

Annual Comprehensive Financial Report

City of
St. Joseph
Missouri



For the fiscal year ended June 30, 2021

CITY OF ST. JOSEPH, MISSOURI

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prepared by the Administrative Services Department

Amy Cohorst
Interim Administrative Services Director

CITY OF ST. JOSEPH, MISSOURI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

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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

Bryan Carter
City Manager

Interim Administrative Services

Amy Cohorst

City Attorney

Lisa Robertson

City Clerk

Paula Heyde

Fire Chief

Kenny Cordonnier

Human Resources

Amy Cohorst

Parks, Recreation & Civic Facilities

Chuck Kempf

Planning & Community Development

Clint Thompson

Police Chief

Chris Connally

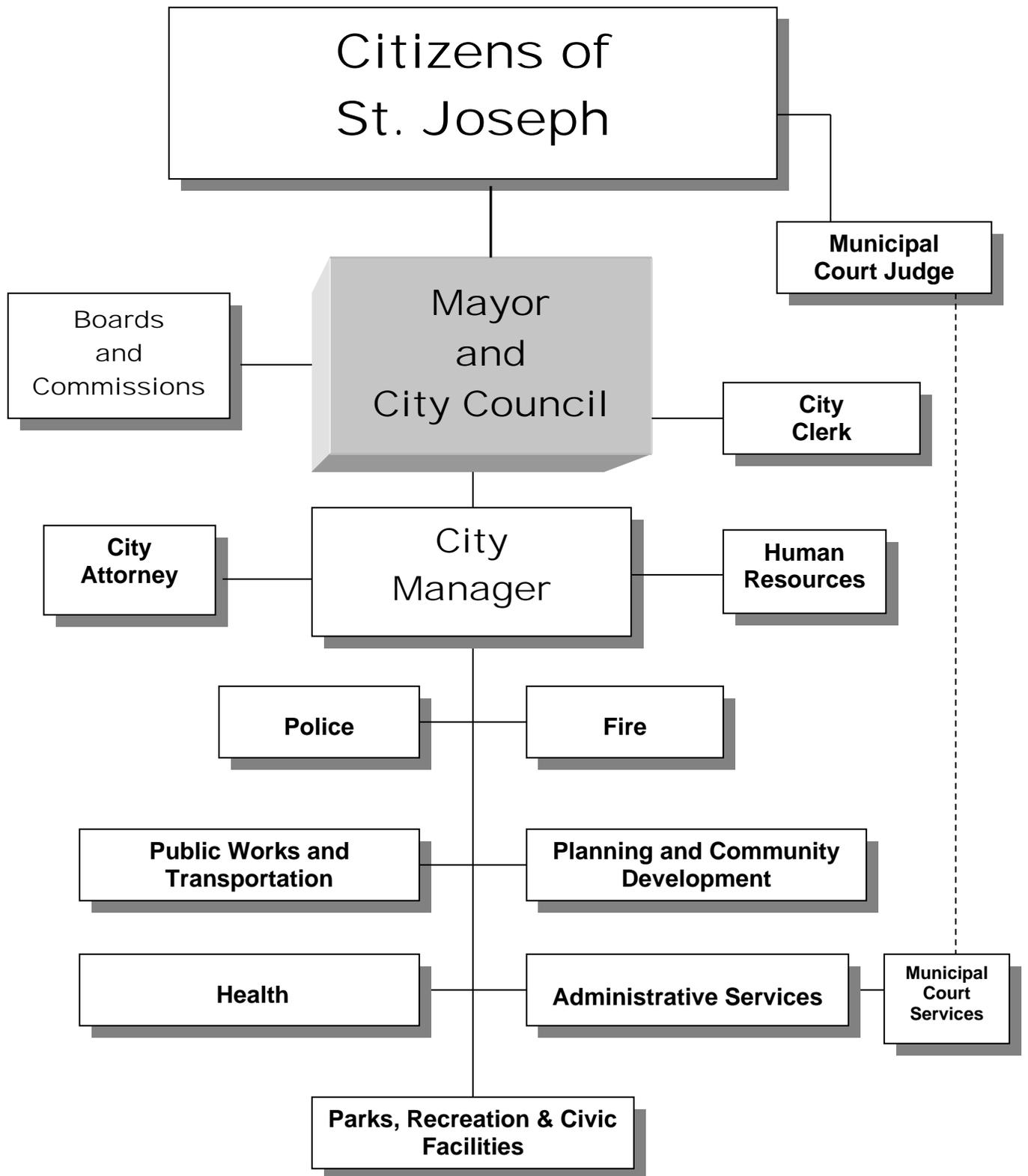
Public Health

Debra Bradley

Public Works & Transportation

Andy Clements

ORGANIZATION CHART



January 14, 2022

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

The annual comprehensive financial report of the City of St. Joseph, Missouri (the City) for the Fiscal Year Ended June 30, 2021, 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 Cochran, Head, Vick, & Co., P.C. has audited the City's financial statements. The purpose of the audit conducted by Cochran, Head, Vick & Co., P.C. was to review and provide reasonable assurance that the City's financial statements for fiscal year ended June 30, 2021, 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 if 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 163,279. The City's population of 72,473 represents 44% 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 63,336 with 60,647 employed for the period ending June 30, 2021, producing an unemployment rate of 4.3. Compared to last year at this time the unemployment rate was 5.7%. The City's 4.3 unemployment rate is the same as Missouri's rate.

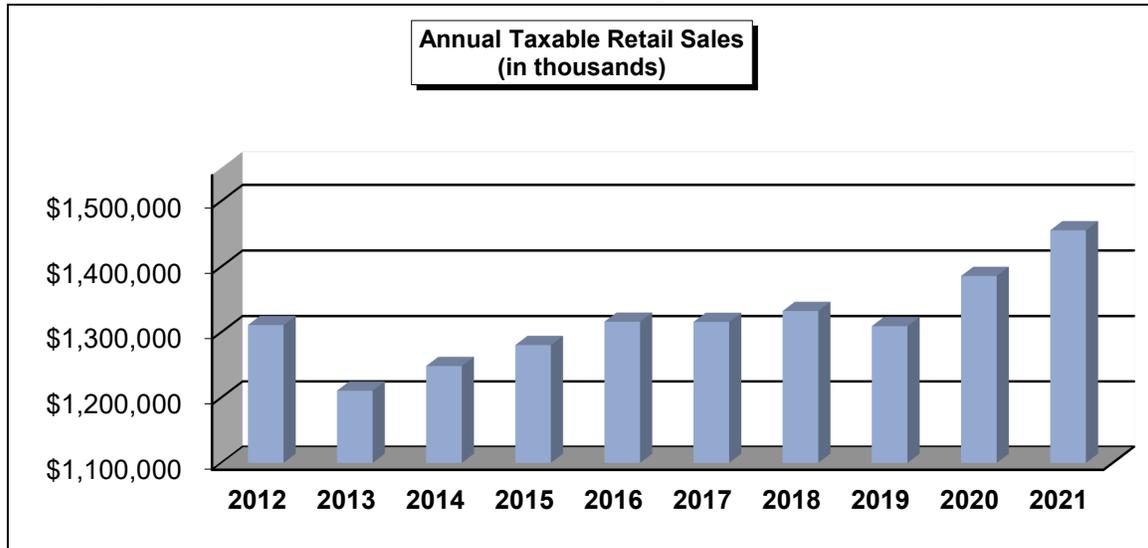
Major Employers

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 2,922 jobs, or 4.8% 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 13,052 jobs, representing 21.5% 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	2,922	4.8%
Triumph Foods	Pork Processing	2,900	4.8%
139 th Airlift Wing-MO Air National Guard	Military / Government	1,663	2.7%
St. Joseph School District	Public Education	1,635	2.7%
Boehringer Ingelheim Vetmedica	Animal Pharmaceuticals	1,070	1.8%
Tyson Foods	Food Manufacturer	670	1.1%
American Family	Insurance	664	1.1%
City of St. Joseph	Local Government	634	1.0%
Clarios, LLC	Battery Manufacturer	460	0.8%
Missouri Western State University	Higher Education	434	0.7%
Total		13,052	21.5%

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 grew in fiscal year 2021 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/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 20 bond issuances and 16 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, 2021, there are ten (10) 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 twelve (12) TIF developments at June 30, 2021.
- Developer Agreements – Special assessments, tax abatements, loans and other financing assistance negotiated directly between the city and the business requesting such assistance to achieve a common objective generally held to be in the best interest of the community. The City has four (3) Developer Agreements at June 30, 2021.
- Community Improvement Districts (CID) – Special assessments, taxes and/or fees can be established to make improvements and support business activity and economic development within designated boundaries of the district. There are eight (8) Community Improvement Districts established at June 30, 2021.
- Neighborhood Improvement Districts (NID) – Special assessments levied on benefiting properties to make improvements within designated boundaries. The City has two (2) Neighborhood Sewer Improvement Districts and six (6) Neighborhood Lighting Improvement Districts, as of June 30, 2021.
- 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, 2021.
- 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 resident surveys, government access channel, interactive website, informational campaigns, and social media. 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 Improvement Program (CIP) sales tax, government grants, revenue bond proceeds and operating reserves. The current half-cent sales tax is a five-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 three areas:

Riverfront/Riverwalk Redevelopment – A 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 the plan to attract tourism to St Joseph. Currently under construction is the Bluff Trail, the first project proposed, overlooking the river for pedestrian and bike use. The city recently rezoned to be consistent with the plan. A proposed R.V. park is being discussed between the City and the Developer as contemplated in the Riverfront Plan.

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. The 2018 Capital Project Sales Tax is funding the mass grading project on the east side of Riverside Road - 440,000 cubic yards of cut and fill, requiring no importing or exporting of material. This grading facilitates future roadway construction and provides near buildable pad sites that require minimal earthwork for development. The completed grading phase will allow the property to be marketed to a wider variety of clients wishing to start, relocate or expand businesses within the City of St. Joseph.

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. During the election held on June 2, 2020, voters of the City of St. Joseph approved the establishment of a real property tax of 0.1210 to finance the issuance of general obligation bonds in the amount of \$20,000,000 for the repair and replacement of bridges and transportation infrastructure. On September 2, 2020, the City issued \$6,000,000 of the authorized General Obligation Bonds, for initial bridge design and construction phase. The total principal balance outstanding for the General Obligation Bonds as of June 30, 2021, is \$5,175,000.

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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. This was the thirty-first consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report 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 annual comprehensive financial report was made possible by the efforts of many City staff. Special thanks are extended to Tom Mahoney, Assistant Director of Administrative Services, and his staff for their efforts and to the Members of the City Council for their continued support.

Respectfully submitted,



Amy Cohorst
Interim Director of Administrative Services



Bryan Carter
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Joseph
Missouri**

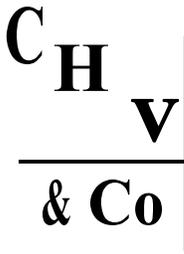
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Financial Section



COCHRAN HEAD VICK & CO., P.C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

1251 NW Briarcliff Pkwy
Suite 125
Kansas City, MO 64116
(816) 453-7014
Fax (816) 453-7016

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

Report on the Financial Statements

**Other offices in
Missouri and Kansas**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Joseph, Missouri (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Change in Accounting Principle

As described in Note 1 to the financial statements, the City adopted new accounting guidance, Governmental Accounting Standard Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Cochran Head Vick + Co., P.C.

Kansas City, Missouri
January 14, 2022

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2021

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, 2021. 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 \$253,088,677 (*net position*).
- The City's total net position increased \$35,726,984. An increase of \$20,344,170 is attributable to "Governmental activities" while "Business-type activities" contributed an increase of \$15,382,814.
- As of the close of the current fiscal year, the City's funds reported combined ending governmental fund balances of \$55,764,275 an increase of \$9,671,777 in comparison with the prior year. \$8,722,375 is available for spending at the City's discretion (*unassigned fund balance*).
- The City's net investment in capital assets for its governmental and business-type activities increased \$5,369,681.
- The City's total long-term debt increased \$8,583,775 during the current fiscal year.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$8,722,375 or 15% of total general fund expenditures.

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, 2021

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 thirteen 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*, *American Rescue Plan Act 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, 2021

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 and Mass Transit*. 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, 2021**

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 \$253,088,677 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 activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 110,430,580	\$ 61,804,438	\$ 111,481,853	\$ 95,688,141	\$ 221,912,433	\$ 157,492,579
Capital assets	139,404,266	142,920,295	287,087,377	278,461,049	426,491,643	421,381,344
Total assets	249,834,846	204,724,733	398,569,230	374,149,190	648,404,076	578,873,923
Deferred outflows	7,997,627	2,965,508	1,539,399	488,317	9,537,026	3,453,825
Total deferred outflows	7,997,627	2,965,508	1,539,399	488,317	9,537,026	3,453,825
Long-term liabilities	79,575,393	86,426,136	202,435,378	194,342,444	282,010,771	280,768,580
Other liabilities	59,096,779	58,324,851	28,106,382	32,558,627	87,203,161	90,883,478
Total liabilities	138,672,172	144,750,987	230,541,760	226,901,071	369,213,932	371,652,058
Deferred inflows	30,960,868	6,206,682	4,677,625	153,455	35,638,493	6,360,137
Total deferred inflows	30,960,868	6,206,682	4,677,625	153,455	35,638,493	6,360,137
Net position:						
Net Investment in capital assets	135,862,753	140,102,965	95,240,609	85,630,716	231,103,362	225,733,681
Restricted	45,405,837	41,588,101	21,871,242	22,942,855	67,277,079	64,530,956
Unrestricted (deficit)	(93,069,157)	(113,835,803)	47,777,393	40,932,859	(45,291,764)	(72,902,944)
Total net position	\$ 88,199,433	\$ 67,855,263	\$ 164,889,244	\$ 149,506,430	\$ 253,088,677	\$ 217,361,693

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

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 FY21 of \$47,777,393.

An additional portion of the City's net position, 26.5% or \$67,277,079 represents resources that are subject to external restrictions on how they may be used. Governmental activities claim 17.9% or \$45,405,837 while the business-type activities have the other 8.6% or \$21,871,242. As previously stated, the City's net position increased \$35,726,984 during the current fiscal year. Governmental activities represent a \$20,344,170 increase in the City's net position while a \$15,382,814 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, 2021

City of St. Joseph's Changes in Net Position						
	Governmental		Business-type		Total	
	activities		activities			
	2021	2020	2021	2020	2021	2020
Revenues:						
General Revenues:						
Property taxes	\$ 16,687,584	\$ 14,838,890	\$ -	\$ -	\$ 16,687,584	\$ 14,838,890
Sales taxes	41,912,467	39,657,358	5,090,915	4,852,494	47,003,382	44,509,852
Other taxes	16,358,189	15,849,387	1,044,614	1,030,234	17,402,803	16,879,621
Other revenue	273,180	943,445	215,487	1,968,907	488,667	2,912,352
Gain on sale of capital assets	-	-	308,446	57,221	308,446	57,221
Program Revenues:						
Charges for services	7,144,293	7,189,268	39,459,909	39,843,056	46,604,202	47,032,324
Operating grants & contributions	5,009,018	5,406,472	4,242,020	3,507,048	9,251,038	8,913,520
Capital grants & contributions	2,990	588,817	6,665,252	2,051,196	6,668,242	2,640,013
Total revenues	87,387,721	84,473,637	57,026,643	53,310,156	144,414,364	137,783,793
Expenses:						
Functions\Programs:						
General government	13,902,088	9,215,501	-	-	13,902,088	9,215,501
Public safety	18,844,213	39,802,618	-	-	18,844,213	39,802,618
Highway and streets	22,700,623	25,153,518	-	-	22,700,623	25,153,518
Public works	238,294	231,497	-	-	238,294	231,497
Health and welfare	5,120,091	5,902,256	-	-	5,120,091	5,902,256
Parks and recreation	6,967,545	6,025,067	-	-	6,967,545	6,025,067
Interest	1,441,180	1,499,776	-	-	1,441,180	1,499,776
Sewer services	-	-	26,244,795	30,266,740	26,244,795	30,266,740
Transit services	-	-	7,366,933	5,814,056	7,366,933	5,814,056
Other proprietary functions	-	-	5,861,618	6,585,719	5,861,618	6,585,719
Total expenses	69,214,034	87,830,233	39,473,346	42,666,515	108,687,380	130,496,748
Excess (deficiency) of revenues over (under) expenses	18,173,687	(3,356,596)	17,553,297	10,643,641	35,726,984	7,287,045
Transfers	2,170,483	1,747,159	(2,170,483)	(1,747,159)	-	-
Change in net position	20,344,170	(1,609,437)	15,382,814	8,896,482	35,726,984	7,287,045
Net position - beginning	67,855,263	69,464,700	149,506,430	140,609,948	217,361,693	210,074,648
Net position - ending	\$88,199,433	\$67,855,263	\$164,889,244	\$149,506,430	\$253,088,677	\$217,361,693

CITY OF ST. JOSEPH, MISSOURI

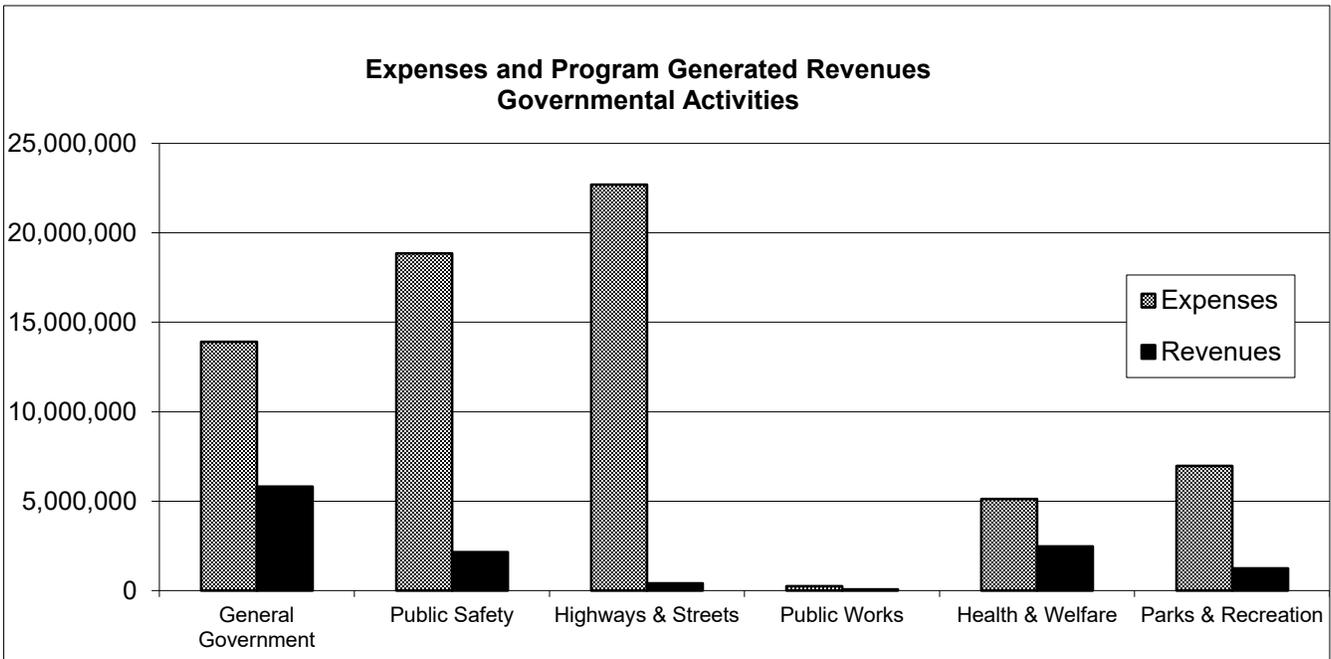
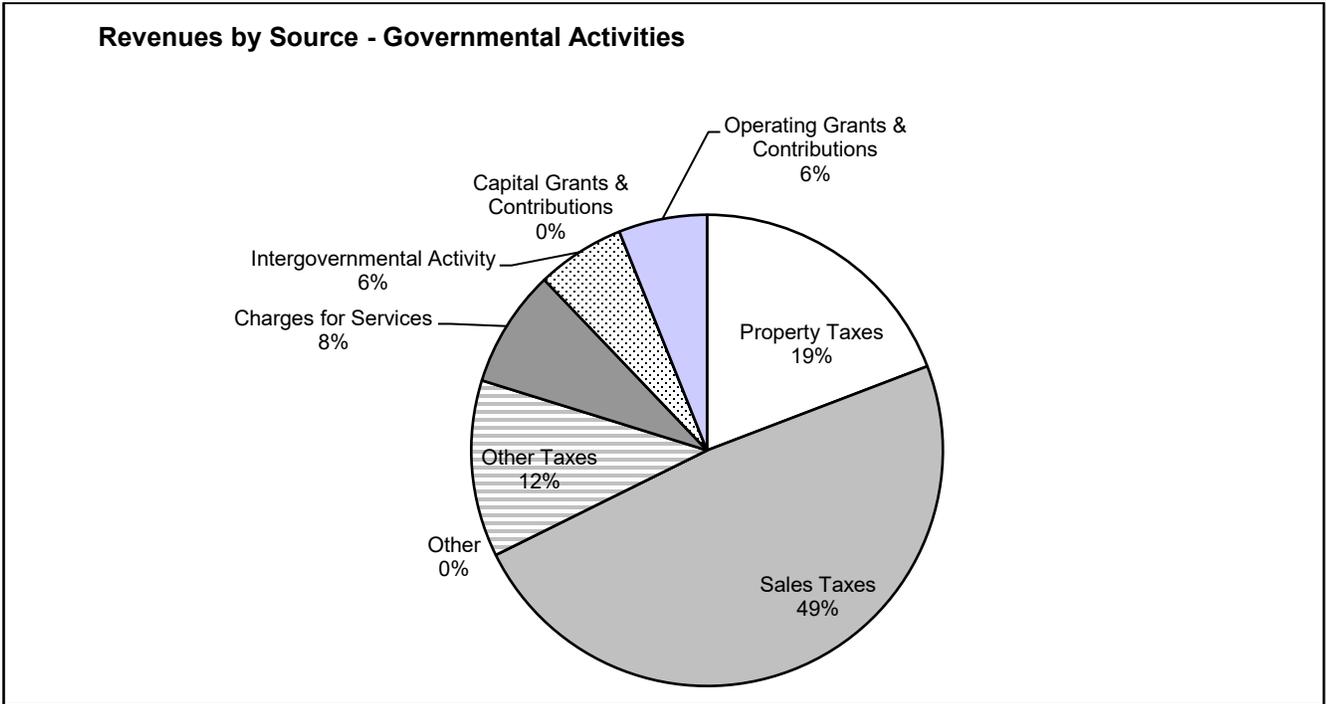
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2021

Governmental Activities. Governmental activities increased the City's net position by \$20,344,170. The key elements to this increase are as follows:

- Sales tax revenue, a major funding source for the city, showed an increase of \$2,255,109 in FY21 even after the economic impact of Covid-19. 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 governmental revenue, showed a \$1,848,694 change this year. Total receipts for this revenue source were \$16,687,584 in FY21 up from \$14,838,890 in FY20.
- Other taxes reported an increase of \$523,182 from FY20. Intergovernmental activity taxes showed improvement from the previous fiscal year with \$5,546,009 recognized compared to \$5,236,554 in FY20. Franchise taxes dipped \$198,684 due to seasonal changes in climate. Motor fuel taxes had an increase of \$252,011 as fuel prices increased. Hotel taxes, saw an increase of \$153,200 from the previous year. The outbreak of the Corona virus caused a major change in daily activities and the economy is slowly seeing a comeback as gatherings, entertainment, travel and vacations are increasing.
- Charges for services decreased by \$44,975 in the governmental activities particularly for Parks and Recreation as necessary actions were taken 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 and services were closed or limited to participants.
- During fiscal year 2021, governmental activities operating and capital grants and contributions decreased by a total amount of \$983,281. Community Development Block Grant received funding in the prior year to improve nine playgrounds across the city as well as installing entry and storm doors for the Housing Authority. HOME funds reimbursed more public service agencies in FY20 than in FY21. The City did not receive Transportation Alternative Program federal funds as construction was not completed on the Urban trail system in this fiscal year.
- As a directive from the City Manager, total expenses for the governmental activities were watched closely. As the FY21 budget year started, salaries stayed constant, operational costs were cut and capital purchases were reduced and changes in net pension liabilities (assets), deferred outflows, and inflows all contributed to total expenses dropping from \$87,830,233 in FY20 to \$69,214,034 in FY21. General government activities had an increase of \$4,686,587 that included additional developer obligations and construction of the River Bluff Bike Trail. Parks and recreation activities completed the Hyde Park Splash Park in FY21. Public works activities remained slow but kept its focus on keeping expenses low and increasing by \$6,797 in FY21 as essential services were performed. Public Safety activities decreased by \$20,958,405, Highway and streets activities reduced expenses by \$2,452,895 and Health activities had \$782,165 less expenses.

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**



CITY OF ST. JOSEPH, MISSOURI

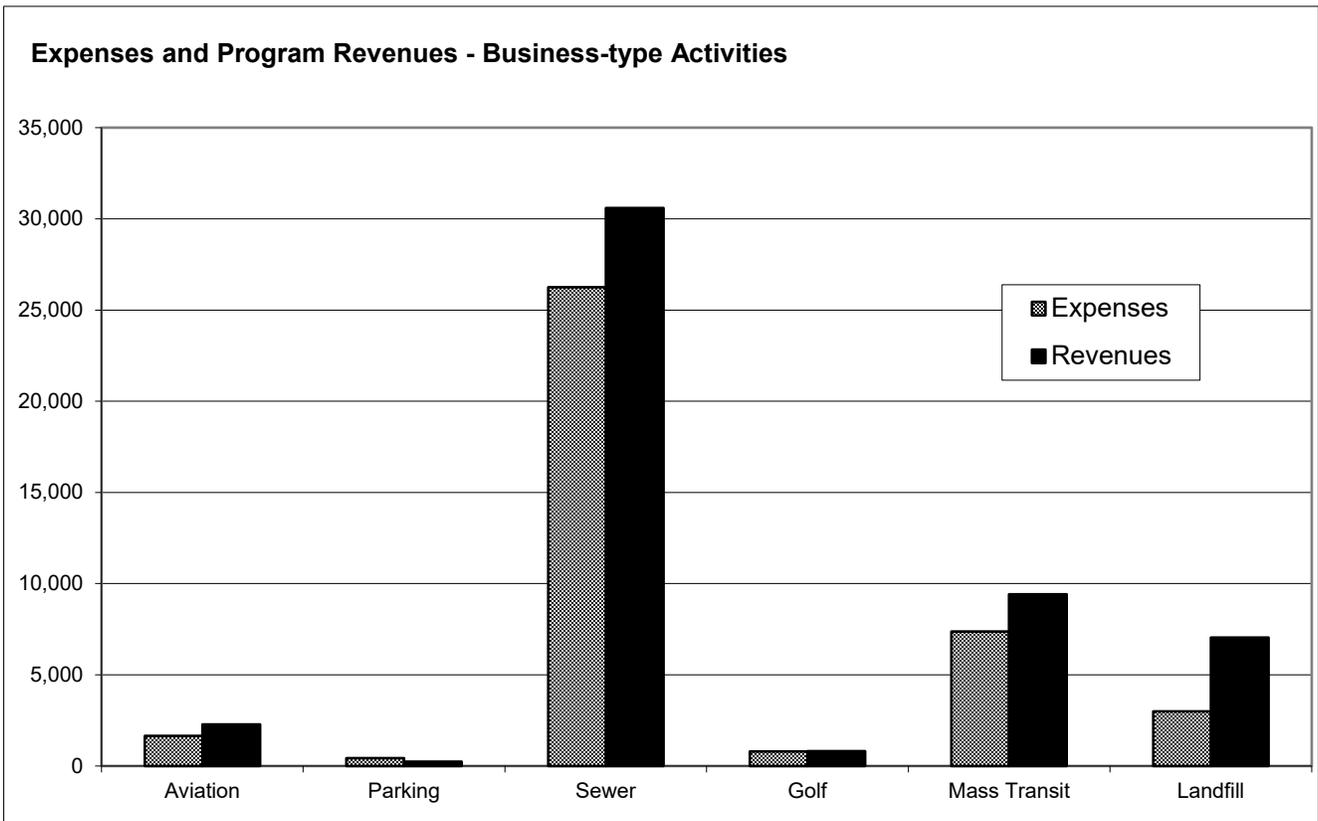
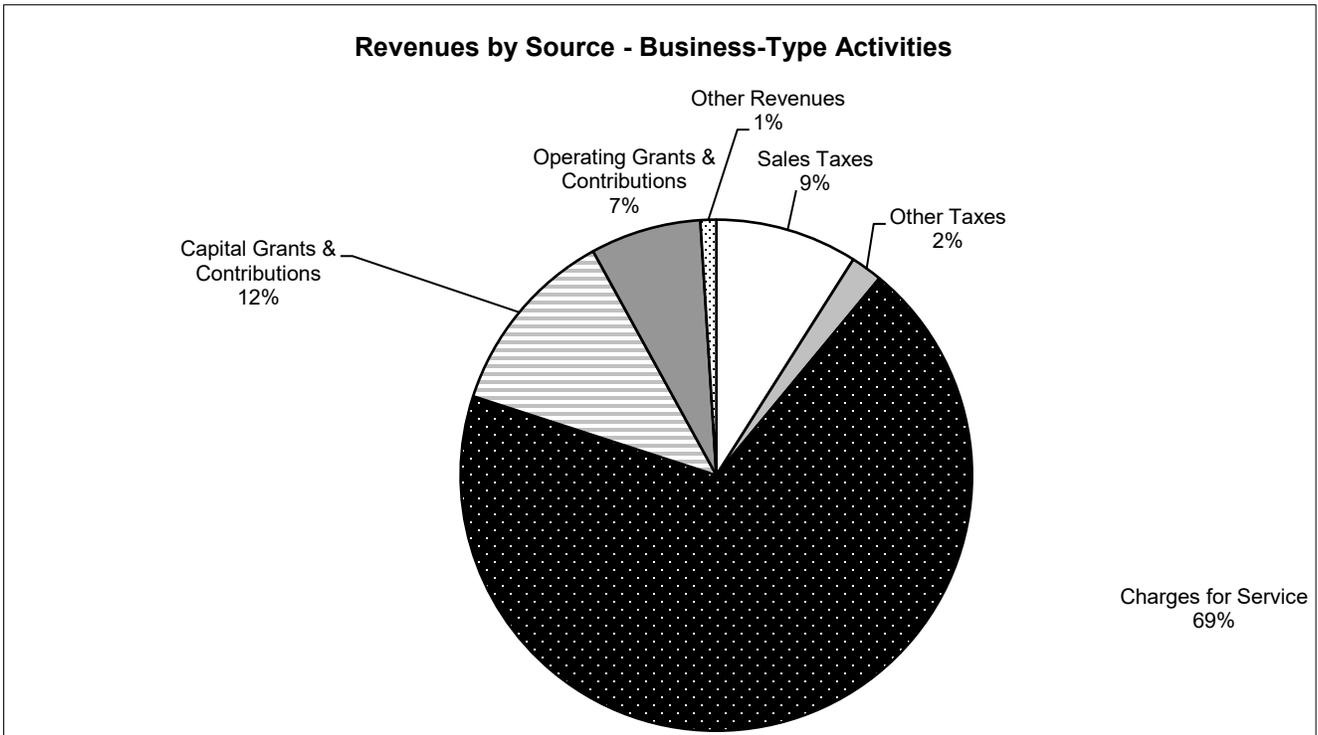
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2021

Business-type activities. The net position of the City's business-type activities increased \$15,382,814. 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 \$252,801 was collected in FY21.
- Charges for Services revenue for business-type activities produced a \$383,147 decrease. Golf and Aviation services were the only areas with increased Charges for Services in FY21. Golf received \$277,455 over the previous year as players were allowed back on the golf course after Covid precautions limited play. Aviation recognized additional \$96,499 in revenues as the City received reimbursement from the Air National Guard for the culvert project. Sewer saw a \$589,112 decrease 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. Transit experienced a \$265,635 drop in revenues from lowered ridership. Landfill services were down \$164,814 in Daily Fees and other revenues.
- Business-type activities reported an increase of \$734,972 in operating grants and \$4,614,056 in capital contributions and grants. Aviation services received Federal Aviation Administration funding for the runway project at Rosecrans. FEMA funds reimbursed the City for flood recovery at the Water Treatment plant location. Transit, in FY20 and FY21, was given the opportunity to receive COVID-19 grant monies to recoup lost revenues from low ridership during the fiscal year. FY21 reported the purchase of 15 new buses with an 80/20 split between the Federal Transit Administration and the City.
- Overall expenses in the business-type activities decreased by \$3,193,169 over the prior year and was offset by increases in Aviation and Transit services. Transit services produced an overall increase of \$1,552,877 in operating expenses including management services, insurance, and depreciation. Aviation services saw a bump in depreciation costs over the previous year and the purchase of two snowplow trucks and a mower in FY21. The Sewer fund decreased operational expenses by \$4,021,945 in FY 21. Personal services decreased by \$1,192,382 along with a decrease of \$3,266,096 in contractual services. Landfill services in comparison to FY20 had \$525,519 less in operational and closure expenses. Parking services incurred \$183,783 less in personal services due to budget reductions of 2.5 positions. Golf services lowered personal costs by \$101,755 as a result of staff shortages.

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**



CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2021

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 \$8,722,375 while total general fund balance reached \$22,467,124. 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 FY21, unassigned fund balance represented 15% 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 \$739,666 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:

- Revenues for the General fund totaled \$54,100,441, a slight increase of \$2,574,708 when FY20 reported \$52,525,733. Expenditures increased by \$2,181,579, from \$57,311,344 to \$59,492,924.
- At the end of the fiscal year, Non-spendable General Fund Balance increased by \$457,508 due to July's health insurance premium paid in June. Restricted Fund Balance decreased from \$9,053,596 to \$8,795,767. The following restricted functions had increases as follows: Economic Development \$58,096, Health \$4,583 and Parks \$18,816. The remaining restricted functions reported decreases as follows: Public Safety \$2,147, Highways \$335,724 and Debt Service \$1,453. Committed and Assigned Fund Balances increased in FY21 by \$1,000,853 due to outstanding purchase orders for the River Bluff Bike Trail and the new payroll system in addition to the anticipated increase for the 27th payroll. As revenues dipped and expenditures were on the rise in the General Fund, the City Manager gave a directive to continue to watch budgets closely through FY21.

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 \$9,554,544 is restricted for debt service payments or pay-as-you go distributions. There was an increase in fund balance of \$1,354,020 from FY20. 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 *American Rescue Plan Act Fund* was created to record transactions for the City's \$39.6 million allotment from the U.S. Department of the Treasury, American Rescue Plan Act. The city received \$19,352,414 in June 2021 and established a six-member citizen committee to identify priorities and issue allocation recommendations based upon the City of St. Joseph Strategic Plan 2018-2022, the Community Future Plan (Imagine 2040), and the 2021 Community Survey.

The *Capital Projects Fund* had a total fund balance of \$15,975,473. 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

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2021

renewed for the sixth in August 2018. 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.

The Proprietary funds net position activity resulted in an increase of \$15,481,587 from last year, excluding the internal service fund. Net investment in capital assets, the largest component of net position, had an increase of \$9,609,893 from last year. A portion of the City's proprietary fund net position, 13% or \$21,871,242, represents resources subject to external restrictions on how they may be used. In FY21, 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 \$11,878,074 from \$10,924,377 at the end of the fiscal year primarily due the increase in net investment in capital assets offset for a total net position in the Sewer Fund of \$84,274,801. Mass Transit fund's increase change in net position of \$7,984,421 contributed to the increase in unrestricted net position from \$27,472,173 to \$30,152,359. Landfill fund reported a positive unrestricted net position of \$6,463,055 up from \$4,104,894. Aviation fund showed unrestricted net position of \$931,636, Public Parking fund presented a deficit of \$1,426,599, and Municipal Golf Course fund stated a deficit \$33,801.

General Fund Budgetary Highlights

Total General Fund expenditures for the 2021 fiscal year were under budget by \$3,626,534. 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. General government underspent by \$1,408,104, Public Safety kept expenditures down by \$588,120, followed by Health and welfare with \$685,479, Parks and recreation expenses incurred \$504,573 in savings and Highway and streets was \$440,258 less the 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 \$5,348,406. The appropriations can be directly related to Public Safety awarded grants, overtime, insurance proceeds, and maintenance of equipment. General government covered the costs for the Contrary Creek flooding event and the 2021 Sound of Speed Airshow at Rosecrans Memorial Airport. Highway and streets recognized the annual asphalt resurfacing contract. Health and welfare rolled forward current grants, accepted new grant funding and donations, and acquired a Health Department vehicle. The Remington Nature Center roof was replaced, the Joyce Raye Patterson Senior Center purchased new equipment, Bode Sports Complex received insurance proceeds from this year's storm damage and a donation was accepted for future art project in Parks and recreation.

CITY OF ST. JOSEPH, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2021 totaled \$426,491,643 (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 Hyde Park Water Feature (\$1,646,146)
- Implemented Design Phase for Bridge Improvements (\$1,326,392)
- Continued Fire Station #8 (\$607,448)
- Development proceeded on the River Bluff Bike Trail (\$517,835)
- Purchased a Custom Pumper Fire Truck (\$454,503)
- Initiated Horace Mann Renovations (\$241,671)
- Purchased All Band Portable Radios (\$214,766)

Business-Type Activities

- Acquired fifteen Buses (\$6,724,200)
- Construction continued on Riverside Road SSES (\$3,866,234)
- Work persisted on the Blacksnake Storm Water project (\$1,972,266)
- Work concluded on the MOANG Box Culvert (\$1,284,031)
- Progress continued on Rosecrans Lagoon (\$859,811)
- Construction proceeded on the Sewer Maintenance Facility (\$760,835)
- Acquired an Inlet Cleaning Machine for Sewer Maintenance (\$190,820)

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	
	2021	2020	2021	2020	2021	2020
Land	\$ 6,097,349	\$ 6,097,349	\$ 8,594,521	\$ 8,594,521	\$ 14,691,870	\$ 14,691,870
Buildings	21,268,785	22,415,989	66,691,210	70,972,751	87,959,995	93,388,740
Improvements other than buildings	32,450,986	33,816,103	88,689,180	87,746,745	121,140,166	121,562,848
Machinery and equipment	6,800,441	7,007,889	12,184,003	6,496,117	18,984,444	13,504,006
Infrastructure	67,824,900	72,472,279	38,564,405	37,440,621	106,389,305	109,912,900
Construction in progress	4,961,805	1,110,686	72,364,058	67,210,294	77,325,863	68,320,980
Total capital assets	\$ 139,404,266	\$ 142,920,295	\$ 287,087,377	\$ 278,461,049	\$ 426,491,643	\$ 421,381,344

CITY OF ST. JOSEPH, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2021

Debt Administration. At the end of the current fiscal year, the City had total debt outstanding of \$296,688,933 an increase of \$8,583,775 as a result of two new bond issues.

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. On June 2, 2020, voters approved the establishment of a real property tax of 0.1210 to finance the issuance of general obligation bonds in the amount of \$20,000,000. On September 2, 2020, the City issued \$6,000,000 of the authorized General Obligation Bonds, for initial bridge design and construction phase.

The City of St. Joseph issued \$31,110,000 Special Obligation Refunding Revenue Bonds, Series 2020 to refund the 2011E Infrastructure Facility Revenue Bonds. As a result, the City reduced its debt service payments and will obtain an economic gain of \$5,216,098.

On September 23, 2021, Standard & Poor's assigned the City an Issuer Credit Rating (ICR) of AA- with a stable outlook. The AA- rating reflects Standard & Poor's assessment of various matters, including strong management with good financial policies and practices, a very strong budgetary flexibility and liquidity, and a strong debt/contingent liability profile.

City of St. Joseph's Outstanding Debt

Revenue Bonds and Other Bonded Debt

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue Bonds	\$ -	\$ -	\$ 151,102,102	\$ 154,999,053	\$ 151,102,102	\$ 154,999,053
General Obligation Bonds	5,175,000	-	-	-	5,175,000	-
Industrial Development Authority	11,155,000	15,700,000	21,555,000	23,310,000	32,710,000	39,010,000
Infrastructure Facility Bonds	4,725,000	6,030,000	31,110,000	16,950,000	35,835,000	22,980,000
MO Development Finance Board *	508,620	661,842	6,913,938	6,328,327	7,422,558	6,990,169
Developer Obligation	60,453,066	59,859,708	-	-	60,453,066	59,859,708
Other Obligations	-	-	1,523,499	1,708,991	1,523,499	1,708,991
Capital Lease Obligations	2,130,406	2,132,330	337,302	424,907	2,467,708	2,557,237
Total long-term debt	\$ 84,147,092	\$ 84,383,880	\$ 212,541,841	\$ 203,721,278	\$ 296,688,933	\$ 288,105,158

*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, 2021

Economic Factors and Next Year’s Budgets and Rates

Economic Development Efforts

The St. Joseph economy in FY2021 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 2022

Operating Revenues – The operating revenue component of the City’s FY2022 Proposed Annual Budget, net of Capital Project receipts, transfers, bonds, Special Allocation Fund revenues and capital grants, are projected to increase. The negative financial impact of COVID-19 has not been felt on the local government level. Initial sales tax revenue has grown, and tourism has improved. The FY22 budget reflects the anticipation of the continuing increase of sales tax revenues, and tourism dollars spent in the community.

The City Council chose to again hold the line and implement no increase to wastewater utility rates. Staff was able to utilize funds provided by the American Rescue Act Plan (ARPA) on wastewater projects and plant operating costs. This freed up budget expenses for a zero-rate increase to the wastewater utility. This is the fourth consecutive year with no such increase. Franchise fees are expected to increase the second half of the year with two utilities raising their customer rates. ARPA funds are also being utilized for lost revenues claimed during specified timeframes of the COVID-19 shutdown.

Operating Expenditures – Operating expenses are slightly reduced overall from last year. An important challenge for FY22 will be keeping General fund expenses in line with predicted sales tax revenue during the continuous changes of the COVID-19 pandemic.

In FY2022, there is an addition of 3.0 Full Time Equivalent positions, and a reduction of 2.0 Full Time Equivalent positions. Budgeted salary and benefits went up 2.3%. There was no Cost of Living Adjustment (COLA) budgeted for city employees in FY22. However, much like the previous fiscal year, revenues were reviewed mid-year and a COLA will be implemented. Starting in January a 2% COLA for General employees, 7.5% increase for Communication Operators, 3% step increase and 3.5% decompression increase for commissioned Police Department employees, and 3% COLA and longevity increases for eligible Fire Department employees. The total impact will be an increase of \$1,786,713.

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, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 40,980,244	\$ 54,948,452	\$ 95,928,696
Receivables, net where applicable of allowances for uncollectibles	13,543,183	6,401,668	19,944,851
Loan receivables	2,056,306	-	2,056,306
Internal balances	187,331	(187,331)	-
Due from other governments	1,012,221	3,175,192	4,187,413
Prepaid items and deferred charges	968,258	180,657	1,148,915
Restricted assets:			
Cash and investments	29,623,539	43,201,528	72,825,067
Capital assets:			
Capital assets, not being depreciated	11,059,154	80,958,579	92,017,733
Capital assets net of accumulated depreciation	128,345,112	206,128,798	334,473,910
Net pension asset	22,059,498	3,761,687	25,821,185
Total assets	<u>249,834,846</u>	<u>398,569,230</u>	<u>648,404,076</u>
Deferred Outflows of Resources			
Deferred amount on refunding	270,103	986,178	1,256,281
Deferred outflows due to pension	5,141,850	89,993	5,231,843
Deferred outflows due to OPEB	2,585,674	463,228	3,048,902
Total deferred outflows of resources	<u>7,997,627</u>	<u>1,539,399</u>	<u>9,537,026</u>
Liabilities			
Accounts payable and other current liabilities	6,068,255	4,050,300	10,118,555
Unearned revenue	19,827,339	-	19,827,339
Accrued interest payable	472,917	1,227,787	1,700,704
Noncurrent liabilities:			
Due within one year	9,286,969	10,347,015	19,633,984
Due in more than one year	79,575,393	202,435,378	282,010,771
OPEB liability - due in more than one year	4,777,280	855,861	5,633,141
Net pension liability - due in more than one year	18,664,019	-	18,664,019
Landfill closure and postclosure costs:			
Due within one year	-	73,500	73,500
Due in more than one year	-	11,551,919	11,551,919
Total liabilities	<u>138,672,172</u>	<u>230,541,760</u>	<u>369,213,932</u>
Deferred inflows of resources			
Deferred inflows due to pension	29,078,517	4,340,398	33,418,915
Deferred inflows due to OPEB	1,882,351	337,227	2,219,578
Total deferred inflows of resources	<u>30,960,868</u>	<u>4,677,625</u>	<u>35,638,493</u>
Net Position			
Net investment in capital assets	136,748,860	95,240,609	231,989,469
Restricted for:			
Debt service	12,811,913	21,871,242	34,683,155
Capital projects	15,975,473	-	15,975,473
Loan programs	3,029,128	-	3,029,128
Economic development	5,013,302	-	5,013,302
Museum	206,855	-	206,855
Other purposes	8,369,166	-	8,369,166
Unrestricted (deficit)	(93,955,264)	47,777,393	(46,177,871)
Total net position	<u>\$ 88,199,433</u>	<u>\$ 164,889,244</u>	<u>\$ 253,088,677</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, 2021

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	\$ 13,902,088	\$ 4,242,200	\$ 1,565,457	\$ -	\$ (8,094,431)	\$ -	\$ (8,094,431)
Public safety	18,844,213	673,317	1,477,845	-	(16,693,051)	-	(16,693,051)
Highways and streets	22,700,623	299,453	110,404	2,990	(22,287,776)	-	(22,287,776)
Public works	238,294	46,512	20,000	-	(171,782)	-	(171,782)
Health and welfare	5,120,091	779,002	1,694,474	-	(2,646,615)	-	(2,646,615)
Parks and recreation	6,967,545	1,103,809	140,838	-	(5,722,898)	-	(5,722,898)
Interest on long-term debt	1,441,180	-	-	-	(1,441,180)	-	(1,441,180)
Total governmental activities	<u>69,214,034</u>	<u>7,144,293</u>	<u>5,009,018</u>	<u>2,990</u>	<u>(57,057,733)</u>	<u>-</u>	<u>(57,057,733)</u>
Business-type activities:							
Aviation services	1,642,255	588,301	61,492	1,634,097	-	641,635	641,635
Parking services	424,565	235,906	-	-	-	(188,659)	(188,659)
Sewer services	26,244,795	30,511,314	-	77,118	-	4,343,637	4,343,637
Golf services	797,666	804,878	-	-	-	7,212	7,212
Transit services	7,366,933	280,611	4,180,528	4,954,037	-	2,048,243	2,048,243
Landfill services	2,997,132	7,038,899	-	-	-	4,041,767	4,041,767
Total business-type activities	<u>39,473,346</u>	<u>39,459,909</u>	<u>4,242,020</u>	<u>6,665,252</u>	<u>-</u>	<u>10,893,835</u>	<u>10,893,835</u>
Total primary government	<u>\$ 108,687,380</u>	<u>\$ 46,604,202</u>	<u>\$ 9,251,038</u>	<u>\$ 6,668,242</u>	<u>(57,057,733)</u>	<u>10,893,835</u>	<u>(46,163,898)</u>
General revenues:							
Property taxes					16,687,584	-	16,687,584
Sales taxes					41,912,467	5,090,915	47,003,382
Franchise taxes					5,301,106	1,044,614	6,345,720
Motor fuel taxes					4,038,983	-	4,038,983
Cigarette taxes					309,322	-	309,322
Hotel taxes					1,162,769	-	1,162,769
Tax incremental revenues					5,546,009	-	5,546,009
Unrestricted investment revenues					273,180	215,487	488,667
Gain on sale of capital assets					-	308,446	308,446
Transfers in (out)					2,170,483	(2,170,483)	-
Total general revenues and transfers					<u>77,401,903</u>	<u>4,488,979</u>	<u>81,890,882</u>
Change in net position					<u>20,344,170</u>	<u>15,382,814</u>	<u>35,726,984</u>
Net position - beginning					<u>67,855,263</u>	<u>149,506,430</u>	<u>217,361,693</u>
Net position - ending					<u>\$ 88,199,433</u>	<u>\$ 164,889,244</u>	<u>\$ 253,088,677</u>

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

CITY OF ST. JOSEPH, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Special Allocation	ARPA	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 19,075,772	\$ 3,802,702	\$ -	\$ 10,760,049	\$ 4,763,927	\$ 38,402,450
Receivables	6,706,244	3,945,308	-	1,104,057	1,787,574	13,543,183
Loan receivables	-	-	-	-	2,056,306	2,056,306
Due from other funds	-	-	-	377,200	-	377,200
Due from other governments	414,874	-	-	-	597,347	1,012,221
Prepaid items	808,007	-	-	-	160,251	968,258
Restricted cash and investments	195,936	4,997,670	19,352,414	5,077,519	-	29,623,539
Total assets	\$ 27,200,833	\$ 12,745,680	\$ 19,352,414	\$ 17,318,825	\$ 9,365,405	\$ 85,983,157
Liabilities, Deferred Inflows and Fund Balances						
Liabilities:						
Accounts payable	\$ 2,617,730	\$ 110,651	\$ -	\$ 1,343,352	\$ 961,226	\$ 5,032,959
Due to other funds	-	-	-	-	377,200	377,200
Accrued payroll	1,009,969	-	-	-	25,327	1,035,296
Unearned revenue	474,925	-	19,352,414	-	-	19,827,339
Total liabilities	4,102,624	110,651	19,352,414	1,343,352	1,363,753	26,272,794
Deferred Inflows of Resources:						
Unavailable revenues-property taxes	360,995	-	-	-	71,926	432,921
Unavailable revenues-other	270,090	3,080,485	-	-	162,592	3,513,167
Total deferred inflows of resources	631,085	3,080,485	-	-	234,518	3,946,088
Fund balances:						
Nonspendable	808,007	-	-	-	160,251	968,258
Restricted	8,795,767	9,554,544	-	15,975,473	7,606,883	41,932,667
Committed	2,144,441	-	-	-	-	2,144,441
Assigned	1,996,534	-	-	-	-	1,996,534
Unassigned	8,722,375	-	-	-	-	8,722,375
Total fund balances	22,467,124	9,554,544	-	15,975,473	7,767,134	55,764,275
Total liabilities, deferred inflows of resources and fund balances	\$ 27,200,833	\$ 12,745,680	\$ 19,352,414	\$ 17,318,825	\$ 9,365,405	\$ 85,983,157

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, 2021

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

Fund balances – total governmental funds	\$ 55,764,275
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	139,404,266
Deferred charges on refunding are not due and payable in the current period, and therefore, are not reported in the funds.	270,103
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.	7,727,524
Long-term assets are not available to pay for current period expenditures and are therefore reported as unavailable revenues in the fund statements.	3,946,088
Interest on long-term debt is not accrued in governmental funds but, rather, is recognized as expenditure when due.	(472,917)
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.	(144,985)
Net pension assets and liabilities are not due and payable in the current period and therefore are not reported in the funds.	3,395,479
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	(30,960,868)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds.	<u>(90,729,532)</u>
Net position of governmental activities	<u>\$ 88,199,433</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, 2021

	General	Special Allocation	ARPA	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes:						
Property	\$ 13,089,113	\$ 954,831	\$ -	\$ -	\$ 2,761,145	\$ 16,805,089
Sales	24,921,921	3,664,921	-	6,524,502	6,801,123	41,912,467
Franchise	5,301,106	-	-	-	-	5,301,106
Motor fuel and other	1,227,324	-	-	-	2,811,659	4,038,983
Cigarette	309,322	-	-	-	-	309,322
Hotel	1,162,769	-	-	-	-	1,162,769
Tax incremental revenues	-	5,546,009	-	-	-	5,546,009
Licenses and permits	1,460,238	-	-	-	101,219	1,561,457
Intergovernmental	3,083,004	-	-	22,990	1,910,216	5,016,210
Charges for services	2,400,753	-	-	-	1,083,018	3,483,771
Fines	615,170	-	-	-	-	615,170
Special assessments	-	-	-	-	16,590	16,590
Investment earnings	(19,714)	225,164	-	10,637	30,373	246,460
Contributions and donations	118,906	-	-	-	200	119,106
Other	430,529	1,268,128	-	28,625	371,198	2,098,480
Total revenues	54,100,441	11,659,053	-	6,586,754	15,886,741	88,232,989
Expenditures						
Current:						
General government	9,192,173	815,728	-	-	1,308,002	11,315,903
Public safety	28,574,762	-	-	-	1,399,825	29,974,587
Highways and streets	6,023,363	-	-	-	4,095,566	10,118,929
Public works	-	-	-	-	244,699	244,699
Health and welfare	4,000,794	-	-	-	1,444,404	5,445,198
Parks and recreation	4,647,696	-	-	-	1,085,708	5,733,404
Debt Service:						
Principal	196,671	8,489,305	-	120,000	825,000	9,630,976
Interest and fiscal charges	54,221	1,000,000	-	229,826	85,311	1,369,358
Capital outlay	6,803,244	-	-	6,145,111	453,836	13,402,191
Total expenditures	59,492,924	10,305,033	-	6,494,937	10,942,351	87,235,245
Excess (deficiency) of revenues over expenditures	(5,392,483)	1,354,020	-	91,817	4,944,390	997,744
Other financing sources (uses)						
Transfers in	8,095,566	-	-	325,021	1,419,440	9,840,027
Transfers out	(2,187,381)	-	-	(84,984)	(5,397,179)	(7,669,544)
Refunding bonds issued	-	-	-	6,279,586	-	6,279,586
Capital lease proceeds	156,132	-	-	-	-	156,132
Sale of capital assets	67,832	-	-	-	-	67,832
Total other financing sources (uses), net	6,132,149	-	-	6,519,623	(3,977,739)	8,674,033
Net change in fund balances	739,666	1,354,020	-	6,611,440	966,651	9,671,777
Fund balances - beginning	21,727,458	8,200,524	-	9,364,033	6,800,483	46,092,498
Fund balances - ending	\$ 22,467,124	\$ 9,554,544	\$ -	\$ 15,975,473	\$ 7,767,134	\$ 55,764,275

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, 2021**

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

Net changes in fund balances – total governmental funds		\$ 9,671,777
<p>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.</p>		
	Capital outlay	6,799,836
	Depreciation	<u>(10,175,546)</u>
		(3,375,710)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations).</p>		
	Loss on disposals	(72,487)
	Proceeds from sales	<u>(67,832)</u>
		(140,319)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		(871,988)
<p>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.</p>		
	Proceeds from debt issuance	(6,279,586)
	Principal payments	7,272,642
	Amortization of discounts and deferred amount on refunding	(85,398)
	Capital lease proceeds	(156,132)
	Developer obligation	(593,358)
<p>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:</p>		
	Accrued interest	(267,395)
	Compensated absences, OPEB obligations and OPEB deferred outflows and OPEB deferred inflows	(505,047)
	Change in net pension liability/asset	44,660,212
	Changes in net pension deferred outflows and inflows	(28,569,647)
<p>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.</p>		
		<u>(415,881)</u>
Change in net position of governmental activities		<u>\$ 20,344,170</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, 2021

	Sewer	Mass Transit	Other Enterprise Funds	Total	Internal Service Fund
Assets					
Current assets:					
Cash and investments	\$ 9,094,549	\$ 27,493,541	\$ 18,360,362	\$ 54,948,452	\$ 2,577,794
Accounts receivable (net of allowance for uncollectibles)	4,719,104	1,030,017	652,547	6,401,668	-
Due from other governments	563,437	1,684,352	927,403	3,175,192	-
Prepaid items	132,046	6,256	42,355	180,657	-
Total current assets	14,509,136	30,214,166	19,982,667	64,705,969	2,577,794
Noncurrent assets:					
Restricted cash and investments	43,201,528	-	-	43,201,528	-
Net pension asset	2,604,249	-	1,157,438	3,761,687	-
Capital assets:					
Capital assets, not being depreciated:	74,267,899	198,422	6,492,258	80,958,579	-
Capital assets net of accumulated depreciation:	166,974,142	10,264,458	28,890,198	206,128,798	-
Total capital assets (net of accumulated depreciation)	241,242,041	10,462,880	35,382,456	287,087,377	-
Total noncurrent assets	287,047,818	10,462,880	36,539,894	334,050,592	-
Total assets	301,556,954	40,677,046	56,522,561	398,756,561	2,577,794
Deferred Outflows of Resources					
Deferred amount on refunding	986,178	-	-	986,178	-
Deferred outflows due to pension	62,303	-	27,690	89,993	-
Deferred outflows due to OPEB	314,631	-	148,597	463,228	-
Total Deferred Outflows of Resources	1,363,112	-	176,287	1,539,399	-
Liabilities					
Current liabilities:					
Accounts payable	2,650,512	63,368	1,160,554	3,874,434	-
Claims payable	-	-	-	-	1,440,597
Accrued payroll	124,533	-	51,333	175,866	-
Accrued interest payable	1,205,352	-	22,435	1,227,787	-
Long-term obligations due in one year	9,991,853	-	355,162	10,347,015	-
Landfill closure and postclosure liability	-	-	73,500	73,500	-
Total current liabilities	13,972,250	63,368	1,662,984	15,698,602	1,440,597
Noncurrent liabilities:					
Claims	-	-	-	-	1,469,513
Long-term obligations due in more than one year (net of unamortized discounts and deferred amount on refunding)	200,857,756	-	1,577,622	202,435,378	-
Landfill closure and postclosure liability	-	-	11,551,919	11,551,919	-
OPEB liability	581,314	-	274,547	855,861	-
Total noncurrent liabilities	201,439,070	-	13,404,088	214,843,158	1,469,513
Total liabilities	215,411,320	63,368	15,067,072	230,541,760	2,910,110
Deferred Inflows of Resources					
Deferred inflows due to pension	3,004,895	-	1,335,503	4,340,398	-
Deferred inflows due to OPEB	229,050	-	108,177	337,227	-
Total deferred inflows of resources	3,233,945	-	1,443,680	4,677,625	-
Net Position					
Net Investment in capital assets	50,525,485	10,461,320	34,253,805	95,240,609	-
Restricted for debt service	21,871,242	-	-	21,871,242	-
Unrestricted (deficit)	11,878,074	30,152,359	5,934,291	47,964,724	(332,316)
Total net position	\$ 84,274,801	\$ 40,613,678	\$ 40,188,096	165,076,575	\$ (332,316)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(187,331)	
Net position of business-type activities				\$ 164,889,244	

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, 2021

	Sewer	Mass Transit	Other Enterprise Funds	Total	Total Internal Service Fund
Operating revenues:					
Charges for services	\$ 30,209,549	\$ 233,584	\$ 8,366,282	\$ 38,809,415	\$ 2,037,264
Other	301,765	47,027	301,702	650,494	-
Total operating revenues	<u>30,511,314</u>	<u>280,611</u>	<u>8,667,984</u>	<u>39,459,909</u>	<u>2,037,264</u>
Operating expenses:					
Personal services	4,538,685	1,570	2,030,388	6,570,643	-
Contractual services	5,593,753	5,289,977	871,805	11,755,535	2,578,638
Commodities	735,612	337,725	634,432	1,707,769	-
Heat, light and power	1,778,014	37,698	165,338	1,981,050	-
Depreciation	7,666,744	1,699,963	1,762,208	11,128,915	-
Closure and postclosure care costs	-	-	296,589	296,589	-
Total operating expenses	<u>20,312,808</u>	<u>7,366,933</u>	<u>5,760,760</u>	<u>33,440,501</u>	<u>2,578,638</u>
Operating income (loss)	<u>10,198,506</u>	<u>(7,086,322)</u>	<u>2,907,224</u>	<u>6,019,408</u>	<u>(541,374)</u>
Nonoperating revenues (expenses):					
Intergovernmental and other	-	4,180,528	61,492	4,242,020	-
Sales taxes	-	5,090,915	-	5,090,915	-
Franchise taxes	-	1,044,614	-	1,044,614	-
Investment income	132,478	41,933	41,076	215,487	26,720
Interest and fiscal charges	(5,543,272)	-	(83,299)	(5,626,571)	-
Gain on disposal of capital assets	(307,501)	-	308,446	945	-
Total nonoperating revenues (expenses), net	<u>(5,718,295)</u>	<u>10,357,990</u>	<u>327,715</u>	<u>4,967,410</u>	<u>26,720</u>
Income (loss) before capital contributions and transfers	4,480,211	3,271,668	3,234,939	10,986,818	(514,654)
Capital contributions and grants	77,118	4,954,037	1,634,097	6,665,252	-
Transfers in	423,250	-	504,767	928,017	-
Transfers out	(1,583,590)	(241,284)	(1,273,626)	(3,098,500)	-
Change in net position	<u>3,396,989</u>	<u>7,984,421</u>	<u>4,100,177</u>	<u>15,481,587</u>	<u>(514,654)</u>
Total net position - beginning	80,877,812	32,629,257	36,087,919	182,338	182,338
Total net position - ending	<u>\$ 84,274,801</u>	<u>\$ 40,613,678</u>	<u>\$ 40,188,096</u>		<u>\$ (332,316)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>(98,773)</u>	
Change in net position of business-type activities				<u>\$ 15,382,814</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, 2021

	Sewer	Mass Transit	Other Enterprise Funds	Totals	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 30,648,793	\$ 186,263	\$ 8,145,913	\$ 38,980,969	\$ 2,037,264
Payments to suppliers	(11,509,702)	(5,751,767)	(1,005,602)	(18,267,071)	(1,791,264)
Payments to employees	(5,567,386)	(1,570)	(2,409,959)	(7,978,915)	-
Other operating revenues	301,765	47,027	301,702	650,494	-
Net cash provided (used) by operating activities	<u>13,873,470</u>	<u>(5,520,047)</u>	<u>5,032,054</u>	<u>13,385,477</u>	<u>246,000</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intergovernmental grants	-	4,361,788	-	4,361,788	-
Taxes received	-	6,135,529	-	6,135,529	-
Transfers in	423,250	-	504,767	928,017	-
Transfers out	(1,583,590)	(241,284)	(1,273,626)	(3,098,500)	-
Net cash provided (used) by noncapital financing activities	<u>(1,160,340)</u>	<u>10,256,033</u>	<u>(768,859)</u>	<u>8,326,834</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Bond Proceeds	35,878,515	-	-	35,878,515	-
Payments of debt principal	(26,200,692)	-	(281,407)	(26,482,099)	-
Payments of debt interest and charges	(5,783,998)	-	(82,829)	(5,866,827)	-
Capital grants received	137,152	4,954,037	1,029,325	6,120,514	-
Proceeds from sale of assets	37,946	-	309,849	347,795	-
Purchase of capital assets	(9,930,381)	(7,003,223)	(3,155,636)	(20,089,240)	-
Net cash provided (used) by capital and related financing activities	<u>(5,861,458)</u>	<u>(2,049,186)</u>	<u>(2,180,698)</u>	<u>(10,091,342)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales and maturities of investments	9,807,106	20,910,183	13,726,237	44,443,526	1,947,225
Purchase of investments	(17,940,379)	(20,993,588)	(14,008,825)	(52,942,792)	(1,968,358)
Interest and dividends received	13,911,976	41,933	30,249	13,984,158	26,720
Net cash provided (used) by investing activities	<u>5,778,703</u>	<u>(41,472)</u>	<u>(252,339)</u>	<u>5,484,892</u>	<u>5,587</u>
Net increase (decrease) in cash and cash equivalents	12,630,375	2,645,328	1,830,158	17,105,861	251,587
Cash and cash equivalents - beginning	22,897,867	5,226,719	3,426,845	31,551,431	486,496
Cash and cash equivalents - ending	35,528,242	7,872,047	5,257,003	48,657,292	738,083
Investments	16,767,835	19,621,494	13,103,359	49,492,688	1,839,711
Total cash and investments	<u>\$ 52,296,077</u>	<u>\$ 27,493,541</u>	<u>\$ 18,360,362</u>	<u>\$ 98,149,980</u>	<u>\$ 2,577,794</u>
Cash and investments reported on the Statement of Net Position:					
Unrestricted cash and investments	\$ 9,094,549	\$ 27,493,541	\$ 18,360,362	\$ 54,948,452	\$ 2,577,794
Restricted cash and investments	43,201,528	-	-	43,201,528	-
Total cash and investments	<u>\$ 52,296,077</u>	<u>\$ 27,493,541</u>	<u>\$ 18,360,362</u>	<u>\$ 98,149,980</u>	<u>\$ 2,577,794</u>

(continued)

CITY OF ST. JOSEPH, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Sewer	Mass Transit	Other Enterprise Funds	Totals	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 10,198,506	\$ (7,086,322)	\$ 2,907,224	\$ 6,019,408	\$ (541,374)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	7,666,744	1,699,963	1,762,208	11,128,915	-
Deferred outflows of resources	504,368	-	188,934	693,302	-
Deferred inflows of resources	3,126,716	-	1,397,454	4,524,170	-
Landfill closure and postclosure	-	-	240,036	240,036	-
Effect of changes in operating assets and liabilities:					
Accounts and other receivables	439,244	(47,321)	(220,369)	171,554	-
Prepaid expenses	(26,320)	(1,548)	(13,058)	(40,926)	-
Accounts payable and contracts/claims payable	(3,376,003)	(84,819)	735,584	(2,725,238)	787,374
Accrued payroll and compensated absences	(212,699)	-	(724)	(213,423)	-
Net Pension Liability	(4,447,086)	-	(1,965,235)	(6,412,321)	-
Net cash provided (used) by operating activities	<u>\$ 13,873,470</u>	<u>\$ (5,520,047)</u>	<u>\$ 5,032,054</u>	<u>\$ 13,385,477</u>	<u>\$ 246,000</u>
Non-cash capital and financing activities:					
Assets acquired under capital leases	\$ 12,853	\$ -	\$ -	\$ 12,853	\$ -

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, 2021

	Pension Trust Fund	Total Custodial Funds
	Police Pension	
Assets:		
Cash and cash equivalents	\$ 12,802,750	\$ 190,554
Investments:		
Other debt securities	4,197,774	-
Corporate stock	17,716,579	-
Receivables:		
Taxes	-	101,362
Unrealized Gain/Loss Investment	9,053,704	-
Accrued interest	90,156	-
Total assets	<u>43,860,963</u>	<u>291,916</u>
Liabilities:		
Accounts payable	<u>23,274</u>	<u>98,212</u>
Total liabilities	<u>23,274</u>	<u>98,212</u>
Net Position		
Restricted for:		
Pension benefits	43,837,689	-
Organizations and other governments	-	193,704
	<u>\$ 43,837,689</u>	<u>\$ 193,704</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, 2021

	Pension Trust Fund <u>Police Pension</u>	Total Custodial <u>Funds</u>
Additions:		
Tax collections for other governments	\$ -	\$ 1,144,368
Employer contributions	-	-
Interest and dividends	813,274	2,430
Net appreciation in fair value of investments	9,179,622	-
Less investment expenses	<u>(72,486)</u>	<u>-</u>
Total additions	<u>9,920,410</u>	<u>1,146,798</u>
Deductions:		
Benefit payments	2,669,871	-
Developer reimbursements	-	791,743
Contractual services	-	365,869
Administrative expenses	<u>58,588</u>	<u>-</u>
Total deductions	<u>2,728,459</u>	<u>1,157,612</u>
 Net change in net position	 7,191,951	 (10,814)
Net position restricted		
Beginning of year, as restated	<u>36,645,738</u>	<u>204,518</u>
End of year	<u>\$ 43,837,689</u>	<u>\$ 193,704</u>

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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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 No. 39, “Determining Whether Certain Organizations are Component Units – an amendment to GASB Statement No. 14” and Statement No. 61 “The Financial Reporting Entity: Omnibus on an amendment of GASB Statements No. 14 and No. 34”, and GASB Statement No. 80, “Blending Requirements for Certain Component Units – an amendment to GASB Statement No. 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.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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, 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 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

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate 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, 2021

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 *American Rescue Plan Act Fund* (ARPA), a special revenue fund, is used to account for the City's \$39.6 million dollar allotment from the U.S. Department of the Treasury. The City received its first distribution of \$19,352,404 and will be dedicated to the following items: Sewer Infrastructure, Recapture of Lost Revenue, and recommendations from the ARPA Review Committee.

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.

Additionally, the City reports the following fund types:

The *Insurance 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 Fiduciary (Custodial) Funds are used to account for assets held by the City in a custodial capacity for the 2317 Belt CID, Gateway TDD, Cooks Crossing CID, East Hills CID, Beck Road CID, Tuscany Village CID, 36th and Frederick CID, and Library Tax Fund and are therefore not available to support City programs. Custodial funds apply the accrual basis of accounting, however they do not have a measurement focus.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

The City's fiduciary funds are presented in the fiduciary fund financial statement by type. Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. 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

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

to indicate they are not available for appropriation. Balances in prepaid items at June 30, 2021, include the premiums paid to various companies for general liability, auto liability, property, equipment, and other insurance for coverage effective July 1, 2021, and July/August lease payments; The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

G. 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.

H. 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 City 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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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.

I. 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 more than 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 equipment	5 years
- Furniture, machinery and equipment	10 years
- Buildings and improvements	30 years
- Sewer treatment plant	50 years
- Streets infrastructure	25 years
- Sewer infrastrucure	40 years
- Bridge infrastructure	50 years

J. 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
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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, because of employee resignations and retirements.

K. 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.

L. Interfund Activity

During 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
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M. 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.

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

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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 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.

N. 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.

O. Deficit Net Position

The Insurance Internal Service Fund had a deficit fund balance/net position of (\$332,316) at June 30, 2021, that will be eliminated by future revenues.

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 \$615,170. This amount is approximately 1.0% of total general fund

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

revenues, including transfers in and sale of capital assets, of \$62,263,839 and, accordingly, the City believes that they are in compliance with the requirements of the Statute.

R. New Accounting Standard

For the year ended June 30, 2021, the City implemented GASB Statement No. 84, Fiduciary Activities. The principal 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. As a result of the implementation the City's fiduciary funds are ported as fiduciary custodial funds.

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 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.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The fair 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:

	Balance June 30, 2021
Cash on hand	\$ 22,765
Cash Deposit in Bank	31,533,229
Investments held by Trustee (Bond Reserves)	39,072,191
Investment Holding Account	7,784
US Government and Agency Securities	84,300,349
Collateralized Time Deposits	13,793,140
Accrued Investment Interest Account	214,859
Police Pension Trust	43,770,807
Total	\$ 212,715,124

	Government- wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Unrestricted – cash and investments	\$ 95,928,696	\$ 190,554	\$ 96,119,250
Restricted – cash and investments	72,825,067	-	72,825,067
Police Pension – cash and investments	-	43,770,807	43,770,807
Total	\$ 168,753,763	\$ 43,961,361	\$ 212,715,124

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Investments for the City by segmented maturity are as follows for the year ended June 30, 2021:

Investment Type	Investment Maturities (in years)		
	Fair Value	Less Than 1	1 - 5
Debt Securities			
Fed Farm Credit Bank	\$ 22,987,368	\$ -	\$ 22,987,368
Fed Hme Loan Bank	19,962,503	3,033,840	16,928,663
Fed Hme Loan Mort	10,969,486	2,041,620	8,927,866
Fed National Mortgage Corp	2,076,606	-	2,076,606
Freddie	1,748,886	-	1,748,886
US Treasuries	26,555,501	12,879,691	13,675,810
Certificate of Deposits	13,793,140	1,714,516	12,078,624
	<u>98,093,489</u>	<u>\$ 19,669,667</u>	<u>\$ 78,423,822</u>
Investment Holding Account	7,784		
Total	<u><u>\$ 98,101,273</u></u>		

Investments for the Police Pension fund by segmented maturity are as follows for the year ended June 30, 2021:

Investment Type	Investment Maturities (in years)				
	Fair Value	Less Than 1	1 - 5	6 - 10	>10
Debt Securities					
Fed Natl Mort Assoc	\$ 1,247,819	\$ -	\$ 302,940	\$ 227,438	\$ 717,441
Fed Hme Loan Mort	777,211	-	-	145,666	631,544
Gov Natl Mort Assoc	566,248	-	-	-	566,248
Cash Money Market	1,394,898	-	1,394,898	-	-
US Treasuries	9,023,944	-	5,747,684	1,391,222	1,885,038
Certificate of Deposits	135,228	-	135,228	-	-
Municipal Obligations	100,698	-	100,698	-	-
Corporate Debt	4,022,012	-	1,137,646	1,520,083	1,364,283
	<u>17,268,057</u>	<u>\$ -</u>	<u>\$ 8,819,094</u>	<u>\$ 3,284,409</u>	<u>\$ 5,164,554</u>
Other Investments:					
Corporate Stock	<u>26,502,750</u>				
Total	<u><u>\$ 43,770,807</u></u>				

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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 a 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, 2021, the bank balance of \$31,533,229 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 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 minimize credit risk by limiting its investments to Certificates of Deposit, bonds, or other obligations of the United States, and other debt securities given the highest available rating by a nationally recognized statistical rating organization. The only security listed above that is not either a U.S. Government obligation, or explicitly guaranteed by the U.S. Government is the Certificates of Deposits which are rated AAA by Standard & Poor’s as of yearend.

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.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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						
Certificate of Deposits	135,228	135,228	-	-	-	-
Municipal Obligations	100,698	-	100,698	-	-	-
Corporate Debt	4,022,012	-	178,179	1,728,838	2,079,155	35,840
Total	<u>\$ 4,257,937</u>	<u>\$ 135,228</u>	<u>\$ 278,877</u>	<u>\$ 1,728,838</u>	<u>\$ 2,079,155</u>	<u>\$ 35,840</u>

Concentration of Credit Risk – Safety of principal is the foremost objective of the City's investment program. The cash investments of the City 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.

The City's investments are in the following investment types at June 30, 2021:

Investment Type	Fair Value	Concentration
Debt Securities		
Fed Farm Credit Bank	\$ 22,987,368	23.43%
Fed Hme Loan Bank	19,962,503	20.35%
Fed Hme Loan Mort	10,969,486	11.18%
Fed National Mortgage Corp	2,076,606	2.12%
Feddie	1,748,886	1.78%
US Treasuries	26,555,501	27.07%
Certificate of Deposits	13,793,140	14.06%
Total	<u>\$ 98,093,489</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.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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 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 and the Police Pension Fund uses various valuation approaches within GASB No. 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.

GASB No. 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. GASB No. 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

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.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Fair values of assets and liabilities of the City measured on a recurring basis, as of June 30, 2021, are as follows:

Investment Type	Fair Value Measurement			
	Fair Value	Level 1	Level 2	Level 3
Debt Securities				
Fed Farm Credit Bank	\$ 22,987,368	\$ -	\$ 22,987,368	\$ -
Fed Hme Loan Bank	19,962,503	-	19,962,503	-
Fed Hme Loan Mort	10,969,486	-	10,969,486	-
Fed National Mortgage Corp	2,076,606	-	2,076,606	-
Freddie	1,748,886	-	1,748,886	-
US Treasuries	26,555,501	-	26,555,501	-
Certificate of Deposits	13,793,140	-	13,793,140	-
Total	\$ 98,093,489	\$ -	\$ 98,093,489	\$ -

Fair values of assets and liabilities of the Pension Fund measured on a recurring basis, as of June 30, 2021, are as follows:

Investment Type	Fair Value Measurement			
	Fair Value	Level 1	Level 2	Level 3
Debt Securities				
Money Market	\$ 1,394,898	\$ 1,394,898	\$ -	\$ -
Certificate of Deposits	135,228	-	135,228	-
Corporate Debt	3,986,172	-	3,986,172	-
Asset Backed Securities	35,840	-	35,840	-
US Treasuries	9,023,944	9,023,944	-	-
Fed Natl Mort Assoc	1,247,819	439,232	808,587	-
Fed Hme Loan Mort	777,211	-	777,211	-
Gov Natl Mort Assoc	566,248	-	566,248	-
Municipal Obligations	100,698	-	100,698	-
Equity Securities				
Corporate Stock	20,857,572	20,857,572	-	-
Exchange Traded Fund - Equity	859,945	859,945	-	-
Exchange Traded Fund - REIT	334,296	334,296	-	-
Foreign Equities	4,450,937	4,450,937	-	-
Total	\$ 43,770,807	\$ 37,360,825	\$ 6,409,982	\$ -

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3: RECEIVABLES

The City property taxes are levied as of August 24 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 24	August 24
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 2021 property tax rate was \$1.68 per \$100 valuation (\$1.58 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	2020/2021	2019/2020
City:		
General Fund	\$0.60	\$0.60
Public Safety	0.07	0.07
Parks & Recreation	0.20	0.20
Public Health	0.22	0.22
Debt Service	0.12	n/a
Library	0.42	0.41
Museum	0.05	0.05
Special Park	0.50	0.50

As required by RSMo 137.073, the State Auditor examined and approved the property tax rates for calendar year 2020 which comply with Article X, Section 22 of the Missouri Constitution.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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 2020 and 2019 were as follows:

Tax Year / Fiscal Year	2020 / 2021	2019 / 2020	Change	Percent of Change
Real Property	\$746,235,380	\$754,119,400	(\$7,884,020)	-1.05%
Personal Property	298,697,366	274,337,609	24,359,757	8.88%
Railroad Utilities	46,784,481	43,766,515	3,017,966	6.90%
Total	<u>\$1,091,717,227</u>	<u>\$1,072,223,524</u>	<u>\$19,493,703</u>	<u>1.82%</u>

Receivables as of June 30, 2021, 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	\$ 23,879	\$ 22,724	\$ 6,659,641	\$ 6,706,244	\$ -	\$ 6,706,244
Special Allocation	266,274	-	3,679,034	3,945,308	-	3,945,308
Capital Projects	-	-	1,104,057	1,104,057	-	1,104,057
Nonmajor governmental funds	49,345	4,401	1,733,828	1,787,574	-	1,787,574
Total governmental activities	339,498	27,125	13,176,560	13,543,183	-	13,543,183
Business-type activities:						
Sewer	5,029,779	-	185,974	5,215,753	(496,649)	4,719,104
Mass Transit	-	-	1,030,017	1,030,017	-	1,030,017
Nonmajor enterprise funds	652,547	-	-	652,547	-	652,547
Total business-type activities	5,682,326	-	1,215,991	6,898,317	(496,649)	6,401,668
Total Net Receivables	\$ 6,021,824	\$ 27,125	\$ 14,392,551	\$ 20,441,500	\$ (496,649)	\$ 19,944,851

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 6,097,349	\$ -	\$ -	\$ 6,097,349
Construction in progress	1,110,686	4,897,792	1,046,673	4,961,805
Total capital assets, not being depreciated	7,208,035	4,897,792	1,046,673	11,059,154
Capital assets, being depreciated:				
Buildings	52,918,740	176,046	341,158	52,753,628
Improvements other than buildings	53,246,579	523,169	227,919	53,541,829
Machinery and equipment	28,207,811	1,100,775	348,936	28,959,650
Office equipment and furniture	7,892,355	602,206	145,089	8,349,472
Infrastructure	280,927,526	546,521	-	281,474,047
Total capital assets being depreciated	423,193,011	2,948,717	1,063,102	425,078,626
Less accumulated depreciation for:				
Buildings	30,502,751	1,323,250	341,158	31,484,843
Improvements other than buildings	19,430,476	1,783,574	123,207	21,090,843
Machinery and equipment	23,642,823	1,308,895	313,328	24,638,390
Office equipment and furniture	5,449,453	565,927	145,089	5,870,291
Infrastructure	208,455,247	5,193,900	-	213,649,147
Total accumulated depreciation	287,480,750	10,175,546	922,782	296,733,514
Total capital assets, being depreciated, net	135,712,261	(7,226,829)	140,320	128,345,112
Total Governmental activities capital assets, net	\$ 142,920,296	\$ (2,329,037)	\$ 1,186,993	\$ 139,404,266

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

	<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>65,232,879</u>	<u>8,867,797</u>	<u>2,919,367</u>	<u>71,181,309</u>
Total capital assets, not being depreciated	68,319,469	8,867,797	2,919,367	74,267,899
Capital assets, being depreciated:				
Buildings	102,381,881	8,945	2,289,325	100,101,501
Improvements other than buildings	92,418,602	935,700	-	93,354,302
Machinery and equipment	11,860,092	649,270	24,463	12,484,899
Office equipment and furniture	1,136,305	14,899	-	1,151,204
Infrastructure	<u>67,288,997</u>	<u>2,385,989</u>	<u>-</u>	<u>69,674,986</u>
Total capital assets being depreciated	275,085,877	3,994,803	2,313,788	276,766,892
Less accumulated depreciation for:				
Buildings	36,204,333	3,540,068	1,945,926	37,798,475
Improvements other than buildings	18,560,531	2,703,452	-	21,263,983
Machinery and equipment	10,873,889	491,959	22,416	11,343,432
Office equipment and furniture	853,617	44,059	-	897,676
Infrastructure	<u>37,601,978</u>	<u>887,206</u>	<u>-</u>	<u>38,489,184</u>
Total accumulated depreciation	104,094,348	7,666,744	1,968,342	109,792,750
Total capital assets, being depreciated, net	<u>170,991,529</u>	<u>(3,671,941)</u>	<u>345,446</u>	<u>166,974,142</u>
Total sewer fund capital assets, net	\$ <u>239,310,998</u>	\$ <u>5,195,856</u>	\$ <u>3,264,813</u>	\$ <u>241,242,041</u>
Mass Transit fund:				
Capital assets, not being depreciated:				
Land	\$ 189,134	\$ -	\$ -	\$ 189,134
Construction in Progress	<u>54,704</u>	<u>279,023</u>	<u>324,439</u>	<u>9,288</u>
Total capital assets, not being depreciated	243,838	279,023	324,439	198,422
Capital assets, being depreciated:				
Buildings	4,618,959	-	-	4,618,959
Improvements other than buildings	348,623	324,439	-	673,062
Machinery and equipment	9,820,479	6,724,200	-	16,544,679
Office equipment and furniture	<u>1,119,768</u>	<u>-</u>	<u>-</u>	<u>1,119,768</u>
Total capital assets being depreciated	15,907,829	7,048,639	-	22,956,468
Less accumulated depreciation for:				
Buildings	3,111,208	151,400	-	3,262,608
Improvements other than buildings	119,202	22,049	-	141,251
Machinery and equipment	6,897,854	1,508,263	-	8,406,117
Office equipment and furniture	<u>863,783</u>	<u>18,251</u>	<u>-</u>	<u>882,034</u>
Total accumulated depreciation	10,992,047	1,699,963	-	12,692,010
Total capital assets, being depreciated, net	<u>4,915,782</u>	<u>5,348,676</u>	<u>-</u>	<u>10,264,458</u>
Total mass transit fund capital assets, net	\$ <u>5,159,620</u>	\$ <u>5,627,699</u>	\$ <u>324,439</u>	\$ <u>10,462,880</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

	<u>Beginning Balance</u>		<u>Increases</u>		<u>Decreases</u>		<u>Ending Balance</u>
Nonmajor enterprise funds:							
Capital assets, not being depreciated:							
Land	\$ 5,318,797		\$ -		\$ -		\$ 5,318,797
Construction in Progress	1,922,711		2,175,441		2,924,691		1,173,461
Total capital assets, not being depreciated	7,241,508		2,175,441		2,924,691		6,492,258
Capital assets, being depreciated:							
Buildings	10,570,886		16,742		-		10,587,628
Improvements other than buildings	23,577,383		2,919,668		-		26,497,051
Machinery and equipment	8,685,658		968,475		2,374,633		7,279,500
Office equipment and furniture	49,676		-		-		49,676
Infrastructure	11,869,953		-		-		11,869,953
Total capital assets being depreciated	54,753,556		3,904,885		2,374,633		56,283,808
Less accumulated depreciation for:							
Buildings	7,283,434		272,360		-		7,555,794
Improvements other than buildings	9,918,130		511,872		-		10,430,002
Machinery and equipment	6,646,734		586,923		2,373,231		4,860,426
Office equipment and furniture	39,984		16,054		-		56,038
Infrastructure	4,116,351		374,999		-		4,491,350
Total accumulated depreciation	28,004,633		1,762,208		2,373,231		27,393,610
Total capital assets, being depreciated, net	26,748,923		2,142,677		1,402		28,890,198
Total nonmajor enterprise fund capital assets, net	\$ 33,990,431		\$ 4,318,118		\$ 2,926,093		\$ 35,382,456

Depreciation expense was charged to functions/programs as follows:

Governmental activities:		
General government	\$	360,850
Public safety		1,362,689
Highways and streets		6,584,904
Health and welfare		205,410
Parks and recreation		1,661,694
		<hr/>
Total depreciation expense – governmental activities	\$	10,175,547
		<hr/> <hr/>
Business-type activities:		
Sewer	\$	7,666,744
Mass Transit		1,699,962
Non-major enterprise funds		1,762,208
		<hr/>
Total depreciation expense – business-type activities	\$	11,128,914
		<hr/> <hr/>

Interest on CIP projects no longer capitalized per GASB 89

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021 are as follows:

	<u>Interfund receivables</u>	<u>Interfund payables</u>
Major governmental funds:		
Capital Projects	377,200	-
Nonmajor governmental funds	-	377,200
Total	<u>\$ 377,200</u>	<u>\$ 377,200</u>

Interfund transfers consisted of the following amounts:

		<u>Transfers To</u>					
		<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Sewer Fund</u>	<u>Nonmajor Business-type</u>	<u>Total</u>
Transfers From	Governmental Funds:						
	General Fund	\$ -	\$ 269,830	\$ 1,301,368	\$ 220,000	\$ 396,183	\$ 2,187,381
	Capital Projects	52,900	-	-	-	32,084	84,984
	Nonmajor governmental	5,190,123	12,484	118,072		76,500	5,397,179
	Enterprise Funds:						
	Sewer	1,576,926	6,664	-	-	-	1,583,590
	Mass Transit	226,009	15,275	-	-	-	241,284
	Nonmajor enterprise	1,049,608	20,768	-	203,250	-	1,273,626
	Total	<u>\$ 8,095,566</u>	<u>\$ 325,021</u>	<u>\$ 1,419,440</u>	<u>\$ 423,250</u>	<u>\$ 504,767</u>	<u>\$ 10,768,044</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, 2021**

NOTE 6: LONG-TERM LIABILITIES

Governmental Activities	Balance 7/1/2020	Increases	Decreases	Balance 6/30/2021	Current Portion
Industrial Development Authority Bonds	\$ 15,700,000	-	\$ (4,545,000)	\$ 11,155,000	\$ 2,245,000
Infrastructure Facility Revenue Bonds	6,030,000	-	(1,305,000)	4,725,000	1,350,000
MO Development Finance Board Bonds	685,000	-	(160,000)	525,000	165,000
Discount on Issuance	(23,158)	-	6,778	(16,380)	-
Government Obligation Bonds	-	6,000,000	(825,000)	5,175,000	215,000
Developer Obligations	59,859,708	3,232,663	(2,639,305)	60,453,066	2,000,000
Capital Lease Obligations	2,132,330	156,132	(158,056)	2,130,406	174,598
Compensated Absences*	1,737,057	1,621,962	(1,553,859)	1,805,160	1,696,774
OPEB Liabilities*	6,536,827	-	(1,759,547)	4,777,280	-
Claims	2,122,736	2,249,417	(1,462,043)	2,910,110	1,440,597
Total Governmental activities					
Long-term liabilities	\$ 94,780,500	\$ 13,260,174	\$ (14,401,032)	\$ 93,639,642	\$ 9,286,969

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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Business-type Activities	Balance 7/1/2020	Increases	Decreases	Balance 6/30/2021	Current Portion
Sewer Fund					
Revenue Bonds	154,999,053	3,173,549	(7,070,500)	151,102,102	7,249,000
Industrial Development Authority Bonds	23,310,000	-	(1,755,000)	21,555,000	1,840,000
Infrastructure Facility Revenue Bonds	16,950,000	31,110,000	(16,950,000)	31,110,000	-
MO Development Finance Board Bonds	3,825,000	-	(715,000)	3,110,000	740,000
Discount on Issuance	(72,296)	-	72,296	-	-
Premium on Issuance	2,575,623	1,594,966	(366,651)	3,803,938	-
Capital Lease Obligations	1,442	12,853	(4,544)	9,751	4,035
Compensated Absences	135,775	162,772	(139,729)	158,818	158,818
OPEB Liabilities	792,178	-	(210,864)	581,314	-
Total sewer fund					
Long-term liabilities	202,516,775	36,054,140	(27,139,992)	211,430,923	9,991,853
Nonmajor Enterprise Funds					
Capital Lease Obligations	423,466	-	(95,915)	327,551	86,059
Closure/Post Closure	11,385,383	296,589	(56,553)	11,625,419	73,500
Other Obligations	1,708,991	-	(185,492)	1,523,499	192,911
Compensated Absences	82,130	61,778	(62,175)	81,733	76,192
OPEB Liabilities	375,017	-	(100,470)	274,547	-
Total nonmajor enterprise					
funds Long-term liabilities	13,974,987	358,367	(500,604)	13,832,750	428,662
Total Business-type activities					
Long-term liabilities	216,491,762	36,412,507	(27,640,596)	225,263,673	10,420,515

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Year Ending	Governmental Activities					
	Industrial Development Authority Bonds		Infrastructure Facility Revenue Bonds		MO Development Finance Board Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	2,245,000	506,002	1,350,000	202,668	165,000	23,625
2023	2,350,000	402,427	1,405,000	144,443	175,000	16,200
2024	2,450,000	294,014	1,475,000	83,837	185,000	8,325
2025	2,565,000	180,925	495,000	10,093	-	-
2027-2031	975,000	109,175	-	-	-	-
2034-2038	-	-	-	-	-	-
2032-2036	-	-	-	-	-	-
2037-2041	-	-	-	-	-	-
2042-2046	-	-	-	-	-	-
	<u>\$ 11,155,000</u>	<u>\$ 1,568,361</u>	<u>\$ 4,725,000</u>	<u>\$ 441,041</u>	<u>\$ 525,000</u>	<u>\$ 48,150</u>

Year Ending	Total Governmental Activities Debt Service Requirements			
	Governmental Obligation Bonds		Debt Service Requirements	
	Principal	Interest	Principal	Interest
2022	215,000	130,325	3,975,000	862,620
2023	220,000	119,575	4,150,000	682,645
2024	230,000	108,575	4,340,000	494,751
2025	235,000	97,075	3,295,000	288,093
2026	245,000	85,325	815,000	161,144
2027-2031	1,305,000	291,894	2,280,000	401,069
2032-2036	1,450,000	190,563	1,450,000	190,563
2037-2041	1,275,000	62,050	1,275,000	62,050
2042-2046	-	-	-	-
	<u>\$ 5,175,000</u>	<u>\$ 1,085,381</u>	<u>\$ 21,580,000</u>	<u>\$ 3,142,933</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Business-type Activities

Year Ending	Revenue Bonds		Industrial Development Authority Bonds		Infrastructure Facility Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
	2022	\$ 7,249,000	\$ 2,198,445	\$ 1,840,000	\$ 978,794	-
2023	7,437,500	2,099,062	1,930,000	886,794	-	694,688
2024	7,581,900	1,989,507	2,085,000	790,294	-	694,688
2025	7,777,300	1,878,481	2,190,000	687,694	\$ 745,000	694,688
2026	7,982,800	1,749,340	3,190,000	580,694	1,225,000	664,888
2027-2031	43,018,900	7,056,757	7,425,000	1,014,700	11,020,000	2,423,581
2032-2036	43,755,100	3,938,631	2,895,000	219,988	13,170,000	1,262,488
2037-2041	14,544,000	2,097,260	-	-	4,950,000	250,000
2042-2046	11,755,602	1,986,130	-	-	-	-
	<u>\$ 151,102,102</u>	<u>\$ 24,993,613</u>	<u>\$ 21,555,000</u>	<u>\$ 5,158,957</u>	<u>\$ 31,110,000</u>	<u>\$ 7,379,706</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
2022	\$ 740,000	\$ 101,075	\$ 9,829,000	\$ 3,973,002	\$ 13,804,000	\$ 4,835,621
2023	760,000	77,025	10,127,500	3,757,569	14,277,500	4,440,214
2024	785,000	52,325	10,451,900	3,526,814	14,791,900	4,021,564
2025	825,000	13,406	11,537,300	3,274,269	14,832,300	3,562,361
2026	-	-	12,397,800	2,994,921	13,212,800	3,156,065
2027-2031	-	-	61,463,900	10,495,039	63,743,900	10,896,108
2032-2036	-	-	59,820,100	5,421,106	61,270,100	5,611,668
2037-2041	-	-	19,494,000	2,347,260	20,769,000	2,409,310
2042-2046	-	-	11,755,602	1,986,130	11,755,602	1,986,130
	<u>\$ 3,110,000</u>	<u>\$ 243,831</u>	<u>\$ 206,877,102</u>	<u>\$ 37,776,108</u>	<u>\$ 228,457,102</u>	<u>\$ 40,919,041</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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.

During the election held on June 2, 2020, voters of the City approved the establishment of a real property tax of 0.1210 to finance the issuance of general obligation bonds in the amount of \$20,000,000 for the repair and replacement of bridges and transportation infrastructure. On September 2, 2020, the City issued \$6,000,000 of the authorized General Obligation Bonds, for initial bridge design and construction phase.

The total principal balance outstanding for the General Obligation Bonds as of June 30, 2021, is \$5,175,000.

Governmental Activities

Series 2020 – General Obligation Bonds (Debt Service); due in annual installments through March 1, 2040; interest at 1.00% to 5.00%	<u>\$ 5,175,000</u>
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Industrial Development Authority Bonds:

The Industrial Development Authority of the City 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. 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, 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%. If an Event of Default has occurred and is continuing, and if requested so to do by the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred as the Trustee, being advised by counsel, deems most expedient in the interests of the Owners. 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. In an

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Event of Default occurs and is continuing, the Trustee may, and shall upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, by notice in writing delivered to the Authority, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable. 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. In an Event of Default, occurs and is continuing, the Trustee may, and shall, if requested the owners of not less than 25% in principal amount of the Bonds Outstanding, by written notice to the Authority and the City, declare the principal of all Bonds Outstanding and the interest accrued thereon to be due and payable, and upon any such declaration such principal and interest shall become immediately due and payable.

The total principal balance outstanding for the Industrial Development Authority Bonds as of June 30, 2021, is \$32,710,000.

Governmental Activities

Series 2008 – Industrial Development Authority Bonds (Special Allocation); due in annual installments through March 1, 2029; interest at 5.50%	\$ 2,285,000
Series 2018 – Industrial Development Authority Bonds (Special Allocation); due in annual installments through November 1, 2027; interest at 4.46%	<u>8,870,000</u>
Total Industrial Development Authority Bonds for Governmental Activities	<u>\$ 11,155,000</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%	\$ 8,025,000
Series 2015B – Industrial Development Authority Bonds (Sewer); due in annual installments through April 1, 2027; interest at 3.00% to 5.00%	<u>13,530,000</u>
Total Industrial Development Authority Bonds for Business-type Activities	<u>\$ 21,555,000</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Infrastructure Facility Revenue Bonds:

The City 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. In an event of default occurs and is continuing, the Trustee may, and shall, if requested by the Owners of not less than 25% in principal amount of the Bonds Outstanding, by written notice to the Board and the City, declare the principal of all Bonds Outstanding and the interest accrued thereon to be due and payable, and upon any such declaration such principal and interest shall become immediately due and payable.

To meet Missouri Department of Natural Resource mandates, on December 1, 2011, the City issued Missouri Development Finance Board Infrastructure Facilities Revenue Bonds Series 2011E. To achieve interest cost savings, the City determined that it is in the best financial interest to refinance the costs of the Prior System Improvements by prepaying the Series 2011E loan in an amount sufficient to redeem and pay prior to maturity all the Series 2011E Bonds currently outstanding in the principal amount of \$16,950,000 scheduled to mature on May 1, 2021. To provide funds to refinance the 2011E and pay costs of the various improvements related to the capacity, management, operations, and maintenance (CMOM) of the Sewer System, authorized by Special Ordinance 9763, the City issued Special Obligation Refunding and Improvement Bonds Series 2020 on August 27, 2020. The City covenants and agrees that if it defaults in the payment of the principal of or interest on any of the Bonds as the same become due on any Bond Payment Date, or if the City fails or refuses to comply with any of the provisions of the Bond Ordinance or of the Constitution or Statutes of the State of Missouri, and such default continues for a period of 60 days after written notice specifying such default has been given to the City by any Registered Owner of any Bond then Outstanding, or if the City declares bankruptcy, then, at any time thereafter and while such default continues, the Registered Owners of 25% in principal amount of the Bonds then Outstanding may, by written notice to the City, exercise remedies. This provision in the Bond Ordinance, however, is subject to the condition that if all arrears of interest upon all of said Bonds, except interest accrued but not yet due on such Bonds, and all arrears of principal upon all of said Bonds has been paid in full and all other defaults, if any, by the City under the provisions of the Bond Ordinance and under the provisions of the statutes of the State of Missouri have been cured, then and in every such case the Registered Owners of a majority in principal amount of the Bonds then Outstanding, by written notice to the City given as specified in the Bond Ordinance, may rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

The total principal balance outstanding for the Taxable Infrastructure Facilities Revenue Bonds as of June 30, 2021, is \$35,835,000.

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%	\$ 1,825,000
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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>2,900,000</u>
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Total Infrastructure Facility Revenue Bonds Governmental Activities	<u>\$ 4,725,000</u>
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Business-type Activities

Series 2020 – Infrastructure Facilities Revenue Bonds (Sewer); due in annual installments through May 1, 2040; interest at 1.1250% to 4.00%	<u>\$ 31,110,000</u>
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Refunding:

The City issued \$31,110,000 Special Obligation Refunding Revenue Bonds, Series 2020 to refund the City’s 2011E Infrastructure Facility Revenue Bonds. The net proceeds of the bonds together with the other available funds totaling \$17,484,604 were deposited in trust with an escrow agent to provide for all future debt service payments on the refunded 2011E Infrastructure Facility Revenue Bonds. As a result, the refunded bonds are considered defeased and the liability for those bonds have been removed from the long-term debt. The City completed the refunding to reduce its debt service payments and obtain an economic gain of \$5,216,098.

Missouri Development Finance Board Bonds:

On December 1, 2004, the City 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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
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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. In an Event of Default, occurs and is continuing, the Trustee may, and shall, if requested the owners of not less than 25% in principal amount of the Bonds Outstanding, by written notice to the Authority and the City, declare the principal of all Bonds Outstanding and the interest accrued thereon to be due and payable, and upon any such declaration such principal and interest shall become immediately due and payable.

The total principal balance outstanding for the MO Development Board Bonds as of June 30, 2021, is \$3,635,000.

Governmental Activities

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

\$ 525,000

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%

\$ 3,110,000

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
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Revenue Bonds:

The City 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, 2021, is \$151,102,102.

Business-type Activities

Series 2003 – Sewer System Revenue Bonds: due in annual installments through April 1, 2023; interest at 1.3% to 5.125%	\$ 115,000
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%	10,135,500
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%.	44,229,000
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%.	22,555,000
Series 2014B – Sewer System Revenue Bonds: due in annual installments through July 1, 2034; interest at 2.00% to 4.00%.	4,380,000
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, 2046; interest at 1.14%.	55,402,602
Series 2018 – Sewer System Revenue Bonds: due in annual installments through June 1, 2038; interest at 3.0% to 5.0%	<u>14,285,000</u>
Total Revenue Bonds for Business-type Activities	<u>\$151,102,102</u>

On April 5, 2011, the voters of the City 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 revenue

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
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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, 2021, the outstanding balance of the bonds was \$10,135,500.

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, 2021, the outstanding balance of the bonds was \$44,229,000.

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, 2021, the outstanding balance of the bonds was \$22,555,000.

On December 18, 2014, the City 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. The City covenants and agrees that if it defaults in the payment of the principal of or interest on any of the Bonds as the same shall become due on any Bond Payment Date, or if the City fails or refuses to comply with any of the provisions of this Ordinance or of the constitution or statutes of the State of Missouri, and such default continues for a period of 60 days after written notice specifying such default has been given to the City by the Registered Owners of 25% in principal amount of the Bonds then Outstanding may, by written notice declare the principal of all Bonds then Outstanding to be due and payable immediately. As of June 30, 2021, the outstanding balance of the bonds was \$4,380,000.

On February 3, 2015, the voters of the City 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. In 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.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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 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, 2021, the outstanding balance of the bonds was \$55,402,602.

If the City defaults in the payment of the principal of or interest on any of the Bonds, or the City fails or refuses to comply with any provision of this Ordinance, the Constitution or statutes of the State, the Purchase Agreement or the Escrow Agreement and default continues for a period of 60 days after written notice specifying the non-payment default has been given to the City by the Owner of any bond then Outstanding, at any time thereafter and while the default continues, the City has pay to the DNR the penalties assessed.

On April 10, 2018, the City 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. The City covenants and agrees that if it defaults in the payment of the principal of or interest on any of the Bonds as the same shall become due on any Bond Payment Date, or if the City fails or refuses to comply with any of the provisions of this Ordinance or of the constitution or statutes of the State of Missouri, and such default continues for a period of 60 days after written notice specifying such default has been given to the City by the Registered Owners of 25% in principal amount of the Bonds then Outstanding may, by written notice declare the principal of all Bonds then Outstanding to be due and payable immediately. As of June 30, 2021, the outstanding balance of the bonds was \$14,285,000.

The City is 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 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.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
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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, 2021, 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.

<u>Year Ending June 30:</u>	<u>Total</u>
2022	\$ 972,996
2023	972,996
2024	972,996
2025	531,278
	<u>3,450,266</u>
Less interest	(369,781)
Net present value	<u>\$ 3,080,485</u>

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 associated 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, 2021, is \$1,523,499.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Industrial Development Revenue Bonds:

The City 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 is 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, 2021, is \$418,621,672.

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 \$1,825,000 and 2012B \$2,900,000 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 more than 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 2021. 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, 2021, total principal and interest remaining on the bonds was \$17,889,402 and outstanding developer obligations were \$60,453,066. 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.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

For the current year, principal and interest paid on TIF bonds and developer obligations totaled \$9,489,305. Incremental revenues from the City included \$3,664,921 in sales taxes, \$954,831 in property taxes and \$126,429 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 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 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.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
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- 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 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 is summarized below:

<u>Type of Abatement</u>	<u>Amount</u>
TIF/STRA EATS	\$ 3,664,721
TIF/STRA PILOTs	954,831
Chapter 100	525,662
Enhanced Enterprise Zone	311,634
Chapter 353	81,009
Total Incentives	<u>\$ 5,537,857</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021:

	Governmental Activities	Business-type Activities
Year ending June 30:		
2022	\$ 258,506	\$ 104,688
2023	259,191	75,419
2024	203,913	71,695
2025	192,468	32,910
2026	192,644	32,910
2027-2031	955,534	65,820
2032-2034	567,758	-
Total minimum lease payments	2,630,014	383,442
Less amount representing interest	(499,608)	(46,140)
Present value of net minimum lease payments	\$ 2,130,406	\$ 337,302

The following schedule shows the amount and asset classifications for capital lease items as of June 30, 2021:

	Governmental Activities	Business-type Activities
Machinery & equipment	\$ 2,201,531	\$ 569,830
less: Accumulated depreciation	(128,922)	(232,770)
	\$ 2,072,609	\$ 337,060

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS
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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, 2021 is (\$332,316).

As of June 30, 2021, incurred but not reported (IBNR) workers' compensation claims and claims payable of \$2,910,110 have been accrued as a liability in the Insurance Internal Service Fund.

Workers' Compensation Claims Payable

	Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	End of Year
Fiscal Year 2020	\$2,226,796	\$1,800,000	\$(1,904,060)	\$2,122,736
Fiscal Year 2021	2,122,736	2,249,417	(1,462,043)	2,910,110

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9: COMMITMENTS

A. Construction Commitments

At June 30, 2021 the City had the following commitments of approximately \$16,127,420 to complete construction contracts.

Major Governmental Funds:	
General	\$ 5,604,547
Capital Projects	4,361,058
<hr/>	
Non Major Governmental Funds:	
Parks	4,000
Total Governmental Activities	<hr/> <u>9,969,605</u>
Business-type Activities	
Major business-type Funds:	
Sewer	5,123,311
Transit	131,333
Non Business-type Funds:	
Aviation	124,778
Parking	119,897
Landfill	658,496
<hr/>	
Total Business-type Activities	<hr/> <u>6,157,815</u>
Total	<hr/> <u>\$ 16,127,420</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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	Closure/ Post Closure Obligation	Anticipated Close Years	Capacity Used
City's Operating Landfill			
Area I	\$ 3,435,892	2022-2023	93.0 %
Area II	3,259,558	2027-2028	99.9 %
Area III/Free Property	<u>3,673,084</u>	2070-2075	35.0 %
	\$ 10,368,534		
McArthur Drive Landfill	<u>\$ 1,256,885</u>	Closed	100 %
Total	<u>\$11,625,419</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, 2021, total closure and postclosure care liabilities incurred a net increase of \$240,036 from \$11,385,383 to \$11,625,419.

1. City's Operating Landfill - Total estimated future closure and postclosure care costs for the City's operating landfill are \$17,524,882 of which \$10,368,534 is reported as landfill closure and postclosure care liability at June 30, 2021, 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 \$7,156,348 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 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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
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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 \$1,256,885 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 \$285,200 for future closure and postclosure care expenses. At June 30, 2021, these cash designations totaled \$6,981,215 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, 2021, 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
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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>2021 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
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Employees Covered by Benefit Terms

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

	General	Fire	Police	Total
Inactive employees or beneficiaries currently receiving benefits	327	141	16	484
Inactive employees entitled to but no yet receiving benefits	142	10	5	157
Active employees	375	121	125	621
	<u>844</u>	<u>272</u>	<u>146</u>	<u>1,262</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 13.5% (General), 46.7% (Fire) and 29.9% (Police) of annual covered payroll.

Net Pension Liability/(Asset)

The City's net pension liability/(asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of February 28, 2021.

Actuarial Assumptions

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

Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increase	2.75% to 6.75% (General) including wage inflation 2.75% to 7.15% (Fire) including wage inflation 2.75% to 6.55% (Police) including wage inflation
Investment rate of return	7.00%, net of investment and administrative expenses

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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2021 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2020.

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%	1.05%
Real Assets/Real return	33.00%	2.09%

Discount Rate

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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Changes in the Net Pension Liability/(Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at beginning of year	\$ 205,292,389	\$ 157,701,939	\$ 47,590,450
Changes for the year:			
Service Cost	4,504,311	-	4,504,311
Interest	14,722,746	-	14,722,746
Change in assumptions	(3,292,921)	-	(3,292,921)
Difference between expected and actual experience	(2,322,433)	-	(2,322,433)
Contributions - employer	-	7,736,030	(7,736,030)
Contributions - employee	-	1,323,341	(1,323,341)
Net investment income	-	44,799,131	(44,799,131)
Benefit payments, including refunds	(9,087,530)	(9,087,530)	-
Administrative expense	-	(123,365)	123,365
Other changes (net transfer)	-	2,576,449	(2,576,449)
Net Changes	4,524,173	47,224,056	(42,699,883)
Balance at end of year	\$ 209,816,562	\$ 204,925,995	\$ 4,890,567

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 7.00%, as well as what the employer's Net Pension Liability/(Asset) would be using a discount rate that is 1 percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	Current Single Discount		
	1% Decrease 6.00%	Rate Assumption 7.00%	1% Increase 8.00%
Total Pension Liability (TPL)	\$ 238,990,320	\$ 209,816,562	\$ 185,702,724
Plan Fiduciary Net Pension	(204,925,995)	(204,894,503)	(182,516,587)
Net Pension Liability (Asset)	\$ 34,064,325	\$ 4,922,059	\$ 3,186,137

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Pension Expense/(Benefit) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the City recognized LAGERS pension expense/(benefit) of (\$3,461,631) with (\$2,508,757) coming from General division, (\$1,971,811) from Fire division and \$1,018,937 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	\$ 328,759	\$ 1,600,150	\$ 1,512,385	\$ 3,441,294
Assumption Changes	-	-	43,598	43,598
Total	\$ 328,759	\$ 1,600,150	\$ 1,555,983	\$ 3,484,892

	General	Fire	Police	Total
	Deferred	Deferred	Deferred	Deferred
	Inflows	Inflows	Inflows	Inflows
	of Resources	of Resources	of Resources	of Resources
Differences in experience	\$ (2,529,456)	\$ -	\$ (401,157)	\$ (2,930,613)
Assumption changes	(1,659,899)	(1,007,741)	-	(2,667,640)
Net Difference between projected and actual earnings on pension plan investments	(11,666,712)	(8,320,048)	(2,233,436)	(22,220,196)
Total	\$ (15,856,067)	\$ (9,327,789)	\$ (2,634,593)	\$ (27,818,449)

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
2022	\$ (4,215,938)	\$ (1,856,984)	(441,829)	\$ (6,514,751)
2023	(3,464,222)	(1,388,123)	(441,828)	(5,294,173)
2024	(3,685,433)	(1,816,645)	(377,952)	(5,880,030)
2025	(4,161,715)	(2,591,488)	(502,051)	(7,255,254)
2026	-	(74,399)	117,444	43,045
Thereafter	-	-	567,606	567,606
Total	\$ (15,527,308)	\$ (7,727,639)	\$ (1,078,610)	\$ (24,333,557)

At June 30, 2021, the City reported a payable of \$705,267 for the outstanding amount of contributions related to June 30, 2021 payrolls required to be submitted to the LAGERS pension plan for the year ended June 30, 2021.

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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

Inactive employees or beneficiaries currently receiving benefits	112
Active employees	-
	112
	112

Contributions

Since August 2018 when the active employees under the Police Pension Plan moved to LAGERS, a contribution from The City and the active employee is no longer required.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Net Pension Liability/(Asset)

The employer’s net pension liability was measured as of June 30, 2021, 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, 2021.

Actuarial Assumptions

The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.6%
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 Public Safety 2010 Below Median Income tables projected with generational improvements from 2010 at the most recently available (MP-2020) scale 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 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, 2021**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance at beginning of year	\$ 32,659,321	\$ 36,645,738	\$ (3,986,417)
Changes for the year:			
Service cost	-	-	-
Interest	2,508,657	-	2,508,657
Changes in assumptions	-	-	-
Difference between expected and actual experience	(712,369)	-	(712,369)
Contributions - employer	-	-	-
Contributions - employee	-	-	-
Net investment income	-	10,013,180	(10,013,180)
Benefit payments, including refunds	(2,673,871)	(2,673,871)	-
Administrative expense	-	(124,084)	124,084
Net Changes	(877,583)	7,215,225	(8,092,808)
Balance at end of year	\$ 31,781,738	\$ 43,860,963	\$ (12,079,225)

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.

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

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	6.10%	7.10%	8.10%
Total Pension Liability (TPL)	\$ 35,037,432	\$ 31,781,738	\$ 29,042,609
Plan Fiduciary Net Pension	(43,860,863)	(43,860,963)	(43,860,963)
Net Pension Liability (Asset)	\$ (8,823,431)	\$ (12,079,225)	\$ (14,818,354)

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Pension (Expense)/Benefit and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the City recognized pension expense (benefit) of (\$6,160,980). 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	\$ -	\$ 507,233
Differences in assumptions	173,698	-
Excess (deficit) investment returns	1,573,253	5,093,233
Total	\$ 1,746,951	\$ 5,600,466

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, 2021	(604,345)
2022	(914,176)
2023	(1,682,193)
2024	(652,801)
Total	\$ (3,853,515)

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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

	LAGERS					
	General	Fire	Police	Total	Police	Total
Governmental activities:						
Net Pension Liability	\$ -	\$ 1,042,580	\$ 17,621,439	\$ 18,664,019	\$ -	\$ 18,664,019
Net Pension (Asset)	(9,980,273)	-	-	(9,980,273)	(12,079,225)	(22,059,498)
Business-type activities:						
Net Pension (Asset)	(3,761,687)	-	-	(3,761,687)	-	(3,761,687)
Net Pension Liability (Asset)	\$ (13,741,960)	\$ 1,042,580	\$ 17,621,439	\$ 4,922,059	\$ (12,079,225)	\$ (7,157,166)
Deferred outflows due to pensions						
	LAGERS					
	General	Fire	Police	Total	Police	Total
Governmental activities	\$ 238,766	\$ 1,600,150	\$ 1,555,983	\$ 3,394,899	\$ 1,746,951	\$ 5,141,850
Business-type activities	89,993	-	-	89,993	-	89,993
	\$ 328,759	\$ 1,600,150	\$ 1,555,983	\$ 3,484,892	\$ 1,746,951	\$ 5,231,843
Deferred inflows due to pensions						
Governmental activities	\$ (11,515,669)	\$ (9,327,789)	\$ (2,634,593)	\$ (23,478,051)	\$ (5,600,466)	\$ (29,078,517)
Business-type activities	(4,340,398)	-	-	(4,340,398)	-	(4,340,398)
	\$ (15,856,067)	\$ (9,327,789)	\$ (2,634,593)	\$ (27,818,449)	\$ (5,600,466)	\$ (33,418,915)

For fiscal year ended June 30, 2021, the City recognized net pension benefit from all retirement plans of (\$9,622,611).

CITY OF ST. JOSEPH, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 No. 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, 2020, 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	626

Total OPEB Liability

The City's total OPEB liability of \$5,633,141 was measured as of July 1, 2020; and was determined by an actuarial valuation as of that date.

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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	2.16%
Healthcare Cost Trend Rates:	
2020 - 2021 Trend	0.00%
Ultimate Trend	4.04%
Year Ultimate Trend is Reached	2090
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 June 30, 2021.

Mortality assumptions changed from SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (Base Rate 2006) to Scale MP-2021.

Changes in the Total OPEB Liability

	<u>Fiscal Year Ending June 30, 2021</u>
OPEB Liability Beginning of Year	\$ 7,704,022
Changes for the Year:	
Service Cost	382,678
Interest	112,634
Assumption Changes	(2,412,781)
Difference Between Actual and Expected Experience	-
Benefit Payments	<u>(153,412)</u>
OPEB Liability End of Year	<u>\$ 5,633,141</u>

Sensitivity of the Total liability to changes in the discount rate

The July 1, 2020 was prepared using a discount rate of 2.16%. If the discount rate were 1% higher than what was used in this valuation, the Total OPEB liability would decrease to \$5,113,976 or by 10.10%. If the discount rate were 1% lower than was used in this valuation, the Total OPEB liability would increase to \$6,213,137 or by 10.30%.

	<u>1% Decrease</u>	<u>Baseline 2.16%</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 6,213,137	\$ 5,633,141	\$ 5,113,976

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

The July 1, 2020 valuation was prepared using an initial trend rate of 7%. If the trend were 1% higher than what was used in this valuation, the Total OPEB Liability would increase to \$6,629,087 or by 17.60%. If the trend rate were 1% lower than was used in this valuation, the Total OPEB Liability would decrease to \$4,819,838 or by 17.00%.

	<u>1% Decrease</u>	<u>Baseline 7%</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 4,819,838	\$5,633,141	\$6,629,086

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

For the year ended June 30, 2021 the City recognized an OPEB expense of \$630,174. As of June 30, 2021, the City reported deferred outflows/inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Increase in July 1, 2020 OPEB liability due to actuarial experience difference from expected	\$ 1,095,010	\$ (65,679)
Changes in assumptions	<u>1,953,892</u>	<u>(2,153,899)</u>
Total	<u>\$ 3,048,902</u>	<u>\$(2,219,578)</u>

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

2022	\$ 134,862
2023	134,862
2024	134,862
2025	134,862
2026	134,862
Thereafter	<u>155,014</u>
	<u>\$ 829,324</u>

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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	\$ 808,007	\$ -	\$ -	\$ 160,251	\$ 968,258
Total Nonspendable	808,007	-	-	160,251	968,258
Restricted for:					
Econ Development	4,531,638	-	-	481,664	5,013,302
Public Safety - personnel and capital	167,016	-	-	1,714,215	1,881,231
Highways	3,421,873	-	-	1,412,784	4,834,657
Health & Welfare	190,727	-	-	52,214	242,941
Parks & Recreation	288,577	-	-	272,695	561,272
Museum	-	-	-	190,318	190,318
Debt Service	195,936	9,554,544	-	453,865	10,204,345
Capital Projects	-	-	15,975,473	-	15,975,473
Loan Program	-	-	-	3,029,128	3,029,128
Total Restricted	8,795,767	9,554,544	15,975,473	7,606,883	41,932,667
Committed for:					
Econ Development	1,339,842	-	-	-	1,339,842
Public Safety	557,133	-	-	-	557,133
Highways	188,911	-	-	-	188,911
Health	11,241	-	-	-	11,241
Parks & Recreation	47,314	-	-	-	47,314
Total Committed	2,144,441	-	-	-	2,144,441
Assigned to:					
Econ Development	130,832	-	-	-	130,832
Public Safety	114,106	-	-	-	114,106
Highways	62,259	-	-	-	62,259
Health & Welfare	364,904	-	-	-	364,904
Parks & Recreation	115,668	-	-	-	115,668
Capital Projects	196,784	-	-	-	196,784
Salaries	1,011,981	-	-	-	1,011,981
Total Assigned	1,996,534	-	-	-	1,996,534
Unassigned	8,722,375	-	-	-	8,722,375
Total Unassigned	8,722,375	-	-	-	8,722,375
Total Fund Balance	\$ 22,467,124	\$ 9,554,544	\$ 15,975,473	\$ 7,767,134	\$ 55,764,275

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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	Capital Sales Tax	Nonmajor	Total
Encumbrances	\$ 6,838,649	\$ 4,361,058	\$ 3,169,023	\$ 14,368,730

NOTE 13: NEW ACCOUNTING PRONOUNCEMENTS

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 No. 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 No. 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 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.

CITY OF ST. JOSEPH, MISSOURI

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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 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 No. 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 considering 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, 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

CITY OF ST. JOSEPH, MISSOURI

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

amendment of GASB Statements No. 14, and a supersession of GASB Statement. No. 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

During the election duly held on June 2, 2020, voters of the City 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. On August 9, 2021, the City Council authorized the issuance of the second General Obligation Bonds, Series 2021 in the amount not to exceed \$9,000,000 providing for the levy and collection of an annual tax for the purpose of paying the principal and interest as they become due.

At an election held on June 2, 2020, the voters approved amendments to the Charter decreasing the number of council districts from five to four, effective when the municipal general election is held in 2022. In order that the population of the several Council districts thus defined shall remain substantially equal, the Council shall adopt a new and revised plan of redistricting, based upon the 2019 American Community Survey data and population estimations from the last official federal census.

City Council recognized the intent for issuance of the City's Taxable Industrial Development Revenue Bonds for Clarios, LLC in the amount \$22,500,000 and Daily's Premium Meats, LLC in the amount \$9,500,000 to finance projects at their St. Joseph locations. Through the issuance of Chapter 100 Bonds, the companies would receive a staggered abatement on all personal property (equipment) taxes for ten years.

City Council recognized the intent for issuance of the City's Taxable Industrial Development Revenue Bonds for Hillshire Brands Company in the amount of \$55,000,000 to finance new capital investment in conjunction with expanding their existing facility in St. Joseph. Through the issuance of Chapter 100 Bonds, Hillshire would receive a 50% abatement on all personal property (equipment) taxes years one through three and 25% abatement years four through ten.

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, 2021

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Property	\$ 12,587,949	\$ 12,702,821	\$ 13,089,113	\$ 386,292
Sales	22,237,300	23,656,621	24,921,921	1,265,300
Franchise	5,417,170	5,417,170	5,301,106	(116,064)
Motor Fuel	1,020,000	1,020,000	1,227,324	207,324
Cigarette	310,000	310,000	309,322	(678)
Licenses and permits	1,548,051	1,548,051	1,460,238	(87,813)
Intergovernmental	2,422,923	3,404,134	3,083,004	(321,130)
Charges for services	3,108,715	3,108,715	2,400,753	(707,962)
Fines	653,200	653,200	615,170	(38,030)
Investment earnings	240,667	240,667	(19,714)	(260,381)
Contributions and donations	79,521	166,380	118,906	(47,474)
Other	204,135	322,875	430,529	107,654
Total revenues	50,999,631	53,720,634	54,100,441	379,807
Expenditures				
Current:				
General government				
City council				
Salaries	86,519	91,321	90,751	570
Benefits	118,863	114,812	97,994	16,818
Materials and supplies	2,000	2,530	1,986	544
Outside services	29,721	29,191	18,216	10,975
Total City council	237,103	237,854	208,947	28,907
City clerk				
Salaries	129,189	130,454	124,598	5,856
Benefits	50,468	50,778	49,798	980
Materials and supplies	1,250	1,250	1,051	199
Outside services	11,540	11,540	8,653	2,887
Total City clerk	192,447	194,022	184,100	9,922
Municipal court				
Salaries	279,541	281,589	270,930	10,659
Benefits	120,591	121,092	115,983	5,109
Materials and supplies	2,600	2,600	1,576	1,024
Outside services	116,530	116,530	115,849	681
Total Municipal court	519,262	521,811	504,338	17,473
City manager				
Salaries	389,841	391,908	370,281	21,627
Benefits	172,435	171,457	148,934	22,523
Materials and supplies	25,315	19,688	19,687	1
Outside services	199,547	216,658	216,658	-
Total City manager	787,138	799,711	755,560	44,151
Human resources				
Salaries	264,989	241,309	241,309	-
Benefits	125,436	101,142	101,142	-
Materials and supplies	3,730	3,168	3,168	-
Outside services	87,850	215,476	215,476	-
Total Human resources	482,005	561,095	561,095	-
Legal				
Salaries	495,428	499,256	466,353	32,903
Benefits	205,405	206,341	187,727	18,614
Materials and supplies	4,787	5,100	5,100	-
Outside services	76,250	75,937	66,045	9,892
Total Legal	781,870	786,634	725,225	61,409

(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, 2021

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Planning				
Salaries	\$ 1,106,622	\$ 1,131,715	\$ 1,131,714	\$ 1
Benefits	537,881	494,943	494,943	-
Materials and supplies	40,800	37,147	37,146	1
Outside services	509,967	586,945	518,599	68,346
Capital outlay	3,937,000	3,937,000	2,911,957	1,025,043
Total Planning	6,132,270	6,187,750	5,094,359	1,093,391
Finance				
Salaries	1,049,738	1,057,551	1,032,549	25,002
Benefits	472,864	474,774	449,133	25,641
Materials and supplies	142,450	187,266	130,583	56,683
Outside services	693,459	697,459	667,230	30,229
Capital outlay	-	98,291	98,290	1
Total Finance	2,358,511	2,515,341	2,377,785	137,556
Other - unclassified				
Materials and supplies	-	-	-	-
Outside services	899,907	1,010,966	995,671	15,295
Capital outlay	-	11,250	11,250	-
Total Other - unclassified	899,907	1,022,216	1,006,921	15,295
Total general government	12,390,513	12,826,434	11,418,330	1,408,104
Public safety:				
Police				
Salaries	8,331,081	8,499,707	8,238,757	260,950
Benefits	4,817,885	4,857,004	4,562,355	294,649
Materials and supplies	424,655	498,958	406,280	92,678
Outside services	2,003,300	2,058,414	2,158,563	(100,149)
Capital outlay	237,384	440,331	400,341	39,990
Total Police	15,814,305	16,354,414	15,766,296	588,118
Fire				
Salaries	7,314,530	7,861,159	7,861,158	1
Benefits	5,502,928	5,556,725	5,556,725	-
Materials and supplies	84,140	609,345	609,345	-
Outside services	384,592	406,396	406,395	1
Total Fire	13,286,190	14,433,625	14,433,623	2
Total public safety	29,100,495	30,788,039	30,199,919	588,120
Highway and streets				
Salaries	3,582,128	3,677,086	3,562,985	114,101
Benefits	1,742,207	1,748,309	1,552,067	196,242
Materials and supplies	339,480	339,480	239,000	100,480
Outside services	880,358	880,358	850,948	29,410
Capital outlay	3,600,000	5,761,648	5,761,623	25
Total Highway and streets	10,144,173	12,406,881	11,966,623	440,258
Parks and recreation				
Salaries	2,688,231	2,739,437	2,595,680	143,757
Benefits	1,136,194	1,140,839	1,068,206	72,633
Materials and supplies	370,023	379,602	293,663	85,939
Outside services	1,007,440	1,074,698	890,467	184,231
Capital outlay	70,000	123,450	105,437	18,013
Total Parks and recreation	5,271,888	5,458,026	4,953,453	504,573

(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, 2021

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Health and welfare				
Salaries	\$ 1,965,575	\$ 2,025,123	\$ 1,904,076	\$ 121,047
Benefits	970,817	1,019,846	844,113	175,733
Materials and supplies	120,882	281,986	147,681	134,305
Outside services	1,020,725	1,429,081	1,174,687	254,394
Capital outlay	-	23,058	23,058	-
Total Health and welfare	4,077,999	4,779,094	4,093,615	685,479
Total expenditures	60,985,068	66,258,474	62,631,940	3,626,534
Revenues over (under) expenditures	(9,985,437)	(12,537,840)	(8,531,499)	4,006,341
Other financing sources (uses)				
Transfers In	8,020,017	8,182,917	8,095,566	(87,351)
Transfers out	(2,112,386)	(2,187,386)	(2,187,381)	5
Capital lease	-	-	156,132	156,132
Sale of capital assets	-	60,000	67,832	7,832
Total other financing sources	5,907,631	6,055,531	6,132,149	76,618
Net change in fund balances, net	(4,077,806)	(6,482,309)	(2,399,350)	4,082,959
Fund balances, beginning of year	21,727,458	21,727,458	21,727,458	-
Fund balances - ending	\$ 17,649,652	\$ 15,245,149	\$ 19,328,108	\$ 4,082,959

(concluded)

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, 2021

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Property	\$ 837,973	\$ 911,336	\$ 954,831	\$ 43,495
Sales	3,547,764	3,793,775	3,664,921	(128,854)
Intergovernmental activity	5,271,132	5,544,960	5,546,009	1,049
Investment earnings	499,749	501,051	225,164	(275,887)
Other	1,042,086	1,042,086	1,268,127	226,041
Total revenues	<u>11,198,704</u>	<u>11,793,208</u>	<u>11,659,052</u>	<u>(134,156)</u>
Expenditures				
General government				
Outside services	8,135,648	10,423,666	10,305,032	118,634
Total General government	<u>8,135,648</u>	<u>10,423,666</u>	<u>10,305,032</u>	<u>118,634</u>
Revenues over (under) expenditures	<u>3,063,056</u>	<u>1,369,542</u>	<u>1,354,020</u>	<u>(15,522)</u>
Net change in fund balances	3,063,056	1,369,542	1,354,020	(15,522)
Fund balances - beginning	8,200,524	8,200,524	8,200,524	-
Fund balances - ending	<u>\$ 11,263,580</u>	<u>\$ 9,570,066</u>	<u>\$ 9,554,544</u>	<u>\$ (15,522)</u>

See notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) NOTES TO THE BUDGETARY COMPARISON SCHEDULES JUNE 30, 2021

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, 2021**

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. Over the course of the fiscal year, the Council revised the City budget. Appropriations including transfers out increased in the General Fund by \$5,348,406. The appropriations can be directly related to Public Safety awarded grants, overtime, insurance proceeds, and maintenance of equipment. General government covered the costs for the Contrary Creek flooding event and the 2021 Sound of Speed Airshow at Rosecrans Memorial Airport. Highway and streets recognized the annual asphalt resurfacing contract. Health and welfare rolled forward current grants, accepted new grant funding and donations, and acquired a Health Department vehicle. The Remington Nature Center roof was replaced, the Joyce Raye Patterson purchased new equipment, Bode Sports Complex received insurance proceeds from this year's storm damage and a donation was accepted for future art project in Parks and recreation.

CITY OF ST. JOSEPH, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2021**

A. Budgetary Information

Fund Type	Original	2021 Budget Appropriation Amended	Increase
General	\$ 63,097,454	\$ 68,445,860	\$ 5,348,406
Special Revenue	23,774,920	27,727,181	3,952,261
Capital	5,760,285	9,883,266	4,122,981
Enterprise	74,725,639	77,522,860	2,797,221
	<u>\$ 92,632,659</u>	<u>\$ 106,056,307</u>	<u>\$ 16,220,869</u>

See independent auditor's report and notes to required supplementary information.

CITY OF ST. JOSEPH, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2021**

B. 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, 2021:

	General Fund	Special Allocation Fund
Ending Fund Balance on Budgetary basis	\$ 19,328,108	\$ 9,554,544
Encumbrances outstanding June 30, 2021	6,686,880	-
Prior Year Encumbrances Expended in FY2021	(3,269,549)	-
Accrued Payroll	(278,315)	-
Ending Fund Balance on GAAP Basis	<u>\$ 22,467,124</u>	<u>\$ 9,554,544</u>

See independent auditor's report and 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						
	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service costs	\$ 4,504,311	\$ 4,451,854	\$ 3,554,858	\$ 3,207,848	\$ 2,198,748	\$ 2,170,373	\$ 2,078,186
Interest on total pension liability	14,722,746	13,923,334	11,114,099	10,597,436	8,378,135	7,933,932	7,430,849
Change in Assumptions	(3,292,921)	-	30,009,630	1,044,203	25,817,532	-	-
Difference between expected and actual experience of the total pension liability	(2,322,433)	1,472,316	1,846,295	-	670,410	(2,477,760)	2,236,768
Changes of assumptions	-	-	-	-	-	4,108,168	-
Benefit payments and refunds	(9,087,530)	(8,646,048)	(7,834,001)	(7,951,102)	(5,982,356)	(5,273,443)	(4,445,097)
Net change in total pension liability	4,524,173	11,201,456	38,690,881	6,898,385	31,082,469	6,461,270	7,300,706
Total pension liability - beginning of year	205,292,389	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)	\$ 209,816,562	\$ 205,292,389	\$ 194,090,933	\$ 155,400,052	\$ 148,501,667	\$ 117,419,198	\$ 110,957,928
Plan Fiduciary Net Position							
Contributions - employer	\$ 7,736,030	\$ 7,403,704	\$ 8,957,300	\$ 4,785,940	\$ 3,004,259	\$ 3,271,854	\$ 3,702,055
Contributions - employee	1,323,341	1,319,537	5,622,169	1,039,257	-	-	-
Net investment income	44,799,131	2,048,222	9,528,240	15,631,228	13,141,219	(244,948)	2,147,370
Benefit payments and refunds	(9,087,530)	(8,646,048)	(7,834,001)	(7,951,102)	(5,982,356)	(5,273,443)	(4,445,097)
Administrative expenses	(123,365)	(162,147)	(141,209)	(87,494)	(84,616)	(82,937)	(89,754)
Other (net transfer)	2,544,957	1,665,460	1,468,132	1,005,142	1,139,138	1,033,621	773,382
Net change in plan fiduciary net position	47,192,564	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	157,701,939	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)	\$ 204,894,503	\$ 157,701,939	\$ 154,073,211	\$ 136,472,580	\$ 122,049,609	\$ 110,831,965	\$ 112,127,818
	\$ 4,922,059	\$ 47,590,450	\$ 40,017,722	\$ 18,927,472	\$ 26,452,058	\$ 6,587,233	\$ (1,169,890)
Plan net position as a percentage of the total pension liability	97.65%	76.82%	79.38%	87.82%	82.19%	94.39%	101.05%
Covered Payroll	\$ 31,710,964	\$ 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	15.52%	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						
	2021	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	2,508,657	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	(712,369)	(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	(2,673,871)	(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	(877,583)	(228,902)	(23,285,432)	823,696	4,035,985	4,714,058	3,966,009
Total pension liability - beginning of year	32,659,321	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>\$ 31,781,738</u>	<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	10,013,180	2,564,111	2,324,697	2,977,274	3,583,903	(1,624,901)	880,708
Benefit payments and refunds	(2,673,871)	(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	(124,084)	(53,257)	(70,788)	(74,990)	(63,751)	(74,716)	(71,613)
Net change in polan fiduciary net position	7,215,225	(153,438)	(4,705,797)	2,924,622	3,392,827	(2,193,333)	408,622
Plan fiduciary net positon - beginning of year	36,645,738	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>\$ 43,860,963</u>	<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>\$ (12,079,225)</u>	<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	138.01%	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	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.

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
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%
2021	7,910,245	7,730,465	179,780	32,103,038	24.08%

Police Pension

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency (Excess)	Covered Payroll	Contribution as Percentage
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%
2021	-	-	-	-	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 28, 2021

Notes: The roll-forward of total pension liability from February 28, 2021 to June 30, 2021 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 8 to 15 years (Fire)
Multiple bases from 13 to 27 years (Police)

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

Inflation assumption 2.75% wage inflation; 2.25% price inflation

Salary increases 2.75% to 6.75% including wage inflation (General)
2.75% to 7.15% including wage inflation (Fire)
2.75% to 6.55% including wage inflation (Police)

Investment rate of return 7.00%, 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, used in evaluating allowances to be paid were 115% of the PubG- 2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre- retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.

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

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

2021

- Remaining amortization period changed to:
 - Multiple bases from 15 to 16 years for general division
 - Multiple bases from 8 to 15 years for fire division
 - Multiple bases from 13 to 27 years for police division

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, 2021

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 2.6%

Salary increases N/A

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 from 20 IO at the most recently available (MP-2020) scale. In the prior valuation, projection scale MP-2019 was used.

Mortality – disabled lives Public Safety 2010 Below Median Income tables projected with generational improvements from 20 IO at the most recently available (MP-2020) scale. In the prior valuation, projection scale MP-2019 was used.

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

2021

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

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, 2021	June 30, 2020	June 30, 2019
OPEB Liability Beginning of Year	\$ 7,704,022	\$ 4,133,644	\$ 4,234,341
Changes for the Year:			
Service costs	382,678	555,288	246,520
Interest	112,634	156,240	150,074
Assumption Changes		2,416,901	-
Difference between Actual and Expected Experience	(2,412,781)	596,311	(412,613)
Benefit payments	(153,412)	(154,362)	(84,678)
OPEB Liability End of Year	<u>\$ 5,633,141</u>	<u>\$ 7,704,022</u>	<u>\$ 4,133,644</u>
Covered Employee Payroll	\$ 34,509,126	\$ 28,852,120	\$ 29,310,959
Percent of Payroll	16.32%	26.70%	14.10%

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, 2021.

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

2021

- Remaining amortization period changed to:
 - Multiple bases from 15 to 16 years for general division
 - Multiple bases from 8 to 15 years for fire division
 - Multiple bases from 13 to 27 years for police division

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

CITY OF ST. JOSEPH, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue										Total Nonmajor Governmental Funds
	Streets Maintenance	Parks Maintenance	Public Safety Tax	Community Development	Riverboat Gaming	Municipal Museum	Debt Service	C.D Rehab Loan	Home Revolving Loan		
Assets											
Cash and investments	\$ 1,431,338	\$ 355,196	\$ 680,480	\$ 173,544	\$ 451,195	\$ 184,317	\$ 445,779	\$ 683,004	\$ 359,074	\$ 4,763,927	
Receivables	413,010	37,770	1,112,879	-	164,993	22,707	36,215	-	-	1,787,574	
Loan receivables	-	-	-	-	-	-	-	753,377	1,302,929	2,056,306	
Due from other governments	134,394	28,198	-	434,755	-	-	-	-	-	597,347	
Prepaid items	51,401	94,701	-	1,266	-	12,883	-	-	-	160,251	
Total assets	\$ 2,030,143	\$ 515,865	\$ 1,793,359	\$ 609,565	\$ 616,188	\$ 219,907	\$ 481,994	\$ 1,436,381	\$ 1,662,003	\$ 9,365,405	
Liabilities, Deferred Inflows and Fund Balances											
Liabilities:											
Accounts payable	\$ 431,564	\$ 92,785	\$ 61,094	\$ 171,608	\$ 134,524	\$ 168	\$ 227	\$ 39,338	\$ 29,918	\$ 961,226	
Due to other funds	-	-	-	377,200	-	-	-	-	-	377,200	
Accrued payroll	-	-	18,050	7,277	-	-	-	-	-	25,327	
Total liabilities	431,564	92,785	79,144	556,085	134,524	168	227	39,338	29,918	1,363,753	
Deferred Inflows of Resources:											
Unavailable revenues-property taxes	-	27,486	-	-	-	16,538	27,902	-	-	71,926	
Unavailable revenues-other	134,394	28,198	-	-	-	-	-	-	-	162,592	
Total deferred inflows of resources	134,394	55,684	-	-	-	16,538	27,902	-	-	234,518	
Fund balances:											
Nonspendable:	51,401	94,701	-	1,266	-	12,883	-	-	-	160,251	
Restricted	1,412,784	272,695	1,714,215	52,214	481,664	190,318	453,865	1,397,043	1,632,085	7,606,883	
Total fund balances	1,464,185	367,396	1,714,215	53,480	481,664	203,201	453,865	1,397,043	1,632,085	7,767,134	
Total liabilities, deferred inflows and fund balances	\$ 2,030,143	\$ 515,865	\$ 1,793,359	\$ 609,565	\$ 616,188	\$ 219,907	\$ 481,994	\$ 1,436,381	\$ 1,662,003	\$ 9,365,405	

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue									Total Nonmajor Governmental Funds
	Streets Maintenance	Parks Maintenance	Public Safety Tax	Community Development	Riverboat Gaming	Municipal Museum	Debt Service	Rehab Loan	Revolving Loan	
Revenues										
Taxes:										
Property	\$ -	\$ 764,205	\$ -	\$ -	\$ -	\$ 598,748	\$ 1,398,192	\$ -	\$ -	\$ 2,761,145
Sales	-	-	6,801,123	-	-	-	-	-	-	6,801,123
Motor Fuel	2,811,659	-	-	-	-	-	-	-	-	2,811,659
Licenses and permits	-	101,219	-	-	-	-	-	-	-	101,219
Intergovernmental	22,323	127,572	-	1,760,321	-	-	-	-	-	1,910,216
Charges for services	237,713	31,943	-	4,512	808,850	-	-	-	-	1,083,018
Special assessments	13,155	-	-	3,435	-	-	-	-	-	16,590
Investment earnings	(8,258)	(2,990)	3,018	231	1,031	(913)	1,532	15,451	21,271	30,373
Contributions and donations	200	-	-	-	-	-	-	-	-	200
Other	12,683	5,438	-	225,977	-	-	-	11,926	115,174	371,198
Total revenues	3,089,475	1,027,387	6,804,141	1,994,476	809,881	597,835	1,399,724	27,377	136,445	15,886,741
Expenditures										
Current:										
General government	-	-	-	180,669	617,692	474,093	35,548	-	-	1,308,002
Public safety	-	-	1,399,825	-	-	-	-	-	-	1,399,825
Highway and streets	4,095,566	-	-	-	-	-	-	-	-	4,095,566
Public works	-	-	-	244,699	-	-	-	-	-	244,699
Health and welfare	-	-	-	1,444,404	-	-	-	-	-	1,444,404
Parks and recreation	-	1,085,708	-	-	-	-	-	-	-	1,085,708
Debt Service:										
Principal	-	-	-	-	-	-	825,000	-	-	825,000
Interest	-	-	-	-	-	-	85,311	-	-	85,311
Capital outlay	345,436	6,814	101,586	-	-	-	-	-	-	453,836
Total expenditures	4,441,002	1,092,522	1,501,411	1,869,772	617,692	474,093	945,859	-	-	10,942,351
Excess (deficiency) of revenues over (under) expenditures	(1,351,527)	(65,135)	5,302,730	124,704	192,189	123,742	453,865	27,377	136,445	4,944,390
Other financing sources (uses)										
Transfers in	1,150,209	151,159	-	118,072	-	-	-	-	-	1,419,440
Transfers out	(120,901)	(57,454)	(4,707,706)	(216,546)	(119,500)	(57,000)	-	(16,649)	(101,423)	(5,397,179)
Total other financing sources (uses),net	1,029,308	93,705	(4,707,706)	(98,474)	(119,500)	(57,000)	-	(16,649)	(101,423)	(3,977,739)
Net change in fund balances	(322,219)	28,570	595,024	26,230	72,689	66,742	453,865	10,728	35,022	966,651
Fund balances - beginning	1,786,404	338,826	1,119,191	27,250	408,975	136,459	-	1,386,315	1,597,063	6,800,483
Fund balances - ending	\$ 1,464,185	\$ 367,396	\$ 1,714,215	\$ 53,480	\$ 481,664	\$ 203,201	\$ 453,865	\$ 1,397,043	\$ 1,632,085	\$ 7,767,134

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, 2021

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Motor Fuel	\$ 2,790,740	\$ 2,787,687	\$ 2,811,659	\$ 23,972
Intergovernmental	-	156,000	22,323	(133,677)
Charges for services	250,000	250,000	237,713	(12,287)
Special assessments	6,750	6,750	13,155	6,405
Investment earnings	24,570	24,570	(8,258)	(32,828)
Other	-	-	12,883	12,883
Total revenues	<u>3,072,060</u>	<u>3,225,007</u>	<u>3,089,475</u>	<u>(135,532)</u>
Expenditures				
Highways and streets				
Materials and supplies	1,270,177	1,225,457	1,105,567	119,890
Outside services	2,674,368	2,805,088	2,801,702	3,386
Capital outlay	318,000	318,000	309,877	8,123
Total Highways and streets	<u>4,262,545</u>	<u>4,348,545</u>	<u>4,217,146</u>	<u>131,399</u>
Revenues over (under) expenditures	<u>(1,190,485)</u>	<u>(1,123,538)</u>	<u>(1,127,671)</u>	<u>(4,133)</u>
Other financing sources (uses)				
Transfers in	1,150,209	1,150,209	1,150,209	-
Transfers out	-	(70,000)	(120,901)	(50,901)
Total other financing sources	<u>1,150,209</u>	<u>1,080,209</u>	<u>1,029,308</u>	<u>(50,901)</u>
Net change in fund balances	(40,276)	(43,329)	(98,363)	(55,034)
Fund balances, beginning of year	1,786,404	1,786,404	1,786,404	-
Fund balances - ending	<u>\$ 1,746,128</u>	<u>\$ 1,743,075</u>	<u>\$ 1,688,041</u>	<u>\$ (55,034)</u>

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, 2021

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Property	\$ 751,117	\$ 751,117	\$ 764,205	\$ 13,088
Licenses and permits	95,000	95,000	101,219	6,219
Intergovernmental	70,000	120,328	127,572	7,244
Charges for services	31,443	31,443	31,943	500
Investment earnings	2,400	2,400	(2,990)	(5,390)
Other	-	-	5,440	5,440
Total revenues	<u>949,960</u>	<u>1,000,288</u>	<u>1,027,389</u>	<u>27,101</u>
Expenditures				
Parks and recreation				
Materials and supplies	194,650	194,650	150,105	44,545
Outside services	950,761	1,003,226	956,175	47,051
Capital outlay	23,000	204,065	20,814	183,251
Total Parks and recreation	<u>1,168,411</u>	<u>1,401,941</u>	<u>1,127,094</u>	<u>274,847</u>
Revenues over (under) expenditures	<u>(218,451)</u>	<u>(401,653)</u>	<u>(99,705)</u>	<u>301,948</u>
Other financing sources (uses)				
Transfers in	151,163	151,163	151,159	(4)
Transfers out	(57,454)	(56,371)	(57,454)	1,083
Total other financing sources (uses)	<u>93,709</u>	<u>94,792</u>	<u>93,705</u>	<u>1,079</u>
Net change in fund balances	(124,742)	(306,861)	(6,000)	303,027
Fund balances, beginning of year	338,826	338,826	338,826	-
Fund balances - ending	<u>\$ 214,084</u>	<u>\$ 31,965</u>	<u>\$ 332,826</u>	<u>\$ 303,027</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, 2021

	Budgeted Amounts			Variance with Final Budget- Positive(Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes:				
Sales	\$ 6,050,600	\$ 6,261,841	\$ 6,801,123	\$ 539,282
Investment earnings	27,221	27,221	3,018	(24,203)
Total revenues	<u>6,077,821</u>	<u>6,289,062</u>	<u>6,804,141</u>	<u>515,079</u>
Expenditures				
Public Safety				
Police				
Salaries	971,836	860,466	691,531	168,935
Benefits	594,356	598,769	397,707	201,062
Materials and supplies	107,018	105,653	96,233	9,420
Outside services	106,815	56,490	29,371	27,119
Capital outlay	-	122,655	122,655	-
Total Police	<u>1,780,025</u>	<u>1,744,033</u>	<u>1,337,497</u>	<u>406,536</u>
Fire				
Materials and supplies	77,857	128,182	120,514	7,668
Outside services	50,325	50,325	50,325	-
Total Fire	<u>128,182</u>	<u>178,507</u>	<u>170,839</u>	<u>7,668</u>
Total public safety	<u>1,908,207</u>	<u>1,922,540</u>	<u>1,508,336</u>	<u>414,204</u>
Revenues over (under) expenditures	<u>4,169,614</u>	<u>4,366,522</u>	<u>5,295,805</u>	<u>929,283</u>
Other financing sources (uses)				
Transfers out	(4,707,706)	(4,707,706)	(4,707,706)	-
Total other financing sources(uses)	<u>(4,707,706)</u>	<u>(4,707,706)</u>	<u>(4,707,706)</u>	<u>-</u>
Net change in fund balances	(538,092)	(341,184)	588,099	929,283
Fund balances - beginning	1,119,191	1,119,191	1,119,191	-
Fund balances - ending	<u>\$ 581,099</u>	<u>\$ 778,007</u>	<u>\$ 1,707,290</u>	<u>\$ 929,283</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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
Revenues				
Taxes:				
Intergovernmental	\$ 2,152,473	\$ 3,500,497	\$ 1,760,321	\$ (1,740,176)
Charges for services	-	-	4,512	4,512
Special assessments	-	-	3,435	3,435
Investment earnings	-	-	231	231
Other	-	-	225,977	225,977
Total revenues	2,152,473	3,500,497	1,994,476	(1,506,021)
Expenditures				
General government				
Salaries	102,193	102,193	113,457	(11,264)
Benefits	49,909	49,909	45,640	4,269
Materials and supplies	1,000	1,000	-	1,000
Outside services	14,434	50,134	5,219	44,915
Total General government	167,536	203,236	164,316	38,920
Health and welfare				
Salaries	114,571	116,472	104,466	12,006
Benefits	59,771	60,236	50,568	9,668
Materials and supplies	3,200	3,200	852	2,348
Outside services	1,291,347	2,639,371	2,651,752	(12,381)
Total Health and welfare	1,468,889	2,819,279	2,807,638	11,641
Public works				
Salaries	28,716	28,716	13,598	15,118
Benefits	13,965	13,965	5,294	8,671
Materials and supplies	2,455	2,455	790	1,665
Outside services	254,366	254,366	248,791	5,575
Total Public works	299,502	299,502	268,473	31,029
Total expenditures	1,935,927	3,322,017	3,240,427	81,590
Revenues over (under) expenditures	216,546	178,480	(1,245,951)	(1,424,431)
Other financing sources (uses)				
Transfers in	-	-	118,072	118,072
Transfers out	(216,546)	(216,546)	(216,546)	-
Total other financing sources (uses)	(216,546)	(216,546)	(98,474)	118,072
Net change in fund balances	-	(38,066)	(1,344,425)	(1,306,359)
Fund balances - beginning	27,250	27,250	27,250	-
Fund balances (deficit) - ending	\$ 27,250	\$ (10,816)	\$ (1,317,175)	\$ (1,306,359)

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
Revenues				
Taxes:				
Charges for services	\$ 746,000	\$ 746,000	\$ 808,850	\$ 62,850
Investment earnings	4,000	4,000	1,031	(2,969)
Total revenues	<u>750,000</u>	<u>750,000</u>	<u>809,881</u>	<u>59,881</u>
Expenditures				
General government				
Outside services	632,350	683,792	625,246	58,546
Total General government	<u>632,350</u>	<u>683,792</u>	<u>625,246</u>	<u>58,546</u>
Revenues over (under) expenditures	<u>117,650</u>	<u>66,208</u>	<u>184,635</u>	<u>118,427</u>
Other financing sources (uses)				
Transfers out	(119,500)	(119,500)	(119,500)	-
Total other financing sources (uses)	<u>(119,500)</u>	<u>(119,500)</u>	<u>(119,500)</u>	<u>-</u>
Net change in fund balances	(1,850)	(53,292)	65,135	118,427
Fund balances - beginning	408,975	408,975	408,975	-
Fund balances - ending	<u>\$ 407,125</u>	<u>\$ 355,683</u>	<u>\$ 474,110</u>	<u>\$ 118,427</u>

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, 2021

	Budgeted Amounts			Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final			
Revenues					
Taxes:					
Property	\$ 578,725	\$ 582,637	\$ 598,748	\$ 16,111	
Investment earnings	1,000	1,000	(913)	(1,913)	
Total revenues	579,725	583,637	597,835	14,198	
Expenditures					
General government					
Outside services	472,725	476,637	474,094	2,543	
Capital outlay	50,000	50,000	-	50,000	
Total General government	522,725	526,637	474,094	52,543	
Revenues over (under) expenditures	57,000	57,000	123,741	66,741	
Other financing sources (uses)					
Transfers out	(57,000)	(57,000)	(57,000)	-	
Total other financing sources (uses)	(57,000)	(57,000)	(57,000)	-	
Net change in fund balances	-	-	66,741	66,741	
Fund balances - beginning	136,459	136,459	136,459	-	
Fund balances - ending	\$ 136,459	\$ 136,459	\$ 203,200	\$ 66,741	

CITY OF ST. JOSEPH, MISSOURI
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	\$ 1,398,195	\$ 1,398,192	\$ (3)
Investment earnings	-	1,531	1,532	1
Total revenues	-	1,399,726	1,399,724	(2)
Expenditures				
General government				
Outside services	-	945,860	945,859	1
Total General government	-	945,860	945,859	1
Revenues over (under) expenditures	-	453,866	453,865	(1)
Net change in fund balances	-	453,866	453,865	(1)
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ 453,866	\$ 453,865	\$ (1)

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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
Revenues				
Taxes:				
Sales	\$ 6,011,000	\$ 6,011,000	\$ 6,524,502	\$ 513,502
Intergovernmental	217,500	237,500	22,990	(214,510)
Investment earnings	20,000	20,000	10,637	(9,363)
Other	-	-	28,625	28,625
Total revenues	<u>6,248,500</u>	<u>6,268,500</u>	<u>6,586,754</u>	<u>318,254</u>
Expenditures				
Capital outlay				
Capital outlay	5,602,785	9,672,866	8,734,436	938,430
Total Capital outlay	<u>5,602,785</u>	<u>9,672,866</u>	<u>8,734,436</u>	<u>938,430</u>
Revenues over (under) expenditures	<u>645,715</u>	<u>(3,404,366)</u>	<u>(2,147,682)</u>	<u>1,256,684</u>
Other financing sources (uses)				
Transfers in	265,021	325,021	325,021	-
Transfers out	(157,500)	(210,400)	(84,984)	125,416
Bond Proceeds	-	6,729,590	6,279,586	(450,004)
Total other financing sources (uses)	<u>107,521</u>	<u>6,844,211</u>	<u>6,519,623</u>	<u>(324,588)</u>
Net change in fund balances	753,236	3,439,845	4,371,941	932,096
Fund balances, beginning of year	9,364,033	9,364,033	9,364,033	-
Fund balances - ending	<u>\$ 10,117,269</u>	<u>\$ 12,803,878</u>	<u>\$ 13,735,974</u>	<u>\$ 932,096</u>

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2021

Business-type Activities - Enterprise Funds

	Aviation	Public Parking	Municipal Golf Course	Landfill	Total Nonmajor Enterprise Funds
Assets					
Current assets:					
Cash and investments	\$ 211,645	\$ 155,664	\$ 73,028	\$ 17,920,025	\$ 18,360,362
Accounts receivable (net of allowance for uncollectibles)	13,130	528	-	638,889	652,547
Due from other governments	927,403	-	-	-	927,403
Prepaid items	19,183	5,410	3,191	14,571	42,355
Total current assets	1,171,361	161,602	76,219	18,573,485	19,982,667
Noncurrent assets:					
Net pension asset	230,053	64,923	115,365	747,097	1,157,438
Capital assets:					
Capital assets, not being depreciated:	2,192,006	1,551,000	110,000	2,639,252	6,492,258
Capital assets net of accumulated depreciation:	23,263,323	1,975,498	881,140	2,770,237	28,890,198
Total capital assets (net of accumulated depreciation)	25,455,329	3,526,498	991,140	5,409,489	35,382,456
Total noncurrent assets	25,685,382	3,591,421	1,106,505	6,156,586	36,539,894
Total assets	26,856,743	3,753,023	1,182,724	24,730,071	56,522,561
Deferred Outflows of Resources					
Deferred outflows due to pension	5,504	1,553	2,760	17,873	27,690
Deferred outflows due to OPEB	26,249	12,915	29,467	79,966	148,597
Total Deferred Outflows of Resources	31,753	14,468	32,227	97,839	176,287
Liabilities and Net Position					
Current liabilities:					
Accounts payable	921,399	12,840	25,948	200,367	1,160,554
Accrued payroll	9,451	3,225	12,916	25,741	51,333
Accrued interest payable	-	19,467	53	2,915	22,435
Long-term obligations due in one year	17,985	193,297	38,487	105,393	355,162
Total current liabilities	948,835	228,829	77,404	407,916	1,662,984
Noncurrent liabilities:					
Long-term obligations due in more than one year	-	1,330,587	-	247,035	1,577,622
Landfill closure and postclosure liability	-	-	-	11,551,919	11,551,919
OPEB liability	48,498	23,862	54,445	147,742	274,547
Total noncurrent liabilities	48,498	1,354,449	54,445	11,946,696	13,404,088
Total liabilities	997,333	1,583,278	131,849	12,354,612	15,067,072
Deferred Inflows of Resources					
Deferred inflow due to pension	265,445	74,911	133,114	862,033	1,335,503
Deferred inflow due to OPEB	19,109	9,403	21,452	58,213	108,177
Total Deferred Inflows of Resources	284,554	84,314	154,566	920,246	1,443,680
Net Position					
Net Investment in capital assets	24,674,973	3,526,498	962,337	5,089,997	34,253,805
Unrestricted (deficit)	931,636	(1,426,599)	(33,801)	6,463,055	5,934,291
Total net position	\$ 25,606,609	\$ 2,099,899	\$ 928,536	\$ 11,553,052	\$ 40,188,096

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Aviation	Public Parking	Municipal Golf Course	Landfill	Total Nonmajor Enterprise Funds
Operating revenues:					
Charges for services	\$ 341,033	\$ 234,706	\$ 788,273	\$ 7,002,270	\$ 8,366,282
Other	247,268	1,200	16,605	36,629	301,702
Total operating revenues	588,301	235,906	804,878	7,038,899	8,667,984
Operating expenses:					
Personal services	361,458	91,488	341,170	1,236,272	2,030,388
Contractual services	177,586	123,601	82,162	488,456	871,805
Commodities	36,727	3,677	192,560	401,468	634,432
Heat, light and power	41,148	20,957	87,371	15,862	165,338
Depreciation	1,022,111	117,755	88,931	533,411	1,762,208
Closure and postclosure care costs	-	-	-	296,589	296,589
Total operating expenses	1,639,030	357,478	792,194	2,972,058	5,760,760
Operating income (loss)	(1,050,729)	(121,572)	12,684	4,066,841	2,907,224
Nonoperating revenues (expenses):					
Intergovernmental and other	61,492	-	-	-	61,492
Investment income	396	166	10,827	29,687	41,076
Interest and fiscal charges	-	(65,990)	(2,111)	(15,198)	(83,299)
Gain (loss) on sale of capital assets	49,650	-	-	258,796	308,446
Total nonoperating revenues (expenses), net	111,538	(65,824)	8,716	273,285	327,715
Income (loss) before capital contributions and transfers	(939,191)	(187,396)	21,400	4,340,126	3,234,939
Capital contributions and grants	1,634,097	-	-	-	1,634,097
Transfers in	117,084	327,351	60,332	-	504,767
Transfers out	(24,562)	(2,166)	(5,953)	(1,240,945)	(1,273,626)
Change in net position	787,428	137,789	75,779	3,099,181	4,100,177
Total net position - beginning	24,819,181	1,962,110	852,757	8,453,871	36,087,919
Total net position - ending	\$ 25,606,609	\$ 2,099,899	\$ 928,536	\$ 11,553,052	\$ 40,188,096

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Aviation	Public Parking	Municipal Golf Course	Landfill	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 332,903	\$ 234,741	\$ 788,273	\$ 6,789,996	\$ 8,145,913
Payments to suppliers	542,663	(176,956)	(356,052)	(1,015,257)	(1,005,602)
Payments to employees	(409,101)	(139,369)	(420,396)	(1,441,093)	(2,409,959)
Other operating revenues	247,268	1,200	16,605	36,629	301,702
Net cash provided (used) by operating activities	713,733	(80,384)	28,430	4,370,275	5,032,054
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	117,084	327,351	60,332	-	504,767
Transfers out	(24,562)	(2,166)	(5,953)	(1,240,945)	(1,273,626)
Net cash provided (used) by noncapital financing activities	92,522	325,185	54,379	(1,240,945)	(768,859)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Payments of debt principal	-	(185,492)	(40,661)	(55,254)	(281,407)
Payments of debt interest and charges	-	(68,360)	(2,186)	(12,283)	(82,829)
Capital grants received	1,029,325	-	-	0.00	1,029,325
Proceeds from sale of assets	49,650	-	-	260,199.00	309,849
Purchase of capital assets	(1,914,310)	-	-	(1,241,326)	(3,155,636)
Net cash provided (used) by capital and related financing activities	(835,335)	(253,852)	(42,847)	(1,048,664)	(2,180,698)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales and maturities of investments	200,169	137,588	21,190	13,367,290	13,726,237
Purchase of investments	(161,608)	(118,862)	(44,936)	(13,683,419)	(14,008,825)
Interest and dividends received	396	166	-	29,687	30,249
Net cash provided (used) by investing activities	38,957	18,892	(23,746)	(286,442)	(252,339)
Net increase (decrease) in cash and cash equivalents	9,877	9,841	16,216	1,794,224	1,830,158
Cash and cash equivalents - beginning	50,722	34,729	4,694	3,336,700	3,426,845
Cash and cash equivalents - ending	60,599	44,570	20,910	5,130,924	5,257,003
Investments	151,046	111,094	52,118	12,789,101	13,103,359
Total cash and investments	\$ 211,645	\$ 155,664	\$ 73,028	\$17,920,025	\$ 18,360,362
Cash and investments reported on the Statement of Net Position:					
Unrestricted cash and investments	\$ 211,645	\$ 155,664	\$ 73,028	\$17,920,025	\$ 18,360,362

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

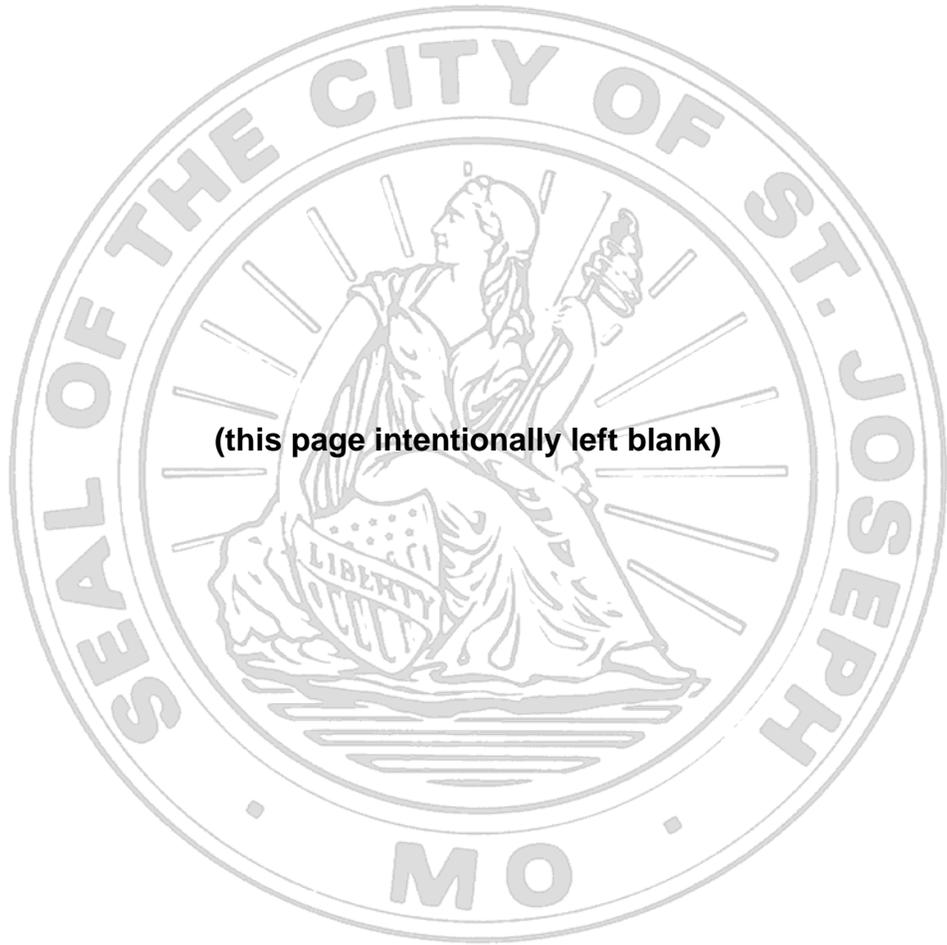
	Aviation	Public Parking	Municipal Golf Course	Landfill	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (1,050,729)	\$ (121,572)	\$ 12,684	\$ 4,066,841	\$ 2,907,224
Adjustments to reconciliation operating income (loss) to net cash provided by operating activities:					
Depreciation	1,022,111	117,755	88,931	533,411	1,762,208
Landfill closure and postclosure	-	-	-	240,036	240,036
Deferred outflows of resources	35,426	25,914	(2,405)	129,999	188,934
Deferred inflows of resources	276,843	79,421	149,338	891,852	1,397,454
Effect of changes in operating assets and liabilities:					
Accounts receivable	(8,130)	35	-	(212,274)	(220,369)
Prepaid expenses	(9,606)	(307)	(513)	(2,632)	(13,058)
Accounts payable and contracts/claims payable	807,730	(28,414)	6,554	(50,286)	735,584
Accrued payroll and compensated absences	4,003	(1,048)	(6,709)	3,030.00	(724)
Net pension asset	(363,915)	(152,168)	(219,450)	(1,229,702)	(1,965,235)
Net cash provided (used) by operating activities	<u>\$ 713,733</u>	<u>\$ (80,384)</u>	<u>\$ 28,430</u>	<u>\$ 4,370,275</u>	<u>\$ 5,032,054</u>

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

	36th & Frederick CID Tax Fund	Tuscany Village CID Tax Fund	2317 Belt CID Tax Fund	Gateway TDD Tax Fund	Cooks Crossing CID Tax Fund	East Hills CID Tax Fund	Beck Road CID Tax Fund	Library Tax Fund	Total
Assets									
Cash and investments	\$ 2,606	\$ 11,337	\$ 95	\$ 50,057	\$ 15,753	\$ 107,968	\$ 2,540	\$ 198	\$ 190,554
Taxes receivables	-	4,437	-	4	28,844	68,077	-	-	101,362
Total assets	2,606	15,774	95	50,061	44,597	176,045	2,540	198	291,916
Liabilities									
Accounts payable	-	2,291	-	1,000	27,844	67,077	-	-	\$ 98,212
Total liabilities	-	2,291	-	1,000	27,844	67,077	-	-	98,212
Net Position									
Restricted for:									
Organizations and other									
governments	2,606	13,483	95	49,061	16,753	108,968	2,540	198	193,704
Total net position	\$ 2,606	\$ 13,483	\$ 95	\$ 49,061	\$ 16,753	\$ 108,968	\$ 2,540	\$ 198	\$ 193,704

CITY OF ST. JOSEPH, MISSOURI
COMBINING STATEMENT CHANGES IN NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	36th & Frederick CID Tax Fund	Tuscany Village CID Tax Fund	2317 Belt CID Tax Fund	Gateway TDD Tax Fund	Cooks Crossing CID Tax Fund	East Hills CID Tax Fund	Beck Road CID Tax Fund	Library Tax Fund	Total
Additions									
Tax collections									
for other governments	\$ -	\$ 52,551	\$ -	\$ 5	\$ 387,006	\$ 413,504	\$ -	\$ 291,302	\$ 1,144,368
Interest	29	132	1	564	175	1,286	29	214	2,430
Total revenues	29	52,683	1	569	387,181	414,790	29	291,516	1,146,798
Deductions									
Developer reimbursements	-	16,542	-	-	374,674	400,527	-	-	791,743
Contractual services	-	37,154	-	1,120	9,517	26,760	-	291,318	365,869
Total deductions	-	53,696	-	1,120	384,191	427,287	-	291,318	1,157,612
Change in fiduciary net position	29	(1,013)	1	(551)	2,990	(12,497)	29	198	(10,814)
Net position - beginning as restated	2,577	14,496	94	49,612	13,763	121,465	2,511	-	204,518
Net position - ending	\$ 2,606	\$ 13,483	\$ 95	\$ 49,061	\$ 16,753	\$ 108,968	\$ 2,540	\$ 198	\$ 193,704



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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.

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Tables

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.

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Revenue Capacity

These schedules contain information to help the reader assess the City's two most significant local revenue sources: sales tax and property tax.

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Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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Operating Information

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

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

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental activities										
Net Investment in capital assets	\$ 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	\$ 135,862,753
Restricted	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	45,405,837
Unrestricted (deficit)	(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)	(93,069,157)
Total governmental activities net position	<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>	<u>\$ 88,199,433</u>
Business-type activities										
Net Investment in capital assets	\$ 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	\$ 95,240,609
Restricted	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	21,871,242
Unrestricted	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	47,777,393
Total business-type activities net position	<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>	<u>\$ 164,889,244</u>
Primary government										
Net Investment in capital assets	\$ 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	\$ 231,103,362
Restricted	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	67,277,079
Unrestricted (deficit)	(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)	(45,291,764)
Total primary government net position	<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>	<u>\$ 253,088,677</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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 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	\$ 13,902,088
Public safety	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	18,844,213
Highways and streets	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	22,700,623
Public works	416,183	354,893	235,620	290,349	288,766	274,544	328,208	242,275	231,497	238,294
Health and welfare	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	5,120,091
Parks and Recreation	7,373,783	8,100,980	7,363,194	7,330,358	8,173,780	9,311,548	9,356,318	9,136,789	6,025,067	6,967,545
Interest on long-term debt	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	1,441,180
Total governmental activities expenses	69,716,213	68,666,009	69,234,384	81,935,590	87,066,399	105,927,468	92,892,695	116,128,250	87,830,233	69,214,034
Business-type activities:										
Aviation	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	1,642,255
Parking	348,149	339,368	353,047	365,141	337,849	3,081,451	515,345	571,296	608,348	424,565
Sewer	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	26,244,795
Golf	835,932	837,476	901,488	862,290	908,714	1,362,893	968,328	854,815	899,421	797,666
Transit	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	7,366,933
Landfill	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	2,997,132
Total business-type activities expenses	24,466,751	25,172,119	27,604,383	31,213,348	29,781,218	41,062,461	44,640,767	39,558,276	42,666,515	39,473,346
Total primary government expenses	\$ 94,182,964	\$ 93,838,128	\$ 96,838,767	\$ 113,148,938	\$ 116,847,617	\$ 146,989,929	\$ 137,533,462	\$ 155,686,526	\$ 130,496,748	\$ 108,687,380
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 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	\$ 4,242,200
Public safety	680,798	821,264	936,478	737,997	715,576	638,595	755,672	678,684	686,477	673,317
Highways and streets	260,965	204,937	246,169	215,358	177,120	268,589	331,004	242,320	268,755	299,453
Public works	85,748	32,380	206,290	399,760	16,636	20,401	427,428	186,572	173,548	46,512
Health and welfare	559,092	626,570	539,526	572,768	604,724	587,871	605,431	655,758	537,678	779,002
Parks and Recreation	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	1,103,809
Operating grants and contributions	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	5,009,018
Capital grants and contributions	2,239,178	935,202	560,794	911,812	1,334,795	-	4,707,960	304,261	588,817	2,990
Total governmental activities program revenues	17,302,716	14,171,911	13,452,175	14,043,859	14,685,276	12,798,422	16,867,148	12,890,071	13,184,557	12,156,301
Business-type activities:										
Charges for services:										
Aviation	381,111	463,197	384,248	412,124	454,755	418,018	588,991	455,167	402,250	588,301
Parking	354,578	360,734	327,267	314,408	295,355	296,439	282,891	315,465	282,267	235,906
Sewer	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	30,511,314
Golf	783,605	820,578	802,264	789,054	805,081	713,740	674,987	631,975	527,423	804,878
Transit	394,945	350,978	343,364	385,106	319,896	344,438	352,726	992,201	546,246	280,611
Landfill	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	7,038,899
Operating grants and contributions	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	4,242,020
Capital grants and contributions	6,928,194	106,268	502,346	573,383	5,321,138	2,461,980	2,854,338	841,749	2,051,196	6,665,252
Total business-type activities program revenues	32,580,839	27,915,296	27,231,893	29,839,867	38,243,351	38,678,993	43,613,559	42,532,951	45,401,300	50,367,181
Total primary government program revenues	\$ 49,883,555	\$ 42,087,207	\$ 40,684,068	\$ 43,883,726	\$ 52,928,627	\$ 51,477,415	\$ 60,480,707	\$ 55,423,022	\$ 58,585,857	\$ 62,523,482
Net (expense)/revenue	(44,299,409)	(51,750,921)	(56,154,699)	(69,265,212)	(63,918,990)	(95,512,514)	(77,052,755)	(100,263,504)	(71,910,891)	(46,163,898)
Governmental activities	(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)	(57,057,733)
Business-type activities	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	10,893,835
Total primary government net expense	\$ (44,299,409)	\$ (51,750,921)	\$ (56,154,699)	\$ (69,265,212)	\$ (63,918,990)	\$ (95,512,514)	\$ (77,052,755)	\$ (100,263,504)	\$ (71,910,891)	\$ (46,163,898)

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

Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 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	\$ 16,687,584
Sales and use taxes	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	41,912,467
Franchise taxes	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	5,301,106
Motor fuel taxes	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	4,038,983
Cigarette taxes	438,673	422,366	395,181	386,003	375,690	373,764	343,259	319,150	316,502	309,322
Hotel taxes	815,756	913,963	856,089	1,088,009	1,234,623	1,181,911	1,226,751	1,226,919	1,009,569	1,162,769
Intergovernmental activity taxes	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	5,546,009
Unrestricted investment earnings	697,834	640,068	651,729	658,515	636,148	685,947	892,495	1,252,465	943,445	273,180
Gain (loss) on sale of capital assets	-	-	65,877	5,436	-	74,095	-	-	-	-
Transfers	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	2,170,483
Total governmental activities	56,362,194	56,243,274	60,270,983	65,628,896	69,006,746	68,784,025	70,639,895	70,845,509	73,036,239	77,401,903
Business-type activities:										
Sales and use taxes	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	5,090,915
Franchise taxes	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	1,044,614
Unrestricted investment earnings	295,082	233,696	212,997	197,631	195,615	400,176	(367,727)	2,626,049	1,968,907	215,487
Gain (loss) on sale of capital assets	6,582	43,342	-	-	-	-	-	-	57,221	308,446
Transfers	(1,899,067)	(2,454,852)	-	-	-	-	-	-	(1,747,159)	(2,170,483)
Total business-type activities	3,824,270	3,226,376	5,859,065	5,871,777	5,929,573	6,167,554	5,509,025	8,247,561	6,161,697	4,488,979
Total primary government	\$ 60,186,464	\$ 59,469,650	\$ 66,130,048	\$ 71,500,673	\$ 74,936,319	\$ 74,951,579	\$ 76,148,920	\$ 79,093,070	\$ 79,197,936	\$ 81,890,882
Changes in Net Position										
Governmental activities	\$ 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)	\$ 20,344,170
Business-type activities	11,938,358	5,969,553	5,486,575	4,498,296	14,391,706	3,784,086	4,481,817	11,222,236	8,896,482	15,382,814
Total primary government	\$ 15,887,055	\$ 7,718,729	\$ 9,975,349	\$ 2,235,461	\$ 11,017,329	\$ (20,560,935)	\$ (903,835)	\$ (21,170,434)	\$ 7,287,045	\$ 35,726,984

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
 Governmental Activities Tax Revenues By Source
 Last Ten Fiscal Years
 (accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Motor Fuel Tax</u>	<u>Cigarette Tax</u>	<u>Hotel Tax</u>	<u>Intergovernmental Activity Tax</u>	<u>Total</u>
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
2021	16,687,584	41,912,467	5,301,106	4,038,983	309,322	1,162,769	5,546,009	74,958,240

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 469,113	\$ 499,662	\$ 127,450	\$ 329,141	\$ 237,066	\$ 169,302	\$ 173,556	\$ 233,391	\$ 350,499	\$ 808,007
Restricted	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	8,795,767
Committed	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	2,144,441
Assigned	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	1,996,534
Unassigned	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	8,722,375
5-1 Total General Fund	\$ 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	\$ 22,467,124
All other governmental funds										
Nonspendable	\$ 147,548	\$ 125,002	\$ 59,688	\$ 64,529	\$ 59,018	\$ 63,287	\$ 100,318	\$ 99,648	\$ 429,506	\$ 160,251
Restricted	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	33,136,900
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(285,298)	-	-	-	-	-	(252,087)	(325,812)	-	-
Total all other governmental funds	\$ 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	\$ 33,297,151

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 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	\$ 75,075,745
Licenses, fees and permits	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	1,561,457
Intergovernmental	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	5,016,210
Charges for services	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	3,483,771
Fines, forfeitures, and court costs	922,214	1,170,983	1,251,520	1,106,527	1,028,255	809,507	627,572	640,384	569,752	615,170
Assesments	30,610	35,220	68,741	29,182	22,665	20,971	18,928	23,815	26,138	16,590
Investment earnings	696,623	638,735	650,588	657,155	632,413	678,490	870,048	1,211,840	912,715	246,460
Other	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	2,217,586
Total revenues	<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>	<u>88,232,989</u>
Expenditures										
General government	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	11,315,903
Public safety	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	29,974,587
Highways and streets	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	10,118,929
Public works	272,492	212,831	235,200	293,853	307,912	247,835	305,944	248,315	250,039	244,699
Health and welfare	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	5,445,198
Parks and recreation	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	5,733,404
Capital outlay	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	13,402,191
Debt Service										
Principal	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	9,630,976
Interest and bond costs	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	1,369,358
Total expenditures	<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>	<u>87,235,245</u>
Excess of revenues over (under) expenditures	(2,027,408)	4,164,424	953,981	5,012,624	(943,204)	2,335,598	(10,314,894)	(2,863,582)	(427,492)	997,744
Other Financing Sources (Uses)										
Transfers in	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	9,840,027
Transfers out	(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)	(7,669,544)
Issuance of debt	6,685,000	8,685,000	-	-	-	-	-	19,360,000	-	6,279,586
Payment to refunded bond escrow agent	(6,420,443)	(9,647,589)	-	-	-	-	-	(29,599,332)	-	-
Capital lease proceeds	163,180	20,003	-	233,522	118,304	21,896	-	2,240,000	-	156,132
Sale of capital assets	310,115	16,180	121,065	-	77,908	74,095	147,329	89,575	93,280	67,832
Total other financing sources (uses)	<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>	<u>8,674,033</u>
Net change in fund balances	<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>	<u>\$ 9,671,777</u>
Debt service as a percentage of non capital expenditures	16.85%	12.15%	12.88%	11.41%	10.23%	10.34%	9.08%	8.36%	13.30%	13.68%

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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
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	70,390
2021	16,805	41,912	309	4,039	5,301	1,163	5,546	75,076

(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:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Apparel stores	\$ 43,434	\$ 45,680	\$ 48,277	\$ 50,121	\$ 49,710	\$ 36,678	\$ 36,539	\$ 35,600	\$ 28,977	N/A
General merchandise	313,507	312,147	311,553	315,705	314,101	114,413	326,300	329,915	167,319	N/A
Food stores	134,628	137,249	145,043	151,506	153,656	1,929	1,726	6,335	3,366	N/A
Eating and drinking establishments	143,499	147,355	149,938	155,787	160,098	152,226	153,861	164,775	155,895	N/A
Home furnishings and appliances	31,121	33,360	38,032	39,430	43,282	26,175	26,635	25,270	25,539	N/A
Building materials and farm tools	42,416	52,590	59,726	65,058	64,026	20,872	40,442	50,043	44,241	N/A
Construction/Remodeling	4,392	6,778	6,804	16,999	30,495	32,859	42,887	43,687	37,353	N/A
Auto dealers and supplies	100,357	97,295	173,595	111,131	119,216	79,624	85,294	90,948	87,342	N/A
Wholesale Trade	30,000	42,462	50,661	56,500	65,080	285,411	296,553	318,834	351,296	N/A
Hotels, Motels	11,896	11,985	14,901	17,862	17,904	19,548	20,339	20,342	14,544	N/A
Communication	23,359	21,950	23,169	21,191	21,649	24,434	23,912	22,007	20,225	N/A
Other retail stores	76,761	78,351	82,641	92,079	98,505	100,920	146,570	145,929	87,337	N/A
All other outlets	53,414	87,852	87,488	110,178	118,413	81,997	120,724	142,905	62,743	N/A
Total	\$ 1,008,784	\$ 1,075,054	\$ 1,191,828	\$ 1,203,547	\$ 1,256,135	\$ 977,086	\$ 1,321,782	\$ 1,396,590	\$ 1,086,178	-

Note: Amounts for 2021 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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	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	2.875						
Total Local Option Sales Tax Rate										
State of Missouri										
6-T 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	0.250
Levee Allocation							0.250	0.250	0.250	0.000
Total Buchanan County	1.100	1.100	1.100	1.350	1.350	1.350	1.600	1.600	1.600	1.350
City of St. Joseph	2.375	2.375	2.375	2.875	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	8.450	8.450	8.450	8.700	8.700	8.700	8.450

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	
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%
2021	746,235	3,256,129	298,697	905,144	46,784	141,771	1,091,717	1.68	4,303,044	25.4%

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
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
2021	0.60	0.07	0.12	0.22	0.20	0.05	0.42	1.68	0.03	4.34	0.47	6.52

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

General Fund	0.0751
Road & Bridge Fund	0.2911
Handicap	<u>0.1000</u>
Total County	<u><u>0.4662</u></u>

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

TAXPAYER	TYPE OF BUSINESS	2021			2012		
		ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION(1)	2011 ASSESSED VALUATION	RANK	PERCENTAGE OF TOTAL ASSESSED VALUATION
Boehringer Ingelheim Animal Health	Animal Health Manufacturer	\$ 22,741,540	1	2.08%	\$ 10,538,070	8	1.12%
AG Processing	Soybean Processing	17,602,840	2	1.61%	19,729,530	1	2.09%
Mosaic Lifecare	Healthcare Industry	17,354,300	3	1.59%	11,658,240	6	1.24%
Midland Empire Retail, LLC	Shopping Mall	15,465,330	4	1.42%	15,446,447	3	1.64%
Nestle USA Inc	Pet Food Manufacturing	12,909,940	5	1.18%	9,701,320	10	1.03%
Johnson Controls Battery Group	Food Manufacturing	12,718,720	6	1.17%	14,728,950	4	1.56%
Triumph Foods LLC	Pork Processing	12,522,540	7	1.15%	11,415,115	7	1.21%
American Family Mutual Insurance	Insurance	10,537,370	8	0.97%	9,939,650	9	1.05%
Cole PC St Joseph MO LLC	Shopping Center	9,398,620	9	0.86%			
St. Joseph Foods	Meat Manufacturer	8,939,030	10	0.82%	12,512,020	5	1.33%
Missouri American Water	Water Utility				16,826,888	2	1.79%
		<u>\$ 140,190,230</u>		<u>12.85%</u>	<u>\$ 132,496,230</u>		<u>14.06%</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
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%	1,035,227	13,888,330	96.45%
2016	14,830,223	14,529,043	97.97%	295,331	14,824,373	99.96%
2017	15,003,629	14,485,665	96.55%	459,722	14,945,387	99.61%
2018	15,349,661	14,941,317	97.34%	400,954	15,342,271	99.95%
2019	15,401,865	15,114,369	98.13%	286,092	15,400,462	99.99%
2020	15,849,542	15,402,492	97.18%	386,878	15,789,371	99.62%
2021	17,408,232	16,075,709	92.35%	-	16,075,709	92.35%

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	Government Obligations
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	-
2021	-	495,064	15,880,000	60,453,066	2,130,406	5,175,000

Fiscal Year	Business-Type Activities					Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	PBA	MDFB	Revenue Bonds	Special Obligations	Capital Leases			
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	8.74%	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
2021	-	3,110,000	207,571,041	1,523,499	337,301	296,675,377	10.19%	40,156

(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 (1)
	General Obligation Bonds	Less Amounts Available in Debt Service	Total		
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-
2020	-	-	-	0.00%	-
2021	5,175,000	453,865	4,721,135	0.11%	40,156

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

(1) Bureau of Economic Analysis

CITY OF ST. JOSEPH, MISSOURI
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
St. Joseph School District	\$ 30,195,000	95.75%	\$ <u>28,911,713</u>
Subtotal, overlapping debt			28,911,713
City of St. Joseph direct debt			84,133,536
Total direct and overlapping debt			\$ <u><u>113,045,249</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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit (1)	\$ 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	\$ 218,343,445
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	4,721,135
Legal Debt Margin	\$ 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	\$ 213,622,311
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%	2.162%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Value	\$ 1,091,717,227
Debt Limit (20% of assessed value)	218,343,445
General obligation:	
Total Bonded Debt	5,175,000
Less Amount Available for Debt Service	453,865
Total net debt applicable to limit	4,721,135
Legal debt margin	\$ 213,622,311

Notes:

(1) Total tangible property assessed value as of January 1, 2020 as certified by the County Clerk on June 30, 2020

(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>						
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
2021	30,644	14,230	16,414	9,829	4,258	1.17

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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>
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%
2021	72,473	2,910,226	40,156	36.80	10,060	4.30%

- 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
2021 and 2012

Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Mosaic Life Care	2,922	1	4.82%	3,451	1	5.00%
Triumph Foods	2,900	2	4.78%	2,240	2	3.20%
139th Airlift Wing-MO Air National Guard	1,663	3	2.74%			
St. Joseph School District	1,635	4	2.70%	1,882	3	2.70%
Boehringer Ingelheim Vetmedica	1,070	5	1.76%	838	5	1.20%
Tyson Foods	670	6	1.10%	700	8	1.00%
American Family	664	7	1.09%	820	6	1.20%
City of St. Joseph	634	8	1.05%	635	10	1.00%
Clarios, LLC	460	9	0.76%	697	9	1.00%
Missouri Western State University	434	10	0.72%			
Altec Industries				880	4	1.30%
System & Services Technologies				745	7	1.10%
Total	<u>13,052</u>		<u>21.52%</u>	<u>12,888</u>		<u>18.70%</u>

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	4	4	4	4	5	5	7	6	5	6
Technology & Communications	4	4	4	4	4	4	5	5	5	4
Municipal Court	5	5	5	5	5	5	5	5	5	5
Legal	6	6	6	5	9	8	8	8	8	6
Administrative Services	16	17	18	17	17	17	16	14	14	19
Human Resources	5	5	5	5	5	5	4	3	5	5
Customer Assistance	3	3	3	3	3	3	3	3	3	
Public Safety										
Police - Arrest Powers	115	113	116	125	126	128	133	133	137	122
Police - Civilian	42	43	42	41	44	43	44	44	39	39
Fire Protection	124	128	127	125	127	124	126	127	125	121
Fire - Civilian	3	3	3	3	3	3	3	3	3	3
Public Works										
Engineering	9	8	9	9	9	9	10	10	9	8
Public Works Administration	5	6	6	5	6	6	6	5	4	5
Streets	58	62	56	58	58	59	61	57	54	53
Traffic	7	8	8	8	7	8	8	8	8	8
Airport	5	6	6	6	6	6	6	6	6	6
Parking Services	5	4	5	5	5	4	5	5	3	3
Landfill	18	17	17	16	16	17	17	18	19	15
Recycling Center	2	2	2	2	2	2	2	2	2	2
Sewer Maintenance	24	21	22	23	24	21	22	24	21	21
Water Pollution Control	50	53	53	55	52	49	54	54	54	58
Health Department	40	40	41	41	40	41	42	42	41	42
Parks and Recreation	52	53	53	48	54	55	55	54	53	53
Community Development										
Planning	5	5	5	5	6	4	4	4	4	4
Housing & Community Dev	15	15	14	14	12	15	13	13	13	10
Property Maintenance	10	9	10	10	10	9	9	11	13	13
Total	<u>635</u>	<u>643</u>	<u>643</u>	<u>645</u>	<u>658</u>	<u>653</u>	<u>671</u>	<u>667</u>	<u>656</u>	<u>634</u>

Source: City of St. Joseph Annual Report

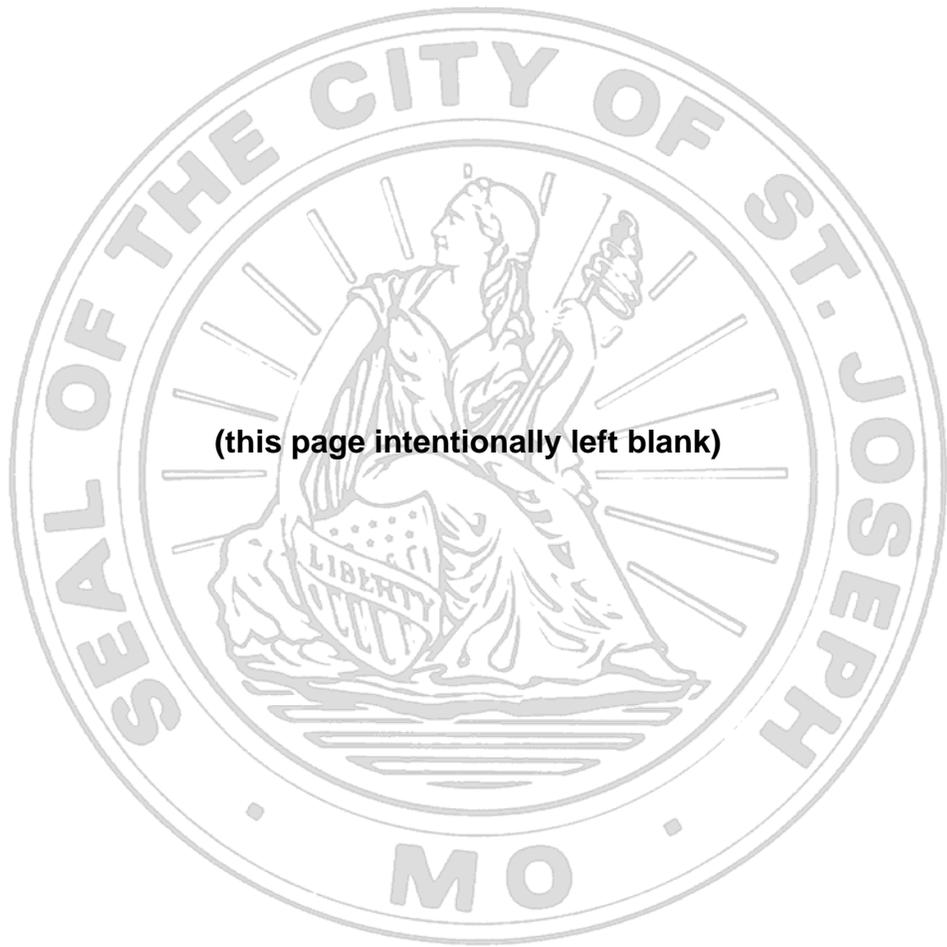
CITY OF ST. JOSEPH, MISSOURI
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety	Police										
	Physical Arrests	4,870	6,958	7,262	6,612	6,614	5,918	5,672	6,184	5,660	5,158
	Traffic Violations	14,080	12,235	11,312	12,542	15,567	15,656	9,755	11,744	14,637	10,295
	Parking Violations	8,532	9,196	7,130	7,285	6,758	7,097	4,587	6,278	4,476	3,310
Fire	Total Alarms	9,651	8,461	8,836	9,111	9,604	10,301	11,191	12,199	12,677	13,876
	Inspections	442	565	754	628	698	650	820	865	927	358
Water	Number of customers	32,004	32,004	31,993	31,993	31,892	31,892	31,945	31,878	32,106	32,106
	Daily Average Water Consumption	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	17,120,000
Sewer	Number of customers	26,836	25,723	24,625	24,625	26,357	26,284	26,281	26,388	25,487	26,075
	Daily Average Wastewater Treated	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	15,000,000

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

Function/Program		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
T-23	Public Safety											
	Police											
	Police stations	1	1	1	1	1	1	1	1	1	1	
	Vehicles	122	107	118	122	122	118	122	123	122	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	44.770	44.770	44.770	44.770	44.770	44.770	44.770
	Paved miles	432.3	434.8	433.1	433.1	433.1	433.1	437.0	437.0	437.0	437.0	
	Culture and Recreation											
Park acreage	2,000	2,000	2,000	2,000	1,500	1,500	1,500	1,500	1,500	1,500		
Parks	46	46	46	46	36	36	36	36	36	36		
Ball Fields	23	23	23	23	23	23	23	23	23	23		
Community Centers	1	1	1	1	3	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	2	2	2	2	2	2		
Tennis Courts	21	21	21	21	21	21	21	21	21	21	18	
Power and Light												
Power stations	12	12	12	12	12	12	13	13	13	13		
Transmission/Distribution Circuits (miles)	595.45	598.04	601.01	601.01	601.01	601.01	604.27	604.13	605.37	608.45		
Street Lights	6,952	6,952	6,952	6,952	6,952	6,952	7,117	7,050	7,056	6,517		
Water												
Water mains (miles)	619	620	620	620	621	621	641	628	643	643		
Fire hydrants	3,030	3,032	3,043	3,043	3,086	3,086	3,114	3,120	3,140	3,140		
Maximum daily pumpage (millions of gallons)	24	26	26	26	23	23	23	22	22	22		
Sewer												
Number of treatment plants	1	1	1	1	1	1	1	1	1	1		
Sewers mains (miles)	402	403	406	406	406	406	406	406	406	406		
Maximum daily capacity of treatment (MGD)	27	27	27	27	54	54	54	54	54	54		



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