

City of Glendale, Missouri

Annual Financial Statements

For The Fiscal Year Ended June 30, 2025

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INDEPENDENT AUDITORS' REPORT

To the Board of Alderman
City of Glendale
Glendale, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Glendale, Missouri, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Glendale, Missouri'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 financial position of the governmental activities, the business-type activities, and each major fund of the City of Glendale, Missouri, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Glendale, 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Glendale, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 of Glendale, Missouri'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 of Glendale, Missouri'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of changes in net pension liability and related ratios and schedule of contributions on pages 25-37 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Glendale, Missouri’s basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditors’ 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 October 24, 2025, on our consideration of the City of Glendale, 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 Glendale, 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 City of Glendale, Missouri’s internal control over financial reporting and compliance.

F.E.W. CPAs

F.E.W. CPAs
Saint Louis, Missouri
October 24, 2025

Basic Financial Statements

CITY OF GLENDALE, MISSOURI
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,495,439	\$ 214,244	\$ 2,709,683
Certificates of deposit	2,800,555	-	2,800,555
Receivables			
Taxes	701,387	-	701,387
Interest	56,610	-	56,610
Grant	466,374	-	466,374
Other	6,642	18,670	25,312
Inventory and other assets	7,068	-	7,068
Total current assets	<u>6,534,075</u>	<u>232,914</u>	<u>6,766,989</u>
Noncurrent assets			
Capital assets, net of depreciation	15,775,506	-	15,775,506
Net pension asset	173,663	-	173,663
Total noncurrent assets	<u>15,949,169</u>	<u>-</u>	<u>15,949,169</u>
TOTAL ASSETS	<u>\$ 22,483,244</u>	<u>\$ 232,914</u>	<u>\$ 22,716,158</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred amounts related to pension	\$ 696,458	\$ -	\$ 696,458
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>\$ 696,458</u>	<u>\$ -</u>	<u>\$ 696,458</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 499,136	\$ 72,453	\$ 571,589
Accrued wages	110,182	538	110,720
Appearance bonds	1,680	-	1,680
Accrued interest payable	48,532	-	48,532
Unearned grant income	22,500	-	22,500
Other liabilities	83,412	-	83,412
Current portion of long-term liabilities	385,000	-	385,000
Total current liabilities	<u>1,150,442</u>	<u>72,991</u>	<u>1,223,433</u>
Noncurrent liabilities			
Accrued compensated absences	179,425	-	179,425
Bond premium	224,320	-	224,320
Bonds payable	4,535,000	-	4,535,000
Net pension liability	4,600,922	-	4,600,922
Total noncurrent liabilities	<u>9,539,667</u>	<u>-</u>	<u>9,539,667</u>
TOTAL LIABILITIES	<u>\$ 10,690,109</u>	<u>\$ 72,991</u>	<u>\$ 10,763,100</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable revenues	\$ -	\$ 11,028	\$ 11,028
Deferred amounts related to pension	1,919,771	-	1,919,771
TOTAL DEFERRED INFLOW OF RESOURCES	<u>\$ 1,919,771</u>	<u>\$ 11,028</u>	<u>\$ 1,930,799</u>
NET POSITION			
Net investment in capital assets	\$ 10,631,186	\$ -	\$ 10,631,186
Restricted for:			
Sewer lateral	127,431	-	127,431
Public safety facility	343,434	-	343,434
Debt service	418,392	-	418,392
Capital improvements	1,122,360	-	1,122,360
Parks and stormwater	73,784	-	73,784
Pension	510,959	-	510,959
Unrestricted	(2,657,724)	148,895	(2,508,829)
TOTAL NET POSITION	<u>\$ 10,569,822</u>	<u>\$ 148,895</u>	<u>\$ 10,718,717</u>

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General governmental	\$ 1,456,261	\$ 28,906	\$ 235,216	\$ -	\$ (1,192,139)	\$ -	\$ (1,192,139)
Municipal court	110,491	115,796	-	-	5,305	-	5,305
Police department	2,002,620	-	-	-	(2,002,620)	-	(2,002,620)
Fire department	3,132,925	301,016	-	-	(2,831,909)	-	(2,831,909)
Public works	729,516	-	-	648,853	(80,663)	-	(80,663)
Interest and fiscal charges	136,459	-	-	-	(136,459)	-	(136,459)
Total governmental activities	<u>7,568,272</u>	<u>445,718</u>	<u>235,216</u>	<u>648,853</u>	<u>(6,238,485)</u>	<u>-</u>	<u>(6,238,485)</u>
Business-type activities:							
Sanitation fund	773,891	787,004	-	-	-	13,113	13,113
Total business-type activities	<u>773,891</u>	<u>787,004</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,113</u>	<u>13,113</u>
Total	<u>\$ 8,342,163</u>	<u>\$ 1,232,722</u>	<u>\$ 235,216</u>	<u>\$ 648,853</u>	<u>(6,238,485)</u>	<u>13,113</u>	<u>(6,225,372)</u>
General revenues:							
Taxes							
Property taxes					2,105,001	-	2,105,001
Sales and local use taxes					2,050,725	-	2,050,725
Capital improvement tax					510,883	-	510,883
Gross receipts tax					1,044,473	-	1,044,473
Local option use taxes					330,202	-	330,202
Intergovernmental					357,846	-	357,846
Licenses					162,667	-	162,667
Investment income					252,131	-	252,131
Miscellaneous					51,967	-	51,967
Total general revenues					<u>6,865,895</u>	<u>-</u>	<u>6,865,895</u>
Changes in net position					627,410	13,113	640,523
Net position - beginning					9,942,412	135,782	10,078,194
Net position - ending					<u>\$ 10,569,822</u>	<u>\$ 148,895</u>	<u>\$ 10,718,717</u>

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Sewer Lateral	Pension Tax	Public Safety	ARPA	Debt Service	Capital Improvements	Parks and Stormwater Improvements	Total Governmental Funds
ASSETS									
Cash and cash equivalents	\$ 117,599	\$ 135,601	\$ 510,959	\$ 270,715	\$ -	\$ 418,392	\$ 997,249	\$ 44,924	\$ 2,495,439
Certificates of deposit	2,800,555	-	-	-	-	-	-	-	2,800,555
Receivables									
Taxes	498,060	-	-	72,719	-	-	98,218	32,390	701,387
Interest	56,610	-	-	-	-	-	-	-	56,610
Grant	-	-	-	-	-	-	466,374	-	466,374
Other	4,280	2,362	-	-	-	-	-	-	6,642
Inventory	7,068	-	-	-	-	-	-	-	7,068
Total assets	<u>\$ 3,484,172</u>	<u>\$ 137,963</u>	<u>\$ 510,959</u>	<u>\$ 343,434</u>	<u>\$ -</u>	<u>\$ 418,392</u>	<u>\$ 1,561,841</u>	<u>\$ 77,314</u>	<u>\$ 6,534,075</u>
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 68,093	\$ 10,532	\$ -	\$ -	\$ -	\$ -	\$ 416,981	\$ 3,530	\$ 499,136
Accrued wages	110,182	-	-	-	-	-	-	-	110,182
Appearance bonds	1,680	-	-	-	-	-	-	-	1,680
Unearned grant income	-	-	-	-	-	-	22,500	-	22,500
Other liabilities	83,412	-	-	-	-	-	-	-	83,412
Total liabilities	<u>263,367</u>	<u>10,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>439,481</u>	<u>3,530</u>	<u>716,910</u>
FUND BALANCES									
Nonspendable	7,068	-	-	-	-	-	-	-	7,068
Restricted for:									
Sewer lateral	-	127,431	-	-	-	-	-	-	127,431
Public safety	-	-	-	343,434	-	-	-	-	343,434
Debt service	-	-	-	-	-	418,392	-	-	418,392
Capital improvements	-	-	-	-	-	-	1,122,360	-	1,122,360
Parks and stormwater	-	-	-	-	-	-	-	73,784	73,784
Pension	-	-	510,959	-	-	-	-	-	510,959
Unassigned	3,213,737	-	-	-	-	-	-	-	3,213,737
Total fund balances	<u>3,220,805</u>	<u>127,431</u>	<u>510,959</u>	<u>343,434</u>	<u>-</u>	<u>418,392</u>	<u>1,122,360</u>	<u>73,784</u>	<u>5,817,165</u>
Total liabilities and fund balances	<u>\$ 3,484,172</u>	<u>\$ 137,963</u>	<u>\$ 510,959</u>	<u>\$ 343,434</u>	<u>\$ -</u>	<u>\$ 418,392</u>	<u>\$ 1,561,841</u>	<u>\$ 77,314</u>	<u>\$ 6,534,075</u>

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total fund balance - governmental funds		\$ 5,817,165
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
		15,775,506
Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:		
Net pension asset	173,663	
Net pension liability	(4,600,922)	
Deferred outflows - amounts related to pension	696,458	
Deferred inflows - amounts related to pension	<u>(1,919,771)</u>	(5,650,572)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. All liabilities both current and long-term are reported in the statement of net position.		
Accrued compensated absences	(179,425)	
Bond premium	(224,320)	
Bonds payable	(4,920,000)	
Accrued interest payable	<u>(48,532)</u>	<u>(5,372,277)</u>
Net position of governmental activities		<u><u>\$ 10,569,822</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General	Sewer Lateral	Pension Tax	Public Safety	ARPA	Debt Service	Capital Improvements	Parks and Stormwater Improvements	Total Governmental Funds
Revenues									
General taxes	\$ 3,372,577	\$ 114,491	\$ 549,535	\$ 404,578	\$ -	\$ 618,220	\$ 549,749	\$ 193,115	\$ 5,802,265
Intergovernmental	922,290	-	-	-	235,217	-	638,730	-	1,796,237
Licenses and permits	233,388	-	-	-	-	-	-	-	233,388
Municipal court	59,696	-	-	-	-	-	-	-	59,696
Miscellaneous	300,235	-	-	-	3,862	-	-	-	304,097
Total revenues	4,888,186	114,491	549,535	404,578	239,079	618,220	1,188,479	193,115	8,195,683
Expenditures									
Current									
General governmental	632,858	-	237,454	-	-	-	-	-	870,312
Municipal court	111,184	-	-	-	-	-	-	-	111,184
Police department	1,813,283	-	-	-	-	-	-	-	1,813,283
Fire department	1,907,836	-	-	-	-	-	-	-	1,907,836
Public works	618,302	-	-	-	-	-	-	-	618,302
Capital outlay	-	65,307	-	-	-	-	1,907,649	155,223	2,128,179
Debt service									
Principal	-	-	-	-	-	370,000	-	-	370,000
Interest and fiscal charges	-	-	-	-	-	160,500	-	-	160,500
Total expenditures	5,083,463	65,307	237,454	-	-	530,500	1,907,649	155,223	7,979,596
Excess (deficiency) of revenue over expenditures	(195,277)	49,184	312,081	404,578	239,079	87,720	(719,170)	37,892	216,087
Other financing sources (uses)									
Transfers to (from)	459,317	(25,000)	(274,317)	(410,000)	(275,788)	-	585,788	(60,000)	-
Total other financing sources/(uses)	459,317	(25,000)	(274,317)	(410,000)	(275,788)	-	585,788	(60,000)	-
Net changes in fund balances	264,040	24,184	37,764	(5,422)	(36,709)	87,720	(133,382)	(22,108)	216,087
Fund balances - beginning	2,956,765	103,247	473,195	348,856	36,709	330,672	1,255,742	95,892	5,601,078
Fund balances - ending	\$ 3,220,805	\$ 127,431	\$ 510,959	\$ 343,434	\$ -	\$ 418,392	\$ 1,122,360	\$ 73,784	\$ 5,817,165

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds \$ 216,087

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	1,832,308	
Depreciation expense	(860,315)	971,993

The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. These amounts are the net effect of these differences in the treatment of long-term debt and related items:

Repayments:

Amortization of bond premium	20,392	
Bonds payable	370,000	390,392

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued interest on outstanding debt	3,649	
Change in accrued compensated absences	(14,506)	
Change in net pension asset	(86,843)	
Change in net pension liability	326,360	
Change in deferred outflows - pension related	(161,639)	
Change in deferred inflows - pension related	(1,018,083)	(951,062)

Change in net position of governmental activities \$ 627,410

CITY OF GLENDALE, MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2025

	<u>Sanitation Fund</u>
ASSETS	
Cash and cash equivalents	\$ 214,244
Receivables	
Other	18,670
Total assets	<u>\$ 232,914</u>
LIABILITIES	
Accounts payable	\$ 72,453
Accrued wages	538
Total liabilities	<u>\$ 72,991</u>
DEFERRED INFLOW OF RESOURCES	
Unavailable revenues	\$ 11,028
Total deferred inflow of resources	<u>\$ 11,028</u>
NET POSITION	
Unrestricted	\$ 148,895
Total net position	<u>\$ 148,895</u>

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Sanitation Fund
Revenues	
Charges for services	\$ 787,004
Total revenues	787,004
Operating expenses	
Personnel services	14,519
Operating supplies	5,981
Other services and charges	753,391
Total operating expenses	773,891
Change in net position	13,113
Net position - beginning of year	135,782
Net position - end of year	\$ 148,895

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Sanitation Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 785,113
Payments to suppliers	(740,998)
Payments to employees	(13,358)
TOTAL OPERATING ACTIVITIES	30,757
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
None	-
TOTAL CAPITAL AND RELATED FINANCING ACTIVITIES	-
CASH FLOWS FROM INVESTING ACTIVITIES	
None	-
TOTAL INVESTING ACTIVITIES	-
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
None	-
TOTAL NON-CAPITAL FINANCING ACTIVITIES	-
Net increase (decrease) in cash and cash equivalents	30,757
Cash and cash equivalents - beginning	183,487
Cash and cash equivalents - ending	\$ 214,244
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 13,113
Adjustments to reconcile net income to net cash provided by operating activities:	
(Increase) decrease in receivables	(3,159)
Increase (decrease) in accounts payable	19,396
Increase (decrease) in accrued wages	139
Increase (decrease) in unavailable revenues	1,268
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 30,757

The notes to the financial statements are an integral part of this statement

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and financial reporting policies of the City of Glendale, Missouri (the City) conform to U.S. generally accepted accounting principles (GAAP) as applied to government entities. The following is a summary of the more significant policies.

Reporting Entity

The City defines its reporting entity in accordance with GASB Statement No. 14, The Financial Reporting Entity. Under GASB 14, inclusion of component units depends on whether the City is financially accountable. Financial accountability exists if the City appoints a voting majority of a potential component unit's governing body and can impose its will on that unit, or if the unit may provide specific financial benefits to, or impose financial burdens on, the City. The City has determined it has no component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report all nonfiduciary activities of the City. Interfund activity has been eliminated in these statements. Governmental activities, supported primarily by taxes and intergovernmental revenues, are reported separately from business-type activities, which are financed mainly through user charges.

The statement of activities shows the extent to which direct expenses of each function are offset by program revenues. Direct expenses are those clearly associated with a function. Program revenues include (1) charges for services to customers or applicants and (2) grants and contributions restricted to specific operations or capital projects. All other revenues, including taxes and unrestricted investment earnings, are reported as general revenues. Separate fund financial statements are presented for governmental, proprietary, and fiduciary funds, although fiduciary funds are excluded from the government-wide statements. Major funds are reported in separate columns.

Measurement Focus and Basis of Accounting

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

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

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

The government reports the following major governmental funds:

General Fund

This fund is the general operating fund of the City. It is used to account for all financial resources not required to be accounted for in another fund.

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sewer Lateral Fund

This fund is a Special Revenue Fund used to account for special revenues received that are specifically earmarked for expenditures for repairs to residential sanitary sewer laterals.

Pension Tax Fund

This fund is a Special Revenue Fund used to accumulate taxes for the City's pension obligations.

Public Safety Fund

This fund is a Special Revenue Fund used to account for the public safety sales tax revenues received that are specifically earmarked for expenditures for public safety.

ARPA Fund

This fund is a Special Revenue Fund used to account for the proceeds from the American Rescue Plan Act grant proceeds.

Parks and Stormwater Improvements Fund

This fund is a Capital Projects Fund used primarily to cover the share of the expenses for constructing and maintaining a jointly operated Aquatic Center with the Cities of Kirkwood and Oakland. The fund can also be used for other parks and stormwater projects on an as-needed basis.

Debt Service Fund

This fund is a Debt Service Fund used to accumulate taxes to service bonded debt.

Capital Improvements Fund

This fund is a Capital Projects Fund, which records activity related to the ½ cent capital improvement sales tax.

The government reports the following major proprietary fund:

Sanitation Fund - This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Proprietary Fund are charges for sanitation services. Operating expenses for the Proprietary Fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Allowance for Doubtful Accounts

Management believes there are no significant uncollectible receivables, therefore, and no allowance for doubtful accounts has been recorded.

Inventory

Inventory is valued at cost using the first-in, first-out (FIFO) method.

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

The City considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. For purposes of the Statement of Cash Flows, the City considered all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Missouri State Statute requires that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. Certificates of deposits held at banks with an original maturity in excess of three months are reported at cost.

The City maintains a cash pool that is available for use by all the funds. Each fund type's portion of this pool is displayed on the balance sheet as "Cash and cash equivalents" under each fund's caption. Occasionally, certain funds participating in the common bank account will incur overdrafts (deficits) in the account. As of June 30, 2025, the General Fund portion of the pooled account had an overdraft of \$2,334,899.

Investments

The City may purchase any investments allowed by the Missouri State Treasurer and Repurchase Agreements. These include (1) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (2) repurchase agreements maturing and becoming payable within ninety days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law. As of June 30, 2025 the City had no investments.

Compensated Absences

Vacations accrue to employees based on years of service on January 1 of each year and may not be carried over into the next year, except as authorized by the City. Sick leave accumulates at a rate of one day per month, except that employees with 20 or more years of continued service will accumulate sick leave at a rate of 1 ½ days per month. A maximum of 60 days may be accumulated. Sick leave is only available to provide compensation during periods of illness. At June 30, 2025, the City's liability for compensated absences totaled \$179,425, which is reported in the government-wide financial statements.

Post Employment Benefits

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the Federal government for this coverage. The premium is paid by the insured either monthly or quarterly at the insured's discretion for the next period's coverage. This program is offered for a duration of 18 months after the termination date. There are currently no former employees on the plan, so there are no associated costs to the City as of year-end.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters, and workers' compensation. The City purchases commercial insurance coverage for such risks. There has been no significant reduction in insurance coverage from the previous year in any program. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Capital Assets

Capital assets, which include land, buildings, improvements, infrastructure, vehicles, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500 and estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date of donation. The City has elected not to retroactively report infrastructure constructed prior to July 1, 2006. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

CITY OF GLENDALE, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Assets	Years
Building and other improvements	10-40
Infrastructure	30
Office furniture, and equipment	10-25
Machinery, equipment, and vehicles	5-25

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources until then. The City has one item that qualifies for reporting in this category: deferred amounts related to pensions, including differences between expected and actual experience, changes in assumptions, and the net difference between projected and actual earnings on pension plan investments.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time. The City has two types of deferred inflows that qualify for reporting in this category: unavailable revenues, which arise under the modified accrual basis of accounting and are reported in the governmental funds, and pension-related amounts such as the net difference between projected and actual earnings on pension plan investments. These amounts are deferred and recognized as inflows in the period they become available or are amortized over their remaining lives, respectively.

Use of Estimates

The preparation of basic financial statements in conformity with GAAP requires the City to make estimates and assumptions that affect the reported amounts in the basic financial statements and the accompanying notes. Actual results may differ from those estimates.

Governmental Fund Balances

Fund balance is the difference between assets and liabilities in a governmental fund. In accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the following types of fund balances are presented in the governmental funds balance sheet:

Nonspendable - the portion of a Governmental Fund's balance that is not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balance reported in the General Fund is for inventory.

Restricted - the portion of a Governmental Fund's balance that is subject to external enforceable legal restrictions. The following account's fund balances are restricted by City ordinance or grant agreements: Sewer Lateral, Debt Service, Public Safety, Parks and Stormwater Improvement, Pension Tax, and Capital Improvements.

Committed - the portion of a Governmental Fund's balance with self-imposed constraints or limitations that have been placed by the Board of Alderman. There are no committed fund balances.

Assigned - the portion of fund balance that the City intends to use for a specific purpose as determined by the applicable City officials to which the Board of Alderman has designated authority. There are no assigned fund balances.

Unassigned - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following account comprises the unassigned fund balance: General.

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City uses restricted amounts to be spent first when both restricted and unassigned fund balances are available unless there are legal contracts that prohibit doing this.

Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets represents the cost of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted.

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

Note 2 - PROPERTY 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 county collects the property tax and remits it to the City.

The assessed valuation of the tangible real, personal taxable and state assessed railroad and utilities property for the calendar year 2024 for purposes of local taxation was \$254,084,037. The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2024 for purposes of local taxation was:

	General Adjusted	Debt Adjusted	Pension Adjusted
Residential Rate	\$ 0.3070	\$ 0.2460	\$ 0.2180
Commercial Rate	0.2980	0.2460	0.1810
Personal Property Rate	0.5190	0.2460	0.2400

Note 3 - MUNICIPAL COURT TRAFFIC VIOLATIONS FINES AND COSTS

Missouri State statutes require municipalities to report an accounting of the percent of “annual general operating revenue” from fines and costs for traffic violations. All fines and costs from traffic violations in excess of 20% of the City’s “annual general operating revenue” are required to be remitted to the director of the department of revenue for annual distribution to the schools of the county. “Annual general operating revenue of the City” is defined by the Missouri State Auditor as revenue that is not required by the enacting ordinance law or Constitution to be used only for a designated purpose and can be used to pay any bill or obligation of the City. This includes, but is not limited to, general sales tax, general property tax, and fees from certain licenses and permits, interest, fines, and penalties. “General Operation Revenues” does not include, among other items, designated sales or use taxes, user fees, grant funds, or other revenue designated by law, ordinance, or Constitution, for a specific purpose.

Total court fines and costs	\$ 50,424
Total general operating revenue of the City	\$ 4,331,068
Court fines and costs as a percentage of total general operating revenues	1.16%

CITY OF GLENDALE, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

Note 4 - DEPOSITS & INVESTMENTS

Custodial Credit Risk - 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 follows Missouri Statutes for deposits. The City maintains a cash and investment pool that is available for use by all funds. Each fund type’s portion of this pool is displayed on the statement of net position or balance sheet under each fund’s caption. In accordance with the applicable Missouri Statute, the City maintains deposits at depository banks authorized by the City’s elected officials. Missouri Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of the collateral pledged must equal at least 100% of the deposits not covered by insurance or corporate surety bonds.

At year-end, the carrying amount of the City’s deposits totaled \$5,510,238 (including certificates of deposit) and bank balances totaled \$5,605,991. At year-end, the City had certificates of deposit with a total carrying amount, which approximates fair value, of \$2,800,555. These are shown as certificates of deposit due to their original maturity dates.

At June 30, 2025, all bank balances were fully covered by Federal Deposit Insurance Corporation (FDIC) insurance or by collateral held in the City’s name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Note 5 - INTERFUND TRANSFERS

Transfer From	Transfer To	Amount
Parks and Stormwater Improvements Fund	Capital Improvements Fund	\$ 60,000
ARPA Fund	Capital Improvements Fund	275,788
General Fund	Capital Improvements Fund	250,000
Sewer Lateral Fund	General Fund	25,000
Public Safety Fund	General Fund	410,000
Pension Tax Fund	General Fund	274,317

During the fiscal year, the City made six interfund transfers. Transfers were made primarily to provide resources for capital improvements, to support general operations, and to fund public safety and pension-related expenditures. None of these transfers are expected to be repaid.

Note 6 - COMMITMENTS AND CONTINGENCIES

Legal Matters

The City is subject to various claims and potential litigation arising in the ordinary course of operations. While the outcome of such matters cannot be predicted with certainty, City management and legal counsel are not aware of any pending litigation that would have a material effect on the City’s financial statements as of June 30, 2025.

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 6 - COMMITMENTS AND CONTINGENCIES (continued)

Contractual Commitments

The City has entered into the following agreements that require future commitments of resources:

City of Kirkwood Fire Administration Agreement

On January 1, 2021, the City entered into an Agreement with the City of Kirkwood, Missouri, for fire administration services. Under the agreement, Kirkwood provides the positions of Fire Chief, Assistant Fire Chief, and one-half of an Administrative Associate for the shared administration of the Glendale Fire Department. The initial annual cost was \$67,187, adjusted annually for wage increases. The five-year agreement ends December 31, 2025, with an option to renew unless terminated by either city with 90 days' notice.

For the fiscal year ended June 30, 2025, the City incurred expenditures of \$77,778. The projected cost for the fiscal year ending June 30, 2026 is \$81,381.

City of Kirkwood Dispatching and Ambulance Agreement

The City participates in an intergovernmental agreement with the City of Kirkwood, Missouri, for police, emergency medical service (EMS), fire dispatching services, and ambulance service. The agreement terms run from January 1, 2021 to December 31, 2025 and call for annual payments ranging from \$138,897 to \$159,490.

For the fiscal year ended June 30, 2025, the City incurred expenditures of \$154,097. The projected cost for the fiscal year ending June 30, 2026 is \$159,490.

Sanitation Services Agreement

In August 2024, the City entered into a five-year contract with Republic Services for residential trash collection. Under the agreement, services are provided at a rate of \$32.11 per subscriber per month beginning January 1, 2025, with annual rate increases of 5.5% through the end of the contract term on December 31, 2029.

For the fiscal year ended June 30, 2025, the City incurred expenditures of \$753,370 under this contract. Based on current rates and subscribers, the estimated cost for the fiscal year ending June 30, 2026 is \$895,200.

City of Kirkwood Facility Usage Agreement

On April 1, 2024, the City entered into a three-year Cooperation Agreement with the City of Kirkwood, Missouri, for access to Kirkwood's parks and recreational facilities and programs. Under the agreement, City residents may use Kirkwood facilities and programs at Kirkwood resident rates. The City is required to make an annual base payment of \$45,000 for use of the aquatic center, subject to a 3.5% annual increase, and to pay 30% of the collective cost of City residents' participation in all non-aquatic center programs and facilities. The agreement is effective through March 31, 2027, and automatically renews for successive one-year terms unless terminated by either party with 60 days' written notice.

For the fiscal year ended June 30, 2025, the City incurred expenditures of \$45,000. For the fiscal 2026, the minimum base payment will be \$46,575, in addition to any amounts due for non-aquatic center usage.

City of Webster Groves Facility Usage Agreement

On May 8, 2024, the City entered into a Facilities Usage Agreement with the City of Webster Groves, Missouri. Under the agreement, residents of the City may use Webster Groves' recreational facilities (including the recreation center, aquatic center, tennis center, and ice arena) at the same rates as Webster Groves residents. The City is required to reimburse Webster Groves for the difference between resident and non-resident rates, subject to a cap of \$15,000 per the City fiscal year (July 1–June 30).

For the fiscal year ended June 30, 2025, the City incurred expenditures of \$4,741. The agreement automatically renews for successive one-year terms unless terminated by either party with 60 days' advance written notice and is in effective for the fiscal year ended June 30, 2026.

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 7 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 24, 2025, the date the financial statements were available to be issued. On July 1, 2025, the City issued \$9,700,000 of General Obligation Bonds.

Note 8 - LONG-TERM LIABILITIES AND DEBT

The following is a summary of changes in long-term obligations:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amount Due Within One Year
Governmental activities:					
Bond premium	\$ 244,712	\$ -	\$ (20,392)	\$ 224,320	\$ -
Bonds payable	5,290,000	-	(370,000)	4,920,000	385,000
Net pension liability *	4,927,282	-	(326,360)	4,600,922	-
Accrued compensated absences*	164,919	14,506	-	179,425	-
Total	<u>\$ 10,626,913</u>	<u>\$ 14,506</u>	<u>\$ (716,752)</u>	<u>\$ 9,924,667</u>	<u>\$ 385,000</u>

* Due to limitations, gross amounts for additions and reductions are not readily available. Net changes are shown above.

General Obligation Bonds Series 2016

The City issued general bonds of \$8,000,000 to pay the costs of constructing, furnishing, and equipping a new fire station and the acquisition of land necessary therefore, and renovating, improving, furnishing, and equipping the existing city hall complex. Interest rates range from 2.00% to 3.00% and interest is paid semi-annually.

Payments due on the general obligation bonds are as follows:

<u>For the Years Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 385,000	\$ 147,600	\$ 532,600
2027	395,000	136,050	531,050
2028	405,000	124,200	529,200
2029	420,000	112,050	532,050
2030	430,000	99,450	529,450
2031-2035	2,365,000	294,900	2,659,900
2036	520,000	15,600	535,600
Total	<u>\$ 4,920,000</u>	<u>\$ 929,850</u>	<u>\$ 5,849,850</u>

Legal Debt Margin

Missouri statutes limit the outstanding amount of general obligation debt to 10% of the City's assessed valuation.

ASSESSED VALUATION - 2024 LEVY	<u>\$ 254,084,037</u>
Statutory debt limitation	\$ 25,408,404
10% of assessed valuation	
Less: Bonded debt	4,920,000
LEGAL DEBT MARGIN	<u>\$ 20,488,404</u>

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 9 - CAPITAL ASSETS

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Land	\$ 1,220,480	\$ -	\$ -	\$ 1,220,480
Construction in progress	588,257	1,017,760	102,959	1,503,058
Total capital assets not being depreciated	<u>1,808,737</u>	<u>1,017,760</u>	<u>102,959</u>	<u>2,723,538</u>
<i>Capital assets being depreciated:</i>				
Buildings and other improvements	9,085,109	51,223	-	9,136,332
Office furniture, and equipment	201,690	-	-	201,690
Machinery, equipment, and vehicles	3,362,413	189,732	16,326	3,535,819
Infrastructure	7,101,736	676,552	-	7,778,288
Total capital assets being depreciated	<u>19,750,948</u>	<u>917,507</u>	<u>16,326</u>	<u>20,652,129</u>
<i>Less accumulated depreciation for:</i>				
Buildings, and other improvements	2,025,076	298,054	-	2,323,130
Office furniture, and equipment	154,895	15,453	-	170,348
Machinery, equipment and vehicles	2,293,672	262,460	16,326	2,539,806
Infrastructure	2,282,529	284,348	-	2,566,877
Total accumulated depreciation	<u>6,756,172</u>	<u>860,315</u>	<u>16,326</u>	<u>7,600,161</u>
Total net capital assets being depreciated	<u>12,994,776</u>	<u>57,192</u>	<u>-</u>	<u>13,051,968</u>
Governmental activity capital assets, net	<u>\$14,803,513</u>	<u>\$1,074,952</u>	<u>\$ 102,959</u>	<u>\$ 15,775,506</u>

Depreciation Expense

Depreciation expense was charged to functions/programs of the primary government as follows for the year ended June 30, 2025:

Governmental activities:	<u>Amount</u>
General government	\$ 370,801
Police department	163,274
Fire department	261,902
Public works	64,338
Total	<u>\$ 860,315</u>

CITY OF GLENDALE, MISSOURI
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

Note 10 - EMPLOYEE RETIREMENT SYSTEMS

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

Benefits provided: LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police 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.

	June 30, 2025 Valuation
Benefit multiplier:	2.00%
Final average salary:	5 years
Member contributions:	4%

Employees covered by benefit terms. At June 30, 2025, the following employees were covered by the benefit terms:

Retirees and beneficiaries	36
Inactive, nonretired members	30
Active members	30
Total	96

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 contribute to the pension plan. Employer contribution rates are 6.1% (General), 14.3% (Police), and 14.5% (Fire) of annual covered payroll.

Net Pension Liability. The employer’s net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2025.

Actuarial assumptions. The total pension liability in the February 28, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increase	2.75% to 7.15% including inflation
Investment rate of return	7.00%

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 10 - EMPLOYEE RETIREMENT SYSTEMS (continued)

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

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

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>LT Expected RoR</u>
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed income	31.00%	1.41%
Real assets	36.00%	3.29%
Strategic assets	8.00%	5.25%
Cash/leverage	-25.00%	-0.29%

Discount rate. The discount rate used to measure the total pension liability is 7.00% for General, 5.83% for Police and 7.00% for Fire. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balances at 6/30/2024	\$ 14,570,566	\$ 9,903,790	\$ 4,666,776
Changes for the year:			
Service Cost	350,753	-	350,753
Interest	937,498	-	937,498
Difference between expected and actual	90,345	-	90,345
Change of assumption	(516,441)	-	(516,441)
Contributions - employer	-	537,492	(537,492)
Contributions - employee	-	98,140	(98,140)
Net investment income	-	1,705,225	(1,705,225)
Benefit payments, including refunds	(701,423)	(701,423)	-
Other changes	-	(1,239,185)	1,239,185
Net changes	<u>160,732</u>	<u>400,249</u>	<u>(239,517)</u>
Balances at 6/30/2025	<u>\$ 14,731,298</u>	<u>\$ 10,304,039</u>	<u>\$ 4,427,259</u>

CITY OF GLENDALE, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 10 - EMPLOYEE RETIREMENT SYSTEMS (continued)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the Net Pension Liability of the employer, calculated using the discount rates described previously; as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower or one percentage point higher than the current rate.

	Discount Rate		
	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
General	\$ 264,181	\$ (173,663)	\$ (535,970)
Police	\$ 3,053,093	\$ 2,428,258	\$ 1,885,397
Fire	\$ 2,847,301	\$ 2,172,664	\$ 1,597,047

For the year ended June 30, 2025, the employer recognized pension expense of \$1,477,697. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Resources
Differences in experience	\$ 235,135	\$ (123,113)	\$ 112,022
Differences in assumptions	130,031	(314,516)	(184,485)
Excess (deficit) investment returns	331,292	(1,482,142)	(1,150,850)
Total	\$ 696,458	\$ (1,919,771)	\$ (1,223,313)

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

Year Ending June 30,	Net Deferred Resources
2026	\$ (274,477)
2027	(363,926)
2028	(422,758)
2029	(199,367)
2030	14,500
Thereafter	22,715
Total	\$ (1,223,313)

Note 11 - DEFICIT BALANCE

The government-wide statement of net position reflects an unrestricted net position deficit of (\$2,657,724). This total is comprised of \$2,992,848 in unrestricted net position from operations, accrued compensation liability of (\$179,425), interest payable of (\$48,532), and net pension liability (asset) net of deferred outflows and inflows related to pension of (\$5,650,572). This deficit will be offset by future revenues.

Required Supplementary Information
(Other than Management's Discussion and Analysis)

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
General taxes				
Real estate taxes	\$ 690,000	\$ 720,000	\$ 708,684	\$ (11,316)
Personal property taxes	115,000	115,000	104,119	(10,881)
Delinquent taxes	4,000	4,000	5,037	1,037
Utility property taxes	5,200	5,200	4,914	(286)
Sales tax	1,189,000	1,189,000	1,216,961	27,961
Gross receipts tax				
Water	192,000	192,000	202,707	10,707
Telephone	85,000	85,000	81,981	(3,019)
Gas	300,000	300,000	305,643	5,643
Electric	410,000	410,000	412,329	2,329
Local option use tax	340,000	295,000	330,202	35,202
Total general taxes	<u>3,330,200</u>	<u>3,315,200</u>	<u>3,372,577</u>	<u>57,377</u>
Intergovernmental				
Fire contract	301,000	301,000	301,016	16
Court clerk revenue	56,100	56,100	56,100	-
Road and bridge refund	197,000	197,000	197,205	205
Cigarette tax	9,500	9,500	8,058	(1,442)
Gasoline tax motor fuels	340,000	340,000	349,788	9,788
Grants	7,000	7,000	10,123	3,123
Total intergovernmental	<u>910,600</u>	<u>910,600</u>	<u>922,290</u>	<u>11,690</u>
Licenses and permits				
Merchants licenses	164,000	145,000	131,719	(13,281)
Auto licenses	31,000	31,000	30,856	(144)
Animal licenses	200	200	93	(107)
Construction permits	16,500	16,500	17,587	1,087
Housing inspections	13,000	13,000	11,320	(1,680)
Cable television	60,000	46,000	41,813	(4,187)
Total licenses and permits	<u>284,700</u>	<u>251,700</u>	<u>233,388</u>	<u>(18,312)</u>
Municipal court				
Court costs	100	100	-	(100)
Court fines	55,000	55,000	58,091	3,091
Miscellaneous court revenues	1,500	1,500	1,605	105
Total municipal court	<u>56,600</u>	<u>56,600</u>	<u>59,696</u>	<u>3,096</u>
Miscellaneous				
Investment	175,000	238,000	248,268	10,268
Miscellaneous	40,000	40,000	51,967	11,967
Total miscellaneous	<u>215,000</u>	<u>278,000</u>	<u>300,235</u>	<u>22,235</u>
Total revenues	<u>4,797,100</u>	<u>4,812,100</u>	<u>4,888,186</u>	<u>76,086</u>

(continued on next page)

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative)
Expenditures				
General government				
Personnel services				
Salaries	267,400	265,700	268,558	(2,858)
Employee insurance	36,800	36,800	44,676	(7,876)
Workers' compensation	600	600	606	(6)
Taxes	20,300	20,300	20,009	291
Retirement	9,500	9,500	11,861	(2,361)
Unscheduled overtime	1,700	1,700	314	1,386
Total personnel services	<u>336,300</u>	<u>334,600</u>	<u>346,024</u>	<u>(11,424)</u>
Contractual and commodities				
Maintenance - buildings and grounds	20,000	20,000	12,921	7,079
Utilities				
Electric	8,400	8,400	9,698	(1,298)
Gas	2,300	2,300	2,177	123
Telephone	4,500	4,500	4,986	(486)
Water and sewer	1,100	1,100	1,167	(67)
Maintenance - equipment	2,000	2,000	167	1,833
Equipment rental	300	300	259	41
Legal publications	2,600	2,600	1,886	714
Professional fees	7,600	7,600	7,600	-
Elections	4,000	4,000	2,964	1,036
Inspection contracts	11,000	11,000	10,923	77
Other contractual services	24,000	24,000	22,997	1,003
Postage	1,000	1,000	1,800	(800)
Printing	3,000	3,000	2,262	738
Office supplies	2,800	2,800	4,517	(1,717)
Computer supplies	400	400	1,524	(1,124)
Janitorial supplies	5,700	5,700	5,700	-
Other commodities	200	200	143	57
Total contractual and commodities	<u>100,900</u>	<u>100,900</u>	<u>93,691</u>	<u>7,209</u>
Other				
Employee relations	12,000	12,000	11,239	761
Community relations	35,000	35,000	46,497	(11,497)
Professional services	45,000	73,300	89,634	(16,334)
Professional development	3,000	3,000	1,354	1,646
Dues and subscriptions	8,200	8,200	7,697	503
General insurance	35,800	35,800	32,179	3,621
Miscellaneous	5,000	5,000	4,543	457
Total other	<u>144,000</u>	<u>172,300</u>	<u>193,143</u>	<u>(20,843)</u>
Total general governmental	<u>581,200</u>	<u>607,800</u>	<u>632,858</u>	<u>(25,058)</u>

(continued on next page)

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Expenditures (continued)				
Municipal court				
Personnel services				
Salaries	52,800	52,800	53,365	(565)
Employee insurance	26,100	26,100	28,009	(1,909)
Taxes	3,700	3,700	3,680	20
Retirement	2,800	2,800	2,812	(12)
Unscheduled overtime	200	200	-	200
Total personnel services	<u>85,600</u>	<u>85,600</u>	<u>87,866</u>	<u>(2,266)</u>
Contractual and commodities				
Equipment rental	300	300	259	41
Rejis contract	6,500	6,500	4,713	1,787
Postage	1,500	1,500	1,500	-
Printing	500	500	463	37
Office supplies	800	800	1,149	(349)
Total contractual and commodities	<u>9,600</u>	<u>9,600</u>	<u>8,084</u>	<u>1,516</u>
Other				
Professional services	15,600	15,600	13,905	1,695
Professional development	1,000	1,000	1,329	(329)
Total other	<u>16,600</u>	<u>16,600</u>	<u>15,234</u>	<u>1,366</u>
Total municipal court	<u>111,800</u>	<u>111,800</u>	<u>111,184</u>	<u>616</u>
Police department				
Personnel services				
Salaries	959,300	934,900	945,250	(10,350)
Employee insurance	235,000	235,000	241,318	(6,318)
Workers' compensation	51,300	51,300	49,983	1,317
Taxes	74,000	74,000	73,256	744
Retirement	124,600	124,600	122,803	1,797
Clothing allowance	8,000	8,000	8,215	(215)
Unscheduled overtime	50,000	50,000	46,550	3,450
Total personnel services	<u>1,502,200</u>	<u>1,477,800</u>	<u>1,487,375</u>	<u>(9,575)</u>
Contractual and commodities				
Maintenance - buildings and grounds	14,500	14,500	14,219	281
Utilities				
Electric	8,600	8,600	9,698	(1,098)
Gas	2,500	2,500	2,231	269
Telephone	6,400	6,400	6,682	(282)
Water and sewer	1,100	1,100	943	157
Motor fuels	24,000	24,000	23,543	457
Maintenance - motor equipment	12,000	12,000	12,896	(896)
Maintenance - equipment	4,500	4,500	1,954	2,546
Contractual services	196,800	196,800	190,468	6,332
Postage	800	800	800	-
Printing	1,000	1,000	394	606
Office supplies	3,000	3,000	2,113	887
Janitorial supplies and services	5,700	5,700	5,700	-
Other commodities	12,000	12,000	9,479	2,521
Total contractual and commodities	<u>292,900</u>	<u>292,900</u>	<u>281,120</u>	<u>11,780</u>

(continued on next page)

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Expenditures (continued)				
Police department (continued)				
Other				
Community relations	400	400	387	13
Professional development	12,700	12,700	12,774	(74)
Dues and subscriptions	3,500	3,500	5,254	(1,754)
General insurance	24,400	24,400	23,619	781
Miscellaneous	3,000	3,000	2,754	246
Total other	44,000	44,000	44,788	(788)
Total police department	1,839,100	1,814,700	1,813,283	1,417
Fire department				
Personnel services				
Salaries	1,015,500	1,004,000	1,019,271	(15,271)
Employee insurance	222,300	222,300	226,008	(3,708)
Workers' compensation	85,900	85,900	83,928	1,972
Taxes	78,300	78,300	77,838	462
Retirement	154,800	154,800	151,184	3,616
Unscheduled overtime	45,000	45,000	35,465	9,535
Total personnel services	1,601,800	1,590,300	1,593,694	(3,394)
Contractual and commodities				
Maintenance - buildings and grounds	13,000	13,000	13,824	(824)
Utilities				
Electric	12,500	12,500	14,361	(1,861)
Gas	5,500	5,500	2,852	2,648
Telephone	7,600	7,600	7,809	(209)
Water and sewer	6,000	6,000	7,019	(1,019)
Motor fuels	7,500	7,500	5,906	1,594
Maintenance - motor equipment	13,500	13,500	14,669	(1,169)
Maintenance - equipment	6,000	6,000	6,020	(20)
Medical supplies	5,500	5,500	5,173	327
Contractual services	172,700	172,700	164,469	8,231
Janitorial supplies and services	4,000	4,000	4,246	(246)
Small tools and hardware	1,200	1,200	3,010	(1,810)
Uniforms and clothing	10,000	10,000	8,049	1,951
Total contractual and commodities	265,000	265,000	257,407	7,593
Other				
Community relations	2,300	2,300	2,266	34
Professional development	17,500	17,500	13,467	4,033
Dues and subscriptions	5,500	5,500	5,521	(21)
General insurance	36,300	36,300	35,456	844
Miscellaneous expense	300	300	25	275
Total other	61,900	61,900	56,735	5,165
Total fire department	1,928,700	1,917,200	1,907,836	9,364

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CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Expenditures (continued)				
Public works				
Personnel services				
Salaries	316,700	242,500	237,628	4,872
Employee insurance	90,000	63,500	60,108	3,392
Workers' compensation	24,200	24,200	23,910	290
Taxes	23,700	23,700	18,341	5,359
Retirement	16,100	16,100	11,377	4,723
Unscheduled overtime	4,000	4,000	11,538	(7,538)
Total personnel services	474,700	374,000	362,902	11,098
Contractual and commodities				
Maintenance - buildings and grounds	12,000	12,000	18,678	(6,678)
Utilities				
Electric	2,000	2,000	1,796	204
Gas	3,500	3,500	3,150	350
Telephone	4,400	4,400	3,554	846
Water and sewer	1,700	1,700	2,662	(962)
Street lights	30,000	30,000	28,465	1,535
Motor fuels	16,000	16,000	10,466	5,534
Maintenance - motor equipment	13,000	13,000	13,999	(999)
Maintenance - equipment	15,000	15,000	16,199	(1,199)
Equipment rental	1,000	1,000	100	900
Welding	300	300	-	300
Forestry	17,000	32,400	28,755	3,645
Snow removal	26,000	26,000	41,449	(15,449)
Signs and pavement marking	8,000	8,000	8,498	(498)
Mosquito fogging	300	300	378	(78)
Janitorial supplies and services	3,500	3,500	2,985	515
Small tools and hardware	2,500	2,500	2,383	117
Other commodities	7,000	20,700	20,310	390
Uniforms and clothing	4,500	4,500	3,337	1,163
Street maintenance	44,000	25,200	26,079	(879)
Total contractual and commodities	211,700	222,000	233,243	(11,243)
Other				
Professional services	4,000	4,000	5,721	(1,721)
Professional development	2,000	2,000	1,780	220
General insurance	12,100	12,100	12,792	(692)
Miscellaneous expense	2,000	2,000	1,864	136
Total other	20,100	20,100	22,157	(2,057)
Total public works	706,500	616,100	618,302	(2,202)

(continued on next page)

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures (continued)				
Total expenditures	<u>5,167,300</u>	<u>5,067,600</u>	<u>5,083,463</u>	<u>(15,863)</u>
Excess (deficiency) of revenues over expenditures	<u>(370,200)</u>	<u>(255,500)</u>	<u>(195,277)</u>	<u>60,223</u>
Other financing sources (uses)				
Transfers to (from)	<u>714,400</u>	<u>464,400</u>	<u>459,317</u>	<u>(5,083)</u>
Total other financing sources (uses)	<u>714,400</u>	<u>464,400</u>	<u>459,317</u>	<u>(5,083)</u>
Net change in fund balance	<u>\$ 344,200</u>	<u>\$ 208,900</u>	<u>264,040</u>	<u>\$ 55,140</u>
Fund balance - beginning of year			<u>2,956,765</u>	
Fund balance - end of year			<u>\$ 3,220,805</u>	

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 SEWER LATERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Revenues				
Operating				
General taxes	\$ 114,800	\$ 114,800	\$ 114,491	\$ (309)
Total revenues	<u>114,800</u>	<u>114,800</u>	<u>114,491</u>	<u>(309)</u>
Expenditures				
Capital outlay	85,000	85,000	65,307	19,693
Total expenditures	<u>85,000</u>	<u>85,000</u>	<u>65,307</u>	<u>19,693</u>
Excess (deficiency) of revenues over expenditures	<u>29,800</u>	<u>29,800</u>	<u>49,184</u>	<u>19,384</u>
Other financing sources (uses)				
Transfers to (from)	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ 4,800</u>	<u>\$ 4,800</u>	24,184	<u>\$ 19,384</u>
Fund balance - beginning of year			<u>103,247</u>	
Fund balance - end of year			<u>\$ 127,431</u>	

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 PENSION TAX FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Operating				
General taxes	\$ 539,900	\$ 559,900	\$ 549,535	\$ (10,365)
Total revenues	<u>539,900</u>	<u>559,900</u>	<u>549,535</u>	<u>(10,365)</u>
Expenditures				
General government	237,454	237,454	237,454	-
Total general government	<u>237,454</u>	<u>237,454</u>	<u>237,454</u>	<u>-</u>
Total expenditures	<u>237,454</u>	<u>237,454</u>	<u>237,454</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>302,446</u>	<u>322,446</u>	<u>312,081</u>	<u>(10,365)</u>
Other financing sources (uses)				
Transfers to (from)	<u>(279,400)</u>	<u>(279,400)</u>	<u>(274,317)</u>	<u>5,083</u>
Total other financing sources (uses)	<u>(279,400)</u>	<u>(279,400)</u>	<u>(274,317)</u>	<u>5,083</u>
Net change in fund balance	<u>\$ 23,046</u>	<u>\$ 43,046</u>	37,764	<u>\$ (5,282)</u>
Fund balance - beginning of year			<u>473,195</u>	
Fund balance - end of year			<u>\$ 510,959</u>	

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 PUBLIC SAFETY FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Revenues				
Operating				
General taxes	\$ 410,000	\$ 410,000	\$ 404,578	\$ (5,422)
Total revenues	<u>410,000</u>	<u>410,000</u>	<u>404,578</u>	<u>(5,422)</u>
Expenditures				
None	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>410,000</u>	<u>410,000</u>	<u>404,578</u>	<u>(5,422)</u>
Other financing sources (uses)				
Transfers to (from)	<u>(410,000)</u>	<u>(410,000)</u>	<u>(410,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(410,000)</u>	<u>(410,000)</u>	<u>(410,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(5,422)	<u>\$ (5,422)</u>
Fund balance - beginning of year			<u>348,856</u>	
Fund balance - end of year			<u>\$ 343,434</u>	

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 ARPA FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental				
Grants	\$ 193,000	\$ 235,217	\$ 235,217	\$ -
Total intergovernmental	193,000	235,217	235,217	-
Miscellaneous				
Investment	5,000	5,000	3,862	(1,138)
Total miscellaneous	5,000	5,000	3,862	(1,138)
Total revenues	198,000	240,217	239,079	(1,138)
Expenditures				
None	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	198,000	240,217	239,079	(1,138)
Other financing sources (uses)				
Transfers to (from)	(215,495)	(275,788)	(275,788)	-
Total other financing sources (uses)	(215,495)	(275,788)	(275,788)	-
Net change in fund balance	<u>\$ (17,495)</u>	<u>\$ (35,571)</u>	(36,709)	<u>\$ (1,138)</u>
Fund balance - beginning of year			36,709	
Fund balance - end of year			<u>\$ -</u>	

CITY OF GLENDALE, MISSOURI
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2025

Note 1 - BUDGETS AND BUDGETARY ACCOUNTING

The City prepares and legally adopts an annual budget for the General Fund, Sewer Lateral Fund, Pension Tax Fund, ARPA Fund, Capital Improvements Capital Fund - General, Parks and Stormwater Improvements, and Sanitation Enterprise Fund.

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles.

The Board follows the procedures outlined below in establishing the budgetary data:

1. The City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following by July 1. The operating budget includes proposed operating expenditures, capital expenditures, and the means for financing them. □
2. Public hearings are conducted to obtain comments from all interested parties.
3. The budget for the coming year is formally adopted on or before the last day of the fiscal year.
4. Transfers of budgeted amounts must be approved by the Board of Aldermen.
5. There were budget amendments during the year.

Note 2 - EXPENDITURES IN EXCESS OF BUDGET

	Budget	Actual
General Fund	\$ 5,067,600	\$ 5,083,463
Parks and Stormwater Improvements Fund	\$ 151,200	\$ 155,223

CITY OF GLENDALE, MISSOURI
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Calendar Years

Fiscal year ending June 30,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 350,753	\$ 351,111	\$ 304,481	\$ 256,724	\$ 103,829	\$ 35,972	\$ 37,235	\$ 37,460	\$ 40,308	\$ 39,888
Interest on the total pension liability	937,498	874,341	863,040	200,374	148,152	138,029	130,360	125,707	122,475	114,411
Benefit changes	-	-	-	10,037,840	997,973	-	-	-	-	-
Difference between expected and actual results	90,345	(72,494)	(133,422)	241,331	(120,691)	21,826	64,246	11,790	(57,858)	(57,616)
Assumption changes	(516,441)	224,723	405,741	51,981	(37,524)	-	-	-	(14,200)	89,494
Benefit payments and refunds	(701,423)	(843,600)	(579,943)	(651,583)	(89,271)	(87,570)	(162,008)	(61,094)	(56,683)	(65,267)
Net change in total pension liability	160,732	534,081	859,897	10,136,667	1,002,468	108,257	69,833	113,863	34,042	120,910
Total pension liability - beginning	14,570,566	14,036,485	13,176,588	3,039,921	2,037,453	1,929,196	1,859,363	1,745,500	1,711,458	1,590,548
Total pension liability - ending (a)	\$ 14,731,298	\$ 14,570,566	\$ 14,036,485	\$ 13,176,588	\$ 3,039,921	\$ 2,037,453	\$ 1,929,196	\$ 1,859,363	\$ 1,745,500	\$ 1,711,458
Plan Fiduciary Net Position										
Contributions - employer	\$ 537,492	\$ 509,074	\$ 495,382	\$ 495,097	\$ 125,565	\$ 16,007	\$ 15,599	\$ 19,535	\$ 22,273	\$ 28,251
Contributions - member	98,140	90,705	89,025	85,548	39,407	-	-	-	-	-
Pension plan net investment income	1,705,225	1,634,994	305,166	4,264	642,521	29,251	149,709	286,009	215,912	(2,744)
Benefit payments and refunds	(701,423)	(843,600)	(579,943)	(651,583)	(89,271)	(87,570)	(162,008)	(61,094)	(56,683)	(65,267)
Asset transfer	-	-	-	7,580,392	-	-	-	-	-	-
Other	(1,239,185)	(1,382,617)	(311,661)	(651,018)	12,507	(6,578)	58,088	14,113	(13,611)	(26,913)
Net change in plan fiduciary net position	400,249	8,556	(2,031)	6,862,700	730,729	(48,890)	61,388	258,563	167,891	(66,673)
Plan fiduciary net position - beginning	9,903,790	9,895,234	9,897,265	3,034,565	2,303,836	2,352,726	2,291,338	2,032,775	1,864,884	1,931,557
Plan fiduciary net position - ending (b)	\$ 10,304,039	\$ 9,903,790	\$ 9,895,234	\$ 9,897,265	\$ 3,034,565	\$ 2,303,836	\$ 2,352,726	\$ 2,291,338	\$ 2,032,775	\$ 1,864,884
Net pension liability (asset) - ending (a) - (b)	\$ 4,427,259	\$ 4,666,776	\$ 4,141,251	\$ 3,279,323	\$ 5,356	\$ (266,383)	\$ (423,530)	\$ (431,975)	\$ (287,275)	\$ (153,426)
Net position as a percentage of pension liability	69.95%	75.11%	75.11%	99.82%	113.07%	121.95%	123.23%	116.46%	108.96%	121.44%
Covered-employee payroll	\$ 2,482,822	\$ 2,208,044	\$ 2,034,052	\$ 1,861,703	\$ 422,246	\$ 408,708	\$ 411,736	\$ 400,917	\$ 431,035	\$ 420,638
Net pension liability as a percentage of payroll	178.32%	161.22%	161.22%	0.29%	-63.09%	-103.63%	-104.92%	-71.65%	-35.59%	-81.07%

Notes to schedule:

None noted

CITY OF GLENDALE, MISSOURI
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 300,038	\$ 271,621	\$ 257,642	\$ 257,642	\$ 125,565	\$ 16,007	\$ 15,786	\$ 19,348	\$ 22,273	\$ 28,251
Contributions in relation to the actuarially determined contribution	300,038	271,621	257,642	257,642	125,565	16,007	15,786	19,348	22,273	28,251
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 2,453,498	\$ 2,267,634	\$ 2,138,688	\$ 2,138,688	\$ 1,187,424	\$ 410,427	\$ 375,849	\$ 351,790	\$ 412,460	\$ 448,422
Contributions as a percentage of covered-employee payroll	12.23%	11.98%	12.05%	12.05%	10.57%	3.90%	4.20%	5.50%	5.40%	6.30%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of February 28, 2025 prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and modified terminal funding
Amortization method	Level percent of payroll, closed
Remaining amortization period	11-25 years
Asset valuation method	5 years smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% - 7.15%; including wage inflation
Investment rate of return	7.00%, net of investment and administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility
Mortality	PubG 2010 Retiree Mortality Calculator
<i>Other information:</i>	
Notes	None

Supplementary Information

CITY OF GLENDALE, MISSOURI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2025

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL PROGRAM EXPENDITURES
US DEPARTMENT OF TRANSPORTATION:			
Passed through the Missouri Department of Transportation			
Highway Planning and Construction (m)	20.205		\$ 587,008
Highway Planning and Construction (m)	20.205		30,231
TOTAL DEPARTMENT OF TRANSPORTATION			617,239
US DEPARTMENT OF THE TREASURY:			
Passed through St. Louis County, Missouri			
Coronavirus State and Local Fiscal Recovery Funds - COVID 19	21.027	N/A	285,217
TOTAL US DEPARTMENT OF THE TREASURY			285,217
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 902,456

(m) - program audited as major

CITY OF GLENDALE, MISSOURI
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Glendale, Missouri and has been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles in the United State of America. The information in this schedule is also presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUBRECIPIENTS

None of the federal expenditures presented in the schedule were provided to sub-recipients.

NOTE 3 - DESCRIPTION OF MAJOR FEDERAL PROGRAM

The objectives of the Highway Planning and Construction program is to provides federal funding to support the construction, reconstruction, and improvement of highways and bridges.

NOTE 4 - NON-CASH ASSISTANCE

The City received no non-cash assistance during the fiscal year.

NOTE 5 - INSURANCE

The federal programs presented in the previous schedule did not have separate program-specific insurance policies.

NOTE 6 - LOANS/LOAN GUARANTEES/INTEREST SUBSIDIES

The federal programs presented in the previous schedule did not have any loans, loan guarantees, or interest subsidies associated with them.

NOTE 7 - DE MINIMIS COST RATE

The City has not elected to use the 15% de minimis indirect cost rate allocation.

NOTE 8 - DONATED PERSONAL PROTECTIVE EQUIPMENT

The City did not receive any donated personal protective equipment during the year ended June 30, 2025.

Other Information

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Revenues				
Operating				
General taxes	\$ 615,500	\$ 615,500	\$ 618,220	\$ 2,720
Total revenues	<u>615,500</u>	<u>615,500</u>	<u>618,220</u>	<u>2,720</u>
Expenditures				
Debt service				
Principal	370,000	370,000	370,000	-
Interest and fiscal charges	160,500	160,500	160,500	-
Total expenditures	<u>530,500</u>	<u>530,500</u>	<u>530,500</u>	<u>-</u>
Net change in fund balance	<u>\$ 85,000</u>	<u>\$ 85,000</u>	87,720	<u>\$ 2,720</u>
Fund balance - beginning of year			<u>330,672</u>	
Fund balance - end of year			<u>\$ 418,392</u>	

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 CAPITAL IMPROVEMENTS FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Operating				
General taxes	\$ 548,000	\$ 537,000	\$ 549,749	\$ 12,749
Grant revenue	833,200	804,500	638,730	(165,770)
Miscellaneous	5,000	5,000	-	(5,000)
Total revenues	<u>1,386,200</u>	<u>1,346,500</u>	<u>1,188,479</u>	<u>(158,021)</u>
Expenditures				
Capital outlay				
General government	85,000	60,000	51,060	8,940
Police department	61,700	31,700	22,576	9,124
Fire department	101,000	62,300	72,168	(9,868)
Public works	1,994,000	1,804,200	1,761,845	42,355
Total capital outlay	<u>2,241,700</u>	<u>1,958,200</u>	<u>1,907,649</u>	<u>50,551</u>
Total expenditures	<u>2,241,700</u>	<u>1,958,200</u>	<u>1,907,649</u>	<u>50,551</u>
Excess (deficiency) of revenues over expenditures	<u>(855,500)</u>	<u>(611,700)</u>	<u>(719,170)</u>	<u>(107,470)</u>
Other financing sources (uses)				
Transfers to (from)	275,495	585,800	585,788	(12)
Total other financing sources (uses)	<u>275,495</u>	<u>585,800</u>	<u>585,788</u>	<u>(12)</u>
Net change in fund balance	<u>\$ (580,005)</u>	<u>\$ (25,900)</u>	(133,382)	<u>\$ (107,482)</u>
Fund balance - beginning of year			<u>1,255,742</u>	
Fund balance - end of year			<u>\$ 1,122,360</u>	

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 PARKS AND STORMWATER IMPROVEMENTS FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Operating				
General taxes	\$ 160,000	\$ 187,000	\$ 193,115	\$ 6,115
Total revenues	<u>160,000</u>	<u>187,000</u>	<u>193,115</u>	<u>6,115</u>
Expenditures				
Capital outlay				
Public works	96,000	151,200	155,223	(4,023)
Total capital outlay	<u>96,000</u>	<u>151,200</u>	<u>155,223</u>	<u>(4,023)</u>
Total expenditures	<u>96,000</u>	<u>151,200</u>	<u>155,223</u>	<u>(4,023)</u>
Excess (deficiency) of revenues over expenditures	<u>64,000</u>	<u>35,800</u>	<u>37,892</u>	<u>2,092</u>
Other financing sources (uses)				
Transfers to (from)	(60,000)	(60,000)	(60,000)	-
Total other financing sources (uses)	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ 4,000</u>	<u>\$ (24,200)</u>	<u>(22,108)</u>	<u>\$ 2,092</u>
Fund balance - beginning of year			<u>95,892</u>	
Fund balance - end of year			<u>\$ 73,784</u>	

CITY OF GLENDALE, MISSOURI
 BUDGETARY COMPARISON SCHEDULE
 PROPRIETARY FUND
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Operating				
Sanitation fees	\$ 754,400	\$ 789,700	\$ 787,004	\$ (2,696)
Total revenues	<u>754,400</u>	<u>789,700</u>	<u>787,004</u>	<u>(2,696)</u>
Operating expenses				
Personnel services				
Salaries	14,500	14,500	13,497	1,003
Taxes	1,100	1,100	1,022	78
Total personnel services	<u>15,600</u>	<u>15,600</u>	<u>14,519</u>	<u>1,081</u>
Operating supplies				
Postage	3,500	3,500	3,753	(253)
Printing	2,000	2,000	2,228	(228)
Total operating supplies	<u>5,500</u>	<u>5,500</u>	<u>5,981</u>	<u>(481)</u>
Other services and charges				
Residential collection	712,100	754,600	753,391	1,209
Total other services and charges	<u>712,100</u>	<u>754,600</u>	<u>753,391</u>	<u>1,209</u>
Total operating expenses	<u>733,200</u>	<u>775,700</u>	<u>773,891</u>	<u>1,809</u>
Change in net position	<u>\$ 21,200</u>	<u>\$ 14,000</u>	13,113	<u>\$ (887)</u>
Fund balance - beginning of year			<u>135,782</u>	
Fund balance - end of year			<u>\$ 148,895</u>	

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INDEPENDENT AUDITORS' 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*

To the Board of Alderman
City of Glendale
Glendale, 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, and each major fund of the City of Glendale, Missouri, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Glendale, Missouri's basic financial statements, and have issued our report thereon dated October 24, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Glendale, Missouri's internal control over financial reporting (internal control) as a basis for designing 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 of Glendale, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Glendale, Missouri'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 a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Glendale, Missouri'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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

F.E.W. CPAs

F.E.W. CPAs
Saint Louis, Missouri
October 24, 2025

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the Board of Alderman
City of Glendale
Glendale, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Glendale, Missouri's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Glendale, Missouri's major federal programs for the year ended June 30, 2025. City of Glendale, Missouri's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Glendale, Missouri, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Glendale, Missouri and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Glendale, Missouri's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, provisions of contracts or grant agreements applicable to the City of Glendale, Missouri's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Glendale, Missouri's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Glendale, Missouri's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Glendale, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Glendale, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Glendale, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

F.E.W. CPAs

F.E.W. CPAs
Saint Louis, Missouri
October 24, 2025

CITY OF GLENDALE, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? _____ Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified? _____ Yes X No

Significant deficiencies identified that are Not considered to be material weaknesses? _____ Yes X No

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit fundings disclosed that are required to be reported in accordance with federal Uniform Guidance with 2 CFR.200.516(a) _____ Yes X No

Identification of major program:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low risk auditee? _____ Yes X No

CITY OF GLENDALE, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Section II – Financial Statement Findings

There were no material weaknesses or significant deficiencies in internal control identified during the audit.

Section III – Federal Award Findings

There are no federal award findings to disclose.

CITY OF GLENDALE, MISSOURI
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

Summary Schedule of Prior Audit Findings

There are no prior audit findings to disclose.