset clause. Revenue generated from the tax will help fund additional police employees, public safety employee salaries and benefits, and public safety equipment and facilities.

Economic Development Efforts and Incentives – The City contracts with the Chamber of Commerce to provide extensive economic development assistance with primary emphasis on attracting new businesses and the retention and expansion of existing businesses. In addition to and in conjunction with the Chamber's efforts, the City promotes and utilizes the following economic development incentives and activities:

- **Enhanced Enterprise Zone Benefits** – The City, per RSMo 135.215, participates in the "Enhanced Enterprise Zones" program designed to ease the financial burden on growing businesses. Eligible facilities can receive a minimum of 50% abatement of property taxes for improvements made to real property for a period of 10 years from assessment of improvements.

- Missouri Chapter 100 bonds – The City, per RSMo 100.090, is granted the authority to issue Industrial Development Revenue Bonds in the amount not to exceed ten percent of the assessed valuation of the taxable tangible property in the City for special industrial development projects for private corporations, partnerships, or individuals. The City shall bear no pecuniary liability. The bond is payable solely from the revenue pledged to the payment and does not constitute a debt of the City. Currently, there are 21 bond issuances and 15 companies benefiting from these Missouri Chapter 100 bonds at the end of the fiscal year.
- Chapter 353 Tax Abatement – The City, per RSMo 353.110.1, can utilize an incentive for redevelopment of blighted areas by providing real property tax abatement for a period up to 25 years. For the first 10 years, the statute provides for 100% abatement on the increased assessed value of the improvements (excluding land). For the next 15 years, Chapter 353 allows for 50% abatement on the actual assessed value of the property (land and improvements). Payments in lieu of taxes may be required by the City to reduce the amount of the abatement authorized by statute and to ensure no loss of existing property tax revenues by taxing jurisdictions such as the City and school district. Tax abatement is not available for personal property taxes on equipment or machinery. As of June 30, 2020, there are nine (9) Chapter 353 Tax Abatement projects.
- Tax Increment Financing (TIF) – Redirects incremental increases in economic activity taxes, property taxes and/or user fees within qualifying jurisdictions for the exclusive use of paying off bonds issued or developer obligations that were used to finance infrastructure and related business developments within the jurisdiction. The City is working with eleven (11) TIF developments at June 30, 2020.
- Developer Agreements – Special assessments, tax abatements, loans and other financing assistance negotiated directly between the City and the business requesting such assistance in order to achieve a common objective generally held to be in the best interest of the community. The City has four (4) Developer Agreements at June 30, 2020.
- Community Improvement Districts (CID) – Special assessments, taxes and/or fees can be established in order to make improvements and support business activity and economic development within designated boundaries of the district. There are nine (9) Community Improvement Districts established at June 30, 2020.
- Neighborhood Improvement Districts (NID) – Special assessments levied on benefiting properties to make improvements within designated boundaries. The City has four (4) Neighborhood Sewer Improvement Districts and six (6) Neighborhood Lighting Improvement Districts, as of June 30, 2020.
- Transportation Development District (TDD) – Transportation related infrastructure improvements can be financed through special assessments, property taxes or sales taxes levied within designated boundaries. There is one (1) TDD within the City as of June 30, 2020.
- Infrastructure (in-kind) Improvements – In order to entice new and existing business to relocate to or expand in St. Joseph, the City frequently takes it upon itself to make the necessary sewerage, street, lighting and similar infrastructure improvements.

The Community Alliance of St. Joseph is comprised of representatives from the City, County, Chamber, University, School District, and major private enterprises. The Alliance promotes a shared vision for the community through collective input from citizens to provide a strategic plan and implementation process to help St. Joseph optimize its potential. Its goal is to work together

to improve livability and quality jobs to promote growth and a solid future for St. Joseph and its residents.

Improved Citizen Communications – The city continues to improve and expand its methods of communicating with residents. In addition to regularly scheduled City Council meetings, work sessions, committee meetings and public hearings, the city continues to reach out to its citizens through the City Council bi-monthly town hall **City Talk** public forums, Student in Government Day, resident surveys, government access channel, interactive website, and informational campaigns and social media. The City Link weekly publication is produced to provide information to residents on a regular basis. The city also uses social networking as a means to communicate with residents via Facebook and Twitter. City Council and Planning Commission meetings are televised live and rebroadcast on the city's government access channel (Channel 19).

Long-term financial planning - A Five Year Capital Improvement Program is adopted by City Resolution. The Five-Year Plan provides a summary of proposed improvements, estimate of project costs, and plan for financing. The City's capital improvement initiatives are funded primarily by the half-cent Capital Projects sales taxes, government grants, revenue bond proceeds and operating reserves. The current half-cent sales tax is a six-year tax that was extended for the sixth time by the voters in August 2018.

The City, in concert with several different governments and agencies, is working to redevelop the Downtown and Riverfront areas. For several years, the City and other organizations have worked to develop the Riverfront environment into an attractive and accessible area providing residents and visitors with a variety of amenities including sports, recreation, education, and entertainment but still reflecting the historic significance of St. Joseph. The major focus is on the following four areas:

Riverfront/Riverwalk Redevelopment – A recently completed Riverfront Master Plan outlines a financing and implementation strategy for the use of local lodging tax revenue as approved by voters to allocate towards riverfront redevelopment. The City is working to implement projects identified in Plan to attract tourism to St Joseph. First project proposed is the creation of a Bluff Trail overlooking the river for pedestrian and bike use.

Downtown Event Center - The use of TIF and CID were identified as the main source of funding for the improvements mentioned above. Implementation of the Master Plan began with the construction of the streetscape and surface parking improvements. The City's public assistance has spurred private investment to Downtown as well such as Mosaic Life Care.

As mentioned earlier, the City through approval of a vote in June 2011, from St. Joseph residents, increased the hotel lodging tax from 3% to 6% starting in 2012 to generate additional revenue for both downtown and riverfront redevelopment activities. Money generated from this tax will help fund a portion of the proposed "Downtown Event Center."

St. Joseph Regional Port Authority – Adjacent to the Riverfront Industrial Development Area (Brownfield) is the location of a multipurpose port and general cargo dock facility. This project was completed March 2002, and goes hand in hand with the Downtown Redevelopment, Brownfield Redevelopment and Economic Development initiatives. The Port Authority mission is to promote the general welfare of the community and serve the surrounding agricultural and industrial markets.

Eastowne Business Park - With the success of the Mitchell Woods Business Park, an additional business park was needed to continue to attract new or existing business expansion. The City provided \$5.4 million in funding from the voter approved 2003 one-half cent Capital Project Sales Tax with an additional \$2.3 million from the 2008 Capital

Project tax for infrastructure improvements at the new Eastowne Business Park located at Riverside and Pickett Roads. This project moved forward in conjunction with the Missouri Department of Transportation's extension of Route AC (Riverside Road) south to Highway 169. With a contribution of cell phone revenues, construction of the remaining loop on the west portion of the development has connected two streets that have now led to the completion of the Final Plat to allow lots to be sold in the second phase.

Under Missouri State Law, the City has the authority to issue general obligation bonds payable from ad valorem taxes to finance capital improvements upon two-thirds majority vote and, on general election dates, a four-sevenths majority vote, of the qualified voters. The Missouri Constitution provides that the amount of bonds payable from tax receipts (including bonds payable from special assessments) shall not exceed twenty percent of the total assessed valuation of the taxable property in the City. At June 30, 2020, the City had no general obligation debt.

The City is authorized to issue revenue bonds to finance capital improvements to its wastewater treatment plant and sewer line facilities. Revenue bonds require a simple majority vote. Bond repayment is secured solely from the earnings generated by the wastewater facility.

Awards and Acknowledgements

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Joseph, Missouri, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This was the thirtieth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The preparation of this CAFR was made possible by the efforts of many City staff. Special thanks are extended to Tom Mahoney, Interim Director of Administrative Services, and his staff for their efforts and to the Members of the City Council for their continued support.

Respectfully submitted,



Tom Mahoney
Director of Administrative Services



Gary Edwards
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Joseph
Missouri**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

As management of the City of St. Joseph (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$217,361,693 (*net position*).
- The City's total net position increased \$7,287,045. A decrease of \$1,609,437 is attributable to "Governmental activities" while "Business-type activities" contributed an increase of \$8,896,482.
- As of the close of the current fiscal year, the City's funds reported combined ending governmental fund balances of \$46,092,498 an increase of \$1,412,947 in comparison with the prior year. \$9,183,241 is available for spending at the City's discretion (*unassigned fund balance*).
- At the end of the fiscal year, unassigned fund balance for the general fund was \$9,183,241 or 16% of total general fund expenditures.
- The City's net investment in capital assets for its governmental and business-type activities decreased \$5,633,456.
- The City's total long-term debt decreased \$11,866,899 during the current fiscal year.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the net 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 ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, public works, health and welfare, parks and recreation. The business-type activities of the City include the Water Protection (Sewer) Facility, Municipal Airport, Municipal Landfill, Downtown Parking operations and facilities, Municipal Golf Course, and Mass Transit Authority.

The government-wide financial statements can be found beginning on page GW-1 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term 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 City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the *General Fund*, *Special Allocation Fund* and *Capital Projects Fund*. These funds are considered to be major funds. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

Budgetary comparison schedules have been provided for the City's budgeted governmental funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found beginning on page FF-1 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its municipal landfill, golf course, sewer treatment & maintenance facilities, airport, parking lots & garages, and mass transit operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally across the City's various functions. The City uses an internal service fund to account for its workers' compensation management and claims activities. This service benefits both governmental and business-type functions; therefore certain amounts are allocated based on its percentage of use by the functions.

Proprietary funds and the internal service fund provide the same type of information as the government-wide financial statements. The major enterprise funds are *Sewer, Mass Transit and Landfill*. The single internal service fund data is provided separately on the statement. Individual fund data for the non-major enterprise funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary fund financial statements can be found beginning on page FF-5 of this report.

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

The fiduciary fund financial statements can be found beginning on page FF-9 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page FN-1 of this report.

Required Supplementary Information. Additional information required by the Governmental Accounting Standards Board to supplement the basic statements. The required supplementary information other than the Management's Discussion and Analysis can be found beginning on page RS-1 of this report.

Other Information. The combining statements referred to earlier in connection with non-major governmental funds and enterprise funds are presented beginning on page CS-1 of this report.

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$217,361,693 at the close of the most recent fiscal year.

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

City of St. Joseph's Net Position

	Governmental		Business-type		Total	
	activities		activities			
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 61,804,438	\$ 63,529,943	\$ 95,688,141	\$ 94,588,530	\$ 157,492,579	\$ 158,118,473
Capital assets	142,920,295	149,355,457	278,461,049	271,136,251	421,381,344	420,491,708
Total assets	204,724,733	212,885,400	374,149,190	365,724,781	578,873,923	578,610,181
Deferred outflows	2,965,508	10,819,530	488,317	1,812,834	3,453,825	12,632,364
Total deferred outflows	2,965,508	10,819,530	488,317	1,812,834	3,453,825	12,632,364
Long-term liabilities	86,426,136	92,399,774	194,342,444	196,600,454	280,768,580	289,000,228
Other liabilities	58,324,851	54,497,152	32,558,627	29,676,085	90,883,478	84,173,237
Total liabilities	144,750,987	146,896,926	226,901,071	226,276,539	371,652,058	373,173,465
Deferred inflows	6,206,682	7,343,304	153,455	651,128	6,360,137	7,994,432
Total deferred inflows	6,206,682	7,343,304	153,455	651,128	6,360,137	7,994,432
Net position:						
Net Investment in capital assets	140,102,965	144,336,677	85,630,716	86,199,893	225,733,681	230,536,570
Restricted	41,588,101	37,309,723	22,942,855	23,180,381	64,530,956	60,490,104
Unrestricted (deficit)	(113,835,803)	(112,181,700)	40,932,859	31,229,674	(72,902,944)	(80,952,026)
Total net position	\$ 67,855,263	\$ 69,464,700	\$ 149,506,430	\$ 140,609,948	\$ 217,361,693	\$ 210,074,648

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

At the end of the current fiscal year, the City is able to report positive balances in the “net investment in capital assets” and “restricted net position” categories, for the government as a whole, as well as for its separate governmental and business-type activities.

The unrestricted net position category for the governmental activities is negative. The deficit in unrestricted net position is the result of recording certain development related long-term obligations of the City that may not result in the acquisition of a corresponding capital asset. However the City is not legally or financially responsible for these reimbursements or debt payments. This is particularly relevant when considering “reimbursable” amounts of pay-as-you-go Tax Increment Financing (TIF) and Sales Tax Reimbursement Agreements (STRA) plans (which comprise the majority of the City’s economic redevelopment districts). The developer is reimbursed only to the extent that TIF revenues are generated by the development district. Once the term of the TIF expires, reimbursements end even if the developer has not been fully reimbursed.

Unlike the governmental activities, the business-type activities show positive unrestricted net position for FY20 of \$40,932,859.

An additional portion of the City's net position, 30% or \$64,530,956 represents resources that are subject to external restrictions on how they may be used. Governmental activities claim 19% or \$41,588,101 while the business-type activities have the other 11% or \$22,942,855.

As previously stated, the City's net position increased \$7,287,045 during the current fiscal year. Governmental activities represent a \$1,609,437 decrease in the City's net position while a \$8,896,482 increase in net position is reported in connection with the City's business-type activities.

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

City of St. Joseph's Changes in Net Position

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
General Revenues:						
Property taxes	\$ 14,838,890	\$ 14,621,647	\$ -	\$ -	\$ 14,838,890	\$ 14,621,647
Sales taxes	39,657,358	37,134,031	4,852,494	4,577,219	44,509,852	41,711,250
Other taxes	15,849,387	15,963,210	1,030,234	1,044,293	16,879,621	17,007,503
Other revenue	943,445	1,252,465	1,968,907	2,626,049	2,912,352	3,878,514
Gain on sale of capital assets	-	-	57,221	36,078	57,221	36,078
Program Revenues:						
Charges for services	7,189,268	7,471,744	39,843,056	39,698,236	47,032,324	47,169,980
Operating grants & contributions	5,406,472	5,114,066	3,507,048	1,992,966	8,913,520	7,107,032
Capital grants & contributions	588,817	304,261	2,051,196	841,749	2,640,013	1,146,010
Total revenues	84,473,637	81,861,424	53,310,156	50,816,590	137,783,793	132,678,014
Expenses:						
Functions\Programs:						
General government	9,215,501	40,875,963	-	-	9,215,501	40,875,963
Public safety	39,802,618	32,549,070	-	-	39,802,618	32,549,070
Highway and streets	25,153,518	24,665,805	-	-	25,153,518	24,665,805
Public works	231,497	242,275	-	-	231,497	242,275
Health and welfare	5,902,256	6,348,688	-	-	5,902,256	6,348,688
Parks and recreation	6,025,067	9,136,789	-	-	6,025,067	9,136,789
Interest	1,499,776	2,309,660	-	-	1,499,776	2,309,660
Sewer services	-	-	30,266,740	27,727,843	30,266,740	27,727,843
Transit services	-	-	5,814,056	6,105,830	5,814,056	6,105,830
Landfill services	-	-	3,522,651	3,003,856	3,522,651	3,003,856
Other proprietary functions	-	-	3,063,068	2,720,747	3,063,068	2,720,747
Total expenses	87,830,233	116,128,250	42,666,515	39,558,276	130,496,748	155,686,526
Excess (deficiency) of revenues over (under) expenses	(3,356,596)	(34,266,826)	10,643,641	11,258,314	7,287,045	(23,008,512)
Transfers	1,747,159	1,874,156	(1,747,159)	(1,874,156)	-	-
Change in net position	(1,609,437)	(32,392,670)	8,896,482	9,384,158	7,287,045	(23,008,512)
Net position - beginning, as restated.	69,464,700	101,857,370	140,609,948	131,225,790	210,074,648	233,083,160
Net position - ending	\$67,855,263	\$69,464,700	\$149,506,430	\$140,609,948	\$217,361,693	\$210,074,648

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

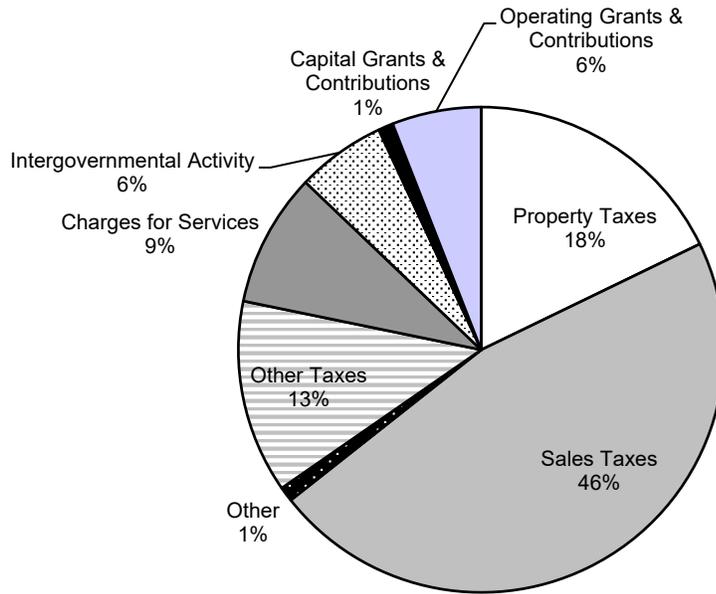
Governmental Activities. Governmental activities decreased the City's net position by \$1,609,437. The key elements to this decrease are as follows:

- Sales tax revenue, a major funding source for the city, showed an increase of \$2,523,327 in FY20 even after the economic impact of Covid-19 in FY20. Consumer spending increased as stimulus checks were distributed in April and May and home improvement projects were completed. This revenue source includes the 2.875% local use tax on out of state purchases over a ten-year period that passed April 7, 2015 by the voters.
- Property taxes, 18% of total revenue, showed a \$217,243 change this year. Total receipts for this revenue source were \$14,838,890 in FY20 up from \$14,621,647 in FY19.
- Other taxes reported a decrease of \$113,823 from FY19. Intergovernmental activity taxes showed improvement from the previous fiscal year with \$5,236,554 recognized compared to \$4,855,142 in FY19. Franchise taxes dipped \$254,658 due to seasonal changes in climate primarily a cooler summer this year. Motor fuel taxes had a drop of \$20,579 as fuel prices decreased due to less commuting to and from work. The outbreak of the Corona virus not only caused a major change in daily activities, it put a halt to gatherings, entertainment, travel and vacations. Hotel taxes, like the other taxes, declined \$217,350 from the previous year.
- Charges for services decreased by \$282,476 in the governmental activities particularly for Parks and Recreation as City Council on March 16, 2020 declared and ordered necessary actions to prevent the possibility of exposure to COVID-19 and protect health and safety of St. Joseph residents at the request of the City Manager and advice from the Director of Health. Park facilities were closed and services/events were cancelled.
- During fiscal year 2020, governmental activities operating and capital grants and contributions increased by a total amount of \$576,962. The City was eligible for COVID-19 grant funding to relieve the financial burden associated with the pandemic.
- As a directive from the City Manager, total expenses for the governmental activities were watched closely. As the FY20 budget year started, salaries stayed constant, operational costs were cut and capital purchases were reduced. As the fiscal year came to an end, total expenses were down from \$116,128,250 in FY19 to \$87,830,233 in FY20. General government activities decrease of \$31,660,462 included a bond refinancing in FY19 and reduced or eliminated capital improvement expenses in FY20. Parks and recreation activities followed with \$3,111,722 less expenses. Capital improvements were not budgeted in FY20 and COVID-19 virus provided savings in salary, fuel, utilities, and operations as several facilities were closed and services not offered. Health activities decreased \$446,432 as a result of COVID-19 when food establishments, schools, and other non-essential businesses were shut down temporarily. Public Safety activities were hit by an additional \$7,253,548 for worker compensation allocation, maintenance and repair for fire equipment, and unpredicted salary and benefits costs. Highway and streets dealt with Mother Nature as expenses increased \$487,713 due to flood recovery and several snowstorms in FY20. Public works activities slowed its focus by \$10,778 as essential services were performed.

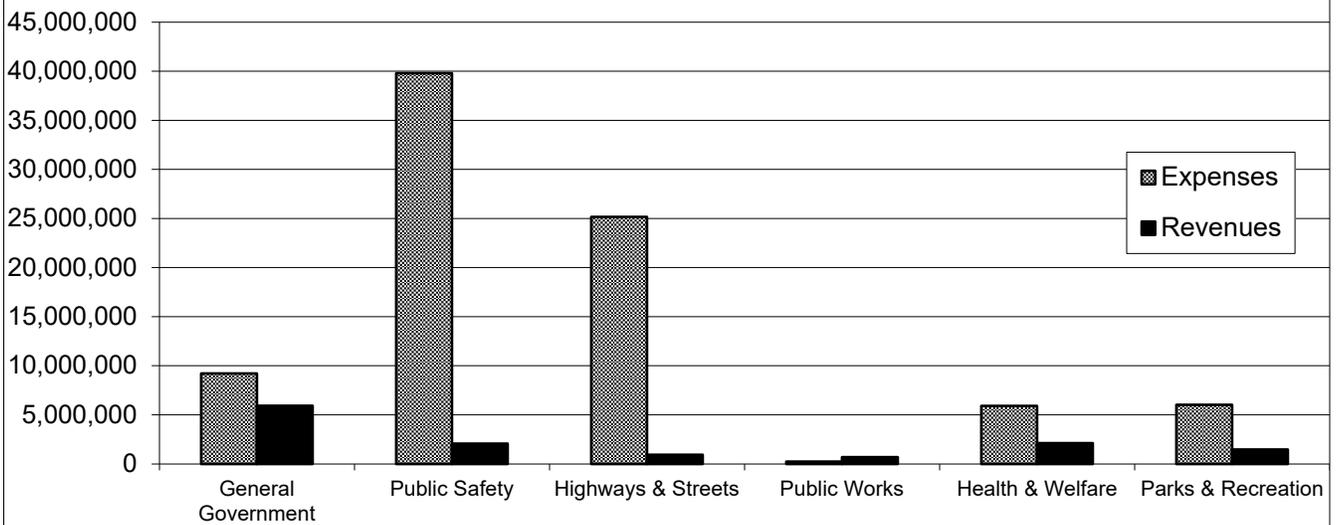
CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Revenues by Source - Governmental Activities



**Expenses and Program Generated Revenues
Governmental Activities**



CITY OF ST. JOSEPH, MISSOURI

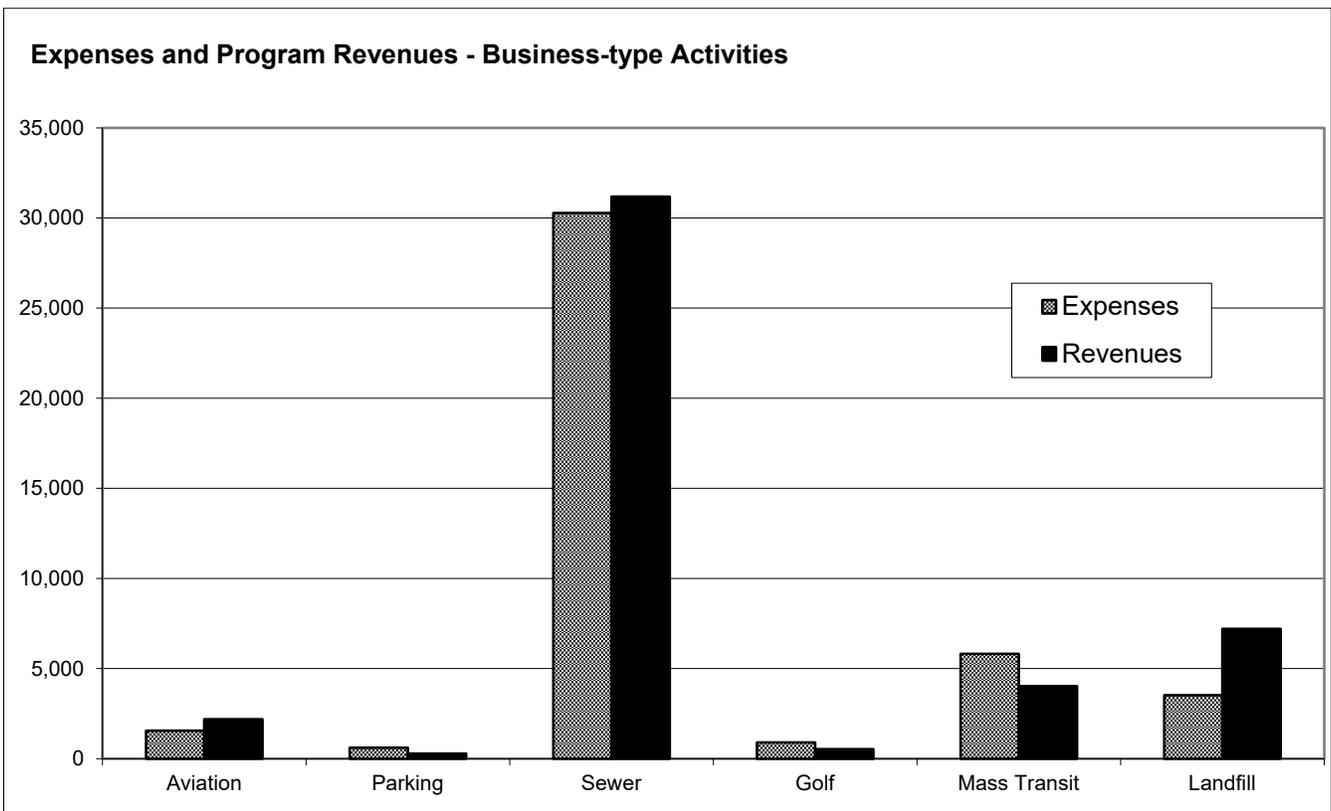
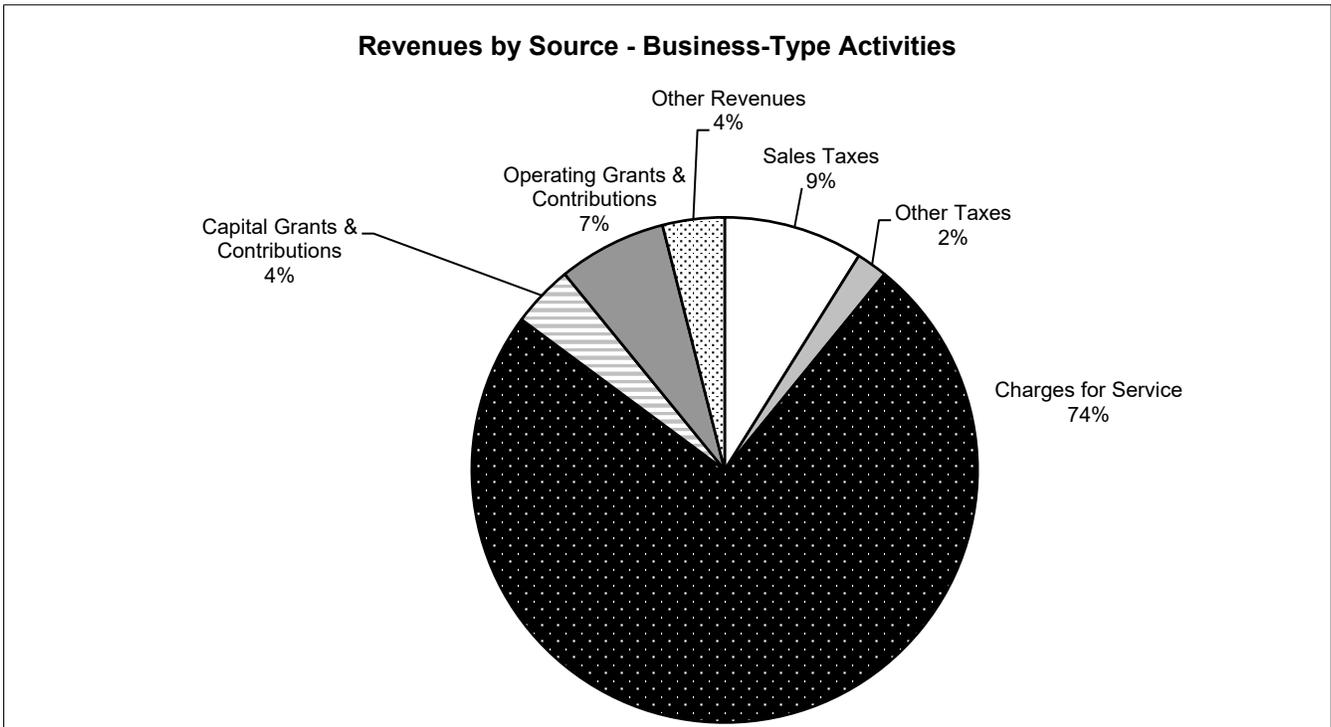
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

Business-type activities. The net position of the City's business-type activities increased \$8,896,482. Key elements of the increase within the business-type activities were:

- Transit operations are the only business-type service receiving sales tax and utility franchise fees revenues. An additional \$261,216 in total revenue was collected than in FY19. Consumer spending increased as stimulus checks were distributed in April and May and home improvement projects were completed to increase sales tax in all activities. Franchise taxes dipped due to seasonal changes in climate primarily a cooler summer this year.
- The reason for the boost in Charges for Services revenue for business-type activities came from Landfill services. Landfill services produced a \$1,496,445 increase in daily fee revenue as a direct result of additional tonnage, 164,388 in FY19 compared to 211,693 in FY20. All other business type activities saw a drop in this revenue category. As more commercial and industrial customers become more efficient, they are not utilizing the city's sewer facilities as much and reducing their administrative code penalties. Rosecrans incurred a few setbacks - FAA lease and some hangar rentals were not renewed in FY20. COVID-19 was the primary cause for decreased revenue in the other services. Parking revenue had a downward turn as more employees are working from home, Transit services recognized a decrease in ridership, and Golf services lost revenue as tournaments, rentals, and concessions were placed on hold.
- Business-type activities reported an increase of \$1,514,082 in operating grants and \$1,209,447 in capital contributions and grants. Aviation services received a \$50,000 Economic Development Initiative Grant and reimbursement from the MO Air National Guard for completed improvements at Rosecrans. Transit was given the opportunity to receive COVID-19 grant funding to recoup lost revenues from low ridership during the fiscal year.
- Overall expenses in the business-type activities increased by \$3,108,239 over the prior year. The only decrease belonged to Transit services in comparison to FY19 with \$291,775 less in operational expenses. COVID-19 virus provided savings in salary, fuel, utilities, maintenance, and operations as services were suspended until safety precautions were enhanced. Aviation services saw a bump of \$260,664 in depreciation costs. Parking services had a \$37,051 increase in the annual principal payment and maintenance cost of the shared parking lot with Mosaic located at 9th and Felix. The Sewer services incurred \$2,538,897 more in expense for personnel, contractual services, commodities, and utilities. Golf services showed \$44,606 more expenses in FY20 for the driving range net replacement and other maintenance costs. Landfill services impacted the business type activities with a \$518,793 upturn for maintenance, depreciation, and post closure costs.

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**



CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

Financial Analysis of the City's Funds

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

The *General Fund* is the main operating fund of the City. It records all assets, liabilities, deferred inflow of resources, revenues, and expenditures that are not assigned to a special purpose fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$9,183,241 while total general fund balance reached \$21,727,458. As a measure of the general fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures at the end of FY20, unassigned fund balance represented 16% of total general fund expenditures, while total fund balance represented 38% of that same amount.

Total fund balance of the City's general fund increased \$653,000 during the current fiscal year. The increase in fund balance was impacted by several of the financial highlights pointed out earlier, as well as the following:

- Revenue for the General fund totaled \$52,525,733, a slight increase of \$1,579,205 when FY19 reported \$50,946,528. Expenditures decreased by \$683,735, from \$57,995,080 to \$57,311,345.
- At the end of the fiscal year, Non-spendable General Fund Balance went up \$117,108 due to the increase in insurance premiums. Restricted Fund Balance bumped from \$8,016,392 to 9,053,596. All six restricted functions increased - Economic Development \$519,548, Public Safety \$5,398, Highways \$294,937, Health \$93,099, Parks and Recreation \$123,909, and Debt Service \$314. Committed and Assigned Fund Balance decreased as the City's Administrative Service department reduced outstanding purchase orders. As revenues dipped and expenditures were on the rise in the General Fund, the City Manager gave a directive to watch budgets closely through FY20.

The *Special Allocation Fund* was established in FY04 to record transactions for the City's TIF districts, special economic development districts, and any related bond issues. The ending fund balance of \$8,200,524 is restricted for debt service payments or pay-as-you go distributions. There was a decrease in fund balance of \$144,446 from FY19. The three districts for which TIF bonds had been issued – Triumph, North Shoppes, and Mitchell Road Corridor – all generated sufficient revenues to meet bond payments. Disbursements to the other pay-as-you-go districts were roughly equal to revenues received minus collection fees and slight differences in timing between receipt and distribution of monies.

The *Capital Projects Fund* had a total fund balance of \$9,364,033. All of the budgeted monies within this fund are attached to projects approved by the voters with the six-year, half-cent CIP sales tax issue renewed for the fifth time in August 2012. Fund balance fluctuations are tied directly to the status of projects and/or to the timing of grant monies anticipated as reimbursements for up-front expenditures on the projects.

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

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

The Proprietary funds net position activity resulted in an increase of \$8,866,608 from last year, excluding the internal service fund. Net investment in capital assets, the largest component of net position, had a decrease of \$569,177 from last year. A portion of the City's proprietary fund net position, 15% or \$22,942,855, represents resources subject to external restrictions on how they may be used. In FY20, the City continued draws on the 2017 State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Fund Program).

The unrestricted net position in the Sewer fund increased to \$10,924,377 from \$9,121,326 at the end of the fiscal year primarily due the decrease in net investment in capital assets offset for a total net position in the Sewer Fund of \$80,877,812. Mass Transit fund's increase change in net position of \$4,370,934 contributed to the increase in unrestricted net position from \$22,514,647 to \$27,472,173. Landfill fund reported a positive unrestricted net position of \$4,104,894 up from \$1,340,785. Aviation fund showed unrestricted net position of \$359,966, Public Parking fund presented a deficit of \$1,682,143, and Municipal Golf Course fund stated a negative \$157,850.

General Fund Budgetary Highlights

Total General Fund expenditures for the 2020 fiscal year were under budget by \$3,134,630. Actual expenditures were less the amount appropriated largely as the result of an intentional under-spending of the budget through delays in filling of vacant positions, benefit savings, and continued cost containment measures where possible. Highway and streets underspent by \$1,512,574, Parks and recreation kept expenditures down by \$488,873, followed by General government with \$482,196, Health and welfare expenses incurred \$361,715 in savings and Public Safety was \$289,272 less than amended budget.

Over the course of the fiscal year, the Council revised the City budget. Appropriations including transfers out increased in the General Fund by \$1,918,097. The appropriations can be directly related to Public Safety, primarily for overtime, worker compensation allocation, and maintenance and repair for fire equipment, General government established the Land Bank program in the Community Development department to return unproductive land nontax-producing status to private ownership or other productive use and to avoid other land from falling into that state, contributions of the Transient Guest Tax authorized by City Council to promote tourism and riverfront development, the April 7th election – Bonds for Bridges – issuance of general obligation bonds in the amount of \$20,000,000 for the repair and replacement of bridges and transportation infrastructure, was approved by the voters, conducted an executive search for the City Manager position, Health and welfare, installed an emergency HVAC system replacement for the kennel area to ensure the safety and wellbeing of the dogs housed, focused on the homeless population through the Urban Mission project and rollforward various health grants and donations received by the Health department,

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2020 totaled \$421,381,343 (net of accumulated depreciation). This investment in capital assets includes land, buildings, system improvements, machinery and equipment, office furniture and fixtures, roads, bridges, park improvements, major fire apparatus, sewer lines and wastewater treatment facility improvements. Major capital asset events during the current fiscal year included the following:

Governmental Activities

- Completed Energy Efficiency & Capital Recovery (\$1,976,663)
- Completed Renovations and Repairs to Tennis Courts (\$1,340,298)
- Started Corporate Drive and Ag Expo Way (\$453,578)
- Finished Pickett Road Culvert (\$236,399)
- Continued Hyde Park Water Feature (\$214,943)
- Implemented New Storage Area Network and Servers (\$144,152)
- Procured Four Communication Consoles (\$101,586)
- Purchased two Aboveground Fuel Tanks (\$82,203)
- Installed A/C & Heating Unit for Kennel at the Animal Shelter (\$47,500)

Business-Type Activities

- Construction proceeded on the Blacksnake Storm Water project (\$5,687,855)
- Work concluded on the WPF Levee (\$4,323,421)
- Initiated the MOANG Box Culvert (\$1,623,919)
- Restoration completed on Missouri Avenue Rehab (\$1,484,541)
- Progress continued on Rosecrans Lagoon (\$1,112,318)
- Acquired an Articulated Haul Truck for the Landfill (\$379,869)
- Procured a Manhole Scanner for Water Protection (\$132,668)

Additional information on the City's capital assets can be found in Note 4 of the Notes to Financial Statements.

City of St. Joseph's Capital Assets
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 6,097,349	\$ 6,103,849	\$ 8,594,521	\$ 8,594,520	\$ 14,691,870	\$ 14,698,369
Buildings	22,415,989	23,750,583	70,972,751	74,290,151	93,388,740	98,040,734
Improvements other than buildings	33,816,103	28,777,856	87,746,745	73,897,296	121,562,848	102,675,152
Machinery and equipment	7,007,889	7,336,145	6,496,117	6,852,296	13,504,006	14,188,441
Infrastructure	72,472,279	75,404,745	37,440,621	38,650,793	109,912,900	114,055,538
Construction in progress	1,110,686	7,982,279	67,210,294	68,851,195	68,320,980	76,833,474
Total capital assets	\$ 142,920,295	\$ 149,355,457	\$ 278,461,049	\$ 271,136,251	\$ 421,381,344	\$ 420,491,708

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Debt Administration. At the end of the current fiscal year, the City had total debt outstanding of \$287,751,159, a decrease of \$11,866,899 from the normal annual retirement of debt service.

The Missouri State Constitution permits a City, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for “City purposes” not to exceed specified percentages of the assessed value of taxable tangible property. Currently, the City has no outstanding general obligation debt. Standard & Poor’s has given the City an issuer rating of A+ and the City’s current bonds ratings of A+. The ratings were re-affirmed in November 2014. The City’s financial position is strong overall and St. Joseph’s financial management practices are considered good under the Standard and Poor’s Financial Management Assessment (FMA).

City of St. Joseph’s Outstanding Debt

Revenue Bonds and Other Bonded Debt

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Revenue Bonds	\$ -	\$ -	\$ 154,999,053	\$ 154,199,642	\$ 154,999,053	\$ 154,199,642
Industrial Development Authority	15,700,000	20,945,000	23,310,000	24,980,000	39,010,000	45,925,000
Infrastructure Facility Bonds	6,030,000	7,285,000	16,950,000	17,645,000	22,980,000	24,930,000
MO Development Finance Board	661,842	810,064	6,328,327	7,331,088	6,990,169	8,141,152
Developer Obligation	59,859,709	62,139,099	-	-	59,859,709	62,139,099
Other Obligations	-	-	1,708,991	1,887,149	1,708,991	1,887,149
Capital Lease Obligations	2,132,330	2,282,620	70,907	113,396	2,203,237	2,396,016
Total long-term debt	\$ 84,383,881	\$ 93,461,783	\$ 203,367,278	\$ 206,156,275	\$ 287,751,159	\$ 299,618,058

***Net of issuance premiums and discounts**

Additional information on the City's long-term debt can be found in Note 6 of the Notes to the Financial Statements.

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

Economic Factors and Next Year's Budgets and Rates

Economic Development Efforts

The St. Joseph economy in FY2020 continued to experience some growth and expansion. The level of ongoing cooperation among the City, County, Chamber of Commerce and the business community was reflected in the level of economic development success demonstrated throughout the year.

The City contracts with the Chamber of Commerce for economic development services. During the year, the City, County, and the Chamber of Commerce were involved in numerous attraction and expansion projects, resulting in new investment in the community.

Operating Budget Overview FY 2021

Operating Revenues – The operating revenue component of the City's FY2021 Proposed Annual Budget, net of Capital Project receipts, transfers, bonds, Special Allocation Fund revenues and capital grants, are projected to decrease. The financial impact of COVID-19 extends to governments as well, as initial sales tax revenue declines, energy use declines, and tourism is reduced. The FY21 budget reflects a response in anticipation of a reduction in sales tax revenues, franchise tax receipts and tourism dollars spent in the community.

The City Council chose to again hold the line and increase wastewater utility rates by only 3% following two previous years of no increases as the City found a bondable funding source for long range maintenance projects. Future outlooks call for increases to remain in the low single digit rate. Staff recommendation to lower landfill rate from \$34.00 per ton to \$32.00 with projected revenues to increase as haulers would bring in increased tonnage worked very well.

Operating Expenditures – Operating expenses are slightly reduced overall from last year. Many actions were taken in the FY21 budget to allow the City Council to hold back expenses or enable them to add back as appropriate. An important challenge for FY21 will be keeping General fund expenses in line with the decline in predicted sales tax revenue due to business closings during COVID-19 response.

In FY2020, there will be an overall reduction of 2.5 Full Time Equivalent positions, 4 positions that are vacant that will be held open but not funded for FY21 and addition of one new position, also held open but not funded for FY21. This total reduction impacted the budget by \$315,483. On the flip side of salary and benefits, health insurance rates have risen 4.5% or \$268,000, Lagers pension contribution increased 1% or \$651,000, and worker's compensation insurance premiums show a \$648,000 increase for FY20 requiring a larger cost allocation in FY21. There was no Cost of Living Adjustment (COLA) for city employees in FY20. Despite the many unknowns ahead for FY21, a 1% COLA for all employees in FY21 is budgeted to start January 1, 2021, which is half-way through the year.

CITY OF ST. JOSEPH, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020

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 government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Administrative Services, 1100 Frederick Avenue, City of St. Joseph, Missouri, 64501.

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF NET POSITION
 JUNE 30, 2020

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 34,719,325	\$ 50,488,869	\$ 85,208,194
Receivables, net where applicable of allowances for uncollectibles	14,053,134	6,573,222	20,626,356
Loan receivables	2,104,771	-	2,104,771
Internal balances	88,558	(88,558)	-
Due from other governments	1,233,729	2,750,222	3,983,951
Prepaid items and deferred charges	780,005	139,731	919,736
Restricted assets:			
Cash and investments	4,838,499	35,824,655	40,663,154
Capital assets:			
Capital assets, not being depreciated	7,208,035	75,804,815	83,012,850
Capital assets net of accumulated depreciation	135,712,260	202,656,234	338,368,494
Net pension asset	3,986,417	-	3,986,417
Total assets	<u>204,724,733</u>	<u>374,149,190</u>	<u>578,873,923</u>
Deferred Outflows of Resources			
Deferred amount on refunding	348,723	1,165,243	1,513,966
Deferred outflows due to pension	10,773,968	758,206	11,532,174
Deferred outflows due to OPEB	2,965,508	488,317	3,453,825
Total deferred outflows of resources	<u>14,088,199</u>	<u>2,411,766</u>	<u>16,499,965</u>
Liabilities			
Accounts payable and other current liabilities	4,395,380	6,754,658	11,150,038
Unearned revenue	118,435	-	118,435
Accrued interest payable	205,522	1,315,351	1,520,873
Noncurrent liabilities:			
Due within one year	8,354,364	10,763,935	19,118,299
Due in more than one year	79,889,309	193,175,249	273,064,558
OPEB liability	6,536,827	1,167,195	7,704,022
Net pension liability due in more than one year	45,251,150	2,339,300	47,590,450
Landfill closure and postclosure costs:			
Due within one year	-	73,500	73,500
Due in more than one year	-	11,311,883	11,311,883
Total liabilities	<u>144,750,987</u>	<u>226,901,071</u>	<u>371,652,058</u>
Deferred inflows of resources			
Deferred inflows due to pension	6,140,988	142,292	6,283,280
Deferred inflows due to OPEB	65,694	11,163	76,857
Total deferred inflows of resources	<u>6,206,682</u>	<u>153,455</u>	<u>6,360,137</u>
Net Position			
Net investment in capital assets	140,102,965	85,630,716	225,733,681
Restricted for:			
Debt service	11,716,421	22,942,855	34,659,276
Capital projects	9,364,033	-	9,364,033
Loan programs	2,983,379	-	2,983,379
Economic development	4,882,515	-	4,882,515
Museum	147,634	-	147,634
Pensions	3,986,417	-	3,986,417
Other purposes	8,507,702	-	8,507,702
Unrestricted (deficit)	(113,835,803)	40,932,859	(72,902,944)
Total net position	<u>\$ 67,855,263</u>	<u>\$ 149,506,430</u>	<u>\$ 217,361,693</u>

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

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Position		
	Expenses	Charges for Services	Operating	Capital	Primary Government		
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
General government	\$ 9,215,501	\$ 4,376,907	\$ 1,541,067	\$ -	\$ (3,297,527)	\$ -	\$ (3,297,527)
Public safety	39,802,618	686,477	1,376,034	-	(37,740,107)	-	(37,740,107)
Highways and streets	25,153,518	268,755	74,837	588,817	(24,221,109)	-	(24,221,109)
Public works	231,497	173,548	516,932	-	458,983	-	458,983
Health and welfare	5,902,256	537,678	1,575,581	-	(3,788,997)	-	(3,788,997)
Parks and recreation	6,025,067	1,145,903	322,021	-	(4,557,143)	-	(4,557,143)
Interest on long-term debt	1,499,776	-	-	-	(1,499,776)	-	(1,499,776)
Total governmental activities	<u>87,830,233</u>	<u>7,189,268</u>	<u>5,406,472</u>	<u>588,817</u>	<u>(74,645,676)</u>	<u>-</u>	<u>(74,645,676)</u>
Business-type activities:							
Aviation services	1,555,299	402,250	50,000	1,735,141	-	632,092	632,092
Parking services	608,348	282,267	-	-	-	(326,081)	(326,081)
Sewer services	30,266,740	30,881,157	-	296,387	-	910,804	910,804
Golf services	899,421	527,423	-	-	-	(371,998)	(371,998)
Transit services	5,814,056	546,246	3,457,048	19,668	-	(1,791,094)	(1,791,094)
Landfill services	3,522,651	7,203,713	-	-	-	3,681,062	3,681,062
Total business-type activities	<u>42,666,515</u>	<u>39,843,056</u>	<u>3,507,048</u>	<u>2,051,196</u>	<u>-</u>	<u>2,734,785</u>	<u>2,734,785</u>
Total primary government	<u>\$ 130,496,748</u>	<u>\$ 47,032,324</u>	<u>\$ 8,913,520</u>	<u>\$ 2,640,013</u>	<u>(74,645,676)</u>	<u>2,734,785</u>	<u>(71,910,891)</u>
General revenues:							
Property taxes					14,838,890	-	14,838,890
Sales taxes					39,657,358	4,852,494	44,509,852
Franchise taxes					5,499,790	1,030,234	6,530,024
Motor fuel taxes					3,786,972	-	3,786,972
Cigarette taxes					316,502	-	316,502
Hotel taxes					1,009,569	-	1,009,569
Tax incremental revenues					5,236,554	-	5,236,554
Unrestricted investment revenues					943,445	1,968,907	2,912,352
Gain on sale of capital assets					-	57,221	57,221
Transfers in (out)					1,747,159	(1,747,159)	-
Total general revenues and transfers					<u>73,036,239</u>	<u>6,161,697</u>	<u>79,197,936</u>
Change in net position					(1,609,437)	8,896,482	7,287,045
Net position - beginning					69,464,700	140,609,948	210,074,648
Net position - ending					<u>\$ 67,855,263</u>	<u>\$ 149,506,430</u>	<u>\$ 217,361,693</u>

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

CITY OF ST. JOSEPH, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	Special Allocation	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 17,874,496	\$ 3,174,857	\$ 7,583,252	\$ 3,781,646	\$ 32,414,251
Receivables	6,394,675	4,723,368	1,374,423	1,560,668	14,053,134
Loan receivables	-	-	-	2,104,771	2,104,771
Due from other funds	-	-	339,243	-	339,243
Due from other governments	495,934	-	172,296	565,499	1,233,729
Prepaid items	350,499	306,736	-	122,770	780,005
Restricted cash and investments	197,390	4,414,404	226,705	-	4,838,499
Total assets	\$ 25,312,994	\$ 12,619,365	\$ 9,695,919	\$ 8,135,354	\$ 55,763,632
Liabilities, Deferred Inflows and Fund Balances					
Liabilities:					
Accounts payable	\$ 1,884,038	\$ 588,075	\$ 331,886	\$ 668,875	\$ 3,472,874
Due to other funds	-	-	-	339,243	339,243
Accrued payroll	887,871	-	-	34,635	922,506
Unearned revenue	63,251	-	-	55,184	118,435
Total liabilities	2,835,160	588,075	331,886	1,097,937	4,853,058
Deferred Inflows of Resources:					
Unavailable revenues-property taxes	484,222	-	-	66,204	550,426
Unavailable revenues-other	266,154	3,830,766	-	170,730	4,267,650
Total deferred inflows of resources	750,376	3,830,766	-	236,934	4,818,076
Fund balances:					
Nonspendable	350,499	306,736	-	122,770	780,005
Restricted	9,053,596	7,893,788	9,364,033	6,677,713	32,989,130
Committed	1,417,690	-	-	-	1,417,690
Assigned	1,722,432	-	-	-	1,722,432
Unassigned	9,183,241	-	-	-	9,183,241
Total fund balances	21,727,458	8,200,524	9,364,033	6,800,483	46,092,498
Total liabilities, deferred inflows of resources and fund balances	\$ 25,312,994	\$ 12,619,365	\$ 9,695,919	\$ 8,135,354	\$ 55,763,632

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

CITY OF ST. JOSEPH, MISSOURI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
 JUNE 30, 2020

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

Fund balances – total governmental funds	\$ 46,092,498
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	142,920,295
Deferred charges on refunding are not due and payable in the current period, and therefore, are not reported in the funds.	348,723
Deferred outflows related to pension and OPEB activity are not required to be reported in the governmental funds but are required to be reported in the statement of net position.	13,739,476
Long-term assets are not available to pay for current period expenditures and are therefore reported as unavailable revenues in the fund statements.	4,818,076
Interest on long-term debt is not accrued in governmental funds but, rather, is recognized as expenditure when due.	(205,522)
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service Fund is included in the governmental activities in the statement of net position.	270,896
Net pension assets and liabilities are not due and payable in the current period and therefore are not reported in the funds.	(41,264,733)
Deferred inflows related to pension and OPEB activity are not required to be reported in the governmental funds but are required to be reported in the statement of net position	(6,206,682)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds.	<u>(92,657,764)</u>
Net position of governmental activities	<u>\$ 67,855,263</u>

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

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	General	Special Allocation	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Property	\$ 12,766,021	\$ 803,231	\$ -	\$ 1,312,764	\$ 14,882,016
Sales	23,509,530	3,456,625	6,222,164	6,469,039	39,657,358
Franchise	5,499,790	-	-	-	5,499,790
Motor fuel and other	1,042,788	-	-	2,744,184	3,786,972
Cigarette	316,502	-	-	-	316,502
Hotel	1,009,569	-	-	-	1,009,569
Tax incremental revenues	-	5,236,554	-	-	5,236,554
Licenses and permits	1,230,687	-	-	95,999	1,326,686
Intergovernmental	2,627,930	-	1,098,334	2,237,823	5,964,087
Charges for services	2,766,164	-	-	821,971	3,588,135
Fines	569,752	-	-	-	569,752
Special assessments	-	-	-	26,138	26,138
Investment earnings	293,609	388,879	140,811	89,416	912,715
Contributions and donations	256,591	-	-	-	256,591
Other	636,800	1,232,597	164,017	272,001	2,305,415
Total revenues	52,525,733	11,117,886	7,625,326	14,069,335	85,338,280
Expenditures					
Current:					
General government	8,094,235	858,025	-	1,436,219	10,388,479
Public safety	28,927,855	-	-	1,568,815	30,496,670
Highways and streets	6,286,347	-	-	3,635,789	9,922,136
Public works	-	-	-	250,039	250,039
Health and welfare	4,107,899	-	-	1,350,397	5,458,296
Parks and recreation	4,731,938	-	-	1,009,900	5,741,838
Debt Service:					
Principal	195,290	8,779,392	110,000	-	9,084,682
Interest and fiscal charges	44,556	1,310,915	106,398	-	1,461,869
Capital outlay	4,923,225	-	6,789,232	1,249,306	12,961,763
Total expenditures	57,311,345	10,948,332	7,005,630	10,500,465	85,765,772
Excess (deficiency) of revenues over expenditures	(4,785,612)	169,554	619,696	3,568,870	(427,492)
Other financing sources (uses)					
Transfers in	8,195,995	-	265,012	2,012,596	10,473,603
Transfers out	(2,778,583)	(314,000)	(152,194)	(5,481,667)	(8,726,444)
Sale of capital assets	21,200	-	-	72,080	93,280
Total other financing sources (uses), net	5,438,612	(314,000)	112,818	(3,396,991)	1,840,439
Net change in fund balances	653,000	(144,446)	732,514	171,879	1,412,947
Fund balances - beginning	21,074,458	8,344,970	8,631,519	6,628,604	44,679,551
Fund balances - ending	\$ 21,727,458	\$ 8,200,524	\$ 9,364,033	\$ 6,800,483	\$ 46,092,498

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

CITY OF ST. JOSEPH, 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, 2020**

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

Net changes in fund balances – total governmental funds		\$ 1,412,947				
Governmental funds report capital outlays 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 exceeded capital outlays in the current period.	<table border="0"> <tr> <td>Capital outlay</td> <td style="text-align: right;">5,848,311</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;"><u>(12,079,982)</u></td> </tr> </table>	Capital outlay	5,848,311	Depreciation	<u>(12,079,982)</u>	(6,231,671)
Capital outlay	5,848,311					
Depreciation	<u>(12,079,982)</u>					
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations).	<table border="0"> <tr> <td>Loss on disposals</td> <td style="text-align: right;">(110,211)</td> </tr> <tr> <td>Proceeds from sales</td> <td style="text-align: right;"><u>(93,280)</u></td> </tr> </table>	Loss on disposals	(110,211)	Proceeds from sales	<u>(93,280)</u>	(203,491)
Loss on disposals	(110,211)					
Proceeds from sales	<u>(93,280)</u>					
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(895,373)				
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.						
Principal payments		6,805,290				
Amortization of discounts and deferred amount on refunding		(85,398)				
Developer obligation		2,279,392				
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:						
Accrued interest		45,852				
Compensated absences, OPEB obligations and OPEB deferred outflows and OPEB deferred inflows		(870,745)				
Change in net pension liability/asset		(6,297,141)				
Changes in net pension deferred outflows and inflows		2,262,423				
Internal Service Funds are used by management to charge the costs of self-insurance to individual funds. The net revenue of certain activities of the internal service fund is reported with the governmental activities.		<u>168,478</u>				
Change in net position of governmental activities		<u><u>\$ (1,609,437)</u></u>				

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

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Sewer	Mass Transit	Landfill	Other Enterprise Funds	Total	Internal Service Fund
Assets						
Current assets:						
Cash and investments	\$ 9,487,272	\$ 24,764,808	\$ 15,809,672	\$ 427,117	\$ 50,488,869	\$ 2,305,074
Accounts receivable (net of allowance for uncollectibles)	5,158,348	982,696	426,615	5,563	6,573,222	-
Due from other governments	623,471	1,865,612	-	261,139	2,750,222	-
Prepaid items	105,726	4,708	11,939	17,358	139,731	-
Total current assets	15,374,817	27,617,824	16,248,226	711,177	59,952,044	2,305,074
Noncurrent assets:						
Restricted cash and investments	35,824,655	-	-	-	35,824,655	-
Capital assets:						
Capital assets, not being depreciated:	68,319,469	243,838	2,208,802	5,032,706	75,804,815	-
Capital assets net of accumulated depreciation:	170,991,529	4,915,782	2,494,175	24,254,748	202,656,234	-
Total capital assets (net of accumulated depreciation)	239,310,998	5,159,620	4,702,977	29,287,454	278,461,049	-
Total noncurrent assets	275,135,653	5,159,620	4,702,977	29,287,454	314,285,704	-
Total assets	290,510,470	32,777,444	20,951,203	29,998,631	374,237,748	2,305,074
Deferred Outflows of Resources						
Deferred amount on refunding	1,165,243	-	-	-	1,165,243	-
Deferred outflows due to pension	521,923	-	138,936	87,272	748,131	-
Deferred outflows due to OPEB	359,379	-	88,902	50,111	498,392	-
Total Deferred Outflows of Resources	2,046,545	-	227,838	137,383	2,411,766	-
Liabilities						
Current liabilities:						
Accounts payable	\$ 6,026,515	\$ 148,187	\$ 250,653	\$ 174,317	\$ 6,599,672	\$ -
Claims payable	-	-	-	-	-	926,787
Accrued payroll	103,325	-	27,838	23,823	154,986	-
Accrued interest payable	1,293,386	-	-	21,965	1,315,351	-
Long-term obligations due in one year	10,402,718	-	103,809	257,408	10,763,935	-
Landfill closure and postclosure liability	-	-	73,500	-	73,500	-
Total current liabilities	17,825,944	148,187	455,800	477,513	18,907,444	926,787
Noncurrent liabilities:						
Claims	-	-	-	-	-	1,195,949
Long-term obligations due in more than one year (net of unamortized discounts and deferred amount on refunding)	192,114,057	-	494,661	1,733,726	194,342,444	-
Landfill closure and postclosure liability	-	-	11,311,883	-	11,311,883	-
Net Pension Liability	1,631,973	-	434,432	272,895	2,339,300	-
Total noncurrent liabilities	193,746,030	-	12,240,976	2,006,621	207,993,627	1,195,949
Total liabilities	211,571,974	148,187	12,696,776	2,484,134	226,901,071	2,122,736
Deferred Inflows of Resources						
Deferred inflows due to pension	99,268	-	26,425	16,599	142,292	-
Deferred inflows due to OPEB	7,961	-	1,969	1,233	11,163	-
Total deferred inflows of resources	107,229	-	28,394	17,832	153,455	-
Net Position						
Net Investment in capital assets	47,010,580	5,157,084	4,348,977	29,114,075	85,630,716	-
Restricted for debt service	22,942,855	-	-	-	22,942,855	-
Unrestricted (deficit)	10,924,377	27,472,173	4,104,894	(1,480,027)	41,021,417	182,338
Total net position	\$ 80,877,812	\$ 32,629,257	\$ 8,453,871	\$ 27,634,048	149,594,988	\$ 182,338
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(88,558)	
Net position of business-type activities					\$ 149,506,430	

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

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Sewer	Mass Transit	Landfill	Other Enterprise Funds	Total	Total Internal Service Fund
Operating revenues:						
Charges for services	\$ 30,066,339	\$ 271,539	\$ 7,072,380	\$ 1,160,629	\$ 38,570,887	\$ 2,500,475
Other	814,818	274,707	131,333	51,311	1,272,169	-
Total operating revenues	<u>30,881,157</u>	<u>546,246</u>	<u>7,203,713</u>	<u>1,211,940</u>	<u>39,843,056</u>	<u>2,500,475</u>
Operating expenses:						
Personal services	5,731,067	7,771	1,423,455	1,117,721	8,280,014	-
Contractual services	8,859,849	4,437,357	724,901	481,416	14,503,523	2,332,852
Commodities	861,690	316,781	382,469	229,812	1,790,752	-
Heat, light and power	1,971,170	36,812	15,551	134,329	2,157,862	-
Depreciation	7,580,257	1,015,335	497,453	1,022,867	10,115,912	-
Closure and postclosure care costs	-	-	481,392	-	481,392	-
Total operating expenses	<u>25,004,033</u>	<u>5,814,056</u>	<u>3,525,221</u>	<u>2,986,145</u>	<u>37,329,455</u>	<u>2,332,852</u>
Operating income (loss)	<u>5,877,124</u>	<u>(5,267,810)</u>	<u>3,678,492</u>	<u>(1,774,205)</u>	<u>2,513,601</u>	<u>167,623</u>
Nonoperating revenues (expenses):						
Intergovernmental and other	-	3,457,048	-	50,000	3,507,048	-
Sales taxes	-	4,852,494	-	-	4,852,494	-
Franchise taxes	-	1,030,234	-	-	1,030,234	-
Investment income	1,257,866	432,794	274,967	3,280	1,968,907	30,730
Interest and fiscal charges	(5,287,795)	-	-	(77,639)	(5,365,434)	-
Gain on disposal of capital assets	20,811	-	36,410	(1,500)	55,721	-
Total nonoperating revenues (expenses), net	<u>(4,009,118)</u>	<u>9,772,570</u>	<u>311,377</u>	<u>(25,859)</u>	<u>6,048,970</u>	<u>30,730</u>
Income (loss) before capital contributions and transfers	1,868,006	4,504,760	3,989,869	(1,800,064)	8,562,571	198,353
Capital contributions and grants	296,387	19,668	-	1,735,141	2,051,196	-
Transfers in	297,250	-	-	961,556	1,258,806	-
Transfers out	(1,938,802)	(153,494)	(881,902)	(31,767)	(3,005,965)	-
Change in net position	522,841	4,370,934	3,107,967	864,866	8,866,608	198,353
Total net position - beginning	80,354,971	28,258,323	5,345,904	26,769,182		(16,015)
Total net position - ending	<u>\$ 80,877,812</u>	<u>\$ 32,629,257</u>	<u>\$ 8,453,871</u>	<u>\$ 27,634,048</u>		<u>\$ 182,338</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					29,875	
Change in net position of business-type activities					<u>\$ 8,896,483</u>	

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

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Sewer	Mass Transit	Landfill	Other Enterprise Funds	Totals	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 30,434,844	\$ 227,195	\$ 7,093,264	\$ 1,165,414	\$ 38,920,717	\$ 2,599,245
Payments to suppliers	(10,959,776)	(4,776,602)	(1,074,304)	(813,129)	(17,623,811)	(2,436,912)
Payments to employees	(5,425,743)	(7,771)	(1,313,131)	(1,046,055)	(7,792,700)	-
Other operating revenues	814,818	274,707	131,333	44,927	1,265,785	-
Net cash provided (used) by operating activities	14,864,143	(4,282,471)	4,837,162	(648,843)	14,769,991	162,333
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund advances	-	-	-	(93,908)	(93,908)	-
Intergovernmental grants	-	1,853,995	-	-	1,853,995	-
Taxes received	-	5,882,728	-	-	5,882,728	-
Transfers in	297,250	-	-	961,556	1,258,806	-
Transfers out	(1,938,802)	(153,494)	(881,902)	(31,767)	(3,005,965)	-
Net cash provided (used) by noncapital financing activities	(1,641,552)	7,583,229	(881,902)	835,881	5,895,656	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Bond Proceeds	7,697,311	-	-	-	7,697,311	-
Payments of debt principal	(9,961,367)	-	(70,453)	(217,183)	(10,249,003)	-
Payments of debt interest and charges	(5,450,618)	-	-	(79,513)	(5,530,131)	-
Capital grants received	(60,034)	19,668	-	1,625,672	1,585,306	-
Proceeds from sale of assets	45,012	-	70,000	-	115,012	-
Purchase of capital assets	(14,121,832)	(422,101)	(824,708)	(1,706,907)	(17,075,548)	-
Net cash provided (used) by capital and related financing activities	(21,851,528)	(402,433)	(825,161)	(377,931)	(23,457,053)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sales and maturities of investments	21,938,239	50,690,979	31,233,522	1,090,136	104,952,876	4,836,453
Purchase of investments	(22,772,184)	(51,528,377)	(32,895,340)	(892,692)	(108,088,593)	(4,796,191)
Interest and dividends received	1,494,538	596,496	381,456	9,905	2,482,395	30,730
Net cash provided (used) by investing activities	660,593	(240,902)	(1,280,362)	207,349	(653,322)	70,992
Net increase (decrease) in cash and cash equivalents	(7,968,344)	2,657,423	1,849,737	16,456	(3,444,728)	233,325
Cash and cash equivalents - beginning	30,866,211	2,569,296	1,486,963	73,689	34,996,159	253,171
Cash and cash equivalents - ending	22,897,867	5,226,719	3,336,700	90,145	31,551,431	486,496
Investments	22,414,060	19,538,089	12,472,972	336,972	54,762,093	1,818,578
Total cash and investments	\$ 45,311,927	\$ 24,764,808	\$ 15,809,672	\$ 427,117	\$ 86,313,524	\$ 2,305,074
Cash and investments reported on the Statement of Net Position:						
Unrestricted cash and investments	\$ 9,487,272	\$ 24,764,808	\$ 15,809,672	\$ 427,117	\$ 50,488,869	\$ 2,305,074
Restricted cash and investments	35,824,655	-	-	-	35,824,655	-
Total cash and investments	\$ 45,311,927	\$ 24,764,808	\$ 15,809,672	\$ 427,117	\$ 86,313,524	\$ 2,305,074

(continued)

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Sewer	Mass Transit	Landfill	Other Enterprise Funds	Totals	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 5,877,124	\$ (5,267,810)	\$ 3,678,492	\$ (1,774,205)	\$ 2,513,601	\$ 167,623
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	7,580,257	1,015,335	497,453	1,022,867	10,115,912	-
Deferred outflows of resources	(551,560)	-	(146,872)	(79,566)	(777,998)	-
Deferred inflows of resources	(350,247)	-	(83,183)	(64,243)	(497,673)	-
Landfill closure and postclosure	-	-	420,619	-	420,619	-
Effect of changes in operating assets and liabilities:						
Accounts and other receivables	368,505	(44,344)	20,884	(1,598)	343,447	98,770
Prepaid expenses	(18,216)	(568)	(1,320)	(2,726)	(22,830)	-
Accounts payable and contracts/claims payable	751,149	14,916	110,710	35,153	911,928	(104,060)
Accrued payroll and compensated absences	375,534	-	101,156	19,605	496,295	-
Net Pension Liability	831,597	-	239,223	195,870	1,266,690	-
Net cash provided (used) by operating activities	<u>\$ 14,864,143</u>	<u>\$ (4,282,471)</u>	<u>\$ 4,837,162</u>	<u>\$ (648,843)</u>	<u>\$ 14,769,991</u>	<u>\$ 162,333</u>

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

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	Pension Trust Fund	Total Agency Funds
	<u>Police Pension</u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 8,130,288	\$ 201,015
Investments:		
Other debt securities	3,087,959	-
Corporate stock	21,098,143	-
Receivables:		
Unrealized Gain/Loss Investment	4,285,221	257,366
Accrued interest	64,411	-
Total assets	<u>36,666,022</u>	<u>\$ 458,381</u>
Liabilities:		
Accounts payable	20,284	\$ -
Due to others	<u>-</u>	<u>458,381</u>
Total liabilities	<u>20,284</u>	<u>\$ 458,381</u>
Net Position Restricted for Pension benefits	<u>\$ 36,645,738</u>	

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

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

	Pension Trust Fund Police Pension
Additions:	
Interest and dividends	\$ 844,573
Net appreciation in fair value of investments	1,783,884
Less investment expenses	<u>(64,347)</u>
Total additions	<u>2,564,110</u>
Deductions:	
Benefit payments	2,664,292
Administrative expenses	<u>53,256</u>
Total deductions	<u>2,717,548</u>
Net change in net position	(153,438)
Net position restricted for pension benefits	
Beginning of year	<u>36,799,176</u>
End of year	<u>\$ 36,645,738</u>

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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City of St. Joseph, Missouri (the “City”) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The following is a summary of the more significant accounting and reporting policies and practices of the City.

A. Reporting Entity

The City operates under a constitutional home rule charter as adopted by City Council on August 4, 1981, and as amended by Council on April 19, 1982. This charter provides for a council-manager form of government and the following services:

- public safety (police and fire)
- public improvements
- sanitation, health and social services
- highway and streets
- planning and zoning
- culture and recreation
- general and administrative services

In accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement 14, “The Financial Reporting Entity”, GASB Statement 39, “Determining Whether Certain Organizations are Component Units – an amendment to GASB Statement 14” and Statement No. 61 “The Financial Reporting Entity: Omnibus on an amendment of GASB Statements No. 14 and No. 34”, and GASB Statement 80, “Blending Requirements for Certain Component Units – an amendment to GASB Statement 14”, an evaluation is made of organizations to determine whether they are within the scope of the “primary government” or whether they are a component unit of the government. Primary governments are financially accountable for organizations that make up their legal entity, for legally separate organizations (if certain criteria are met) and for organizations that are fiscally dependent upon the government. Generally, component units are presented discretely within the financial statements of the primary government; unless certain criteria are met in which case they are blended.

Organizations were evaluated and determined if they were part of the primary government and not a separate component unit. The test to determine if an organization falls within the umbrella of the City’s legal entity is determining if the organization has separate legal standing. However, some organizations, despite being legally separate from the primary government, are so intertwined with the primary government that they are, in substance, the same as the primary government and should be reported as part of the primary government.

The definition of a legally separate entity includes possessing corporate powers that would distinguish it as being legally separate from the primary government. This includes the right to sue and be sued in its own name without recourse to the City, and the right to buy, sell, lease, and mortgage property in its own name.

The financial statements of the City include all funds and agencies which are controlled by or dependent on the City’s executive and legislative branches, the City Manager and City Council,

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

respectively. Control by, or dependence on the City was determined based on budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the City, obligations of the City to finance any deficits which may occur, or receipt of significant subsidies from the City. These criteria were used to determine that the following organization was to be included in the City's financial statements:

Blended Component Units:

Tax Increment Financing Commission of St. Joseph, Missouri (Commission) - The Commission is governed by an eleven-member board of which six members are appointed by the City Council. The remaining members are appointed by the respective taxing districts' boards. Although it is legally separate from the City, the Commission is reported as if it were part of the primary government because its sole function is to review proposed TIF plans and provide recommendations to the City Council for the use of TIF as a method to finance economic activity and infrastructure improvements through payments in lieu of taxes and economic activity taxes. The Commission's activities are reported in Special Allocation Fund.

St. Joseph Public Building Authority - The Authority was formed for the sole purpose to own, operate, maintain, and lease facilities and equipment to the City. A board consisting of the City Manager, Director of Administrative Services, one City Council member, and two citizens appointed by the Council governs the Public Building Authority. Outstanding debt issued by the Authority is treated as an obligation of the City. Debt issued by the Authority for Governmental Funds and the related capital assets are recorded in the government-wide statement of net position. Debt issued by the Authority for Enterprise Funds and related capital assets are recorded in the respective Enterprise Funds and the government-wide statement of net position.

No separately issued financial statements are prepared for the Commission and the Authority.

B. Government-Wide and Fund Financial Accounting

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. Eliminations have been made to minimize the doubling effects of internal activities however; interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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 have been met.

The financial statements for the Police Pension Fund, a pension trust fund, are prepared using the accrual basis of accounting and the economic resources measurement focus. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due, as the City has a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Governmental fund 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 collected 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 due and payable. However, interest and principal on general long-term debt is recognized when due, or when payments are due early in the next fiscal year, and the advance of resources to the debt service fund is mandatory, and debt service expenditures are recognized before year-end to match the resources provided for these payments.

Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donations. Property tax, sales tax, franchise tax, motor fuel tax, cigarette tax, hotel tax, interest, and revenues from other governmental units 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

The City reports the following major governmental funds:

The *General Fund* is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

The *Special Allocation Fund*, a special revenue fund, is used to account for the City's Tax Increment Financing (TIF) and other redevelopment projects. Revenues are derived from Payment in Lieu of Taxes, Economic Activity Taxes, bond proceeds and reimbursements from funding agreements.

The *Capital Projects Fund*, a capital projects fund, accounts for the six year, one-half cent sales tax to fund capital improvement projects to City streets, stormwater facilities, buildings, infrastructure, as well as replacements of fire suppression equipment.

The City reports the following major proprietary funds:

The *Sewer Fund* accounts for operation, maintenance, and expansion of the City's sewage treatment facilities and the city-wide sewage collection network including lines and pump stations. Funding is provided primarily through sewer service charges.

The *Mass Transit Fund* accounts for the operations of the City-wide bus system. The operations are funded by user charges, 1% utility franchise fees, a 3/8th cent (\$.0375) transit sales tax and Federal Transit Administration operating and capital grants.

The *Landfill Fund* accounts for the operation and maintenance of the City's future, current, and closed landfills and recycling center with optimum protection of public health and environment. User charges are the main revenue source to support the City's landfills and recycling center.

Additionally, the City reports the following fund types:

The *Internal Service Fund* is used to account for self-insurance reserves provided to other departments or agencies of the City on a cost reimbursement basis.

The *Pension Trust Fund* is used to account for the accumulation of resources for pension benefit payments to qualified police personnel.

The *Agency Funds* are used to account for assets held by the City as an agent for the 2317 Belt CID, Gateway TDD, Cooks Crossing CID, East Hills CID, Beck Road CID, Tuscan Village CID, 36th and Frederick CID, and Library Tax Fund. Agency funds report assets and liabilities and use the accrual basis of accounting to recognize receivables and payables.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are considered non-operating.

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

D. Cash and Investments

It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and while conforming to all Missouri state statutes, the City Charter, the City Administrative Code, and the City's Code of Ordinances governing the investment of public funds.

A cash and investment pool is maintained by the City and is accounted for in a separate "Pooled Cash Fund." All funds with a cash balance carry an "Equity in Pooled Cash Fund" account equal to their respective cash and investment portion of the pool, which is comprised of Certificate of Deposits, United States Treasury and Agency securities.

Cash and cash equivalents, as used in the statement of cash flows, refers to cash on hand, cash in demand deposit accounts in financial institutions, and short-term, highly liquid investments with original maturities of three (3) months or less that are readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value due to changes in interest rates.

Under GASB No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the City and Police Pension investments are recorded at fair value since maturity is longer than one year.

E. Receivables

All trade receivables are shown net of an allowance for uncollectibles as determined by management based on a review of outstanding accounts and prior history of uncollectible accounts.

F. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation. Balances in prepaid items at June 30, 2020, include the premiums paid to various companies for general liability insurance, auto liability, boiler and machinery, crime, and other insurance for coverage effective July 1, 2020; Superior, the city's financial software FY21 maintenance agreement payment; and the North County 2018 IDA and Triumph 2011A EATS payments. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

H. Restricted Assets

Portions of net position are segregated for future use, and are; therefore, not available for current appropriation or expenditure. Proceeds from the sale of bonds are restricted for project expenditures and the related debt service reserve accounts held by the Trustees are restricted to pay debt service and meet bond covenant requirements.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. The first two relate to change in actual and projected experience in calculating the pension liability and the total OPEB liability and the change in actual and projected earnings in calculating the pension asset. The last is a deferred amount of refunding reported in the government-wide and proprietary fund statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has three types of items, which arises under the accrual and modified accrual basis of accounting that qualify for reporting in this category. Accordingly, the item, unavailable revenue, is reported in the governmental activities statement of net position and the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, wastewater improvement agreement and other government granting agencies. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available on the balance sheet but recognized as revenues on the government-wide financial statements. The governmental activities report deferred inflows of resources related to pensions for the difference between the expected and actual experience, and the unamortized assumption charges when measuring the pension asset and liabilities. The deferred inflows related to the OPEB liability accounts for the difference between expected and actual experience when measuring the OPEB liability.

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 Police Pension Fund additions to/deductions from LAGERS and Police Pension Fund's fiduciary net position have been determined on the same basis as they are reported by each plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

J. Capital Assets

Capital assets, which include property, buildings, equipment, and infrastructure assets (e.g., roads), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

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

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

- Computer equipment	3 years
- Motor vehicles and motorized equipment	5 years
- Furniture, machinery and equipment	10 years
- Buildings and improvements	30 years
- Sewer treatment plant	50 years
- Streets Infrastructure	25 years
- Sewer Infrastructure	40 years
- Bridge Infrastructure	50 years

K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and medical leave benefits. Medical leave is earned at a rate of four hours (6 hours for fire personnel) per full two-week pay period. Employees may elect partial conversion or payment of accrued medical leave balances as of the end of the first pay period in the new calendar year in any one of these options: (1) Conversion of accrued medical leave balances over 520 hours (780 for fire personnel) to vacation hours at a rate of two-for-one, limited to 80 medical leave hours (120 for fire personnel) converted, and (2) Receipt of cash payment for accrued medical leave balances over 520 hours (780 for fire personnel) at a rate of four-for-one, limited to 80 hours (120 for fire personnel) of medical leave hours converted. Termination of an employee cancels medical leave balance and the employee shall not be entitled to receive reimbursement for accrued medical leave. Employees who retire in accordance with one of the City's pension programs will receive lump-sum payment for part of their accrued medical leave balance.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Vacation leave is earned at the following rates:

Years of Service	Hours Earned per Pay Period	Annually
0-7	3.08	10 days
	4.62 (Fire)	15 days
8-15	4.62	15 days
	6.47 (Fire)	21 days
16+	6.16	20 days
	9.24 (Fire)	30 days

Maximum vacation leave credit can be carried forward from one year to another at a rate of 160 hours, 240 for fire personnel. An employee is entitled to receive reimbursement for accrued vacation leave upon termination of employment.

From one fiscal year to another, accrued compensatory time is limited to 40 hours. Any accrued compensatory time over 40 hours that is not used by June 1st will be paid to the employee on the final payroll of the fiscal year.

All vested or accumulated vacation, scheduled holiday leave and vested accumulated sick leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured for example, as a result of employee resignations and retirements.

L. Property Tax Revenue Recognition

Property tax revenue is recognized independent of receivable recognition in the fiscal year for which the taxes have been levied (budgeted). Property tax revenue becomes available within the fiscal year of the levy. Delinquent taxes expected to be received later than 60 days after the close of the fiscal year are classified as deferred inflows within the governmental fund financial statements.

M. Interfund Activity

During the course of normal operations the City has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers. The City determines the classification of amounts recorded as subsidies, advances, or contributions.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “interfund receivables/payables” and are reported as “due to/from other funds”.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

N. Net Position/Fund Balance

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

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

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balances

The objective of a fund balance policy is for the City to be in a strong fiscal position that will (1) provide sufficient cash flow for daily financial needs, (2) secure and maintain investment grade bond ratings, (3) offset significant economic downturns or revenue shortfalls, and (4) provide funds for unforeseen expenditures related to emergencies. It is City policy to identify fund balance separately based on a hierarchy of constraints placed on the use of the financial resources within its governmental funds up to five classifications. See Note 12 for additional information regarding Fund Balance.

Nonspendable Fund Balance – resources that cannot be spent because they are either (1) not in a spendable form or (2) legally or contractually required to be maintained intact.

Restricted Fund Balance – resources where constraints are imposed by externally enforceable legal restrictions through (1) external creditors, grantors, contributors or laws and regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Committed Fund Balance – resources for specific purposes established through formal action by Ordinance of the City Council, the government’s highest level of decision making authority. Any changes or removal of specific purpose requires the same action by the governing body.

Assigned Fund Balance – resources that are (1) limited by the government’s intent to be used for specific purposes or (2) remaining excess amounts in the governmental funds other than the General Fund not classified as non-spendable, restricted, or committed. The authority to assign fund balance for specific uses has been delegated to the City Manager and/or the Director of Administrative Services through Resolution of the City Council approving the City’s Fund Balance policy.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

Unassigned Fund Balance – total fund balance in the General Fund in excess of nonspendable, restricted, committed, and assigned fund balances.

The General Fund will be the only governmental fund that reports a positive unassigned fund balance amount. In the other governmental funds if the assigned fund balance is negative it will be necessary to report it as a negative unassigned fund balance.

The City strives to develop and maintain a diversified and reliable revenue stream so as to avoid becoming overly dependent on any single source of revenue. Efforts are directed to optimize existing revenue sources while periodically reviewing potential new revenue sources. The City is to utilize the restricted fund balance for a specific purpose prior to unrestricted fund balance when more than one fund balance resource is required. Unrestricted fund balance will be maintained for necessary and unexpected expenditures. The City will consent to committed amounts first followed by assigned funds before allocating unassigned net resources when more than one unrestricted resource is required.

The City has adopted a minimum fund balance policy for the General Fund which instructs management to maintain a fund balance level in the General Fund equal to 10% of annual expenditures. If fund balance is near minimum threshold, appropriations shall be only for one time expenditures and not for ongoing and routine operating expenditures.

O. Use of 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 the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

P. Reclassifications

Certain line items have been reclassified to conform to the presentation of the financial statements in the current year. These reclassifications had no net effect on the City's net position or changes therein for the current year.

Q. Stewardship, Compliance and Accountability

RSMO section 302.341 requires the City to annually calculate the percentage of its general revenue that comes from traffic violations. Any such revenues that exceed 30% of the total general revenues are required to be transferred to the Director of Missouri Department of Revenue. In the current year, the City has reported fines and forfeitures, which includes traffic violations and other additional items, in the amount of \$569,752. This amount is approximately 1% of total general fund revenues, including transfers in and sale of capital assets, of \$60,742,928 and, accordingly, the City believes that they are in compliance with the requirements of the Statute.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2: CASH DEPOSITS AND INVESTMENTS

Unrestricted cash deposits and investments are pooled and include cash held in commercial bank checking accounts, collateralized time deposits, and investments held in United States Government Treasury and Agency securities. The cash deposit and investment pool are accounted for in a separate treasurer's account. All funds with a cash balance carry an "Equity in Pooled Cash" balance on the financial statements equal to their respective cash deposit and investment portion of the pool. The pool is comprised of commercial bank deposits, collateralized time deposits and United States Treasury and Agency securities reported at fair value. The City utilizes an interest bearing checking account for daily cash deposits and deductions in the bank account.

Interest earnings from unrestricted cash and investments are allocated to each fund based on a monthly average cash balance. Interest earnings from restricted cash and investments are reported directly in the related fund. Funds, if any, having negative month-end cash balances are assessed interest charges.

Restricted cash and investments are segregated from other cash balances and are recorded separately in the financial statements. Restricted cash and investments include escrow balances, pension plan assets, funds set aside for legally restricted purposes, and certain bond proceeds and reserves required to be restricted by the bond indenture agreements.

Statutes authorize the City to enter into a Banking Services Depository Agreement; whereby, the City invests, daily, all available collected account balances in an interest bearing checking account based on the 90-day U.S. Treasury Bill Rate. Cash deposits exceeding the City's estimated three month operational expense needs are invested in collateralized time deposits or U.S. Treasury and Agency securities. In addition, the City is authorized to invest in other direct obligations of the U.S. Government or insured Agency bonds or obligations of the State of Missouri, Buchanan County or the City.

City ordinances further provide for a Safekeeping Agreement between the banking institution, the City, and the Federal Reserve Bank; whereby, the bank agrees to deposit with the Federal Reserve Bank, as custodian for the City, such collateral securities as required by Missouri State Statutes (Chapter 110 – Depositories for Public Funds), for the safekeeping and prompt payment of City deposits.

The market value of pledged securities shall at all times be not less than one hundred percent (100%) of the actual amount of the funds on deposit with the bank, less the amount covered by federal depository insurance.

A reconciliation of cash and investments as shown on the government-wide statement of net position and statement of fiduciary net position is as follows:

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

	Balance
	June 30, 2020
Cash on hand	\$ 21,465
Cash Deposit in Bank	14,856,461
Investments held by Trustee (Bond Reserves)	25,426,500
Investment Holding Account	28,809
US Government and Agency Securities	70,258,971
Collateralized Time Deposits	15,198,277
Accrued Investment Interest Account	281,880
Police Pension Trust	36,601,611
Total	\$ 162,673,974

	Government- wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Unrestricted – cash and investments	\$ 85,208,194	\$ 201,015	\$ 85,409,209
Restricted – cash and investments	40,663,154	-	40,663,154
Police Pension – cash and investments	-	36,601,611	36,601,611
Total	\$ 125,871,348	\$ 36,802,626	\$ 162,673,974

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Investments for the City of St. Joseph, Missouri by segmented maturity are as follows for the year ended June 30, 2020:

Investment Type	Investment Maturities (in years)		
	Fair Value	Less Than 1	1 - 5
Debt Securities			
Fed Farm Credit Bank	\$ 16,331,632	\$ 1,999,900	\$ 14,331,732
Fed Hme Loan Bank	13,241,015	3,011,950	10,229,065
Fed Hme Loan Mort	23,532,070	8,053,480	15,478,590
US Treasuries	17,154,254	6,146,728	11,007,526
Certificate of Deposits	15,198,277	3,436,130	11,762,147
	<u>\$ 85,457,248</u>	<u>\$ 22,648,188</u>	<u>\$ 62,809,060</u>
Investment Holding Account	28,809		
Total	<u>\$ 85,486,057</u>		

Investments for the Police Pension fund by segmented maturity are as follows for the year ended June 30, 2020:

Investment Type	Investment Maturities (in years)				
	Fair Value	Less Than 1	1 - 5	6 - 10	>10
Debt Securities					
Fed Natl Mort Assoc	\$ 1,750,586	\$ -	\$ 308,221	\$ 276,285	\$ 1,166,080
Fed Hme Loan Mort	1,308,263	100,643	-	165,399	1,042,221
Gov Natl Mort Assoc	257,779	-	-	-	257,779
Money Market	814,776	814,776	-	-	-
US Treasuries	3,531,879	-	1,910,705	682,340	938,834
Bank CD's	879,929	741,206	138,723	-	-
Muni Obligations	102,423	-	102,423	-	-
Corporate Debt	3,047,392	-	1,204,890	687,411	1,155,091
	<u>\$ 11,693,027</u>	<u>\$ 1,656,625</u>	<u>\$ 3,664,962</u>	<u>\$ 1,811,435</u>	<u>\$ 4,560,005</u>
Other Investments:					
Corporate Stock	24,908,584				
Total	<u>\$ 36,601,611</u>				

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Custodial Credit Risk – The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City has no formal policy relating to custodial credit risk for deposits. The custodial credit risk for investments 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 investment or collateral securities that are in the possession of an outside party.

As of June 30, 2020, the bank balance of \$15,261,042 was insured by federal depository insurance and collateral securities held by the City’s agent in the name of the City. All U.S. Agency securities were insured through the broker-dealers’ membership in the Securities Investor Protection Corporation (SIPC) and through surety bonds purchased by them from private insurance companies. Investments are reported at fair value based upon quoted market prices at the valuation date.

Interest Rate Risk – It is the policy of the City of St. Joseph, Missouri, to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and while conforming to all Missouri state statutes, the City Charter, the City Administrative Code, and the City’s Code of Ordinances governing the investment of public funds.

Investment theory and historical capital market return data suggests that, over long periods of time, there is a relationship between the level of risk assumed and the level of return that can be expected in an investment program. Given this relationship between risk and return, the investment objective of the Police Pension Fund is to produce attractive investment returns from income and capital appreciation consistent with the moderate level of risk taken in the portfolio. This is a goal of relatively stable returns over the longer term, with some potential of negative returns in any given year. According to the Police Pension fund investment policy statement, the average maturity of the portfolio’s fixed income component will not exceed 10 years.

Credit Risk – The credit risk for deposits and investments is the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligations. It is the City’s policy to limit its investments to collateralized time deposits, agencies, or other obligations of the United States.

Credit ratings for the City of St. Joseph, Missouri, investments that are rated are as follows, according to Standard & Poor’s:

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Investment Type	Quality Ratings		
	Fair Value	AAA	AA+
Debt Securities			
Fed Farm Credit Bank	\$ 16,331,632	\$ -	\$ 16,331,632
Fed Hme Loan Bank	13,241,015	-	13,241,015
Fed Hme Loan Mort	23,532,070	-	23,532,070
US Treasuries	17,154,254	-	17,154,254
Certificate of Deposits	15,198,277	15,198,277	-
	<u>\$ 85,457,248</u>	<u>\$ 15,198,277</u>	<u>\$ 70,258,971</u>
Investment Holding Account	28,809		
Total	<u><u>\$ 85,486,057</u></u>		

The Police Pension fund follows the prudent person rule with certain fixed income securities portfolio constraints. According to the Police Pension fund investment policy statement only “investment grade” debt securities will be held in the portfolio.

Credit ratings for the Police Pension fund investments that are rated are as follows, according to Standard & Poor’s:

Investment Type:	Fair Value	Quality Ratings				
		AAA	AA	A	BAA	BBB
Debt Securities						
Fed Natl Mort Assoc	\$ 1,750,586	\$ 1,750,586	\$ -	\$ -	\$ -	\$ -
Fed Hme Loan Mort	1,308,263	1,308,263	-	-	-	-
Gov Natl Mort Assoc	257,779	257,779	-	-	-	-
Money Market	814,776	814,776	-	-	-	-
US Treasuries	3,531,879	3,531,879	-	-	-	-
Bank CD's	879,928	879,928	-	-	-	-
Muni Obligations	102,423	-	102,423	-	-	-
Corporate Debt	3,047,393	-	-	1,391,315	1,572,697	83,382
Total	<u><u>\$ 11,693,027</u></u>	<u><u>\$ 8,543,211</u></u>	<u><u>\$ 102,423</u></u>	<u><u>\$ 1,391,315</u></u>	<u><u>\$ 1,572,697</u></u>	<u><u>\$ 83,382</u></u>

Concentration of Credit Risk – Safety of principal is the foremost objective of the City’s investment program. The cash investments of the City of St. Joseph, Missouri, shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

The City's investments are in the following investment types at June 30, 2020:

Investment Type	Fair Value	Concentration
Debt Securities		
Fed Farm Credit Bank	\$ 16,331,632	19.11%
Fed Hme Loan Bank	13,241,015	15.49%
Fed Hme Loan Mort	23,532,070	27.54%
US Treasuries	17,154,254	20.07%
Certificate of Deposits	15,198,277	17.78%
Total	<u>\$ 85,457,248</u>	<u>100.00%</u>

The Police Pension Board established asset allocation guidelines in its investment policy statement to achieve the long term investment objectives. The asset allocation mix should be maintained as follows: 1) Equity investments will range between a maximum of 75% and a minimum of 40% of the total portfolio. 2) Investments in international equities may comprise up to 20% of the total portfolio value. 3) Fixed income investments will range between a maximum of 60% and a minimum of 40% of the total portfolio. 4) Cash investments will range between 0% and 20% of the total portfolio. 5) Convertible securities may represent attractive investment alternatives and limited to 10% of the portfolio value. To ensure diversification of the fixed income securities, credit exposure to any individual issuer, other than the U.S. Government, shall not exceed 10% of the total fixed income portfolio assets.

Foreign Currency Risk – Governments may have investments that are denominated in a currency other than the U.S. dollar. The value of the investment may be affected by increased risk with the foreign exchange rate volatility and certain countries with high inflation and multiple exchange rates. The City of St. Joseph and the Police Pension Fund do not have a formal policy regarding foreign currency risk or exchange-rate risk.

Fair Value of Financial Measurements

In determining fair value, the City of St. Joseph and the Police Pension Fund uses various valuation approaches within GASBS 72 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

GASBS 72 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs, by requiring that the most observable inputs be used when available. GASBS 72 defines levels within the hierarchy based on the reliability of inputs as follows:

Level 1 — Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets; and

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Level 2 — Valuations based on quoted prices for similar assets or liabilities, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data; and

Level 3 — Valuations derived from valuation techniques in which one or more significant inputs, or significant value drivers, are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classifications in the valuation hierarchy.

Debt Securities: Valued at last sales price, if listed on a national market or exchange, or if there is no sale and the market is still considered active, at the last transaction price before year-end. In less active markets, the valuation is based on the most recent price of the equivalent quoted yield for such securities. These are classified as Level 2 within the valuation hierarchy.

Equity Securities: Securities listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the last transaction price before year-end. Such securities are classified within Level 1 or Level 2 of the valuation hierarchy, as appropriate.

Fair values of assets and liabilities of the City measured on a recurring basis, as of June 30, 2020 are as follows:

Investment Type	Fair Value Measurement			
	Fair Value	Level 1	Level 2	Level 3
Debt Securities				
Fed Farm Credit Bank	\$ 16,331,632	\$ -	\$ 16,331,632	\$ -
Fed Hme Loan Bank	13,241,015	-	13,241,015	-
Fed Hme Loan Mort	23,532,070	-	23,532,070	-
US Treasuries	17,154,254	-	17,154,254	-
Certificate of Deposits	15,198,277	-	15,198,277	-
Total	<u>\$ 85,457,248</u>	<u>\$ -</u>	<u>\$ 85,457,248</u>	<u>\$ -</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Fair values of assets and liabilities of the Pension Fund measured on a recurring basis, as of June 30, 2020 are as follows:

Investment Type	Fair Value Measurement			
	Fair Value	Level 1	Level 2	Level 3
Debt Securities				
Money Market	\$ 814,776	\$ 814,776	\$ -	\$ -
CD	879,928	-	879,928	-
Corporate Debt	2,964,011	-	2,964,011	-
Asset	83,382	-	83,382	-
Foreign Debt	-	-	-	-
US Treasuries	3,531,879	3,531,879	-	-
Fed Natl Mort Assoc	1,750,586	453,153	1,297,433	-
Fed Hme Loan Mort	1,308,263	100,643	1,207,620	-
Gov Natl Mort Assoc	150,917	-	150,917	-
Collateral	106,863	-	106,863	-
Muni Obligations	102,423	-	102,423	-
Equity Securities				
Corporate Stock	18,898,455	18,898,455	-	-
Exchange Traded Fund - Equity	784,912	784,912	-	-
Exchange Traded Fund - REIT	920,532	920,532	-	-
Foreign Equities	4,304,499	4,304,499	-	-
Warrants	185	185	-	-
Total	\$ 36,601,611	\$ 29,809,034	\$ 6,792,577	\$ -

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3: RECEIVABLES

The City property taxes are levied as of August 26 based on the assessed valuation of real and personal property located in the City as of the preceding January 1, the assessment date. Taxes so levied become an immediate and continuing lien on the property until paid. Assessed values for real and personal property are established annually by Buchanan County and used by the City.

The following calendar provides important dates for tax assessment, billing, and collection activities:

	Real Property	Personal Property
Assessment date	January 1	January 1
Levy date	August 26	August 26
Lien date	When levied	When levied
Billing date	November 1	November 1
Due date	December 31	December 31
Delinquent date	January 1	January 1

The City's 2019 property tax rate was \$1.56 per \$100 valuation (\$1.45 per \$100 valuation in areas annexed effective December 30, 1972.) An additional special assessment of \$.50 per \$100 assessed value of land only is levied in the Park District for park maintenance and repair. The tax levy is as follows:

Tax Year/Fiscal Year	2019/2020	2018/2019
<hr/>		
City:		
General Fund	\$.60	\$.60
Public Safety	.07	.07
Parks & Recreation	.20	.20
Public Health	.23	.21
Library	.41	.41
Museum	.05	.05
Special Park	.50	.50

As required by RSMo 137.073, the State Auditor examined and approved the property tax rates for calendar year 2019 which comply with Article X, Section 22 of the Missouri Constitution.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

The following assessed to actual property value ratios are specified by State statute for each class of property:

Agricultural @ 12% Residential @ 19% Commercial @ 33%

The assessed valuation of all tangible taxable property for tax years 2019 and 2018 were as follows:

Tax Year / Fiscal Year	2019 / 2020	2018 / 2019	Change	Percent of Change
Real Property	\$754,119,400	\$745,231,664	\$8,887,736	1.19%
Personal Property	274,337,609	260,674,431	13,663,178	5.24%
Railroad Utilities	43,766,515	43,518,015	248,500	0.57%
Total	<u>\$1,072,223,524</u>	<u>\$1,049,424,110</u>	<u>\$22,799,414</u>	<u>2.17%</u>

Receivables as of June 30, 2020, including the applicable allowances for uncollectible accounts, are as follows:

	Accounts and Other	Accrued Interest	Taxes	Total Receivables	Allowance for Doubtful Accounts	Receivables Net
Governmental activities:						
General	\$ 257,030	\$ 39,775	\$ 6,097,870	\$ 6,394,675	\$ -	\$ 6,394,675
Special Allocation	4,208,858	-	514,510	4,723,368	-	4,723,368
CIP Sales Tax	-	-	1,374,423	1,374,423	-	1,374,423
Nonmajor governmental funds	132,783	1,705	1,426,180	1,560,668	-	1,560,668
Total governmental activities	4,598,671	41,480	9,412,983	14,053,134	-	14,053,134
Business-type activities:						
Sewer	\$ 5,505,106	\$ -	\$ -	\$ 5,505,106	\$ (346,758)	\$ 5,158,348
Mass Transit	25,190	-	957,506	982,696	-	982,696
Landfill	426,615	-	-	426,615	-	426,615
Nonmajor enterprise funds	5,563	-	-	5,563	-	5,563
Total business-type activities	5,962,474	-	957,506	6,919,980	(346,758)	6,573,222
Total Net Receivables	<u>\$ 10,561,145</u>	<u>\$ 41,480</u>	<u>\$ 10,370,489</u>	<u>\$ 20,973,114</u>	<u>\$ (346,758)</u>	<u>\$ 20,626,356</u>

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 6,103,849	\$ -	\$ 6,500	\$ 6,097,349
Construction in progress	7,982,279	4,708,837	11,580,430	1,110,686
Total capital assets, not being depreciated	14,086,128	4,708,837	11,586,930	7,208,035
Capital assets, being depreciated:				
Buildings	53,031,802	-	113,062	52,918,740
Improvements other than buildings	46,761,629	6,845,402	360,452	53,246,579
Machinery and equipment	28,185,443	1,286,080	1,263,713	28,207,810
Office Equipment and Furniture	8,023,403	301,873	432,921	7,892,355
Infrastructure	276,640,977	4,286,549	-	280,927,526
Total capital assets being depreciated	412,643,254	12,719,904	2,170,148	423,193,010
Less accumulated depreciation for:				
Buildings	29,281,219	1,321,582	100,050	30,502,751
Improvements other than buildings	17,983,773	1,645,678	198,975	19,430,476
Machinery and equipment	23,593,213	1,308,794	1,259,184	23,642,823
Office Equipment and Furniture	5,279,488	584,913	414,948	5,449,453
Infrastructure	201,236,232	7,219,015	-	208,455,247
Total accumulated depreciation	277,373,925	12,079,982	1,973,157	287,480,750
Total capital assets, being depreciated, net	135,269,329	639,922	196,991	135,712,260
Total Governmental activities capital assets, net	\$ 149,355,457	\$ 5,348,759	\$ 11,783,921	\$ 142,920,295

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Sewer fund:				
Capital assets, not being depreciated:				
Land	\$ 3,086,590	\$ -	\$ -	\$ 3,086,590
Construction in progress	<u>56,736,825</u>	<u>13,989,163</u>	<u>5,493,109</u>	<u>65,232,879</u>
Total capital assets, not being depreciated	59,823,415	13,989,163	5,493,109	68,319,469
Capital assets, being depreciated:				
Buildings	102,381,881	-	-	102,381,881
Improvements other than buildings	86,993,684	5,424,918	-	92,418,602
Machinery and equipment	12,289,333	-	429,241	11,860,092
Office Equipment and Furniture	1,003,636	132,669	-	1,136,305
Infrastructure	<u>67,220,806</u>	<u>68,191</u>	<u>-</u>	<u>67,288,997</u>
Total capital assets being depreciated	269,889,340	5,625,778	429,241	275,085,877
Less accumulated depreciation for:				
Buildings	33,159,243	3,045,090	-	36,204,333
Improvements other than buildings	15,443,670	3,116,861	-	18,560,531
Machinery and equipment	10,759,194	519,735	405,040	10,873,889
Office Equipment and Furniture	818,123	35,494	-	853,617
Infrastructure	<u>36,738,901</u>	<u>863,077</u>	<u>-</u>	<u>37,601,978</u>
Total accumulated depreciation	96,919,131	7,580,257	405,040	104,094,348
Total capital assets, being depreciated, net	<u>172,970,209</u>	<u>(1,954,479)</u>	<u>24,201</u>	<u>170,991,529</u>
Total sewer fund capital assets, net	<u>\$ 232,793,624</u>	<u>\$ 12,034,684</u>	<u>5,517,310</u>	<u>\$ 239,310,998</u>
Mass Transit fund:				
Capital assets, not being depreciated:				
Land	\$ 189,134	\$ -	\$ -	\$ 189,134
Construction in Progress	<u>-</u>	<u>54,704</u>	<u>-</u>	<u>54,704</u>
Total capital assets, not being depreciated	189,134	54,704	-	243,838
Capital assets, being depreciated:				
Buildings	4,504,512	114,447	-	4,618,959
Improvements other than buildings	348,623	-	-	348,623
Machinery and equipment	9,567,529	252,950	-	9,820,479
Office Equipment and Furniture	<u>1,119,768</u>	<u>-</u>	<u>-</u>	<u>1,119,768</u>
Total capital assets being depreciated	15,540,432	367,397	-	15,907,829
Less accumulated depreciation for:				
Buildings	2,957,901	153,307	-	3,111,208
Improvements other than buildings	102,505	16,697	-	119,202
Machinery and equipment	6,070,774	827,080	-	6,897,854
Office Equipment and Furniture	<u>845,532</u>	<u>18,251</u>	<u>-</u>	<u>863,783</u>
Total accumulated depreciation	9,976,712	1,015,335	-	10,992,047
Total capital assets, being depreciated, net	<u>5,563,720</u>	<u>(647,938)</u>	<u>-</u>	<u>4,915,782</u>
Total mass transit fund capital assets, net	<u>\$ 5,752,854</u>	<u>\$ (593,234)</u>	<u>\$ -</u>	<u>\$ 5,159,620</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

	<u>Beginning Balance</u>		<u>Increases</u>		<u>Decreases</u>		<u>Ending Balance</u>
Landfill Fund:							
Capital assets, not being depreciated:							
Land	\$ 1,910,011	\$	-	\$	-	\$	1,910,011
Construction in Progress	<u>625,229</u>		<u>12,206</u>		<u>338,644</u>		<u>298,791</u>
Total capital assets, not being depreciated	2,535,240		12,206		338,644		2,208,802
Capital assets, being depreciated:							
Buildings	517,248		-		-		517,248
Improvements other than buildings	685,214		338,644		-		1,023,858
Machinery and equipment	6,204,896		1,236,954		778,921		6,662,929
Office Equipment and Furniture	<u>20,852</u>		<u>-</u>		<u>-</u>		<u>20,852</u>
Total capital assets being depreciated	7,428,210		1,575,598		778,921		8,224,887
Less accumulated depreciation for:							
Buildings	384,307		9,820		-		394,127
Improvements other than buildings	453,085		19,397		-		472,482
Machinery and equipment	5,120,346		468,236		745,331		4,843,251
Office Equipment and Furniture	<u>20,852</u>		<u>-</u>		<u>-</u>		<u>20,852</u>
Total accumulated depreciation	5,978,590		497,453		745,331		5,730,712
Total capital assets, being depreciated, net	<u>1,449,620</u>		<u>1,078,145</u>		<u>33,590</u>		<u>2,494,175</u>
Total landfill fund capital assets, net	<u>\$ 3,984,860</u>	\$	<u>1,090,351</u>	\$	<u>372,234</u>	\$	<u>4,702,977</u>
Nonmajor enterprise funds:							
Capital assets, not being depreciated:							
Land	\$ 3,408,786	\$	-	\$	-	\$	3,408,786
Construction in Progress	<u>11,489,141</u>		<u>1,667,959</u>		<u>11,533,180</u>		<u>1,623,920</u>
Total capital assets, not being depreciated	14,897,927		1,667,959		11,533,180		5,032,706
Capital assets, being depreciated:							
Buildings	10,053,638		-		-		10,053,638
Improvements other than buildings	11,020,345		11,533,180		-		22,553,525
Machinery and equipment	2,012,781		38,948		29,000		2,022,729
Office Equipment and Furniture	28,824		-		-		28,824
Infrastructure	<u>11,869,953</u>		<u>-</u>		<u>-</u>		<u>11,869,953</u>
Total capital assets being depreciated	34,985,541		11,572,128		29,000		46,528,669
Less accumulated depreciation for:							
Buildings	6,665,677		223,630		-		6,889,307
Improvements other than buildings	9,151,310		294,338		-		9,445,648
Machinery and equipment	1,743,793		87,190		27,500		1,803,483
Office Equipment and Furniture	16,709		2,423		-		19,132
Infrastructure	<u>3,701,065</u>		<u>415,286</u>		<u>-</u>		<u>4,116,351</u>
Total accumulated depreciation	21,278,554		1,022,867		27,500		22,273,921
Total capital assets, being depreciated, net	<u>13,706,987</u>		<u>10,549,261</u>		<u>1,500</u>		<u>24,254,748</u>
Total nonmajor enterprise fund capital assets, net	<u>28,604,914</u>		<u>12,217,220</u>		<u>11,534,680</u>		<u>29,287,454</u>
Total business-type activities capital assets, net	<u>\$ 271,136,251</u>	\$	<u>24,749,021</u>	\$	<u>17,424,226</u>	\$	<u>278,461,049</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Depreciation expense was charged to functions/programs as follows:

Governmental activities:		
General government	\$	327,752
Public safety		1,974,928
Highways and streets		7,956,641
Health and welfare		203,539
Parks and recreation		<u>1,617,122</u>
Total depreciation expense – governmental activities	\$	<u><u>12,079,982</u></u>
Business-type activities:		
Sewer	\$	7,580,257
Mass Transit		1,015,335
Landfill		497,453
Non-major enterprise funds		<u>1,022,867</u>
Total depreciation expense – business-type activities	\$	<u><u>10,115,912</u></u>

*Interest on CIP projects no longer capitalized per GASB 89

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5: INTERFUND ACTIVITIES

Interfund receivable and payable balances consisting of fund allocations of pooled cash shortages with the intent to reimburse in the next fiscal year at June 30, 2020 are as follows:

	<u>Interfund receivables</u>	<u>Interfund payables</u>
Major governmental funds:		
Capital Projects	339,243	-
Nonmajor governmental funds	-	339,243
Total	<u>\$ 339,243</u>	<u>\$ 339,243</u>

Interfund transfers consisted of the following amounts:

	<u>Transfers To</u>						
	<u>General Fund</u>	<u>Special Allocation</u>	<u>CIP Sales Tax</u>	<u>Nonmajor Governmental</u>	<u>Sewer Fund</u>	<u>Nonmajor Business-type</u>	<u>Total</u>
Governmental Funds:							
General Fund	\$ -	\$ -	\$ 222,307	\$ 1,832,679	\$ -	\$ 723,597	\$ 2,778,583
Nonmajor governmental	5,223,308	-	-	159,917	-	98,442	5,481,667
Special Allocation	-	-	-	20,000	294,000	-	314,000
CIP Sales Tax	60,967	-	-	-	-	91,227	152,194
Enterprise Funds:							
Sewer	1,883,848	-	6,664	-	-	48,290	1,938,802
Mass Transit	138,220	-	15,274	-	-	-	153,494
Landfill	878,652	-	-	-	3,250	-	881,902
Nonmajor enterprise	11,000	-	20,767	-	-	-	31,767
Total	<u>\$ 8,195,995</u>	<u>\$ -</u>	<u>\$ 265,012</u>	<u>\$ 2,012,596</u>	<u>\$ 297,250</u>	<u>\$ 961,556</u>	<u>\$ 11,732,409</u>

Transfers are used to (1) move revenues from the fund that budgets or ordinance requires to collect them to the fund that budgets or ordinance requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: LONG-TERM LIABILITIES

Governmental Activities	Balance 7/1/2019	Increases	Decreases	Balance 6/30/2020	Current Portion
Industrial Development Authority Bonds	\$ 20,945,000	-	\$ (5,245,000)	\$ 15,700,000	\$ 2,135,000
Infrastructure Facility Revenue Bonds	7,285,000	-	(1,255,000)	6,030,000	1,305,000
MO Development Finance Board Bonds	840,000	-	(155,000)	685,000	160,000
Discount on Issuance	(29,936)	-	6,778	(23,158)	-
Developer Obligations	62,139,100	-	(2,279,392)	59,859,708	2,000,000
Capital Lease Obligations	2,282,620	-	(150,290)	2,132,330	122,329
Compensated Absences*	1,668,480	1,936,219	(1,867,642)	1,737,057	1,705,248
OPEB Obligation*	3,513,171	3,023,656	-	6,536,827	-
Claims	2,226,796	1,992,967	(2,097,027)	2,122,736	926,787
Total Governmental activities					
Long-term liabilities	\$ 100,870,231	\$ 6,952,842	\$ (13,042,572)	\$ 94,780,500	\$ 8,354,364

* Compensated absences and other post-employment benefit obligations are generally liquidated by the general fund.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Business-type Activities	Balance 7/1/2019	Increases	Decreases	Balance 6/30/2020	Current Portion
Sewer Fund					
Revenue Bonds	\$ 154,199,642	\$ 7,697,311	\$ (6,897,900)	\$ 154,999,053	\$ 7,070,500
Industrial Development Authority Bonds	24,980,000	-	(1,670,000)	23,310,000	1,755,000
Infrastructure Facility Revenue Bonds	17,645,000	-	(695,000)	16,950,000	725,000
MO Development Finance Board Bonds	4,520,000	-	(695,000)	3,825,000	715,000
Discount on Issuance	(76,656)	-	4,360	(72,296)	-
Premium on Issuance	2,887,744	-	(312,121)	2,575,623	-
Capital Lease Obligations	4,909	-	(3,467)	1,442	1,442
Compensated Absences	153,686	156,668	(174,579)	135,775	135,776
OPEB Obligation	418,703	373,475	-	792,178	-
Total sewer fund					
Long-term liabilities	<u>204,733,028</u>	<u>8,227,454</u>	<u>(10,443,707)</u>	<u>202,516,775</u>	<u>10,402,718</u>
Landfill Fund					
Capital Lease Obligations	-	424,453	(70,453)	354,000	55,254
Closure/Post Closure	10,964,764	481,392	(60,773)	11,385,383	73,500
Compensated Absences	44,943	25,723	(22,158)	48,508	48,555
OPEB Obligation	104,925	91,037	-	195,962	-
Total landfill fund					
Long-term liabilities	<u>11,114,632</u>	<u>1,022,605</u>	<u>(153,384)</u>	<u>11,983,853</u>	<u>177,309</u>
Nonmajor Enterprise Funds					
Capital Lease Obligations	108,487	-	(39,022)	69,465	40,661
Other Obligations	1,887,149	-	(178,158)	1,708,991	185,492
Compensated Absences	35,008	32,109	(33,494)	33,623	31,255
OPEB Obligation	96,845	82,210	-	179,055	-
Total nonmajor enterprise funds Long-term liabilities	<u>2,127,489</u>	<u>114,319</u>	<u>(250,674)</u>	<u>1,991,134</u>	<u>257,407</u>
Total Business-type activities Long-term liabilities	<u>\$ 217,975,149</u>	<u>\$ 9,364,378</u>	<u>\$ (10,847,765)</u>	<u>\$ 216,491,762</u>	<u>\$ 10,837,434</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Governmental Activities				
Year Ending	Industrial Development Authority Bonds		Infrastructure Facility Revenue Bonds	
	Principal	Interest	Principal	Interest
2021	\$ 2,135,000	\$ 712,112	\$ 1,305,000	\$ 251,724
2022	2,245,000	613,488	1,350,000	202,668
2023	2,350,000	509,913	1,405,000	144,443
2024	2,450,000	401,500	1,475,000	83,837
2025	2,565,000	288,411	495,000	10,093
2026-2030	3,955,000	285,790	-	-
	<u>\$ 15,700,000</u>	<u>\$ 2,811,214</u>	<u>\$ 6,030,000</u>	<u>\$ 692,765</u>

Year Ending	MO Development Finance Board Bonds		Total Governmental Activities Debt Service Requirements	
	Principal	Interest	Principal	Interest
2021	\$ 160,000	\$ 30,825	\$ 3,600,000	\$ 994,661
2022	165,000	23,625	3,760,000	839,781
2023	175,000	16,200	3,930,000	670,556
2024	185,000	8,325	4,110,000	493,662
2025	-	-	3,060,000	298,504
2026-2030	-	-	3,955,000	285,790
	<u>\$ 685,000</u>	<u>\$ 78,975</u>	<u>\$ 22,415,000</u>	<u>\$ 3,582,954</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Year Ending	Business-type Activities					
	Revenue Bonds		Industrial Development Authority Bonds		Infrastructure Facility Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 7,070,500	\$ 2,294,377	\$ 1,755,000	\$ 1,066,544	\$ 725,000	\$ 868,663
2022	7,249,000	2,198,445	1,840,000	978,794	750,000	839,663
2023	7,437,500	2,099,062	1,930,000	886,794	790,000	804,038
2024	7,581,900	1,989,507	2,085,000	790,294	825,000	766,513
2025	7,777,300	1,878,481	2,190,000	687,694	865,000	727,325
2026-2030	41,969,000	7,697,270	10,015,000	1,474,594	5,010,000	2,949,488
2031-2035	46,673,800	4,660,721	3,495,000	340,788	6,475,000	1,484,731
2036-2040	18,084,000	2,294,936	-	-	1,510,000	81,163
2041-2045	11,156,053	2,055,519	-	-	-	-
	<u>\$ 154,999,053</u>	<u>\$ 27,168,318</u>	<u>\$ 23,310,000</u>	<u>\$ 6,225,502</u>	<u>\$ 16,950,000</u>	<u>\$ 8,521,584</u>

Year Ending	MO Development Finance Board Bonds		Total Business-type Activities Debt Service Requirements		Total Debt Service Requirements	
	Principal	Interest	Principal	Interest	Principal	Interest
	2021	\$ 715,000	\$ 122,525	\$ 10,265,500	\$ 4,352,109	\$ 13,865,500
2022	740,000	101,075	10,579,000	4,117,977	14,339,000	4,957,758
2023	760,000	77,025	10,917,500	3,866,919	14,847,500	4,537,475
2024	785,000	52,325	11,276,900	3,598,639	15,386,900	4,092,301
2025	825,000	13,406	11,657,300	3,306,906	14,717,300	3,605,410
2026-2030	-	-	56,994,000	12,121,352	60,949,000	12,407,142
2031-2035	-	-	56,643,800	6,486,240	56,643,800	6,486,240
2036-2040	-	-	19,594,000	2,376,099	19,594,000	2,376,099
2041-2045	-	-	11,156,053	2,055,519	11,156,053	2,055,519
	<u>\$ 3,825,000</u>	<u>\$ 366,356</u>	<u>\$ 199,084,053</u>	<u>\$ 42,281,760</u>	<u>\$ 221,499,053</u>	<u>\$ 45,864,714</u>

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

General Obligation Bonds:

The Missouri State Constitution permits a City, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "City purposes" not to exceed 10% of the assessed value of taxable tangible property; and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10% of the assessed value of taxable tangible property, for the purpose of acquiring right-of-way, construction, extending and improving streets and avenues and/or sanitary or storm sewer systems; and an additional 10% for purchasing or constructing waterworks, electric, or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation of taxable property. Currently, the City does not have any outstanding general obligation debt.

Industrial Development Authority Bonds:

The Industrial Development Authority of the City of St. Joseph, Missouri is authorized and empowered under Chapter 349 of the Revised Statutes of Missouri to issue bonds for the purpose of promoting projects within the City of St. Joseph, Missouri. March 1, 2005, the Authority issued \$26,000,000 2005A Series Tax Increment Revenue Bonds in connection with the financing of redevelopment costs for The Shoppes at North Village. Then on August 1, 2005, the Authority issued an additional \$16,985,000 2005B Series Tax Increment Revenue Bonds to provide funding for costs of public and private improvements for The Shoppes at North Village. On September 24, 2018, the City Council approved issuance of Tax Increment Refunding Revenue Bonds (The Shoppes at North Village Project), Series 2018 by the Industrial Development Authority of St. Joseph, Missouri, in order to refund the 2005A and 2005B outstanding tax increment revenue bonds previously issued by the Authority to finance certain redevelopment costs. The City will maintain the same level of debt service payments as with the 2005A and 2005B issue, but with a lower interest rate of 4.46%. The 2008 Mitchell Avenue Tax Increment Revenue Bond Series were issued for \$5,110,000 on June 5, 2008 by the Authority for the purpose of promoting public facility projects within a redevelopment area. The Series 2008 and 2018 bonds and interest are limited obligations of the Authority, payable solely from Payments in Lieu of Taxes and Economic Activity Tax Revenues. November 1, 2007, the Authority issued \$20,410,000 2007 Series Bonds for the Sewerage System improvement projects. On May 12, 2015, the Authority issued \$10,255,000 2015A Special Obligation Revenue Bonds and \$19,215,000 2015B Special Obligation Refunding Revenue Bonds. The Series 2015A financed Sewerage System improvement projects and the Series 2015B refinanced the 2007 bonds payable from surplus revenues of the Water Protection fund and debt service reserve funds held by the Trustee.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

The total principal balance outstanding for the Industrial Development Authority Bonds as of June 30, 2020 is \$39,010,000.

Governmental Activities

Series 2008 – Industrial Development Authority Bonds (Special Allocation); due in annual installments through March 1, 2029; interest at 5.50%	\$ 2,505,000
Series 2018 – Industrial Development Authority Bonds (Special Allocation); due in annual installments through November 1, 2027; interest at 4.46%	<u>13,195,000</u>
Total Industrial Development Authority Bonds for Governmental Activities	<u>\$ 15,700,000</u>

Business-type Activities

Series 2015A – Industrial Development Authority Bonds (Sewer); due in annual installments through April 1, 2034; interest at 2.00% to 5.00%	\$ 8,425,000
Series 2015B – Industrial Development Authority Bonds (Sewer); due in annual installments through April 1, 2027; interest at 3.00% to 5.00%	<u>14,885,000</u>
Total Industrial Development Authority Bonds for Business-type Activities	<u>\$ 23,310,000</u>

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Infrastructure Facility Revenue Bonds:

The City of St. Joseph issued Taxable Infrastructure Facility Revenue Bonds to obtain financial assistance with the Stockyards Redevelopment Agreement for the purpose of Private Property Improvement costs. The bonds are secured by loan payments made by the City pursuant to the financing agreement, TIF Incremental Tax Revenues and Chapter 100 Pilots Revenues. The loan payments to be made shall constitute currently budgeted expenditures of the City, therefore, is included or reported in the City's statement of net position. The annual appropriation covenant of the City constitutes a commitment of all general funds of the City to make loan payments under the financing agreement. Bond Series 2004B was refunded in November, 2012, with the Bond Series 2012B. To meet Missouri Department of Natural Resource mandates, on December 1, 2011, the City of St. Joseph issued Missouri Development Finance Board Infrastructure Facilities Revenue Bonds Series 2011E.

The total principal balance outstanding for the Taxable Infrastructure Facilities Revenue Bonds as of June 30, 2020 is \$22,980,000.

Governmental Activities

Series 2011A – Infrastructure Facility Revenue Refunding Bonds (Special Allocation); due in annual installments through March 1, 2024; interest at 2.00% to 4.625%	\$ 2,385,000
Series 2012B – Infrastructure Facility Revenue Refunding Bonds (Special Allocation); due in annual installments through November 1, 2024; interest at 1.195% to 4.078%	<u>3,645,000</u>
Total Infrastructure Facility Revenue Bonds Governmental Activities	<u>\$ 6,030,000</u>

Business-type Activities

Series 2011E – Infrastructure Facilities Revenue Bonds (Sewer); due in annual installments through May 1, 2036; interest at 2.00% to 5.375%	<u>\$ 16,950,000</u>
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CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Missouri Development Finance Board Bonds:

On December 1, 2004, the City of St. Joseph issued Missouri Development Finance Board Bonds Series 2004C and Series 2004D. \$11,720,000 of the proceeds of the Series 2004C funded improvements to the City's sewerage system and pay certain blight remediation costs in connection with the City's Stockyard Redevelopment Project. In association with the 2004C Series, a financing agreement related to the issuance of Missouri Build Bonds was entered into by the Board, City and Triumph Foods. Under the agreement, subject to certain requirements, tax credits earned by Triumph Foods have been assigned to the trustee of the 2004C bonds. Bond Series 2004C was refunded in November, 2012, with the Bond Series 2012C to refinance a portion of the Stockyards Redevelopment Project and improvements to the City's sewerage system. \$6,860,000 of the Series 2004D proceeds financed the cost of acquiring two new fire apparatus, completing the acquisition of new equipment for the Public Safety Communication System and funding improvements to the Law Enforcement Center. The bonds and the interest are special, limited obligations of the Board, payable by the Board solely from the loan payments made by the City. The loan payments to be made shall constitute currently budgeted expenditures of the City, therefore, is included or reported in the City's statement of net position. The annual appropriation covenant of the City constitutes a commitment to make loan payments under the financing agreements. The total principal balance outstanding for the MO Development Board Bonds as of June 30, 2020 is \$4,510,000.

Governmental Activities

Series 2004D – Infrastructure Facilities Revenue Bonds (General); due in annual installments through March 1, 2024; interest at 3.00% to 5.00% \$ 685,000

Business-type Activities

Series 2012C – Infrastructure Facilities Revenue Bonds (Sewer); due in annual installments through November 1, 2024; interest at 2.00% to 3.25% \$ 3,825,000

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Revenue Bonds:

The City of St. Joseph, Missouri issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue Bonds payables are recorded in the Sewer Enterprise Fund and total principal outstanding at June 30, 2020 is \$154,999,053.

Business-type Activities

Series 2003 – Sewer System Revenue Bonds: due in annual installments through April 1, 2023; interest at 1.3% to 5.125%	\$ 165,000
Series 2013 – State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Fund Program): due through January 1, 2034; interest at 1.32%	10,797,000
Series 2014 – State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Fund Program): due through July 1, 2035; interest at 1.57%.	46,707,000
Series 2014A – State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Fund Program): due through July 1, 2035; interest at 1.36%.	23,823,000
Series 2014B – Sewer System Revenue Bonds: due in annual installments through July 1, 2034; interest at 2.00% to 4.00%.	4,605,000
Series 2017 – State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Fund Program): due through July 1, 2047; interest at 1.14%.	54,027,053
Series 2018 – Sewer System Revenue Bonds: due in annual installments through June 1, 2038; interest at 3.0% to 5.0%	<u>14,875,000</u>
Total Revenue Bonds for Business-type Activities	<u>\$154,999,053</u>

On April 5, 2011, the voters of the City of St. Joseph, Missouri approved the City’s issuance of \$105 million revenue bonds for providing for the major repair and replacement of existing facilities, as well as treatment plant expansions, required major environmental upgrades, and collection system extensions to provide service to new customers.

In 2013, the City issued \$14,660,000 Missouri Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2013. The City is participating in the State of Missouri’s Direct Loan Program of the DNR and the Clean Water Commission of the State of Missouri. The 2013

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

revenue bonds mature through 2034 with interest of 1.32%. On May 27, 2016, the project was determined complete for a total amount of \$14,217,922. As of June 30, 2020, the outstanding balance of the bonds was \$10,797,000.

In 2014, the City issued \$56,000,000 Missouri Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2014. The City is participating in the State of Missouri’s Direct Loan Program of the DNR and the Clean Water Commission of the State of Missouri. The 2014 revenue bonds mature through 2035 with interest of 1.57%. On March 13, 2017, the project was determined complete for a total amount of \$56,000,000. As of June 30, 2020, the outstanding balance of the bonds was \$46,707,000.

In 2015, the City issued \$28,585,000 Missouri Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2014A. The City is participating in the State of Missouri’s Direct Loan Program of the DNR and the Clean Water Commission of the State of Missouri. The 2014A revenue bonds mature through 2035 with interest of 1.36%. On March 31, 2017, the project was determined complete for a total amount of \$28,585,000. As of June 30, 2020, the outstanding balance of the bonds was \$23,823,000.

On December 18, 2014, the City of St. Joseph issued \$5,755,000 Sewerage System Revenue Bonds, Series 2014B, to fund design costs for the Blacksnake Creek Storm Water Project and the right-of-way acquisition costs incurred to date for the Blacksnake and Whitehead Creek Storm Water Separation Projects and the Eastside Wastewater Improvements Project. All \$105 million voter approved revenue bonds have been authorized and issued for the sewer system improvements. As of June 30, 2020, the outstanding balance of the bonds was \$4,605,000.

On February 3, 2015, the voters of the City of St. Joseph, Missouri approved the City’s issuance of \$190 million revenue bonds for providing for capital maintenance for and constructing improvements to the collection and wastewater treatment system, and for the reduction of combined sewer overflows to meet federal and state regulatory requirements.

In 2017, the City issued \$10,000,000 Missouri Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2016. The City is participating in the State of Missouri’s Direct Loan Program of the DNR and the Clean Water Commission of the State of Missouri. The 2016 revenue bonds mature through 2022 with interest of 1.00%. On June 8, 2017, the project was determined complete for a total amount of \$9,664,124. On August, 2017, the Missouri Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2017 refunded the Missouri Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2016.

In 2017, the City issued \$66,850,000 Missouri Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2017. The City is participating in the State of Missouri’s Direct Loan Program of the DNR and the Clean Water Commission of the State of Missouri. The 2017 revenue bonds mature through 2047 with interest of 1.14%. As eligible project costs are incurred, the City requests reimbursements from the project funds held by the bond trustee. As the City receives reimbursements, the outstanding balance of the bonds increases. The City anticipates

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

utilizing the full amount of the bonds to fund current and future projects. A debt service schedule will be established once the project is completed and final amount of the bonds has been determined. As of June 30, 2020, the outstanding balance of the bonds was \$54,027,053.

On April 10, 2018, the City of St. Joseph issued \$15,905,000 Sewerage System Revenue Bonds, Series 2018, to provide for major repair and replacement of existing facilities, as well as treatment plant expansions, required major environmental upgrades, and collection system extensions to provide service to new customers. As of June 30, 2020, the outstanding balance of the bonds was \$14,875,000.

The City is not in compliance with the provisions of the ordinance relating to the maintenance of special reserves and accounts for the 2003 Sewer Revenue Refunding series. Net revenues of the City's sewerage system are not sufficient to pay both the principal and interest on all the Sewerage System Refunding and Improvement Revenue Bonds that have been pledged for payment of the principal and interest on the bonds as they mature. The City is taking steps to become compliant by conducting the annual sewer rate study to determine appropriate rate increase, bonds have been refunded to recognize savings and defer principal and interest debt payments for the first four years, and credit card convenience fees will improve revenue stream to support increased banking and collection fees.

Wastewater Improvement Agreement:

In conjunction with the issuance of the 2004B bond issuance, the City entered into a wastewater improvement agreement with Triumph Foods, LLC (Triumph). The agreement requires that Triumph pay the City monthly sewer reserve charges beginning February 2005. As of June 30, 2020, the total annual sewer reserve charges due to the City through the agreement are payable as follows:

The total present value of the agreement is recorded on the City's fund financial statements as Accounts Receivable and Deferred Inflows in the Special Allocation Fund.

Year Ending June 30:	Total
2021	\$ 972,996
2022	972,996
2023	972,996
2024	972,996
2025	531,278
	<u>4,423,262</u>
Less interest	(592,496)
Net present value	<u>\$ 3,830,766</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Other Obligations:

The City adopted Special Ordinance number 9013 on December 7, 2015 approving the Mosaic Downtown Revitalization Redevelopment Project and selected St. Joseph Downtown Development, LLC as the developer whose rights were assigned to a separate, but affiliated entity, Ascend Development, LLC to implement the Redevelopment Project. On July 18, 2016, Special Ordinance number 9093 authorized a Downtown Building Rehabilitation Program Agreement with Ascend that governs the City's lease of the property on which the 9th & Felix parking garage is located to the Developer. The parking structure portion of the Project shall include actions by both the City and the Developer. The City shall ground lease the Site to the Developer for a period of twenty-five (25) years, commencing upon substantial completion of the parking structure and the City shall contribute \$3,500,000 in public funds for costs association with the parking structure portion of the Project. As of March, 2018, the City paid for all costs and expenses associated with constructing drainage facilities required to accommodate the positioning of the parking structure in a floodway. The City received \$1,441,346 in credit against the City Contribution for the cost constructing drainage facilities required to accommodate the positioning of the parking structure in a floodway. The City Contribution funded by Developer shall be repaid by the City to the Developer, with interest at the rate of four (4) percent per annum, in equal annual payments over a period of ten (10) years with the first such payment occurring on March 8, 2019. The total principal balance outstanding in the Public Parking Fund as of June 30, 2020 is \$1,708,990.

Industrial Development Revenue Bonds:

The City of St. Joseph issued Industrial Development Revenue Bonds to provide economic financial assistance to private entities. The bonds are secured by the improvements that are to be made. The debt service on these issues are paid solely from the private entities through lease agreements; therefore, the issues do not constitute a debt of the City and accordingly, are not included nor reported in the City's statement of net position. The total principal balance outstanding for the Industrial Development Revenue Bonds as of June 30, 2020 is \$494,774,458.

Tax Increment Financing (TIF) Bonds and Developer Obligations:

The City's tax increment financing bonds indebtedness is recorded as a liability of the City to match revenue streams to the related debt for which they have been pledged. The obligation of the City to pay principal and interest on these bonds is generally limited solely to the tax increment financing (TIF) revenues generated from each project.

The City has pledged a portion of future property tax, sales tax, and franchise tax revenue to repay \$39,840,000 in tax increment financing bonds issued at various dates beginning in 2004 to finance redevelopment projects within each of the respective TIF plans. The bonds are payable solely from the incremental increase in the property, sales, and franchise taxes generated within the TIF plans. TIF revenues were projected to produce sufficient funds to meet debt service requirements over the life of the TIF bonds. Should TIF revenues not be sufficient to meet the required debt service obligations, the City is obligated in certain instances (Series 2011A \$2,385,000 and 2012B

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

\$3,645,000 Infrastructure Facility Revenue Bonds) to make such bond payments from any other sources of its revenues. Management does not anticipate that any of the City's funds will be required to make up any deficiency in bond payments during the next fiscal year.

Developer obligations represent developer project costs that have been certified by the City as eligible for reimbursement from tax increment financing revenues attributable to each respective project. Under tax increment financing plans, the developer may be reimbursed up to the certified cost amount from certain incremental taxes during a period not to exceed 23 years. Accordingly, certified project costs in excess of amounts reimbursed to date are reflected as a long-term obligation of the City. The City has estimated that \$2,000,000 of these obligations will be paid in 2020. TIF revenues were projected to produce sufficient funds to reimburse the developer for certified costs. The developer obligations are limited solely to the amount of incremental taxes received attributable to each respective project; any deficiencies are the sole responsibility of the developer and do not constitute an obligation of the City.

At June 30, 2020, total principal and interest remaining on the bonds was \$25,233,978 and outstanding developer obligations were \$59,859,709. The bonds are scheduled to mature at varying amounts through 2030 and the developer obligations are payable to the extent incremental taxes are available for a period not to exceed 23 years.

For the current year, principal and interest paid on TIF bonds and developer obligations totaled \$10,152,077. Incremental revenues from the City included \$3,456,625 in sales taxes, \$798,268 in property taxes and \$135,980 in other economic activity revenues. The remaining funds necessary to meet the current year debt service requirements were derived from incremental tax revenues from other taxing districts and governmental entities, developer contributions, and debt trust funds.

Tax Exemptions and Abatements:

The City of St. Joseph is subject to property and sales tax abatements through various programs implemented. The programs include Tax Increment Financing, Chapter 100, Enhanced Enterprise Zone, and Chapter 353. The definitions described below are meant to be general descriptions of the abatements.

- **Tax Increment Financing ("TIF")**

The enacting authority for TIF is Chapter 99, RSMO. A TIF project diverts tax revenue, above an established base level of taxes, to a special allocation fund that allows certain project costs to be reimbursed to developers for up to 23 years. Most commonly, the two sources of funds that are diverted are Payments In Lieu of Taxes ("PILOTs") and Economic Activity Taxes ("EATs"). Generally, 100% of PILOTs (real property based taxes) and 50% of EATs (sales, utilities, and earnings based taxes) are diverted. A basic requirement, as outlined in Section 99.810.1 (1), RSMO, is: "The redevelopment area on the whole is a blighted area, a conservation area, or an economic development area, and has not been subject to growth and development through investment by private enterprise and would not

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

reasonably be anticipated to be developed without the adoption of tax increment financing." Each agreement will vary from project to project.

- Chapter 100

The enacting authority for Chapter 100 tax abatements is Chapter 100, RSMO. Generally, a Chapter 100 project transfers property to a municipality for a specified number of years. An Industrial Development Plan must be approved by the City. The municipality can then issue bonds to facilitate the financing of a variety of projects including offices, warehouses, distribution facilities and industrial plants. Land, buildings, fixtures and machinery may also be financed using the bond proceeds. The use of these bonds provides the ability to abate a percentage of real and/or personal property tax. In addition to debt payment, there may be negotiated PILOTs. A sales tax exemption when purchasing equipment, machinery and other eligible purchases may also be provided. Each agreement will vary from project to project.

- Enhanced Enterprise Zone ("EEZ")

The enacting authority for Enhanced Enterprise Zones is Chapter 135, RSMO. EEZ's provide local property tax abatements to new or expanding businesses. The EEZ generally abates 50% of taxes for a specified number of years, not to exceed 25, and may involve negotiated PILOTs. Eligibility requirements are that the project is located in an EEZ, invests a minimum of \$100,000, and creates a minimum of two new full-time jobs. Each agreement will vary from project to project.

- Chapter 353

The enacting authority for Chapter 353 tax abatements is Chapter 353, RSMO. Chapter 353 is a tax abatement whereby property transfers through a redevelopment corporation and can last up to 25 years. For example, in a 25 year abatement, 100% of real property taxes may be abated, except for the base property taxes for the land, for the first 10 years. In the subsequent 15 years, 50% of all taxes may be abated. Chapter 353 tax abatements may involve negotiated PILOTs. Often, a project will seek eligibility for tax abatement by seeking to redevelop a blighted area. Each agreement will vary from project to project.

The financial impact of each abatement program on the City of St. Joseph is summarized below:

<u>Type of Abatement</u>	<u>City of St. Joseph</u>
TIF/STRA EATS	\$ 3,456,625
TIF/STRA PILOTS	803,231
Chapter 100	484,275
Enhanced Enterprise Zone	299,491
Chapter 353	72,766
Total Incentives	<u>\$ 5,116,388</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7: CAPITAL LEASE AGREEMENTS

Capital Lease Obligations:

The City has entered into a number of capital leases for the purchase of various machinery and equipment. The agreements are subject to annual appropriation of funds by the City for their payment and are terminated if the City should fail to do so. In that instance the City would relinquish the financed items to the debt holder in full satisfaction of its responsibilities.

The following is a schedule of the present value of net minimum lease payments for all of the City's capitalized leases as of June 30, 2020:

	Governmental Activities	Business-type Activities
Year ending June 30:		
2021	\$ 192,445	\$ 114,695
2022	190,923	99,721
2023	191,607	70,453
2024	192,122	70,453
2025	192,468	32,910
2026-2030	957,022	98,730
2031-2034	758,913	-
Total minimum lease payments	2,675,500	486,962
Less amount representing interest	(543,170)	(62,055)
Present value of net minimum lease payments	\$ 2,132,330	\$ 424,907

The following schedule shows the amount and asset classifications for capital lease items as of June 30, 2020:

	Governmental Activities	Business-type Activities
Machinery & equipment	\$ 2,062,802	\$ 596,045
less: Accumulated depreciation	(104,892)	(141,598)
	\$ 1,957,910	\$ 454,447

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8: RISK MANAGEMENT

The City contracts with various insurance companies for general, property, and casualty insurance and has qualified as its own self-insurer for workers' compensation benefits. The City retains liability for \$750,000 of each accident with specific excess coverage purchased to provide protection in excess of that amount. The City has an aggregate limit of \$1,000,000. A third-party administrator is contracted to provide claims administration and payment services for worker's compensation. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

All funds of the City participate in the program and make payments to the Insurance Fund. An actuarial report is prepared to evaluate loss and allocated loss adjustment expense reserves for the self-funded workers compensation program and to determine the funding level of the program. The net position of the Insurance Internal Service Fund at June 30, 2020 is \$182,338.

As of June 30, 2020, incurred but not reported (IBNR) workers' compensation claims and claims payable of \$2,122,736 have been accrued as a liability in the Insurance Internal Service Fund.

Workers' Compensation Claims Payable

	<u>Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Year</u>
Fiscal Year 2019	\$1,549,930	\$1,833,692	\$(1,156,826)	\$2,226,796
Fiscal Year 2020	2,226,796	1,800,000	(1,904,060)	2,122,736

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9: COMMITMENTS

A. Construction Commitments

At June 30, 2020 the City had the following commitments of approximately \$24,188,140 to complete construction contracts.

Major Governmental Funds:	
General	\$ 2,965,368
Capital Projects	<u>2,234,660</u>
Non Major Governmental Funds:	
Parks	<u>\$ 4,000</u>
Total Governmental Activities	<u>5,204,028</u>
 Business-type Activities	
Major business-type Funds:	
Sewer	9,949,282
Landfill	834,531
Non Business-type Funds:	
Aviation	1,187,181
Parking	119,897
Transit	<u>6,893,221</u>
Total Business-type Activities	<u>18,984,112</u>
 Total	 <u><u>\$ 24,188,140</u></u>

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

B. Landfill Closure and Postclosure Care Liabilities

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions for a minimum of thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these costs as an operating expense based upon landfill capacity used at the statement of net position date.

Description	Amount	Anticipated Close Years	Capacity Used
City's Operating Landfill			
Area I	\$ 3,365,223	2019-2020	93.0 %
Area II	3,192,514	2027-2028	99.9 %
Area III/Free Property	3,514,208	2070-2075	34.2 %
	<u>\$ 10,071,945</u>		
McArthur Drive Landfill	<u>\$ 1,313,438</u>	Closed	100 %
Total	<u>\$11,385,383</u>		

In 2018, the City engaged an outside professional engineering firm to update and develop a Landfill Tipping Fee Study (the Study) for the purpose of establishing landfill fees to cover operating cost as well as providing funding for landfill closure and postclosure care cost. With the 2018 Study, the City changed the previously using assumption of having a third party perform most of the closure and postclosure care activities to the assumption of having City personnel perform most of these closure and postclosure activities.

During the year ended June 30, 2020, total closure and postclosure care liabilities incurred a net increase of \$420,619 from \$10,964,764 to \$11,385,383.

1. City's Operating Landfill - Total estimated future closure and postclosure care costs for the City's operating landfill are \$17,164,429 of which \$10,071,945 is reported as landfill closure and postclosure care liability at June 30, 2019, representing the cumulative amount reported to date based on capacity use measurements. The City will recognize the remaining estimated cost of closure and postclosure care of \$7,092,484 as the remaining estimated capacity is consumed by the year 2075. These amounts are based on estimates; actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in environmental regulations.
2. McArthur Drive Landfill - This landfill was owned and operated by the City until the late 1950's or early 1960's and no longer accepts waste. The Environmental Protection Agency has listed the site on its National Priorities List and is requiring proper closure and remediation. The City

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

entered into an Administrative Order on Consent with the Environmental Protection Agency on October 11, 1996. That order required the remediation of this site including a bank stabilization project and plans for a permanent cap to be placed on the old landfill. A contribution protection action may eventually be filed by the City to recoup some of these costs. Currently the remaining closure and postclosure liability of \$1,313,438 is recorded in the Landfill Enterprise Fund and costs are expected to be expended by the year 2033.

The City engages an outside professional engineering firm to prepare a tipping fee/cost analysis. The analysis quantifies the timing and amount of future closure and postclosure care costs and recommended tipping fee adjustments. Based upon the results of the 2018 tipping fee/cost analysis provides annual cash designations of \$262,700 for future closure and postclosure care expenses. At June 30, 2020, these cash designations totaled \$6,696,015 and will be adjusted annually subject to the availability of funds and the results of future tipping fee/cost analysis.

The City maintains a Contract of Obligation with the Missouri Department of Natural Resources (MDNR) in accordance with the Missouri Solid Waste Management Law. At June 30, 2020, the City's Contract of Obligation was \$15,727,620.

The Contract of Obligation does not require the City to restrict assets or record liabilities. However, should there be a violation of the Contract of Obligation or Missouri Solid Waste Management Law or related regulations, the State of Missouri may withhold funds normally disbursed to the City. Due to the remotely contingent nature of this event and the City's present state of compliance with the Contract and related Law, no effect is given to the obligation in the City's financial statements.

C. Litigation

The City is involved in lawsuits arising in the ordinary course of activities, including claims regarding various issues. While other cases may have future financial effect, management, based on advice of counsel, believes that their ultimate outcome will not be material to the basic financial statements.

NOTE 10: RETIREMENT PLANS

All full-time, regular employees of the City participate in one of two retirement plans. The *LAGERS Plan* covers all employees except commissioned police officers. The Missouri Local Government Employees Retirement System (LAGERS) is an agent multiple-employer statewide public employee retirement plan for units of local government established and operated under provisions of the Revised Statutes of Missouri (RSMo) Section 70. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. The *Police Pension Plan* covers all commissioned police officers and is a single-employer defined benefit pension plan established and operated under provisions of Revised Statutes of Missouri (RSMo) Section 86. All Plans are qualified as tax exempt under the Internal Revenue Code.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

A. Plan Descriptions

Local Government Employees Retirement System (LAGERS)

Plan Description

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

Benefits Provided

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

	<u>2020 Valuation</u>
Benefit Multiplier:	2.00%
Final Average Salary:	3 Years
Member Contributions:	4%

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.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Employees Covered by Benefit Terms

At June 30, 2020, the following employees were covered by the benefit terms:

	General	Fire	Police	Total
Inactive employees or beneficiaries currently receiving benefits	300	140	5	445
Inactive employees entitled to but no yet receiving benefits	139	12	6	157
Active employees	377	124	128	629
	<u>816</u>	<u>276</u>	<u>139</u>	<u>1,231</u>

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. Employer contribution rates are 12.2% (General), 44.7% (Fire) and 28.0% (Police) of annual covered payroll.

Net Pension Liability/(Asset)

The City's net pension liability/(asset) was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of February 29, 2020.

Actuarial Assumptions

The total pension liability in the February 29, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage inflation; 2.5% price inflation
Salary Increase	3.25% to 6.55% (General) including wage inflation 3.25% to 7.15% (Fire) including wage inflation 3.25% to 6.55% (Police) including wage inflation
Investment rate of return	7.25%, net of investment and administrative 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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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 29, 2020 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	39.00%	4.16%
Fixed Income	28.00%	0.89%
Real Assets/Real return	33.00%	2.09%

Discount Rate

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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Changes in the Net Pension Liability/(Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at beginning of year	\$ 194,090,933	\$ 154,073,211	\$ 40,017,722
Changes for the year:			
Service Cost	4,451,854	-	4,451,854
Interest	13,923,334	-	13,923,334
Change in Benefit Terms	-	-	-
Difference between expected and actual experience	1,472,316	-	1,472,316
Contributions - employer	-	7,403,704	(7,403,704)
Contributions - employee	-	1,319,537	(1,319,537)
Net investment income	-	2,048,222	(2,048,222)
Benefit payments, including refunds	(8,646,048)	(8,646,048)	-
Administrative expense	-	(162,147)	162,147
Other changes (net transfer)	-	1,665,460	(1,665,460)
Net Changes	11,201,456	3,628,728	7,572,728
Balance at end of year	\$ 205,292,389	\$ 157,701,939	\$ 47,590,450

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

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability/(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.

	Current Single Discount Rate Assumption		
	1% Decrease 6.25%	7.25%	1% Increase 8.25%
Total Pension Liability (TPL)	\$ 235,000,638	\$ 205,292,389	\$ 180,889,105
Plan Fiduciary Net Pension	(157,701,939)	(157,701,939)	(157,701,939)
Net Pension Liability (Asset)	\$ 77,298,699	\$ 47,590,450	\$ 23,187,166

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

For the year ended June 30, 2020, the City recognized LAGERS pension expense of \$6,867,667 with \$3,430,951 coming from General division, \$2,448,211 from Fire division and \$988,505 from the Police division. The City reported deferred outflows related to LAGERS pension from the following sources:

	General	Fire	Police	Total
	Deferred	Deferred	Deferred	Deferred
	Outflows	Outflows	Outflows	Outflows
	of Resources	of Resources	of Resources	of Resources
Differences in experience	\$ 498,258	\$ 1,711,382	\$ 1,669,746	\$ 3,879,386
Excess (deficit) investment returns	146,053	108,825	-	254,878
Net Difference between projected and actual earnings on pension plan investments	2,176,461	1,488,450	304,758	3,969,669
Total	\$ 2,820,772	\$ 3,308,657	\$ 1,974,504	\$ 8,103,933

	General	Fire	Police	Total
	Deferred	Deferred	Deferred	Deferred
	Inflows	Inflows	Inflows	Inflows
	of Resources	of Resources	of Resources	of Resources
Differences in experience	\$ (534,586)	\$ (114,744)	\$ (284,022)	\$ (933,352)
Net Difference between projected and actual earnings on pension plan investments	-	-	-	-
Total	\$ (534,586)	\$ (114,744)	\$ (284,022)	\$ (933,352)

Net amounts reported as deferred outflows and deferred inflows of resources related to LAGERS pension will be recognized in pension expense as follows:

Year ending June 30:	General	Fire	Police	Total
2021	\$ (145,320)	\$ 405,904	\$ 188,029	\$ 448,613
2022	383,095	753,328	188,029	1,324,452
2023	1,134,811	1,222,189	188,030	2,545,030
2024	913,600	793,667	251,906	1,959,173
2025	-	18,825	127,809	146,634
Thereafter	-	-	746,679	746,679
Total	\$ 2,286,186	\$ 3,193,913	\$ 1,690,482	\$ 7,170,581

At June 30, 2020, the City reported a payable of \$673,386 for the outstanding amount of contributions related to June 30, 2020 payrolls required to be submitted to the LAGERS pension plan for the year ended June 30, 2020.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Police Pension

Plan Description

The City of St. Joseph, Missouri Police Pension Fund (the Pension Fund, Fund, or Plan) is a single employer, defined benefit public employee retirement system established by the City of St. Joseph, Missouri (the City) to provide retirement benefits for employees of its police department. The Fund was established and operates under the provisions of Chapter 86 Revised Statutes of Missouri (RSMo). It is administered by the board of trustees of the fund.

In August 2018, active employees under the Plan were transitioned to the Missouri Local Government Employees Retirement System (LAGERS). The Plan then became “closed”, and, as such, no future police department employees will be enrolled in the Police Pension Plan, and all present police department employees will not accrue any additional benefits in the Plan. On October 11, 2018, \$4,692,747 was transferred from the Plan to LAGERS.

Benefits Provided

Pension plan benefit changes are recommended by the Board of Trustees and approved by the City Council. The plan provides for monthly defined benefits commencing with the attainment of 20 years of service. Benefits are computed at 40% of average monthly salary plus 2% for each full year of service beyond 20 years, not to exceed 15 additional years.

These retirement benefits do not vest with the participant until attaining the requisite years for benefit eligibility. Member contributions are 100% refundable, without interest, upon resignation or dismissal prior to obtaining retirement eligibility. The plan also provides death and disability benefits and an annual cost of living adjustment to retirees equal to one-half of the Consumer Price Index not to exceed 4%.

Employees Covered by Benefit Terms

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	112
Active employees	-
	<hr/>
	112
	<hr/> <hr/>

Contributions

The City is required to withhold participant contributions at a rate established in accordance with applicable state statutes as recommended by the Police Pension Board of Trustees and approved by the City Council. For the year ended June 30, 2020, the participant’s contribution rate was 4%. The

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

City is required to contribute at an actuarially determined rate; the current rate is 37.8% of annual covered payroll.

Net Pension Liability/(Asset)

The employer's net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020 and a roll forward measurement date of June 30, 2020.

Actuarial Assumptions

The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increase	N/A
Investment rate of return	7.1%, net of investment and administrative expenses

Mortality rates for healthy lives were based on the MP 2019 Blue Collar Mortality Table with generational improvements and mortality rates for disabled lives were based on the MP 2019 Disabled Mortality Table with generational improvements set forward 10 years.

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:

Asset Class	Long-Term Expected	
	Real Rate of Return	Target Allocation
Equity	5.70%	60%
Fixed Income	2.70%	40%
Cash	0.50%	0%

Discount Rate

The discount rate used to measure the total pension liability is 7.10%. 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 plan members. Therefore, the long-term

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at beginning of year	\$ 32,888,223	\$ 36,799,176	\$ (3,910,953)
Changes for the year:			
Service Cost	-	-	-
Interest	2,530,293	-	2,530,293
Changes in assumptions	233,328	-	233,328
Difference between expected and actual experience	(328,231)	-	(328,231)
Contributions - employer	-	-	-
Contributions - employee	-	-	-
Pension Moved to Lagers	-	-	-
Net investment income	-	2,564,111	(2,564,111)
Benefit payments, including refunds	(2,664,292)	(2,664,292)	-
Administrative expense	-	(53,257)	53,257
Other changes (net transfer)	-	-	-
Net Changes	(228,902)	(153,438)	(75,464)
Balance at end of year	\$ 32,659,321	\$ 36,645,738	\$ (3,986,417)

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

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.1%, as well as what the employer's Net Pension Liability/(Asset) would be using a discount rate that is 1 percentage point lower (6.1%) or one percentage point higher (8.1%) than the current rate.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Sensitivity of the net pension liability to changes in the discount rate

	Current Single Discount		
	1% Decrease 6.10%	Rate Assumption 7.10%	1% Increase 8.10%
Total Pension Liability (TPL)	\$ 36,098,693	\$ 32,659,321	\$ 29,775,282
Plan Fiduciary Net Pension	(36,645,738)	(36,645,738)	(36,645,738)
Net Pension Liability (Asset)	<u>\$ (547,045)</u>	<u>\$ (3,986,417)</u>	<u>\$ (6,870,456)</u>

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

For the year ended June 30, 2020, the City recognized pension benefit of \$3,173,291. The City reported deferred outflows and inflows of resources related to the police pension from the following sources:

Pension expense and deferred outflows and inflows of resources related to pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$ 986,513
Differences in assumptions	658,603	-
Excess (deficit) investment returns	2,769,638	4,363,415
Total	<u>\$ 3,428,241</u>	<u>\$ 5,349,928</u>

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

Year ending June 30:	
July 1-December 31, 2020	(75,034)
2021	(555,888)
2022	(261,374)
2023	(1,029,391)
2024	-
Thereafter	-
Total	<u>\$ (1,921,687)</u>

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Summary of financial reporting of the City's pension plan.

	LAGERS					
	General	Fire	Police	Total	Police	Total
Governmental activities:						
Net Pension Liability	\$ 6,449,322	\$ 17,377,109	\$ 21,424,719	\$ 45,251,150	\$ -	\$ 45,251,150
Net Pension (Asset)	-	-	-	-	(3,986,417)	(3,986,417)
Business-type activities:						
Net Pension Liability	2,339,300	-	-	2,339,300	-	2,339,300
Net Pension Liability	\$ 8,788,622	\$ 17,377,109	\$ 21,424,719	\$ 47,590,450	\$ (3,986,417)	\$ 43,604,033
LAGERS						
	General	Fire	Police	Total	Police	Total
Governmental activities:						
Deferred outflows due to:						
Difference between expected and actual experience	\$ 364,329	\$ 1,711,382	\$ 1,669,746	\$ 3,745,457	\$ -	\$ 3,745,457
Assumption Changes	106,795	108,825	-	215,620	658,603	874,223
Net Difference between projected and actual earnings on pension plan investment	1,591,442	1,488,450	304,758	3,384,650	2,769,638	\$ 6,154,288
	\$ 2,062,566	\$ 3,308,657	\$ 1,974,504	\$ 7,345,727	\$ 3,428,241	\$ 10,773,968
Deferred inflows due to:						
Difference between expected and actual experience	\$ (392,294)	\$ (114,744)	\$ (284,022)	\$ (791,060)	\$ (986,513)	\$ (1,777,573)
Assumption Changes						
Net Difference between projected and actual earnings on pension plan investment	-	-	-	-	(4,363,415)	(4,363,415)
	\$ (392,294)	\$ (114,744)	\$ (284,022)	\$ (791,060)	\$ (5,349,928)	\$ (6,140,988)
Business-type activities:						
Deferred outflows due to:						
Difference between expected and actual experience	\$ 133,929	\$ -	\$ -	\$ 133,929	\$ -	\$ 133,929
Assumption Changes	39,258	-	-	39,258	-	39,258
Net Difference between projected and actual earnings on pension plan investment	585,019	-	-	585,019	-	585,019
	\$ 758,206	\$ -	\$ -	\$ 758,206	\$ -	\$ 758,206
Deferred inflows due to:						
Difference between expected and actual experience	\$ (142,292)	\$ -	\$ -	\$ (142,292)	\$ -	\$ (142,292)
	\$ (142,292)	\$ -	\$ -	\$ (142,292)	\$ -	\$ (142,292)
Total	\$ 2,286,186	\$ 3,193,913	\$ 1,690,482	\$ 7,170,581	\$ (1,921,687)	\$ 5,248,894

For fiscal year ended June 30, 2020, the City recognized net pension expenses from all retirement plans of \$11,759,169.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11: OTHER POST-EMPLOYMENT BENEFITS
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Plan Description

The City provides for a continuation of health, dental and life benefits to employees that retire from City employment and who participate in the Missouri Local Government Employees Retirement System (LAGERS).

The City requires the retirees to pay 100% of the premiums charged to active employees. The rates being paid by retirees for benefits are typically lower than those had the retirees been rated as a separate group. The difference between these amounts is the implicit rate subsidy, which is considered other post-employment benefits (OPEB).

Retirees and spouses have the same benefits as active employees. However, all retiree coverage terminates upon Medicare entitlement or when payment is not received on a timely basis. When the retiree attains Medicare eligibility age, it may be a COBRA qualifying event for the spouse.

The plan is a single employer plan with no plan investments and is funded on a pay-as-you-go basis.

GASB Statement 75, *Accounting and Financial Reporting by Employer for Post-Employment Benefits Other Than Pensions*, requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their post-employment benefit liability is recognized on the Statement of Net Position over time.

Benefits Provided

The City provides post-employment healthcare benefits for certain eligible retirees.

Employees Covered by Benefit Term

As of July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	12
Inactive employees entitled to but not yet receiving benefit payments	-
Active Employees	614
Total Participants covered by OPEB Plan	<u>626</u>

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Total OPEB Liability

The City's total OPEB liability of \$4,133,644 was measured as of July 1, 2019; and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

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

Discount Rate	2.21%
Healthcare Cost Trend Rates:	
Current Year Trend	4.54%
Second Year Trend	9.50%
Decrement	0.50%
Ultimate Trend	5.00%
Year Ultimate Trend is Reached	2030
Salary Increases	2.00%

The discount rate was based on the index provided by *Bond Buyer 20-Bond Obligation Index* based on the 20-year AA municipal bond rate as of July 1, 2019.

Mortality assumptions changed from RP-2000 Projected 10 Years using Projected Scall AA to SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (Base Rate 2006).

Changes in the Total OPEB Liability

	Fiscal Year Ending June 30, 2020
OPEB Liability Beginning of Year	\$ 4,133,644
Changes for the Year:	
Service Cost	555,288
Interest	156,240
Assumption Changes	2,416,901
Difference Between Actual and Expected Experience	596,311
Benefit Payments	(154,362)
OPEB Liability End of Year	<u>\$ 7,704,022</u>

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Sensitivity of the Total liability to changes in the discount rate

The July 1, 2019 was prepared using a discount rate of 2.21%. If the discount rate were 1% higher than what was used in this valuation, the Total OPEB liability would decrease to \$6,835,937 or by 12.60%. If the discount rate were 1% lower than was used in this valuation, the Total OPEB liability would increase to \$8,683,939 or by 12.70%.

	Discount Rate		
	1% Decrease	Baseline 2.21%	1% Increase
Total OPEB Liability	\$ 8,683,939	\$ 7,704,022	\$ 6,835,937

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The July 1, 2019 was prepared using an initial trend rate of 4.54%. If the trend were 1% higher than what was used in this valuation, the Total OPEB Liability would increase to \$8,952,667 or by 16.20%. If the trend rate were 1% lower than was used in this valuation, the Total OPEB Liability would decrease to \$6,668,222 or by 8.65%.

	1% Decrease Baseline 4.54% 1% Increase		
	1% Decrease	Baseline 4.54%	1% Increase
Total OPEB Liability	\$ 6,668,222	\$7,704,022	\$8,952,667

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

For the year ended June 30, 2020 the City recognized an OPEB expense of \$1,105,272. As of June 30, 2020, the City reported deferred outflows/inflows of resources related to OPEB from the following sources:

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Increase in July 1, 2019 OPEB liability due to actuarial experience difference from expected	\$ 1,268,428	\$ (76,857)
Changes in assumptions	2,185,397	-
Total	\$ 3,453,825	\$ (76,857)

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

For Year Ending June 30

2021	\$ 393,744
2022	393,744
2023	393,744
2024	393,744
2025	393,744
Thereafter	1,408,248
	\$3,376,968

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 12: FUND BALANCE

The City classifies fund balance based on the nature of the particular net resources reported in a governmental fund and on the constraints placed on their use.

Fund Balance	Governmental activities					Total
	General	Special Allocation	Capital Projects	Nonmajor		
Nonspendable:						
Prepays	\$ 350,499	\$ 306,736	\$ -	\$ 122,770		\$ 780,005
Total Nonspendable	350,499	306,736	-	122,770		780,005
Restricted for:						
Econ Development	4,473,542	-	-	408,973		4,882,515
Public Safety - personnel and capital	169,163	-	-	1,119,192		1,288,355
Highways	3,757,597	-	-	1,744,605		5,502,202
Health & Welfare	186,144	-	-	25,430		211,574
Parks & Recreation	269,761	-	-	270,679		540,440
Museum	-	-	-	125,455		125,455
Debt Service	197,389	7,893,788	-	-		8,091,177
Capital Projects	-	-	9,364,033	-		9,364,033
Loan Program	-	-	-	2,983,379		2,983,379
Total Restricted	9,053,596	7,893,788	9,364,033	6,677,713		32,989,130
Committed for:						
Econ Development	1,134,950	-	-	-		1,134,950
Public Safety	137,048	-	-	-		137,048
Highways	143,716	-	-	-		143,716
Parks & Recreation	1,976	-	-	-		1,976
Total Committed	1,417,690	-	-	-		1,417,690
Assigned to:						
Econ Development	498,849	-	-	-		498,849
Public Safety	97,917	-	-	-		97,917
Highways	43,047	-	-	-		43,047
Health & Welfare	212,262	-	-	-		212,262
Parks & Recreation	31,755	-	-	-		31,755
Capital Projects	43,651	-	-	-		43,651
Salaries	794,951	-	-	-		794,951
Total Assigned	1,722,432	-	-	-		1,722,432
Unassigned	9,183,241	-	-	-		9,183,241
Total Unassigned	9,183,241	-	-	-		9,183,241
Total Fund Balance	\$ 21,727,458	\$ 8,200,524	\$ 9,364,033	\$ 6,800,483		\$ 46,092,498

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year end.

		Governmental activities				
	General	Special Allocation	Capital Sales Tax	Nonmajor	Total	
Encumbrances	\$ 389,676	\$ -	\$ 2,234,660	\$ 2,750,825	\$ 5,375,161	

NOTE 13: NEW ACCOUNTING PRONOUNCEMENTS

In January 2017, GASB issued Statement No. 84, Fiduciary Activities. The objective of this Statement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. This Statement also is intended to improve the usefulness of fiduciary activity information primarily for assessing the accountability of governments in their roles as fiduciaries. The City is currently evaluating the impact of adopting Statement No. 84. The requirements of this Statement are effective for financial statement for period beginning after December 15, 2019, due to GASB 95.

In June 2017, GASB issued Statement No. 87, Leases. The object of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments requiring recognition of certain lease assets and liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The City is currently evaluating the impact of adopting Statement No. 87. The requirements of this Statement are effective for financial statement for periods beginning after June 15, 2021, due to GASB 95.

In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to 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. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation: establishing standards for accounting and financial report of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The City is currently evaluating the impact of adopting Statement No. 91. The requirements of this Statement are effective for financial statement for periods beginning after December 15, 2021 due to GASB 95.

In January 2020, GASB issued Statement No. 92, Omnibus 2020. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this Statement apply to the financial statements of all state and local governments. The City currently is evaluating the impact of adopting Statement No. 92. Earlier application is encouraged and is permitted by individual topic to the extent that all requirements associated with an individual topic are implemented simultaneously.

In March 2020, GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rates with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. This Statement establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The City is currently evaluating the impact of adopting Statement No. 93. The requirements of this Statement are effective for financial statement for periods beginning after June 15, 2021, due to GASB 95.

In March 2020, GASB issued 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 (PPP). A PPP is an arrangement in which a government contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operator or use a nonfinancial asset for a period of time in an exchange or exchange-like transaction. The Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APA). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The City is currently evaluating the impact of adopting Statement No. 94. The requirements of this Statement are effective for financial statement for periods beginning after June 15, 2022

In May 2020, GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provision in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 and later.

In June 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. This Statement requires a government to disclose descriptive information about its SBITAs such as the amount of the subscription asset,

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

accumulated amortization, other payments not included in the measurement of a subscription liability, and principal and interest requirements. The City is currently evaluating the impact of adopting Statement No. 96. The requirements of this Statement are effective for financial statement for periods beginning after June 15, 2022.

In June 2020, GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14, and a supersession of GASB Statement. #32. The primary objectives of this Statement are to (a) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (b) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary competent units in fiduciary fund financial statements; and (c) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The City is currently evaluating the impact of adopting Statement No. 97. The requirements of this Statement are effective for financial statement for periods beginning after June 15, 2021.

NOTE 14: SUBSEQUENT EVENTS

On July 27, 2020, the City Council authorized the issuance of Special Obligation Refunding and Improvement Bonds (Sewerage System Project), Series 2020 not to exceed \$33,000,000. In order to achieve interest cost savings, the City determined it is in the best financial interest of the City to refinance the costs of the prior system improvements by repaying the Series 2011E Loan in the amount of \$16,950,000 with an average interest rate of 5.27%. Based on the current bond market estimates, the approximate borrowing cost is around 2.50% and a refinancing would provide the City an estimated net present value benefit of approximately \$3.6 million. The bond issue will also provide an additional \$15 million to pay for various capital improvements over the next 24 months, mainly, for the Capacity, Management, Operations and Maintenance (CMOM) program.

During the election duly held on June 2, 2020, voters of the City of St. Joseph approved the issuance of up to \$20,000,000 in General Obligation Bonds for the purpose of acquiring rights of way and constructing, reconstructing, extending, repairing and improving bridges, streets, and related transportation infrastructure. On August 18, 2020, the City Council authorized the issuance of the first General Obligation Bonds, Series 2020 in the amount not to exceed \$6,000,000 providing for the levy and collection of an annual tax for the purpose of paying the principal and interest as they become due.

The Police Department employees and most other City employees are compensated based upon an established pay range plan with cost of living adjustments that must be approved by the City Council. The Fraternal Order of Police, Lodge Number 3 (FOP) represents a bargaining unit

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

consisting of Police Officers, Detectives, and Sergeants and has requested that a pay plan be established for those employees. The City and FOP have been negotiating terms of a pay plan under which members of the bargaining unit would receive annual compensation increases and members who have been in their positions for more than three years would receive additional decompression pay increases over a three year period in order to remedy payroll compression issue that have developed over time. On September 8, 2020 Council approved support for adoption of a negotiated pay plan but acknowledged current funding challenges.

In 2018, the City implemented the first phase of a pay plan proposed by the International Association of Firefighters, Local 77 (IAFF). Under that pay plan, firefighters who have completed their probationary period make \$42,012 per year; Driver/Engineers and Master Mechanics make \$52,000 per year; Captains, Fire Training Officers, and Fire Inspectors make \$62,000 per year plus applicable cost of living adjustments. The City and the IAFF have been negotiating terms of a second phase of the pay plan. The second phase would increase base wages, add annual cost of living adjustments and add longevity pay that would increase pay based upon the amount of time an employee has worked for the Fire Department. On September 8, 2020 Council approved support for adoption of a negotiated pay plan but acknowledged current funding challenges.

Following an extensive recruitment and selection process, on October 5, 2020, the City Council authorized execution of an employment agreement with Gary Edwards to serve as the City Manager of the City of St. Joseph effective November 9, 2020.

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Taxes:				
Property	\$ 12,465,689	\$ 12,465,689	\$ 12,766,021	\$ 300,332
Sales	22,597,300	22,597,300	23,509,530	912,230
Franchise	6,195,000	6,195,000	5,499,790	(695,210)
Motor Fuel	1,020,000	1,020,000	1,042,788	22,788
Cigarette	370,000	370,000	316,502	(53,498)
Hotel	1,395,660	1,395,660	1,009,569	(386,091)
Licenses and permits	1,398,421	1,398,421	1,230,687	(167,734)
Intergovernmental	2,355,658	2,967,882	2,627,930	(339,952)
Charges for services	3,260,959	3,260,959	2,766,164	(494,795)
Fines	673,325	673,325	569,752	(103,573)
Investment earnings	246,267	259,448	293,609	34,161
Contributions and donations	75,588	237,578	256,591	19,013
Other	241,449	95,452	628,235	532,783
Total revenues	52,295,316	52,936,714	52,525,733	(410,981)
Expenditures				
Current:				
General government				
City council				
Salaries	86,394	86,394	86,394	-
Benefits	113,672	113,672	110,631	3,041
Materials and supplies	2,000	2,000	1,489	511
Outside services	30,121	30,121	19,036	11,085
Total City council	232,187	232,187	217,550	14,637
City clerk				
Salaries	124,110	125,364	125,363	1
Benefits	49,052	49,052	48,282	770
Materials and supplies	1,190	1,190	920	270
Outside services	11,540	10,286	9,156	1,130
Total City clerk	185,892	185,892	183,721	2,171
Municipal court				
Salaries	293,343	293,343	285,263	8,080
Benefits	130,467	130,467	123,210	7,257
Materials and supplies	423	2,610	2,608	2
Outside services	116,055	113,868	110,727	3,141
Total Municipal court	540,288	540,288	521,808	18,480
City manager				
Salaries	429,433	415,633	402,055	13,578
Benefits	187,096	187,096	165,574	21,522
Materials and supplies	6,882	9,968	9,968	-
Outside services	270,147	228,816	224,254	4,562
Total City manager	893,558	841,513	801,851	39,662
Human resources				
Salaries	255,521	255,521	249,194	6,327
Benefits	129,875	126,340	97,453	28,887
Materials and supplies	3,732	3,732	3,641	91
Outside services	82,919	86,454	86,452	2
Total Human resources	472,047	472,047	436,740	35,307
Legal				
Salaries	471,552	471,552	455,411	16,141
Benefits	215,280	215,280	192,159	23,121
Materials and supplies	4,787	4,787	4,661	126
Outside services	66,630	66,630	64,790	1,840
Total Legal	758,249	758,249	717,021	41,228

(continued)

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
Planning				
Salaries	\$ 1,061,128	\$ 1,072,367	\$ 1,072,366	\$ 1
Benefits	516,257	511,446	479,730	31,716
Materials and supplies	32,241	32,241	30,108	2,133
Outside services	372,125	622,302	404,519	217,783
Capital outlay	15,000	15,000	15,000	-
Total Planning	1,996,751	2,253,356	2,001,723	251,633
Finance				
Salaries	1,090,441	1,092,250	1,092,250	-
Benefits	509,951	496,542	461,058	35,484
Materials and supplies	144,623	144,623	138,050	6,573
Outside services	604,886	622,324	622,074	250
Capital outlay	150,000	144,162	144,162	-
Total Finance	2,499,901	2,499,901	2,457,594	42,307
Materials and supplies	-	-	-	-
Outside services	803,171	957,502	931,806	25,696
Capital outlay	275,000	281,500	270,425	11,075
Total Other - unclassified	1,078,171	1,239,002	1,202,231	36,771
Total general government	8,657,044	9,022,435	8,540,239	482,196
Public safety:				
Police				
Salaries	8,379,820	8,385,379	8,237,191	148,188
Benefits	4,473,993	4,518,843	4,518,843	-
Materials and supplies	371,647	467,077	419,450	47,627
Outside services	2,201,742	2,258,200	2,164,749	93,451
Capital outlay	-	6,888	6,885	3
Total Police	15,427,202	15,636,387	15,347,118	289,269
Fire				
Salaries	7,167,919	7,454,562	7,454,561	1
Benefits	5,091,837	5,589,536	5,589,535	1
Materials and supplies	82,115	134,263	134,263	-
Outside services	388,594	523,812	523,811	1
Capital outlay	-	25,853	25,853	-
Total Fire	12,730,465	13,728,026	13,728,023	3
Total public safety	28,157,667	29,364,413	29,075,141	289,272
Highway and streets				
Salaries	3,763,917	3,763,917	3,609,762	154,155
Benefits	1,747,084	1,747,084	1,568,960	178,124
Materials and supplies	291,910	258,410	234,450	23,960
Outside services	905,725	933,467	782,089	151,378
Capital outlay	5,400,000	5,400,000	4,395,043	1,004,957
Total Highway and streets	12,108,636	12,102,878	10,590,304	1,512,574
Parks and recreation				
Salaries	2,848,293	2,848,293	2,651,027	197,266
Benefits	1,143,830	1,142,225	1,077,010	65,215
Materials and supplies	353,606	255,743	202,999	52,744
Outside services	1,029,956	876,454	814,851	61,603
Capital outlay	-	121,500	9,455	112,045
Total Parks and recreation	5,375,685	5,244,215	4,755,342	488,873

(continued)

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
Health and welfare				
Salaries	\$ 1,883,712	\$ 2,035,032	\$ 1,959,846	\$ 75,186
Benefits	915,297	985,134	904,208	80,926
Materials and supplies	103,318	235,635	143,267	92,368
Outside services	1,067,726	1,149,940	1,036,705	113,235
Capital outlay	-	47,500	47,500	-
Total Health and welfare	3,970,053	4,453,241	4,091,526	361,715
Total expenditures	58,269,085	60,187,182	57,052,552	3,134,630
Revenues over (under) expenditures	(5,973,769)	(7,250,468)	(4,526,819)	2,723,649
Other financing sources (uses)				
Transfers In	5,080,871	5,212,871	8,195,995	2,983,124
Transfers out	-	-	(2,778,583)	(2,778,583)
Sale of capital assets	\$ -	21,200	21,200	-
Total other financing sources	5,080,871	5,234,071	5,438,612	204,541
Net change in fund balances, net	(892,898)	(2,016,397)	911,793	2,928,190
Fund balances, beginning of year	21,074,458	21,074,458	21,074,458	-
Fund balances - ending	\$ 20,181,560	\$ 19,058,061	\$ 21,986,251	\$ 2,928,190

(concluded)

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SPECIAL ALLOCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Property	\$ 811,175	\$ 811,175	\$ 803,231	\$ (7,944)
Sales	3,403,727	3,494,868	3,456,625	(38,243)
Intergovernmental activity	4,775,904	5,079,619	5,236,554	156,935
Investment earnings	504,125	504,125	388,879	(115,246)
Other	980,320	980,320	1,232,597	252,277
Total revenues	<u>10,475,251</u>	<u>10,870,107</u>	<u>11,117,886</u>	<u>247,779</u>
Expenditures				
General government				
Outside services	7,938,435	11,064,117	10,948,332	115,785
Total General government	<u>7,938,435</u>	<u>11,064,117</u>	<u>10,948,332</u>	<u>115,785</u>
Revenues over (under) expenditures	<u>2,536,816</u>	<u>(194,010)</u>	<u>169,554</u>	<u>363,564</u>
Other financing sources (uses)				
Transfers in	5,000	5,000	-	(5,000)
Transfers out	-	(314,000)	(314,000)	-
Total other financing sources	<u>5,000</u>	<u>(309,000)</u>	<u>(314,000)</u>	<u>(5,000)</u>
Net change in fund balances	2,541,816	(503,010)	(144,446)	358,564
Fund balances - beginning	8,344,970	8,344,970	8,344,970	-
Fund balances - ending	<u>\$ 10,886,786</u>	<u>\$ 7,841,960</u>	<u>\$ 8,200,524</u>	<u>\$ 358,564</u>

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) NOTES TO THE BUDGETARY COMPARISON SCHEDULES JUNE 30, 2020

A. Budgetary Information

Annual budgets are adopted by City Ordinances for the General fund, Special Revenue funds except the CDBG Loan funds, Capital Projects fund and Enterprise funds on or before the third Monday in June. Public hearings are held by the Council on the budget and all proposed tax levies prior to adoption. The City Charter establishes the following procedures for budgetary data reflected in the financial statements:

- A proposed budget is submitted by the City Manager to the Council at least sixty days prior to June 30, the end of the City's fiscal year. The proposed budget must be balanced within each fund based on estimated revenue for the upcoming fiscal year, plus or minus any carry-over surplus or deficits from prior fiscal years. The Manager's proposed budget is based on requests prepared by each Department and includes prior year actual, current year budget, current year estimated actual, and next year proposed data; with summary schedules and tables on revenues, expenditures, fund balances, staffing, and capital outlays.
- The Council may change the proposed appropriations within the estimated revenue and available fund balances contained in the City Manager's proposed budget.
- A public hearing on the proposed budget is required.
- The Council shall adopt and appropriate the budget on or before the third (3rd) Monday of the month immediately prior to the beginning of the fiscal year.

A formal budget document is bound, issued and publicly available. This document communicates how the City will deliver governmental services to its residents. Programs and services to be delivered in the fiscal year are identified along with funding sources that support the services. Goals and objectives are defined by program level. The budget serves as a policy document, operation guide, financial plan and communications device.

The City Manager is authorized to transfer budgeted amounts within programs within any department; however, revisions that alter the total expenditures of any department and certain appropriations of salary and wages, fringe benefits and capital outlay must be approved by the City Council. Budgetary control is exercised at the departmental classification level (personnel, supplies, services, etc.), the level at which an expenditure may not exceed appropriations without Council approval. Unencumbered appropriations lapse at year end.

The City Council approves a formal fund budget document for the General fund, Special Revenue funds except the CDBG Loan funds, Capital Projects, and Enterprise Funds. Encumbrance accounting is employed in Governmental Funds. Encumbrances outstanding at year end do not

CITY OF ST. JOSEPH, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2020**

constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Budgeted amounts are reported as originally adopted or as amended by Council ordinance. The Council approved several appropriation adjustments during the fiscal year.

Governmental fund 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 collected 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 due and payable. However, interest and principal on general long-term debt is recognized when due, or when payments are due early in the next fiscal year, and the advance of resources to the debt service fund is mandatory, and debt service expenditures are recognized before year-end to match the resources provided for these payments.

The City Council during the fiscal year adopted a number of amendments to the budget to address unforeseen contingencies. The following schedule outlines the appropriation changes for the General, Special Revenue, Capital Projects and Enterprise Funds. The General budget increase is due to establishment of the Land Bank program in the Community Development department to return unproductive land in nontax-producing status to private ownership or other productive use and to avoid other land from falling into that state, contributions of the Transient Guest Tax authorized by City Council to promote tourism and riverfront development, the April 7th election - Bonds for Bridges – issuance of general obligation bonds in the amount of \$20,000,000 for the repair and replacement of bridges and transportation infrastructure, was approved by the voters, conducted an executive search for the City Manager position, provided funding to construct a firefighter’s memorial near fire station number 9 located between Faraon and Jules Streets, awarded the State Emergency Management Agency grant to purchase a storm warning siren located at Heritage Park, acquired turnout gear through the Firehouse Subs grant, accepted the Coronavirus Emergency Supplemental Funding, Bulletproof Vest, and Byrne Memorial Grants from the Department of Justice, improvements were possible at Drake Field and the South Park Complex from a generous donation and a multi-year financial commitment was made for a significant public art project for the Parks, Recreation, and Civic Facilities department, rollforward of various health grants and donations received by the Health department, installed new HVAC system for the Animal Control and Rescue kennel area, and focused on the homeless population through the Urban Mission project. The Special Revenue budget increase is from the capital purchase of a rubber tracked excavator for use at the Street department along with direct liquid anti-ice materials, increased storage capacities, and two brine distributors to improve the treat capacity and efficiency of the whole process for the Street Maintenance Fund, reimbursement to the Parks, Recreation and Civic Facilities Fund for holiday decoration activities at Felix Street Square and from a vehicle accident involving the Krug

CITY OF ST. JOSEPH, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2020**

pool bath house, Community Development Block Grant has been allocated CARES Act (CDBG-CV) funding through the Department of Housing and Urban Development, offering small business pandemic relief loans to those that have suffered an economic hardship as a result of COVID 19, the Cook Road Corridor TIF in the Special Allocation Fund has been reimbursed all their submitted developer expenses to date from the City. The Capital Projects increase to the budget is due to capital improvements to various city facilities and departments including a new rescue truck, design of fire station located at Missouri Western State University, Ladder 5 truck repairs, Noyes tennis courts and Missouri Theatre improvements, and Cook Road sidewalk and Urban trail maintenance. The increase in the Enterprise Funds is for Rosecrans' shared costs with Missouri Air National Guard for the Communications Facility Project, Water Protection's responsibility to stabilize the undermined outfall pipe at the Charles Street combined sewer outfall, Federal Transit Administration (FTA) provided operating assistance to Mass Transit during the COVID-19 crisis, and construction of a new cell area designated as Area 3, Stage 7A at the St. Joseph Sanitary Landfill.

<u>Fund Type</u>	2020 Budget		
	<u>Original</u>	<u>Amended</u>	<u>Increase</u>
General	\$ 58,269,085	\$ 60,187,182	\$ 1,918,097
Special Revenue	26,637,169	58,358,935	31,721,766
Capital	7,720,092	12,831,057	5,110,965
Enterprise	88,460,487	91,128,536	2,668,049
	<u>\$ 181,086,833</u>	<u>\$ 222,505,710</u>	<u>\$ 41,418,877</u>

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2020**

C. Budget/GAAP Reconciliation

The following schedule reconciles the amounts on the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual to the amounts on the Statement of Revenues, Expenses and Changes in Fund Balances for the year ended June 30, 2020:

	<u>General Fund</u>	<u>Special Allocation Fund</u>
Ending Fund Balance on Budgetary basis	\$ 21,986,251	\$ 8,200,524
Encumbrances outstanding June 30, 2020	3,367,129	-
Prior Year Encumbrances Expended in FY2019	(3,428,450)	-
Accrued Payroll	(197,472)	-
Ending Fund Balance on GAAP Basis	<u>\$ 21,727,458</u>	<u>\$ 8,200,524</u>

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Changes in Net Pension Liability
and Related Ratios

	Lagers					
	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service costs	\$ 4,451,854	\$ 3,554,858	\$ 3,207,848	\$ 2,198,748	\$ 2,170,373	\$ 2,078,186
Interest on total pension liability	13,923,334	11,114,099	10,597,436	8,378,135	7,933,932	7,430,849
Changes in benefit terms	-	30,009,630	1,044,203	25,817,532	-	-
Difference between expected and actual experience of the total pension liability	1,472,316	1,846,295	-	670,410	(2,477,760)	2,236,768
Changes of assumptions	-	-	-	-	4,108,168	-
Benefit payments and refunds	(8,646,048)	(7,834,001)	(7,951,102)	(5,982,356)	(5,273,443)	(4,445,097)
Net change in total pension liability	11,201,456	38,690,881	6,898,385	31,082,469	6,461,270	7,300,706
Total pension liability - beginning of year	194,090,933	155,400,052	148,501,667	117,419,198	110,957,928	103,657,222
Total pension liability - end of year (a)	<u>\$ 205,292,389</u>	<u>\$ 194,090,933</u>	<u>\$ 155,400,052</u>	<u>\$ 148,501,667</u>	<u>\$ 117,419,198</u>	<u>\$ 110,957,928</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ 7,403,704	\$ 8,957,300	\$ 4,785,940	\$ 3,004,259	\$ 3,271,854	\$ 3,702,055
Contributions - employee	1,319,537	5,622,169	1,039,257	-	-	-
Net investment income	2,048,222	9,528,240	15,631,228	13,141,219	(244,948)	2,147,370
Benefit payments and refunds	(8,646,048)	(7,834,001)	(7,951,102)	(5,982,356)	(5,273,443)	(4,445,097)
Administrative expenses	(162,147)	(141,209)	(87,494)	(84,616)	(82,937)	(89,754)
Other (net transfer)	1,665,460	1,468,132	1,005,142	1,139,138	1,033,621	773,382
Net change in plan fiduciary net position	3,628,728	17,600,631	14,422,971	11,217,644	(1,295,853)	2,087,956
Plan fiduciary net position - beginning of year	154,073,211	136,472,580	122,049,609	110,831,965	112,127,818	110,039,862
Plan fiduciary net position - end of year (b)	<u>\$ 157,701,939</u>	<u>\$ 154,073,211</u>	<u>\$ 136,472,580</u>	<u>\$ 122,049,609</u>	<u>\$ 110,831,965</u>	<u>\$ 112,127,818</u>
	<u>\$ 47,590,450</u>	<u>\$ 40,017,722</u>	<u>\$ 18,927,472</u>	<u>\$ 26,452,058</u>	<u>\$ 6,587,233</u>	<u>\$ (1,169,890)</u>
Plan net position as a percentage of the total pension liability	76.82%	79.38%	87.82%	82.19%	94.39%	101.05%
Covered Payroll	\$ 32,294,481	\$ 32,026,324	\$ 22,786,222	\$ 24,126,112	\$ 23,293,962	\$ 23,303,716
Net pension liability/(asset) as a percentage of covered payroll	147.36%	124.95%	83.07%	109.64%	28.28%	-5.02%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Changes in Net Pension Liability
and Related Ratios

	Police					
	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service costs	\$ -	\$ 602,772	\$ 1,119,675	\$ 1,098,105	\$ 1,541,534	\$ 884,293
Interest on total pension liability	2,530,293	3,383,635	4,142,054	4,078,284	5,619,009	3,180,140
Difference between expected and actual experience of the total pension liability	(328,231)	(606,026)	(1,759,840)	(624,567)	(2,356,440)	2,171,488
Changes of assumptions	233,328	-	-	2,061,705	2,347,868	-
Benefit payments and refunds	(2,664,292)	(2,679,515)	(2,678,193)	(2,577,542)	(2,437,913)	(2,269,912)
Plan Transfers	-	(23,986,298)	-	-	-	-
Net change in total pension liability	(228,902)	(23,285,432)	823,696	4,035,985	4,714,058	3,966,009
Total pension liability - beginning of year	32,888,223	56,173,655	55,349,959	51,313,974	46,599,916	42,633,907
Total pension liability - end of year (a)	<u>\$ 32,659,321</u>	<u>\$ 32,888,223</u>	<u>\$ 56,173,655</u>	<u>\$ 55,349,959</u>	<u>\$ 51,313,974</u>	<u>\$ 46,599,916</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ -	\$ 368,889	\$ 2,430,332	\$ 2,186,054	\$ 1,688,681	\$ 1,625,738
Contributions - employee	-	43,667	270,199	264,163	255,516	243,701
Net investment income	2,564,111	2,324,697	2,977,274	3,583,903	(1,624,901)	880,708
Benefit payments and refunds	(2,664,292)	(2,679,515)	(2,678,193)	(2,577,542)	(2,437,913)	(2,269,912)
Transfer of Plan Assets	-	(4,692,747)	-	-	-	-
Administrative expenses	(53,257)	(70,788)	(74,990)	(63,751)	(74,716)	(71,613)
Net change in polan fiduciary net position	(153,438)	(4,705,797)	2,924,622	3,392,827	(2,193,333)	408,622
Plan fiduciary net positon - beginning of year	36,799,176	41,504,973	38,580,351	35,187,524	37,380,857	36,972,235
Plan fiduciary net positon - end of year (b)	<u>\$ 36,645,738</u>	<u>\$ 36,799,176</u>	<u>\$ 41,504,973</u>	<u>\$ 38,580,351</u>	<u>\$ 35,187,524</u>	<u>\$ 37,380,857</u>
Net pension liability/(asset) (a) - (b)	<u>\$ (3,986,417)</u>	<u>\$ (3,910,953)</u>	<u>\$ 14,668,682</u>	<u>\$ 16,769,608</u>	<u>\$ 16,126,450</u>	<u>\$ 9,219,059</u>
Plan net position as a percentage of the total pension liability	112.21%	111.89%	73.89%	69.70%	68.57%	80.22%
Covered Payroll	\$ -	\$ 1,091,394	\$ 6,472,665	\$ 6,324,914	\$ 6,038,143	\$ 6,087,055
Net pension liability/(asset) as a percentage of covered payroll	N/A	-358.34%	226.63%	265.14%	267.08%	151.45%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

N/A - not applicable due to no covered payroll for 2020.

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Employer Contributions

LAGERS (General, Fire and Police)

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Payroll	Contribution as Percentage
2011	\$ 3,428,399	\$ 2,874,705	\$ 553,694	\$ 21,556,058	13.34%
2012	3,441,890	3,070,747	371,143	21,267,875	14.44%
2013	3,493,132	3,305,656	187,476	21,463,225	15.40%
2014	3,514,073	3,514,073	-	22,415,700	15.68%
2015	3,702,310	3,702,310	-	23,475,508	15.77%
2016	3,270,578	3,270,578	-	24,294,877	13.46%
2017	2,993,288	2,993,288	-	24,311,367	12.31%
2018	4,785,940	4,785,940	-	23,711,348	20.18%
2019	6,974,825	6,974,825	-	31,279,498	22.30%
2020	7,829,539	7,403,710	425,829	32,219,461	22.98%

Police Pension

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency (Excess)	Covered Payroll	Contribution as Percentage
2011	\$ 1,786,550	\$ 1,786,550	\$ -	\$ 5,234,079	34.13%
2012	1,715,703	1,715,703	-	5,200,069	32.99%
2013	1,771,904	2,271,904	(500,000)	5,494,313	41.35%
2014	1,752,686	1,752,686	-	6,087,055	28.79%
2015	1,625,738	1,625,738	-	5,954,250	27.30%
2016	1,688,681	1,688,681	-	6,588,958	25.63%
2017	2,186,054	2,186,054	-	6,604,033	33.10%
2018	2,430,332	2,430,332	-	6,708,361	36.23%
2019	368,889	368,889	-	1,091,394	33.80%
2020	-	-	-	-	0.00%

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Notes to Schedule of Contributions

Lagers

Valuation Date February 29, 2020

Notes: The roll-forward of total pension liability from February 29, 2020 to June 30, 2020 reflects expected service cost and interest reduced by actual benefit payments and administrative costs

Methods and assumptions used to determine contributions rates:

Actuarial cost method Entry Age Normal and Modified Terminal Funding

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

Remaining amortization period Multiple bases from 15 to 16 years (General)
Multiple bases from 9 to 16 years (Fire)
Multiple bases from 14 to 28 years (Police)

Asset valuation method 5-year smoothed market; 20% corridor

Inflation assumption 3.25% wage inflation; 2.50% price inflation

Salary increases 3.25% to 6.55% including wage inflation (General)
3.25% to 7.15% including wage inflation (Fire)
3.25% to 6.55% including wage inflation (Police)

Investment rate of return 7.25%, net of investment and administrative expenses

Retirement age Experienced-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 mortality, were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established in 2017. Mortality rates for a particular calendar year are determined by applying MP-2015 mortality improvement scale to the above described tables

Other Information None.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

The following changes were reflected in the valuation performed on behalf of the LAGERS plan for the year ended June 30:

Lagers Changes in Valuation Performed

2020

- Remaining amortization period changed to:
 - Multiple bases from 15 to 16 years for general division
 - Multiple bases from 9 to 16 years for fire division
 - Multiple bases from 14 to 28 years for police division

2019

- Added police division
- Remaining amortization period changed to:
 - Multiple bases from 15 to 17 years for general division
 - Multiple bases from 10 to 17 years for fire division
 - Multiple bases from 15 to 29 years for police division
- Salary increases for police division were established at 3.25% o 6.55% including wage inflation

2018

- Remaining amortization period chnged to multiple bases from 15 to 18 years

2017

- No changes

2016

- Inflation assumption changed to 3.25% wage inflation with 2.50% price inflation.
- Salary increases changed to 3.25% to 6.55% including wage inflation for the general division.
- Salary increases changed to 3.25% to 7.15% including wage inflation for the fire division.
- Mortality assumption changed to 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 preretirement mortality tables used were the RP-2014 employees mortality tables for males and females.
- New assumptions adopted based on the 5-year experience study for the period March 1, 2010 through February 28, 2015.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Notes to Schedule of Contributions

Police Pension

Valuation Date January 1, 2020

Notes: Actuarially determined contributions rates are calculated as of January 1, eighteen months prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contributions rates:

Actuarial cost method	Individual Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	20 years
Asset valuation method	Market Value
Inflation assumption	2.5%
Salary increases	0%
Investment rate of return	7.1%, net of investment and administrative expenses
Mortality – healthy lives	Public Safety 2010 Below Median Income tables projected with generational improvements
Mortality – disabled lives	Public Safety 2010 Below Median Income tables projected with generational improvements
Termination of employment	N/A
Disablement	N/A

CITY OF ST. JOSEPH, MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

The following changes were reflected in the valuation performed on behalf of the Police pension plan for the year ended June 30:

Police Pension Changes in Valuation Performed

2020

- Mortality for healthy and disabled lives changed to Public Safety 2010 Below Median Income tables projected with generational improvements.

2019

- Salary increases were no longer applicable as all active participants were moved to LAGERS plan.

2018

- No changes

2017

- Salary increases changed to 3%
- Investment rate of returned changed to 7.1% net of investment and administrative expenses

2016

- Inflation assumption changed to 2.5%
- Healthy lives mortality changed to RP-2015 Blue Collar with generational improvements (formerly RP-2000)
- Disabled lives mortality changed to RP-2015 Disabled with generational improvements (formerly RP-2000 set forward 10 years).

CITY OF ST. JOSEPH, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY,
RELATED RATIOS AND NOTES

	Fiscal Year Ending		
	June 30, 2020	June 30, 2019	June 30, 2018
OPEB Liability Beginning of Year	\$ 4,133,644	\$ 4,234,341	\$ 3,952,873
Changes for the Year:			
Service costs	555,288	246,520	242,309
Interest	156,240	150,074	140,073
Assumption Changes	2,416,901	-	-
Difference between Actual and Expected Experience	596,311	(412,613)	(20,464)
Benefit payments	(154,362)	(84,678)	(80,450)
OPEB Liability End of Year	<u>\$ 7,704,022</u>	<u>\$ 4,133,644</u>	<u>\$ 4,234,341</u>
Covered Employee Payroll	\$ 28,852,120	\$ 29,310,959	\$ 28,736,234
Percent of Payroll	26.70%	14.10%	14.74%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule of Changes in the Total OPEB Liability

Plan Assets

The City has not irrevocably deposited funds in a trust for future benefit payments. The actuarial value of plan assets is \$0.

Changes in Benefit Terms

There were no changes in assumptions during the year ended June 30, 2020.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

The following changes were reflected in the valuation performed on behalf of the OPEB plan for the year ended June 30:

Other Post Employment Benefits - Changes in Assumptions
2020

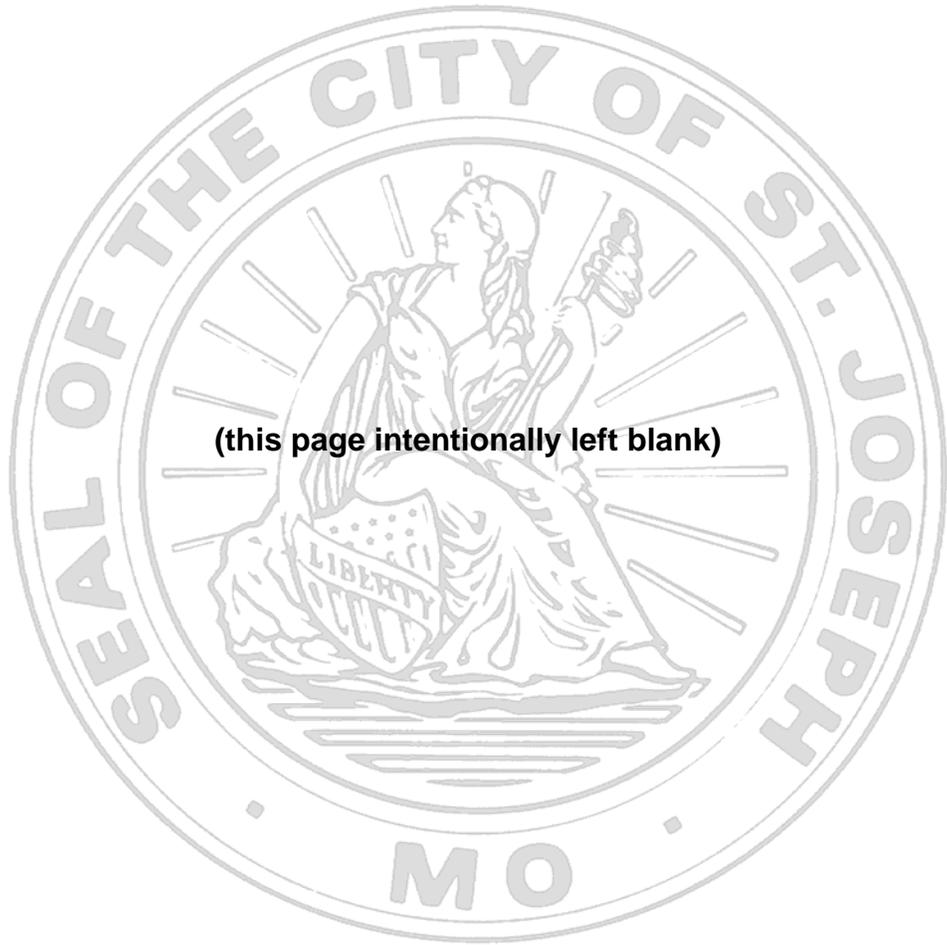
- Remaining amortization period changed to:
 - Multiple bases from 15 to 16 years for general division
 - Multiple bases from 9 to 16 years for fire division
 - Multiple bases from 14 to 28 years for police division

2019

- Added police division
- Remaining amortization period changed to:
 - Multiple bases from 15 to 17 years for general division
 - Multiple bases from 10 to 17 years for fire division
 - Multiple bases from 15 to 29 years for police division
- Salary increases for police division were established at 3.25% or 6.55% including wage inflation

2018

- Remaining amortization period changed to multiple bases from 15 to 18 years



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CITY OF ST. JOSEPH, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue								Total Nonmajor Governmental Funds
	Streets Maintenance	Parks Maintenance	Public Safety Tax	Community Development	Riverboat Gaming	Municipal Museum	C.D Rehab Loan	Home Revolving Loan	
Assets									
Cash and investments	\$ 1,724,303	\$ 318,012	\$ 125,201	\$ 146,028	\$ 362,892	\$ 162,882	\$ 599,584	\$ 342,744	\$ 3,781,646
Receivables	348,747	54,754	1,024,830	-	99,130	33,207	-	-	1,560,668
Loan receivables	-	-	-	-	-	-	825,242	1,279,529	2,104,771
Due from other governments	158,919	85,148	-	321,432	-	-	-	-	565,499
Prepaid items	41,800	68,146	-	1,820	-	11,004	-	-	122,770
Total assets	<u>\$ 2,273,769</u>	<u>\$ 526,060</u>	<u>\$ 1,150,031</u>	<u>\$ 469,280</u>	<u>\$ 462,022</u>	<u>\$ 207,093</u>	<u>\$ 1,424,826</u>	<u>\$ 1,622,273</u>	<u>\$ 8,135,354</u>
Liabilities, Deferred Inflows and Fund Balances									
Liabilities:									
Accounts payable	\$ 330,648	\$ 74,012	\$ 2,703	\$ 96,289	\$ 53,047	\$ 48,455	\$ 38,511	\$ 25,210	\$ 668,875
Due to other funds	-	-	-	339,243	-	-	-	-	339,243
Accrued payroll	-	-	28,137	6,498	-	-	-	-	34,635
Unearned revenue	14,185	40,999	-	-	-	-	-	-	55,184
Total liabilities	<u>344,833</u>	<u>115,011</u>	<u>30,840</u>	<u>442,030</u>	<u>53,047</u>	<u>48,455</u>	<u>38,511</u>	<u>25,210</u>	<u>1,097,937</u>
Deferred Inflows of Resources:									
Unavailable revenues-property taxes	-	44,025	-	-	-	22,179	-	-	66,204
Unavailable revenues-other	142,532	28,198	-	-	-	-	-	-	170,730
Total deferred inflows of resources	<u>142,532</u>	<u>72,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,179</u>	<u>-</u>	<u>-</u>	<u>236,934</u>
Fund balances:									
Nonspendable:	41,800	68,146	-	1,820	-	11,004	-	-	122,770
Restricted	1,744,604	270,680	1,119,191	25,430	408,975	125,455	1,386,315	1,597,063	6,677,713
Total fund balances	<u>1,786,404</u>	<u>338,826</u>	<u>1,119,191</u>	<u>27,250</u>	<u>408,975</u>	<u>136,459</u>	<u>1,386,315</u>	<u>1,597,063</u>	<u>6,800,483</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,273,769</u>	<u>\$ 526,060</u>	<u>\$ 1,150,031</u>	<u>\$ 469,280</u>	<u>\$ 462,022</u>	<u>\$ 207,093</u>	<u>\$ 1,424,826</u>	<u>\$ 1,622,273</u>	<u>\$ 8,135,354</u>

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue								Total Nonmajor Governmental Funds
	Streets Maintenance	Parks Maintenance	Public Safety Tax	Community Development	Riverboat Gaming	Municipal Museum	Rehab Loan	Revolving Loan	
Revenues									
Taxes:									
Property	\$ -	\$ 728,521	\$ -	\$ -	\$ -	\$ 584,243	\$ -	\$ -	\$ 1,312,764
Sales	-	-	6,469,039	-	-	-	-	-	6,469,039
Motor Fuel	2,744,184	-	-	-	-	-	-	-	2,744,184
Licenses and permits	-	95,999	-	-	-	-	-	-	95,999
Intergovernmental	-	63,389	-	2,174,434	-	-	-	-	2,237,823
Charges for services	87,362	31,443	-	4,513	698,653	-	-	-	821,971
Special assessments	17,064	-	-	9,074	-	-	-	-	26,138
Investment earnings	28,271	6,797	749	220	7,944	2,909	18,142	24,384	89,416
Other	50,800	25,987	2,657	109,066	6,997	2,850	68,772	4,872	272,001
Total revenues	2,927,681	952,136	6,472,445	2,297,307	713,594	590,002	86,914	29,256	14,069,335
Expenditures									
Current:									
General government	-	-	-	282,700	660,421	469,755	23,304	39	1,436,219
Public safety	-	-	1,568,815	-	-	-	-	-	1,568,815
Highway and streets	3,635,789	-	-	-	-	-	-	-	3,635,789
Public works	-	-	-	250,039	-	-	-	-	250,039
Health and welfare	-	-	-	1,350,397	-	-	-	-	1,350,397
Parks and recreation	-	1,009,900	-	-	-	-	-	-	1,009,900
Capital outlay	690,962	155,833	364,536	-	-	37,975	-	-	1,249,306
Total expenditures	4,326,751	1,165,733	1,933,351	1,883,136	660,421	507,730	23,304	39	10,500,465
Excess (deficiency) of revenues over (under) expenditures	(1,399,070)	(213,597)	4,539,094	414,171	53,173	82,272	63,610	29,217	3,568,870
Other financing sources (uses)									
Transfers in	1,194,747	352,932	315,873	129,044	20,000	-	-	-	2,012,596
Transfers out	(63,042)	(187,597)	(4,694,499)	(191,332)	(158,273)	(57,880)	(29,724)	(99,320)	(5,481,667)
Sale of capital assets	67,600	4,480	-	-	-	-	-	-	72,080
Total other financing sources (uses),net	1,199,305	169,815	(4,378,626)	(62,288)	(138,273)	(57,880)	(29,724)	(99,320)	(3,396,991)
Net change in fund balances	(199,765)	(43,782)	160,468	351,883	(85,100)	24,392	33,886	(70,103)	171,879
Fund balances - beginning	1,986,169	382,608	958,723	(324,633)	494,075	112,067	1,352,429	1,667,166	6,628,604
Fund balances - ending	\$ 1,786,404	\$ 338,826	\$ 1,119,191	\$ 27,250	\$ 408,975	\$ 136,459	\$ 1,386,315	\$ 1,597,063	\$ 6,800,483

CITY OF ST. JOSEPH, MISSOURI
STREETS MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Motor Fuel	\$ 2,765,740	\$ 2,765,740	\$ 2,744,184	\$ (21,556)
Charges for services	250,000	250,000	87,362	(162,638)
Special assessments	6,750	6,750	17,064	10,314
Investment earnings	24,570	24,570	28,271	3,701
Other	25,000	25,000	50,800	25,800
Total revenues	3,072,060	3,072,060	2,927,681	(144,379)
Expenditures				
Highways and streets				
Materials and supplies	1,603,400	1,525,882	1,525,873	9
Outside services	2,329,745	2,332,852	2,325,198	7,654
Capital outlay	292,000	405,569	397,926	7,643
Total Highways and streets	4,225,145	4,264,303	4,248,997	15,306
Revenues over (under) expenditures	(1,153,085)	(1,192,243)	(1,321,316)	(129,073)
Other financing sources (uses)				
Transfers in	1,233,000	1,233,000	1,194,747	(38,253)
Transfers out	(42,000)	(63,042)	(63,042)	-
Sale of capital assets	32,000	92,200	67,600	(24,600)
Total other financing sources	1,223,000	1,262,158	1,199,305	(62,853)
Net change in fund balances	69,915	69,915	(122,011)	(191,926)
Fund balances, beginning of year	1,986,169	1,986,169	1,986,169	-
Fund balances - ending	\$ 2,056,084	\$ 2,056,084	\$ 1,864,158	\$ (191,926)

CITY OF ST. JOSEPH, MISSOURI
PARKS MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Property	\$ 728,501	\$ 728,501	\$ 728,521	\$ 20
Licenses and permits	95,000	95,000	95,999	999
Intergovernmental	70,000	70,000	63,389	(6,611)
Charges for services	34,450	34,450	31,443	(3,007)
Investment earnings	2,400	2,400	6,797	4,397
Other	2,000	2,000	25,987	23,987
Total revenues	<u>932,351</u>	<u>932,351</u>	<u>952,136</u>	<u>19,785</u>
Expenditures				
Parks and recreation				
Materials and supplies	194,850	168,103	168,098	5
Outside services	915,652	841,049	841,012	37
Capital outlay	113,000	274,500	102,092	172,408
Total Parks and recreation	<u>1,223,502</u>	<u>1,283,652</u>	<u>1,111,202</u>	<u>172,450</u>
Revenues over (under) expenditures	<u>(291,151)</u>	<u>(351,301)</u>	<u>(159,066)</u>	<u>192,235</u>
Other financing sources (uses)				
Transfers in	-	-	352,932	352,932
Transfers out	(55,597)	(187,597)	(187,597)	-
Sale of capital assets	-	-	4,480	4,480
Total other financing sources (uses)	<u>(55,597)</u>	<u>(187,597)</u>	<u>169,815</u>	<u>357,412</u>
Net change in fund balances	(346,748)	(538,898)	10,749	549,647
Fund balances, beginning of year	382,608	382,608	382,608	-
Fund balances - ending	<u>\$ 35,860</u>	<u>\$ (156,290)</u>	<u>\$ 393,357</u>	<u>\$ 549,647</u>

CITY OF ST. JOSEPH, MISSOURI
PUBLIC SAFETY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final			
Revenues					
Taxes:					
Sales	\$ 6,050,600	\$ 6,050,600	\$ 6,469,039	\$ 418,439	
Other	1,200	1,200	749	(451)	
Investment earnings	27,221	27,221	2,657	(24,564)	
Total revenues	<u>6,079,021</u>	<u>6,079,021</u>	<u>6,472,445</u>	<u>393,424</u>	
Expenditures					
Public Safety					
Police					
Salaries	1,006,817	1,006,817	867,721	139,096	
Benefits	550,437	550,437	490,906	59,531	
Materials and supplies	104,818	108,063	94,005	14,058	
Outside services	103,515	100,270	75,739	24,531	
Capital outlay	317,756	317,756	315,873	1,883	
Total Police	<u>2,083,343</u>	<u>2,083,343</u>	<u>1,844,244</u>	<u>239,099</u>	
Fire					
Materials and supplies	77,857	128,182	118,270	9,912	
Outside services	50,325	-	-	-	
Total Fire	<u>128,182</u>	<u>128,182</u>	<u>118,270</u>	<u>9,912</u>	
Total public safety	<u>2,211,525</u>	<u>2,211,525</u>	<u>1,962,514</u>	<u>249,011</u>	
Total expenditures	<u>2,211,525</u>	<u>2,211,525</u>	<u>1,962,514</u>	<u>249,011</u>	
Revenues over (under) expenditures	<u>3,867,496</u>	<u>3,867,496</u>	<u>4,509,931</u>	<u>642,435</u>	
Other financing sources (uses)					
Transfers in	317,756	317,756	315,873	(1,883)	
Transfers out	(4,694,499)	(4,694,499)	(4,694,499)	-	
Total other financing sources(uses)	<u>(4,376,743)</u>	<u>(4,376,743)</u>	<u>(4,378,626)</u>	<u>(1,883)</u>	
Net change in fund balances	(509,247)	(509,247)	131,305	640,552	
Fund balances - beginning	958,723	958,723	958,723	-	
Fund balances - ending	<u>\$ 449,476</u>	<u>\$ 449,476</u>	<u>\$ 1,090,028</u>	<u>\$ 640,552</u>	

CITY OF ST. JOSEPH, MISSOURI
COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Intergovernmental	\$ 2,132,921	\$ 3,188,888	\$ 2,174,434	\$ (1,014,454)
Charges for services	-	-	4,513	4,513
Special assessments	-	-	9,074	9,074
Investment earnings	-	-	220	220
Other	-	8,724	109,066	100,342
Total revenues	2,132,921	3,197,612	2,297,307	(900,305)
Expenditures				
General government				
Salaries	110,931	110,931	110,931	-
Benefits	53,238	53,238	46,427	6,811
Materials and supplies	2,800	2,800	-	2,800
Outside services	15,081	15,081	5,581	9,500
Total General government	182,050	182,050	162,939	19,111
Health and welfare				
Salaries	107,907	112,175	112,174	1
Benefits	64,569	60,301	53,611	6,690
Materials and supplies	3,917	3,917	1,626	2,291
Outside services	1,463,052	2,527,742	1,486,184	1,041,558
Total Health and welfare	1,639,445	2,704,135	1,653,595	1,050,540
Public works				
Salaries	28,573	28,573	19,508	9,065
Benefits	16,925	16,925	8,597	8,328
Materials and supplies	2,455	2,455	374	2,081
Outside services	219,615	219,615	203,453	16,162
Total Public works	267,568	267,568	231,932	35,636
Total expenditures	2,089,063	3,153,753	2,048,466	1,105,287
Revenues over (under) expenditures	43,858	43,859	248,841	204,982
Other financing sources (uses)				
Transfers in	-	-	129,044	129,044
Transfers out	(210,775)	(210,775)	(191,332)	19,443
Total other financing sources (uses)	(210,775)	(210,775)	(62,288)	148,487
Net change in fund balances	(166,917)	(166,916)	186,553	353,469
Fund balances - beginning	(324,633)	(324,633)	(324,633)	-
Fund balances - ending	\$ (491,550)	\$ (491,549)	\$ (138,080)	\$ 353,469

CITY OF ST. JOSEPH, MISSOURI
RIVERBOAT GAMING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

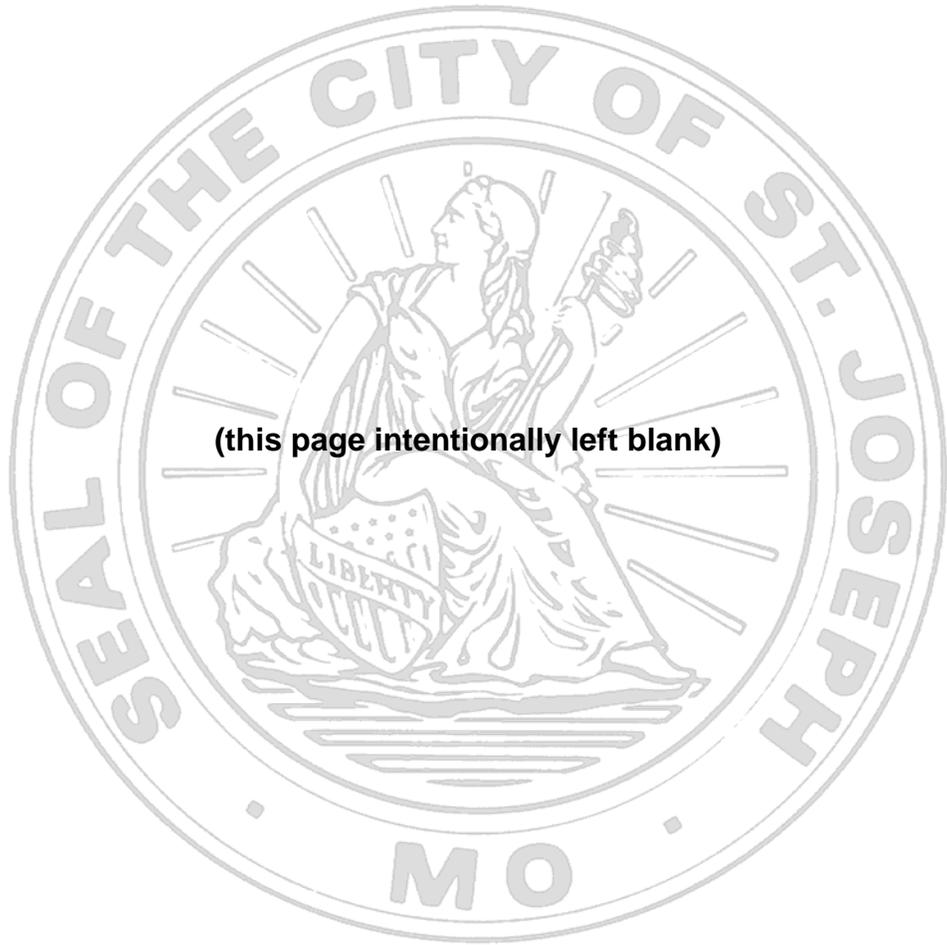
	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Charges for services	\$ 822,000	\$ 822,000	\$ 698,653	\$ (123,347)
Investment earnings	8,000	8,000	14,692	6,692
Other	-	-	250	250
Total revenues	830,000	830,000	713,595	(116,405)
Expenditures				
General government				
Outside services	800,160	816,749	670,403	146,346
Total General government	800,160	816,749	670,403	146,346
Revenues over (under) expenditures	29,840	13,251	43,192	29,941
Other financing sources (uses)				
Transfers in	-	20,000	20,000	-
Transfers out	(181,500)	(182,400)	(158,274)	24,126
Total other financing sources (uses)	(181,500)	(162,400)	(138,274)	24,126
Net change in fund balances	(151,660)	(149,149)	(95,082)	54,067
Fund balances - beginning	494,075	494,075	494,075	-
Fund balances - ending	\$ 342,415	\$ 344,926	\$ 398,993	\$ 54,067

CITY OF ST. JOSEPH, MISSOURI
MUNICIPAL MUSEUM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final			
Revenues					
Taxes:					
Property	\$ 569,203	\$ 571,190	\$ 584,243	\$ 13,053	
Investment earnings	7,300	7,300	2,909	(4,391)	
Other	-	-	2,850	2,850	
Total revenues	<u>576,503</u>	<u>578,490</u>	<u>590,002</u>	<u>11,512</u>	
Expenditures					
General government					
Outside services	467,770	469,757	469,755	2	
Capital outlay	75,000	75,000	29,325	45,675	
Total General government	<u>542,770</u>	<u>544,757</u>	<u>499,080</u>	<u>45,677</u>	
Revenues over (under) expenditures	<u>33,733</u>	<u>33,733</u>	<u>90,922</u>	<u>57,189</u>	
Other financing sources (uses)					
Transfers out	(57,880)	(57,880)	(57,880)	-	
Total other financing sources (uses)	<u>(57,880)</u>	<u>(57,880)</u>	<u>(57,880)</u>	<u>-</u>	
Net change in fund balances	(24,147)	(24,147)	33,042	57,189	
Fund balances - beginning	112,067	112,067	112,067	-	
Fund balances - ending	<u>\$ 87,920</u>	<u>\$ 87,920</u>	<u>\$ 145,109</u>	<u>\$ 57,189</u>	

CITY OF ST. JOSEPH, MISSOURI
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
Revenues				
Taxes:				
Sales	\$ 6,011,000	\$ 6,011,000	\$ 6,222,164	\$ 211,164
Intergovernmental	480,000	533,618	1,098,334	564,716
Investment earnings	20,000	20,000	140,811	120,811
Other	-	-	164,017	164,017
Total revenues	6,511,000	6,564,618	7,625,326	1,060,708
Expenditures				
Capital outlay				
Capital outlay	7,044,705	8,749,276	5,874,904	2,874,372
Total Capital outlay	7,044,705	8,749,276	5,874,904	2,874,372
Revenues over (under) expenditures	(533,705)	(2,184,658)	1,750,422	3,935,080
Other financing sources (uses)				
Transfers in	-	265,020	265,012	(8)
Transfers out	(1,204,200)	(1,356,394)	(152,194)	1,204,200
Total other financing sources (uses)	(1,204,200)	(1,091,374)	112,818	1,204,192
Net change in fund balances	(1,737,905)	(3,276,032)	1,863,240	5,139,272
Fund balances, beginning of year	8,631,519	8,631,519	8,631,519	-
Fund balances - ending	\$ 6,893,614	\$ 5,355,487	\$ 10,494,759	\$ 5,139,272



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CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2020

Business-type Activities - Enterprise Funds

	Aviation	Public Parking	Municipal Golf Course	Total Nonmajor Enterprise Funds
Assets				
Current assets:				
Cash and investments	\$ 240,329	\$ 164,549	\$ 22,239	\$ 427,117
Accounts receivable (net of allowance for uncollectibles)	5,000	563	-	5,563
Due from other governments	261,139	-	-	261,139
Prepaid items	9,577	5,103	2,678	17,358
Total current assets	516,045	170,215	24,917	711,177
Noncurrent assets:				
Capital assets:				
Capital assets, not being depreciated:	3,371,706	1,551,000	110,000	5,032,706
Capital assets net of accumulated depreciation:	21,191,424	2,093,253	970,071	24,254,748
Total capital assets (net of accumulated depreciation)	24,563,130	3,644,253	1,080,071	29,287,454
Total noncurrent assets	24,563,130	3,644,253	1,080,071	29,287,454
Total assets	25,079,175	3,814,468	1,104,988	29,998,631
Deferred Outflows of Resources				
Deferred outflows due to pension	37,031	23,790	26,451	87,272
Deferred outflows due to OPEB	30,148	16,592	3,371	50,111
Total Deferred Outflows of Resources	67,179	40,382	29,822	137,383
Liabilities and Net Position				
Current liabilities:				
Accounts payable	113,669	41,254	19,394	174,317
Accrued payroll	8,639	2,675	12,509	23,823
Accrued interest payable	-	21,837	128	21,965
Long-term obligations due in one year	14,794	187,475	55,139	257,408
Total current liabilities	137,102	253,241	87,170	477,513
Noncurrent liabilities:				
Long-term obligations due in more than one year	-	1,523,499	31,125	1,554,624
Net pension liability	115,795	74,390	82,710	272,895
OPEB liability	66,565	36,717	75,820	179,102
Total noncurrent liabilities	182,360	1,634,606	189,655	2,006,621
Total liabilities	319,462	1,887,847	276,825	2,484,134
Deferred Inflows of Resources				
Deferred inflow due to pension	7,043	4,525	5,031	16,599
Deferred inflow due to OPEB	668	368	197	1,233
Total Deferred Inflows of Resources	7,711	4,893	5,228	17,832
Net Position				
Net Investment in capital assets	24,459,215	3,644,253	1,010,607	29,114,075
Unrestricted (deficit)	359,966	(1,682,143)	(157,850)	(1,480,027)
Total net position	\$ 24,819,181	\$ 1,962,110	\$ 852,757	\$ 27,634,048

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Aviation	Public Parking	Municipal Golf Course	Total Nonmajor Enterprise Funds
Operating revenues:				
Charges for services	\$ 353,105	\$ 280,101	\$ 527,423	\$ 1,160,629
Other	49,145	2,166	-	51,311
Total operating revenues	<u>402,250</u>	<u>282,267</u>	<u>527,423</u>	<u>1,211,940</u>
Operating expenses:				
Personal services	394,999	254,987	467,735	1,117,721
Contractual services	260,505	132,871	88,040	481,416
Commodities	54,700	5,452	169,660	229,812
Heat, light and power	38,955	23,878	71,496	134,329
Depreciation	806,980	117,755	98,132	1,022,867
Total operating expenses	<u>1,556,139</u>	<u>534,943</u>	<u>895,063</u>	<u>2,986,145</u>
Operating income (loss)	<u>(1,153,889)</u>	<u>(252,676)</u>	<u>(367,640)</u>	<u>(1,774,205)</u>
Nonoperating revenues (expenses):				
Intergovernmental and other	50,000	-	-	50,000
Investment income	5,065	2,553	(4,338)	3,280
Interest and fiscal charges	-	(73,889)	(3,750)	(77,639)
Gain (loss) on sale of capital assets	-	-	(1,500)	(1,500)
Total nonoperating revenues (expenses), net	<u>55,065</u>	<u>(71,336)</u>	<u>(9,588)</u>	<u>(25,859)</u>
Income (loss) before capital contributions and transfers	(1,098,824)	(324,012)	(377,228)	(1,800,064)
Capital contributions and grants	1,735,141	-	-	1,735,141
Transfers in	239,517	349,293	372,746	961,556
Transfers out	(23,146)	(3,000)	(5,621)	(31,767)
Change in net position	<u>852,688</u>	<u>22,281</u>	<u>(10,103)</u>	<u>864,866</u>
Total net position - beginning	<u>23,966,493</u>	<u>1,939,829</u>	<u>862,860</u>	<u>26,769,182</u>
Total net position - ending	<u>\$ 24,819,181</u>	<u>\$ 1,962,110</u>	<u>\$ 852,757</u>	<u>\$ 27,634,048</u>

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Aviation	Public Parking	Municipal Golf Course	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 349,058	\$ 280,220	\$ 536,136	\$ 1,165,414
Payments to suppliers	(357,213)	(133,209)	(322,707)	(813,129)
Payments to employees	(386,573)	(245,891)	(413,591)	(1,046,055)
Other operating revenues	49,145	2,166	(6,384)	44,927
Net cash provided (used) by operating activities	<u>(345,583)</u>	<u>(96,714)</u>	<u>(206,546)</u>	<u>(648,843)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund advances	-	-	(93,908)	(93,908)
Transfers in	239,517	349,293	372,746	961,556
Transfers out	(23,146)	(3,000)	(5,621)	(31,767)
Net cash provided (used) by noncapital financing activities	<u>216,371</u>	<u>346,293</u>	<u>273,217</u>	<u>835,881</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Payments of debt principal	-	(178,159)	(39,024)	(217,183)
Payments of debt interest and charges	-	(75,693)	(3,820)	(79,513)
Capital grants received	1,625,672	-	-	1,625,672
Purchase of capital assets	(1,706,907)	-	-	(1,706,907)
Net cash provided (used) by capital and related financing activities	<u>(81,235)</u>	<u>(253,852)</u>	<u>(42,844)</u>	<u>(377,931)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	701,357	357,984	30,795	1,090,136
Purchase of investments	(500,055)	(342,379)	(50,258)	(892,692)
Interest and dividends received	6,439	3,466	-	9,905
Net cash provided (used) by investing activities	<u>207,741</u>	<u>19,071</u>	<u>(19,463)</u>	<u>207,349</u>
Net increase (decrease) in cash and cash equivalents	(2,706)	14,798	4,364	16,456
Cash and cash equivalents - beginning	53,428	19,931	330	73,689
Cash and cash equivalents - ending	50,722	34,729	4,694	90,145
Investments	189,607	129,820	17,545	336,972
Total cash and investments	<u>\$ 240,329</u>	<u>\$ 164,549</u>	<u>\$ 22,239</u>	<u>\$ 427,117</u>
Cash and investments reported on the Statement of Net Position:				
Unrestricted cash and investments	<u>\$ 240,329</u>	<u>\$ 164,549</u>	<u>\$ 22,239</u>	<u>\$ 427,117</u>

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Aviation	Public Parking	Municipal Golf Course	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (1,153,889)	\$ (252,676)	\$ (367,640)	\$ (1,774,205)
Adjustments to reconciliation operating income (loss) to net cash provided by operating activities:				
Depreciation	806,980	117,755	98,132	1,022,867
Deferred outflows of resources	(38,274)	(25,263)	(16,029)	(79,566)
Deferred inflows of resources	(32,900)	(15,767)	(15,576)	(64,243)
Accounts receivable	(4,047)	120	2,329	(1,598)
Prepaid expenses	(1,481)	(741)	(504)	(2,726)
Accounts payable and contracts/claims payable	(1,572)	29,732	6,993	35,153
Accrued payroll and compensated absences	(31,710)	11,880	39,435	19,605
Net pension liability	111,310	38,246	46,314	195,870
Net cash provided (used) by operating activities	<u>\$ (345,583)</u>	<u>\$ (96,714)</u>	<u>\$ (206,546)</u>	<u>\$ (648,843)</u>

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Balance				Balance	
	June 30, 2019	Additions	Deductions		June 30, 2020	
36th & Frederick CID Tax Fund						
Assets:						
Cash and investments	\$ 2,526	\$ 51	\$ -		\$ 2,577	
	<u>\$ 2,526</u>	<u>\$ 51</u>	<u>\$ -</u>		<u>\$ 2,577</u>	
Liabilities:						
Due to others	\$ 2,526	\$ 51	\$ -		\$ 2,577	
	<u>\$ 2,526</u>	<u>\$ 51</u>	<u>\$ -</u>		<u>\$ 2,577</u>	
Tuscany Village CID Tax Fund						
Assets:						
Cash and investments	\$ 12,501	\$ -	\$ 1,891		\$ 10,610	
Receivables - taxes	2,725	1,442	-		4,167	
	<u>\$ 15,226</u>	<u>\$ 1,442</u>	<u>\$ 1,891</u>		<u>\$ 14,777</u>	
Liabilities:						
Due to others	\$ 15,226	\$ 1,442	\$ 1,891		\$ 14,777	
	<u>\$ 15,226</u>	<u>\$ 1,442</u>	<u>\$ 1,891</u>		<u>\$ 14,777</u>	
2317 Belt CID Tax Fund						
Assets:						
Cash and investments	\$ 92	\$ 2	\$ -		\$ 94	
	<u>\$ 92</u>	<u>\$ 2</u>	<u>\$ -</u>		<u>\$ 94</u>	
Liabilities:						
Due to others	\$ 92	\$ 2	\$ -		\$ 94	
	<u>\$ 92</u>	<u>\$ 2</u>	<u>\$ -</u>		<u>\$ 94</u>	
Gateway TDD Tax Fund						
Assets:						
Cash and investments	\$ 48,851	\$ -	\$ (1,761)		\$ 50,612	
Receivables - taxes	18	(18)	-		-	
	<u>\$ 48,869</u>	<u>\$ (18)</u>	<u>\$ (1,761)</u>		<u>\$ 50,612</u>	
Liabilities:						
Cooks Crossing CID Tax Fund						
Assets:						
Cash and investments	\$ 39,524	\$ -	\$ 26,378		\$ 13,146	
Receivables - taxes	41,139	(19,920)	-		21,219	
	<u>\$ 80,663</u>	<u>\$ (19,920)</u>	<u>\$ 26,378</u>		<u>\$ 34,365</u>	
Liabilities:						
Due to others	\$ 80,663	\$ (19,920)	\$ 26,378		\$ 34,365	
	<u>\$ 80,663</u>	<u>\$ (19,920)</u>	<u>\$ 26,378</u>		<u>\$ 34,365</u>	
East Hills CID Tax Fund						
Assets:						
Cash and investments	\$ 72,611	\$ -	\$ (48,854)		\$ 121,465	
Receivables - taxes	73,688	(32,894)	-		40,794	
	<u>\$ 146,299</u>	<u>\$ (32,894)</u>	<u>\$ (48,854)</u>		<u>\$ 162,259</u>	
Liabilities:						
Due to others	\$ 146,299	\$ (32,894)	\$ (48,854)		\$ 162,259	
	<u>\$ 146,299</u>	<u>\$ (32,894)</u>	<u>\$ (48,854)</u>		<u>\$ 162,259</u>	
Beck Road CID Tax Fund						
Assets:						
Cash and investments	\$ 2,462	\$ -	\$ (49)		\$ 2,511	
	<u>\$ 2,462</u>	<u>\$ -</u>	<u>\$ (49)</u>		<u>\$ 2,511</u>	
Liabilities:						
Due to others	\$ 2,462	\$ -	\$ (49)		\$ 2,511	
	<u>\$ 2,462</u>	<u>\$ -</u>	<u>\$ (49)</u>		<u>\$ 2,511</u>	
Library Tax Fund						
Assets:						
Cash and investments	\$ -	\$ 301,709	\$ 301,709		\$ -	
Receivables - taxes	190,588	302,307	301,709		191,186	
	<u>\$ 190,588</u>	<u>\$ 604,016</u>	<u>\$ 603,418</u>		<u>\$ 191,186</u>	
Liabilities:						
Due to others	\$ 190,588	\$ 604,016	\$ 603,418		\$ 191,186	
	<u>\$ 190,588</u>	<u>\$ 604,016</u>	<u>\$ 603,418</u>		<u>\$ 191,186</u>	
All Agency Funds						
Assets:						
Cash and investments	\$ 178,567	\$ 301,762	\$ 279,314		\$ 201,015	
Receivables - taxes	308,158	250,917	301,709		257,366	
	<u>\$ 486,725</u>	<u>\$ 552,679</u>	<u>\$ 581,023</u>		<u>\$ 458,381</u>	
Liabilities:						
Due to others	\$ 486,725	\$ 552,679	\$ 581,023		\$ 458,381	
	<u>\$ 486,725</u>	<u>\$ 552,679</u>	<u>\$ 581,023</u>		<u>\$ 458,381</u>	

Statistical Section

STATISTICAL SECTION

This part of the City of St. Joseph'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.

<u>Contents</u>	<u>Tables</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1-5
Revenue Capacity	6-12
These schedules contain information to help the reader assess the City's two most significant local revenue sources: sales tax and property tax.	
Debt Capacity	13-17
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	
Demographic and Economic Information	18-20
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	21-22
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF ST. JOSEPH, MISSOURI
Net Position by Component
Last Ten Fiscal Years
 (accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Fiscal Year 2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities										
Net Investment in capital assets	\$ 177,925,146	\$ 176,097,074	\$ 167,292,448	\$ 164,614,446	\$ 158,218,098	\$ 154,553,070	\$ 149,662,833	\$ 149,925,081	\$ 144,336,677	\$ 140,102,965
Restricted	28,961,044	27,037,787	38,726,116	36,196,036	41,840,617	47,224,229	51,497,184	45,624,455	37,309,723	41,588,101
Unrestricted	(74,506,750)	(66,806,724)	(67,941,251)	(58,244,395)	(63,952,044)	(69,219,009)	(92,946,748)	(93,692,166)	(112,181,700)	(113,835,803)
Total governmental activities net position	\$ <u>132,379,440</u>	\$ <u>136,328,137</u>	\$ <u>138,077,313</u>	\$ <u>142,566,087</u>	\$ <u>136,106,671</u>	\$ <u>132,558,290</u>	\$ <u>108,213,269</u>	\$ <u>101,857,370</u>	\$ <u>69,464,700</u>	\$ <u>67,855,263</u>
Business-type activities										
Net Investment in capital assets	\$ 61,758,835	\$ 71,446,980	\$ 81,683,532	\$ 77,684,858	\$ 77,437,020	\$ 74,521,983	\$ 73,709,814	\$ 77,581,099	\$ 86,199,893	\$ 85,630,716
Restricted	7,010,353	7,852,141	6,872,034	9,571,719	11,877,345	19,902,679	18,697,704	23,266,536	23,180,381	22,942,855
Unrestricted	18,320,929	19,729,354	16,442,462	21,038,462	24,840,400	31,507,296	36,230,053	30,378,155	31,229,674	40,932,859
Total business-type activities net position	\$ <u>87,090,117</u>	\$ <u>99,028,475</u>	\$ <u>104,998,028</u>	\$ <u>108,295,039</u>	\$ <u>114,154,765</u>	\$ <u>125,931,958</u>	\$ <u>128,637,571</u>	\$ <u>131,225,790</u>	\$ <u>140,609,948</u>	\$ <u>149,506,430</u>
Primary government										
Net Investment in capital assets	\$ 239,683,981	\$ 247,544,054	\$ 248,975,980	\$ 242,299,304	\$ 235,655,118	\$ 229,075,053	\$ 223,372,647	\$ 227,506,180	\$ 230,536,570	\$ 225,733,681
Restricted	35,971,397	34,889,928	45,598,150	45,767,755	53,717,962	67,126,908	70,194,888	68,890,991	60,490,104	64,530,956
Unrestricted	(56,185,821)	(47,077,370)	(51,498,789)	(37,205,933)	(39,111,644)	(37,711,713)	(56,716,695)	(63,314,011)	(80,952,026)	(72,902,944)
Total primary government net position	\$ <u>219,469,557</u>	\$ <u>235,356,612</u>	\$ <u>243,075,341</u>	\$ <u>250,861,126</u>	\$ <u>250,261,436</u>	\$ <u>258,490,248</u>	\$ <u>236,850,840</u>	\$ <u>233,083,160</u>	\$ <u>210,074,648</u>	\$ <u>217,361,693</u>

Note: FY2013 the City implemented GASB 63 and GASB 65, so the format of the schedule has changed to be Net Position versus Net Assets

CITY OF ST. JOSEPH, MISSOURI
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 13,596,637	\$ 12,356,372	\$ 10,231,933	\$ 9,679,288	\$ 19,182,884	\$ 9,991,777	\$ 16,006,227	\$ 18,448,192	\$ 40,875,963	\$ 9,295,686
Public safety	25,728,700	24,624,508	24,144,704	26,855,874	28,023,361	35,484,112	48,607,386	34,365,931	32,549,070	39,802,618
Highways and streets	15,698,362	16,878,702	17,399,263	17,057,575	18,789,099	25,647,652	23,368,980	25,008,398	24,665,805	25,153,518
Public works	398,643	416,183	354,893	235,620	290,349	288,766	274,544	328,208	242,275	231,497
Health and welfare	6,380,731	5,383,486	4,995,710	4,850,675	5,430,715	4,697,365	5,725,515	2,925,000	6,348,688	5,902,256
Parks and Recreation	7,377,233	7,373,783	8,100,980	7,363,194	7,330,358	8,173,780	9,311,548	9,356,318	9,136,789	6,025,657
Interest on long-term debt	3,612,293	2,683,179	3,438,526	3,192,158	2,888,824	2,782,947	2,633,268	2,460,648	2,309,660	1,419,591
Total governmental activities expenses	<u>72,792,599</u>	<u>69,716,213</u>	<u>68,666,009</u>	<u>69,234,384</u>	<u>81,935,590</u>	<u>87,066,399</u>	<u>105,927,468</u>	<u>92,892,695</u>	<u>116,128,250</u>	<u>87,830,233</u>
Business-type activities:										
Aviation	1,127,663	1,087,908	1,059,518	1,190,984	1,259,261	1,296,177	1,409,019	1,273,139	1,294,636	1,555,299
Parking	328,919	348,149	339,368	353,047	365,141	337,849	3,081,451	515,345	571,296	608,348
Sewer	14,535,729	13,905,100	14,634,267	16,896,135	20,162,018	19,778,320	27,302,731	28,869,518	27,727,843	30,266,740
Golf	770,572	835,932	837,476	901,488	862,290	908,714	1,362,893	968,328	854,815	899,421
Transit	5,111,531	5,286,344	5,438,634	5,584,803	5,387,901	5,248,301	5,109,233	5,366,323	6,105,830	5,814,056
Landfill	2,811,194	3,003,318	2,862,856	2,677,926	3,176,737	2,211,857	2,797,134	7,648,114	3,003,856	3,522,651
Total business-type activities expenses	<u>24,685,608</u>	<u>24,466,751</u>	<u>25,172,119</u>	<u>27,604,383</u>	<u>31,213,348</u>	<u>29,781,218</u>	<u>41,062,461</u>	<u>44,640,767</u>	<u>39,558,276</u>	<u>42,666,515</u>
Total primary government expenses	<u>\$ 97,478,207</u>	<u>\$ 94,182,964</u>	<u>\$ 93,838,128</u>	<u>\$ 96,838,767</u>	<u>\$ 113,148,938</u>	<u>\$ 116,847,617</u>	<u>\$ 146,989,929</u>	<u>\$ 137,533,462</u>	<u>\$ 155,686,526</u>	<u>\$ 130,496,748</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 4,064,973	\$ 4,488,893	\$ 4,836,836	\$ 4,712,935	\$ 4,745,255	\$ 5,469,103	\$ 5,407,741	\$ 4,468,644	\$ 4,047,934	\$ 4,376,907
Public safety	665,299	680,798	821,264	936,478	737,997	715,576	638,595	755,672	678,684	686,477
Highways and streets	269,131	260,965	204,937	246,169	215,358	177,120	268,589	331,004	242,320	268,755
Public works	21,516	85,748	32,380	206,290	399,760	16,636	20,401	427,428	186,572	173,548
Health and welfare	655,605	559,092	626,570	539,526	572,768	604,724	587,871	605,431	655,758	537,678
Parks and Recreation	2,294,994	2,278,372	1,865,417	1,781,041	1,877,097	1,980,093	1,920,759	1,957,462	1,660,476	1,145,903
Operating grants and contributions	6,904,263	6,709,670	4,849,305	4,468,942	4,583,812	4,387,229	3,954,466	3,613,547	5,114,066	5,406,472
Capital grants and contributions	1,306,274	2,239,178	935,202	560,794	911,812	1,334,795	-	4,707,960	304,261	588,817
Total governmental activities program revenues	<u>16,182,055</u>	<u>17,302,716</u>	<u>14,171,911</u>	<u>13,452,175</u>	<u>14,043,859</u>	<u>14,685,276</u>	<u>12,798,422</u>	<u>16,867,148</u>	<u>12,890,071</u>	<u>13,184,557</u>
Business-type activities:										
Charges for services:										
Aviation	500,349	381,111	463,197	384,248	412,124	454,755	418,018	588,991	455,167	402,250
Parking	383,003	354,578	360,734	327,267	314,408	295,355	296,439	282,891	315,465	282,267
Sewer	15,727,445	17,807,964	19,630,962	19,861,888	22,446,892	26,037,495	28,155,237	32,044,839	31,596,160	30,881,157
Golf	705,864	783,605	820,578	802,264	789,054	805,081	713,740	674,987	631,975	527,243
Transit	357,891	394,945	350,978	343,364	385,106	319,896	344,438	352,726	992,201	546,246
Landfill	3,272,369	3,271,106	2,967,671	2,912,969	3,140,238	3,714,087	4,140,154	4,812,372	5,707,268	7,203,713
Operating grants and contributions	2,559,544	2,659,336	3,214,908	2,097,547	1,778,662	1,295,544	2,149,007	2,002,415	1,992,966	3,507,048
Capital grants and contributions	3,287,255	6,928,194	106,268	502,346	573,383	5,321,138	2,461,960	2,854,338	841,749	2,051,196
Total business-type activities program revenues	<u>26,793,720</u>	<u>32,580,839</u>	<u>27,915,296</u>	<u>27,231,893</u>	<u>29,839,867</u>	<u>38,243,351</u>	<u>38,678,993</u>	<u>43,613,559</u>	<u>42,532,951</u>	<u>45,401,300</u>
Total primary government program revenues	<u>\$ 42,975,775</u>	<u>\$ 49,883,555</u>	<u>\$ 42,087,207</u>	<u>\$ 40,684,068</u>	<u>\$ 43,883,726</u>	<u>\$ 52,928,627</u>	<u>\$ 51,477,415</u>	<u>\$ 60,480,707</u>	<u>\$ 55,423,022</u>	<u>\$ 58,585,857</u>
Net (expense)/revenue										
Governmental activities	(56,610,544)	(52,413,497)	(54,494,098)	(55,782,209)	(67,891,731)	(72,381,123)	(93,129,046)	(76,025,547)	(103,238,179)	(74,645,676)
Business-type activities	2,108,112	8,114,088	2,743,177	(372,490)	(1,373,481)	8,462,133	(2,383,468)	(1,027,208)	2,974,675	2,734,785
Total primary government net expense	<u>\$ (54,502,432)</u>	<u>\$ (44,299,409)</u>	<u>\$ (51,750,921)</u>	<u>\$ (56,154,699)</u>	<u>\$ (69,265,212)</u>	<u>\$ (63,918,990)</u>	<u>\$ (95,512,514)</u>	<u>\$ (77,052,755)</u>	<u>\$ (100,263,504)</u>	<u>\$ (71,910,891)</u>

CITY OF ST. JOSEPH, MISSOURI

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 12,404,637	\$ 13,285,118	\$ 13,013,990	\$ 13,221,988	\$ 13,541,862	\$ 13,874,251	\$ 13,961,024	\$ 14,268,098	\$ 14,621,647	\$ 14,838,890
Sales and use taxes	23,538,465	24,724,085	24,434,378	28,100,006	32,282,910	36,622,113	37,087,811	37,507,479	37,134,031	39,657,358
Franchise taxes	6,653,184	6,716,146	6,824,507	6,923,106	6,646,361	6,186,237	6,412,592	6,234,607	5,754,448	5,499,790
Motor fuel taxes	3,484,128	3,476,388	3,421,644	3,542,417	3,655,049	3,748,983	3,814,060	3,824,176	3,807,551	3,786,972
Cigarette taxes	439,289	438,673	422,366	395,181	386,003	375,690	373,764	343,259	319,150	316,502
Hotel taxes	443,127	815,756	913,963	856,089	1,088,009	1,234,623	1,181,911	1,226,751	1,226,919	1,009,569
Intergovernmental activity taxes	3,734,112	4,309,127	4,117,506	4,325,026	4,705,935	3,696,630	4,114,348	4,400,846	4,855,142	5,236,554
Unrestricted investment earnings	743,281	697,834	640,068	651,729	658,515	636,148	685,947	892,495	1,252,465	943,445
Gain (loss) on sale of capital assets	535	-	-	65,877	5,436	-	74,095	-	-	-
Transfers	414,691	1,899,067	2,454,852	2,189,564	2,658,816	2,632,071	1,078,473	1,942,184	1,874,156	1,747,159
Total governmental activities	<u>51,855,449</u>	<u>56,362,194</u>	<u>56,243,274</u>	<u>60,270,983</u>	<u>65,628,896</u>	<u>69,006,746</u>	<u>68,784,025</u>	<u>70,639,895</u>	<u>70,845,509</u>	<u>73,036,239</u>
Business-type activities:										
Sales and use taxes	4,085,862	4,291,043	4,249,381	4,373,653	4,456,303	4,583,310	4,607,892	4,644,256	4,577,219	4,852,494
Franchise taxes	1,109,866	1,130,630	1,154,809	1,272,415	1,217,843	1,150,648	1,159,486	1,232,496	1,044,293	1,030,234
Unrestricted investment earnings	330,070	295,082	233,696	212,997	197,631	195,615	400,176	(367,727)	2,626,049	1,968,907
Gain (loss) on sale of capital assets	-	6,582	43,342	-	-	-	-	-	(1,838,078)	57,221
Special item	5,380,449	-	-	-	-	-	-	-	-	-
Transfers	(414,691)	(1,899,067)	(2,454,852)	(2,189,564)	(2,549,131)	(2,614,513)	(1,078,473)	(1,718,384)	-	(1,747,159)
Total business-type activities	<u>10,491,556</u>	<u>3,824,270</u>	<u>3,226,376</u>	<u>3,669,501</u>	<u>3,322,646</u>	<u>3,315,060</u>	<u>5,089,081</u>	<u>3,790,641</u>	<u>6,409,483</u>	<u>6,161,697</u>
Total primary government	<u>\$ 62,347,005</u>	<u>\$ 60,186,464</u>	<u>\$ 59,469,650</u>	<u>\$ 63,940,484</u>	<u>\$ 68,951,542</u>	<u>\$ 72,321,806</u>	<u>\$ 73,873,106</u>	<u>\$ 74,430,536</u>	<u>\$ 77,254,992</u>	<u>\$ 79,197,936</u>
Changes in Net Position										
Governmental activities	\$ (4,755,095)	\$ 3,948,697	\$ 1,749,176	\$ 4,488,774	\$ (2,262,835)	\$ (3,374,377)	\$ (24,345,021)	\$ (5,385,652)	\$ (32,392,670)	\$ (1,609,437)
Business-type activities	12,599,668	11,938,358	5,969,553	3,297,011	1,949,165	11,777,193	2,705,613	2,763,433	9,384,158	8,896,482
Total primary government	<u>\$ 7,844,573</u>	<u>\$ 15,887,055</u>	<u>\$ 7,718,729</u>	<u>\$ 7,785,785</u>	<u>\$ (313,670)</u>	<u>\$ 8,402,816</u>	<u>\$ (21,639,408)</u>	<u>\$ (2,622,219)</u>	<u>\$ (23,008,512)</u>	<u>\$ 7,287,045</u>

Note: FY2013 the City implemented GASB 63 and GASB 65, so the format of the schedule has changed to be Net Position versus Net Assets

Table 3

CITY OF ST. JOSEPH, MISSOURI
 Governmental Activities Tax Revenues By Source
 Last Ten Fiscal Years
 (accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Fuel Tax	Cigarette Tax	Hotel Tax	Intergovernmental Activity Tax	Total
2011	\$ 12,404,637	\$ 23,538,465	\$ 6,653,184	\$ 3,484,128	\$ 439,289	\$ 443,127	\$ 3,734,112	\$ 50,696,942
2012	13,285,118	24,724,085	6,716,146	3,476,388	438,673	815,756	4,309,127	53,765,293
2013	13,013,990	24,434,378	6,824,507	3,421,644	422,366	913,963	4,117,506	53,148,354
2014	13,221,988	28,100,006	6,923,106	3,542,417	395,181	856,089	4,325,026	57,363,813
2015	13,541,862	32,282,910	6,646,361	3,655,049	386,003	1,088,009	4,705,935	62,306,129
2016	13,874,251	36,622,113	6,186,237	3,748,983	375,690	1,234,623	3,696,630	65,738,527
2017	13,961,024	37,087,811	6,412,592	3,814,060	373,764	1,181,911	4,114,348	66,945,510
2018	14,268,098	37,507,479	6,234,607	3,824,176	343,259	1,226,751	4,400,846	67,805,216
2019	14,621,647	37,134,031	5,754,448	3,807,551	319,150	1,226,919	4,855,142	67,718,888
2020	14,838,890	39,657,358	5,499,790	3,786,972	316,502	1,009,569	5,236,554	70,345,635

CITY OF ST. JOSEPH, MISSOURI
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

		Fiscal Year									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund	Nonspendable	\$ 408,508	\$ 469,113	\$ 499,662	\$ 127,450	\$ 329,141	\$ 237,066	\$ 169,302	\$ 173,556	\$ 233,391	\$ 350,499
	Restricted	409,628	715,017	1,141,146	1,503,232	2,043,949	2,681,140	5,781,503	8,008,140	8,016,392	9,053,596
	Committed	2,492,882	1,406,328	1,292,606	1,262,220	1,480,367	2,393,462	5,568,525	5,844,021	1,619,653	1,417,690
	Assigned	1,206,978	3,259,079	3,135,856	3,712,053	3,021,204	1,854,439	2,412,754	2,441,448	2,265,418	1,722,432
	Unassigned	3,176,846	4,160,485	5,807,342	6,837,653	9,384,702	13,218,788	7,976,680	4,906,522	8,939,604	9,183,241
Total General Fund		\$ 7,694,842	\$ 10,010,022	\$ 11,876,612	\$ 13,442,608	\$ 16,259,363	\$ 20,384,895	\$ 21,908,764	\$ 21,373,687	\$ 21,074,458	\$ 21,727,458
All other governmental funds											
Nonspendable		\$ -	\$ 147,548	\$ 125,002	\$ 59,688	\$ 64,529	\$ 59,018	\$ 63,287	\$ 100,318	\$ 99,648	\$ 429,506
Restricted		30,860,074	29,170,639	32,890,892	35,175,720	40,259,086	37,850,140	39,832,064	32,356,816	23,831,257	23,935,534
Assigned		1,848,352	(285,298)	-	-	-	-	-	-	-	-
Unassigned		-	-	-	-	-	-	-	(252,087)	(325,812)	-
Total all other governmental funds		\$ 32,708,426	\$ 29,032,889	\$ 33,015,894	\$ 35,235,408	\$ 40,323,615	\$ 37,909,158	\$ 39,895,351	\$ 32,205,047	\$ 23,605,093	\$ 24,365,040

CITY OF ST. JOSEPH, MISSOURI
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 51,796,371	\$ 53,824,015	\$ 53,177,858	\$ 57,428,912	\$ 62,297,555	\$ 65,694,109	\$ 66,969,877	\$ 67,759,325	\$ 67,699,704	\$ 70,388,761
Licenses, fees and permits	1,438,472	1,493,098	1,481,598	1,492,146	1,531,031	1,559,764	1,559,402	1,425,212	1,599,192	1,326,686
Intergovernmental	8,086,513	6,667,413	6,161,673	4,604,559	5,576,566	5,859,371	4,194,178	8,373,638	4,999,169	5,964,087
Charges for services	4,223,558	3,801,507	4,616,555	4,168,520	4,473,445	4,505,848	4,335,351	4,435,700	4,066,753	3,588,135
Fines, forfeitures, and court costs	929,267	922,214	1,170,983	1,251,520	1,106,527	1,028,255	809,507	627,572	640,384	569,752
Assesments	26,002	30,610	35,220	68,741	29,182	22,665	20,971	18,928	23,815	26,138
Investment earnings	340,348	696,623	638,735	650,588	657,155	632,413	678,490	870,048	1,211,840	912,715
Other	3,206,392	2,457,992	1,626,120	1,922,109	1,930,301	2,392,542	2,700,407	2,658,126	1,802,224	2,562,006
Total revenues	<u>70,046,923</u>	<u>69,893,472</u>	<u>68,908,742</u>	<u>71,587,095</u>	<u>77,601,762</u>	<u>81,694,967</u>	<u>81,268,183</u>	<u>86,168,549</u>	<u>82,043,081</u>	<u>85,338,280</u>
Expenditures										
General government	11,401,238	9,197,296	9,987,736	9,092,825	8,782,284	8,825,428	9,693,472	10,321,756	9,877,956	10,308,294
Public safety	22,913,580	23,042,799	23,401,114	24,466,592	25,917,269	27,316,892	27,473,546	28,768,897	30,638,380	30,496,670
Highways and streets	8,142,562	8,195,698	8,376,243	8,953,664	8,850,821	8,801,774	8,627,429	8,953,520	9,856,475	9,922,136
Public works	252,137	272,492	212,831	235,200	293,853	307,912	247,835	305,944	248,315	250,039
Health and welfare	4,963,446	5,167,350	4,874,842	4,677,049	5,282,713	4,938,253	5,022,049	4,997,039	6,275,646	5,458,296
Parks and recreation	4,818,778	4,714,047	5,511,231	5,656,119	5,709,258	5,929,834	6,172,915	6,582,838	6,461,490	5,741,838
Capital outlay	9,757,181	11,078,324	4,805,192	9,340,646	10,103,530	19,013,553	14,250,639	29,098,322	14,939,713	12,961,763
Debt Service										
Principal	3,742,547	6,447,821	4,142,728	5,237,826	4,832,814	4,792,181	4,880,410	5,061,527	4,309,643	9,164,867
Interest and bond costs	3,553,716	3,805,053	3,432,401	2,973,193	2,816,596	2,712,344	2,564,290	2,393,600	2,299,045	1,461,869
Total expenditures	<u>69,545,185</u>	<u>71,920,880</u>	<u>64,744,318</u>	<u>70,633,114</u>	<u>72,589,138</u>	<u>82,638,171</u>	<u>78,932,585</u>	<u>96,483,443</u>	<u>84,906,663</u>	<u>85,765,772</u>
Excess of revenues over (under) expenditures	501,738	(2,027,408)	4,164,424	953,981	5,012,624	(943,204)	2,335,598	(10,314,894)	(2,863,582)	(427,492)
Other Financing Sources (Uses)										
Transfers in	13,505,542	8,965,682	5,899,033	8,270,465	8,860,629	9,540,662	9,856,588	12,084,851	14,074,285	10,473,603
Transfers out	(11,874,966)	(7,066,615)	(3,287,456)	(5,560,001)	(6,201,813)	(6,908,591)	(8,778,115)	(10,142,667)	(12,200,129)	(8,726,444)
Issuance of debt	-	6,685,000	8,685,000	-	-	-	-	-	19,360,000	-
Payment to refunded bond escrow agent	-	(6,420,443)	(9,647,589)	-	-	-	-	-	(29,599,332)	-
Capital lease proceeds	198,694	163,180	20,003	-	233,522	118,304	21,896	-	2,240,000	-
Sale of capital assets	535	310,115	16,180	121,065	-	77,908	74,095	147,329	89,575	93,280
Total other financing sources (uses)	<u>1,829,805</u>	<u>2,636,919</u>	<u>1,685,171</u>	<u>2,831,529</u>	<u>2,892,338</u>	<u>2,828,283</u>	<u>1,174,464</u>	<u>2,089,513</u>	<u>(6,035,601)</u>	<u>1,840,439</u>
Net change in fund balances	\$ <u>2,331,543</u>	\$ <u>609,511</u>	\$ <u>5,849,595</u>	\$ <u>3,785,510</u>	\$ <u>7,904,962</u>	\$ <u>1,885,079</u>	\$ <u>3,510,062</u>	\$ <u>(8,225,381)</u>	\$ <u>(8,899,183)</u>	\$ <u>1,412,947</u>
Debt service as a percentage of non capital expenditures	11.71%	16.85%	12.15%	12.88%	11.41%	10.23%	10.34%	9.08%	8.36%	13.30%

CITY OF ST. JOSEPH, MISSOURI
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

Fiscal Year	Property Tax (1)	Sales Tax	Cigarette Tax	Motor Vehicle Tax	Utility Franchise Tax	Hotel Motel Tax	Intergovernmental Activity Tax	Total
2011	\$ 12,349	\$ 23,538	\$ 439	\$ 3,484	\$ 7,808	\$ 443	\$ 3,734	\$ 51,795
2012	13,344	24,724	439	3,476	6,716	816	4,309	53,824
2013	13,040	24,437	422	3,422	6,826	914	4,118	53,179
2014	13,287	28,100	395	3,543	6,923	856	4,325	57,429
2015	13,533	32,283	386	3,655	6,646	1,088	4,706	62,297
2016	13,830	36,622	376	3,749	6,186	1,235	3,697	65,695
2017	13,985	37,088	374	3,814	6,413	1,182	4,114	66,970
2018	14,222	37,507	343	3,824	6,235	1,227	4,401	67,759
2019	14,602	37,134	319	3,808	5,754	1,227	4,855	67,699
2020	14,882	39,657	317	3,787	5,500	1,010	5,237	70,389

(1) Includes interest and penalties.

CITY OF ST. JOSEPH, MISSOURI
Total City Taxable Sales by Category
Last Ten Calendar Years
(in thousands of dollars)

Sales by Retail Category:	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Apparel stores	\$ 34,625	\$ 43,434	\$ 45,680	\$ 48,277	\$ 50,121	\$ 49,710	\$ 36,678	\$ 36,539	35,600	N/A
General merchandise	311,672	313,507	312,147	311,553	315,705	314,101	114,413	326,300	329,915	N/A
Food stores	132,028	134,628	137,249	145,043	151,506	153,656	1,929	1,726	6,335	N/A
Eating and drinking establishments	137,208	143,499	147,355	149,938	155,787	160,098	152,226	153,861	164,775	N/A
Home furnishings and appliances	31,081	31,121	33,360	38,032	39,430	43,282	26,175	26,635	25,270	N/A
Building materials and farm tools	49,274	42,416	52,590	59,726	65,058	64,026	20,872	40,442	50,043	N/A
Construction/Remodeling	4,484	4,392	6,778	6,804	16,999	30,495	32,859	42,887	43,687	N/A
Auto dealers and supplies	95,806	100,357	97,295	173,595	111,131	119,216	79,624	85,294	90,948	N/A
Wholesale Trade	20,349	30,000	42,462	50,661	56,500	65,080	285,411	296,553	318,834	N/A
Hotels, Motels	10,926	11,896	11,985	14,901	17,862	17,904	19,548	20,339	20,342	N/A
Communication	38,198	23,359	21,950	23,169	21,191	21,649	24,434	23,912	22,007	N/A
Other retail stores	77,622	76,761	78,351	82,641	92,079	98,505	100,920	146,570	145,929	N/A
All other outlets	45,405	53,414	87,852	87,488	110,178	118,413	81,997	120,724	142,905	N/A
Total	\$ 988,678	\$ 1,008,784	\$ 1,075,054	\$ 1,191,828	\$ 1,203,547	\$ 1,256,135	\$ 977,086	\$ 1,321,782	1,396,590	-

Note: Amounts for 2020 are not provided due to only receiving partial year figures.

Source: Retail categories and information provided by Missouri Department of Revenue.

Table 8

CITY OF ST. JOSEPH, MISSOURI
Sales Tax Rates
Direct and Overlapping Governments
Last Ten Calendar Years
(in percent)

Direct Sales Tax Rate City of St. Joseph	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Public Safety					0.500	0.500	0.500	0.500	0.500	0.500
Capital Improvements	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Mass Transit	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Total Direct Sales Tax Rate	2.375	2.375	2.375	2.375	2.875	2.875	2.875	2.875	2.875	2.875
Total Local Option Sales Tax Rate										
State of Missouri										
General Sales Tax	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Education	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Conservation	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Parks and Soil	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Total State of Missouri	4.225									
Buchanan County										
General Sales Tax	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Law Enforcement	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Capital Improvements	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
County Tourism	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Ambulance					0.250	0.250	0.250	0.250	0.250	0.250
Levee Allocation								0.250	0.250	0.250
Total Buchanan County	1.100	1.100	1.100	1.100	1.350	1.350	1.350	1.600	1.600	1.600
City of St. Joseph	2.375	2.375	2.375	2.375	2.875	2.875	2.875	2.875	2.875	2.875
Total Direct and Overlapping Sales Tax Rate	7.700	7.700	7.700	7.700	8.450	8.450	8.450	8.700	8.700	8.700

Sources: Missouri Department of Revenue
City of St. Joseph Revenue Manual

CITY OF ST. JOSEPH, MISSOURI
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	Real Property (1)		Personal Property		Railroad & Utility		Total			Ratio of Total Assess Value To Total Estimated Actual Value
	Assess Value(2)	Estimated Actual Value	Assess Value	Estimated Actual Value	Assess Value	Estimated Actual Value	Assess Value	Direct Tax Rate	Estimated Actual Value	
2011	\$ 636,915	\$ 2,848,165	\$ 284,496	\$ 862,110	\$ 21,012	\$ 63,672	\$ 942,423	1.53	\$ 3,773,947	25.0%
2012	676,612	3,004,808	270,539	819,814	28,193	85,434	975,344	1.53	3,910,056	24.9%
2013	684,120	3,031,268	238,786	723,594	31,627	95,840	954,533	1.55	3,850,702	24.8%
2014	690,096	3,055,487	238,274	722,042	39,727	120,384	968,097	1.55	3,897,914	24.8%
2015	697,860	3,084,821	244,647	741,354	40,675	123,258	983,182	1.55	3,949,433	24.9%
2016	707,450	3,116,802	248,117	751,869	44,776	135,684	1,000,343	1.55	4,004,356	25.0%
2017	716,782	3,150,595	249,390	755,726	46,824	141,891	1,012,996	1.55	4,048,212	25.0%
2018	735,359	3,218,780	245,370	743,547	41,786	126,623	1,022,515	1.55	4,088,950	25.0%
2019	745,232	3,250,427	260,674	789,923	43,518	131,873	1,049,424	1.55	4,172,223	25.2%
2020	754,119	3,282,701	274,338	831,326	43,767	132,626	1,072,224	1.55	4,246,653	25.2%

CITY OF ST. JOSEPH, MISSOURI
 Property Tax Rates
 Direct and Overlapping Governments
 Last Ten Fiscal Years
 (rate per \$100 assessed value)

Fiscal Year	City Direct Rates								Overlapping Rates (1)			
	General Fund	Public Safety	Debt Service	Public Health	Parks & Recreation	Museum	Library	Total City of St. Joseph	State of Missouri	St. Joseph School District	Buchanan County	Total
2011	0.60	0.07	-	0.21	0.20	0.05	0.40	1.53	0.03	4.00	0.46	6.02
2012	0.60	0.07	-	0.21	0.20	0.05	0.40	1.53	0.03	4.00	0.48	6.04
2013	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	4.14	0.46	6.19
2014	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	4.12	0.46	6.17
2015	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	4.12	0.46	6.17
2016	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	3.43	0.46	5.48
2017	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	3.57	0.45	5.61
2018	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	3.57	0.46	5.62
2019	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	3.63	0.46	5.67
2020	0.60	0.07	-	0.22	0.20	0.05	0.41	1.55	0.03	4.24	0.47	6.29

Notes: (1) County Tax Breakdown for Current Year:

General Fund	0.08
Road & Bridge Fund	0.29
Handicap	<u>0.10</u>
Total County	<u><u>0.47</u></u>

CITY OF ST. JOSEPH, MISSOURI
PRINCIPAL TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO

TAXPAYER	TYPE OF BUSINESS	2020			2011		
		ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION(1)	2010 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION
Boehringer Ingelheim Animal Health	Animal Health Manufacturer	\$ 22,741,540	1	2.12%	\$ 11,471,610	8	1.22%
AG Processing	Soybean Processing	17,602,840	2	1.64%	17,848,935	1	1.89%
Mosaic Lifecare	Healthcare Industry	17,354,300	3	1.62%	12,441,400	6	1.32%
Midland Empire Retail, LLC	Shopping Mall	15,465,330	4	1.44%	14,584,850	3	1.55%
Nestle USA Inc	Pet Food Manufacturing	12,909,940	5	1.20%	10,148,910	10	1.08%
Johnson Controls Battery Group	Food Manufacturing	12,718,720	6	1.19%	13,572,260	4	1.44%
Triumph Foods LLC	Pork Processing	12,522,540	7	1.17%	11,658,240	7	1.24%
American Family Mutual Insurance	Insurance	10,537,370	8	0.98%	10,165,350	9	1.08%
Cole PC St Joseph MO LLC	Shopping Center	9,398,620	9	0.88%			
St. Joseph Foods	Meat Manufacturer	8,939,030	10	0.83%	13,054,185	5	1.39%
Missouri American Water	Water Utility				16,550,550	2	1.76%
		<u>\$ 140,190,230</u>		<u>13.07%</u>	<u>\$ 131,496,290</u>		<u>13.95%</u>

Table 12

CITY OF ST. JOSEPH, MISSOURI
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for Fiscal Year	Collected within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 14,261,209	\$ 13,532,867	94.89%	\$ 709,307	\$ 14,242,174	99.87%
2012	14,600,231	14,283,412	97.83%	314,279	14,597,691	99.98%
2013	13,803,855	13,737,726	99.52%	62,540	13,800,266	99.97%
2014	14,382,659	14,016,700	97.46%	364,752	14,381,451	99.99%
2015	14,399,375	12,853,103	89.26%	906,589	13,759,692	95.56%
2016	14,830,223	14,529,043	97.97%	291,693	14,820,736	99.94%
2017	15,003,629	14,485,665	96.55%	455,856	14,941,521	99.59%
2018	15,349,661	14,941,317	97.34%	390,722	15,332,039	99.89%
2019	15,401,865	15,114,369	98.13%	282,985	15,397,355	99.97%
2020	15,849,542	15,402,492	97.18%	-	15,402,492	97.18%

CITY OF ST. JOSEPH, MISSOURI
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					
	PBA	MDFB	IFB/IDA	Developer Obligations	Capital Leases	Loans
2011	\$ 155,961	\$ 1,860,000	\$ 59,755,000	\$ 31,948,993	\$ 195,021	\$ -
2012	106,675	1,750,000	55,930,034	29,730,100	305,458	-
2013	52,591	1,463,046	54,150,000	27,946,881	220,719	-
2014	-	1,357,151	51,235,000	26,152,384	109,006	-
2015	-	1,246,256	48,715,000	33,477,507	222,752	-
2016	-	1,130,361	46,065,000	32,034,429	260,637	-
2017	-	1,009,466	43,230,000	34,612,468	197,704	-
2018	-	883,571	40,255,000	34,261,156	102,180	-
2019	-	810,064	28,230,000	62,139,099	2,282,620	-
2020	-	661,842	21,730,000	59,859,708	2,132,330	-

Fiscal Year	Business-Type Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	PBA	MDFB	Revenue Bonds	Special Obligations	Capital Leases	Loans			
2011	\$ 167,981	\$ 9,950,000	\$ 26,906,079	\$ -	\$ 77,957	\$ -	\$ 131,016,992	5.25%	\$ 32,533
2012	115,121	9,465,000	47,438,000	-	50,401	-	144,890,789	5.57%	33,732
2013	57,409	8,290,000	48,380,411	-	86,117	-	140,647,174	5.36%	34,189
2014	-	7,700,000	60,547,713	-	248,814	-	147,350,068	5.32%	36,068
2015	-	7,100,000	110,611,267	-	203,704	-	201,576,486	7.24%	36,259
2016	-	6,485,000	150,239,330	-	157,091	-	236,371,848	8.00%	38,562
2017	-	5,850,000	159,199,307	2,545,560	123,302	-	246,767,807	8.35%	36,942
2018	-	5,195,000	195,729,197	2,058,654	154,246	-	278,639,004	9.71%	37,350
2019	-	4,520,000	199,635,729	1,887,148	113,396	-	299,618,056	9.80%	39,810
2020	-	3,825,000	197,762,380	1,708,991	424,907	-	288,105,158	9.43%	39,810

(1) Bureau of Economic Analysis

CITY OF ST. JOSEPH, MISSOURI
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Est. Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Less Amounts Available in Debt Service	Total		
2010	\$ -	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-

Note: The City does not have any General Bonded Debt over the past ten fiscal years. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF ST. JOSEPH, MISSOURI
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
St. Joseph School District	\$ 34,310,000	95.75%	\$ <u>32,851,825</u>
Subtotal, overlapping debt			32,851,825
City of St. Joseph direct debt			84,407,038
Total direct and overlapping debt			\$ <u><u>117,258,863</u></u>

Sources: Assessed valuation data and outstanding debt provided by the St. Joseph School District and Buchanan County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of St. Joseph, Missouri. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF ST. JOSEPH, MISSOURI
Legal Debt Margin Information
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit (1)	\$ 188,484,606	\$ 195,068,675	\$ 190,906,624	\$ 193,619,382	\$ 196,636,348	\$ 200,068,599	\$ 202,599,177	\$ 204,503,098	\$ 209,884,822	\$ 214,444,705
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 188,484,606	\$ 195,068,675	\$ 190,906,624	\$ 193,619,382	\$ 196,636,348	\$ 200,068,599	\$ 202,599,177	\$ 204,503,098	\$ 209,884,822	\$ 214,444,705
Total net debt applicable to the limit as a percentage of debt limit	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed Value	\$ 1,072,223,524
Debt Limit (20% of assessed value)	214,444,705
General obligation:	-
Total Bonded Debt	-
Less:	
Total net debt applicable to limit	-
Legal debt margin	\$ 214,444,705

Notes:

(1) Total tangible property assessed value as of January 1, 2018 as certified by the County Clerk on June 30, 2018

(2) Section 95.115 of the 1986 Missouri Revised Statutes permits any county or city, by vote of two-thirds of qualified electors voting thereon, to incur an indebtedness for city purposes not to exceed 5 percent of the taxable tangible property therein, as shown by the last assessment.

Section 95.120 of the 1986 Missouri Revised Statutes permits any county or city, by a vote of two-thirds of qualified electors voting thereon, to incur additional indebtedness of city purposes not to exceed 5 percent of the taxable property therein, as shown by the assessment.

Section 95.125 and 95.130 of the 1986 Missouri Revised Statutes provides that any city may become indebted not exceeding in the aggregate an additional ten percent for the purpose of acquiring right-of-ways, constructing, extending and improving streets and avenues and/or sanitary sewer system and an additional ten percent for purchasing or construction of waterworks, electric or other light plants provided the total general obligation indebtedness of the city does not exceed twenty percent of the assessed valuation.

CITY OF ST. JOSEPH, MISSOURI
 Pledged-Revenue Coverage
 Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal Year	Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
<u>Sewer</u>						
2011	\$ 16,849	\$ 10,901	\$ 5,948	\$ 1,845	\$ 1,780	1.64
2012	20,411	9,163	11,248	2,233	2,731	2.27
2013	21,917	12,117	9,800	2,400	2,465	2.01
2014	22,736	13,709	9,027	3,098	3,636	1.34
2015	24,447	13,617	10,830	2,945	4,129	1.53
2016	27,509	13,308	14,201	6,972	4,115	1.28
2017	29,417	14,812	14,605	7,586	4,050	1.26
2018	32,170	12,659	19,511	9,602	5,200	1.32
2019	32,902	13,151	19,751	9,958	4,904	1.33
2020	32,139	24,007	8,132	10,266	4,658	0.54

T-18

CITY OF ST. JOSEPH, MISSOURI
 Demographic and Economic Statistics
 Last Ten Calendar Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2011	76,780	\$ 2,497,884	\$ 32,533	37.90	11,737	5.73%
2012	77,185	2,603,604	33,732	38.10	11,039	5.70%
2013	76,780	2,625,031	34,189	35.60	11,387	5.80%
2014	76,780	2,769,301	36,068	35.60	11,244	5.80%
2015	76,780	2,783,966	36,259	35.70	12,034	5.50%
2016	76,596	2,953,695	38,562	35.70	11,534	4.50%
2017	76,472	2,825,029	36,942	36.20	11,117	3.60%
2018	76,809	2,868,816	37,350	37.70	10,591	2.10%
2019	76,780	3,056,612	39,810	37.80	10,684	3.20%
2020	76,780	3,056,612	39,810	37.80	10,919	5.70%

T-19

- Sources:
- 1 Bureau of Economic Analysis
 - 2 Census.gov
 - 3 Information provided by school districts.
 - 4 Bureau of Labor Statistics

CITY OF ST. JOSEPH, MISSOURI
 Principal Employers
 2020 and 2011

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Mosaic Life Care	3,301	1	5.63%	3,451	1	5.50%
Triumph Foods	2,900	2	4.95%	2,740	2	4.37%
139th Airlift Wing-MO Air National Guard	1,663	3	2.84%			
St. Joseph School District	1,635	4	2.79%	1,807	3	2.88%
Boehringer Ingelheim Vetmedica	1,170	5	1.99%	947	4	1.51%
Clarius (formally Johnson Controls)	727	6	1.24%			
Tyson Foods	670	7	1.14%	700	7	1.12%
City of St. Joseph	656	8	1.12%	648	8	1.03%
American Family	631	9	1.08%	757	6	1.21%
Missouri Western State University	536	10	0.91%	534	10	0.85%
Altec Industries				940	5	1.50%
Western Reception Diagnostic & Correctional Center				576	9	0.92%
Total	13,889		23.69%	13,100		20.90%

Source: St. Joseph Area Chamber of Commerce

CITY OF ST. JOSEPH, MISSOURI
Full-time City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Mayor/Council	1	1	1	1	1	1	1	1	1	1
City Clerk	2	2	2	2	2	2	2	2	2	2
City Manager	5	4	4	4	4	5	5	7	6	5
Technology & Communications	5	4	4	4	4	4	4	5	5	5
Municipal Court	5	5	5	5	5	5	5	5	5	5
Legal	6	6	6	6	5	9	8	8	8	8
Administrative Services	15	16	17	18	17	17	17	16	14	14
Human Resources	5	5	5	5	5	5	5	4	3	5
Customer Assistance	15	3	3	3	3	3	3	3	3	3
Public Safety										
Police - Arrest Powers	116	115	113	116	125	126	128	133	133	137
Police - Civilian	44	42	43	42	41	44	43	44	44	39
Fire Protection	127	124	128	127	125	127	124	126	127	125
Fire - Civilian	3	3	3	3	3	3	3	3	3	3
Public Works										
Engineering	9	9	8	9	9	9	9	10	10	9
Public Works Administration	5	5	6	6	5	6	6	6	5	4
Streets	63	58	62	56	58	58	59	61	57	54
Traffic	8	7	8	8	8	7	8	8	8	8
Airport	6	5	6	6	6	6	6	6	6	6
Parking Services	6	5	4	5	5	5	4	5	5	3
Landfill	18	18	17	17	16	16	17	17	18	19
Recycling Center	2	2	2	2	2	2	2	2	2	2
Sewer Maintenance	20	24	21	22	23	24	21	22	24	21
Water Pollution Control	51	50	53	53	55	52	49	54	54	54
Health Department	41	40	40	41	41	40	41	42	42	41
Parks and Recreation	51	52	53	53	48	54	55	55	54	53
Community Development										
Planning	3	5	5	5	5	6	4	4	4	4
Housing & Community Dev	7	15	15	14	14	12	15	13	13	13
Property Maintenance	9	10	9	10	10	10	9	9	11	13
Total	648	635	643	643	645	658	653	671	667	656

T-21

Source: City of St. Joseph Annual Report

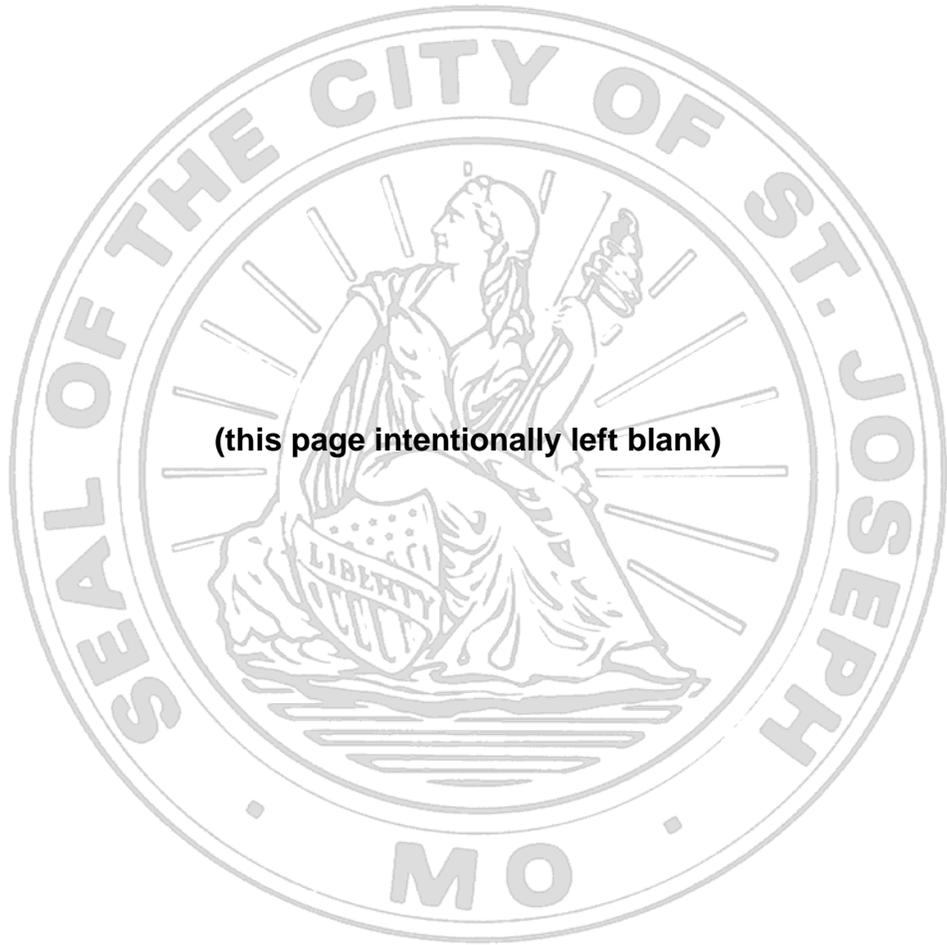
CITY OF ST. JOSEPH, MISSOURI
Operating Indicators by Function/Program
Last Ten Fiscal Years

T-22

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police										
Physical Arrests	5,275	4,870	6,958	7,262	6,612	6,614	5,918	5,672	6,184	5,660
Traffic Violations	11,084	14,080	12,235	11,312	12,542	15,567	15,656	9,755	11,744	14,637
Parking Violations	8,719	8,532	9,196	7,130	7,285	6,758	7,097	4,587	6,278	4,476
Fire										
Total Alarms	9,049	9,651	8,461	8,836	9,111	9,604	10,301	11,191	12,199	12,677
Inspections	419	442	565	754	628	698	650	820	865	927
Water										
Number of customers	32,014	32,004	32,004	31,993	31,993	31,892	31,892	31,945	31,878	32,106
Daily Average Water Consumption	17,589,000	17,584,000	17,866,000	17,729,000	17,729,000	17,210,000	17,210,000	20,219,000	16,911,000	17,120,000
Sewer										
Number of customers	26,875	26,836	25,723	24,625	24,625	26,357	26,284	26,281	26,388	25,487
Daily Average Wastewater Treated	17,000,000	15,000,000	15,000,000	17,000,000	17,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000

CITY OF ST. JOSEPH, MISSOURI
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
T-23	Public Safety										
	Police										
	Police stations	1	1	1	1	1	1	1	1	1	1
	Vehicles	119	122	107	118	122	122	118	122	123	122
	Fire										
	Fire Stations	9	9	9	9	9	9	9	9	9	9
	Public Works										
	Total area (square miles)	46.500	46.500	46.500	46.500	46.500	44.770	44.770	44.770	44.770	44.770
	Paved miles	432.3	432.3	434.8	433.1	433.1	433.1	433.1	437.0	437.0	437.0
	Culture and Recreation										
Park acreage	2,000	2,000	2,000	2,000	2,000	1,500	1,500	1,500	1,500	1,500	
Parks	46	46	46	46	46	36	36	36	36	36	
Ball Fields	23	23	23	23	23	23	23	23	23	23	
Community Centers	1	1	1	1	1	3	3	3	3	3	
Golf Courses	1	1	1	1	1	1	1	1	1	1	
Ice Arenas	1	1	1	1	1	1	1	1	1	1	
Swimming Pools	3	3	3	3	3	2	2	2	2	2	
Tennis Courts	21	21	21	21	21	21	21	21	21	21	
Power and Light											
Power stations	12	12	12	12	12	12	12	13	13	13	
Transmission/Distribution Circuits (miles)	593.32	595.45	598.04	601.01	601.01	601.01	601.01	604.27	604.13	605.37	
Street Lights	6,943	6,952	6,952	6,952	6,952	6,952	6,952	7,117	7,050	7,056	
Water											
Water mains (miles)	619	619	620	620	620	621	621	641	628	643	
Fire hydrants	3,031	3,030	3,032	3,043	3,043	3,086	3,086	3,114	3,120	3,140	
Maximum daily pumpage (millions of gallons)	24	24	26	26	26	23	23	23	22	22	
Sewer											
Number of treatment plants	1	1	1	1	1	1	1	1	1	1	
Sewers mains (miles)	397	402	403	406	406	406	406	406	406	406	
Maximum daily capacity of treatment (MGD)	27	27	27	27	27	54	54	54	54	54	



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