**CITY OF DARDENNE PRAIRIE**
**2032 HANLEY ROAD**
**DARDENNE PRAIRIE, MO 63368**

**BOARD OF ALDERMEN**
**WORKSHOP AGENDA**
**JUNE 21, 2017**
**5:30 p.m.**

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## CALL MEETING TO ORDER

## PLEDGE OF ALLEGIANCE

## ITEMS FOR DISCUSSION AND CONSIDERATION

1. Presentation of the Independent Auditor's Report & Financial Statements by Botz, Deal & Company, P.C
2. General Fund Reserve Goal (Draft)
3. Presentation by Mat DeWinters
4. TAP Applications ( Sidewalks 3) Henning, Feise & Highway N (Kehoe)
5. Short Term Goals (0 – 3 year projects)
6. Long Term Goals (3 – 10 year projects)
7. Review of Board of Aldermen Meeting Agenda (06-21-17)

## STAFF COMMUNICATIONS

1. City Attorney
2. City Engineer
3. Staff
4. Aldermen
5. Mayor

## CLOSED SESSION

Roll call vote to hold closed session pursuant to RSMo 610.021 section _____

Litigation and Privileged Communications (1)
Real Estate (2)
Personnel (3)
Labor (9)
Bid Specs (11)
Audit (17)

## RETURN TO REGULAR MEETING AGENDA

## ADJOURNMENT

*CITY OF DARDENNE PRAIRIE, MISSOURI*

*FINANCIAL STATEMENTS*
*FOR THE YEAR ENDED*
*DECEMBER 31, 2016*

*CITY OF DARDENNE PRAIRIE, MISSOURI*

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BOTZ, DEAL & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

# INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of the Board of Aldermen
***CITY OF DARDENNE PRAIRIE, MISSOURI***

## Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of the City of Dardenne Prairie, Missouri, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinions**

In our opinion the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of City of Dardenne Prairie, Missouri, as of December 31, 2016, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

**Basis of Accounting**

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

**Other Information**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedule of funding progress on pages 3 through 8 and 28 through 32, be presented to supplement the basic financial statements. Such information, although not a required 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 inquires 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.

Botz Deal & Company

June 8, 2017

# *CITY OF DARDENNE PRAIRIE, MISSOURI*
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016

As management of the City of Dardenne Prairie, Missouri, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here alone with the City's financial statements, including the notes to the financial statements.

## FINANCIAL HIGHLIGHTS

- On a government-wide basis the assets of the City exceeded its liabilities for the most recent fiscal year by $25,623,948. The City has unrestricted net position of $4,753,923.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balance of $4,958,964.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $3,572,412.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. Note the government-wide financial statements exclude fiduciary fund activities. For the most part, the effect of interfund activity has been removed from these statements. Individual funds are not displayed but the statements distinguish governmental activities, which normally are supported by taxes and City general revenues, from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

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

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

The City has elected to utilize a modified cash basis of accounting as explained in Note 1 of the notes to the financial statements.

**Fund Financial Statements**

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements do not report long-term assets or liabilities. These funds use fund balance as their measure of available spendable financial resources at the end of the period, such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road Fund, Parks and Recreation and Storm Water Control Fund, Capital Improvement Fund, Certificates of Participation Debt Service Fund and Neighborhood Improvement District Debt Service Fund all of which are considered to be major funds.

The City adopts an annual appropriated budget for all of its funds. Budgetary comparison statements have been provided for the General Fund and major special revenue funds to demonstrate legal compliance with the respective adopted budget.

**Notes to the Financial Statements**

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

**Supplementary Information**

In addition to the financial statements and accompanying notes, certain required supplementary information has been provided.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City presents its financial statements under the reporting model pursuant to Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.*

A condensed version of the statement of net position follows:

| | 2016 | 2015 | Increase (Decrease) |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | $ 4,642,637 | $ 4,240,452 | $ 402,185 |
| Restricted cash and cash equivalents | 363,827 | 612,704 | (248,877) |
| Net pension asset | 12,384 | 80,308 | (67,924) |
| Capital assets | 24,170,819 | 24,782,489 | (611,670) |
| Total Assets | 29,189,667 | 29,715,953 | (526,286) |
| **DEFERRED OUTFLOWS** | 319,325 | 36,665 | 282,660 |
| **LIABILITIES** | | | |
| Court bond liability | 1,500 | 1,578 | (78) |
| Lease security deposits | 3,488 | 4,420 | (932) |
| Performance deposit | 42,512 | 124,326 | (81,814) |
| Long-term obligations (current portion) | 330,000 | 280,000 | 50,000 |
| Long-term obligation (noncurrent) | 3,502,346 | 3,761,624 | (259,278) |
| Total Liabilities | 3,879,846 | 4,171,948 | (292,102) |
| **DEFERRED INFLOWS** | 5,198 | 25,607 | (20,409) |
| **NET POSITION** | | | |
| Net investment in capital assets | 19,483,473 | 19,785,865 | (302,392) |
| Restricted for: | | | |
| Debt services | 363,827 | 612,671 | (248,844) |
| Policing and road improvements | 554,130 | 411,639 | 142,491 |
| Park/storm water control Improvements | 100,061 | 71,644 | 28,417 |
| Capital improvements | 368,534 | 86,202 | 282,332 |
| Unrestricted | 4,753,923 | 4,587,042 | 166,881 |
| Total Net Position | $ 25,623,948 | $ 25,555,063 | $ 68,885 |

As noted earlier, net position may serve over time as a useful indicator of a city's financial position. As illustrated above, in the case of the City of Dardenne Prairie, assets exceeded liabilities by $25,623,948 at the close of December 31, 2016.

By far the largest portion of the City of Dardenne Prairie's net position (76%) reflects its investment in capital assets (e.g., land, building, and infrastructure) less any related debt used to acquire those assets still outstanding. The City of Dardenne Prairie uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City of Dardenne Prairie's net position (5.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $4,753,923 may be used to meet the government's ongoing obligations to citizens and creditors.

**Governmental Activities**

As illustrated below, governmental activities increased the City's net position by $68,885.

| | 2016 | 2015 | Increase (Decrease) |
|---|---|---|---|
| **REVENUES** | | | |
| Program revenues: | | | |
| Charges for services | $ 314,485 | $ 382,146 | $ (67,661) |
| Operating and capital grants | 715,662 | 725,502 | (9,840) |
| General revenues and transfers: | | | |
| Sales tax | 1,754,230 | 1,717,718 | 36,512 |
| Property taxes | 278,634 | 293,194 | (14,560) |
| NID Assessment Fees | 116,737 | 126,666 | (9,929) |
| Franchise fees | 120,946 | 117,848 | 3,098 |
| Investment income | 7,453 | 3,463 | 3,990 |
| Miscellaneous | 177,629 | 96,009 | 81,620 |
| Total Revenues | 3,485,776 | 3,462,546 | 23,230 |
| **EXPENSES** | | | |
| General government | 1,838,653 | 1,818,803 | 19,850 |
| Road | 261,035 | 274,634 | (13,599) |
| Park | 103,795 | 106,812 | (3,017) |
| Storm water projects | 10,019 | 13,996 | (3,977) |
| Public safety | 314,469 | 312,432 | 2,037 |
| Interest on long-term debt | 202,255 | 161,604 | 40,651 |
| Unallocated depreciation | 686,665 | 682,409 | 4,256 |
| Total Expenses | 3,416,891 | 3,370,690 | 46,201 |
| **CHANGE IN NET POSITION** | 68,885 | 91,856 | (22,971) |
| **NET POSITION - BEGINNING** | 25,555,063 | 25,463,207 | 91,856 |
| **NET POSITION - ENDING** | $ 25,623,948 | $ 25,555,063 | $ 68,885 |

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

### Governmental Funds

The focus of the City's governmental funds is to provide information on inflows, outflows, and balances of available expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance (deficit) may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The following is an analysis of fund balance:

| | General Fund | Road Fund | Parks and Recreation And Storm Water Control | Capital Improvement Fund | Certificate of Participation Debt Service Fund | NID Debt Service Fund |
|---|---|---|---|---|---|---|
| December 31, 2016 | $ 3,572,412 | $ 554,130 | $ 100,061 | $ 368,534 | $ 2,642 | $ 361,185 |
| December 31, 2015 | 3,540,676 | $ 411,639 | $ 71,644 | $ 86,202 | $ 248,217 | $ 364,454 |

The General Fund is the chief operating fund of the City of Dardenne Prairie. To measure the General Fund's liquidity, it may be useful to compare the General Fund's unassigned fund balance to the General Fund's total expenditures. General Fund unassigned fund balance represents 176% of General Fund total expenditures. The fund balance in the City's General Fund increased by $31,736 from the prior year.

## CAPITAL ASSETS

The City has a net investment of $24,170,819 at December 31, 2016 in a broad range of capital assets, including land, building, improvements, and infrastructure. This amount includes a net decrease for the current fiscal year (including additions and deductions) of $611,670. The City's capital assets, net of accumulated depreciation, consisted of:

| | 2016 | 2015 | Increase (Decrease) |
|---|---|---|---|
| Land | $ 2,722,922 | $ 2,722,922 | $ - |
| Land improvements | 2,110,904 | 2,094,002 | 16,902 |
| Building and improvements | 3,302,198 | 3,302,198 | - |
| Equipment | 532,813 | 556,503 | (23,690) |
| Infrastructure | 21,115,439 | 20,860,156 | 255,283 |
| Construction in progress | 123,351 | 128,869 | (5,518) |
| TOTAL | 29,907,627 | 29,664,650 | 242,977 |
| Less: Accumulated Depreciation | (5,736,808) | (4,882,161) | (854,647) |
| Total Capital Assets, Net of Accumulated Depreciation | $ 24,170,819 | $ 24,782,489 | $ (611,670) |

## LONG-TERM DEBT

### Certificate of Participation, Series 2016 (COPS 2016)

On May 17, 2016, the City issued $3,070,000 of Certificates of Participation, Series 2016. The proceeds were used to refund $3,050,000 of outstanding Series 2008 and Series 2009 Certificates of Participation. Payment of the principal is for varying amounts due each year on August 1st through August 2028. Interest is due semi-annually with an interest rate ranging from 2.0% to 3.0%.

### Neighborhood Improvement District Limited General Obligation Bond

During 2005, the City authorized the issuance of $1,605,000 Neighborhood Improvement District General Obligation Bonds for the purpose of (1) paying all or part of the costs of improvements within the district's boundaries, (2) paying the costs of issuing the bonds, and (3) establishing and funding the Bond Reserve.

During 2012, the City authorized the issuance of $1,240,000 Neighborhood Improvement district Limited General Obligations Refunding Bonds for the purpose of providing funds to (a) refund the series 2005 Bonds, (b) fund a debt service reserve fund to secure the 2012 Bonds, and (c) pay the costs of issuance of the 2012 Bonds. Principal owed at December 31, 2016 totaled $855,000.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

For year ending December 31, 2017, the City projects revenue of $2,055,868 and expenditures of $1,968,955 in the General Fund. The City is planning to invest approximately $571,000 in capital improvement projects. As a result, the City estimates an ending fund balance of $3,496,783 in the General Fund at December 31, 2017. The City anticipates an ending fund balance of $116,261 in the Parks and Recreation/Storm Water Control Fund, $660,409 in the Road Special Revenue Fund and $112,584 in the Capital Improvement Fund.

### Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with and interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Kimberlie Clark, City Clerk/Treasurer
City of Dardenne Prairie
2032 Hanley Road
Dardenne Prairie, MO 63368

## *CITY OF DARDENNE PRAIRIE, MISSOURI*

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

DECEMBER 31, 2016

| | Governmental Activities |
|---|---|
| **ASSETS** | |
| Cash and cash equivalents | $ 4,642,637 |
| Restricted cash and cash equivalents | 363,827 |
| Net pension asset | 12,384 |
| Capital assets - net: | |
| Nondepreciable | 2,846,273 |
| Depreciable | 21,324,546 |
| TOTAL ASSETS | 29,189,667 |
| **DEFERRED OUTFLOWS** | |
| Pension related deferred outflows | 75,633 |
| Deferred charges on refunding | 243,692 |
| TOTAL DEFERRED OUTFLOWS | 319,325 |
| **LIABILITIES** | |
| Court bond liability | 1,500 |
| Lease security deposits | 3,488 |
| Performance deposits | 42,512 |
| Noncurrent liabilities: | |
| Due in one year | 330,000 |
| Due in more than one year | 3,502,346 |
| TOTAL LIABILITIES | 3,879,846 |
| **DEFERRED INFLOWS** | |
| Pension related deferred inflows | 5,198 |
| **NET POSITION** | |
| Net investment in capital assets | 19,483,473 |
| Restricted for: | |
| Debt service | 363,827 |
| Policing and improvement of roads | 554,130 |
| Park and storm water control improvements | 100,061 |
| Capital improvements | 368,534 |
| Unrestricted | 4,753,923 |
| TOTAL NET POSITION | $ 25,623,948 |

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

## *CITY OF DARDENNE PRAIRIE, MISSOURI*

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

| Functions/Programs | Expenses | Program Revenue: Charges for Service | Program Revenue: Capital Grants and Contributions | Net (Expense) Revenue and Change in Net Position: Governmental Activities |
|---|---|---|---|---|
| **Governmental Activities** | | | | |
| General government | $ 1,838,653 | $ 112,744 | $ - | $ (1,725,909) |
| Road | 261,035 | - | 715,662 | 454,627 |
| Park | 103,795 | - | - | (103,795) |
| Stormwater projects | 10,019 | - | - | (10,019) |
| Public safety | 314,469 | 201,741 | - | (112,728) |
| Interest on long-term debt | 202,255 | - | - | (202,255) |
| Depreciation, unallocated | 686,665 | - | - | (686,665) |
| TOTAL GOVERNMENTAL ACTIVITIES | $ 3,416,891 | $ 314,485 | $ 715,662 | (2,386,744) |
| Taxes: | | | | |
| Sales | | | | 1,754,230 |
| Property | | | | 278,634 |
| NID assessment fees | | | | 116,737 |
| Franchise fees | | | | 120,946 |
| Investment income | | | | 7,453 |
| Rental income | | | | 53,306 |
| Miscellaneous | | | | 124,323 |
| TOTAL GENERAL REVENUES | | | | 2,455,629 |
| CHANGE IN NET POSITION | | | | 68,885 |
| NET POSITION - BEGINNING OF YEAR | | | | 25,555,063 |
| NET POSITION - END OF YEAR | | | | $ 25,623,948 |

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

## *CITY OF DARDENNE PRAIRIE, MISSOURI*

BALANCE SHEET - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS

DECEMBER 31, 2016

| | General Fund | Road Fund | Parks and Recreation and Storm Water Control Fund | Capital Improvement Fund | Certificates of Participation Debt Service Fund | Neighborhood Improvement District Debt Service Fund | Total |
|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | |
| Cash and cash equivalents | $ 3,619,912 | $ 554,130 | $ 100,061 | $ 368,534 | $ - | $ - | $ 4,642,637 |
| Restricted cash | - | - | - | - | 2,642 | 361,185 | 363,827 |
| TOTAL ASSETS | $ 3,619,912 | $ 554,130 | $ 100,061 | $ 368,534 | $ 2,642 | $ 361,185 | $ 5,006,464 |
| **LIABILITIES** | | | | | | | |
| Court bonds liability | $ 1,500 | $ - | $ - | $ - | $ - | $ - | $ 1,500 |
| Lease security deposits | 3,488 | - | - | - | - | - | 3,488 |
| Performance deposits | 42,512 | - | - | - | - | - | 42,512 |
| TOTAL LIABILITIES | 47,500 | - | - | - | - | - | 47,500 |
| **FUND BALANCES** | | | | | | | |
| Restricted for: | | | | | | | |
| Policing and road improvement | - | 554,130 | - | - | - | - | 554,130 |
| Parks and recreation and storm water control | - | - | 100,061 | - | - | - | 100,061 |
| Debt service | - | - | - | - | 2,642 | 361,185 | 363,827 |
| Capital improvements | - | - | - | 368,534 | - | - | 368,534 |
| Unassigned | 3,572,412 | - | - | - | - | - | 3,572,412 |
| TOTAL FUND BALANCES | 3,572,412 | 554,130 | 100,061 | 368,534 | 2,642 | 361,185 | 4,958,964 |
| TOTAL LIABILITIES AND FUND BALANCES | $ 3,619,912 | $ 554,130 | $ 100,061 | $ 368,534 | $ 2,642 | $ 361,185 | $ 5,006,464 |

| | |
|---|---|
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets of $29,907,627 net of accumulated depreciation of $5,736,808 are not financial resources and, therefore, are not reported in the funds. | 24,170,819 |
| Bonds and certificates of participation payable are not reported in the funds. | (3,832,346) |
| Net pension assets are not a current financial resource and therefore not reported in the funds. | 12,384 |
| Deferred outflows of resources related to charges on refundings of debt are not available to pay current expenditures and therefore are deferred in the funds. | 243,692 |
| Deferred outflows of resources related to the pension are not available to pay current expenditures and therefore are not reported in the funds. | 75,633 |
| Deferred inflows of resources related to the pension are not due and payable in the current period and therefore are not reported in the funds. | (5,198) |
| Net position of governmental activities | $ 25,623,948 |

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

## *CITY OF DARDENNE PRAIRIE, MISSOURI*

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

| | General Fund | Road Fund | Parks and Recreation and Storm Water Control Fund | Capital Improvement Fund | Certificates of Participation Debt Service Fund | Neighborhood Improvement District Debt Service Fund | Total |
|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | |
| Taxes | $ 1,542,034 | $ - | $ 40,656 | $ 571,120 | $ - | $ - | $ 2,153,810 |
| Intergovernmental | - | 715,662 | - | - | - | - | 715,662 |
| Licenses and permits | 112,744 | - | - | - | - | - | 112,744 |
| Court fines | 201,741 | - | - | - | - | - | 201,741 |
| Investment income | 5,814 | 646 | 137 | 422 | 10 | 424 | 7,453 |
| Lease revenue | 53,306 | - | - | - | - | - | 53,306 |
| Other revenue | 130,281 | - | - | - | - | 116,737 | 247,018 |
| TOTAL REVENUES | 2,045,920 | 716,308 | 40,793 | 571,542 | 10 | 117,161 | 3,491,734 |
| **EXPENDITURES** | | | | | | | |
| Current: | | | | | | | |
| General government | 1,528,073 | - | - | - | - | - | 1,528,073 |
| Public safety | - | 312,782 | - | - | - | - | 312,782 |
| Park | - | - | 2,357 | - | - | - | 2,357 |
| Storm water projects | - | - | 10,019 | - | - | - | 10,019 |
| Road maintenance | - | 261,035 | - | - | - | - | 261,035 |
| Capital outlays | 486,111 | - | - | - | - | - | 486,111 |
| Debt service: | | | | | | | |
| Principal, interest, and fiscal charges | - | - | - | 289,210 | 245,585 | 120,430 | 655,225 |
| Bond issuance costs | - | - | - | - | 89,430 | - | 89,430 |
| TOTAL EXPENDITURES | 2,014,184 | 573,817 | 12,376 | 289,210 | 335,015 | 120,430 | 3,345,032 |
| **EXCESS OF REVENUES OVER (UNDER) EXPENDITURES** | 31,736 | 142,491 | 28,417 | 282,332 | (335,005) | (3,269) | 146,702 |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | |
| Refunding debt issued | - | - | - | - | 3,070,000 | - | 3,070,000 |
| Premium on refunding debt issued | - | - | - | - | 89,430 | - | 89,430 |
| Payments to trustee | - | - | - | - | (3,070,000) | - | (3,070,000) |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | 89,430 | - | 89,430 |
| **CHANGE IN FUND BALANCE** | 31,736 | 142,491 | 28,417 | 282,332 | (245,575) | (3,269) | 236,132 |
| **FUND BALANCES - BEGINNING OF YEAR** | 3,540,676 | 411,639 | 71,644 | 86,202 | 248,217 | 364,454 | 4,722,832 |
| **FUND BALANCES - END OF YEAR** | $ 3,572,412 | $ 554,130 | $ 100,061 | $ 368,534 | $ 2,642 | $ 361,185 | $ 4,958,964 |

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

## *CITY OF DARDENNE PRAIRIE, MISSOURI*

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS - MODIFIED CASH BASIS - TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

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

| | |
|---|---|
| Change in fund balance | $ 236,132 |
| The acquisition of capital assets requires the use of current financial resources but has no effect on net position. | 272,712 |
| The cost of capital assets is allocated over their estimated useful lives and is reported as depreciation expense in the statement of activities. | (878,424) |
| In the statement of activities, only the gain or loss on the disposal of capital assets is reported, whereas in the governmental funds financial resources received are reflected as revenue. As a result, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets. | (5,958) |
| Expenses related to providing pension benefits are reported using a different measurement focus in the statement of activities compared to the governmental fund statements. Expenditures in the governmental fund exceed the expense reported in the statement of activities. | (8,547) |
| Proceeds from the issuance of debt is reflected as other financing sources in the fund statements, however it is an increase in liabilities in the statement of net position, including bond premium of $89,430. | (3,159,430) |
| Transactions relating to the refunding of debt affects current financial resources in the governmental funds, however it has no affect on the statement of activities. | 3,070,000 |
| The amortization of deferred refunding charges on bonds payable does not affect current financial resources to governmental funds but is amortized over the life of the debt in the statement of activities. | (20,308) |
| The bond premium is reported on the fund financial statements when debt is issued but amortized in the statement of activities. | 8,708 |
| Repayment of long-term debt principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net position. | 554,000 |
| Change in net position | $ 68,885 |

The accompanying notes are integral part of these financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Dardenne Prairie, Missouri, (the City) was incorporated as a fourth class city on June 21, 2001 and established a Mayor/Board of Aldermen form of government. The City's major operations include general administrative services and road and park development.

The City defines its financial reporting entity in accordance with Governmental Accounting Standards Board Statement 61, *The Financial Reporting Entity* (GASB 61) and Statement 39, *Determining Whether Certain Organizations are Component* Units (GASB 39). Based on the criteria identified in GASB 61 and GASB 39 there are no significant component units required to be included as part of the reporting entity.

## A. GOVERNMENT-WIDE AND FINANCIAL STATEMENTS

**Government-wide Financial Statements** - the government-wide financial statements include the statement of net position - modified cash basis and the statement of activities - modified cash basis. These statements report information on all of the nonfiduciary activities of the primary government. The material effect of interfund activity has been removed from these statements. Individual funds are not displayed but the statements distinguish governmental activities, which normally are supported by taxes and City general revenues, from business-type activities, which rely on a significant extent on fees and charges to external customers for support.

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

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

## B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

In the government-wide statement of net position - modified cash basis and the statement of activities - modified cash basis, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting.

In the fund financial statements, the governmental funds utilize a "current financial resources" measurement focus as applied to the modified cash basis of accounting. Only current financial assets and liabilities are generally included on the balance sheet - modified cash basis. The operating statements present sources and uses of available spendable financial resources during a given period. Fund balances are used as measures of available spendable financial resources at the end of the period in each fund.

The City reports the following major governmental funds:

**General Fund** - is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Road Fund** - is used to account for certain tax and intergovernmental revenues legally restricted to expenditures for road improvements.

**Park and Recreation and Storm Water Control Fund** - is used to account for certain taxes restricted for parks and recreation and storm water control expenditures.

**Capital Improvement Fund** - is used to account for certain taxes restricted for funding of capital improvements.

**Certificates of Participation** - is used to account for certain revenues restricted for debt service payments.

**Neighborhood Improvement District Debt Service Fund** - is used to account for revenues and debt service payments related to Neighborhood Improvement District bonds.

## C. DEPOSITS AND INVESTMENTS

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

The City is authorized to invest funds not immediately needed for the purposes to which the funds are applicable, in obligations of the United States Treasury, United States Government Agencies, and Repurchase Agreements, Certificates of Deposit, Banker's Acceptance and Commercial Paper. Investments are carried at cost or fair value.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

### D. CAPITAL ASSET, DEPRECIATION AND AMORTIZATION

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

The City elected not to report general infrastructure assets retroactively. Therefore, no general infrastructure assets purchased or constructed prior to January 1, 2004 are included in the statement of net position.

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

Property, plant and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

| Major Group | Life |
|---|---|
| Land improvements | 15 - 40 Years |
| Buildings and building improvements | 10 - 40 Years |
| Infrastructure | 30 - 40 Years |
| Vehicles and Equipment | 3 - 20 Years |

### E. LONG-TERM LIABILITIES

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position - modified cash basis. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Debt issuance costs are expensed in the period the debt is issued.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

### F. PROPERTY TAXES

Property tax revenues are recorded when received. The City's property taxes are levied each September based on the assessed value at January 1 for all real and personal property located in the City. The assessed value at January 1, 2016 was $265,450,058. The City's property tax rate for 2016 was $.1125 per $100 of assessed valuation. Taxes are due and payable on November 1 and delinquent after December 31.

All property tax assessment, billing, and collection function are handled by the St. Charles County Collector.

### G. FUND BALANCE

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The spendable portion of the fund balance comprises the remaining four classifications:

**Nonspendable fund balance** - This classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

**Restricted** - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Aldermen, the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Aldermen removes the commitment by taking the same type of action imposing the commitment.

**Assigned** - This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but are neither restricted nor committed. The City's Board of Aldermen has the authority to assign amounts to be used for specific purposes. Assigned fund balance include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

**Unassigned** - Resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

The City would typically use restricted fund balances first, followed by committed resources and assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

### H. USE OF ESTMATES

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

### I. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## 2. BUDGET POLICY AND PRACTICE

The Board of Aldermen adopts an annual budget for all funds in accordance with the modified cash basis of accounting. All budget appropriations lapse at year-end.

## 3. DEPOSITS AND INVESTMENTS

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

At December 31, 2016, all deposits were fully insured or collateralized.

**Investments** - State statutes authorize Missouri local governments to invest in obligations of the U.S. Treasury, U.S. agencies and various state and local governments.

## 4. RESTRICTED ASSETS

Restricted assets are reported in various funds for cash deposited legally restricted for specific uses such as road improvements, park expenditures, storm water projects, construction projects and debt service. See Note 1 describing the priority for use of restricted and unrestricted assets.

## 5. CAPITAL ASSETS

| | BALANCE BEGINNING OF YEAR | TRANSFERS AND ADDITIONS | TRANSFERS AND DELETIONS | BALANCE END OF YEAR |
|---|---|---|---|---|
| Governmental activities: | | | | |
| Capital assets, not being depreciated | | | | |
| Land | $ 2,722,922 | $ - | $ - | $ 2,722,922 |
| Construction in progress | 128,869 | 123,351 | (128,869) | 123,351 |
| Total capital assets, not depreciated | 2,851,791 | 123,351 | (128,869) | 2,846,273 |
| Capital assets, being depreciated: | | | | |
| Land improvements | 2,094,002 | 16,902 | - | 2,110,904 |
| Building and improvements | 3,302,198 | - | - | 3,302,198 |
| Equipment | 556,503 | 6,045 | (29,735) | 532,813 |
| Infrastructure | 20,860,156 | 255,283 | - | 21,115,439 |
| Total capital assets, being depreciated | 26,812,859 | 278,230 | (29,735) | 27,061,354 |
| Less accumulated depreciation for: | | | | |
| Land improvements | (240,236) | (55,762) | - | (295,998) |
| Building | (523,705) | (85,580) | - | (609,285) |
| Equipment | (309,756) | (50,418) | 23,777 | (336,397) |
| Infrastructure | (3,808,464) | (686,664) | - | (4,495,128) |
| Total accumulated depreciation | (4,882,161) | (878,424) | 23,777 | (5,736,808) |
| Total capital assets, being depreciated, net | 21,930,698 | (600,194) | (5,958) | 21,324,546 |
| Total capital assets, net | $ 24,782,489 | $ (476,843) | $ (134,827) | $ 24,170,819 |

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

| | |
|---|---|
| Government activities: | |
| General government | $ 89,535 |
| Park | 100,538 |
| Police/Court | 1,687 |
| Unallocated | 686,664 |
| Total depreciation expense governmental activities | $ 878,424 |

## 6. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ending December 31, 2016.

| | BALANCE, BEGINNING OF YEAR | ADDITIONS | REDUCTIONS | BALANCE, END OF YEAR | DUE WITHIN ONE YEAR |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| Certificates of Participation-2009 | $ 670,000 | $ - | $ 670,000 | $ - | $ - |
| Certificates of Participation-2008 | 2,380,000 | - | 2,380,000 | - | - |
| Certificates of Participation-2016 | - | 3,070,000 | 210,000 | 2,860,000 | 230,000 |
| Neighborhood Improvement District Bonds -2012 | 955,000 | - | 100,000 | 855,000 | 100,000 |
| Issuance Premium | 36,624 | 89,430 | 8,708 | 117,346 | - |
| Subtotal governmental activities | $ 4,041,624 | $ 3,159,430 | $ 3,368,708 | $ 3,832,346 | $ 330,000 |

### Certificate of Participation, Series 2016 (COPS 2016)

On May 17, 2016, the City issued $3,070,000 of Certificates of Participation, Series 2016. The proceeds were used to refund $3,050,000 of outstanding Series 2008 and Series 2009 Certificates of Participation. Payment of the principal is for varying amounts due each year on August 1st through 2028. Interest is due semi-annually with an interest rate ranging from 2.0% to 3.0%.

### Neighborhood Improvement District (NID) Limited General Obligation Bonds

During 2005, the City authorized the issuance of $1,605,000 Neighborhood Improvement District General Obligation Bonds for the purpose of (1) paying all part of the costs of improvements within the district's boundaries, (2) paying the costs of issuing the 2005 Bonds, and (3) establishing and funding the 2005 Bond Reserve.

During 2012, the City authorized the issuance of $1,240,000 Neighborhood Improvement District Limited General Obligations Refunding Bonds for the purpose of providing funds to (a) refund the Series 2005 Bonds, (b) fund a debt service reserve fund to secure the 2012 bonds, and (c) pay the cost of issuance of the 2012 Bonds. The net proceeds (after payment of underwriting fees and other issuance costs) were used to purchase securities for deposit in an irrevocable trust with an escrow agent to provide for all future debt service payments on the old debt. As a result the old debt is considered to be defeased and the liability for this debt issue has been removed from the City's financial statements. As of December 31, 2016, the remaining amount of the old debt which is in an irrevocable trust which is considered defeased. The City decreased its aggregated debt service payments by $282,099 over 12 years which resulted in an economic gain (difference between the present values of the old and new debt service payments) of $228,826.

## 6. LONG-TERM DEBT - continued

The annual principal and interest requirements to maturity of long-term debt as of December 31, 2016 are as follows:

| | COP 2016 | | NID | |
|---|---|---|---|---|
| YEAR | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST |
| 2017 | $ 230,000 | $ 60,450 | $ 100,000 | $ 17,856 |
| 2018 | 230,000 | 55,850 | 105,000 | 15,497 |
| 2019 | 240,000 | 51,250 | 105,000 | 13,083 |
| 2020 | 245,000 | 46,450 | 110,000 | 10,638 |
| 2021 | 255,000 | 41,550 | 110,000 | 8,162 |
| 2022 - 2026 | 1,330,000 | 129,950 | 325,000 | 10,062 |
| 2027 - 2028 | 330,000 | 9,825 | - | - |
| TOTAL | $ 2,860,000 | $ 395,325 | $ 855,000 | $ 75,298 |

NID Debt Service Fund is used to pay the NID bond obligation and the capital improvement sales tax deposited in the Capital Improvement Fund is the source used to pay the Certificates of Participation obligations.

### Refunding of Debt

During 2016, the City issued refunding certificates of participation, series 2016 in the amount of $3,070,000. Proceeds from the issue were deposited into an irrevocable escrow account with a third party trustee to refund $3,050,000 in existing series 2008 and 2009 certificates of participation. As a result, the liability for the 2008 and 2009 certificates of participation has been removed from the statement of net position. The current refunding resulted in a cash flow savings of $283,182 and an economic gain (difference between the present value of the debt service payments on the old and new debt) of $216,945.

## 7. PENSION PLAN

### Plan Description

The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, 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.

7. **PENSION PLAN** - continued

**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 with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 and receive a reduced allowance.

| | 2016 |
|---|---|
| Benefit Program | 1.50% for life |
| Final Average Salary | 5 years |
| Member Contribution Rate | 0% |

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

**Employees Covered By Benefit Terms**

At June 30, 2016, the following employees were covered by the benefit terms:

| | |
|---|---|
| Active employees | 6 |
| Inactive employees entitled to but not yet receiving benefits | 4 |
| Inactive employees or beneficiaries currently receiving benefits | 1 |
| TOTAL | 11 |

**Contributions** - The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 9.2% of annual covered payroll for the year ended June 30, 2016.

**Net Pension Liability** - The employer's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 29, 2016.

**Actuarial assumptions** - The total pension liability in the February 29, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 3.25% wage; 2.50% price |
| Salary Increase | 3.25% to 6.55% including inflation |
| Investment rate of return | 7.25% |

7. **PENSION PLAN** - continued

**Actuarial assumptions** - continued

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

New actuarial assumptions used in the February 29, 2016 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Equity | 43% | 5.29% |
| Fixed Income | 26 | 2.23 |
| Real Assets | 21 | 3.31 |
| Strategic Asset | 10 | 5.73 |

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

7. **PENSION PLAN** - continued

**Changes in the Net Pension Liability**

| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
|---|---|---|---|
| Balances as of June 30, 2015 | $ 394,908 | $ 475,216 | $ (80,308) |
| Changes for the year: | | | |
| Service cost | 30,543 | - | 30,543 |
| Interest | 29,631 | - | 29,631 |
| Differences between expected and actual experience | 19,474 | - | 19,474 |
| Changes of assumptions | 18,765 | - | 18,765 |
| Contributions - employer | - | 33,255 | (33,255) |
| Net investment income | - | (1,444) | 1,444 |
| Benefit payments, including refunds | (2,460) | (2,460) | - |
| Administrative expense | - | (926) | 926 |
| Other (net transfer) | - | (396) | 396 |
| Net Changes | 95,953 | 28,029 | 67,924 |
| Balances as of June 30, 2016 | $ 490,861 | $ 503,245 | $ (12,384) |

**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 rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---|---|---|---|
| Net pension liability (asset) | $ 68,305 | $ (12,384) | $ (78,613) |

7. **PENSION PLAN** - continued

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

For the year ended June 30, 2016 the employer recognized pension expense of $41,802. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

| | Deferred Outflow of Resources | Deferred Inflow of Resources |
|---|---|---|
| Differences between expected and actual experience | $ - | $ (5,198) |
| Changes in assumptions | 14,721 | - |
| Net differences between projected and actual earnings on pension plan investments | 43,464 | - |
| Employer contributions subsequent to the measurement date | 17,448 | - |
| Total | $ 75,633 | $ (5,198) |

The June 30, 2016 balance of $17,448, reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ended June 30, 2017.

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

| Year ended June 30: | |
|---|---|
| 2017 | $ 15,134 |
| 2018 | 15,134 |
| 2019 | 15,132 |
| 2020 | 7,587 |

8. **PARK FACILITIES LEASE**

The City leases certain park facilities pursuant to an operating agreement effective May 23, 2007. Annual rent equals $1 per year for an initial twenty-five year lease term. The lease term may be extended by the City for an additional four twenty-five year terms.

## 9. OPERATING LEASES AS LESSOR

Approximately 5,000 square feet of space on the second floor of the City Hall building is available for lease. This includes approximately 3,000 square feet of actual office space and approximately 2,000 square feet of shared common area. The following is a schedule of future minimum lease payments pursuant to executed leases in place for the years ending December 31:

| | |
|---|---|
| 2017 | $ 46,470 |
| 2018 | 27,820 |
| 2019 | 26,380 |
| 2020 | 26,380 |
| 2021 | 20,563 |

## 10. 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; and natural disasters. The City purchases commercial insurance for all risks of loss.

There were no significant reductions in insurance coverage during 2016 and settlement amounts have not exceeded insurance coverage for the current or three prior years.

## 11. JOINT VENTURE

Pursuant to a March 1, 2005 Transportation Development Agreement between the City and OPUS Northwest LLC (developer), a commercial real estate development known as Dardenne Town Square, significant State of Missouri roadway and infrastructure improvements and significant City roadway improvements were constructed. A transportation development district (TDD) was created to provide funding for the roadway and infrastructure improvements.

The City agreed to contribute 50% of the city sales tax received from business and other activities on the property within the TDD. This amount equaled ½ of 1% of all retail sales within the TDD through May 31, 2008.

During 2008, the City received $3,000,000 from the State of Missouri as additional funding for the TDD City roadway improvements. As a result, effective April 1, 2008, in lieu of remitting the $3,000,000 to the TDD, the City elected to increase its monthly contribution to the TDD to 59.5% of the city sales tax generated within the TDD. Amounts remitted to the TDD during 2016 totaled $348,991.

## 12. TAX ABATEMENTS

As of December 31, 2016, the City provides tax abatements through one program - the Chapter 353 Tax Abatement Program, under Missouri Revised Statutes.

## 12. TAX ABATEMENTS - continued

Chapter 353 tax abatement is an incentive to encourage the redevelopment of blighted areas by providing real property tax abatement. These abatements are under the authority of Chapter 353 of the Revised Statutes of Missouri (the "Urban Redevelopment Corporation Law"). To be eligible for tax abatement, either the City or a private entity must form an Urban Redevelopment Corporation organized for the purpose of clearance, re-planning, reconstruction, or rehabilitation of blighted areas. Tax abatement is only extended to real property that has been found to be a "blighted area" by the City. Under Chapter 353, the City may grant tax abatements up to 100% of annual property taxes for the first 10 years for the increased assessed value over the base land value and up to 50% of annual property taxes on the newly assessed value for the next 15 years for a maximum 25 year abatement. The length of time abatements are permitted and the amount of abatement allowed is outlined within the guidelines developed for each area or project designated.

For the year ended December 31, 2016, the City abated property taxes of the Dardenne Prairie Redevelopment Project of 100% totaling $206,150 under this program.

## 13. PENDING GOVERNMENTAL ACCOUNTING STANDARDS

The effect on the City's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

This report does not incorporate GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, 68 and 73*, GASB Statement No. 83, *Certain Asset Retirement Obligations,* and GASB Statement No. 84, *Fiduciary Activities*. The City will adopt and implement these statements at the required time.

## 14. CONTINGENCIES

The City is a defendant in several legal proceedings covering various matters. The City and legal counsel are actively contesting the claims. Due to the uncertainty of litigation, the City is unable to determine the outcome of these matters.

## 15. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 8, 2017, which is the date the financial statements were available to be issued.

# REQUIRED SUPPLEMENTARY INFORMATION

## *CITY OF DARDENNE PRAIRIE, MISSOURI*

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

| | BUDGET | | | VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE) |
|---|---|---|---|---|
| | ORIGINAL | FINAL | ACTUAL | |
| **REVENUES** | | | | |
| Taxes | $ 1,537,776 | $ 1,551,776 | $ 1,542,034 | $ (9,742) |
| Licenses and permits | 122,675 | 137,675 | 112,744 | (24,931) |
| Court fines | 240,000 | 195,000 | 201,741 | 6,741 |
| Investment income | 3,600 | 5,500 | 5,814 | 314 |
| Lease revenue | 57,000 | 57,000 | 53,306 | (3,694) |
| Other revenue | 90,250 | 137,228 | 130,281 | (6,947) |
| TOTAL OPERATING REVENUE | 2,051,301 | 2,084,179 | 2,045,920 | (38,259) |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General government | 1,865,153 | 1,718,265 | 1,528,073 | 190,192 |
| Capital outlays | 894,000 | 692,080 | 486,111 | 205,969 |
| TOTAL EXPENDITURES | 2,759,153 | 2,410,345 | 2,014,184 | 396,161 |
| **CHANGE IN FUND BALANCE** | (707,852) | (326,166) | 31,736 | $ 357,902 |
| **FUND BALANCE - BEGINNING OF YEAR** | 3,540,676 | 3,540,676 | 3,540,676 | |
| **FUND BALANCE - END OF YEAR** | $ 2,832,824 | $ 3,214,510 | $3,572,412 | |

## *CITY OF DARDENNE PRAIRIE, MISSOURI*

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

| | BUDGET | | | VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE) |
|---|---|---|---|---|
| | ORIGINAL | FINAL | ACTUAL | |
| **REVENUES** | | | | |
| Intergovernmental | $ 700,000 | $ 725,000 | $ 715,662 | $ (9,338) |
| Investment income | 250 | 600 | 646 | 46 |
| TOTAL REVENUES | 700,250 | 725,600 | 716,308 | (9,292) |
| **EXPENDITURES** | | | | |
| Current expenditures: | | | | |
| Public safety | 312,674 | 312,674 | 312,782 | (108) |
| Road maintenance | 250,000 | 275,000 | 261,035 | 13,965 |
| Captial outlay | 9,000 | - | - | - |
| TOTAL EXPENDITURES | 571,674 | 587,674 | 573,817 | 13,857 |
| **CHANGE IN FUND BALANCE** | 128,576 | 137,926 | 142,491 | $ 4,565 |
| **FUND BALANCE - BEGINNING OF YEAR** | 411,639 | 411,639 | 411,639 | |
| **FUND BALANCE - END OF YEAR** | $ 540,215 | $ 549,565 | $ 554,130 | |

## *CITY OF DARDENNE MISSOURI*

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PARKS AND RECREATION AND STORM WATER CONTROL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

| | BUDGET | | | VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE) |
|---|---|---|---|---|
| | ORIGINAL | FINAL | ACTUAL | |
| **REVENUES** | | | | |
| Taxes | $ 40,000 | $ 40,000 | $ 40,656 | $ 656 |
| Investment income | 100 | 100 | 137 | 37 |
| TOTAL REVENUES | 40,100 | 40,100 | 40,793 | 693 |
| **EXPENDITURES** | | | | |
| Current expenditures: | | | | |
| Park | 8,900 | 4,400 | 2,357 | 2,043 |
| Storm water projects | 16,000 | 16,000 | 10,019 | 5,981 |
| TOTAL EXPENDITURES | 24,900 | 20,400 | 12,376 | 8,024 |
| **CHANGE IN FUND BALANCE** | 15,200 | 19,700 | 28,417 | $ 8,717 |
| **FUND BALANCE - BEGINNING OF YEAR** | 71,644 | 71,644 | 71,644 | |
| **FUND BALANCE - END OF YEAR** | $ 86,844 | $ 91,344 | $ 100,061 | |

## *CITY OF DARDENNE PRARIE, MISSOURI*

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

| | June 30, 2016 | June 30, 2015 |
|---|---|---|
| **Total Pension Liability** | | |
| Service cost | $ 30,543 | $ 37,268 |
| Interest on the total pension liability | 29,631 | 27,494 |
| Change of benefit terms | - | - |
| Difference between expected and actual experience | 19,474 | (30,739) |
| Changes of assumptions | 18,765 | - |
| Benefit payments, including refunds | (2,460) | (75) |
| **Net change in total pension liability** | 95,953 | 33,948 |
| **Total pension liability - beginning** | 394,908 | 360,960 |
| **Total pension liability - ending** | $ 490,861 | $ 394,908 |
| **Plan Fiduciary Net Position** | | |
| Contributions-employer | 33,255 | 34,665 |
| Contributions-employee | - | - |
| Net investment income | (1,444) | 8,609 |
| Benefit payments, including refunds | (2,460) | (75) |
| Pension plan administrative expense | (926) | (932) |
| Other (net transfer) | (396) | 21,964 |
| **Net change in plan fiduciary net position** | 28,029 | 63,961 |
| **Plan fiduciary net position - beginning** | 475,216 | 411,255 |
| **Plan fiduciary net position - ending** | $ 503,245 | $ 475,216 |
| **Employer net pension liability (asset)** | $ (12,384) | $ (80,308) |
| **Plan fiduciary net position as a percentage of the Total pension liability** | 102.52 % | 120.34 |
| **Covered employee payroll** | $ 304,762 | $ 300,631 |
| **Employer's net pension asset as a percentage of covered employee payroll** | (4.06) % | (26.71) % |

**Notes to schedule:**

Information for years prior to implementation of GASB 68 is not available; amounts presented for the year end were determined as of June 30, the measurement date.

## *CITY OF DARDENNE PRARIE, MISSOURI*

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS

| Year ended December 31, | Actuarial Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|---|---|---|---|---|---|
| 2007 | $ 22,720 | $ 22,720 | $ - | $ 194,190 | 11.7 % |
| 2008 | 24,510 | 24,510 | - | 224,861 | 10.9 |
| 2009 | 35,793 | 35,793 | - | 322,458 | 11.1 |
| 2010 | 39,600 | 39,600 | - | 338,457 | 11.7 |
| 2011 | 34,933 | 34,933 | - | 296,045 | 11.8 |
| 2012 | 27,222 | 27,222 | - | 226,852 | 12.0 |
| 2013 | 40,879 | 40,879 | - | 385,653 | 10.6 |
| 2014 | 38,729 | 38,729 | - | 352,081 | 11.0 |
| 2015 | 35,964 | 35,964 | - | 336,116 | 10.7 |
| 2016 | 31,571 | 31,571 | - | 343,166 | 9.2 |

**Notes to Schedule of Contributions**

**Valuation date:** 02/29/16

**Notes:** The roll-forward of total pension liability from February 29, 2016 to June 30, 2016 reflects expected service cost and interest reduced by actual benefit payments.

***Methods and assumptions used to determine contribution rates:***

| | |
|---|---|
| **Actuarial cost method** | Entry age normal and modified terminal funding |
| **Amortization method** | Level percentage of payroll, closed |
| **Remaining amortization period** | Multiple bases from 14 to 20 years |
| **Asset valuation method** | 5-year smoothed market; 20% corridor |
| **Inflation** | 3.25% wage inflation; 2.50% price inflation |
| **Salary increases** | 3.25% to 6.55% including wage inflation |
| **Investment rate of return** | 7.25%, net of investment expenses |
| **Retirement age** | Experience-based table of rates that are specific to the type of eligibility condition. |
| **Mortality** | The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females.<br>Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables. |
| **Other information:** | New assumptions adopted based on the 5-year experience study for the period March 1, 2010 through February 28, 2015. |

[DRAFT]

# GENERAL FUND RESERVE GOAL

# for the City of Dardenne Prairie

Prepared by
WM Financial Strategies
_____, 2017

# INTRODUCTION

The purpose of this report is to assist the City in establishing a general fund balance goal policy. The City is establishing a fund balance policy in order to determine the amount that should be retained as a general fund reserve balance (also known as an unassigned fund balance) and the amount of reserves that can be allocated to finance capital improvements. In the absence of such a policy it is possible that the City will retain excessive reserves thereby foregoing expenditures for necessary capital projects or spend excessively for capital projects thereby depleting reserves and impairing the financial health of the City.

The City does not have a capital improvement plan; however, the City has identified several projects that could be financed with reserve funds or alternatively borrowed funds. In particular, the City is considering purchasing a $1,500,000 site presently owned by St. Charles Community College on which is situated a gymnasium. The City has engaged SWT Design to identify potential uses of the land for park and recreational purposes and to provide estimated costs. Based on their findings the City may need between $4,010,000 and $7,250,000 of funds for the park development.

In addition to the foregoing, the City expects its future capital improvements to include routine street construction and maintenance and maintenance of other City facilities. In the long-term, the City would like to construct slip ramps off the I64 and Technology interchange.

Future capital projects and acquisitions could be financed on a pay-as-you-go basis, various borrowing programs or the use of a portion of the City's reserves. (For example, subject to voter approval the City has over $25,000,000 of general obligation bonding capacity.)

In order to fund capital projects, the goal of the City should be to limit the reserve balance to the level necessary to cover the cost of unexpected contingencies and to use excess balances to fund capital projects. The reserve balance should also be sufficiently large to (i) help insure a positive rating and credit position in the event bonding (or other forms of borrowing) are required in the future, (ii) to provide a source of emergency funds, and (iii) to avoid any cash flow borrowing.

# WHAT IS A RESERVE FUND BALANCE

A reserve fund balance, sometimes referred to as unassigned fund balance, is equal to assets, less liabilities and less restricted reserves. The unrestricted reserve fund balance is typically comprised of current assets (cash and investments) and is accumulated over time. Over the course of a fiscal year, if revenues exceed expenditures the balance increases. Conversely, if expenditures exceed revenues the balance is reduced.

## WHY A RESERVE FUND BALANCE IS NEEDED

A reserve fund balance helps local governments by providing a stable revenue structure and insures an orderly provision of services. Without a reserve fund balance an orderly provision of services can be disrupted by (i) uneven cash flow in which periodic revenues do not match the more stable expenditures of a community (e.g. payroll), (ii) economic recession which causes a decline in economically sensitive revenues such as general sales taxes, (iii) changes in retail (such as from E-commerce), or (iv) loss of a retailer. In addition, revenues and expenditures can be affected by factors which are totally unpredictable such as the following: (i) unanticipated changes in the laws which affect assessment or tax rates, (ii) imposition of mandates by federal and state governments, (iii) unanticipated expenditures resulting from natural disasters (iv) unforeseen capital expenditures from deteriorated infrastructure, (v) unforeseen increases in energy cost, or (vi) extraordinary employee overtime costs (e.g. snow removal during a bad winter).

## DETERMINING THE RESERVE FUND NEEDED

There are a variety of formulas for determining the amount of money that should be set aside. A target level is generally based on funding a certain percentage of the annual operating expenditures or an amount sufficient to cover a certain number of months of operating expenditures. The appropriate level of funding and the formula can vary substantially from jurisdiction to jurisdiction and should take into account the governments dependence upon the level of economically sensitive revenues, consistency of expenditures and past financial experience.

There is little documented information regarding appropriate levels of reserve balance funding. The Government Finance Officers Associations (GFOA) has recommended that each government's unique circumstances should be taken into account when determining the appropriate amount of reserves. Regardless, GFOA recommends that at a minimum, general-purpose governments, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating expenditures.

The amount of an unassigned general fund balance, is a significant factor the rating agencies take into account when assigning a bond rating. Moody's Investors Service ("Moody's") has expressed the following criteria regarding reserves: "One financial statistic that is key to evaluating financial strength is the General Fund balance as a percent of revenues. This ratio provides a measure of the financial reserves potentially available to fund unforeseen contingencies. The level of fund balance should be related to the likelihood that such reserves will be needed. Larger balances may be warranted if budgeted revenues and expenditures are economically sensitive or not easily forecasted."

Dardenne Prairie presently has an "Aa2" rating from Moody's. In March 2017, Moody's released certain 2015 financial data for municipal issuers. According to the report the Median Unassigned Fund Balance for all Moody's rated cities was 39.9% of general fund revenues and the Cash Balance was 42.8% of general fund revenues. The City's Unassigned General Fund fund balance was $3,572,412 as of December 31, 2016 and the cash and cash equivalents totaled $3,619,912 at that time. Accordingly, the City's Unassigned Fund Balance was 175% of general fund revenues and the Cash Balance was 177% of general fund revenues.

# FACTORS AFFECTING THE RESERVE GOAL AMOUNT FOR DARDENNE PRAIRIE

## The Economy

The primary shopping area in the City is the Dardenne Town Square, an outdoor shopping development encompassing approximately 345,000 square feet and anchored by Big-Box Stores including Target, JC Penney, Shop 'N Save and a 12-screen Wehrenberg Theater. In addition to the Dardenne Town Square are three additional small shopping areas.

The City has a limited number of light industries and warehouses that are located in a privately owned 59.6-acre business park, with approximately 23.5 acres available for future development.

The City is land-locked and future development is limited to properties within the City limits. The City estimates that approximately 25% of its area is not yet developed.

## Review of Finances

The following is a description of some of the aspects of the City finances that will affect the appropriate level of fund balance.

### *The General Fund*

In accordance with established accounting procedures for governmental units, the City records its financial transactions under various funds. The largest is the General Fund, from which all general operating expenses are paid and to which taxes and all other revenues not specifically allocated by law or contractual agreement to other funds are deposited. The City uses the modified cash basis of accounting which is a method of accounting other than generally accepted accounting principles. The following table sets forth the revenues, expenditures and changes in fund balance for the General Fund for the 2012 through 2016 Fiscal Years.

**General Fund**
**Revenue, Expenditures and Changes in Fund Equity**
**(Modified Cash Basis of Accounting)**

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Taxes | $1,409,921 | $1,412,790 | $1,486,376 | $1,530,825 | $1,542,034 |
| Licenses and Permits | 235,496 | 168,590 | 150,863 | 140,583 | 112,744 |
| Court Fines | 297,149 | 294,974 | 278,359 | 241,563 | 201,741 |
| Investment Income | 4,203 | 4,692 | 5,858 | 2,667 | 5,814 |
| Lease Revenue | 55,227 | 56,671 | 52,974 | 51,132 | 53,306 |
| Other Revenue | 33,262 | 39,150 | 43,639 | 44,877 | 130,281 |
| Total Revenues | 2,035,258 | 1,976,867 | 2,018,069 | 2,011,647 | 2,045,920 |
| EXPENDITURES | | | | | |
| General Government[1] | 1,534,786 | 1,587,674 | 1,579,893 | 1,542,452 | 1,528,073 |
| Capital Outlay | 116,508 | 73,981 | 95,381 | 389,190 | 486,111 |
| Total Expenditures | 1,651,294 | 1,661,655 | 1,675,274 | 1,931,642 | 2,014,184 |
| REVENUES OVER (UNDER) EXPENDITURES | 383,964 | 315,212 | 342,795 | 80,005 | 31,736 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Interfund transfers in (Out) | — | — | — | — | — |
| CHANGE IN FUND BALANCE | 383,964 | 315,212 | 342,795 | 80,005 | 31,736 |
| FUND BALANCE BEGINNING OF YEAR | 2,418,700 | 2,802,664 | 3,117,876 | 3,460,671 | 3,540,676 |
| FUND BALANCE END OF YEAR | $2,802,664 | $3,117,876 | $3,460,671 | $3,540,676 | $3,572,412 |

(1) General Government includes payments made to a Transportation Development District as described below:
Pursuant to a March 1, 2005 Transportation Development Agreement between the City and OPUS Northwest LLC (developer), a commercial real estate development known as Dardenne Town Square, significant State of Missouri roadway and infrastructure improvements and significant City roadway improvements were constructed. A transportation development district (TDD) was created to provide funding for the State and City roadway and infrastructure improvements. The City agreed to contribute 50% of the aggregate sales taxes imposed by the City for general revenue purposes received from business and activities on the property within the TDD. This amount equaled ½ of 1% of all retail sales within the TDD through March 31, 2008. During 2008, the City received $3,000,000 from the State of Missouri as additional funding for the TDD City roadway improvements. Effective April 1, 2008, in lieu of remitting the $3,000,000 to the TDD, the City elected to increase its monthly contribution to the TDD to 59.5% of the aggregate sales taxes imposed by the City for general revenue purposes generated within the TDD. For the 2016 Fiscal Year the payment totaled $348,991.

*Source: Audited Financial Statements of the City.*

As indicated above the City has retained the following fund balance:

- For each of the past 5 years, the unreserved fund balance exceeded 100% of annual revenues.
- For the 2017 Fiscal Year the City has budgeted a fund balance of $3,496,783 or 178% of expenditures.

*Sales Taxes*

General Sales Taxes. General Sales Tax. A 1% City sales tax for general revenue was authorized by the State Legislature and was imposed following a favorable vote at an election held in the City in April 2004. The following table sets forth the total sales tax receipts from the 1% general sales tax of the City for the years 2012 through 2016:

| Fiscal Year | General Sales Tax Receipts |
|---|---|
| 2012 | $1,029,717 |
| 2013 | 1,004,362 |
| 2014 | 1,087,667 |
| 2015 | 1,119,783 |
| 2016 | 1,142,454 |

*Source: City Treasurer.*

Based on the table above it should be noted that sales taxes presently equals more than 50% of General Fund revenue making the City extremely vulnerable to general economic recessions. In addition, at least one business in the City has sales representing more than 22% of total sales in the City. A loss of even on of the City's big box retailers could eliminate the City annual operating surplus.

Capital Improvement Sales Tax. In addition to the General Sales Tax, the City has a capital improvement sales tax. In April 2002, voters approved a ½% park and stormwater sales tax. On April 8, 2008, voters approved a ½% capital improvement sales tax to replace the City's park and stormwater sales tax. Pursuant to the proposition, the capital improvement sales tax may be spent for acquisition of park land, improvements to recreational facilities, stormwater systems, streets, traffic signalization, storm sewer system and municipal buildings. The following table sets forth the capital improvement sales tax receipts for the past five years.

| Fiscal Year | Capital Improvement Sales Tax Receipts |
|---|---|
| 2012 | $514,522 |
| 2013 | 502,623 |
| 2014 | 543,233 |
| 2015 | 559,891 |
| 2016 | 571,120 |

*Source: Audited financial statements of the City.*

### Revenue Flexibility and Vulnerability

As noted hereinbefore the City is highly financially vulnerable due to its strong dependence on sales taxes and dependence on big-box retailers. At the same time, the City has considerable flexibility to add to its sales tax base. Subject to voter approval, the City may impose a ½% sales tax for each of the following additional purposes: parks and storm water, economic development, and transportation. The following table shows how the City's tax rate compares to other major cities in St. Charles County:

| **Dardenne Prairie** | **7.45%** |
|---|---|
| St. Charles | 7.95 |
| Lake St. Louis | 7.95 |
| O'Fallon | 7.95 |
| St. Peters | 7.95 |
| Wentzville | 8.45 |

## RECOMMENDED RESERVE

Due to its high dependence on economically sensitive revenues (sales taxes) and in particular revenue from a relatively small retail base with big-box stores, it is recommended that the City maintain its reserve at the high end of traditionally funded reserve levels.

Based on the information contained in this report, it is recommended that the reserve be maintained at no less than 100% of Operating Expenditures. For purposes of this report, the term "Operating Expenditures" means all budgeted expenditures but excluding capital expenditures that are to be paid with the City's capital improvement sales tax. If reserves are maintained at a high level (100% of Operating Expenditures) the amount would equal approximately $1,970,000. Although the City is dependent on economically sensitive revenues a reserve higher than $1,970,000 is not required due to the following:

- Given the City's favorable credit rating and modest amount of outstanding debt, the City should be able to obtain temporary loans for any short-term emergencies that may arise.

- The City has no outstanding general obligation debt and could seek voter approval for general obligation bonds in the event large capital projects are required in the future. Alternatively lease obligations with a new revenue source (e.g. a park sales tax) is possible.

- The City offers a limited range of municipal services. (e.g. without utilities there is less risk of unexpected equipment breakdowns.)

In the future, the City's economic base may grow and diversify. If that occurs, the City may consider reducing the reserve balance in the future.

**CITY OF DARDENNE PRAIRIE**
**2032 HANLEY ROAD**
**DARDENNE PRAIRIE, MO 63368**

**BOARD OF ALDERMEN**
**MEETING AGENDA**
**JUNE 21, 2017**
**7:00 p.m.**

---

CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL
- Mayor Zucker
- Alderman Klingerman
- Alderman Nay
- Alderman Gotway
- Alderman Koch
- Alderman Wandling
- Alderman Santos

OPEN FORUM

CONSENT AGENDA
1. Expenditures for Approval 06-21-17
2. Temp Use Permit – Fireworks Stand –Knights of Columbus – 2199 Post Road
3. Independent Auditor's Report & Financial Statements for the period ended December 31, 2016
4. Liquor License Renewals:
   - Town Square Pub & Grub – 7843 Highway N – Intoxicating Liquor (All Kinds) by Drink & Sunday
   - Knights of Columbus – 2199 Post Road - Malt Liquor & light wines - by drink
   - His & Hers BBQ – 7827 Highway N – Malt Liquor by drink
   - Thoele Convenience Store #650 – 7407 South Outer 364 - Intoxicating Liquor (all kinds) Original Package & Sunday

ITEMS REMOVED FROM CONSENT AGENDA

**NEW BUSINESS**

1. **BILL # 17-30**
   AN ORDINANCE OF THE CITY OF DARDENNE PRAIRIE, MISSOURI, AUTHORIZING THE MAYOR AND THE CITY TREASURER TO EXECUTE A NEW PROJECT APPLICATION TO THE EAST-WEST GATEWAY COORDINATING COUNCIL FOR FINANCING OF TWO PEDESTRIAN FACILITES PROJECTS AND THE HENNING ROAD TRIAL RECONSTRUCTION PROJECT AND AUTHORIZING AN EXPENDITURE FOR THE APPLICATION FEE FOR SAME

STAFF COMMUNICATIONS

1. City Attorney
2. City Engineer
3. Staff
4. Aldermen
5. Mayor

CLOSED SESSION

Roll call vote to hold closed session pursuant to RSMo 610.021 section _____

Litigation and Privileged Communications (1)
Real Estate (2)
Personnel (3)
Labor (9)
Bid Specs (11)
Audit (17)

RETURN TO REGULAR MEETING AGENDA

ADJOURNMENT

**EXPENDITURES FOR APPROVAL**
**6/21/2017**

| | | | |
|---|---|---|---|
| 1 | A.C.F. Alarm Co. | New Domed Camera | 312.30 |
| 2 | Ameren | Street Lights to 06-01-17 | 50.43 |
| 3 | Ameren | Street Lights to 06-06-17 | 109.41 |
| 4 | AT & T | Building Dept. Software Monthly Data to 8/2017 | 180.00 |
| 5 | Charlies Farm & Home | Stihl Trimmer | 329.99 |
| 6 | County Land Maintenance | Summer Fertilizer & Brush Hog Hubble | 1,048.00 |
| 7 | Court-Missouri Department of Revenue | Crime Victims: May, 2017 | 784.30 |
| 8 | Court-Sheriff Retirement Fund | Retirement Fund: May, 2017 | 330.00 |
| 9 | Court-St. Charles County-Dom Violence Fund | Court Fines: May, 2017 | 220.00 |
| 10 | Court-Treasurer; State of Missouri | POST Fees: May, 2017 | 110.00 |
| 11 | Duckett Creek Sewer | Service to 8/30/17 | 125.00 |
| 12 | East West Gateway | TAP Project Application Fees | 4,646.98 |
| 13 | Extreme Electrical | Global Tech LED | 339.00 |
| 14 | First Bank | Credit Card Charges | 178.21 |
| 15 | GFI Digital | Copies | 252.87 |
| 16 | GFI Digital | Computer Maintenance thru 7/12/17 | 800.00 |
| 17 | Hamilton Weber LLC | May, 2017 Legal Fees | 11,555.13 |
| 18 | Hof Heating & Cooling | Air Conditioner Repair | 1,945.00 |
| 19 | Insurance: Anthem Blue Cross/Blue Shield | Health: July, 2017 | 4,505.55 |
| 20 | Insurance: Capital Administrators | Vision: July, 2017 | 90.50 |
| 21 | Insurance: FCL Dental | Dental: July, 2017 | 307.94 |
| 22 | Kehoe Engineering | Reimbursable Engineering: May, 2017 (85%) | 1,290.30 |
| 23 | Kehoe Engineering | Engineering: May, 2017 | 14,812.93 |
| 24 | Kone | Elevator Maintenance to 8/31/17 | 390.63 |
| 25 | KSDK | May: Show Me St. Louis Segment | 1,600.00 |
| 26 | Missouri Municipal League | Conference Registration: Wandling | 397.00 |
| 27 | Office Essentials | Office & Maintenance Supplies | 1,185.08 |
| 28 | Parks: BMI | License fee | 342.00 |
| 29 | Parks: O'Fallon Sewer Service | Prairie Day Portable Toilets | 750.00 |
| 30 | Parks: Various Individuals | Umpires to 06/06/17 | 2,125.00 |
| 31 | PASS Security | System Monitoring to 9/30/17 | 81.00 |
| 32 | Payroll | Payroll: 6-16-17 | 18,156.64 |
| 33 | PGAV Planners | Commercial Area Planning | 600.00 |
| 34 | PWSD | Georgetown Water to 5/31/17 | 14.24 |
| 35 | Reinhold Electric | Ballfield Light Repair | 233.76 |
| 36 | Rottler | Quarterly Maintenance Pest Control | 99.00 |
| 37 | St. Charles County Health | Mosquito Control to 5/16/17 | 159.29 |
| 38 | SWT Design | Park Study | 3,930.95 |
| 39 | Thoele | Gasoline Charges to 5/26/2017 | 931.80 |
| 40 | Tyler Technologies | Annual Maintenance | 1,200.00 |
| 41 | UMB Bank, NA | June, 2017 TDD Sales Tax Payment | 30,768.10 |
| | | | **107,110.12** |

Approved by Board of Aldermen 6/21/17

Mayor David C. Zucker

DARDENNE PRAIRIE

City of Dardenne Prairie
2032 Hanley Road
Dardenne Prairie, MO 63368
636-561-1718

# TEMPORARY USE PERMIT- FIREWORKS STANDS OR TENTS

Applications must be completed in full for each location in Dardenne Prairie and submitted to the City Clerk. (Incomplete applications will be returned.)

All permits shall expire on the eighth day following July 4th of every year.

This application must be submitted to the City Clerk along with a cashier's check for ~~$3000.00~~ 100.00, site plan, letter from property owner, certificate of insurance, and emergency contact form.

5-16-17
Application Date

Location of Stand/Tent 2199 Post Road, Dardenne Prairie, MO 63368

Name of Business Dardenne Prairie Knights of Columbus

Business Owner S. A. A.

Address S. A. A.

City, State & Zip Dardenne Prairie, MO 63368

Phone (636) 625-2344

Name & Phone # of Senior Manager on Site Joe Shroeder (636) 542-0964

Property Owner Name Dardenne Knight of Columbus Home Assn.

Property Owner Address 2199 Post Road

City, State, & Zip Dardenne Prairie, MO 63368

Property Owner Phone (636) 625-2344

MO Sales Tax # (Attach a copy of MO Retail Sales License) 11174277

Jeffrey Amelong
Applicant Signature

*NOTE: By affixing signatures to this application form, the Applicant hereby verifies that they have reviewed the applicable zoning regulations; they are familiar with the specific requirements relative to this application; and they take full responsibility for this application. The above signature further indicates that the information provided on this form and on any additional data attached hereto is true, complete, and accurate.*

# City of Dardenne Prairie
# Business Emergency Contact FORM

The information contained on this form will be kept confidential and will be used when an emergency or unusual situation arises at the business indicated. Persons listed on the form should be those that have keys and a working knowledge of the alarms (if any), business layout and business operation. A copy of this form will be provided to the St. Charles County Sheriff's Department, which is the law enforcement authority for Dardenne Prairie. Please list people who can respond in a reasonable amount of time.

**Please print or type:**

Business Owner's Name Dardenne Knights of Columbus

Business Name S. A. A.

Business Address 2199 Post Rd, Dardenne Prairie, MO 63368

Plaza/Business Center Name (if applicable) _____

Alarm Company (if equipped) N/A

Alarm Company Phone ( ) N/A

**Contact Personnel in Order:**

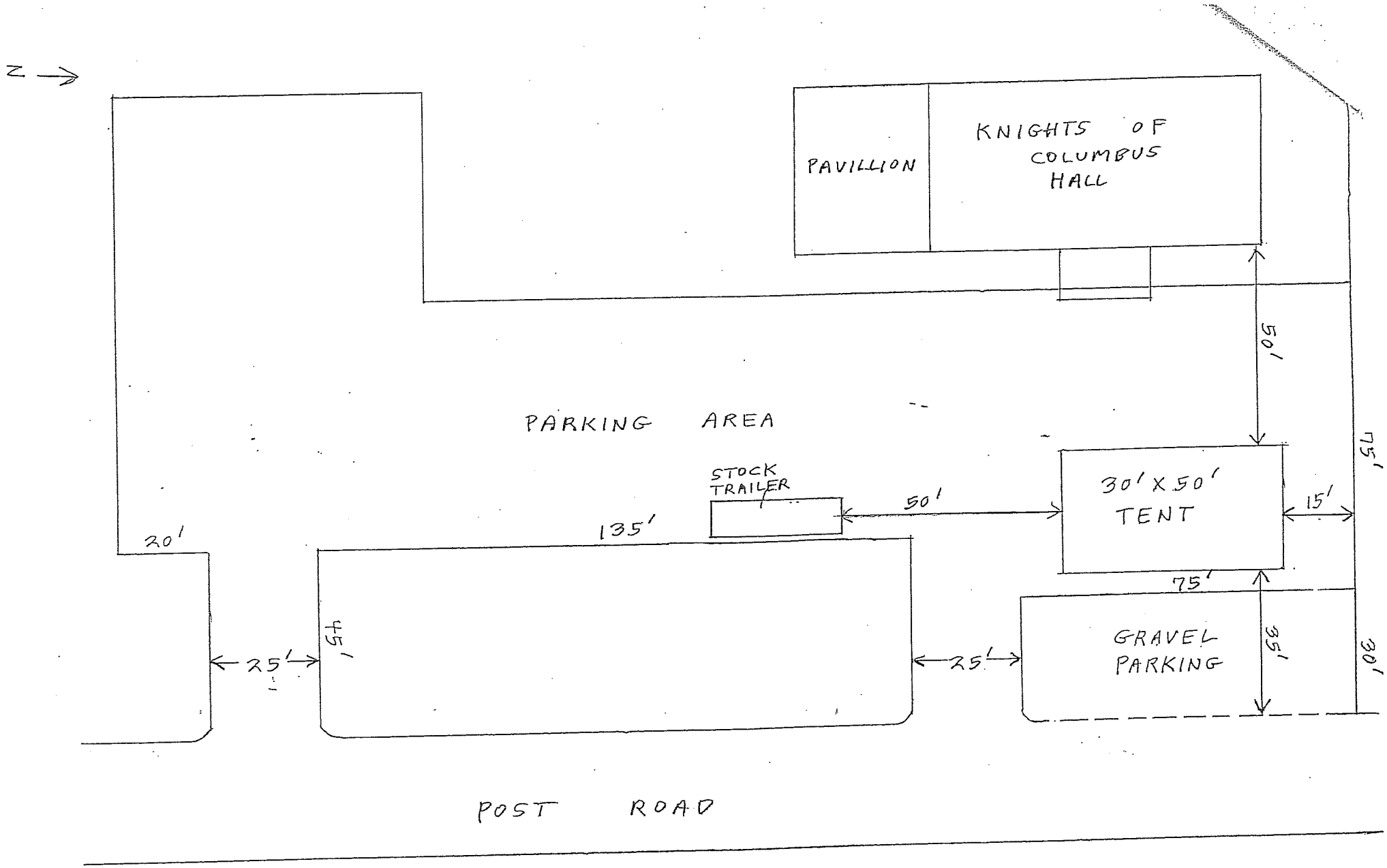
*Call First*:
Name: Joe Shroeder Phone: (636) 542-0964

*Then Try*:
Name: Jeff Amelong Phone: (636) 240-4856

*Next Try*:
Name: Don Kampt Phone: (636) 978-0941

Any special notes or considerations (Dogs, Chemicals, Hazardous areas, etc.)

None


N
PAVILLION
KNIGHTS OF COLUMBUS HALL
50'
PARKING AREA
75'
STOCK TRAILER
50'
30' X 50' TENT
15'
135'
20'
75'
45'
25'
25'
GRAVEL PARKING
35'
30'
POST ROAD

SCALE: 1" = 30'

Missouri
DEPARTMENT OF REVENUE
Taxation Division

# CERTIFICATE OF NO TAX DUE

MERAMEC SPECIALTY COMPANY
PO BOX 305
ARNOLD MO 63010-0305
MERAMEC SPECIALTY COMPANY

DATE: MARCH 23, 2017

MISSOURI TAX ID NUMBER: 11174277

To whom it may concern: The Missouri Department of Revenue certifies that the above listed taxpayer/account has filed all required returns and paid all sales tax due, including penalties and interest, or does not owe any sales tax, according to the records of the Missouri Department of Revenue, as of March 23, 2017. These records do not include returns that are not required to be filed as of this date for taxes previously collected or that have been filed but not yet processed by the Department.

This statement only applies to sales tax due and does not limit the authority of the Director of Revenue to assess, and/or collect liabilities under appeal, in default of an installment agreement entered into with the Director of Revenue or that become known to the Department as a result of audit, review of taxpayer's records, or determination of successor liability.

THIS CERTIFICATE REMAINS VALID FOR 90 DAYS FROM THE ISSUANCE DATE.

DIRECTOR OF REVENUE OR DELEGATE
STATE OF MISSOURI

BY:

Natasha Prenger

Natasha Prenger
Supervisor
Business Tax Registration Section

CL:DU3386

TAR055
201708200300872

# State of Missouri
## Missouri Temporary Sales License

LICENSEE:

MERAMEC SPECIALTY CO
SW CRNR HWY N & PST RD
DARDENNE PRAIRIE MO 63366
MERAMEC SPECIALTY COMPANY

LICENSE ISSUED:

FEBRUARY 23, 2017

MISSOURI TAX IDENTIFICATION NUMBER: 11174277

THE ISSUANCE OF THIS LICENSE IS CONTINGENT UPON THE LICENSEE'S COMPLIANCE IN ALL RESPECTS WITH THE REQUIREMENTS OF CHAPTER 144 RSMO, AND THE RULES PROMULGATED THEREUNDER.

THIS LICENSE IS VALID ONLY FROM JUNE 20, 2017 TO JULY 10, 2017.

THIS LICENSE MUST BE PROMINENTLY DISPLAYED.

ACTING DIRECTOR OF REVENUE

Wood Miller

THIS BUSINESS IS REGISTERED INSIDE THE CITY LIMITS OF DARDENNE PRAIRIE IN THE COUNTY OF ST CHARLES AND YOU ARE LIABLE TO COLLECT AND REMIT ALL APPLICABLE STATE AND LOCAL SALES TAXES.

THIS LICENSE IS NOT ASSIGNABLE OR TRANSFERABLE

(DT6023)

# MISSOURI DIVISION OF FIRE SAFETY

## FIREWORKS PERMIT

### Seasonal Retailer

**COMPANY NUMBER:** 4981

**FEE:** $50.00

**PERMITTED SELLING PERIODS:**

June 20, 2017 through July 10, 2017 and December 20, 2017 through January 2, 2018.

Meramec Specialty Co
SW Corner Hwy N & Pst Rd
Dardenne Prairie, MO 63366

*Charles A. (Drew) Juden*
ACTING DIRECTOR OF PUBLIC SAFETY

*J. Tim Bean*
ACTING STATE FIRE MARSHAL

**LICENSE NOT TRANSFERABLE**

# Certificate of Flame Resistance

REGISTERED STATE OF CALIFORNIA STATE FIRE MARSHAL FLAME RETARDANT F 121

REGISTERED APPLICATION CONCERN No.

GA-217

ISSUED BY
JOHN BOYLE & COMPANY, INC.
Salisbury Road
Statesville, NC 28677
704-872-8151

Date treated or manufactured

*This is to certify that the materials described below have been flame-retardant treated (or are inherently nonflammable).*

FOR _____ ADDRESS _____

CITY _____ STATE _____

Certification is hereby made that: (Check "a" or "b")

☐ (a) The articles described below this Certificate have been treated with a flame-retardant chemical approved and registered by the State Fire Marshal and that the application of said chemical was done in conformance with the laws of the State of California and the Rules and Regulations of the State Fire Marshal.

Name of chemical used _____ Chem. Reg. No. _____

Method of application _____

☒ (b) The articles described below are made from a flame-resistant fabric or material registered and approved by the State Fire Marshal for such use.

Trade name of flame-resistant fabric or material used _____ Reg. No. _____

## The Flame-Retardant Process Used WILL NOT Be Removed By Washing

JOHN BOYLE & COMPANY, INC.

*Name of Applicator or Production Superintendent*

JOHN BOYLE & COMPANY, INC.

By _____

*Specialty Products Manager*

SOLD TO:
LAFAYETTE TENT & AWN
125 SOUTH 5TH ST

LAFAYETTE
IN 47901

CONTROL#--> 03406
ORDER#----> 03164
INVOICE#--> 103144
MFG DATE--> 03-05-93
QUANTITY--> 1008.00

STYLE----------> 265
DESCRIPTION----> 265 DEEP BLUE LAM. BIG TOP 61"
REGISTER NO.---> F-121.4
CALENDAR NO.---> 81-73 SM

## Sell Certified Flame-Retardant Fabrics By BOYLE

Your product will meet the rigid specifications of the California Fire Marshal.

FLAMETEST II®
PROTEC®

BIMINI FLAMETEST®
ULTRA FAB®

WIDE TRAILER FABRIC
PATIO®

FLAMETEST®
SURFMATE®

JOHN BOYLE & COMPANY AND DISTRIBUTORS

# DRAYTON INSURANCE BROKERS, INC.

2500 CENTER POINT ROAD, SUITE 301
BIRMINGHAM, ALABAMA 35215
PHONE: (205) 854-5806
FAX: (205) 854-5899

420

Knights of Columbus

POST OFFICE BOX 94067
BIRMINGHAM, ALABAMA 35220
EMAIL: dib@draytonins.com

## CERTIFICATE OF INSURANCE

NO. 730811

We certify that insurance is afforded as stated below. This Certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the insurance policy and the insurance afforded is subject to all the terms, exclusions and conditions of the policy.

**INSURER** Admiral Insurance Company **POLICY NO.** CA000018967-04

**NAMED INSURED**
Atomic Fireworks Inc. of Arkansas
Atomic Fireworks Inc. of Missouri
Meramec Specialty Company
P.O. Box 305
Arnold, Missouri 63010
T.E.A. Enterprises, Inc.
Pacific Specialty Company
West Alton Properties, Inc.
ATLG, LLC
ATLH, LLC

**POLICY TERM** March 1, 2017 to March 1, 2018; Both Days 12:01 A.M. Standard Time

**COVERAGE** Premises-Operations Liability: ☒ Occurrence Basis ☐ Claims Made Basis

**LIMIT OF LIABILITY** $1,000,000 each occurance, $2,000,000 general aggregate
The limit of liability shall not be increased by the inclusion of more than one insured or additional insured.

**INSURED OPERATIONS** The sale of consumer fireworks (1.4G) and related products at the **Insured location**, during the **period of operation**.

**It is certified that, for the period of operation stated below and when named below as such, this policy includes as Additional Insureds** 1) the operator(s), sponsor(s), promoter(s), organizer(s), of the **Insured Premises** used principally for the retail sale of consumer fireworks supplied by the Named Insureds and/or 2) the owner(s), manager(s), tenant(s), mortgagee(s) (including other entities having similar interests), of the property on which the **Insured Premises** is located and/or 3) the licensing authority issuing a permit or license for the operation of the **Insured Premises** and/or 4) any entity for which the Named Insured is required, by written contract, to provide insurance such as is afforded by the terms of this policy.

**NAME(S) OF ADDITIONAL INSURED(S)** Operator, Sub-Operator, and Stand Manager

| Licensing Authorities | Property Owner(s) | Additional Insureds |
|---|---|---|
| State of Missouri | Knights of Columbus Council 2273 | Knights of Columbus H/O |
| St. Charles County | | |
| City of Dardenne Prairie | | |
| Wentzville FPD | | |

**ADDRESS OF INSURED PREMISES** **Knights of Columbus hall parking lot at 2199 Post Road in Dardenne Prairie, Missouri.**

**PERIOD OF OPERATION** June 10, 2017 TO July 10, 2017

It is certified that this policy requires a 30 day mutual notice of cancellation between the Insurer and the Named Insured. In the event of such cancellation we will endeavor to mail 10 days written notice to the Additional Insured(s), whose name and address is shown hereon, but failure to mail such notice shall impose no obligation or liability of any kind upon the insurer and/or the undersigned.

DRAYTON INSURANCE BROKERS, INC.

March 1, 2017

DATE OF ISSUE

A.J. STRINGER, PRESIDENT

**BILL NO. 17-30**

**ORDINANCE NO. _____**

**AN ORDINANCE OF THE CITY OF DARDENNE PRAIRIE, MISSOURI, AUTHORIZING THE MAYOR AND THE CITY TREASURER TO EXECUTE A NEW PROJECT APPLICATION TO THE EAST-WEST GATEWAY COORDINATING COUNCIL FOR FINANCING OF TWO PEDESTRIAN FACILITES PROJECTS AND THE HENNING ROAD TRIAL RECONSTRUCTION PROJECT AND AUTHORIZING AN EXPENDITURE FOR THE APPLICATION FEE FOR SAME**

**WHEREAS,** the Board of Aldermen of the City of Dardenne Prairie has approved projects for the construction of sidewalks along Feise Road and South Outer 364 and for the reconstruction of the walking trail along Henning Road; and

**WHEREAS**, the total estimated cost of the three projects is approximately $1,161,745 (the "Project Cost"); and

**WHEREAS,** if approved for funding as requested the City's cost share would be estimated at $116,174.50; and

**WHEREAS**, the Board of Aldermen desires to submit an application to East-West Gateway Coordinating Council ("East-West Gateway") for receipt of federal funds to reimburse the cost these three projects; and

**WHEREAS**, the Board of Aldermen desires to submit an Application requesting federal funds equal to approximately $1,045,570.50 for the three projects (the "Requested Funds"); and

**WHEREAS**, a project application fee equaling $4646.981 (the "Application Fee") must be submitted with the Application; and

**WHEREAS**, if the Application is approved, East-West Gateway will retain the application fee, but if the Application is denied, the Application Fee will be returned to the City;

**NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF DARDENNE PRAIRIE, MISSOURI, AS FOLLOWS:**

**SECTION 1.** That upon completion by the City Engineer, the Mayor and the City Treasurer be and they are hereby authorized and directed to execute the Applications, requesting funds for the Feise Road and South Outer 364 Pedestrian Facilities Projects and the Henning Road Trail Reconstruction Project.

**SECTION 2.** That Board of Aldermen hereby authorizes the expenditure of Four Thousand Six Hundred Forty-Six and 98/100 Dollars ($4,646.98) for the Application Fee for the directs the City Treasurer to amend the budget accordingly to reflect said expenditure.

**SECTION 3.** Severability Clause: If any term, condition, or provision of this Ordinance shall, to any extent, be held to be invalid or unenforceable, the remainder hereof shall be valid in all other respects and continue to be effective and each and every remaining provision hereof shall be valid and shall be enforced to the fullest extent permitted by law, it being the intent of the Board of Aldermen that it would have enacted this Ordinance without the invalid or unenforceable provisions. In the event of a subsequent change in applicable law so that the provision which had been held invalid is no longer invalid, said provision shall thereupon return to full force and effect without further action by the City and shall thereafter be binding.

**SECTION 4**. Effective Date: This Ordinance shall be in full force and take effect from and after its final passage and approval.

**SECTION 5**. Savings: Nothing contained herein shall in any manner be deemed or construed to alter, modify, supersede, supplant or otherwise nullify any other Ordinance of the City or the requirements thereof whether or not relating to or in any manner connected with the subject matter hereof, unless expressly set forth herein.

Read two times and passed this _____ day of _____, 2017.

_____
As Presiding officer and as Mayor

Approved this _____ day of _____, 2017.

_____
Mayor

Attest:_____
City Clerk