

**CITY OF EUREKA, MISSOURI**  
**AUDIT OF FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

CITY OF EUREKA, MISSOURI

MODIFIED CASH BASIS FINANCIAL STATEMENTS

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CITY OF EUREKA, MISSOURI

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## INDEPENDENT AUDITOR'S REPORT

Board of Aldermen  
City of Eureka, Missouri

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eureka, Missouri ("City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eureka, Missouri, as of June 30, 2022, and the respective changes in modified cash basis financial position and, where applicable, cash flows, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Eureka, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter – Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eureka, Missouri's basic financial statements. The budgetary comparison information and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary comparison information and combining nonmajor 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. The 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 the auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information and the combining nonmajor fund financial are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the modified cash basis of accounting described in Note 1.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the management's discussion and analysis but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, on our consideration of the City of Eureka, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City of Eureka, Missouri's 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 of Eureka, Missouri's internal control over financial reporting and compliance.

***Croghan & Croghan, P.C.***

Certified Public Accountants

Kirkwood, Missouri  
December 22, 2022

## **UNAUDITED**

### **City of Eureka, Missouri Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022**

The discussion and analysis of the City of Eureka's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the notes to the financial statements to enhance their understanding of the City's financial performance.

The financial statements of the City have been prepared on the modified cash basis of accounting, as applied to local governmental units, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Differences in the modified basis of accounting and accounting principles generally accepted in the United States of America arise in the recognition of revenue when received, rather than when earned, and the presentation of expenditures/expenses when paid rather than when incurred.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement 34 Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

#### **Financial Highlights**

Key financial highlights for the fiscal year ended June 30, 2022 include the following:

- Government wide revenues collected increased 11.84% and expenses increased 28.59%. Revenues increased due mostly to increased Tax Revenue, Licenses & Permit fees, Parks & Recreation Membership fees and the ARPA grant. Expenses increased due mainly to higher Capital Outlay and increased Parks operating expenses due to the Timbers being fully operational.
- Government wide taxes collected are \$1,072,719 higher due to higher sales tax being collected due to COVID- 19 restrictions being lifted on retail.
- Government wide Licenses & Permit fees increased \$292,734 due mostly to an increase in the amusement park tax receipt due to the local theme park being fully operational as a result of the COVID 19 restrictions being lifted and higher permit fees collected due to new construction.
- Water, Sewer and Trash operating income decreased \$139,861 due mostly to the City billing for trash for eight (8) months vs. twelve (12). The trash hauler began billing for trash in April 2022 .
- Parks and Recreation revenue was \$636,445 higher due mostly to The Timbers Recreation Center and other programs being fully operational due to COVID-19 restrictions being lifted and higher Sales Tax Receipts.
- Fine and Forfeiture revenue increased by \$101,263 due to more court sessions being held due to COVID-19 restrictions being lifted.
- Intergovernmental revenue received was \$373,621 or 23.92% higher due mainly to the City receiving the ARPA Grant.
- Police Department expenditures were \$638,490 or 17.05% higher due to certain police officers' salaries that were recorded in the Prop P fund now being recorded in the General Fund – Police Department and higher payroll costs overall.
- Park Department expenditures were \$646,229 or 21.25% higher due to higher payroll and operating costs being higher as a result of the COVID 19 restrictions being lifted.
- Capital Outlay increased \$2,338,485 due to more capital projects being budgeted and started due to the projections of increased revenue. In FYE 2021 the City used a more conservative budgeting approach due to the uncertainty of revenues due to COVID 19.

## UNAUDITED

### Using the Basic Financial Statements

The City's basic financial statements consist of a series of financial statements and the associated notes to those statements. The statements are organized so the reader can understand the modified cash basis operations of the City as a whole. The "Basic Financial Statements" section includes government-wide financial statements, fund financial statements and notes to financial statements. The government-wide financial statements, consisting of the Statement of Net Position (Modified Cash Basis) and the Statement of Activities (Modified Cash Basis), provide highly consolidated modified cash basis financial information and render a government-wide perspective of the City's modified cash basis financial condition.

By showing the change in net position (modified cash basis) for the year, the reader may ascertain whether the City's modified cash basis financial condition has improved or deteriorated. The changes which are discussed in this MD&A may be financial or non-financial in nature. Non-financial factors which may have an impact on the City's financial condition include increases in or erosion of the property tax base, current property tax laws in Missouri restricting revenue growth, facility conditions, and other factors.

	NET POSITION			
	Governmental	Business-Type	Total	Total
	Activities	Activities	June 30, 2022	June 30, 2021
<b>ASSETS</b>				
Cash and Investments	\$ 15,269,335	\$ 3,731,003	\$ 19,000,339	\$ 16,899,151
Restricted Assets				
Cash and Investments	837,501	-	837,501	839,593
Payroll Benefits	-	-	-	1,143
Total Assets	16,106,837	3,731,003	19,837,840	17,739,887
<b>LIABILITIES</b>				
Purchasing Card Credit	47,866	1,118	48,984	40,296
Payroll Benefits	5,185	1,160	6,345	3,545
Total Liabilities	53,052	2,278	55,330	43,841
<b>NET POSITION</b>				
Restricted for:				
Capital and Operating Projects	6,174,252	-	6,174,252	5,949,543
Escrow/Deposits	61,224	-	61,224	2,249
Debt Service	837,501	-	837,501	839,593
Other Purposes	2,601,688	-	2,601,688	2,066,362
Unrestricted	6,379,120	3,728,725	10,107,845	8,838,298
Total Net Position	\$ 16,053,785	\$ 3,728,725	\$ 19,782,510	\$ 17,696,045

### Government-wide Financial Analysis



## **UNAUDITED**

The City's government-wide ending net position (modified cash basis) was \$19,782,510. This is a \$2,086,465 or 11.79% increase from the Fiscal Year ending June 30, 2021. The increase is due mostly to grant receipts and business type activity revenue.

Capital outlay in FYE 2021-22 was approximately \$2,338,484 or 168.35% higher than FYE 2020-21. The majority of the increase occurred in the Park/Storm Water Fund, Capital Improvement Fund and the Prop E Fund.

Highlighted Capital Improvement Projects for FY 2021-22 are as follows:

<u>Project Name</u>	<u>FYE 2020-21</u>	<u>FYE 2021-22</u>
City-wide Street Rehabilitation	-	1,460,629
Allenton Bridge Replacement	84,140	548,451
Flood Mitigation Measures	514,453	463,799
Public Works General Equipment	-	225,136
Police Vehicles & Equipment	91,897	183,950
Park Improvements Project	11,400	118,275
Park Improvements	12,375	100,401

Total assets of the City at June 30, 2022, reflect the City's total assets of cash and investments (net), of which \$19,000,339 is unrestricted. The increase in unrestricted assets over FYE 2021 is due mostly to the receipt of the ARPA grant and Sales Tax Revenues.

### **General Fund Financial Analysis:**

Revenues in the General Fund increased overall \$1,762,687 in FYE 2022. Taxes collected increased by \$1,016,569 due mostly to the COVID-19 restrictions being lifted on retail. Investment interest decreased by \$20,169 due mostly to the timing of Certificates of Deposits coming due. Court Fines & Forfeitures increased \$101,482 as a result of more court sessions being held due to the restrictions of COVID-19 being lifted. Intergovernmental Grants increased \$398,062 due mostly to the receipt of ARPA grant. Licenses and Permits and Fees increased by \$265,247 due mostly to building permit fees collected being higher due to new construction.

General Fund expenses increased \$1,661,489 compared to FYE 2022. Payroll related expenses were \$1,284,122 higher due payroll increases and the Prop P payroll expense being recorded in the General Fund (historically Prop P payroll expenses for certain police officers were recorded in a separate fund). Legal & Professional fees increased \$145,497 due to more court dates due to COVID-19 restrictions being lifted. Economic Development expenses increased \$23,428 due to an agreement with the Eureka Chamber of Commerce to market Eureka businesses through social media. Department insurance increased \$256,853 due to a change in the allocation method of the expense and timing of payment. Fuel costs increased \$50,404 due to higher fuel prices.

**UNAUDITED**

**Government-wide  
Revenue and Expenditure Comparison  
Years Ending June 30, 2021 and 2022**

	<u>2020-21</u>	<u>% of</u> <u>Total</u>	<u>2021-22</u>	<u>% of</u> <u>Total</u>
Revenue all Funds				
Taxes	9,906,408	56.68%	10,979,127	56.17%
Licenses and Permits and Fees	572,350	3.27%	865,085	4.43%
Charges for Services	4,599,528	26.32%	4,457,800	22.81%
Parks and Recreation	493,065	2.82%	892,602	4.57%
Fines and Forfeitures	40,450	0.23%	141,713	0.73%
Intergovernmental	1,561,686	8.94%	1,935,307	9.90%
Interest	114,020	0.65%	37,073	0.19%
Contributions	10,150	0.06%	750	0.00%
Miscellaneous	180,179	1.03%	237,024	1.21%
	<u>\$ 17,477,838</u>	<u>100.00%</u>	<u>\$ 19,546,481</u>	<u>100.00%</u>

Expenditures all Funds				
Administrative	1,232,042	9.07%	1,280,525	7.33%
Police Department	3,743,970	27.57%	4,382,461	25.10%
Public Works	902,846	6.65%	1,067,123	6.11%
Building Department	227,882	1.68%	281,084	1.61%
Economic Development	695	0.01%	-	0.00%
Court	109,877	0.81%	121,955	0.70%
Park Department	1,289,288	9.50%	1,935,518	11.09%
Street Department	295,135	2.17%	298,326	1.71%
Deposits	2,756	0.02%	-	0.00%
Operating	2,759,118	20.32%	2,723,264	15.60%
Capital Outlay	1,389,062	10.23%	3,727,547	21.35%
Bond Principal & Interest	1,625,477	11.97%	1,642,215	9.41%
	<u>\$ 13,578,149</u>	<u>100.00%</u>	<u>\$ 17,460,016</u>	<u>100.00%</u>

**UNAUDITED**

**Governmental Funds Activities:**

	<u><b>2020-21</b></u>	<u><b>2021-22</b></u>
Revenues Collected		
Program Revenues collected:		
Charges for services	\$ 1,105,866	\$ 1,899,400
Grants & Contributions	1,567,586	820,293
General revenues collected:		
Property Taxes	2,118,800	2,168,994
Franchise and Public Service Taxes	1,040,643	1,101,155
Sales Tax	6,746,966	7,708,978
Investment Income	113,499	34,684
Sale of Assets	63,351	48,396
Grants Not Restricted to Specific Program	-	1,115,014
Miscellaneous	116,828	188,628
Subtotal	\$ 12,873,539	\$ 15,085,543
Transfers between funds	275,600	96,000
Total Revenues Collected	<u>\$ 13,149,139</u>	<u>\$ 15,181,543</u>
Expenses Paid		
Administrative	\$ 1,232,042	\$ 1,280,525
Police Department	3,743,970	4,382,461
Public Works	902,846	1,067,123
Building Department	227,882	281,084
Economic Development	695	-
Court	109,877	121,955
Park Department	1,289,288	1,935,518
Street Department	295,135	298,326
Deposits	2,756	-
Capital Outlay	1,389,062	3,727,547
Bond Principal	998,742	1,048,598
Bond Interest and Fees	626,735	593,617
Total Expenses Paid	<u>\$ 10,819,032</u>	<u>\$ 14,736,753</u>
Changes in net assets	\$ 2,330,107	\$ 444,790
Net Assets Beginning	13,278,888	15,608,995
Net Assets Ending	<u>\$ 15,608,995</u>	<u>\$ 16,053,785</u>

**UNAUDITED**

**Business Type Activities**

	<u><b>2020-21</b></u>	<u><b>2021-22</b></u>
<u><b>Water Operating Fund</b></u>		
Revenue	\$ 1,918,538	\$ 1,900,271
Expenses	(1,148,866)	(1,151,811)
Transfers In	-	
Transfers Out	(78,000)	(96,000)
Net Income/Loss	\$ 691,672	\$ 652,460
Net Position, July 1	\$ 41,499	\$ 733,172
Net Position, June 30	<u>\$ 733,172</u>	<u>\$ 1,385,631</u>
 <u><b>Sewer Operating Fund</b></u>		
Revenue	\$ 1,570,427	\$ 1,568,639
Expenses	(494,565)	(606,130)
Transfers Out	(197,600)	-
Net Income/Loss	\$ 878,262	\$ 962,509
Net Position, July 1	\$ 435,295	\$ 1,313,557
Net Position, June 30	<u>\$ 1,313,557</u>	<u>\$ 2,276,066</u>
 <u><b>Solid Waste Management Fund</b></u>		
Revenue	\$ 1,111,085	\$ 991,278
Grant Revenue	4,250	750
Transfers In	-	-
Expenses	(1,115,687)	(965,322)
Net Income/Loss	\$ (352)	\$ 26,706
Net Position, July 1	\$ 40,674	\$ 40,322
Net Position, June 30	<u>\$ 40,322</u>	<u>\$ 67,028</u>

## **UNAUDITED**

The water utility customer base increased by approximately 137 users during FYE 2022 and the average monthly consumption per customer decreased from 103,456 gallons in FY 2020-2021 to 98,815 gallons in FY 2021-22.

Water revenue overall decreased \$18,267 or 1% in FYE 2022 due timing of payments. Water Operating expenses remained flat.

Sewer Operating revenue remained flat FYE 2022. Sewer Operating expenses increased \$111,565 due mostly to repairs to the blowers and lift stations.

The Solid Waste Management Fund revenues decreased \$119,807 due to the City only billing for eight (8) months of FYE 2022. The waste hauler began billing for trash service in April 2022. Expenses decreased \$73,663 for the same reason. There were no operational transfers from the General Fund for FY 2021-22.

Water Operating transfers are used to fund construction costs in addition to regular operating expenses. There were no transfers of funds between Water Operating and Sewer Operating to cover expenses during FY 2021-22. The Water Operating Transfers Out in FYE 2022 were \$18,000 higher than the Transfers Out in FYE 2021, due to repairs made to a well that were paid from the Water Construction Fund. Transfers from the Sewer Operating Fund decreased \$197,000 due to no capital improvements being required.

### **General Fund Budgetary Highlights**

On July 5, 2021, the City adopted its original budget for the fiscal year ended June 30, 2022. The budget was amended on June 21, 2022, reflecting adjustments which were made during the year. Overall, General Fund revenues were \$162,125 over projections. Contracted Police Security was \$70,822. At the time of budget, it was not known with certainty how many contracted hours would be billed. Court fines were \$63,081 over budget due to more court sessions being added. Miscellaneous Revenue is over budget due mostly to the receipt of insurance and command college reimbursements and a budgeting clerical error.

General Fund expenses were \$380,604 under budget, due mainly to a conservative spending approach. Salaries were \$400,135 under budget and Employee Group Benefits were \$94,433 under budget due to vacant positions that were not filled as budgeted and lower Employee Group Benefit rates. Department Insurance was \$243,327 over budget due to a different allocation method of expense that was used in the budget process. General Maintenance expenses were \$20,224 over budget due to the building maintenance at City Hall and Police Department.

### **Capital Assets and Debt Administration**

The City operates under the modified cash basis of accounting; therefore, capital asset purchases are recorded as expenditures and depreciation is not recognized. Capital assets are not reflected in the financial statements.

At year end the City has Certificate of Participation debt in the amount of \$6,545,000. TIF Note 2006A has outstanding principal debt of \$2,500,000 and \$550,523 interest past due. TIF Note 2009B has outstanding debt of \$1,304,047.40. The two TIF Note obligations are paid only from available tax revenues generated from the redevelopment area.

## **UNAUDITED**

### **Fiscal Year 2022-23 Projections**

The majority of tax revenue is projected to increase in FY 2021-22 due to population growth. Employee wages will be increased by 3%. The projects funded by Proposition E – Eureka Public Safety Sales tax are expected to increase due to the projects being in the fifth year of execution.

Of the \$10,844,552 Capital Improvement Program Budget, the largest anticipated expenditures are:

<b><u>DESCRIPTION</u></b>	<b><u>PROJECT COST:</u></b>
Allenton Bridge Replacement	\$ 6,000,000
Street Rehabilitation Projects	1,250,000
Flood Mitigation Measures	500,000
Government Center - Police Facility & City Hall	750,000
Dodge Durango Pursuit AWD's (3), Chevrolet Tahoe 4WD PPV (2), and Dodge Charger (1) and equipment and installation.	277,677
Eureka Enhancement - City Limit Signage	250,000
Public Works 1-Ton Trucks to Replace Existing Vehicles (2 @ \$75,000)	150,000
Public Works 1-Ton Trucks to Replace Existing Vehicles with Plow (2 @ \$75,000)	150,000
Mini Excavator to Replace 2012 Bobcat	125,000
Public Works F700 Dump Truck - to Replace 2009 C900 Dump Truck	111,000
Augustine Heights Detention Basin	106,000

Various other capital improvements are estimated at \$1,176,875. The Proposition E – Eureka Public Safety Sales tax revenue funds three (3) projects: Allenton Road Bridge Replacement, Municipal Justice Center and Flood Mitigation Analysis. The City agreed to sell the Water & Sewer System to Missouri American Water on November 17, 2020 for the purchase price of \$28,000,000 with closing that was anticipated on or around July 1, 2021. Due to the Public Service Commission denying the sale, the sale has been postponed to on or around August 4, 2022. Improvements to the Waste Water Treatment Plant required by DNR and Water System Enhancement will be done on an as needed basis to maintain the system.

The City anticipated paying off the outstanding Certificates of Participation (COPS Series 2011 & COPS Series 2012) of \$7,635,000 from the proceeds from the Water System & Sewer Systems in FYE 2021. Due to the postponement on the utility system, the City anticipates the COPS Series 2011 & COPS Series 12 to be paid off on or around August 4, 2022.

### **Contacting the City's Financial Management**

While this Management's Discussion & Analysis is designed to provide a general overview of the modified cash basis financial condition and operations of the City, citizens, tax payers and creditors may want further details. To obtain such details, please contact Craig Sabo, City Administrator, or Barbara Flint, Finance Director, at the Eureka City Hall, 100 City Hall Drive, P. O. Box 125, Eureka, Missouri, 63025 or call (636) 938-5233 during regular office hours, Monday through Friday, 8:00am to 5:00pm.

CITY OF EUREKA, MISSOURI  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
JUNE 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Investments	\$ 15,269,335.34	\$ 3,731,003.29	\$ 19,000,338.63
Restricted Assets:			
Cash and Investments	<u>837,501.35</u>		<u>837,501.35</u>
Total Assets	<u>16,106,836.69</u>	<u>3,731,003.29</u>	<u>19,837,839.98</u>
<u>LIABILITIES</u>			
Purchasing Card Credit	47,866.46	1,118.02	48,984.48
Payroll Benefits	<u>5,185.30</u>	<u>1,159.99</u>	<u>6,345.29</u>
Total Liabilities	<u>53,051.76</u>	<u>2,278.01</u>	<u>55,329.77</u>
<u>NET POSITION</u>			
Restricted for:			
Capital and Operating Projects	6,174,252.22	-	6,174,252.22
Escrow/Deposits	61,223.72		61,223.72
Debt Service	837,501.35		837,501.35
Other purposes	2,601,687.87		2,601,687.87
Unrestricted	<u>6,379,119.77</u>	<u>3,728,725.28</u>	<u>10,107,845.05</u>
Total Net Position	<u>\$ 16,053,784.93</u>	<u>\$ 3,728,725.28</u>	<u>\$ 19,782,510.21</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues Received			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Administration	\$ 1,280,525.28	\$ 754,099.99	\$ -	\$ -	\$ (526,425.29)	\$ -	\$ (526,425.29)
Police Department	4,382,460.76	141,713.44	127,796.76		(4,112,950.56)		(4,112,950.56)
Public Works	1,067,122.54				(1,067,122.54)		(1,067,122.54)
Building Department	281,083.85				(281,083.85)		(281,083.85)
Court	121,954.76				(121,954.76)		(121,954.76)
Park Department	1,935,517.71	892,602.21	21,088.00		(1,021,827.50)		(1,021,827.50)
Street Department	298,325.63	48,352.27	671,408.02		421,434.66		421,434.66
Deposits	-	62,632.31			62,632.31		62,632.31
Capital Outlay	3,727,547.06				(3,727,547.06)		(3,727,547.06)
Debt Service:							
Principal	1,048,597.62				(1,048,597.62)		(1,048,597.62)
Interest and Fees	593,617.38				(593,617.38)		(593,617.38)
Total governmental activities:	<u>14,736,752.59</u>	<u>1,899,400.22</u>	<u>820,292.78</u>	<u>-</u>	<u>(12,017,059.59)</u>	<u>-</u>	<u>(12,017,059.59)</u>
Business-type Activities:							
Water Operating	1,151,811.36	1,899,451.82	-	-	-	747,640.46	747,640.46
Sewer Operating	606,130.10	1,567,070.36				960,940.26	960,940.26
Solid Waste Management	965,322.37	991,277.93	750.00			26,705.56	26,705.56
Total business-type activities:	<u>2,723,263.83</u>	<u>4,457,800.11</u>	<u>750.00</u>	<u>-</u>	<u>-</u>	<u>1,735,286.28</u>	<u>1,735,286.28</u>
Total City	<u>\$ 17,460,016.42</u>	<u>\$ 6,357,200.33</u>	<u>\$ 821,042.78</u>	<u>\$ -</u>	<u>(12,017,059.59)</u>	<u>1,735,286.28</u>	<u>(10,281,773.31)</u>
General Revenues:							
Property Taxes					2,168,993.66	-	2,168,993.66
Franchise and Public Service Taxes					1,101,155.24		1,101,155.24
Sales Tax					7,708,978.26		7,708,978.26
Grant not restricted to specific program					1,115,014.30		1,115,014.30
Investment Income					34,684.38	2,388.32	37,072.70
Miscellaneous					188,628.11		188,628.11
Sale of Property					48,395.81		48,395.81
Transfers between funds					96,000.00	(96,000.00)	
Total General Revenues, Extraordinary Items, and Transfers					<u>12,461,849.76</u>	<u>(93,611.68)</u>	<u>12,368,238.08</u>
Change in Net Position					444,790.17	1,641,674.60	2,086,464.77
Net Position - beginning					<u>15,608,994.76</u>	<u>2,087,050.68</u>	<u>17,696,045.44</u>
Net Position - ending					<u>\$ 16,053,784.93</u>	<u>\$ 3,728,725.28</u>	<u>\$ 19,782,510.21</u>

See accompanying notes to basic financial statements.



CITY OF EUREKA, MISSOURI  
BALANCE SHEET- MODIFIED CASH BASIS -  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Major Funds							Total Governmental Funds
	General	CIP Sales Tax	Storm Water Control/Parks	Prop E Public Safety	TIF S I-44 Project (2006)	Street/Road	Non-Major Funds	
<b>ASSETS</b>								
Cash and Investments	\$ 6,410,945.38	\$ 3,511,636.12	\$ 1,371,975.55	\$ 2,593,781.18	\$ 17,128.35	\$ 1,160,247.47	\$ 203,621.29	\$ 15,269,335.34
Restricted Assets:								
Cash and Investments							837,501.35	837,501.35
Total Assets	<u>\$ 6,410,945.38</u>	<u>\$ 3,511,636.12</u>	<u>\$ 1,371,975.55</u>	<u>\$ 2,593,781.18</u>	<u>\$ 17,128.35</u>	<u>\$ 1,160,247.47</u>	<u>\$ 1,041,122.64</u>	<u>\$ 16,106,836.69</u>
<b>LIABILITIES AND FUND EQUITY</b>								
Liabilities:								
Purchasing Card Credit	\$ 27,306.05	\$ 605.53	\$ 18,987.74	\$ -	\$ -	\$ 967.14	\$ -	\$ 47,866.46
Payroll Benefits	<u>4,519.56</u>		<u>665.74</u>					<u>5,185.30</u>
Total Liabilities	<u>31,825.61</u>	<u>605.53</u>	<u>19,653.48</u>	<u>-</u>	<u>-</u>	<u>967.14</u>	<u>-</u>	<u>53,051.76</u>
Fund Equity:								
Fund Balance:								
Restricted for:								
Capital and Operating Projects	-	3,511,030.59	1,352,322.07	-	17,128.35	1,159,280.33	134,490.88	6,174,252.22
Escrow/Deposits							61,223.72	61,223.72
Debt Service							837,501.35	837,501.35
Other purposes				2,593,781.18			7,906.69	2,601,687.87
Unassigned	<u>6,379,119.77</u>							<u>6,379,119.77</u>
Total Fund Equity	<u>6,379,119.77</u>	<u>3,511,030.59</u>	<u>1,352,322.07</u>	<u>2,593,781.18</u>	<u>17,128.35</u>	<u>1,159,280.33</u>	<u>1,041,122.64</u>	<u>16,053,784.93</u>
Total Liabilities and Fund Equity	<u>\$ 6,410,945.38</u>	<u>\$ 3,511,636.12</u>	<u>\$ 1,371,975.55</u>	<u>\$ 2,593,781.18</u>	<u>\$ 17,128.35</u>	<u>\$ 1,160,247.47</u>	<u>\$ 1,041,122.64</u>	
Reconciliation to Statement of Net Position:								
Amounts reported for governmental activities in the statement of net position are different because:								
There are no adjustments								
Net position of governmental activities								<u>\$ 16,053,784.93</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES-MODIFIED CASH BASIS-GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022

	Major Funds						Non-Major Funds	Total Governmental Funds
	General	CIP Sales Tax	Storm Water Control/Parks	Prop E Public Safety	TIF S I-44 Project (2006)	Street/Road		
REVENUES:								
Taxes	\$ 5,345,958.90	\$ 1,336,738.54	\$ 1,572,627.93	\$ 1,566,108.36	\$ 1,157,693.43	\$ -	\$ -	\$ 10,979,127.16
Intergovernmental	1,215,579.67	27,231.39	21,088.00			671,408.02		1,935,307.08
Licenses, Permits and Fees	643,424.99		892,602.21			48,352.27	173,307.31	1,757,686.78
Interest	20,781.49	1,687.88	1,656.68	2,539.44	63.79	7,543.51	411.59	34,684.38
Fines and Forfeitures	141,713.44							141,713.44
Sale of Property		39,635.00	8,760.81					48,395.81
Miscellaneous	93,228.43	39,601.90	40,810.92			12,720.33	2,266.53	188,628.11
Total Revenues	<u>7,460,686.92</u>	<u>1,444,894.71</u>	<u>2,537,546.55</u>	<u>1,568,647.80</u>	<u>1,157,757.22</u>	<u>740,024.13</u>	<u>175,985.43</u>	<u>15,085,542.76</u>
EXPENDITURES:								
Current								
Administration	987,364.26	-	-	-	287,753.52	-	5,407.50	1,280,525.28
Police Department	4,382,460.76							4,382,460.76
Public Works	1,067,122.54							1,067,122.54
Building Department	281,083.85							281,083.85
Court	121,954.76							121,954.76
Park Department			1,935,517.71					1,935,517.71
Street Department						298,325.63		298,325.63
Capital Outlay		769,623.33	352,324.05	1,038,905.26		1,531,377.30	35,317.12	3,727,547.06
Debt Service:								
Principal					493,597.62		555,000.00	1,048,597.62
Interest and fees					368,402.38		225,215.00	593,617.38
Total Expenditures	<u>6,839,986.17</u>	<u>769,623.33</u>	<u>2,287,841.76</u>	<u>1,038,905.26</u>	<u>1,149,753.52</u>	<u>1,829,702.93</u>	<u>820,939.62</u>	<u>14,736,752.59</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>620,700.75</u>	<u>675,271.38</u>	<u>249,704.79</u>	<u>529,742.54</u>	<u>8,003.70</u>	<u>(1,089,678.80)</u>	<u>(644,954.19)</u>	<u>348,790.17</u>
OTHER FINANCING SOURCES (USES):								
Operating Transfers- In	115,269.28	-	-	-	-	1,969,372.43	891,238.02	2,975,879.73
Operating Transfers- Out	(1,108,097.88)	(865,000.00)	(651,735.68)			(65,000.00)	(190,046.17)	(2,879,879.73)
Total Operating Sources and Uses	<u>(992,828.60)</u>	<u>(865,000.00)</u>	<u>(651,735.68)</u>	<u>-</u>	<u>-</u>	<u>1,904,372.43</u>	<u>701,191.85</u>	<u>96,000.00</u>
NET CHANGE IN FUND BALANCE	<u>(372,127.85)</u>	<u>(189,728.62)</u>	<u>(402,030.89)</u>	<u>529,742.54</u>	<u>8,003.70</u>	<u>814,693.63</u>	<u>56,237.66</u>	<u>444,790.17</u>
FUND BALANCE, JULY 1, 2021	<u>6,751,247.62</u>	<u>3,700,759.21</u>	<u>1,754,352.96</u>	<u>2,064,038.64</u>	<u>9,124.65</u>	<u>344,586.70</u>	<u>984,884.98</u>	<u>15,608,994.76</u>
FUND BALANCE, JUNE 30, 2022	<u>\$ 6,379,119.77</u>	<u>\$ 3,511,030.59</u>	<u>\$ 1,352,322.07</u>	<u>\$ 2,593,781.18</u>	<u>\$ 17,128.35</u>	<u>\$ 1,159,280.33</u>	<u>\$ 1,041,122.64</u>	<u>\$ 16,053,784.93</u>

See accompanying notes to basic financial statements.

## EXHIBIT E

CITY OF EUREKA, MISSOURI  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds	\$ 444,790.17
There are no adjustments	<u>-</u>
Change in Net Position of Governmental Activities	<u>\$ 444,790.17</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
JUNE 30, 2022

	Major Funds			Total
	Water Operating	Sewer Operating	Solid Waste Management II	Enterprise Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,036,616.72	\$ 1,397,138.72	\$ 67,027.61	\$ 2,500,783.05
Investments	350,449.58	879,770.66		1,230,220.24
Total Assets	<u>1,387,066.30</u>	<u>2,276,909.38</u>	<u>67,027.61</u>	<u>3,731,003.29</u>
<b>LIABILITIES</b>				
Purchasing Card Credit	645.63	472.39	-	1,118.02
Payroll Benefits	789.18	370.81		1,159.99
Total Liabilities	<u>1,434.81</u>	<u>843.20</u>	<u>-</u>	<u>2,278.01</u>
<b>NET POSITION</b>				
Unrestricted	<u>1,385,631.49</u>	<u>2,276,066.18</u>	<u>67,027.61</u>	<u>3,728,725.28</u>
Total Net Position	<u>\$ 1,385,631.49</u>	<u>\$ 2,276,066.18</u>	<u>\$ 67,027.61</u>	<u>\$ 3,728,725.28</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - MODIFIED CASH BASIS -  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2022

	Major Funds			Total Enterprise Funds
	Water Operating	Sewer Operating	Solid Waste Management II	
OPERATING REVENUES:				
Charges for Service	\$ 1,899,451.82	\$ 1,567,070.36	\$ 991,277.93	\$ 4,457,800.11
Total Operating Revenues	<u>1,899,451.82</u>	<u>1,567,070.36</u>	<u>991,277.93</u>	<u>4,457,800.11</u>
OPERATING EXPENSES:				
Salaries	281,622.05	193,358.36	-	474,980.41
FICA Taxes	21,024.13	14,694.49		35,718.62
Worker's Compensation	7,193.22	1,582.49		8,775.71
Employee Insurance	79,969.04	49,959.16		129,928.20
Retirement Contribution (LAGERS)	27,695.16	18,639.98		46,335.14
Unemployment Tax	77.70	58.34		136.04
Payment to Contractors			965,322.37	965,322.37
Insurance-Department	65,352.18	21,479.31		86,831.49
SRVC Warranties	38,870.10	13,998.42		52,868.52
General Maintenance and Sludge Removal	274,692.43	83,491.03		358,183.46
Utilities	250,170.70	120,476.28		370,646.98
Equipment	1,331.04	129.99		1,461.03
Sales Tax	27,870.08			27,870.08
Primacy Fees	15,670.68	5,508.90		21,179.58
Meter Deposit Refunds	8,784.71			8,784.71
Contract Labor		39,000.00		39,000.00
Education Fees	2,332.00	227.50		2,559.50
Water/Sewer Testing	5,575.00	15,730.00		21,305.00
Utility Locates	1,229.39	1,229.36		2,458.75
Vehicle and Equipment Maint	935.81	283.46		1,219.27
Department Supplies	9,647.26	4,828.35		14,475.61
Gasoline/Diesel Fuel	7,929.51	3,706.39		11,635.90
Office Supplies and Postage	9,236.66	9,282.42		18,519.08
Software Maintenance Fee	6,608.10	6,608.10		13,216.20
Miscellaneous	7,994.41	1,857.77		9,852.18
Total Operating Expenses	<u>1,151,811.36</u>	<u>606,130.10</u>	<u>965,322.37</u>	<u>2,723,263.83</u>
OPERATING INCOME (LOSS)	747,640.46	960,940.26	25,955.56	1,734,536.28
NON-OPERATING REVENUES (EXPENSES):				
Interest	819.51	1,568.81	-	2,388.32
Grant Revenue			750.00	750.00
Total Non-Operating Revenues(Expenses)	<u>819.51</u>	<u>1,568.81</u>	<u>750.00</u>	<u>3,138.32</u>
NET INCOME (LOSS) BEFORE TRANSFERS	<u>748,459.97</u>	<u>962,509.07</u>	<u>26,705.56</u>	<u>1,737,674.60</u>
TRANSFERS				
Transfers Out	(96,000.00)	-	-	(96,000.00)
Total Transfers	<u>(96,000.00)</u>	<u>-</u>	<u>-</u>	<u>(96,000.00)</u>
CHANGE IN NET POSITION	652,459.97	962,509.07	26,705.56	1,641,674.60
TOTAL NET POSITION, JULY 1, 2021	<u>733,171.52</u>	<u>1,313,557.11</u>	<u>40,322.05</u>	<u>2,087,050.68</u>
TOTAL NET POSITION, JUNE 30, 2022	<u>\$ 1,385,631.49</u>	<u>\$ 2,276,066.18</u>	<u>\$ 67,027.61</u>	<u>\$ 3,728,725.28</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS -  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2022

	Major Funds			Total
	Water Operating	Sewer Operating	Solid Waste Management II	Enterprise Funds
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 1,899,451.82	\$ 1,567,070.36	\$ 991,277.93	\$ 4,457,800.11
Cash Payments to Suppliers for Goods and Services	(734,397.61)	(328,163.34)	(965,322.37)	(2,027,883.32)
Cash Payments to Employees for Services	(417,124.14)	(278,181.53)		(695,305.67)
Net Cash Provided (Used) by Operating Activities	<u>747,930.07</u>	<u>960,725.49</u>	<u>25,955.56</u>	<u>1,734,611.12</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers, Net	(96,000.00)	-	-	(96,000.00)
Grants			750.00	750.00
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(96,000.00)</u>	<u>-</u>	<u>750.00</u>	<u>(95,250.00)</u>
Cash Flows from Investing Activities:				
Sale/Purchase of Investments, Net	(350,449.58)	(627,000.03)	-	(977,449.61)
Interest Earned	819.51	1,568.81		2,388.32
Net Cash Provided (Used) by Investing Activities	<u>(349,630.07)</u>	<u>(625,431.22)</u>	<u>-</u>	<u>(975,061.29)</u>
Cash and Cash Equivalents, Beginning of Year	<u>734,316.72</u>	<u>1,061,844.45</u>	<u>40,322.05</u>	<u>1,836,483.22</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,036,616.72</u>	<u>\$ 1,397,138.72</u>	<u>\$ 67,027.61</u>	<u>\$ 2,500,783.05</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income(Loss)	\$ 747,640.46	\$ 960,940.26	\$ 25,955.56	\$ 1,734,536.28
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities				
Changes in assets and liabilities:				
Purchase Card	(167.55)	(326.06)	-	(493.61)
Payroll Benefits	457.16	111.29		568.45
Net Cash Provided (Used) by Operating Activities	<u>\$ 747,930.07</u>	<u>\$ 960,725.49</u>	<u>\$ 25,955.56</u>	<u>\$ 1,734,611.12</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS -  
FIDUCIARY FUNDS  
JUNE 30, 2022

<u>ASSETS</u>		<u>Agency Funds</u>
Restricted Assets:		
Cash and Investments	\$	<u><u>9,300.00</u></u>
 <u>LIABILITIES</u>		
Due to Others - Court Bonds	\$	<u><u>9,300.00</u></u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**1. Summary of Significant Accounting Policies**

The City of Eureka, Missouri was incorporated in 1954. The City operates under a Mayor-Board of Alderman form of government. The City's major operations include police, parks, public works, and general administrative services. In addition, the City operates water, sewer, and sanitation systems.

The City's financial statements are prepared in accordance with the modified cash basis of accounting. The Governmental Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments through its pronouncements (Statements and Interpretations). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting. The more significant accounting policies established in GAAP and used by the City are discussed below.

**A. Principals Used to Determine Scope of Entity**

The financial statements of the City include the financial activities of the City and its component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14), as amended by both GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*. The City has determined that no outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the City's financial statements. In addition, the City is not aware of any entity which would exercise such oversight which would result in the City being considered a component unit of the entity.

Included within the reporting entity:

Tax Increment Financing Commission of the City of Eureka, Missouri. The Tax Increment Financing Commission was formed to encourage economic development in the City. It is governed by a Board of Commissioners. The Commission oversees certain redevelopment activities. The City has established special allocation funds into which payments in lieu of taxes derived from increases in the equalized assessed value of property are deposited and the funds required by the provisions of the various Bond Ordinances. The TIF Commission does not issue a separate financial statement.



## B. Basis of Presentation

### Government-wide Financial Statements

The Statement of Net Position-Modified Cash Basis and the Statement of Activities-Modified Cash Basis present financial information about the City's government as a whole within the limitations of the modified cash basis of accounting. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities-Modified Cash Basis presents a comparison between direct expenses and program revenue for each function of the City's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes, are presented as general revenues.

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Administration	Licenses, permits and fees
Police Department	Fine revenue; operating grants and contributions
Park Department	Fees and rental; operating grants and contributions
Street Department	Vehicle fees and sales tax and gasoline excise tax; county road tax

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### Fund Financial Statements

During the year, the City segregates transactions related to certain functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of the governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. A fund is considered major if it is the primary operating fund of the City, the City chooses the fund, or meets the following criteria:

- a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

### Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds; governmental, proprietary, and fiduciary.

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. The following are the City's governmental funds:

Governmental Funds:

General Fund:

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund.

Special Revenue Funds:

Special Revenue Funds are used to account for and report the proceeds of the specific revenue sources that are either restricted or committed to expenditures for specified purposes other than debt service or capital projects.

*C.I.P. Sales Tax Fund*-To account for revenues and expenditures pertaining to capital improvements sales tax.

*Storm Water Control/Parks Fund*-To account for revenues and expenditures for improving storm water control and parks and operation of parks.

*Street/Road Fund*-To account for gasoline and road tax revenues received by the City and those expenditures for the maintenance of the streets.

*Water Construction Fund*-To account for revenues and expenditures of special charges and other items pertaining to expansion of existing and new facilities of the water wells.

*Sewer Construction Fund*-To account for revenues and expenditures for the construction of sewer lines and expansion of existing wastewater treatment facilities.

*D.A.R.E. Donation Fund*-To account for private donations and expenditures for police public safety programs.

*Construction/Excavation Deposits Fund*-To account for deposits collected when City rights of way are to be disturbed by outside contractors' operations.

*Police: Federal Equitable Sharing Fund*-To account for special collections and expenditures for police department.

*Police: Prop P Sales Tax Fund*-To account for revenues and expenditures of sales tax collected for public safety related expenditures.

*Prop E Public Safety Fund*-To account for revenues and expenditures for special sales tax related to fund Municipal Justice Center, flood mitigation measures, and the Allenton Bridge replacement.

*Plan Review Escrow Fund*-To account for the revenues and expenditures for reviews and permits of proposed projects.

*TIF S I-44 Project (2006) Fund*-To account for payments in lieu of taxes (PILOT) received by the City from St. Louis County and other funds required.

#### Debt Service Funds:

Debt Service Funds are used to account for the accumulation of resources for, and the repayment of, long-term debt principal, interest and related costs.

*Property Acquisition Debt Service Fund*-To account for the accumulation of resources for, and the payment of, amounts due under capital lease purchase agreements.

*COP 2011-Debt Service Fund*-To account for the accumulation of resources and payments of interest and principal of the Certificates of Participation (Series 2011).

*COP 2012-Debt Service Fund*-To account for the accumulation of resources and payments of interest and principal of the Certificates of Participation (Series 2012).

*COP 2011-Debt Service Reserve Fund*-To account for an amount from proceeds of the Certificates of Participation (Series 2011) applied in accordance with provisions of the lease purchase agreement.

*COP 2012-Debt Service Reserve Fund*-To account for an amount from proceeds of the Certificates of Participation (Series 2012) applied in accordance with provisions of the lease purchase agreement.

#### Proprietary Funds

##### Enterprise Funds:

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector.

*Water Operating Fund*-To account for the revenues and expenses for the operation of the water system.

*Sewer Operating Fund*-To account for the revenues and expenses for the operation of the sewage system.

*Solid Waste Management Fund*-To account for the charges to residents for trash pick-up and expenses pertaining to that service.

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. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and other operating

expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government.

### Agency Fund

Municipal Court-represents monies that are held by the City's municipal court in a fiduciary capacity on behalf of various individuals and for judicial education. This fund is not considered an operating fund of the City.

### Major and Non-major Funds

The funds are classified as major or non-major as follows:

#### Major Funds

##### General Fund

##### Special Revenue Funds:

- CIP Sales Tax Fund
- Storm Water Control/Parks Fund
- Prop E Public Safety
- TIF S I-44 Project (2006) Fund
- Street/Road Fund

##### Proprietary Funds:

- Water Operating Fund
- Sewer Operating Fund
- Solid Waste Management Fund

#### Non-Major Funds

##### Special Revenue Funds:

- Water Construction Fund
- Sewer Construction Fund
- DARE Donation Fund
- Construction/Excavation Deposits Fund
- Police: Federal Equitable Sharing Fund
- Police: Prop P Sales Tax Fund
- Plan Review Escrow Fund

##### Debt Service Funds:

- COP 2011-Debt Service Fund
- COP 2012-Debt Service Fund
- COP 2011-Debt Service Reserve Fund
- COP 2012-Debt Service Reserve Fund
- Property Acquisition Debt Service Fund

### C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

### Measurement Focus

In the government-wide Statement of Net Position-Modified Cash Basis and the Statement of Activities-Modified Cash Basis, both governmental and business-like activities are presented using the “economic resources” measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. All government funds utilize a “current financial resources” measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an “economic resources” measurement focus within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported within the limitations of the modified cash basis of accounting. Proprietary fund equity is classified as net position.

#### Basis of Accounting

The financial statements are presented in accordance with a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments and short-term assets or liabilities, including purchasing card credit, arising from cash transactions or events.

The modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the City utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented in accordance with the accrual basis of accounting.

#### D. Budgets and Budgetary Accounting

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

1. The City Administrator submits to the Mayor and the Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
2. Prior to its approval by the Board of Aldermen, a budget meeting is conducted and the budget document is available for public inspection.
3. The original budget was formally adopted on June 1, 2021. The budget was amended June 21, 2022.
4. Budgets for City funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid.
5. Budgeted amounts are as originally adopted, or as amended by the Board of Aldermen.

#### E. Pooled Cash and Temporary Investments

Cash resources of the individual funds are combined to form a pool of cash and temporary investments which is managed by the Finance Director. Interest income earned is allocated to contributing funds based on cash and temporary investment balances.

For the purpose of the Statement of Net Position-Modified Cash Basis, "cash and investments" includes all cash on hand, demand deposits, money market accounts, non-negotiable certificates of deposits, and open-ended money market mutual funds. For the purpose of the proprietary funds Statement of Cash Flows-Modified Cash Basis, "cash and cash equivalents" includes all cash on hand, demand deposits and money market accounts.

#### F. Capital Assets

Capital outlays of the various funds are recorded as expenditures when incurred. These capital outlays represent the cost of land, buildings and improvements, and furniture and equipment. The City does not maintain a record of its capital assets for depreciation purposes.

#### G. Net Position/ Fund Balance Classifications

##### **Government-Wide Statements**

Net position is classified and displayed in three components:

1. *Net investment in capital assets.* Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or

improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.

2. *Restricted.* Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. *Unrestricted.* Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the City's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

#### H. Due to or From Other Funds

Receivables and payables to other funds or governments arising from cash transactions or events are recorded in the financial statements as a modification to the cash basis.

#### I. Governmental Fund Balances

The difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. These constraints are defined as follows:

**Nonspendable-**Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact.

**Restricted-**Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

**Committed-**Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action (ordinance) of the City's highest level of decision-making authority.

**Assigned-**Amounts constrained by the City's intent (resolution) to be used for specific purposes but that are neither restricted nor committed.

**Unassigned-**The residual classification of the General Fund for spendable amounts that have not been restricted, committed, or assigned to specific purposes.

It is the City's policy to first use restricted fund balances prior to the use of unrestricted fund balances when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is also City policy to use committed fund balances before assigned fund balances and assigned fund balances before unassigned amounts when an expenditure is incurred for purposes for which amounts in those classifications are available to be used.

The City has no formal minimum fund balance policies or any formal stabilization arrangement in place.

Fund balances of the City's governmental funds at June 30, 2022, are classified as follows regarding level of constraint:

	General Fund	Special Revenue Funds	Debt Service Funds	Total
Fund Balances:				
Restricted for:				
Capital and Operating Projects	\$ -	\$ 6,174,252.22	\$ -	\$ 6,174,252.22
Escrow/Deposits		61,223.72		61,223.72
Debt Service			837,501.35	837,501.35
Other Purposes		2,601,687.87		2,601,687.87
Unassigned	6,379,119.77			6,379,119.77
Total Fund Balances	<u>\$ 6,379,119.77</u>	<u>\$ 8,837,163.81</u>	<u>\$ 837,501.35</u>	<u>\$ 16,053,784.93</u>

#### J. Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation.

The restricted assets at June 30, 2022, are as follows:

COP 2011 Debt Service Reserve	\$ 283,841.17
COP 2012 Debt Service Reserve	553,658.18
COP 2011 Debt Service	1.00
COP 2012 Debt Service	1.00
Total	<u>\$ 837,501.35</u>

#### K. Interfund Activity

In the process of aggregating the financial information for the government-wide Statement of Net Position-Modified Cash Basis and Statement of Activities-Modified Cash Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity resulting from cash transactions or events, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

- a. *Interfund loans.* Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- b. *Interfund services.* Sales or purchases of goods and services between funds are reported as revenues and expenditures or expenses.



- c. *Interfund reimbursement.* Repayments from funds responsible for certain expenditures or expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures or expenses in the respective funds.
- d. *Interfund transfers.* Flow of assets from one fund to another when repayment is not expected and reported as transfers in and out.

Interfund activity and balances resulting from cash transaction or events, if any, are eliminated or reclassified in the government-wide financial statement as follows:

- a. *Interfund balances.* Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the "Governmental" and "Business-Type Activities" columns of the Statement of Net Position-Modified Cash Basis, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
- b. *Internal activities.* Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities-Modified Cash Basis, except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers-Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both governmental and proprietary funds. See Note 7 for details of interfund transactions.

#### L. Fines and Court Costs

Missouri statute now requires municipalities to report an accounting of the percent of annual general operating revenue from fines and court costs for minor traffic violations. The City's fines, court costs and other revenues pertaining to minor traffic violations totaled \$57,660.75 for the fiscal year. "Annual general operating revenue" is defined in the statute and may or may not include various sources of the City's revenues. "General operating revenue" totaled \$5,638,272.92. The City's fines and court costs for minor traffic violations are 1.02% of "annual general operating revenue."

#### M. Use of Estimates

The preparation of the financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### N. Adoption of New Accounting Standards

The City adopted GASB Statement 87, *Leases*; GASB Statement 92, *Omnibus 2020*; and GASB Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB*

*Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32* as applicable to the modified cash basis of accounting.

## O. Pensions

Because of the accounting method used, the City does not record the net pension asset, deferred outflows of resources, or deferred inflows of resources for the pension plan.

## 2. Other Required Individual Fund Disclosures

Excesses of expenditures over appropriations in individual funds. The following is a summary of excesses of fund expenditures over appropriations:

Fund	Appropriations	Transfers / Expenditures	Transfers/Expenditures over Appropriations
Sewer Operating	\$ 531,240.00	\$ 606,130.10	\$ 74,890.10

## 3. Cash and Investments

The City is governed by the deposit and investment limitations of City policy and state law. The depository banks are to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance at least 100% of the amount on deposit at all times in accordance with sections 110.010 and 110.020 of the Missouri Revised Statutes. Debt certificate proceeds held by trustees are invested in accordance with the provisions of the trust indentures.

The cash and investments held at June 30, 2022, and reported at cost are as follows:

Type	Maturities	Carrying Value
Cash and deposits on hand		\$ 5,262.58
Deposits:		
Money market	Demand	250,832.11
Demand deposits	Demand	6,060,146.29
Non-negotiable certificates of deposit	Various	4,084,000.00
		10,394,978.40
Investments:		
Money market mutual funds	Demand	837,499.35
MOSIP Liquid Series	Demand	4,410,498.80
MOSIP Term Series	9/6/2022	2,000,000.00
Government agency bonds	Demand	2,189,598.85
Other	Demand	2.00
		9,437,599.00
Total cash and investments		\$ 19,837,839.98
Reconciliation to financial statements:		
Cash and Investments		\$ 19,000,338.63
Restricted Assets:		
Cash and Investments		837,501.35
		\$ 19,837,839.98

**Custodial Credit Risk-Deposits-**Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a deposit policy for custodial credit risk that requires a depository contract with each safekeeping bank that complies with the Financial Institutions Reform, Recovery and Enforcement Act of 1989. At June 30, 2022 bank balances were covered by the Federal Deposit Insurance Corporation (FDIC) or were collateralized by the pledging financial institution or its agent in the City's name.

**Custodial Credit Risk-Investments-**Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The City has a written investment policy covering custodial credit risk, and in accordance with its policy, the City's addresses custodial risk by pre-qualifying institutions with which the City places investments, diversifying the investment portfolio and maintaining a standard of quality for investments.

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

**Investment Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City has a written investment policy covering investment credit risk stating that the City will minimize credit risk, the risk of loss due to the failure of the security issuer or backer by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business and diversifying the portfolio so that potential losses on individual securities will be minimized.

At June 30, 2022, the City's investments were rated as follows:

Investment Type	Investment Maturities			Credit Rating
	<1 year	1-3 years	4-5 years	
Money market mutual fund	\$ 837,499.35	\$ -	\$ -	Aaa-mf
Government agency bonds	2,189,598.85			Aaa
MOSIP Liquid Series	4,410,498.80			AAAm
MOSIP Term Series	2,000,000.00			AAAf
Other	2.00			N/A
Total	<u>\$ 9,437,599.00</u>	<u>\$ -</u>	<u>\$ -</u>	

**Concentration of Credit Risk:** It is the City's policy that deposits and investments shall be diversified to minimize the risk of loss resulting from over concentrations of assets in specific maturity, specific issuer or specific class of securities. The maximum invested by security type and issuer shall be:

U.S. Treasuries and securities having principal and/or interest guaranteed by the U.S. government	100%
Collateralized time and demand deposits	100%
U.S. Government agencies and sponsored enterprises	<50%
Collateralized repurchase agreements	25%
U.S. Government agency callable securities	<25%
Commercial paper	<5%
Banker acceptances	<5%

At June 30, 2022, excluding investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, the City had the following investments with one issuer, which represented 5% or more of total investments by fund and overall:

	Percent of Fund's Total Investments				Percent of City's Total Investments
	MOSIP Liquid Series	Government Agency Bonds	MOSIP Term Series	Money Market Other	
General Fund	-3.26%	47.44%	55.82%	0.00%	37.97%
Storm Water Control/Parks	100.00%	0.00%	0.00%	0.00%	6.11%
CIP Sales Tax Fund	71.43%	28.57%	0.00%	0.00%	18.16%
Prop E Public Safety	100.00%	0.00%	0.00%	0.00%	15.85%
COP 2011 - Debt Service	0.00%	0.00%	0.00%	100.00%	0.00%
COP 2011 - DS Reserve	0.00%	0.00%	0.00%	100.00%	3.01%
COP 2012 - Debt Service	0.00%	0.00%	0.00%	100.00%	0.00%
COP 2012 - DS Reserve	0.00%	0.00%	0.00%	100.00%	5.87%
Water Operating	100.00%	0.00%	0.00%	0.00%	3.71%
Sewer Operating	100.00%	0.00%	0.00%	0.00%	9.32%
	46.73%	23.20%	21.19%	8.87%	100.00%

Investment in Investment Pool-The City is a voluntary participant in the Missouri Securities Investment Program (MOSIP) that is a cooperative investment service established by an intergovernmental cooperative agreement. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by MOSIP for the entire MOSIP portfolio (in relation to the amortized cost of the portfolio).

The Missouri Securities Investment Program (MOSIP) was established on October 3, 1991, as an instrumentality of Missouri public school districts, municipalities, and other political subdivisions pursuant to an intergovernmental cooperation agreement executed under the laws of the State of Missouri. MOSIP is governed by a board of directors elected by members. The objective of MOSIP is to enable eligible organizations to pool their available funds for investment in instruments permitted by Missouri Law. The City's participation currently is through investment in the MOSIP Liquid Series and MOSIP CD Program.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

	Fair Value Measurements Using			Cost Measurement Using
	Level 1	Level 2	Level 3	Not Measured at Fair Value
U.S. Government Agency Bonds	\$ -	\$ 2,150,716.12	\$ -	\$ 2,189,598.85
MOSIP Liquid Series	-	4,410,498.80	-	4,410,498.80
MOSIP Term Series		2,000,000.00		2,000,000.00
Other			2.00	2.00
Total	\$ -	\$ 8,561,214.92	\$ 2.00	\$ 8,600,099.65

#### 4. Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31.

The assessed valuation of the tangible taxable property for the calendar year 2021 for purposes of local taxation was:

Residential	\$ 228,433,480
Commercial	55,186,000
Agricultural	148,790
Personal Property	48,995,330
Railroad and Utilities	8,191,000
Total	\$ 340,954,600

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2021 for purposes of local taxation was:

Residential	\$ 0.301
Commercial	\$ 0.374
Agricultural	\$ 0.296
Personal Property	\$ 0.387

#### 5. Short-Term Debt

The City has a \$500,000.00 revolving line of credit purchase card for operating expenses. Amounts not paid in full each month will be charged a variable interest rate of prime plus 8%.

Short-term debt activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Draws	Repayments	Balance June 30, 2022
Purchase card credit	\$40,296.05	\$400,223.10	\$(391,569.04)	\$48,950.11

## 6. Long-Term Debt

### Governmental Activities

As of June 30, 2022, the long-term debt outstanding, arising from cash transactions, to be repaid from governmental funds consisted of the following:

#### Certificates of Participation

\$5,920,000.00 certificates of participation, due in varying annual installments through January 1, 2032; interest at 2.65% - 4.6%; Trustee may, and upon receipt of a directive shall, declare all rent payable by the City to the end of the then current initial term or renewal term to be due; and the Trustee may terminate all rights the City may have in any funds held by the Trustee under the indenture, the Trustee may exercise any remedies available under the lease purchase agreement and, to the extent consistent therewith, pursue any other remedy available to it at law or in equity.

\$ 1,700,000.00

\$8,170,000.00 certificates of participation, due in varying annual installments through January 1, 2032; interest at 1.9% - 3.3%; Trustee may, and upon receipt of a directive shall, declare all rent payable by the City to the end of the then current initial term or renewal term to be due; and the Trustee may terminate all rights the City may have in any funds held by the Trustee under the indenture, the Trustee may exercise any remedies available under the lease purchase agreement and, to the extent consistent therewith, pursue any other remedy available to it at law or in equity.

4,845,000.00

Total Certificates of Participation:

\$ 6,545,000.00

#### Tax Increment Revenue Notes, from direct placement:

\$2,500,000.00 tax increment revenue notes, due in varying annual installments from available funds, through August 15, 2028; interest at 9.25%.

\$ 2,500,000.00

\$5,000,000.00 tax increment revenue notes, due in varying annual installments from available funds, through August 15, 2028; interest at prime +1%, currently at 4.25%

1,304,047.40

Total Tax Increment Revenue Notes, from direct placement:

\$ 3,804,047.40

## Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2022.

Type of Debt	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Amount Due Within One Year
Governmental Activities:					
Certificates of Participation	\$ 7,100,000.00	\$ -	\$ 555,000.00	\$ 6,545,000.00	\$ 570,000.00
TIF Notes, from direct placement	4,297,645.02		493,597.62	\$ 3,804,047.40	-
Total	<u>\$ 11,397,645.02</u>	<u>\$ -</u>	<u>\$ 1,048,597.62</u>	<u>\$ 10,349,047.40</u>	<u>\$ 570,000.00</u>

Payments on the Certificates of Participation are made by the Property Acquisition Debt Service Fund. Payments on the TIF notes are made by the TIF S I-44 Project Fund.

## Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of June 30, 2022, are as follows:

Year Ended June 30	Certificates of Participation		Tax Increment Revenue Notes from direct placement	
	Principal	Interest	Principal	Interest
2023	\$ 570,000.00	\$ 108,582.50	\$ -	\$ 286,672.02
2024	580,000.00	200,935.00		286,672.02
2025	600,000.00	183,425.00		286,672.02
2026	620,000.00	164,555.00		286,672.02
2027	640,000.00	145,440.00		286,672.02
2028-2032	3,535,000.00	386,357.50	3,804,047.40	920,807.46
	<u>\$ 6,545,000.00</u>	<u>\$ 1,189,295.00</u>	<u>\$ 3,804,047.40</u>	<u>\$ 2,354,167.56</u>

Year Ended June 30	Total Governmental Activities	
	Principal	Interest
2023	\$ 570,000.00	\$ 395,254.52
2024	580,000.00	487,607.02
2025	600,000.00	470,097.02
2026	620,000.00	451,227.02
2027	640,000.00	432,112.02
2028-2032	7,339,047.40	1,307,164.96
	<u>\$ 10,349,047.40</u>	<u>\$ 3,543,462.56</u>

## Certificates of Participation

Certificates of Participation evidence proportionate ownership interest in the right to receive rental payments to be paid by the City under a lease purchase agreement. The City has entered into agreements with UMB Bank, N.A. (UMB) to finance acquisition of real property and improvements

thereon; and acquiring, constructing, repairing, and improving a recreation facility and water softening equipment. The City has also issued refunding certificates to refund the original certificates. Under these agreements, the City leases the project sites to UMB for a term commencing November 1, 2011, and ending January 1, 2032, for consideration of \$5,920,000.00 with 2.65% to 4.6% interest and \$8,170,000.00 with 1.9% to 3.3% interest. Simultaneously, UMB leases back the property to the City for the original price plus interest. Once the obligation is paid, title reverts back to the City. UMB Bank, N.A., is trustee for the programs.

#### Tax Increment Revenue Notes

The City has approved ordinances designating redevelopment project areas and authorizing tax increment financing (TIF). In September 2006 and March 2009, the City issued a total of \$7,500,000.00 of Tax Increment Revenue Notes. The TIF Notes and the interest thereon are special, limited obligations of the City payable solely from and secured as to the payment of principal and interest, by the Available Revenues and other moneys pledged thereto and held by the City. "Available Revenues" means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTs Account of the Special Allocation Fund, excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum; (b) subject to annual appropriation, the EATs Account of the Special Allocation Fund, (c) if so provided for in the Intergovernmental Cooperation Agreement, the TIF Special Assessment Account of the Special Allocation Fund that have been pledged to the repayment of Obligations and (d) if so provided for in the Intergovernmental Cooperation Agreement, the TIF Sales Tax Revenues Account of the Special Allocation Fund that have been appropriated to the repayment of Obligations. The taxing power of the City is not pledged to the payment of the TIF Notes either as to principal or interest. The TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City with the meaning of any constitutional, statutory or charter provision, limitation or restriction.

#### **7. Interfund Receivables, Payables, and Transfers**

Transfers between funds for the year ended June 30, 2022, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ <u>115,295.00</u>	\$ <u>1,121,640.54</u>
Special Revenue Funds:		
Street/Road Fund	1,969,372.43	65,000.00
CIP Sales Tax Fund		865,000.00
Storm Water Control/Parks		651,735.68
Water Construction	96,000.00	175,893.17
DARE Donation		
Police: Prop P Sales Tax	17,268.11	295.00
Prop E Public Safety		
	<u>2,082,640.54</u>	<u>1,757,923.85</u>



Debt Service Funds:		
Property Acquisition Debt Service	777,628.85	-
COP 2011 Debt Service	128.43	
COP 2011 Debt Service Reserve		128.43
COP 2012 Debt Service	212.63	
COP 2012 Debt Service Reserve		212.63
	<u>777,969.91</u>	<u>341.06</u>
Enterprise Funds:		
Water Operating	-	96,000.00
	<u>-</u>	<u>96,000.00</u>
Total Transfers	\$ <u>2,975,905.45</u>	\$ <u>2,975,905.45</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in various funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## 8. Retirement Plan

### General Information about the Pension Plan

*Plan description.* The City of Eureka defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City of Eureka 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](http://www.molagers.org).

*Benefits provided.* LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

Benefit Multiplier:	2.00% for life
Final Average Salary:	3 years
Member Contributions:	0%

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

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 11.5% (General) and 13.3% (Police) of annual covered payroll. For the year ended June 30, 2022 the City contributed \$516,281.25.

## **9. Employee Benefit Plans**

The City offers its employees a Section 457 Deferred Compensation Plan ("Plan"). The Plan, available to all City employees, permits them to defer a portion of their salary for investment purposes. The City has engaged a private contractor to administer the Plan and there are trust provisions so that Plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. The City makes no contribution to the Plan.

The City also offers a Section 125 cafeteria plan to all employees. Under this plan, the deferred portion can be used to purchase health insurance benefits.

## **10. Lease Revenue**

In 2014, the City entered into an amended and restated annual lease of property. Under the lease, the lessee pays the City \$991.43 per month from July to October 2021 and \$1,016.63 per month from November 2021 to June 30, 2022. The lease expires September 15, 2038.

For the year ended June 30, 2022, the City received \$11,056.47 in lease revenue.

## **11. Commitments and Contingencies**

### Commitments

The City has contracted with the St. Louis County Police Department for dispatching services. The contract can be automatically renewed for an additional one-year period at a rate agreed upon between the parties. The current monthly payments are \$4,816.00. Approximate future minimum contractual payments are as follows:

<u>Year Ended June 30,</u>	
2022	\$ 57,792.00

### Contingencies

The City is involved in various legal actions and claims arising in the normal course of City business. In the opinion of City management, any settlement or judgment not covered by insurance would not have a material adverse effect on the City's financial position. Accordingly, as a result of the City's use

of the modified cash basis of accounting, the financial statements do not include accrual or provisions for loss contingencies for loss contingencies that may result from these claims.

The City receives Federal grants and State funding for specific purposes that are subject to review and audit. These reviews and audits could lead to requests for reimbursement or to withholding of future funding for expenditures disallowed under or other noncompliance with the terms of the grants and funding. The City is not aware of any noncompliance with Federal or State provisions that might require the City to provide reimbursement. For the year ended June 30, 2022, grant expenditures did not exceed the threshold for the single audit requirement; therefore, a single audit was not performed.

## **12. Tax Abatement**

Tax abatements, as defined by GASB Statement No. 77 Tax Abatement Disclosures, are agreements between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

Since the City does not and has not entered into tax abatement agreements directly with any individuals or entities, the following estimates are from tax abatements entered into by other governments, specifically the County, that have reduced the City's tax revenues.

	<u>Real Estate Tax</u>
Industrial development bonds	
St. Louis County	
Cenveo/City of Eureka	<u>\$ 6,230.58</u>

## **13. Risk Management**

The City is a member of the Missouri Public Entity Risk Management Fund (MOPERM), the St. Louis Area Insurance Trust (SLAIT), and the Missouri Intergovernmental Risk Management Association (MIRMA), protected self-insurance programs of political subdivisions. The City does not pay premiums to purchase insurance policies, but pays an assessment to be a member of self-sustaining risk sharing group. Part of the assessments are used to purchase excess insurance for the group as a whole. The pooling agreements require the pools to be self-sustaining. The City believes it is not possible to estimate the range or contingent losses to be borne by the City. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in insurance coverage from the prior year. MOPERM covers automobile and certain liability matters, SLAIT covers worker's compensation matters, and MIRMA covers health insurance.

The City purchases commercial insurance to cover health insurance (pre-MIRMA), property, certain liability, and earthquake matters.

#### **14. Risks and Uncertainties**

In March 2020, the World Health Organization declared the novel coronavirus outbreak a pandemic("COVID-19"). As a result, economic uncertainties have arisen which are likely to negatively impact net income. While the disruption caused by the pandemic is currently expected to be temporary, there is uncertainty regarding its duration. Therefore, while we expect the pandemic to impact our results of financial position, change in financial position, and liquidity, we cannot reasonably estimate the impact at this time.

#### **15. Subsequent Events**

Subsequent events were evaluated through December 22, 2022 which is the date the financial statements were available to be issued. As of that date, the City has entered into various agreements with other public and private corporations for the planning, development, construction, acquisition, or operation of various capital improvements.

The City received \$1,115,014.30 State of Missouri American Rescue Plan Act Coronavirus Local Fiscal Recovery Fund aid on August 22, 2022.

The City sold its water and wastewater system on August 4, 2022 for a purchase price of \$28,000,000.00. In conjunction with this sale, the City paid off its outstanding COP Series 2011 and 2012 Certificates of Participation totaling \$5,746,711.38.

## **SUPPLEMENTARY INFORMATION**

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
REVENUES:				
Taxes				
Real Estate Tax	\$ 775,000.00	\$ 775,000.00	\$ 820,738.86	\$ 45,738.86
Personal Property Tax	155,000.00	155,000.00	186,281.10	31,281.10
Railroad Tax	30,000.00	30,000.00	30,332.66	332.66
Gross Receipts Tax	1,122,700.00	1,062,700.00	1,079,207.71	16,507.71
Financial Institution Tax	1.00	1.00	3,041.06	3,040.06
Cigarette Tax	22,000.00	22,000.00	18,906.47	(3,093.53)
Sales Tax and Prop P Sales Tax	2,500,000.00	3,415,760.00	3,207,451.04	(208,308.96)
Total Taxes	<u>4,604,701.00</u>	<u>5,460,461.00</u>	<u>5,345,958.90</u>	<u>(114,502.10)</u>
Intergovernmental				
Grant Revenue - Government	1,014,000.00	1,165,000.00	1,142,952.67	(22,047.33)
Police Grants- Other	1,000.00	1,000.00		(1,000.00)
School Resource Officer	70,100.00	70,100.00	70,127.00	27.00
NAPWDA	-	-	2,500.00	2,500.00
Total Intergovernmental	<u>1,085,100.00</u>	<u>1,236,100.00</u>	<u>1,215,579.67</u>	<u>(20,520.33)</u>
Licenses, Permits & Fees				
Liquor Licenses	-	-	21,850.00	21,850.00
Plumbing, Electrical and Excavation Permits	5,600.00	5,600.00	4,297.00	(1,303.00)
Merchants and Peddlers Licenses	175,000.00	175,000.00	208,947.42	33,947.42
Building and Sign Permits	233,200.00	233,200.00	278,127.71	44,927.71
Exterior Appearance Inspection	2,400.00	2,400.00	2,740.00	340.00
Subdivision Review Fees	500.00	500.00	1,640.00	1,140.00
Contracted Police Security	55,000.00	55,000.00	125,822.86	70,822.86
Total Licenses, Permits and Fees	<u>471,700.00</u>	<u>471,700.00</u>	<u>643,424.99</u>	<u>171,724.99</u>
Interest				
Investments	25,000.00	25,000.00	20,676.33	(4,323.67)
Property Tax Interest			105.16	105.16
Total Interest	<u>25,000.00</u>	<u>25,000.00</u>	<u>20,781.49</u>	<u>(4,218.51)</u>
Fines & Forfeitures				
Court Fines	75,000.00	75,000.00	138,081.44	63,081.44
False Alarm Charges	500.00	500.00	760.00	260.00
Police Reports	1,700.00	1,700.00	2,062.00	362.00
Restitution Collected			310.00	310.00
POSTC Training Fees from State	500.00	500.00	500.00	
Total Fines and Forfeitures	<u>77,700.00</u>	<u>77,700.00</u>	<u>141,713.44</u>	<u>64,013.44</u>
Miscellaneous				
Marymount Rental Income	12,100.00	12,100.00	11,055.47	(1,044.53)
Reimbursement- Restitution- Weed Cutting	500.00	500.00	3,016.80	2,516.80
Filing and Special Use Fees	1,000.00	1,000.00	1,125.00	125.00
Sales Tax Collected			196.31	196.31
Sale of Surplus Property			9,088.00	9,088.00
Miscellaneous	7,000.00	7,000.00	68,746.85	61,746.85
Total Miscellaneous	<u>20,600.00</u>	<u>20,600.00</u>	<u>93,228.43</u>	<u>72,628.43</u>
Total Revenues	<u>6,284,801.00</u>	<u>7,291,561.00</u>	<u>7,460,686.92</u>	<u>169,125.92</u>

See accompanying notes to basic financial statements.

STATEMENT I  
(CONTINUED)

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
EXPENDITURES:				
Police Department				
Salaries	\$ 1,740,000.00	\$ 2,400,800.00	\$ 2,378,362.92	\$ 22,437.08
FICA Taxes	113,240.00	176,000.00	176,624.71	(624.71)
Worker's Compensation	73,000.00	114,000.00	113,980.85	19.15
Unemployment Tax	3,200.00	3,200.00	758.21	2,441.79
Employee Group Insurance	663,100.00	768,390.00	746,681.83	21,708.17
Retirement Contribution (LAGERS)	175,000.00	270,000.00	318,842.73	(48,842.73)
Employee Medical/Psych. Test	1,000.00	1,000.00	829.15	170.85
Section 125 Cafeteria Plan Expenses			759.00	(759.00)
Uniforms	26,000.00	26,000.00	17,335.31	8,664.69
Department Insurance	96,000.00	96,000.00	216,974.69	(120,974.69)
Office Supplies and Postage	7,000.00	7,000.00	9,782.98	(2,782.98)
Department Supplies	20,000.00	20,000.00	24,011.33	(4,011.33)
Vehicle and Equipment Maintenance	32,000.00	32,000.00	38,054.96	(6,054.96)
Fuel	60,000.00	60,000.00	77,395.36	(17,395.36)
Jail Costs	4,000.00	4,000.00	1,576.03	2,423.97
Dispatching Contract	57,600.00	57,600.00	57,792.00	(192.00)
Membership Fees	3,000.00	3,000.00	3,550.00	(550.00)
Department Equipment	4,000.00	4,000.00	5,385.67	(1,385.67)
Advertising	500.00	500.00	2,697.00	(2,197.00)
Equipment/Storage Rental	250.00	250.00	226.71	23.29
Conference and Education Fees	30,000.00	30,000.00	51,826.18	(21,826.18)
IT Consulting Services	22,000.00	22,000.00	2,767.27	19,232.73
Service Agreements/Warranties	10,000.00	10,000.00	4,358.88	5,641.12
REJIS Inquiry & Info System	40,000.00	40,000.00	54,605.42	(14,605.42)
DARE Program	2,000.00	2,000.00		2,000.00
CERT Program	600.00	600.00		600.00
Police Academy	7,500.00	7,500.00	3,750.00	3,750.00
Contracted Labor	13,000.00	13,000.00	16,542.85	(3,542.85)
Utilities	23,125.00	23,125.00	27,582.96	(4,457.96)
General Maintenance	5,000.00	5,000.00	17,602.30	(12,602.30)
Police Outreach	1,100.00	1,100.00	2,435.33	(1,335.33)
Certification Programs	1,500.00	1,500.00	3,000.00	(1,500.00)
Prisoner Transport			744.40	(744.40)
Mileage Reimbursement	500.00	500.00	933.20	(433.20)
Software Maintenance Fee			2,075.00	(2,075.00)
Miscellaneous	1,000.00	1,000.00	2,615.53	(1,615.53)
Total Police Department	3,236,215.00	4,201,065.00	4,382,460.76	(181,395.76)
Administration				
Salaries	570,200.00	570,200.00	409,221.28	160,978.72
FICA Taxes	40,000.00	40,000.00	32,768.14	7,231.86
Worker's Compensation	2,000.00	2,000.00	2,877.29	(877.29)
Unemployment Taxes	500.00	500.00	122.47	377.53
Employee Group Insurance	87,000.00	87,000.00	75,524.00	11,476.00
Retirement Contributions (LAGERS)	58,000.00	58,000.00	41,081.62	16,918.38
Section 125 Cafeteria Plan Expenses	3,000.00	3,000.00	630.00	2,370.00
Uniforms	1,000.00	1,000.00	46.36	953.64
Expense Allowance (Elected Officials)	33,000.00	33,000.00	24,950.00	8,050.00
Membership Fees	15,650.00	15,650.00	7,969.60	7,680.40
Conference and Education Fees	16,500.00	16,500.00	2,972.36	13,527.64
Engineering	10,000.00	10,000.00	583.50	9,416.50
Legal and Professional Fees	205,000.00	205,000.00	172,172.84	32,827.16
Codification Expenses	3,000.00	3,000.00	1,195.00	1,805.00
Department Insurance	24,100.00	24,100.00	59,782.81	(35,682.81)

See accompanying notes to basic financial statements.

STATEMENT I  
(CONTINUED)

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
EXPENDITURES: (Continued)				
Administration (Continued)				
Advertising	\$ 1,000.00	\$ 1,000.00	\$ 1,450.34	\$ (450.34)
Election Expense	26,000.00	26,000.00	5,961.62	20,038.38
Office Supplies and Postage	8,000.00	8,000.00	9,821.19	(1,821.19)
Office Equipment	2,500.00	2,500.00		2,500.00
Vehicle and Equipment Maintenance	1,000.00	1,000.00	240.93	759.07
Fuel	1,500.00	1,500.00	2,378.61	(878.61)
Mileage Reimbursement	3,200.00	3,200.00	1,329.94	1,870.06
Computer Expense	6,000.00	6,000.00	3,363.91	2,636.09
Department Supplies	14,000.00	14,000.00	11,637.51	2,362.49
Department Equipment	2,500.00	2,500.00	454.66	2,045.34
General Maintenance	5,000.00	5,000.00	7,150.76	(2,150.76)
Municipal Service Awards	1,000.00	1,000.00	550.00	450.00
Special Contracts	40,500.00	25,000.00	27,013.82	(2,013.82)
Contracted Labor	12,000.00	12,000.00	12,930.36	(930.36)
IT Consulting Services	3,800.00	3,800.00	1,212.42	2,587.58
Service Agreements/Warranties	2,500.00	2,500.00	1,351.91	1,148.09
Utilities	11,700.00	11,700.00	9,926.65	1,773.35
Equipment/Storage Rental	100.00	100.00	106.68	(6.68)
Economic Development	35,000.00	50,500.00	41,616.80	8,883.20
Software Maintenance Fee	22,850.00	22,850.00	14,426.59	8,423.41
Miscellaneous	11,500.00	11,500.00	2,542.29	8,957.71
Total Administration	1,280,600.00	1,280,600.00	987,364.26	293,235.74
Public Works Department				
Salaries	684,000.00	684,000.00	555,033.83	128,966.17
FICA Taxes	125,000.00	125,000.00	41,736.99	83,263.01
Worker's Compensation	30,000.00	30,000.00	43,159.31	(13,159.31)
Unemployment Tax	700.00	700.00	185.14	514.86
Employee Group Insurance	200,000.00	200,000.00	178,648.33	21,351.67
Retirement Contribution (LAGERS)	32,500.00	32,500.00	52,320.99	(19,820.99)
Employee Medical/Psych. Test	500.00	500.00	461.75	38.25
Vehicle and Equipment Maintenance	38,000.00	38,000.00	20,326.30	17,673.70
Fuel	24,000.00	24,000.00	30,092.41	(6,092.41)
General Maintenance	5,000.00	5,000.00	11,819.56	(6,819.56)
Uniforms	45,000.00	45,000.00	18,396.09	26,603.91
Utilities	14,700.00	14,700.00	10,593.61	4,106.39
Contracted Labor	20,000.00	20,000.00	6,906.83	13,093.17
IT Consulting Services	3,100.00	3,100.00	1,212.52	1,887.48
Advertising			260.00	(260.00)
Department Insurance	6,000.00	6,000.00	71,614.64	(65,614.64)
Department Supplies	11,000.00	11,000.00	11,410.55	(410.55)
Department Equipment	5,000.00	5,000.00	6,372.28	(1,372.28)
Equipment/Storage Rental			4,547.58	(4,547.58)
Office Supplies and Postage	1,000.00	1,000.00	851.14	148.86
Conference and Education Fees	3,000.00	3,000.00	37.01	2,962.99
Service Agreements - Warranties	1,400.00	1,400.00	361.74	1,038.26
Miscellaneous	500.00	500.00	773.94	(273.94)
Total Public Works Department	1,250,400.00	1,250,400.00	1,067,122.54	183,277.46

See accompanying notes to basic financial statements.



STATEMENT I  
(CONTINUED)

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
Building Department				
Salaries	\$ 219,000.00	\$ 219,000.00	\$ 131,901.51	\$ 87,098.49
FICA Taxes	16,500.00	16,500.00	9,433.69	7,066.31
Worker's Compensation	7,500.00	7,500.00	10,789.83	(3,289.83)
Unemployment Tax	300.00	300.00	70.34	229.66
Employee Group Insurance	54,100.00	54,100.00	61,805.87	(7,705.87)
Retirement Contribution (LAGERS)	16,500.00	16,500.00	13,089.59	3,410.41
Employee Medical/Psych. Test			15.25	(15.25)
Section 125 Cafeteria Plan Expenses			132.00	(132.00)
Vehicle and Equipment Maintenance	2,000.00	2,000.00	1,287.68	712.32
Fuel	4,000.00	4,000.00	4,389.51	(389.51)
Mileage Reimbursement	350.00	350.00	164.64	185.36
General Maintenance	500.00	500.00		500.00
Equipment/Storage Rental	2,000.00	2,000.00	2,299.71	(299.71)
Uniforms	3,000.00	3,000.00	1,883.29	1,116.71
Service Agreements/Warranties	900.00	900.00	709.30	190.70
Membership Fees	1,000.00	1,000.00	535.08	464.92
Utilities	5,050.00	5,050.00	3,729.91	1,320.09
Contracted Labor	500.00	500.00	759.84	(259.84)
IT Consulting Services	3,800.00	3,800.00	1,212.52	2,587.48
Office Supplies and Postage	2,000.00	2,000.00	1,372.39	627.61
Office Equipment	500.00	500.00		500.00
Reimbursement- Weed Cutting	6,000.00	6,000.00	3,706.25	2,293.75
Conference and Education Fees	1,000.00	1,000.00	2,348.41	(1,348.41)
Department Supplies	1,000.00	1,000.00	603.62	396.38
Department Insurance	4,500.00	4,500.00	20,944.80	(16,444.80)
Department Equipment	500.00	500.00	117.31	382.69
Computer Expense	500.00	500.00		500.00
Software Maintenance Fee	8,000.00	8,000.00	7,657.33	342.67
Miscellaneous	500.00	500.00	124.18	375.82
Total Building Department	361,500.00	361,500.00	281,083.85	80,416.15

See accompanying notes to basic financial statements.

STATEMENT 1  
(CONTINUED)

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
EXPENDITURES: (Continued)				
Court				
Salaries	\$ 66,700.00	\$ 66,700.00	\$ 66,045.19	\$ 654.81
FICA Taxes	5,000.00	5,000.00	5,039.57	(39.57)
Worker's Compensation	225.00	225.00	323.69	(98.69)
Unemployment Tax	150.00	150.00	45.80	104.20
Employee Group Insurance	13,500.00	13,500.00	12,765.72	734.28
Retirement Contribution (LAGERS)	7,525.00	7,525.00	5,740.43	1,784.57
REJIS Inquiry & Info System	4,000.00	4,000.00	4,947.00	(947.00)
Legal and Professional Fees	7,350.00	7,350.00	9,200.00	(1,850.00)
General Maintenance	1,000.00	1,000.00	151.77	848.23
Equipment/Storage Rental	150.00	150.00	106.71	43.29
Uniforms	500.00	500.00		500.00
Service Agreements/Warranties	300.00	300.00	176.72	123.28
Utilities	7,925.00	7,925.00	4,955.66	2,969.34
Contracted Labor	2,500.00	2,500.00	377.84	2,122.16
IT Consulting Services	800.00	800.00	1,212.52	(412.52)
Mileage Reimbursement	200.00	200.00		200.00
Office Supplies and Postage	4,000.00	4,000.00	3,488.15	511.85
Department Supplies	1,000.00	1,000.00	602.77	397.23
Department Insurance	1,800.00	1,800.00	6,409.83	(4,609.83)
Department Equipment & Tools	100.00	100.00		100.00
Membership Fees	100.00	100.00	30.00	70.00
Conference and Education Fees	2,000.00	2,000.00	120.00	1,880.00
Miscellaneous	200.00	200.00	215.39	(15.39)
Total Court Department	127,025.00	127,025.00	121,954.76	5,070.24
Total Expenditures	6,255,740.00	7,220,590.00	6,839,986.17	380,603.83
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	29,061.00	70,971.00	620,700.75	549,729.75
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	1,964,487.00	128,812.00	115,269.28	(13,542.72)
Operating Transfers Out	(300,000.00)	(1,121,640.00)	(1,108,097.88)	13,542.12
Total Other Financing Sources	1,664,487.00	(992,828.00)	(992,828.60)	(0.60)
NET CHANGE IN FUND BALANCE	1,693,548.00	(921,857.00)	(372,127.85)	549,729.15
FUND BALANCE, JULY 1, 2021	6,751,247.62	6,751,247.62	6,751,247.62	-
FUND BALANCE, JUNE 30, 2022	\$ 8,444,795.62	\$ 5,829,390.62	\$ 6,379,119.77	\$ 549,729.15

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
CIP SALES TAX FUND  
YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes				
Sales Tax	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,336,738.54	\$ 136,738.54
Intergovernmental Grants	51,548.00	51,548.00	27,231.39	(24,316.61)
Sale of Property	77,000.00	77,000.00	39,635.00	(37,365.00)
Interest	-	-	1,687.88	1,687.88
Miscellaneous	-	-	39,601.90	39,601.90
Total Revenues	1,328,548.00	1,328,548.00	1,444,894.71	116,346.71
EXPENDITURES:				
Capital Outlay	1,448,492.00	1,148,492.00	769,623.33	378,868.67
Total Expenditures	1,448,492.00	1,148,492.00	769,623.33	378,868.67
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(119,944.00)	180,056.00	675,271.38	495,215.38
OTHER FINANCING SOURCES (USES):				
Operating Transfer-Out	(270,000.00)	(300,000.00)	(865,000.00)	(565,000.00)
Total Operating Sources and Uses	(270,000.00)	(300,000.00)	(865,000.00)	(565,000.00)
NET CHANGE IN FUND BALANCE	(389,944.00)	(119,944.00)	(189,728.62)	(69,784.62)
FUND BALANCE, JULY 1, 2021	3,700,759.21	3,700,759.21	3,700,759.21	-
FUND BALANCE, JUNE 30, 2022	\$ 3,310,815.21	\$ 3,580,815.21	\$ 3,511,030.59	\$ (69,784.62)

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
STORM WATER CONTROL/PARKS  
YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes				
Sales Tax	\$ 1,400,000.00	\$ 1,400,000.00	\$ 1,572,627.93	\$ 172,627.93
Interest	6,000.00	6,000.00	1,656.68	(4,343.32)
Intergovernmental Grants	-	-	21,088.00	21,088.00
Licenses, Permits & Fees				
Contractual	30,000.00	30,000.00	30,000.00	-
Fees	440,000.00	440,000.00	715,411.32	275,411.32
Point of Sale	6,500.00	6,500.00	29,940.89	23,440.89
Rental	45,000.00	45,000.00	77,098.35	32,098.35
Other	19,500.00	19,500.00	40,151.65	20,651.65
	<u>541,000.00</u>	<u>541,000.00</u>	<u>892,602.21</u>	<u>351,602.21</u>
Sale of Property	12,000.00	12,000.00	8,760.81	(3,239.19)
Miscellaneous	9,000.00	9,000.00	40,810.92	31,810.92
Total Revenues	<u>1,968,000.00</u>	<u>1,968,000.00</u>	<u>2,537,546.55</u>	<u>569,546.55</u>
EXPENDITURES:				
Current:				
Park Department	1,745,350.00	1,982,650.00	1,935,517.71	47,132.29
Capital Outlay	181,500.00	306,500.00	352,324.05	(45,824.05)
Total Expenditures	<u>1,926,850.00</u>	<u>2,289,150.00</u>	<u>2,287,841.76</u>	<u>1,308.24</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>41,150.00</u>	<u>(321,150.00)</u>	<u>249,704.79</u>	<u>570,854.79</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfer-In	4,680,116.00	-	-	-
Operating Transfer-Out	(5,048,308.00)	(651,715.00)	(651,735.68)	(20.68)
Total Operating Sources and Uses	<u>(368,192.00)</u>	<u>(651,715.00)</u>	<u>(651,735.68)</u>	<u>(20.68)</u>
NET CHANGE IN FUND BALANCE	(327,042.00)	(972,865.00)	(402,030.89)	570,834.11
FUND BALANCE, JULY 1, 2021	<u>1,754,352.96</u>	<u>1,754,352.96</u>	<u>1,754,352.96</u>	-
FUND BALANCE, JUNE 30, 2022	<u>\$ 1,427,310.96</u>	<u>\$ 781,487.96</u>	<u>\$ 1,352,322.07</u>	<u>\$ 570,834.11</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
PROP E PUBLIC SAFETY  
YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes				
Sales Tax	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,566,108.36	\$ 66,108.36
Interest	11,000.00	11,000.00	2,539.44	(8,460.56)
Total Revenues	1,511,000.00	1,511,000.00	1,568,647.80	57,647.80
EXPENDITURES:				
Capital Outlay	1,450,200.00	1,450,200.00	1,038,905.26	411,294.74
Total Expenditures	1,450,200.00	1,450,200.00	1,038,905.26	411,294.74
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	60,800.00	60,800.00	529,742.54	468,942.54
OTHER FINANCING SOURCES (USES):				
None	-	-	-	-
NET CHANGE IN FUND BALANCE	60,800.00	60,800.00	529,742.54	468,942.54
FUND BALANCE, JULY 1, 2021	2,064,038.64	2,064,038.64	2,064,038.64	-
FUND BALANCE, JUNE 30, 2022	\$ 2,124,838.64	\$ 2,124,838.64	\$ 2,593,781.18	\$ 468,942.54

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
 TIF S I-44 PROJECT (2006)  
 YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes				
Real Estate Tax	\$ 1,065,000.00	\$ 1,122,000.00	\$ 1,131,641.04	\$ 9,641.04
Sales Tax	28,500.00	28,500.00	26,052.39	(2,447.61)
Total Taxes	<u>1,093,500.00</u>	<u>1,150,500.00</u>	<u>1,157,693.43</u>	<u>7,193.43</u>
Interest	<u>100.00</u>	<u>100.00</u>	<u>63.79</u>	<u>(36.21)</u>
Total Revenues	<u>1,093,600.00</u>	<u>1,150,600.00</u>	<u>1,157,757.22</u>	<u>7,157.22</u>
EXPENDITURES:				
Current:				
Administrative	275,000.00	275,000.00	287,753.52	(12,753.52)
Debt Service				
Principal	425,000.00	494,000.00	493,597.62	402.38
Interest and fees	<u>385,000.00</u>	<u>385,000.00</u>	<u>368,402.38</u>	<u>16,597.62</u>
Total Expenditures	<u>1,085,000.00</u>	<u>1,154,000.00</u>	<u>1,149,753.52</u>	<u>4,246.48</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	8,600.00	(3,400.00)	8,003.70	11,403.70
FUND BALANCE, JULY 1, 2021	<u>9,124.65</u>	<u>9,124.65</u>	<u>9,124.65</u>	<u>-</u>
FUND BALANCE, JUNE 30, 2022	<u>\$ 17,724.65</u>	<u>\$ 5,724.65</u>	<u>\$ 17,128.35</u>	<u>\$ 11,403.70</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL -  
STREET/ROAD FUND  
YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Intergovernmental	\$ 630,000.00	\$ 630,000.00	\$ 671,408.02	\$ 41,408.02
Licenses, Permits, and Fees	51,000.00	51,000.00	48,352.27	(2,647.73)
Interest	5,000.00	5,000.00	7,543.51	2,543.51
Miscellaneous	10,000.00	10,000.00	12,720.33	2,720.33
Total Revenues	696,000.00	696,000.00	740,024.13	44,024.13
EXPENDITURES:				
Current:				
Street Department	311,000.00	340,000.00	298,325.63	41,674.37
Capital Outlay	620,000.00	1,820,000.00	1,531,377.30	288,622.70
Total Expenditures	931,000.00	2,160,000.00	1,829,702.93	330,297.07
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(235,000.00)	(1,464,000.00)	(1,089,678.80)	374,321.20
OTHER FINANCING SOURCES (USES):				
Operating Transfer-In	270,000.00	1,404,372.00	1,969,372.43	565,000.43
Operating Transfer-Out	(65,000.00)	(65,000.00)	(65,000.00)	-
Total Operating Sources and Uses	205,000.00	1,339,372.00	1,904,372.43	565,000.43
NET CHANGE IN FUND BALANCE	(30,000.00)	(124,628.00)	814,693.63	939,321.63
FUND BALANCE, JULY 1, 2021	344,586.70	344,586.70	344,586.70	-
FUND BALANCE, JUNE 30, 2022	\$ 314,586.70	\$ 219,958.70	\$ 1,159,280.33	\$ 939,321.63

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
JUNE 30, 2022

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

1. The City Administrator submits to the Mayor and the Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
2. Prior to its approval by the Board of Aldermen, a budget meeting is conducted and the budget document is available for public inspection.
3. The original budget was formally adopted on June 1, 2021. The budget was amended June 21, 2022.
4. Budgets for City funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid.
5. Budgeted amounts are as originally adopted, or as amended by the Board of Aldermen.



CITY OF EUREKA, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 COMBINING BALANCE SHEET- MODIFIED CASH BASIS -  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2022

	Special Revenue					
	Water Construction	Sewer Construction	D.A.R.E. Donation	Police: Federal Equitable Sharing	Police: Prop P Sales Tax	Construction/ Excavation Deposits
<b>ASSETS</b>						
Cash and Investments	\$ 1,081.08	\$ 133,409.80	\$ -	\$ 7,906.69	\$ -	\$ -
Restricted Assets:						
Cash and Investments						
Total Assets	<u>\$ 1,081.08</u>	<u>\$ 133,409.80</u>	<u>\$ -</u>	<u>\$ 7,906.69</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND EQUITY</b>						
Fund Equity:						
Restricted for:						
Capital and Operating Projects	1,081.08	133,409.80	-	-	-	-
Escrow/Deposits						
Debt Service				7,906.69	-	
Other purposes						
Total Fund Equity	<u>1,081.08</u>	<u>133,409.80</u>	<u>-</u>	<u>7,906.69</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Equity	<u>\$ 1,081.08</u>	<u>\$ 133,409.80</u>	<u>\$ -</u>	<u>\$ 7,906.69</u>	<u>\$ -</u>	<u>\$ -</u>

STATEMENT 7  
(CONTINUED)

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
COMBINING BALANCE SHEET- MODIFIED CASH BASIS -  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Special Revenue	Debt Service					Total Non-major Governmental Funds
	Plan Review Escrow	Property Acquisition	COP 2011 Debt Service	COP 2011 Debt Service Reserve	COP 2012 Debt Service	COP 2012 Debt Service Reserve	
<u>ASSETS</u>							
Cash and Investments	\$ 61,223.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 203,621.29
Restricted Assets:							
Cash and Investments			1.00	283,841.17	1.00	553,658.18	837,501.35
Total Assets	<u>\$ 61,223.72</u>	<u>\$ -</u>	<u>\$ 1.00</u>	<u>\$ 283,841.17</u>	<u>\$ 1.00</u>	<u>\$ 553,658.18</u>	<u>\$ 1,041,122.64</u>
<u>LIABILITIES AND FUND EQUITY</u>							
Fund Equity:							
Restricted for:							
Capital and Operating Projects	-	-	-	-	-	-	134,490.88
Escrow/Deposits	61,223.72						61,223.72
Debt Service			1.00	283,841.17	1.00	553,658.18	837,501.35
Other purposes							7,906.69
Total Fund Equity	<u>61,223.72</u>	<u>-</u>	<u>1.00</u>	<u>283,841.17</u>	<u>1.00</u>	<u>553,658.18</u>	<u>1,041,122.64</u>
Total Liabilities and Fund Equity	<u>\$ 61,223.72</u>	<u>\$ -</u>	<u>\$ 1.00</u>	<u>\$ 283,841.17</u>	<u>\$ 1.00</u>	<u>\$ 553,658.18</u>	<u>\$ 1,041,122.64</u>

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 MODIFIED CASH BASIS - NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2022

	Special Revenue					
	Water Construction	Sewer Construction	D.A.R.E. Donation	Police: Federal Equitable Sharing	Police: Prop P Sales Tax	Construction/ Excavation Deposits
<b>REVENUES:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental						
Licenses, Permits and Fees	56,475.00	54,200.00				
Interest	17.33	39.25				
Miscellaneous				2,126.75		
Total Revenues	56,492.33	54,239.25	-	2,126.75	-	-
<b>EXPENDITURES:</b>						
Current:						
Administrative	1,750.00	-	-	-	-	-
Capital Outlay	25,105.70	10,211.42				
Debt Service:						
Principal						
Interest and Fees						
Total Expenditures	26,855.70	10,211.42	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	29,636.63	44,027.83	-	2,126.75	-	-
OTHER FINANCING SOURCES (USES)						
Operating Transfers-In	96,000.00	-	-	-	17,268.11	-
Operating Transfers-Out	(175,893.17)				(13,811.94)	
Total Operating Sources and Uses	(79,893.17)	-	-	-	3,456.17	-
NET CHANGE IN FUND BALANCE	(50,256.54)	44,027.83	-	2,126.75	3,456.17	-
FUND BALANCE, JULY 1, 2021	51,337.62	89,381.97	-	5,779.94	(3,456.17)	-
FUND BALANCE, JUNE 30, 2022	\$ 1,081.08	\$ 133,409.80	\$ -	\$ 7,906.69	\$ -	\$ -

See accompanying notes to basic financial statements.

CITY OF EUREKA, MISSOURI  
SUPPLEMENTARY INFORMATION  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
MODIFIED CASH BASIS - NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022

	Special Revenue	Debt Service					Total Non-Major Governmental Funds
	Plan Review Escrow	Property Acquisition	COP 2011 Debt Service	COP 2011 Debt Service Reserve	COP 2012 Debt Service	COP 2012 Debt Service Reserve	
<b>REVENUES:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental							
Licenses, Permits and Fees	62,632.31		2.78	117.77	4.91	229.55	173,307.31
Interest				60.18		79.60	411.59
Miscellaneous							2,266.53
<b>Total Revenues</b>	<b>62,632.31</b>	<b>-</b>	<b>2.78</b>	<b>177.95</b>	<b>4.91</b>	<b>309.15</b>	<b>175,985.43</b>
<b>EXPENDITURES:</b>							
Current:							
Administrative	3,657.50	-	-	-	-	-	5,407.50
Capital Outlay							35,317.12
Debt Service:							
Principal		555,000.00					555,000.00
Interest and Fees		222,628.85	2,367.06		219.09		225,215.00
<b>Total Expenditures</b>	<b>3,657.50</b>	<b>777,628.85</b>	<b>2,367.06</b>	<b>-</b>	<b>219.09</b>	<b>-</b>	<b>820,939.62</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>58,974.81</b>	<b>(777,628.85)</b>	<b>(2,364.28)</b>	<b>177.95</b>	<b>(214.18)</b>	<b>309.15</b>	<b>(644,954.19)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating Transfers-In	-	777,628.85	128.43	-	212.63	-	891,238.02
Operating Transfers-Out				(128.43)		(212.63)	(190,046.17)
<b>Total Operating Sources and Uses</b>	<b>-</b>	<b>777,628.85</b>	<b>128.43</b>	<b>(128.43)</b>	<b>212.63</b>	<b>(212.63)</b>	<b>701,191.85</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>58,974.81</b>	<b>-</b>	<b>(2,235.85)</b>	<b>49.52</b>	<b>(1.55)</b>	<b>96.52</b>	<b>56,237.66</b>
<b>FUND BALANCE, JULY 1, 2021</b>	<b>2,248.91</b>	<b>-</b>	<b>2,236.85</b>	<b>283,791.65</b>	<b>2.55</b>	<b>553,561.66</b>	<b>984,884.98</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ 61,223.72</b>	<b>\$ -</b>	<b>\$ 1.00</b>	<b>\$ 283,841.17</b>	<b>\$ 1.00</b>	<b>\$ 553,658.18</b>	<b>\$ 1,041,122.64</b>

## **INTERNAL CONTROL AND COMPLIANCE**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Aldermen  
City of Eureka, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eureka, Missouri ("City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 22, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2022-1 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **City's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Croghan & Croghan, P.C.***

Certified Public Accountants

Kirkwood, Missouri  
December 22, 2022

CITY OF EUREKA, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2022

2022-1

Criteria: City is responsible for establishing and maintaining internal controls.

Condition: Lack of sufficient segregation of duties in the accounting department.

Context: A review of the internal control procedures. *Internal control* is a process effected by the City's Board of Aldermen, management, and other personnel - designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations, and (c) compliance with applicable laws and regulations.

Cause: Number of personnel within the accounting department.

Effect: The design of internal control over financial reporting that could adversely affect the ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements and the assurance that assets are safeguarded against loss from use or disposition.

Questioned Costs: No costs have been questioned as a result of this finding.

Recommendation: These areas should be reviewed periodically, and consideration given to improving the segregation of duties.

Views of Responsible Officials and Planned Corrective Actions: The City understands the importance of the segregation of duties in the accounting department. The receptionist will be hired full-time on January 3, 2023 to assist with accounting duties such as posting payments and accounts payable.