

Comprehensive Annual Financial Report

For Fiscal Year Ended
March 31, 2016



Photos by David L. Smith

City of Kirkwood, Missouri



Photo by David L. Smith

Thank you to the Citizens of Kirkwood for approving the half-cent Fire/EMS sales tax in April 2015. This new sales tax provides a dedicated source of funding for the Kirkwood Fire Department. In the year since you gave the sales tax your approval, the City has hired seven new firefighter/paramedics, which has allowed us to put into service a third ambulance full-time. Thank you.

CITY OF KIRKWOOD, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2016



Report issued by the Finance Department

John R. Adams
Director of Finance

Sandra F. Stephens
Assistant Director of Finance

Table of Contents

Page

Part I – INTRODUCTORY SECTION:

Letter of Transmittal.....	i - v
List of City Officials.....	vi
Organization Chart.....	vii
Certificate of Achievement For Excellence In Financial Reporting.....	viii

Part II – FINANCIAL SECTION:

Independent Auditor’s Report.....	1 – 3
Management’s Discussion and Analysis.....	4 – 16

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position.....	17
Statement of Activities.....	18

Fund Financial Statements:

Balance Sheet – Governmental Funds	19
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	20
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	22
Statement of Fund Net Position – Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund.....	24
Statement of Cash Flows – Proprietary Funds.....	25 – 26
Statement of Fiduciary Net Position – Fiduciary Fund Types - Trust and Agency Funds.....	27
Statement of Changes in Fiduciary Net Position – Pension Trust Funds.....	28
<i>Notes to Basic Financial Statements.....</i>	<i>29 – 74</i>

Table of Contents

Page

Part II – Financial Section (*Continued*):

Required Supplementary Information – Budgetary Comparison Information:

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	75 – 78
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Public Park Board.....	79
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – P&F Property Tax Pension Fund...	80
Notes to Budgetary Comparison Information.....	81

Other Supplementary Information:

Combining Balance Sheet – Non-major Governmental Funds.....	82
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds.....	83
Combining Balance Sheet – Non-major Special Revenue Funds.....	84
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds.....	85
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds: Non-Major Special Revenues Funds: Downtown Special Business District Fund.....	86
Equitable Sharing Fund.....	87
Sewer Lateral Fund.....	88
Debt Service Fund.....	89
Capital Projects Funds: Capital Improvement Fund.....	90
Parks and Storm Water Improvement Fund.....	91
Combining Statement of Net Position – Internal Service Funds.....	92
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds.....	93
Combining Statement of Cash Flows – Internal Service Funds.....	94
Combining Statement of Net Position – Pension Trust Funds.....	95
Combining Statement of Changes in Net Position – Pension Trust Funds.....	96
Combining Balance Sheet – Agency Funds.....	97
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	98
Balance Sheet – Industrial Development Authority.....	99
Statement of Revenues, Expenses, and Change in Net Position – Industrial Development Authority.....	100

Table of Contents

Page

Part III – STATISTICAL SECTION:

Financial Trends Information:

Net Position by Component, Last Ten Fiscal Years.....	101
Changes in Net Position, Last Ten Fiscal Years.....	102–103
Program Revenues by Function/Program, Last Ten Fiscal Years.....	104
Fund Balances, Governmental Funds, Last Ten Fiscal Years.....	105
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years.....	106
Tax Revenues by Source, Governmental Funds, Last Ten Fiscal Years.....	107

Revenue Capacity Information:

Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	108
Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years.....	109
Principal Property Tax Payers, Current Year and Nine Years Ago.....	110
Property Tax Levies and Collections, Last Ten Fiscal Years.....	111
Electricity Sold by Type of Customer, Last Ten Fiscal Years.....	112
Water Sold by Type of Customer, Last Ten Fiscal Years.....	113
Taxable Sales by Industry, Last Ten Fiscal Years.....	114
Direct and Overlapping Sales Tax Rates, Last Ten Fiscal Years.....	115

Debt Capacity Information:

Ratios of Outstanding Debt By Type, Last Ten Fiscal Years.....	116
Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years.....	117
Legal Debt Margin Information, Last Ten Fiscal Years.....	118
Direct and Overlapping Governmental Activities Debt as of March 31, 2015.....	119
Pledged – Revenue Coverage, Last Ten Fiscal Years.....	120

Demographic and Economic Information:

Demographic and Economic Statistics, Last Ten Calendar Years.....	121
Principal Employers, Current Year and Nine Years Ago.....	122

Operating Information:

Full-time Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years.....	123
Operating Indicators by Function/Program, Last Ten Fiscal Years.....	124-126
Capital Assets Statistics by Function/Program, Last Ten Fiscal Years.....	127-128

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WHERE COMMUNITY AND SPIRIT MEET®

September 14, 2016

To the Honorable Mayor, Members of the City Council, and Citizens of Kirkwood, Missouri:

The Comprehensive Annual Financial Report (CAFR) of the City of Kirkwood (City), Missouri, for the fiscal year ended March 31, 2016, is hereby submitted. The City of Kirkwood's Finance Department prepared this report. The management of the City is responsible for the accuracy of the data and the completeness and fairness of the presentation of the financial statements and other information presented herein. We believe the presentation is accurate in all material respects and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial activities.

This report has been prepared following the guidelines recommended by the Government Finance Officer's Association of the United States and Canada (GFOA). This association awards Certificates of Achievement for Excellence in Financial Reporting to those governments whose annual financial reports are judged to conform substantially with the high standards of public financial reporting including generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. It is our belief that the accompanying Fiscal Year 2016 Financial Report meets these program standards, and it will be submitted to the Government Finance Officer's Association for review.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Kirkwood is located in St. Louis County, approximately 14 miles west of the City of St. Louis. The City covers approximately 9.1 square miles and is bounded by Interstate 44 on its southern boundary and traversed by Interstate 270 near its western boundary. Together, the interstate highways provide excellent access to all parts of the St. Louis metropolitan area.

Kirkwood was the first planned suburban residential area west of the Mississippi River. The City was established in 1853, incorporated in 1865, re-incorporated as a fourth class city in 1899, and as a third class city in 1930. In 1984, the City became a home rule city as permitted under a 1971 amendment to the Missouri Constitution.

Known as “The Green Tree City,” the City is an attractive suburban residential community with tree-lined streets, a vibrant downtown shopping district, and a highly rated public school system. The City has a diverse economic base, which includes several large retailers, limited industries, and many small specialty shops. Kirkwood also is a scheduled daily stop on Amtrak’s St. Louis to Kansas City route.

Missouri State Law and City ordinances require annual budgets to be prepared for the General and Special Revenue Funds on a basis that approximates generally accepted accounting principles. For the period covered by this annual financial report, budgetary control over expenditures was exercised by the City Council throughout the entire fiscal year. The City Council could amend the budget throughout the year provided total expenditures appropriations did not exceed projected revenues plus unencumbered reserves.

Appropriation transfers were made within or between departments with the approval of the Chief Administrative Officer. All budget amendments in excess of the original budget were approved by City ordinances or by transfer from an amount appropriated for contingencies. A City policy, which is not required by state statute, requires all budget amendments or transfers of \$10,000 or more be approved by ordinance. Therefore, the legal level of budgetary control is established by law at the sub object or account level.

The City’s accounting system provides for internal controls to ensure that assets of the City are protected from loss, theft or misuse, and are properly accounted for. The City has designed a comprehensive set of internal controls to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the valuation of costs and benefits requires estimates and judgments by management.

It is the opinion of management that the internal controls utilized are adequate and provide for the safeguarding of assets and assure proper recording of financial transactions.

FACTORS AFFECTING FINANCIAL CONDITION

Service delivery is paramount. The citizens of Kirkwood are accustomed to, demand, and rightly expect exceptional services from their city. Police and Fire operations unfailingly meet the need. From Electric to Water to all levels of public works services, the City continues to strive to provide the highest quality and value. In order to do this, we face many challenges. We must identify where our limited City funding is most wisely invested. This year we will use a professionally conducted comprehensive community survey to help set the course, indicate deficiencies, and to identify what our citizens believe needs improvement. The survey, together with the comprehensive planning process, will allow the leaders of the City to make well informed decisions that will most benefit our citizens.

In order to continue to deliver the high quality of life for our citizens, we must have strong stewardship of our finances. The City's finance staff monitors closely the day to day cash flow and budget expenditures. Our strong fund balances is one of the primary reasons the City of Kirkwood has been able to maintain and keep the Aa2 bond rating. This is only one level from the highest rating possible. The strong investment grade bond rating has allowed the City broad access to the credit markets over the years and provided opportunity to borrow funds at some of the lowest possible borrowing costs, which can and will save our citizens hundreds of thousands of dollars whenever new debt is issued. We must strive to maintain and build our strong fund balances citywide.

The City is considering some major projects that could transform Kirkwood for years to come. There is always the temptation to innovate, but we would not want to jeopardize the things that are so great about Kirkwood. We must review all aspects of the community center project to ensure that, in whatever form it ultimately takes, it brings value added and raises our citizens' quality of life. We will need to account for what portion of operating expenses may be expected to be recovered from participatory fees. Comprehensive cost recovery will solidify the business aspects of both the community center and theater operations. There are opportunities here to create and drive new revenue streams for the City. Framing the financing of the project with contributions from non-profit or private entities will also be a challenge that, with proper input from our financial advisors, will allow the city to take on this large project in the most fiscally-prudent way.

Opportunity abounds in the controlled redevelopment of our commercial corridors. The Envision Kirkwood 2035 Plan will guide development that is sustainable, and complimentary to the character and current land uses throughout the City. The City will benefit by engaging in strategic investment through the SBD, and in underutilized locations of the City. These investments will provide the seeds of change to more fully realize great potential in underdeveloped sites.

The City needs to refocus its efforts regarding economic development opportunities. The Planning and Zoning Committee has worked diligently to provide an innovative tool that will allow flexibility in certain redevelopment situations. This will be a key piece of the puzzle in securing quality private investment in some of the City's more difficult to develop properties. Obtaining highest and best use on these underutilized land parcels will grow the property and sales tax bases to provide the highest quality services our citizens' demand and expect. To this end we plan to include in the budget a reorganization of the planning function to include more of an economic development component.

Another priority will be preparing for a citizen vote to continue the one-half cent capital improvements sales tax. This tax brings \$2.2 million each year to provide for street resurfacing, infrastructure improvements, vehicle replacement, and public safety capital needs. It is essential to providing our current level of services. This current revenue source will sunset in 2020 if it is not renewed prior to that date. A timely approach for this initiative would place the question on the April 2017 election.

Threats to the City's fiscal health do not stop at the sunseting of our capital projects sales tax. There are sure to be more initiatives at the state level that follow the course of Senate Bill 5, that erode Home Rule, and could bring more restrictions on municipalities. One need only to read a randomly selected issue of the St. Louis Post-Dispatch to glean that the issues in some cities are generalized and broadly extended to encompass other, better operated municipalities.

INDEPENDENT AUDIT

State statutes and the City Charter require an annual audit by independent certified public accountants. The accounting firm of Hochschild, Bloom & Company, LLP was selected by the City Council for this year's audit. The external auditors met with the City's Audit Committee at the start of fieldwork and at the conclusion of fieldwork. The Audit Committee met together and privately with the external auditors and management to ensure review and oversight. The auditor's report on the basic financial statements is included in the financial section of this report.

AWARDS AND ACKNOWLEDGEMENTS

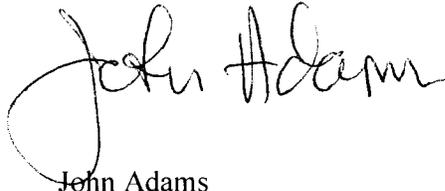
The (GFOA) awarded a Certificate of Achievement for Excellence in Financial reporting to the City of Kirkwood, Missouri, for its CAFR for the fiscal year ended March 31, 2015. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

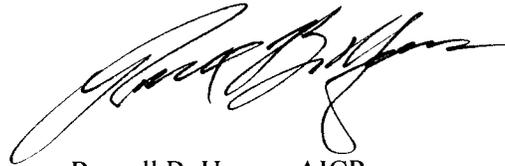
The preparation of the CAFR was made possible by the dedicated service of the entire staff of the finance department. Each member of the department and all City employees who supplied information have our sincere appreciation for the contributions made in preparation of this report.

In closing, without the leadership, interest and support of the Mayor, City Council and Chief Administrative Officer, preparation of this report would not have been possible.

Respectfully submitted,



John Adams
Director of Finance



Russell B. Hawes, AICP
Chief Administrative Officer

CITY OF KIRKWOOD, MISSOURI

CITY OFFICIALS

MAYOR

Arthur McDonnell

COUNCIL MEMBERS

Gerry Biedenstein

Gina Jaksetic

Timothy Griffin

Bob Sears

Nancy Luetzow

Paul Ward

COUNCIL STAFF

Elizabeth Montano

City Clerk

ADMINISTRATION

Russell Hawes

Chief Administrative Officer

Georgia Ragland

Asst. Chief Administrative Officer

Elizabeth Von Behren

Public Information Officer

DEPARTMENT HEADS

John Adams

Finance Director

David Weidler

Purchasing Director

Kevin Campe

Information Systems Director

Jack Plummer

Police Chief

Lawrence Bierman

Interim Fire Chief

Mark Petty

Electric Director

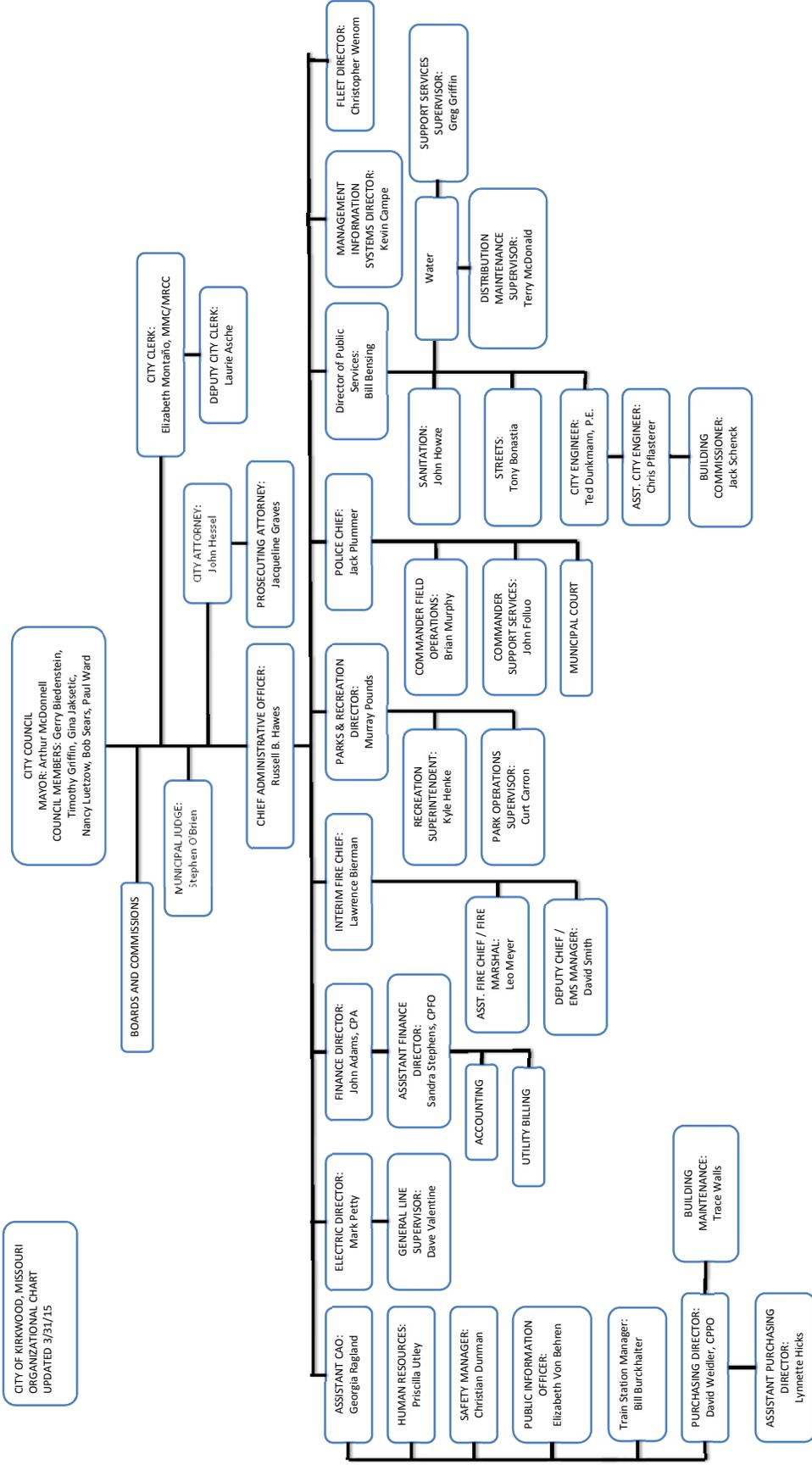
Bill Bensing

Public Services Director

Murray Pounds

Parks and Recreation Director

CITY OF KIRKWOOD, MISSOURI
ORGANIZATIONAL CHART
UPDATED 3/31/15





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Kirkwood
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

March 31, 2015

Executive Director/CEO



Hochschild, Bloom & Company LLP
Certified Public Accountants
Consultants and Advisors

INDEPENDENT AUDITOR'S REPORT

September 14, 2016

Honorable Mayor and Members of the City Council
CITY OF KIRKWOOD, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF KIRKWOOD, MISSOURI** (the City) as of and for the year ended March 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

- 15450 South Outer Forty Road, Suite 135, Chesterfield, Missouri 63017-2066, 636-532-9525, Fax 636-532-9055
- 1000 Washington Square, P. O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

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 City'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 City'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 our 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 financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of March 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such infor-

mation directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 14, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hochschild, Bloom + Company LLP
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2016

As management of the CITY OF KIRKWOOD, we offer readers of the CITY OF KIRKWOOD'S financial statements this narrative overview and analysis of the financial activities of the CITY OF KIRKWOOD for the fiscal year ended MARCH 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through iv of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the CITY OF KIRKWOOD exceeded its liabilities at the close of the most recent fiscal year by \$122,643 (*net position*). Of this amount, \$71,647 is invested in capital assets, net of related debt; \$39,408 (*unrestricted net positions*) may be used to meet the government's ongoing obligations to citizens and creditors. While \$11,588 is restricted for a specific use (see NET POSITION, page 17).
- As of the close of the current fiscal year, the CITY OF KIRKWOOD'S governmental funds reported combined ending fund balances of \$19,615 an increase of \$1,105 in comparison with the prior year. A total of \$8,175 is *available for spending* at the government's discretion (*unassigned fund balance*). While \$11,345 has been assigned for a specific use by the City Council (see FUND BALANCES, page 19).
- At the end of the current fiscal year, nonspendable, assigned, and unassigned fund balance for the general fund was \$9,221, or 44 percent of total general fund annual operating expenditures.
- At the end of the current fiscal year, nonspendable, assigned, and unassigned net position for our business type activities were \$44,937. Electric and Water both had a positive change in net position while our Sanitation Fund had a decrease in net position.

Overview of Financial Statements

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

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the CITY OF KIRKWOOD'S finances, in a manner similar to a private-sector business.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Overview of Financial Statements (continued)

The *statement of net position* presents information on all of the CITY OF KIRKWOOD'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 OF KIRKWOOD is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the CITY OF KIRKWOOD that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the CITY OF KIRKWOOD include general government, public safety, highways and streets, economic development, and culture and recreation. The business-type activities of the CITY OF KIRKWOOD include Water, Sanitation and an Electric Distribution operation.

The government-wide financial statements include not only the CITY OF KIRKWOOD itself (known as the *primary government*), but also a legally separate Industrial Development Authority for which the CITY OF KIRKWOOD is financially accountable. Financial information for this *component unit* is reported by the City.

The government-wide financial statements can be found on pages 17 and 18 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CITY OF KIRKWOOD, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the CITY OF KIRKWOOD can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Overview of Financial Statements (continued)

Governmental Funds (continued)

governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The CITY OF KIRKWOOD maintains 10 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, public park board, police & fire property tax pension and our two voter approved capital improvement funds which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The CITY OF KIRKWOOD adopts an annual appropriated budget for its general, public parks, and P&F property tax pension fund. A budgetary comparison statement has been provided for the general, public parks, and P&F property tax pension fund. Due to the management controls adopted, which provide for the budget to be controlled at a detail greater than the statutory level of control, the legal level of budgetary control for all governmental funds is established at the sub object level. Compliance with the legal level of budgetary control is demonstrated through the issuance of a separate report, which is available for inspection on the city's web site www.kirkwoodmo.org or at the Finance Department.

The basic governmental fund financial statements can be found on pages 19 through 22 of this report.

Proprietary Funds. The CITY OF KIRKWOOD maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The CITY OF KIRKWOOD uses enterprise funds to account for its Water, Sanitation and for its Electric Distribution operation. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the CITY OF KIRKWOOD'S various functions. The CITY OF KIRKWOOD uses internal service funds to account for the maintenance & repair of its vehicles and equipment, worker's compensation program and to self-insure for our healthcare needs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water distribution, Sanitation and for the Electric Distribution operation, the three of which are considered to be major funds of the CITY OF KIRKWOOD. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Overview of Financial Statements (continued)

The basic proprietary fund financial statements can be found on pages 23 through 26 of this report.

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

The basic fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 29 through 75 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the CITY OF KIRKWOOD'S budgetary comparisons. Required supplementary information can be found on pages 76 through 82 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, the nonmajor governmental funds budget comparisons, and internal service funds are presented in other supplementary information. Combining and individual fund statements and schedules can be found on pages 83 through 101 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CITY OF KIRKWOOD, assets and deferred outflow of resources exceeded liabilities by \$122,643 at the close of the most recent fiscal year.

By far the largest portion of the CITY OF KIRKWOOD'S net positions (58 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) net of related debt. The CITY OF KIRKWOOD uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The second largest portion of the CITY OF KIRKWOOD'S net position is the Unrestricted portion of net position (32 percent).

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

The following table reflects the condensed statement of net position as of MARCH 31, 2016:

City of Kirkwood's Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Current and other assets	\$24,866	\$26,660	\$32,764	\$31,476	\$57,630	\$58,136
Capital assets	<u>60,378</u>	<u>60,739</u>	<u>24,638</u>	<u>26,863</u>	<u>85,016</u>	<u>87,602</u>
Total Assets	<u>84,244</u>	<u>87,399</u>	<u>57,402</u>	<u>58,339</u>	<u>142,646</u>	<u>145,738</u>
Deferred Outflow of Resources:						
Deferred charge on Refunding	<u>213</u>	<u>156</u>	<u>130</u>	<u>122</u>	<u>343</u>	<u>278</u>
Long-term liabilities outstanding	7,417	5,829	13,384	12,374	20,801	18,203
Other liabilities	<u>3,289</u>	<u>4,020</u>	<u>1,225</u>	<u>1,150</u>	<u>4,514</u>	<u>5,170</u>
Total Liabilities	<u>10,706</u>	<u>9,849</u>	<u>14,609</u>	<u>13,524</u>	<u>25,315</u>	<u>23,373</u>
Net Position:						
Net invested in capital assets	55,385	56,934	13,085	14,713	68,470	71,647
Restricted	10,282	10,755	787	833	11,069	11,588
Unrestricted	<u>9,084</u>	<u>10,017</u>	<u>29,052</u>	<u>29,391</u>	<u>38,136</u>	<u>39,408</u>
Total Net Position	<u>\$74,751</u>	<u>\$77,706</u>	<u>\$42,924</u>	<u>\$44,937</u>	<u>\$ 117,675</u>	<u>\$122,643</u>

A portion of the CITY OF KIRKWOOD'S Governmental Activities net position (14 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net positions* \$10,017 (13 percent) may be used to meet the government's ongoing obligations.

At the end of the current fiscal year, the CITY OF KIRKWOOD is able to report positive balances in all three categories of net position, for the government as a whole, business type activities as well as for its component unit.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

The CITY OF KIRKWOOD'S net position increased by \$4,968 during the current fiscal year as a result of the activity shown in the following table:

City of Kirkwood's Changes in Net Position

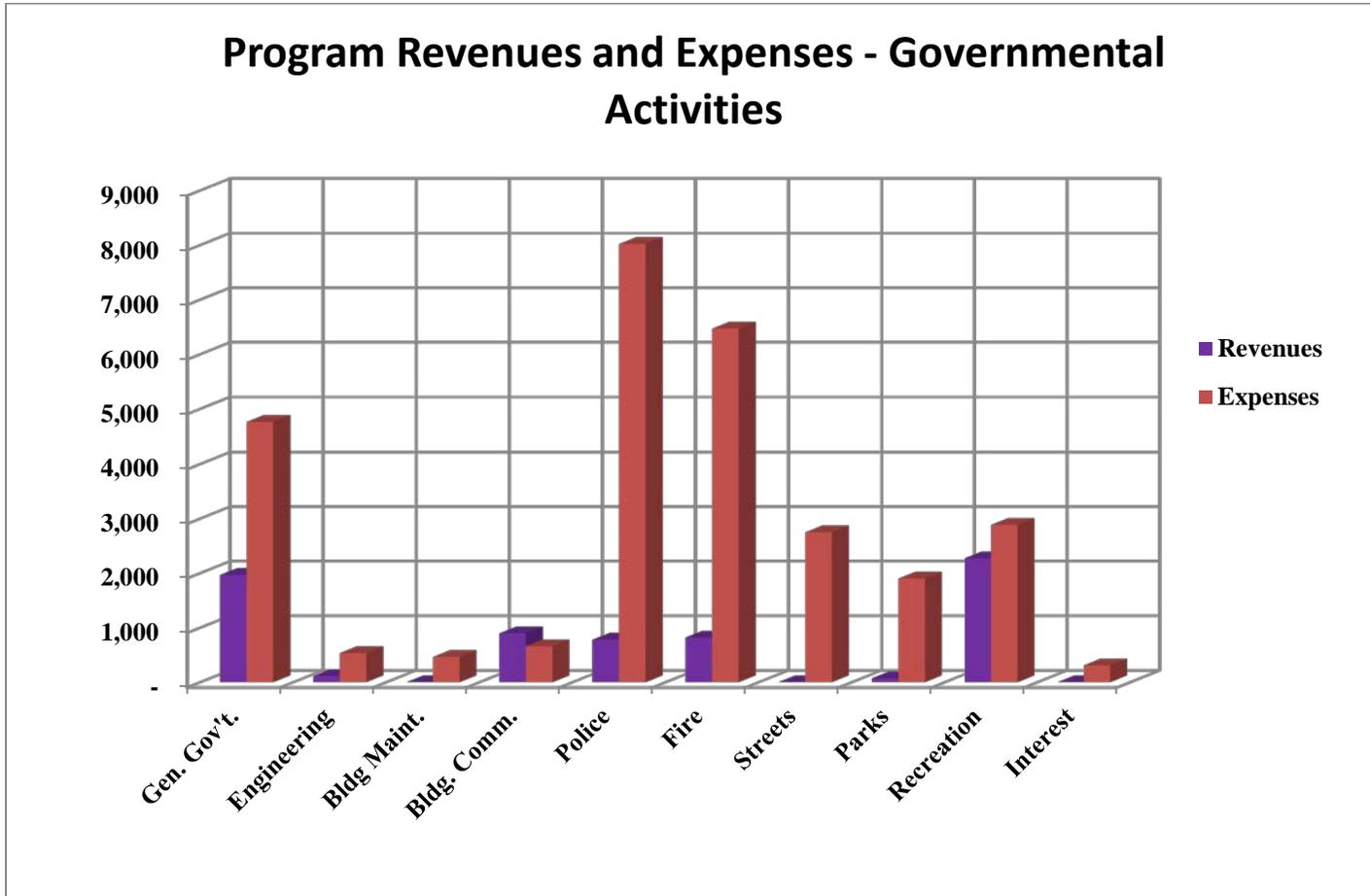
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>
Revenues:						
Program Revenues:						
Charges for services	\$6,216	\$6,130	\$29,668	\$29,801	\$35,884	\$35,931
Operating grants and contributions	225	300	--	--	225	300
Capital grants and contributions	102	490	94	92	196	582
General Revenues:						
Property taxes	4,545	4,471	--	--	4,545	4,471
Other taxes	17,078	17,151	--	--	17,078	17,151
Other revenues	518	702	317	535	835	1,237
Total Revenues	<u>28,684</u>	<u>29,244</u>	<u>30,079</u>	<u>30,428</u>	<u>58,763</u>	<u>59,672</u>
Expenses:						
General Government	4,229	4,763	--	--	4,229	4,763
Engineering	386	535	--	--	386	535
Building maintenance	479	464	--	--	479	464
Building Commissioner	656	661	--	--	656	661
Police	7,907	8,020	--	--	7,907	8,020
Fire	6,317	6,470	--	--	6,317	6,470
Streets	2,565	2,750	--	--	2,565	2,750
Parks	1,962	1,901	--	--	1,962	1,901
Recreation	2,623	2,885	--	--	2,623	2,885
Interest on long-term debt	367	310	--	--	367	310
Electric	--	--	21,183	19,064	21,183	19,064
Water	--	--	4,433	4,178	4,433	4,178
Sanitation	--	--	2,725	2,703	2,725	2,703
Total Expenses	<u>27,491</u>	<u>28,759</u>	<u>28,341</u>	<u>25,945</u>	<u>55,832</u>	<u>54,704</u>
Increase in net position before transfers	1,193	485	1,738	4,483	2,931	4,968
Transfers	<u>575</u>	<u>2,470</u>	<u>(575)</u>	<u>(2,470)</u>	<u>--</u>	<u>--</u>
Increase/Decrease in net position	<u>1,768</u>	<u>2,955</u>	<u>1,163</u>	<u>2,013</u>	<u>2,931</u>	<u>4,968</u>
Net position - April 1, 2015	<u>\$ 74,751</u>		<u>\$ 42,924</u>		<u>\$ 117,675</u>	
Net position - MARCH 31, 2016		<u>\$77,706</u>		<u>\$44,937</u>		<u>\$122,643</u>

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Government-wide Financial Analysis (continued)

The following exhibit presents expenditures and program revenues of governmental activities:



Governmental activities and Business activities showed growth this past fiscal year.

Overall governmental revenues have remained flat with a small increase however the City is still concerned because the recovery appears to be sluggish.

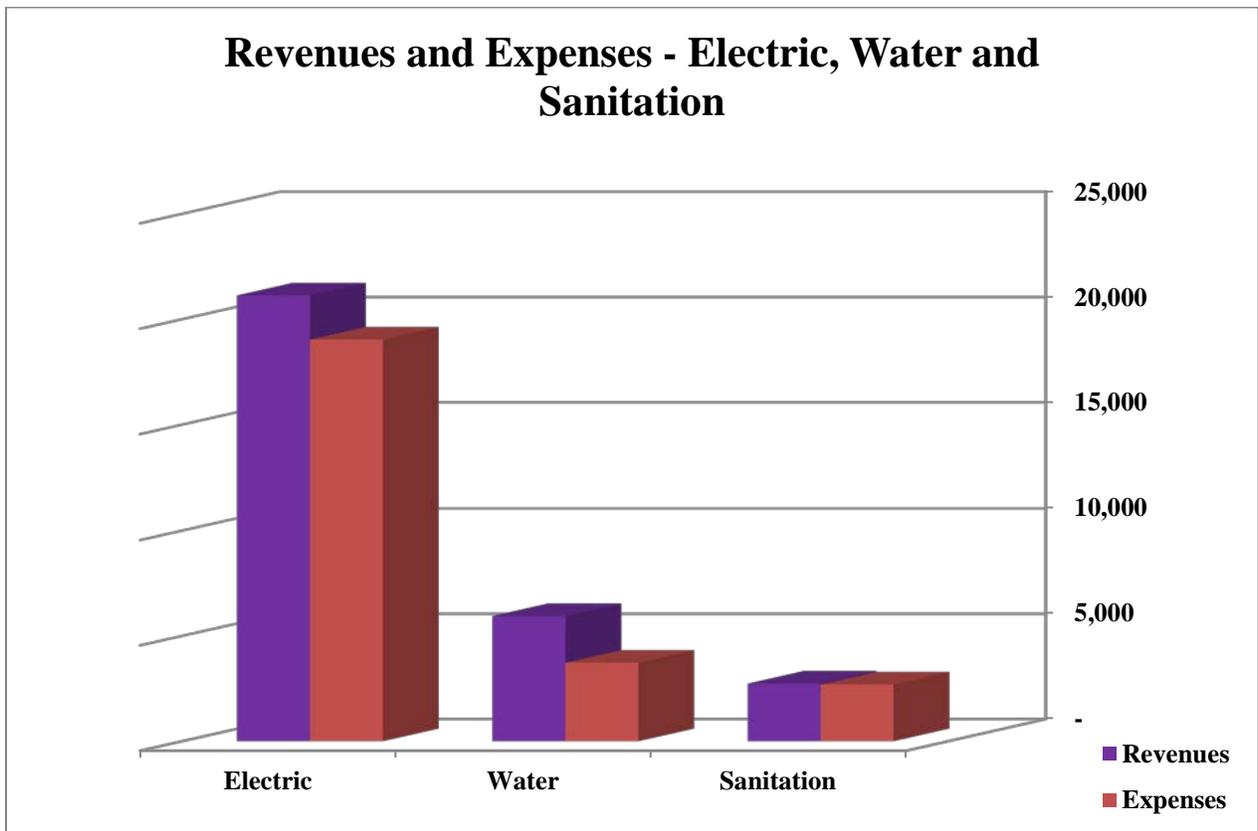
Business-type Activities. Our Water and Electric business-type activities showed a positive increase in net position while our sanitation operation had a decrease. The largest increase was in the water fund which had an increase in net position of \$1,406.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Business-type Activities (continued)

- Operational revenues for electric, water, and sanitation services increased by \$134 compared to our last fiscal year. Operating expenses compared to the last fiscal year decreased by \$2,355. The increase in the Electric and Water revenues was due to an infrastructure fee that was passed for capital improvements in the water fund and a rate adjustment in electric. The mild temperature in both summer and winter means we purchased less electricity and water.
- The Water Distribution System purchases 100% of its water from Missouri American Water Company. The water is delivered to Kirkwood through five separate interconnects and a long term contract with Missouri American Water system have made our system more reliable, in addition to providing the City with predictable costs.
- The Sanitation operation will undergo an efficiency and cost of service analysis to ensure we are operating efficiently and have all of our costs analyzed. This analysis is projected to be completed in 2016. The sanitation department once again had a small decrease in net position.



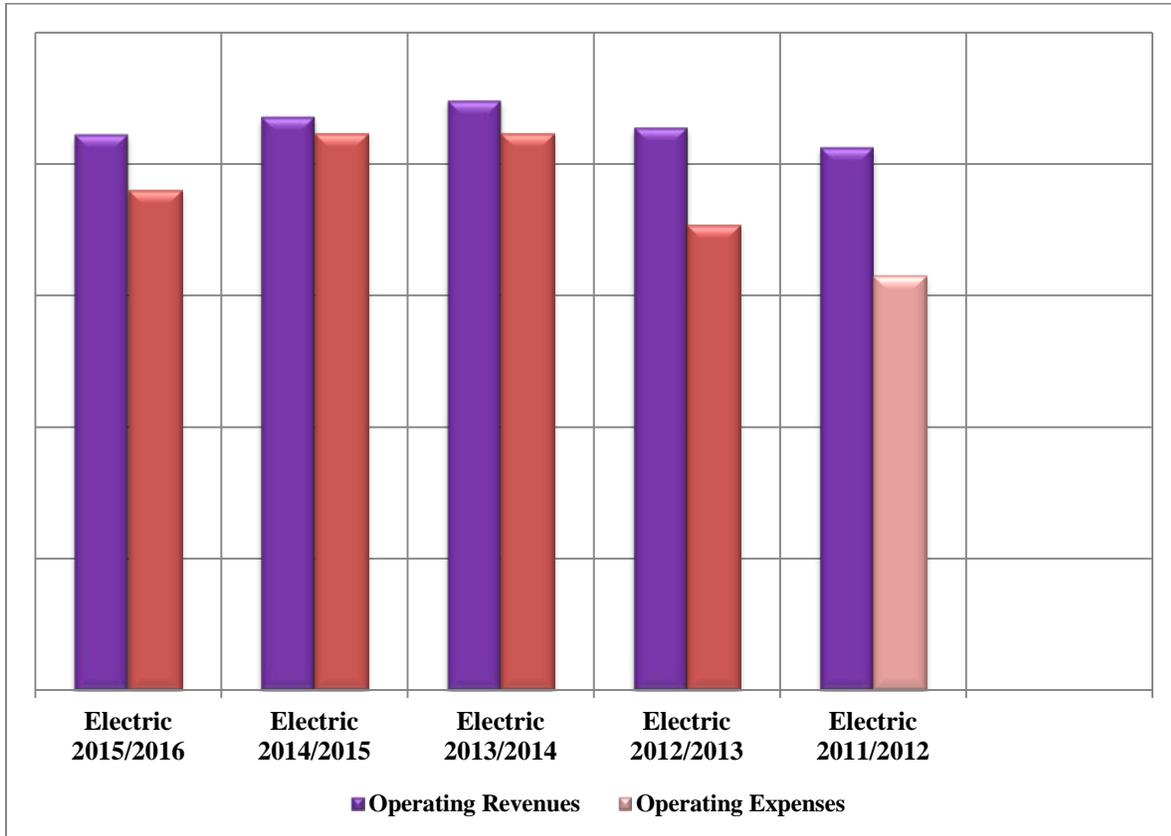
CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Government-wide Financial Analysis (continued)

Business-type Activities (continued)

ELECTRIC FUND



Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the CITY OF KIRKWOOD'S *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the CITY OF KIRKWOOD'S financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CITY OF KIRKWOOD'S governmental funds reported combined ending fund balance of \$19,615, an increase of \$1,105 in comparison with the prior year.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Financial Analysis of the Government's Funds (continued)

Approximately (42 percent, \$8,175) of this total ending fund balance constitutes unassigned *fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is either assigned, nonspendable, or restricted. To indicate that it is not available for new spending because it has already been committed 1) Nonspendable, inventory, prepaid items, and long-term interfund advance (\$95), 2) Restricted, legally restricted by outside parties or by law through constitutional provisions or enabling legislation (\$11,345).

The general fund is the chief operating fund of the CITY OF KIRKWOOD. At the end of the current fiscal year, fund balance of the general fund was \$9,221.

The fund balance of the CITY OF KIRKWOOD'S general fund increased by \$445 during the current fiscal year. Key factors in the increase were:

- Five months of collections from the citizen approved fire protection tax.
- Significant increase in building permits. Residential construction in Kirkwood is strong
- We did not spend our total budget authorization.

The fund balance of the Public Park Board increased by \$5 during the current fiscal year. Key factors in the increase were:

- Well managed operation that continually does more with the same or even less resources.

The fund balance of the Police & Fire property Tax Pension Fund decreased by (\$368)

- City Council lowered the property tax rate and continues to utilize fund balance until we are at approximately one year of annual pension expenditures. We hired on seven new firefighters so this fund will need to be watched carefully to ensure we can meet our pension obligation with the dedicated property tax revenue.

The fund balance of the Capital Improvement Fund increased by \$521 during the current fiscal year. Key factors in the increase were:

- A one-time transfer of \$750 from our electric, water and general fund operations to improve streets rated below 50 in our street ratings program.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Financial Analysis of the Government's Funds (continued)

The fund balance of the Park & Storm Water Improvement Fund increased by \$541 during the previous fiscal year. Key factors of the increase were:

- Increase in sales tax collections was more than enough to cover projects and transfers.

The debt service fund has a total fund balance of \$459, all of which is restricted for the payment of debt service. The City enacted a dedicated property tax for debt service when initially approved by the voters. This annual property tax produced revenues of \$485 in the current fiscal year which, when combined with investment and other income in addition to the fund balance, is more than enough to service our general obligation debt.

Proprietary Funds. The CITY OF KIRKWOOD'S proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Water and Electric funds at the end of the year increased by \$2,064. The total change in net position for the water fund was \$1,406, sanitation fund was (\$51) and \$658 in the electric fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the CITY OF KIRKWOOD'S business-type activities.

General Fund Budgetary Highlights

Differences between the General Fund original budgeted expenditures and the final amended budgeted expenditures were \$339.

Capital Asset and Debt Administration

Capital Assets. The CITY OF KIRKWOOD'S investment in capital assets for its governmental and business type activities as of MARCH 31, 2016, amounts to \$87,602, net of accumulated depreciation. This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the CITY OF KIRKWOOD'S investment in capital assets for the current fiscal year was \$2,586.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

General Fund Budgetary Highlights

Additional information on the CITY OF KIRKWOOD'S capital assets can be found in note 4 on pages 49 through 52 of this report.

Long-Term Debt. At the end of the current fiscal year, the CITY OF KIRKWOOD had total debt outstanding of \$17,573. Of this amount, \$1,985 comprises debt backed by the full faith and credit of the government and \$1,440 is tax increment financing debt and public improvement notes for which the government is liable for the payment of collected incremental revenues for a period of seventeen years which ends in 2017. If the public improvement notes are not paid off in seventeen years the debt is forgiven. The remainder of the CITY OF KIRKWOOD'S debt represents bonds secured solely by specified revenue sources (i.e., leasehold revenue bonds) and notes.

City of Kirkwood's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>
General Obligation						
Bonds	\$2,440	\$1,985	\$ --	\$ --	\$ 2,440	\$1,985
Tax Increment Certificates of Participation	\$1,781	\$1,440	\$ --	\$ --	\$ 1,781	\$1,440
Capital Leases	\$2,730	\$1,950	11,875	\$11,260	\$14,605	\$13,210
	\$ --	\$ --	1,339	\$ 938	\$ 1,339	\$ 938

The CITY OF KIRKWOOD'S total debt decreased by \$2,592 during the current fiscal year. The City issued no debt in the fiscal year ending March 31,2016.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the CITY OF KIRKWOOD is \$73,589, which is significantly in excess of the CITY OF KIRKWOOD'S outstanding general obligation debt.

Additional information on the CITY OF KIRKWOOD'S long-term debt can be found in note 6 on pages 59 through 65 of this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Economic Factors and Next Year's Budgets and Rates

- While the Electric Fund is healthy our plan is to increase our profit margin by purchasing the lowest cost electric power possible to supplement our long term purchasing contract with Prairie State.
- Council is considering all of our funding options to maintain the current level of services to our citizens. Their discussions did include the ¼ cent fire protection tax which our citizens approved in 2015.
- The City has had a study done of our sanitation operations that we believe will be complete in 2016. All aspects of the operation are being studied.

All of these factors were considered in preparing the CITY OF KIRKWOOD'S budget for the 2016/2017 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the CITY OF KIRKWOOD'S finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Kirkwood, Director of Finance, 139 S. Kirkwood Road Kirkwood, Missouri 63122-4303. Budget and Comprehensive Annual Financial Report documents are available online at - <http://www.ci.kirkwood.mo.us/finance/finance.htm>.

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF NET POSITION
MARCH 31, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Industrial Development Authority
ASSETS:				
Cash and short-term investments.....	\$ 24,413,464	\$ 27,845,549	\$ 52,259,013	\$ 124,744
Receivables:				
Taxes - net of uncollectible amount of \$9,399.....	2,588,697	-	2,588,697	-
Services.....	263,259	1,917,131	2,180,390	-
Interest.....	31,631	36,053	67,684	166
Other.....	124,146	365,111	489,257	-
Internal balances.....	(850,000)	850,000	-	-
Inventories.....	77,870	462,197	540,067	-
Prepaid items.....	10,610	-	10,610	-
Capital assets:				
Nondepreciable.....	7,508,357	7,014,103	14,522,460	-
Depreciable.....	53,231,459	19,848,374	73,079,833	-
TOTAL ASSETS.....	\$ 87,399,493	\$ 58,338,518	\$ 145,738,011	\$ 124,910
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred charge on refunding.....	\$ 156,526	\$ 121,886	\$ 278,412	\$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES..	\$ 156,526	\$ 121,886	\$ 278,412	\$ -
LIABILITIES:				
Accounts payable.....	\$ 1,051,511	\$ 689,918	\$ 1,741,429	\$ -
Accrued interest.....	70,126	44,703	114,829	-
Other accrued liabilities.....	759,982	180,508	940,490	-
Claims payable.....	328,134	-	328,134	-
Unearned revenues.....	361,283	-	361,283	-
Deposits and escrow funds.....	1,449,143	234,739	1,683,882	-
Long-Term Liabilities:				
Due within one year.....	1,846,082	1,115,117	2,961,199	-
Due in more than one year.....	3,983,363	11,258,651	15,242,014	-
TOTAL LIABILITIES.....	9,849,624	13,523,636	23,373,260	-
NET POSITION:				
Net investment in capital assets.....	56,933,992	14,713,174	71,647,166	-
Restricted for:				
Capital projects.....	5,047,521	-	5,047,521	-
Debt service.....	1,102,928	832,892	1,935,820	-
Law enforcement.....	189,954	-	189,954	-
Park operations.....	1,486,942	-	1,486,942	-
Police and fire pension.....	1,977,258	-	1,977,258	-
Sewer lateral.....	795,862	-	795,862	-
Special Business district.....	154,691	-	154,691	-
Unrestricted.....	10,017,247	29,390,702	39,407,949	124,910
TOTAL NET POSITION.....	\$ 77,706,395	\$ 44,936,768	\$ 122,643,163	\$ 124,910

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2016**

Functions	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Governmental Activities:								
General government and finance.....	\$ 4,762,594	\$ 1,934,072	\$ 33,053	\$ 675	\$ (2,794,794)	\$ -	\$ (2,794,794)	\$ -
Engineering.....	535,097	106,456	9,048	-	(419,593)	-	(419,593)	-
Building maintenance.....	463,526	-	-	-	(463,526)	-	(463,526)	-
Building commissioner.....	661,117	897,572	-	-	236,455	-	236,455	-
Police.....	8,020,277	462,601	216,952	89,946	(7,250,778)	-	(7,250,778)	-
Fire.....	6,469,721	820,457	225	-	(5,649,039)	-	(5,649,039)	-
Streets.....	2,749,944	-	2,064	1,281	(2,746,599)	-	(2,746,599)	-
Parks.....	1,900,996	58,089	-	13,989	(1,828,918)	-	(1,828,918)	-
Recreation.....	2,885,760	1,850,523	38,990	383,552	(612,695)	-	(612,695)	-
Interest and fiscal agent fees on long-term debt.....	309,657	-	-	-	(309,657)	-	(309,657)	-
Total Governmental Activities.....	<u>28,758,689</u>	<u>6,129,770</u>	<u>300,332</u>	<u>489,443</u>	<u>(21,839,144)</u>	<u>-</u>	<u>(21,839,144)</u>	<u>-</u>
Business-Type Activities:								
Electric.....	19,064,132	21,125,937	-	-	-	2,061,805	2,061,805	-
Water.....	4,178,436	5,942,006	-	91,523	-	1,855,093	1,855,093	-
Sanitation.....	2,702,667	2,733,461	-	-	-	30,794	30,794	-
Total Business-Type Activities.....	<u>25,945,235</u>	<u>29,801,404</u>	<u>-</u>	<u>91,523</u>	<u>-</u>	<u>3,947,692</u>	<u>3,947,692</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT.....	<u>\$ 54,703,924</u>	<u>\$ 35,931,174</u>	<u>\$ 300,332</u>	<u>\$ 580,966</u>	<u>\$ (21,839,144)</u>	<u>\$ 3,947,692</u>	<u>\$ (17,891,452)</u>	<u>\$ -</u>
General Revenues:								
Property taxes levied for:								
General purposes.....		\$ 2,066,126			\$ 2,066,126		\$ 2,066,126	
Park.....		914,418			914,418		914,418	
P&F Property Tax Pension.....		885,987			885,987		885,987	
Special business district.....		120,695			120,695		120,695	
Debt service.....		484,040			484,040		484,040	
Sales tax levied for:								
General purposes.....		5,501,585			5,501,585		5,501,585	
Capital improvement purposes.....		2,153,239			2,153,239		2,153,239	
Park and stormwater purposes.....		2,532,698			2,532,698		2,532,698	
Gasoline/motor vehicle sales tax.....		1,085,163			1,085,163		1,085,163	
Utility gross receipts taxes.....		4,521,274			4,521,274		4,521,274	
Cigarette taxes.....		81,647			81,647		81,647	
Highway, road and bridge tax.....		778,061			778,061		778,061	
Franchise taxes.....		497,158			497,158		497,158	
Earnings on investments.....		324,298			324,298	534,012	858,310	1,798
Gain on sale of capital assets.....		-			-	1,494	1,494	-
Other revenues.....		377,806			377,806		377,806	
Transfers in (out).....		2,470,000			2,470,000	(2,470,000)	-	-
TOTAL GENERAL REVENUES.....		<u>24,794,195</u>			<u>(1,934,494)</u>		<u>22,859,701</u>	<u>1,798</u>
CHANGE IN NET POSITION.....		<u>2,955,051</u>			<u>2,013,198</u>		<u>4,968,249</u>	<u>1,798</u>
NET POSITION BEGINNING OF YEAR.....		<u>74,751,344</u>			<u>42,923,570</u>		<u>117,674,914</u>	<u>123,112</u>
NET POSITION END OF YEAR.....		<u>\$ 77,706,395</u>			<u>\$ 44,936,768</u>		<u>\$ 122,643,163</u>	<u>\$ 124,910</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
MARCH 31, 2016

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Public Park Board	P&F Property Tax Pension	Capital Improvement	Park & Storm Water Improvement	Other Governmental Funds		
ASSETS:								
Cash and investments (including cash equivalents):								
Held by trustees.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 299,845
Restricted.....	1,429,654	25,000	-	26,754	269,686	-	-	1,751,094
Unrestricted.....	8,980,391	1,486,385	1,950,992	3,885,425	1,752,912	1,686,431	-	19,742,536
Receivables, net of allowances where applicable:								
Taxes.....	1,663,320	89,412	87,044	280,595	330,112	138,214	-	2,588,697
Interest.....	13,848	2,151	2,594	5,076	2,326	2,188	-	28,183
Ambulance.....	263,259	-	-	-	-	-	-	263,259
Other.....	25,631	4,689	-	64,600	-	28,652	-	123,572
Advance from other funds.....	10,000	-	-	-	-	-	-	10,000
Inventory.....	74,276	-	-	-	-	-	-	74,276
Prepaid items.....	10,610	-	-	-	-	-	-	10,610
TOTAL ASSETS.....	\$ 12,470,989	\$ 1,607,637	\$ 2,040,630	\$ 4,262,450	\$ 2,355,036	\$ 2,155,330	\$ -	\$ 24,892,072
LIABILITIES:								
Accounts payable.....	\$ 440,172	\$ 67,288	\$ 49,925	\$ 423,376	\$ 14,569	\$ 21,321	\$ -	\$ 1,016,651
Accrued wages and vacation payable.....	654,360	37,783	13,371	2,333	-	7,410	-	715,257
Advance to other funds.....	-	-	-	10,000	850,000	-	-	860,000
Deposits payable.....	1,429,654	68	76	-	-	19,345	-	1,449,143
Unearned revenue.....	273,422	15,556	-	-	-	72,305	-	361,283
Total Liabilities.....	2,797,608	120,695	63,372	435,709	864,569	120,381	\$ -	4,402,334
DEFERRED INFLOWS OF RESOURCES:								
Unavailable revenue-taxes.....	452,731	37,927	36,921	114,253	134,415	53,257	-	829,504
Unavailable revenue-special assessment.....	-	-	-	45,053	-	-	-	45,053
Total Deferred Inflows of Resources.....	452,731	37,927	36,921	159,306	134,415	53,257	\$ -	874,557
FUND BALANCES:								
Nonspendable:								
Inventories.....	74,276	-	-	-	-	-	-	74,276
Prepaid items.....	10,610	-	-	-	-	-	-	10,610
Long-term interfund advance.....	10,000	-	-	-	-	-	-	10,000
Restricted for:								
Capital projects.....	-	-	-	3,667,435	1,086,366	-	-	4,753,801
Debt service.....	-	-	-	-	269,686	459,302	-	728,988
Law enforcement.....	-	-	-	-	-	189,954	-	189,954
Park operations.....	-	1,449,015	-	-	-	-	-	1,449,015
Police and fire pension.....	-	-	1,940,337	-	-	-	-	1,940,337
Sewer lateral.....	-	-	-	-	-	-	-	795,862
Special business district.....	-	-	-	-	-	-	-	145,771
TIF bonds and notes.....	-	-	-	-	-	-	-	390,803
Assigned to:								
Projected use of reserves.....	950,528	-	-	-	-	-	-	950,528
Unassigned:	8,175,236	-	-	-	-	-	-	8,175,236
Total Fund Balances.....	9,220,650	1,449,015	1,940,337	3,667,435	1,356,052	1,981,692	\$ -	19,615,181
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 12,470,989	\$ 1,607,637	\$ 2,040,630	\$ 4,262,450	\$ 2,355,036	\$ 2,155,330	\$ -	\$ 24,892,072

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
MARCH 31, 2016

Total fund balance - governmental funds..... \$ 19,615,181

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

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds. The cost of the assets is \$108,392,123 and the accumulated depreciation is \$47,652,307..... 60,739,816

Property taxes and special assessments assessed by the City, but not collected within 60 days of year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements..... 874,557

The internal service funds are used by the City to charge the cost of medical and worker's compensation insurance and city-wide vehicle and equipment maintenance and repair costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position..... 2,219,886

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as liabilities within the fund financial statements. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported on the government-wide statement of net position. Discounts, premiums, and deferred amount on refunding are reported in the governmental fund financial statements when the debt was issued whereas these amounts are deferred and amortized over the life of the debt as an adjustment to interest expense on the government-wide financial statements.

Balances as of March 31, 2016 are:

Accrued compensated absences, vacation.....	(427,095)	
Accrued interest on outstanding debts.....	(70,126)	
Bonds and notes payable.....	(5,375,000)	
Deferred amount on refunding.....	156,526	
Unamortized bond premium.....	(27,350)	
		(5,743,045)

Total net position - governmental activities..... \$ 77,706,395

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016**

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Public Park Board	P&F Property Tax Pension	Capital Improvement	Park & Storm Water Improvement	Other Governmental Funds	Governmental Funds	
REVENUES:								
Taxes, including interest and penalties.....	\$ 14,371,795	\$ 966,862	\$ 936,135	\$ 2,177,662	\$ 2,561,286	\$ 950,853	\$ 21,964,593	
Intergovernmental.....	525,431	-	-	-	68,552	-	593,983	
Licenses, permits, fines and fees.....	2,031,698	67,389	-	-	-	815,034	2,914,121	
Investment income.....	138,682	19,646	27,338	52,763	23,941	23,953	286,323	
Charges for services.....	2,653,757	-	-	-	-	-	2,653,757	
Grants.....	72,169	4,689	-	6,064	315,000	-	397,922	
Other.....	647,622	-	-	32,629	0	12,859	693,110	
Total Revenues.....	20,441,154	1,058,586	963,473	2,269,118	2,968,779	1,802,699	29,503,809	
EXPENDITURES:								
Current:								
General government and finance.....	3,595,382	-	-	70,771	6,068	680,908	4,353,129	
Engineering.....	525,630	-	-	-	-	-	525,630	
Building maintenance.....	451,573	-	-	-	-	-	451,573	
Building commissioner.....	655,718	-	-	-	-	-	655,718	
Police.....	7,034,335	-	665,680	-	-	83,397	7,783,412	
Fire.....	5,247,657	-	665,681	-	-	-	5,913,338	
Streets.....	1,478,553	-	-	-	-	-	1,478,553	
Recreation.....	2,071,442	-	-	-	-	-	2,071,442	
Parks.....	-	1,375,098	-	-	-	-	1,375,098	
Capital outlay.....	34,315	259,385	-	3,517,798	745,345	58,212	4,615,055	
Debt Service:								
Principal retirement.....	-	-	-	-	780,000	796,000	1,576,000	
Interest and fiscal charges.....	-	-	-	-	60,398	218,609	279,007	
Total Expenditures.....	21,094,605	1,634,483	1,331,361	3,588,569	1,591,811	1,837,126	31,077,955	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(653,451)	(575,897)	(367,888)	(1,319,451)	1,376,968	(34,427)	(1,574,146)	
OTHER FINANCING SOURCES (USES):								
Transfers in.....	1,361,821	545,652	-	1,695,000	-	50,000	3,652,473	
Transfers out.....	(277,652)	-	-	(10,000)	(840,371)	(54,450)	(1,182,473)	
Proceeds from sale of capital assets.....	160	16,008	-	135,690	3,261	-	155,119	
Insurance recoveries.....	14,280	18,940	-	19,856	1,321	-	54,397	
Total Other Financing Sources (Uses).....	1,098,609	580,600	-	1,840,546	(835,789)	(4,450)	2,679,516	
NET CHANGE IN FUND BALANCES.....	445,158	4,703	(367,888)	521,095	541,179	(38,877)	1,105,370	
FUND BALANCES, BEGINNING OF YEAR.....	8,775,492	1,444,312	2,308,225	3,146,340	814,873	2,020,569	18,509,811	
FUND BALANCES, END OF YEAR.....	\$ 9,220,650	\$ 1,449,015	\$ 1,940,337	\$ 3,667,435	\$ 1,356,052	\$ 1,981,692	\$ 19,615,181	

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

Net change in fund balances - total governmental funds.....		\$ 1,105,370
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000, for general and infrastructure, are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Donated assets are not recorded in the governmental funds but are recognized as revenue in the statement of activities. This is the amount by which depreciation exceeded capital outlays and donated capital assets in the current period.		
Capital outlays.....	3,920,574	
Depreciation expense.....	<u>(3,119,873)</u>	800,701
The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) increased net assets.....		37,386
In the statement of activities, the gain (loss) on the disposition of capital assets is reported. The fund financial statements recognize only the proceeds from the sale of those assets.....		(476,891)
The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements but reduces the long-term liabilities in the statement of net assets.		
Repayment of bond principal.....	<u>1,576,000</u>	1,576,000
Under the modified accrual basis of accounting used in governmental funds the effect of discounts and premiums when debt is first issued is reported in the operating statement, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The net effect of these differences is as follows:		
Accrued interest on bonds.....	16,669	
Compensated absences.....	1,959	
Amortization of premiums on debt issuance.....	9,117	
Amortization of deferred charge on refunding.....	<u>(56,436)</u>	(28,691)
The internal service funds are used by management to charge the costs of the risk management and fleet services activities to individual funds. The adjustments for the internal service fund "close" the fund by charging additional amounts to participating activities to completely cover the internal service fund's costs for the year.		
Total net increase for the internal service fund.....		294,360
Property tax revenues, sales tax revenues and special assessment revenue received prior to the year for which they are being levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred revenues decreased this year.....		<u>(353,184)</u>
Change in net position of governmental activities.....		\$ 2,955,051

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
MARCH 31, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
ASSETS:					
Current Assets:					
Cash and investments:					
Restricted.....	\$ 201,889	\$ 24,498	\$ -	\$ 226,387	\$ -
Held by trustees.....	-	837,760	-	837,760	26,532
Unrestricted.....	17,188,078	8,333,337	1,259,987	26,781,402	2,593,457
Receivables, net of allowances:					
Services.....	1,282,864	414,148	220,119	1,917,131	-
Interest.....	23,261	11,115	1,677	36,053	3,448
Other.....	296,592	604	67,915	365,111	574
Inventory.....	326,577	83,988	51,632	462,197	3,594
Advance to other funds.....	425,000	425,000	-	850,000	-
Total Current Assets.....	<u>19,744,261</u>	<u>10,130,450</u>	<u>1,601,330</u>	<u>31,476,041</u>	<u>2,627,605</u>
Noncurrent Assets:					
Capital Assets:					
Land and construction in progress.....	2,509,140	4,370,906	134,057	7,014,103	-
Buildings and system.....	6,468,764	17,630,093	411,672	24,510,529	-
Machinery and equipment.....	3,235,904	1,140,471	3,373,313	7,749,688	-
Less: Accumulated depreciation.....	(5,712,495)	(5,161,185)	(1,538,163)	(12,411,843)	-
Total Noncurrent Assets.....	<u>6,501,313</u>	<u>17,980,285</u>	<u>2,380,879</u>	<u>26,862,477</u>	<u>-</u>
Total Assets.....	<u>26,245,574</u>	<u>28,110,735</u>	<u>3,982,209</u>	<u>58,338,518</u>	<u>2,627,605</u>
DEFERRED OUTFLOW OF RESOURCES:					
Deferred charge on refunding.....	-	121,886	-	121,886	-
Total Deferred Outflow of Resources.....	<u>-</u>	<u>121,886</u>	<u>-</u>	<u>121,886</u>	<u>-</u>
LIABILITIES:					
Current Liabilities:					
Accounts payable.....	323,392	284,664	81,862	689,918	34,860
Accrued wages and vacation.....	145,665	73,705	58,851	278,221	44,725
Accrued interest payable.....	-	37,157	7,546	44,703	-
Deposits payable from restricted assets.....	209,952	24,776	11	234,739	-
Claims payable.....	-	-	-	-	328,134
Capital lease payable - current.....	-	-	405,481	405,481	-
Bonds payable - current.....	-	630,000	-	630,000	-
Total Current Liabilities.....	<u>679,009</u>	<u>1,050,302</u>	<u>553,751</u>	<u>2,283,062</u>	<u>407,719</u>
Noncurrent Liabilities:					
Capital lease payable.....	-	-	532,879	532,879	-
Bonds payable.....	-	10,707,695	-	10,707,695	-
Total Noncurrent Liabilities.....	<u>-</u>	<u>10,707,695</u>	<u>532,879</u>	<u>11,240,574</u>	<u>-</u>
Total Liabilities.....	<u>679,009</u>	<u>11,757,997</u>	<u>1,086,630</u>	<u>13,523,636</u>	<u>407,719</u>
NET POSITION:					
Net investment in capital assets.....	6,501,313	6,769,344	1,442,519	14,713,176	-
Restricted for debt service.....	-	832,892	-	832,892	-
Unrestricted.....	<u>19,065,252</u>	<u>8,872,388</u>	<u>1,453,060</u>	<u>29,390,700</u>	<u>2,219,886</u>
TOTAL NET POSITION.....	<u>\$ 25,566,565</u>	<u>\$ 16,474,624</u>	<u>\$ 2,895,579</u>	<u>\$ 44,936,768</u>	<u>\$ 2,219,886</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
OPERATING REVENUES:					
Electric sales.....	\$20,832,656	\$ -	\$ -	\$20,832,656	\$ -
Water sales.....	-	5,069,229	-	5,069,229	-
Sanitation fees.....	-	-	2,620,928	2,620,928	-
Charges for services.....	-	-	-	-	4,827,330
Other.....	293,281	872,777	112,533	1,278,591	17,756
Total Operating Revenues.....	21,125,937	5,942,006	2,733,461	29,801,404	4,845,086
OPERATING EXPENSES:					
Administrative and general.....	1,096,438	450,020	1,189,959	2,736,417	1,190,709
Customer accounting.....	176,656	186,767	118,925	482,348	-
Purchased power.....	14,585,165	-	-	14,585,165	-
Purchased water.....	-	1,048,136	-	1,048,136	-
Distribution maintenance.....	2,315,836	1,569,332	-	3,885,168	-
Maintenance and supplies.....	602,869	43,427	1,091	647,387	-
Pickup, hauling and disposal.....	-	-	1,033,021	1,033,021	-
Claims and insurance premiums.....	-	-	-	-	3,407,544
Depreciation.....	250,434	423,577	348,577	1,022,588	-
Total Operating Expenses.....	19,027,398	3,721,259	2,691,573	25,440,230	4,598,253
OPERATING INCOME (LOSS).....	2,098,539	2,220,747	41,888	4,361,174	246,833
NONOPERATING REVENUES (EXPENSES):					
Investment income.....	381,184	135,798	17,030	534,012	37,974
Interest expense.....	-	(457,108)	(11,094)	(468,202)	-
Gain (loss) on sales of property, plant and equipment.....	(36,734)	(69)	1,494	(35,309)	-
Insurance recoveries.....	-	-	-	-	9,553
Total Nonoperating Revenues (Expenses).....	344,450	(321,379)	7,430	30,501	47,527
INCOME (LOSS) BEFORE TRANSFERS.....	2,442,989	1,899,368	49,318	4,391,675	294,360
Capital contributions-Federal subsidy.....	-	91,523	-	91,523	-
Transfers in (out).....	(1,785,000)	(585,000)	(100,000)	(2,470,000)	-
CHANGE IN NET POSITION.....	657,989	1,405,891	(50,682)	2,013,198	294,360
NET POSITION, BEGINNING OF YEAR.....	24,908,576	15,068,733	2,946,261	42,923,570	1,925,526
NET POSITION, END OF YEAR.....	\$ 25,566,565	\$ 16,474,624	\$ 2,895,579	\$ 44,936,768	\$ 2,219,886

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Business-Type Activities - Enterprise Funds				Governmental
	Electric	Water	Sanitation	Total	Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers.....	\$ 20,599,451	5,597,399	\$ 2,595,108	\$ 28,791,958	\$ -
Receipts from interfund services provided.....	709,841	35,568	36,097	781,506	4,827,330
Other receipts (payments).....	(27,691)	305,676	132,727	410,712	18,370
Payments to suppliers.....	(16,494,683)	(2,309,496)	(1,117,227)	(19,921,406)	(4,242,877)
Payments to employees.....	(1,977,184)	(939,041)	(812,282)	(3,728,507)	(472,330)
Payments for interfund services.....	(231,843)	(267,439)	(412,045)	(911,327)	(22,539)
Net Cash Provided By (Used In)					
Operating Activities.....	<u>2,577,891</u>	<u>2,422,667</u>	<u>422,378</u>	<u>5,422,936</u>	<u>107,954</u>
CASH FLOWS FROM NONCAPITAL					
FINANCING ACTIVITIES:					
Transfers out.....	(1,785,000)	(585,000)	(100,000)	(2,470,000)	-
Receipt (payment) of interfund borrowing.....	85,000	85,000	-	170,000	-
Net Cash Provided By (Used In)					
Noncapital Financing Activities.....	<u>(1,700,000)</u>	<u>(500,000)</u>	<u>(100,000)</u>	<u>(2,300,000)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND					
RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets.....	(1,563,067)	(1,734,847)	-	(3,297,914)	-
Proceeds from sale of property, plant and equipment.....	5,214	5,852	4,134	15,200	-
Insurance Recoveries.....	-	-	-	-	9,553
Capital contribution-Federal subsidy.....	-	91,523	-	91,523	-
Principal paid on bonds.....	-	(615,000)	(401,351)	(1,016,351)	-
Interest paid on bonds and capital leases.....	-	(456,123)	(14,190)	(470,313)	-
Net Cash Provided By (Used In) Capital and Related Financing Activities.....	<u>(1,557,853)</u>	<u>(2,708,595)</u>	<u>(411,407)</u>	<u>(4,677,855)</u>	<u>9,553</u>
CASH FLOWS PROVIDED BY INVESTING					
ACTIVITIES:					
Interest received on investments.....	378,121	133,916	16,913	528,950	37,500
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	(301,841)	(652,012)	(72,116)	(1,025,969)	155,007
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	17,691,808	9,847,607	1,332,103	28,871,518	2,464,982
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 17,389,967</u>	<u>\$ 9,195,595</u>	<u>\$ 1,259,987</u>	<u>\$ 27,845,549</u>	<u>\$ 2,619,989</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

RECONCILIATION OF OPERATING INCOME

(LOSS) TO NET CASH PROVIDED BY

(USED IN) OPERATING ACTIVITIES:

Operating income (loss).....	\$ 2,098,539	\$ 2,220,747	\$ 41,888	\$ 4,361,174	\$ 246,833
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	250,434	423,577	348,577	1,022,588	-
(Increase) decrease in assets:					
Service receivable.....	276,635	(10,784)	10,277	276,128	-
Miscellaneous receivables.....	(146,938)	7,959	20,183	(118,796)	614
Inventory.....	(17,415)	(21,405)	(20,484)	(59,304)	(1,161)
Increase (decrease) in liabilities:					
Accounts payable.....	70,841	(212,398)	18,274	(123,283)	(13,391)
Accrued wages and vacation.....	19,829	15,510	3,652	38,991	5,942
Deposits held for others.....	25,966	(539)	11	25,438	-
Claims Payable.....	-	-	-	-	(130,883)
Total adjustments.....	<u>479,352</u>	<u>201,920</u>	<u>380,490</u>	<u>1,061,762</u>	<u>(138,879)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 2,577,891</u>	<u>\$ 2,422,667</u>	<u>\$ 422,378</u>	<u>\$ 5,422,936</u>	<u>\$ 107,954</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUND TYPES - TRUST AND AGENCY FUNDS
MARCH 31, 2016

	<u>Pension Trust</u>	<u>Agency</u>
ASSETS:		
Cash and investments:		
Held by trustees:		
Short-term reserves.....	\$ 4,206,333	\$ -
Bond funds.....	4,584,430	-
Balanced funds.....	14,717,928	-
Domestic stock funds.....	24,638,501	-
International stock funds.....	3,370,731	-
Stable value money market funds.....	144,355	-
Specialty stock fund.....	199,980	-
Vanguard brokerage option fund.....	1,952,123	-
Restricted.....	174	11,500
Receivables, net of allowances:		
Contribution receivable.....	85,303	-
	<u>53,899,858</u>	<u>11,500</u>
LIABILITIES:		
Accounts payable.....	174	-
Deposits payable.....	-	11,500
	<u>174</u>	<u>11,500</u>
NET POSITION:		
Net position restricted for pensions.....	<u>\$ 53,899,684</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	<u>Pension Trust Fund</u>
ADDITIONS:	
Contributions:	
Employer.....	\$ 1,703,952
Employee, net of refunds.....	520,975
Rollover Contributions.....	<u>34,814</u>
Total Contributions.....	<u>2,259,741</u>
Investment income:	
Interest and dividends.....	2,004,490
Net depreciation in the fair value of plan investments.....	<u>(3,652,836)</u>
Total investment income.....	(1,648,346)
Less: investment expenses.....	<u>69,407</u>
Net investment income (loss).....	<u>(1,717,753)</u>
Total Additions.....	<u>541,988</u>
DEDUCTIONS:	
Benefit payments.....	<u>2,000,740</u>
Administrative and general expenses:	
Insurance, taxes and other premiums.....	161,855
Professional fees.....	<u>88,201</u>
Total administrative and general expenses.....	<u>250,056</u>
Total Deductions.....	<u>2,250,796</u>
CHANGE IN NET POSITION.....	(1,708,808)
NET POSITION RESTRICTED FOR PENSIONS	
BEGINNING OF YEAR.....	<u>55,608,492</u>
END OF YEAR.....	<u>\$ 53,899,684</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Kirkwood, Missouri (the “City”) was formally established as the Town of Kirkwood in 1853. In 1865, the citizens requested and received a charter from the Missouri State Legislature. As a result of being incorporated, Kirkwood became a village governed by a Board of Trustees elected by the voters. The City now operates under a charter form of government adopted in 1983 in accordance with the provisions of the Missouri Constitution. The governing body is comprised of a mayor and six council members who appoint a chief administrative officer who is responsible for the day-to-day operations of the City. The City provides the following services: public safety (police and fire), engineering, streets, vehicle, building maintenance, electric, water, sanitation, parks and recreation and general administrative services.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the more significant accounting policies:

Reporting Entity

The City’s financial reporting entity has been determined in accordance with governmental standards for defining the financial reporting entity and identifying entities to be included in its basic financial statements. These standards identify the City’s financial accountability for potential component units as the primary, but not only, criteria for inclusion. The City’s financial reporting entity consists of the City of Kirkwood (the primary government) and its component units. The component units discussed below are included in the City’s financial reporting entity because of the significance of their operational or financial relationships with the City.

Blended Component Units

The following component units are legally separate from the City; however, the activities are so intertwined with the City as the primary government that they are, in substance, the same as the primary government. As such, the balances and transactions of the component units are blended into the accompanying basic financial statements and reported in a manner similar to the balances and transactions of the City itself.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity (continued)

City of Kirkwood, Missouri Public Facilities Authority (PFA)

The PFA is a not-for-profit corporation created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. Board members are appointed by the Mayor of the City and must be approved by Council. The purpose of the PFA is to facilitate the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City of Kirkwood, Missouri. Funding of such capital improvements and facilities is provided through the issuance of leasehold revenue bonds. The PFA is accounted for as if it were part of the City's operations because it was established to provide services exclusively to the City. The activities and accounts of the PFA have been blended into the City's Park & Storm Water Improvement fund.

Downtown Special Business District (SBD)

The SBD was created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. The City Council appoints the members to the Downtown Kirkwood Special Business District Advisory Commission, approves and amends the SBD's budgets, levies the SBD's property taxes, and is responsible for fiscal management. The resources of this fund are utilized for the enhancement of the SBD and promote retail trade activities within the SBD, for the exclusive benefit of the city.

Discretely Presented Component Unit

The discretely presented component unit column in the government-wide financial statements includes the financial data of the City's other component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

Industrial Development Authority of the City of Kirkwood, Missouri (IDA)

The IDA is a not-for-profit corporation established by an Ordinance of the City Council and formed under RSMo. Chapter 349, *The Industrial Development Corporations Act*. It is designed to develop, advance, encourage and promote commercial, industrial and manufacturing facilities in the City. The IDA Board of Directors is appointed by the Mayor with consent of the City Council. The City provides the IDA financial and administrative support. Separate financial statements are not prepared for the IDA. Schedules for the IDA are included in the "Other Supplementary Information" section.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related Organizations

The City's officials are also responsible for appointing members to the boards of other organizations, but the City's accountability for these organizations does not extend beyond making such appointments. The Mayor or the City Council appoints a majority of the governing members of the Municipal Library District of Kirkwood and the Kirkwood Housing Authority. These related organizations are not included as component units within the City's financial reporting entity.

The Public Park Board is an agency of the City with its Board members appointed by the Mayor and the City Council. The Park Board has the authority to adopt and amend its own budget only. The City sets and levies the Park Board's property taxes and holds all corporate powers. The Public Park Board is therefore not a legal entity and is accounted for as a separate special revenue fund.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. However, interfund services provided and used are not eliminated in the process of consolidation. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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 for goods and/or services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes, unrestricted interest earnings and other items that are not generated by programs are reported instead as general revenues.

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds is reconciled to total net assets for governmental activities as shown on the statement of net assets. The net change in fund balance for all governmental funds is reconciled to the total change in net assets as shown on the statement of activities in the government-wide financial statements. The City has three enterprise (business-type activity) funds which are all considered major funds. Additionally, the City has internal service funds which are reported in a separate column on the proprietary fund financial statements.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the City's governmental major funds:

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

Public Park Board - Used to account for property tax proceeds restricted specifically for park operations.

P&F Property Tax Pension - Used to account for property tax proceeds restricted specifically for police officers and firefighters pension.

Capital Improvements - This fund is used to account for financial resources designated for the acquisition or construction of major capital facilities or improvements.

Park & Storm Water Improvements - This fund is used to account for financial resources designated for the construction of the City's recreation/facilities complex.

The other governmental funds of the City are considered nonmajor. They are special revenue funds which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, the capital project funds which account for financial resources to be used for acquisition or construction of major capital facilities and the debt service fund which is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income, changes in net assets (or cost recovery), financial position, and cash flows.

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

The following are the City's proprietary fund types:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has three enterprise funds which are all considered major funds as follows:

Electric - The electric fund is used to account for the billing and collection of charges for electric services for customers of the electric utility system. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

Water - The water fund is used to account for the billing and collection of charges for water services for customers of the waterworks system. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

Sanitation - The sanitation fund is used to account for the provision of solid waste collection to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

Internal Service Funds - Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City. Three internal service funds have been established to account for the payment of medical insurance, workers' compensation and city-wide vehicle and equipment maintenance and repair costs.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Fund Type - Trust and Agency Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Pension trust funds are accounted for and reported similar to proprietary funds. The pension trust funds account for the City's Police Officers' and Firefighters' Pension Plan and the Employees' Pension Plan. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The City's agency funds account for municipal court collections for bail bonds, deposits collected on behalf of the trustee of the transportation development district and donations collected on behalf of the Kirkwood Disaster Relief.

Measurement Focus

Measurement focus refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus (continued)

Fund Financial Statements (continued)

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds used the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. For the City, available means expected to be received within 60 days of year end.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues - Exchange and Non-Exchange Transactions (continued)

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals. For the City, available for these revenue sources means expected to be received within 30 days of year end.

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

Cash and Investments

The City maintains a cash and investment pool available to all City funds. For financial reporting purposes, investments are allocated in proportion to each fund's cash balance to the total cash balance.

Investments are shown at fair value. Fair value is determined by closing market prices at year-end as reported by the investment custodian.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond March 31, 2016, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Unearned Revenues

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Certain park program fees received before eligibility requirements are met are reported as unearned revenues in the government-wide financial statements as well as the governmental fund statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, principal and interest on general long-term debt, which have not matured are recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Allowance for Uncollectible Accounts

The City provides an allowance for uncollectible accounts equal to the estimated collection losses that will be incurred in collection of its ambulance, court fines, property tax and enterprise fund services receivable. The estimated losses are based on historical collection experience coupled with a review of the current status of the existing receivables. The City follows the practice of writing off uncollectible accounts as they are incurred for all other receivables.

Inventory

Inventory recorded in the general fund is valued at average cost, using the first-in, first-out (FIFO) method and consist of expendable supplies held for consumption. The cost of inventory is recorded as expenditures as the individual inventory items are utilized. The reserve for inventory is equal to the inventory capitalized to indicate that a portion of the fund balance is not available for appropriation.

Inventory recorded in the enterprise funds are valued at average cost using a first-in, first-out method, and consist of materials and supplies held for consumption and construction of distribution systems.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

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, including infrastructure, are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Buildings	30 - 40 years
Building improvements	5 - 30 years
Distribution system	20 - 75 years
Machinery and equipment	3 - 15 years
Automotive equipment	3 - 10 years
Streets, bridges and sidewalks	20 - 75 years

Long-Term Liabilities

In the government-wide and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums or discounts, and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using the straight-line method and the effective interest method. Bonds payable are reported adjusted by the applicable bond premium or discount.

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.

Accumulated Unpaid Vacation, Compensatory Time, and Sick Leave

City employees earn vacation based upon their years of continuous service on a calendar year basis. Accrued vacation time is payable to employees upon termination. Based on the policy of the City, all of the accrued vacation is due within one year and is recorded in the government-wide and proprietary fund financial statements as a short-term liability. A liability is recorded in the governmental fund financial statements when payment is due.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accumulated Unpaid Vacation, Compensatory Time, and Sick Leave (continued)

City employees may earn compensatory time in lieu of overtime pay at the discretion of the Department Head. Accrued compensatory time is payable to employees upon termination. Based on the policy of the City, no employee shall be permitted to accrue more than forty (40) hours of compensatory time with the exception of law enforcement and fire protection personnel who shall not be permitted to accrue more than one hundred twenty (120) hours of compensatory time. A liability is recorded in the governmental fund financial statements when payment is due.

Sick leave accrues each month of continuous service, subject to a maximum of 130 days, and is payable during periods of illness. The City does not accrue nor is obligated for payment of accumulated sick days.

Capital Contributions

Capital contributions in the enterprise funds represent government grants, contributions and other aid to fund capital projects. In accordance with GASB 33, capital contributions are recognized as revenue when the expenditure is made and amounts became subject to claim for reimbursement.

Interfund Transactions

In the fund financial statements, the City has the following types of transactions among funds:

Transfers

Legally required transfers are reported when incurred as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.

Interfund Services Provided/Used

Charges or collections for services rendered by one fund for another are recognized as revenues (interfund services provided) of the recipient fund and expenditures or expenses (interfund services used) of the disbursing fund. These transactions are recorded as interfund services provided and used because they would be treated as revenue and expenditures or expenses if they involved organizations external to the city.

Certain internal payments are treated as program revenues, such as internal services provided and used. Certain internal payments are treated as a reduction of expense, such as reimbursements.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Transactions (continued)

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

Net Position

In the government-wide and proprietary fund financial statements, net position are displayed in three components as follows:

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

Restricted - This consists of assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of assets that do not meet the definition of "restricted" or "net investment in capital assets."

Governmental Fund Balances

In the governmental fund financial statements the following classifications are used to define the governmental fund balances.

Nonspendable – This consists of the governmental fund balances that are not in spendable form or legally or contractually required to be maintained intact.

Restricted - This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Committed – This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (ordinance) of the City Council, the City's highest level of decision-making authority.

Assigned – This consists of the governmental fund balances that are intended to be used for specific purposes. The City Council has by resolution authorized the Chief Administrative Officer or their designee to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Fund Balances (continued)

Unassigned - This consists of the governmental funds that do not meet the definition of "nonspendable," "restricted," "committed," or "assigned."

When both restricted and unrestricted resources are available, the City will spend the least restricted dollars before the restricted dollars in the following order: Unassigned, Assigned, Committed, Restricted, and then Nonspendable.

Statement of Cash Flows

The proprietary funds considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Estimates and Assumptions

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America 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 or expenses during the reporting period. Actual results could differ from those estimates.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

2. CASH AND INVESTMENTS

The City is governed by the deposit and investment limitations of state law. It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. The City's policy and state law authorize the following types of investments:

- a. United States Treasury Securities for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- b. United States Agency Securities, including:
 - U.S. Government Agency Coupon and Zero Coupon Securities with no embedded options.
 - U.S. Government Agency Discount Notes purchased at a discount with maximum maturities of one (1) year.
 - U.S. Government Agency Callable Securities restricted to securities callable at par only with final maturities of five (5) years.
 - U.S. Government Agency Step-Up Securities where the coupon rate is fixed for an initial term. At coupon date, the coupon rate rises to a new, higher fixed term. Restricted to securities with final maturities of five (5) years.
 - U.S. Government Agency Floating Rate Securities where the coupon rate floats off one index. Restricted to coupons with no interim caps that reset at least quarterly.
 - U.S. Government Mortgage Backed Securities restricted to securities with final maturities of five (5) years.
- c. Repurchase agreements with commercial banks or government securities dealers. The purchaser in a repurchase agreement enters into a contractual agreement to purchase U.S. Treasury and government agency securities while simultaneously agreeing to resell the securities at predetermined dates and prices.
- d. Collateralized public deposits (Certificates of Deposits) issued by financial institutions which state that specified sums have been deposited for specified periods of time and at specified rates of interest. The certificates of deposit are required to be backed by acceptable collateral securities as dictated by state statute.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

2. CASH AND INVESTMENTS (continued)

- e. Bankers' Acceptances issued by domestic commercial banks possessing the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation.
- f. Commercial Paper issued by domestic corporations, which has received the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that have total assets in excess of five hundred million dollars.

The deposits and investments held at March 31, 2016, and reported at fair value, are as follows:

Type	Carrying Value
Deposits:	
Demand deposits	\$ 15,774,025
Cash on hand	3,711
Non-negotiable Certificates of Deposit	<u>2,000,000</u>
	<u>15,774,025</u>
 Pooled Investments:	
Money Market Mutual Funds	1,407,292
Negotiable Certificates of Deposit	26,387,715
U.S. Treasury Note	1,745,695
Federal Home Loan Mortgage Corporation	1,813,527
Federal Home Loan Banks	3,321,969
Federal National Mortgage Association	<u>1,945,208</u>
	<u>36,621,406</u>
 Pension Trust Investments:	
Mutual funds:	
Short-Term reserves	4,206,333
Vanguard brokerage option funds	1,952,123
International stock funds	3,370,731
Balanced funds	14,717,928
Bond funds	4,584,430
Stable value money market funds	144,355
Specialty stock fund	199,980
Domestic stock funds	<u>24,638,501</u>
	<u>53,814,381</u>
 Total Deposits and Investments	 <u>\$106,209,812</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

2. CASH AND INVESTMENTS (continued)

Type	Carrying Value
Reconciliation to the Financial Statements:	
Statement of Net Assets:	
Cash and Investments:	
Governmental Activities	\$ 24,413,465
Business-Type Activities	27,845,548
Component Unit.....	124,744
Statement of Fiduciary Net Assets:	
Cash and Investments:	
Held by trustees – Pension Trust Funds.....	53,814,381
Restricted:	
Pension Trust Funds.....	174
Agency Fund.....	11,500
	<u>\$106,209,812</u>

Since the investment strategies and associated risks for the City Pension Investment portfolios are substantially different than those of the remainder of the City, the investment disclosures for the Pension Investment Portfolios are presented separately.

Custodial Credit Risk- Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. As of March 31, 2016, the City’s bank balance of \$15,774,025, including \$124,744 of the component unit, was fully insured by depository insurance and collateralized with securities held by the financial institution’s trust department or agent in the City’s name or letter of credit with the City as beneficiary.

Custodial Credit Risk - Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that are in the possession of the outside party. The City’s policy to minimize credit risk is to pre-qualify the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business and diversify the portfolio so that potential losses on individual securities will be minimized. The City’s investments were not exposed to custodial credit risk this year.

Investment Interest Rate Risk - The City’s policy to limit investment interest rate risk is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Investments in bankers’ acceptances and commercial paper shall mature and become payable not more than one hundred eighty days (180) from the date of purchase. All other investments shall mature and become payable not more than five (5) years from the date of purchase. Maturities of investments held at March 31, 2016 are as follows:

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

2. CASH AND INVESTMENTS (continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 – 5</u>
Money Market Mutual Funds.....	\$ 1,407,292	\$ 1,407,292	\$ --
Negotiable Certificates of Deposit.....	26,387,715	2,492,649	23,895,066
U.S. Treasury Note.....	1,745,695	-	1,745,695
Federal Home Loan Mortgage Corp.....	1,813,527	-	1,813,527
Federal Home Loan Banks.....	3,321,969	2,003,120	1,318,849
Federal National Mortgage Association	1,945,208	-	1,945,208

Investment Credit Risk - The City’s investment policy and state law limit its investment choices, as documented above. At March 31, 2016, the City’s investments in U.S. Agency obligations not directly guaranteed by the U.S. Government and investments in money market accounts were rated as follows:

<u>Rating</u>	<u>Amount</u>
AAA	\$8,826,399

Concentration of Investment Credit Risk - Concentration of credit risk is required to be disclosed by the City for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the US Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments).

It is the City’s policy to diversify the portfolio so that potential losses on individual securities will be minimized. No more than 5% of the total fair value of the portfolio may be invested in bankers’ acceptances issued by any one commercial bank and no more than 5% of the total fair value of the portfolio may be invested in commercial paper of any one issuer.

At March 31, 2016, the City had the following investments that were more than 5% of the City’s total investments:

<u>Description</u>	<u>Concentration</u>
Federal Home Loan Banks	9.4%
Federal National Mortgage Association	5.5%
Federal Home Loan Mortgage Corporation	5.2%

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

2. CASH AND INVESTMENTS (continued)

Pension Trust Investments

The Pension Trust Funds are governed by Articles I and II, Chapter 18 ½ of the Kirkwood Code of Ordinance and state law. The Pension Trust funds consist of the Police Officers' and Firefighters' Pension Plan and the Employees' Pension Plan.

The Police Officers' and Firefighters' Pension Plan is authorized to invest in the following types of investments:

- a. Stock funds, which are primarily invested in common stocks of publicly traded companies, as well as securities that can be converted into common stocks.
- b. Bond funds that typically include U.S. Treasury obligations, obligations of government sponsored entities, Federal Agency obligations, corporate notes, debentures, preferred stocks, mortgage backed securities, asset backed securities, commercial paper and commercial bank Certificates of Deposit.
- c. Balanced funds that typically invest in a combination of stocks and bonds.
- d. Stable Asset funds that typically include contracts (GICs) issued by banks and top-rated insurance companies as well as synthetic GICs backed by top rated banks and insurance companies.
- e. Money market funds that typically invest in short term cash alternatives.

The Employees' Pension Plan is authorized to invest in Equity Securities and Fixed Income securities.

Custodial Credit Risk - The plans do not have a specific policy addressing custodial credit risk. Neither the Pension Trust's bank balances nor its investments were subject to custodial credit risk this year.

Investment Interest Rate Risk - The plans require active managers to manage the effective duration of their portfolio type comparable to their peers and relative to specific indices outlined in the Plan's policies. As of March 31, 2016, the Pension Trust investments were all in mutual funds which have no maturity date.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

2. CASH AND INVESTMENTS (continued)

Pension Trust Investments (continued)

Investment Credit Risk - The plans investment policies limit its investment choices, as documented above. As of March 31, 2016, the Pension Trust investments were all in mutual funds which are not rated.

Concentration of Investment Credit Risk - Participation accounts are self directed by the participants. Investments used to fund future uplift benefits for the two retirement plans are limited as follows:

Police Officers' and Firefighters' Retirement Plan

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Equity Total:	55%	65%	75%
Mid Cap Equity	0%	10%	20%
Small Cap Equity	0%	10%	20%
International Equity	0%	15%	20%
Fixed Income:			
Including GICs	25%	35%	45%

Civilian Employees' Retirement Plan

<u>Asset Class</u>	<u>Pension Fund Guidelines</u>	<u>Range</u>
Equity Investments	70%	60-80%
Fixed Income Investments	30%	20-40%

Concentration of credit risk is not required to be disclosed for investments in mutual funds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

3. PROPERTY TAX

The City's property tax is levied annually on or before October 1 based on the assessed valuation of all real and personal property located in the City as of the previous January 1. Assessed valuations are established by the St. Louis County Assessor. Kirkwood citizen's approved a 34 cent property tax to be used for General Government Services. Council certified 29.7 cents of this 34 cent authorization to generate approximately two million dollars in property tax revenues to be used for General Government services. The City's tax rate per \$100 of assessed valuation is levied as follows:

	Real Estate		<u>Personal Property</u>
	<u>Residential</u>	<u>Commercial</u>	
General government services	\$.288	\$.288	\$.264
Maintenance and operation of parks.....	.128	.132	.121
Police Officers' and Fire Fighters' Retirement Fund.....	.117	.129	.172
Debt service	<u>.067</u>	<u>.067</u>	<u>.067</u>
	<u>\$.600</u>	<u>\$.616</u>	<u>\$.624</u>

Additionally, the SBD levies an additional tax of \$0.405 per \$100 assessed valuation for businesses in the SBD.

Taxes are billed October 1, are due and collectible on December 31, and are delinquent and represent a lien on related property on January 1 of the following year. Taxes are billed, collected, and remitted to the City by the St. Louis County Collector.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2016:

	<u>Balance April 1, 2015</u>	<u>Additions And Transfers</u>	<u>Disposals And Transfers</u>	<u>Balance March 31, 2016</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	\$ 7,102,789	\$ -	\$ 26,793	\$ 7,075,996
Construction in Progress.....	<u>1,336,698</u>	<u>337,916</u>	<u>1,242,253</u>	<u>432,361</u>
Total Capital Assets, Not Being Depreciated.....	<u>8,439,487</u>	<u>337,916</u>	<u>1,269,046</u>	<u>7,508,357</u>
Capital Assets, Being Depreciated:				
Buildings.....	28,321,903	227,222	-	28,549,125
Building improvements.....	14,622,410	1,213,504	24,498	15,811,416
Machinery and equipment.....	6,866,796	454,029	93,612	7,227,213
Automotive equipment.....	6,060,128	578,533	226,309	6,412,352
Infrastructure.....	<u>41,353,131</u>	<u>2,389,009</u>	<u>858,480</u>	<u>42,883,660</u>
Total Capital Assets, Being Depreciated.....	<u>97,224,368</u>	<u>4,862,297</u>	<u>1,202,899</u>	<u>100,883,766</u>
Less – Accumulated Depreciation For:				
Buildings.....	13,563,465	881,253	-	14,444,718
Building improvement.....	3,232,986	546,008	24,497	3,754,497
Machinery and equipment.....	4,689,412	367,414	93,613	4,963,213
Automotive equipment.....	3,668,868	495,300	178,556	3,985,612
Traffic Lights/Street Lights.....	<u>20,130,504</u>	<u>829,898</u>	<u>456,135</u>	<u>20,504,267</u>
Total Accumulated Depreciation.....	<u>45,285,235</u>	<u>3,119,873</u>	<u>752,801</u>	<u>47,652,307</u>
Total Capital Assets Being Depreciated, Net	<u>51,939,133</u>	<u>1,742,424</u>	<u>450,098</u>	<u>53,231,459</u>
Governmental Activities, Capital Assets, Net.....	<u>\$ 60,378,620</u>	<u>\$2,080,340</u>	<u>\$1,719,144</u>	<u>\$ 60,739,816</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

4. CAPITAL ASSETS (continued)

	Balance April 1, 2015	Additions And Transfers	Disposals And Transfers	Balance March 31, 2016
Business-Type Activities:				
Electric:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	\$ 185,466	\$ -	\$ -	\$ 185,466
Construction in Progress.....	2,105,690	217,984	-	2,323,674
Total Capital Assets, Not Being Depreciated.....	2,291,156	217,984	-	2,509,140
Capital Assets, Being Depreciated:				
Buildings.....	297,891	-	-	297,891
Distribution system.....	6,388,856	1,023,007	1,240,990	6,170,873
Machinery and equipment.....	1,928,341	-	-	1,928,341
Automotive equipment.....	1,031,186	322,076	63,174	1,290,088
Traffic Lights/Street Lights.....	17,475	-	-	17,475
Total Capital Assets, Being Depreciated.....	9,663,749	1,345,083	1,304,164	9,704,668
Less – Accumulated Depreciation For:				
Buildings.....	217,292	3,000	-	220,292
Distribution system.....	4,123,892	163,642	1,205,360	3,082,174
Machinery and equipment.....	1,709,277	25,832	-	1,735,109
Automotive equipment.....	668,225	57,261	56,857	668,629
Traffic Lights/Street Lights.....	5,592	699	-	6,291
Total Accumulated Depreciation.....	6,724,278	250,434	1,262,217	5,712,495
Total Capital Assets Being Depreciated, Net	2,939,471	1,094,649	41,947	3,992,173
Electric:				
Capital Assets, Net.....	5,230,627	1,312,633	41,947	6,501,313
Water:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	31,274	-	-	31,274
Construction in Progress.....	3,090,000	1,603,707	354,075	4,339,632
Total Capital Assets, Not Being Depreciation.....	3,121,274	1,603,707	354,075	4,370,906
Capital Assets, Being Depreciated:				
Buildings.....	178,543	-	-	178,543
Distribution system.....	16,739,696	457,147	6,747	17,190,096
Improvements other than buildings.....	261,454	-	-	261,454
Machinery and equipment.....	462,645	-	-	462,645
Automotive equipment.....	684,793	28,068	35,035	677,826
Total Capital Assets, Being Depreciated.....	18,327,131	485,215	41,782	18,770,564

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

4. CAPITAL ASSETS (continued)

	<u>Balance April 1, 2015</u>	<u>Additions And Transfers</u>	<u>Disposals And Transfers</u>	<u>Balance March 31, 2016</u>
Business-Type Activities (continued):				
Water (continued):				
Less – Accumulated Depreciation For:				
Buildings.....	64,988	7,028	-	72,016
Distribution system.....	3,912,579	337,051	4,335	4,245,295
Improvements other than buildings.....	121,139	9,468	-	130,607
Machinery and equipment.....	218,375	31,135	-	249,510
Automotive equipment	456,388	38,895	31,526	463,757
Total Accumulated Depreciation.....	<u>4,773,469</u>	<u>423,577</u>	<u>35,861</u>	<u>5,161,185</u>
Total Capital Assets Being Depreciated, Net	<u>13,553,662</u>	<u>61,638</u>	<u>5,921</u>	<u>13,609,379</u>
Water:				
Capital Assets, Net.....	<u>16,674,936</u>	<u>1,665,345</u>	<u>359,996</u>	<u>17,980,285</u>
Sanitation:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	<u>134,057</u>	<u>-</u>	<u>-</u>	<u>134,057</u>
Total Capital Assets, Not Being Depreciated.....	<u>134,057</u>	<u>-</u>	<u>-</u>	<u>134,057</u>
Capital Assets, Being Depreciated:				
Buildings.....	411,672	-	-	411,672
Machinery and equipment.....	629,558	-	-	629,558
Automotive equipment.....	2,770,158	-	26,403	2,743,755
Total Capital Assets, Being Depreciated.....	<u>3,811,388</u>	<u>-</u>	<u>26,403</u>	<u>3,784,985</u>
Less – Accumulated Depreciation For:				
Buildings.....	88,232	12,794	-	101,026
Machinery and equipment.....	295,262	30,608	-	325,870
Automotive equipment.....	829,855	305,175	23,763	1,111,268
Total Accumulated Depreciation.....	<u>1,213,349</u>	<u>348,577</u>	<u>23,763</u>	<u>1,538,163</u>
Total Capital Assets Being Depreciated, Net	<u>2,598,039</u>	<u>(348,577)</u>	<u>2,640</u>	<u>2,246,822</u>
Sanitation:				
Capital Assets, Net.....	<u>2,732,096</u>	<u>(348,577)</u>	<u>2,640</u>	<u>2,380,879</u>
Business-Type Activities, Capital Assets, Net.....	<u>\$ 24,637,659</u>	<u>\$2,629,401</u>	<u>\$ 404,583</u>	<u>\$ 26,862,477</u>

CITY OF KIRKWOOD, MISSOURI

**NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016**

4. CAPITAL ASSETS (continued)

Depreciation expense was charged to function/programs of the primary government as follows:

Government Activities:

General government.....	\$ 317,724
Building maintenance.....	11,978
Building commissioner.....	6,851
Engineering.....	9,540
Police.....	158,110
Fire.....	486,403
Streets.....	1,105,328
Recreation.....	520,921
Parks.....	503,018

Total depreciation expense – governmental-type activities..... \$ 3,119,873

Business-Type Activities

Electric.....	\$ 250,434
Water.....	423,577
Sanitation.....	348,577

Total depreciation expense – business-type activities..... \$ 1,022,588

A donation was received by the Police Department for a 2015 Dodge Ram 1500 truck which is included in capital asset additions at a fair value of \$37,386.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

5. EMPLOYEES' RETIREMENT SYSTEMS

Civilian

Effective April 1, 1987, the City enacted Ordinance No. 7627 which established the Employees' Pension Plan (PLAN). The PLAN is a defined contribution multiple employer plan which covers all non-uniformed employees of the City of Kirkwood, the Kirkwood Public Library, and the Kirkwood Housing Authority. Benefit and contribution provisions are established and amended by the City Council. Employees are eligible for participation upon completing 500 hours of service in a consecutive six month period. At March 31, 2016, there were 189 active Plan members, 246 terminated members, 17 retired members, and 3 disabled members.

The PLAN receives contributions from the City, in accordance with City ordinances, in an amount equal to 6.5% of each participating employee's gross wages. Vesting of employer contributions occurs after five years of service.

Nonvested participant accounts are forfeited to the PLAN upon termination of employment. The forfeited amounts reduce the City's required contribution in the year of termination. In the current year, no contributions were made from forfeitures.

Retirement benefits are paid either as a lump-sum, series of substantially equal installments, or an annuity with optional surviving spouse benefits. The PLAN purchases annuities for retirees who choose the annuity form of retirement payment. These annuities are not reflected in the assets of the PLAN. The PLAN also provides for disability and life insurance.

Participants may choose to have funds invested on their behalf in any one of the following, or any combination thereof, types of investments of open-end mutual funds: Short-term reserves, bond funds, balanced funds (stocks and bonds), domestic stock funds and international stock funds.

A summary of contributions and percentage of covered plan payroll of the City is presented below for fiscal year 2016:

Contributions required	\$ 2,477,773
Less: Trust II distribution	<u>1,830,288</u>
Contributions made	<u>\$ 647,485</u>
Contribution required as a percent of covered payroll - City	6.5%

The PLAN issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: City of Kirkwood, 139 South Kirkwood Road, Kirkwood, Missouri 63122.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Civilian Plan for Retirees of Previous Plan

Effective April 1, 1987, the City terminated its Civilian Employees Defined Benefit Retirement Plan (former plan) and established the defined contribution plan as described above. Annuities were purchased for all retired participants to provide benefits equal to the amount received under the terminated former plan. For active participants, initial contributions were made to the new defined contribution plan equaling the amount determined to be actuarially equivalent to the accrued benefits of the former plan. The remaining assets of the former plan were segregated in a separate fund and may be used for the following:

- Disability insurance premiums
- Group life insurance premiums
- Discretionary uplift benefits to retirees
- Certain administrative expenses of the plan

Effective April 1, 1988, the City enacted Ordinance No. 7788 which provides supplemental pension benefits to those retirees and terminated vested participants who had received annuity payments under the terminated former plan. The effects of this Ordinance were to increase monthly benefits to retirees who were receiving benefits prior to January 1, 1987 to 2% times the number of years retired (or portion thereof) at April 1, 1988. Ordinance No. 8160 subsequently provided a 7% increase in benefits to a retiree effective January 1, 1992.

Annuities were purchased for all retired and terminated vested participants to provide uplift benefits.

Effective January 1, 1996, the City enacted Ordinance No. 8474 which provides an additional monthly benefit increase by an amount equal to 5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1995 for those retirees receiving benefits on or about April 1, 1987. Ordinance 8474 also provides a lump-sum retroactive payment equivalent to such monthly increase for the period from July 1, 1995 to December 31, 1995.

Annuities were purchased for all retired participants to provide uplift benefits.

Effective July 1, 1997, the City enacted Ordinance No. 8661 which provides an additional monthly benefit increase, in an amount equal to 5.5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1997, for those retirees receiving benefits on or about April 1, 1987.

Annuities were purchased for all retired participants to provide uplift benefits.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Civilian Plan for Retirees of Previous Plan (continued)

During 2013, the City engaged a consulting actuary to perform a calculation as to the future benefit obligations of the segregated fund based upon the assumptions that current disability and group life insurance premiums and certain administrative expenses would continue for 50 or 100 years. The calculated reserve is as follows:

	<u>50 Years</u>	<u>100 Years</u>
Future benefit obligation	<u>\$2,376,043</u>	<u>\$2,711,538</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	7.0% per annum
Inflation rate:	2.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.0% per annum
Benefit payout period:	50 or 100 years
Discount rate:	7.0% per annum

At March 31, 2016, the fair value of assets available to fund future uplift payments and other benefits was \$3,253,252 and are included in the accompanying fiduciary fund financial statements.

In August 2014, the City passed a resolution which authorizes the allocation of assets in excess of \$3.4 million from Trust II, the remaining assets of the former defined benefit pension plan, to current and certain former PLAN participants. During 2016, Trust II distribution in the amount of \$1,830,288 was made to eligible participants.

Police Officers' and Firefighters' Pension Plan For Active Participants

Effective April 1, 1987, the City enacted Ordinance No. 7627 which established the Policemen's and Firemen's Pension Plan (PLAN). The PLAN is a defined contribution single employer plan which covers all City commissioned police officers and salaried fire fighters. Benefit and contribution provisions are established and amended by the City Council. Participation in the PLAN occurs upon completion of 500 hours of service in a consecutive six-month period. At March 31, 2016, there were 117 active Plan members, 121 terminated members and 9 retired members.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Active Participants (continued)

The PLAN is funded in accordance with City ordinances from taxes levied for such purpose and employee contributions. City contributions to participant accounts are established at an amount equal to the current social security rate for civilian employees, in addition to 6.5% of employee participant gross wages. Employee contributions are established at an amount equal to the current social security withholding percentages.

Vesting of employee contributions and initial account balances occurs immediately. Vesting of employer contributions occurs after five years of service. Retirement benefits are paid either as a lump-sum, a series of substantially equal installments, or as an annuity with optional surviving spouse benefits. The PLAN purchases annuities for retirees who choose the annuity form of retirement payment. These annuities are not included in the assets of the PLAN. The PLAN also provides for disability and life insurance.

Non-vested participant accounts are forfeited to the Plan upon termination of employment. The forfeited amounts reduce the City's required contributions in the year of termination. In the current year, no contributions were made from forfeitures.

Participants may choose to have funds invested on their behalf in any one of the following, or any combination thereof, types of investments of open end mutual funds: Equity bonds, bond funds, balanced funds, stable asset funds and money market funds.

A summary of contributions and percentage of covered Plan payroll of the City is presented below for fiscal year 2016:

Contributions made and required:	
City contribution required	\$ 3,122,217
Less: Trust II distribution	2,065,750
City contributions made	<u>\$ 1,056,467</u>
Employees' contribution made and required	\$ 520,975
Contribution required as a percent of covered payroll:	
City	12.7%
Employees	6.2%

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: City of Kirkwood, 139 South Kirkwood Road, Kirkwood, Missouri 63122.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Retirees of Previous Plan

Effective April 1, 1987, the City terminated its Policemen and Firemen Defined Benefit Retirement Plan (former plan) and established the defined contribution plan as described above. Annuities were purchased for all retired participants to provide benefits equal to the amount received under the terminated former plan. For active participants, initial contributions were made to the new defined contribution plan equaling an amount determined to be actuarially equivalent to the accrued benefits of the former plan. The remaining assets of the former plan were segregated in a separate fund and may be used for the following:

- Disability insurance premiums
- Group life insurance premiums
- Discretionary uplift benefits to retirees
- Certain administrative expenses of the plan

Effective April 1, 1988, the City enacted Ordinance No. 7788 which provides supplemental pension benefits to those retirees and terminated vested participants who had received annuity payments under the terminated former plan. Ordinance No. 8096 provided a 6% increase in benefits to a retiree effective October 1, 1991. The effects of these Ordinances were as follows:

1. Increased monthly benefits to retirees who were receiving benefits prior to December 31, 1977 to one-half the salary of a Kirkwood police officer at March 31, 1987.
2. Increased monthly benefits to retirees and terminated vested participants who retired under the former plan enacted in 1978 to reflect an additional rank accrual monthly benefit of \$38.50.

Effective June 30, 1995, the City enacted Ordinance No. 8431 which provides an additional monthly benefit increase in an amount equal to 6% of the amount of the monthly benefit being paid to such retirees as of June 30, 1995 for those retirees receiving benefits on or before April 1, 1987.

Effective July 1, 1997, the City enacted Ordinance No. 8661 which provides an additional monthly benefit increase, in an amount equal to 5.5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1997, for those retirees receiving benefits on or before April 1, 1987.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Retirees of Previous Plan (continued)

Annuities were purchased for all retired and terminated vested participants to provide uplift benefits.

During 2013, the City engaged a consulting actuary to perform a calculation as to the future benefit obligations of the assumption that current disability and group life insurance premiums and certain administrative expenses would continue for 50 or 100 years. The calculated reserve was as follows:

	<u>50 Years</u>	<u>100 Years</u>
Future benefit obligation	<u>\$2,633,548</u>	<u>\$3,000,988</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	7.0% per annum
Inflation rate:	2.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.0% per annum
Benefit payout period:	50 or 100 years
Discount rate:	7.0% per annum

At March 31, 2016, the fair value of plan assets available to fund future uplift payments and other benefits was \$3,194,887 and are included in the accompanying fiduciary fund financial statements.

In August 2014, the City passed a resolution which authorizes the allocation of assets in excess of \$3.5 million from Trust II, the remaining assets of the former defined benefit pension plan, to current and certain former PLAN participants. During 2016, Trust II distribution in the amount of \$2,065,750 was made to eligible participants.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

6. LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the year ended March 31, 2016:

	Original Issuance Amounts	Balance April 1, 2015	Additions	Retirements	Balance March 31, 2016	Current Portion
Governmental Activities						
General Obligation Bonds:						
Series 2009 Refunding	\$ 4,185,000	\$ 2,440,000	\$ -	\$ (455,000)	\$ 1,985,000	\$ 470,000
Certificate of Participation:						
Series 2012 Refunding	5,000,000	2,730,000	-	(780,000)	1,950,000	790,000
Tax Increment Revenue Notes:						
Series 1998	4,000,000	1,781,000	-	(341,000)	1,440,000	238,000
Accrued compensated absences	-	429,054	1,057,310	(1,059,269)	427,095	348,082
	<u>\$13,185,000</u>	<u>7,380,054</u>	<u>1,057,310</u>	<u>(2,635,269)</u>	<u>5,802,095</u>	<u>\$1,846,082</u>
Add: Unamortized premium, net		36,467	-	(9,117)	27,350	
Total Governmental Activities		<u>\$7,416,521</u>	<u>\$1,057,310</u>	<u>\$(2,644,386)</u>	<u>\$ 5,829,445</u>	
For compensated absences, the general fund historically liquidates 93.0 percent, and the Park and Special Business District funds historically liquidate 4.5 percent and 2.0 percent respectively. The remaining 0.5 percent is liquidated in the Sewer Lateral and Capital Improvement funds.						
Business-Type Activities						
Certificate of Participation						
Series 2009	\$ 6,450,000	\$ 5,255,000	\$ -	\$ (255,000)	\$ 5,000,000	\$ 260,000
Series 2012 Refunding	3,520,000	3,015,000	-	(165,000)	2,850,000	170,000
Series 2014	3,605,000	3,605,000	-	(195,000)	3,410,000	200,000
Capital Leases	1,736,975	1,339,711	-	(401,351)	938,360	405,481
Accrued compensated absences	-	86,129	291,140	(279,556)	97,713	79,636
	<u>\$15,311,975</u>	<u>13,300,840</u>	<u>291,140</u>	<u>(1,295,907)</u>	<u>12,296,073</u>	<u>\$ 1,115,117</u>
Add: Unamortized premium, net		83,482	-	(5,787)	77,695	
Total Business-Type Activities		<u>\$13,384,322</u>	<u>\$ 291,140</u>	<u>\$(1,301,694)</u>	<u>\$12,373,768</u>	

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

6. LONG-TERM LIABILITIES (continued)

General Obligation Bonds

General obligation bonds are obligations of the City, and the full faith credit, and resources of the City have been pledged to the payment of principal of and interest on the bonds and payable are comprised of the following issues:

On December 1, 2009, the City issued \$4,185,000 in General Obligation Refunding Bonds, Series 2009 with interest rates ranging between 1.00% and 3.35%. The City issued the bonds to advance refund \$4,140,000 of the outstanding principal on the General Obligation Bonds, Series 2001, maturing on March 1, 2014 and thereafter.

Public Facilities Authority (PFA) Leasehold Revenue Bonds Payable

On May 22, 1992, the PFA was formed as a Missouri not-for-profit corporation. The purpose of the PFA is to facilitate the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City of Kirkwood, Missouri. Funding of such capital improvements and facilities has been provided through the issuance of leasehold revenue bonds. The leasehold revenue bonds do not constitute a legal debt or liability for the City, the State of Missouri, or for any political subdivision thereof and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the leasehold revenue bonds does not obligate the City to levy any form of taxation therefore or to make any appropriation for their payment in any fiscal year. The PFA has no taxing power. The activities and accounts of the PFA have been blended into the City's Park & Storm Water Improvement fund.

In March 2004, the City issued \$10,245,000 in Leasehold Revenue Refunding Bonds (Series 2004) for the purpose of providing funds to redeem in full the City's outstanding principal amount of \$9,720,000 on its 1998 PFA Leasehold Revenue Bonds. The bonds mature on September 1, 2018 and bear interest at varying rates from 0.95% to 3.65%.

In June 2012, the City issued \$5,000,000 in Certificates of Participation Refunding Series 2012 ("COPS") for the purpose of providing funds to redeem in full the City's outstanding principal amount of \$5,310,000 on its 2004 PFA Leasehold Revenue Bonds. The COPS mature on September 1, 2018 and bear interest at varying rates from 1.4% to 2%.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

6. LONG-TERM LIABILITIES (continued)

Principal and Interest Requirements on Long-Term Debt

The annual principal and interest requirements to maturity on long-term debt outstanding (other than tax increment financing bonds) as of March 31, 2016 are as follows:

Governmental Activities

<u>Year ending March 31,</u>	General Obligation Bonds Payable/ Certificates of Participation		
	Principal	Interest	Total
2017.....	\$ 1,260,000	\$ 82,892	\$ 1,342,892
2018.....	1,280,000	59,356	1,339,356
2019.....	870,000	36,555	906,555
2020.....	525,000	17,588	542,588
Total.....	\$ 3,935,000	\$ 196,391	\$ 4,131,391

Tax Increment Financing (TIF) Notes Payable

All tax increment financing notes payable are payable from payments in lieu of taxes and economic activity taxes collected by the TIF District special revenue funds and are comprised of the following individual issue:

On September 1, 1998, the City issued \$4,000,000 in Public Improvement Revenue Notes. These notes represent special, limited obligations of the City, payable solely from the incremental sales taxes generated by the Kirkwood Commons redevelopment project. The notes bear interest at 8.5% with final maturity on November 30, 2017. The annual debt service repayments of the notes are contingent upon the amounts of payments in lieu of taxes collected by the special revenue fund. If funds are not available to pay all of the interest that is due, the amount unpaid is added to the principal balance. Since annual repayment amounts will be determined based upon future revenues, a schedule of debt service requirements to maturity cannot be established.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

6. LONG-TERM LIABILITIES (continued)

Certificates of Participation

In June 2012, the City issued \$3,520,000 in Certificates of Participation Refunding Series 2012 (“COPS”) for the purpose of providing funds to redeem in full the City’s outstanding principal amount of \$3,410,000 on its Series 2005 COPS. The COPS mature on September 1, 2030 and bear interest at varying rates from 1.25% to 3.25%.

The American Recovery and Reinvestment Act of 2009 authorizes the City to issue taxable obligations known as “Build America Bonds” to finance capital expenditures for which it could otherwise issue tax-exempt obligations and to elect to receive a subsidy payment on each payment date, from the United States Treasury equal to 35% of the amount of each interest payment on the Build America Bonds. The City made an irrevocable election to issue the Certificates as Build America Bonds. The US Treasury Interest Subsidy will be paid directly to the City. The City intends to apply, but has not pledged, the US Treasury Interest Subsidy to payment of the Certificates. Additionally, no holder of any Build America Bonds issued by the City will be entitled to any federal income tax credits associated with the Build America Bonds.

On September 1, 2009, Taxable Certificates of Participation (“COPS”), Series 2009, in the amount of \$6,450,000 were issued evidencing proportionate ownership interests in the right to receive basic rent to be paid by the City pursuant to an annually renewable Taxable Lease/Purchase Agreement.

The purpose of the Series 2009 Certificates is to finance the cost of constructing a water tower and all appurtenances thereto, the construction of water mains and the costs of delivery of the Series 2009 Certificates. The Series 2009 Certificates are taxable, bear interest rates ranging from 1.5% to 6.05% and mature September 1, 2030.

In conjunction with the issuance of these Certificates, the City entered into a base lease agreement to lease to UMB Bank, N.A. (the “Trustee”) the real estate on which the water tower will be located. The Trustee has subleased the real estate and all improvements thereon back to the City pursuant to the Lease/Purchase Agreement. The base lease provides for, among other things, rental income equal to the COPS proceeds and a term that ends September 1, 2050 or after the City has paid either the option price or all the basic and supplemental rent payments. Terms of the Lease/Purchase Agreement include, among other things, rental payments equal to the principal and interest amounts of the COPS issuance including supplemental rental payments to cover trustee fees, taxes, repair and maintenance costs, insurance, and amounts needed to meet applicable reserve requirements. The Lease/Purchase Agreement also provides for an initial rental term ending March 31, 2010 with annual renewal options not to extend beyond September 1, 2030.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

6. LONG-TERM LIABILITIES (continued)

Certificates of Participation (continued)

On September 2014, the City issued \$3,605,000 in Certificates of Participation Series 2014 (“COPS”) to finance an automated water meter reading system. The Series 2014 COPS mature on September 1, 2029 and bear interest rates varying from 2% to 3%.

In conjunction with the issuance of these Certificates, the City entered into a lease purchase agreement to lease from U.S. Bank N. A. (the “Trustee”) the automated water meter reading system. The Trustee hereby demises, leases and lets to the City, and the City rents, leases and hires from the trustee, the equipment in accordance with the lease. The lease purchase agreement provides for, among other things, rental income equal to the 2014 COPS proceeds and a term that end September 1, 2029. The terms of the Lease/Purchase agreement include, among other things, rental payments equal to the principal and interest amounts of the COPS issuance. The Lease/Purchase Agreement also provides for an initial rental term ending March 31, 2016 with annual renewal options not to extend beyond September 1, 2029.

The Certificates of Participation mature through 2031 as follows:

Business-Type Activities

Year <u>Ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017.....	\$ 630,000	\$ 437,357	\$ 1,067,357
2018.....	645,000	418,690	1,063,690
2019.....	655,000	397,811	1,052,811
2020.....	680,000	375,423	1,055,423
2021.....	695,000	351,281	1,046,281
2022 – 2026.....	3,800,000	1,335,814	5,135,814
2027 – 2031.....	<u>4,155,000</u>	<u>462,987</u>	<u>4,617,987</u>
Total.....	<u>\$11,260,000</u>	<u>\$3,779,363</u>	<u>\$15,039,363</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

6. LONG-TERM LIABILITIES (continued)

Capital Leases

In July 2013 the City of Kirkwood, Missouri entered into a capital lease for sanitation trucks. The will be lease financing four Wayne Phoenix model trucks and five Labrie Sanitation trucks. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through the capital leases are as follows:

	March 31, 2016
Vehicles.....	\$ 1,978,840
Less – Accumulated depreciation.....	467,276
Net Book Value.....	\$ 1,511,564

A schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of March 31, 2016 are as follows:

For The Years Ended March 31	Amount
2017	\$ 415,541
2018	270,863
2019	270,863
	957,267
Less – Amount representing interest	18,909
Present Value of Minimum Lease Payments	\$ 938,358

CITY OF KIRKWOOD, MISSOURI

**NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016**

6. LONG-TERM LIABILITIES (continued)

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. The computation is as follows:

Assessed valuation - 2016 tax year		<u>\$751,140,748</u>
Debt limit - 10% of assessed valuation		\$ 75,114,075
Amount of debt applicable to debt limit:		
Total general obligation bonded debt	1,985,000	
Less: Amount available in debt service fund	<u>(459,302)</u>	
Bonded indebtedness applicable to debt limit		<u>1,525,698</u>
Legal Debt Margin		<u>\$ 73,588,377</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

7. RESTRICTED CASH AND INVESTMENTS

(A) The following trustee held accounts have been established in accordance with the Indenture related to the Public Improvement Revenue Notes Series 1998 (Kirkwood Commons Project):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. At March 31, 2016, cash and investment in the Revenue Fund total \$299,845 in the Kirkwood Commons TIF Special Revenue Fund.

Debt Service Fund

The Debt Service Fund shall be used by the Trustee for the sole purpose of paying the principal of and interest on the notes, as and when the same become due. At March 31, 2016, there were no cash or investments in the Debt Service Fund in the Kirkwood Commons TIF Special Revenue Fund.

(B) The following trustee held account has been established in accordance with the Indenture related to the Certificates of Participation Series 2009 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2016, there were no cash or investments in the COPS Series 2009 revenue fund.

Reserve Fund

The Indenture required that a Reserve Fund be established in the original amount of \$438,697. The amounts to be held in the reserve is determined thereafter on a yearly basis in accordance with the formula in the Indenture. At March 31, 2016, cash and investments in the COPS reserve fund was \$438,734.

Project Fund

The Project Fund will be used for the purpose of providing monies to pay project costs. Proceeds received from the sale of the bonds, after deposit into the Revenue Fund of the accrued interest, if any, and deposit into the Debt Service Reserve Fund of the amount requirement pursuant to the bond indenture, shall be deposited into the Project Fund. As of March 31, 2016, there were no cash and investments in the COPS Series 2009 project fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

7. RESTRICTED CASH AND INVESTMENTS (continued)

(C) The following trustee held account has been established in accordance with the Indenture related to the Refunding Certificates of Participation Series 2012 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2016, there were no cash or investments in the Refunding COPS Series 2012 revenue fund.

Reserve Fund

The Indenture required that a Reserve Fund be established in the original amount of \$663,636. The amounts to be held in the reserve is determined thereafter on a yearly basis in accordance with the formula in the Indenture. At March 31, 2016, cash and investments in the Refunding COPS Series 2012 reserve fund was \$663,842.

(D) The following trustee held account has been established in accordance with the Indenture related to the Refunding Certificates of Participation Series 2014 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2016, there were no cash or investments in the Refunding COPS Series 2014 revenue fund.

Project Fund

The Project Fund will be used for the purpose of providing monies to pay project costs. Proceeds received from the sale of the bonds, after deposit into the Revenue Fund of the accrued interest, if any, shall be deposited into the Project Fund. As of March 31, 2016, cash and investments in the COPS Series 2014 project fund was \$4,868.

(E) Certain assets are classified on the Balance Sheet – Governmental Funds as restricted because of their use is limited. Contractor deposits can only be expended if a deposit is forfeited for noncompliance per the terms of the issued permit. Capital donation received by the Park Fund and Capital Improvement Fund must be used only for approved capital improvements.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

7. RESTRICTED CASH AND INVESTMENTS (continued)

(F) The Electric and Water Fund, based on city ordinance, is required to collect a deposit from all commercial applicants and renters. The deposits can only be used in the event the consumer defaults on their accounts to pay outstanding balances. At March 31, 2016, utility deposits restricted total \$201,889 for the Electric Fund and total \$24,498 for the Water Fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

8. RECONCILIATION OF INTERFUND TRANSACTIONS

The following represents a reconciliation of transfers between individual funds for the year ended March 31, 2016.

	<u>Transfers From</u>	<u>Transfers To</u>	<u>Net Transfers</u>
Major Funds:			
General Fund.....	\$ (257,800)	\$ 1,381,673	\$ 1,123,873
<i>Special Revenue:</i>			
Public Park Board.....	(19,852)	525,800	505,948
<i>Capital Improvement:</i>			
Capital Improvement.....	(10,000)	1,695,000	1,685,000
Park & Storm Water Improvement....	(840,371)	-	(840,371)
Non-Major Funds	(54,450)	50,000	(4,450)
Major Enterprise Funds			
Electric.....	(1,785,000)	-	(1,785,000)
Water.....	(585,000)	-	(585,000)
Sanitation.....	(100,000)	-	(100,000)
Total.....	<u>\$ (3,652,473)</u>	<u>\$ 3,652,473</u>	<u>\$ -</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them primarily for operating or capital purposes. See Note 4 for transfer of capital assets.

Individual fund interfund receivable and payable balances as of March 31, 2016, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Funds		
General Fund.....	\$ 10,000	-
<i>Capital Projects</i>		
Capital Improvement.....	-	10,000
Park & Storm Water Improvements.....	-	850,000
Major Enterprise Funds		
Electric.....	425,000	-
Water.....	425,000	-
Total.....	<u>\$ 860,000</u>	<u>\$ 860,000</u>

The amounts due to or from individual funds represents interfund borrowings and arise in the normal course of business. Interfund borrowings are necessary due to the nature and timing of governmental receipts.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

9. RISK MANAGEMENT

All funds of the City participate in the program and make payments to the self-insurance internal service fund based on both exposure and experience factors. Premiums include amounts needed to pay prior and current-year claims. Claim liabilities are established based on estimates of the ultimate costs of claims (including future expenses) that have been reported but not settled and of claims incurred and not reported.

At March 31, 2016, the City's total estimated liability for payment of incurred (both reported and unreported) but unpaid claims for self-insured employee benefit programs was \$ 328,134 and is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statement indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated.

Changes in the internal service fund claims liability for the past two years are as follows:

<u>Fiscal Year Ended March 31,</u>	<u>Liability - Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability - End of Year</u>
2015	\$ 441,890	\$ 2,534,740	\$ 2,517,613	\$ 459,017
2016	\$ 459,017	\$ 2,709,905	\$ 2,381,771	\$ 328,134

The City utilizes self-insurance internal service funds to account for and finance its uninsured risk of loss for medical and worker's compensation. The City self-funds insurance for worker's compensation and medical coverage. The City obtains periodic funding valuations from the claims-servicing companies managing the self-insurance programs and adjusts the charges to the various funds as required to maintain the appropriate level of estimated claims liability.

The City purchases commercial insurance for other risks of loss including stop loss on both the medical and worker's compensation coverage.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

10. MUNICIPAL COURT TRAFFIC VIOLATIONS FINES AND COSTS

Missouri House Bill No. 103 amending RSMo Section 302.341.2 became effective on August 28, 2013. The amendments to the statute now require municipalities to report an accounting of the percent of “annual general operating revenue” from fines and costs for traffic violations. All fines and costs from traffic violations in excess of 30% of the City’s “annual general operating revenue” is required to be remitted to the director of the department of revenue for annual distribution to the schools of the county. “Annual general operating revenue of the City” is defined by the Missouri State Auditor as revenue that is not required by the enacting ordinance law or Constitution to be used only for a designated purpose and can be used to pay any bill or obligation of the City. This includes, but is not limited to, general sales tax, general property tax, and fees from certain licenses and permits, interest, fines, and penalties. “General Operating Revenues” does not include, among other items, designated sales or use taxes, user fees, grant funds or other revenue designated by law, ordinance, or Constitution, for a specific purpose.

Total court fines and costs (traffic cases).....	\$ 232,536
Total general operating revenue of the city.....	<u>15,874,729</u>
Court fines and costs as a percentage of total general operating revenue of the city.....	<u>1.46%</u>

11. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in a number of lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of all legal proceedings, it is the opinion of management that they will not have a material effect on the City's financial position.

Federal Grants

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the City's financial position.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

11. COMMITMENTS AND CONTINGENCIES (continued)

Major Supplier

The City has an agreement with a local utility company to be the City's sole provider of its water for resale. The agreement has fixed rates for each calendar year, with the contract expiring January 13, 2036. There are no minimum or maximum purchase commitments under the agreement.

Historically the City had obtained all its power requirements from one major supplier. Arrangements of this type are typically referred to as "Full Requirements" agreements. After the City's agreement expired on May 30, 2011, the City employed a new strategy referred to as "Partial Requirements" and obtained its capacity and energy requirements from various suppliers, including the Midwest Independent System Operator (MISO) and the Missouri Joint Municipal Electric Utility Commission (MJMEUC).

During the fiscal year, the City's average cost of power was \$67.8 per megawatt hour. The City obtained 80% of its energy from the Prairie State Energy Campus, 10% of its power from MISO and 10% from American Electric Power.

Joint Venture

The City has entered into a multi-governmental arrangement creating an organization that is owned, operated, and governed by two or more participants as a separate and specific activity subject to joint control, in which the City retains an ongoing financial responsibility.

The Missouri Joint Municipal Electric Utility Commission (MJMEUC) was formed under the laws of the state of Missouri for the purpose of procuring electric energy and capacity for the benefit of, and pursuant to the governance and direction of, MJMEUC's members. The governing body of each of the contracting municipalities appoints one MJMEUC Director and one alternate, who may be employees of the contracting municipality.

MJMEUC has acquired an undivided ownership interest in the Prairie State Energy Campus, a two-unit, coal-fueled, mine-mouth generating station with an anticipated net capacity of approximately 1600 megawatts, and associated coal reserves and coal-mining facilities ("PSEC"), which is under development in a partnership with Peabody Energy in Washington County, Illinois. The City's purchase percentage will equate to 12.5 MW of unit power from each of the two PSEC units.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2016

11. COMMITMENTS AND CONTINGENCIES (continued)

Joint Venture (continued)

The first PSEC unit entered into commercial operation in June 2013 and the second unit began commercial operation in November 2013. Each unit is expected to have a useful service life of at least 40 years.

The City does not have any equity interests. The City will be responsible for its proportionate share of (a) the fixed and variable costs MJMEUC incurs in connections with its PSEC ownership, and (b) MJMEUC’s administrative and other reasonable costs associated with its role as power supplier to the City.

The City paid approximately \$893,250 prior to commercial operation of the PSEC units. The City now pays approximately \$55/MWH for capacity and energy from the units.

Separate financial statements prepared for the MJMEUC can be furnished upon request.

Construction Commitments

The City has active construction projects as of March 31, 2016. The projects include city hall enhancements, park improvements, and automated water meter reading system. At year end the City’s commitments with contractors are as follows:

<u>Project</u>	<u>Total Spent As of March 31, 2016</u>	<u>Remaining Commitment</u>
Greentree Park Prairie Project.....	\$ 264,141	\$ 91,263
Ball Diamond Lights.....	-	33,000
Pool Slide Resurfacing.....	43,099	6,017
Software.....	-	5,760
Community Center Study	214,783	19,392
Monroe Creek Crossing.....	37,757	4,304
Asphalt Sealing.....	-	10,776
Meacham Park Playground	5,078	46,686
Distribution System Circuit Upgrades.....	237,947	16,563
Alfred Substation	211,112	408,153
Kirkwood Rd Traffic Signals	6,872	515,901
Automated Meter Reading	856,819	104,000
Water Distribution Improvements	823,937	797,126
Total.....	<u>\$ 2,701,545</u>	<u>\$ 2,058,941</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

12. RECENT ACCOUNTING PRONOUNCEMENTS

The accounting principles governing the reported amounts, presentation and related disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various governing bodies. The Government Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments

In February 2015, the GASB issued Statement No. 72, "Fair Value Measurement and Application." The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. The requirements of this statement are effective for the financial statements for fiscal years beginning after June 15, 2015.

In August 2015, the GASB issued Statement No. 77, "Tax Abatement Disclosures." The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with financial-related legal or contractual requirement, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The requirements of this statement are effective for the financial statements for fiscal years beginning after December 15, 2015.

The effects on the City's financial statements as a result of the adoption of these new pronouncements are unknown.

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**Required Supplementary Information –
Budgetary Comparison Information**

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CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Taxes, including interest and penalties:				
Gasoline/motor vehicle sales.....	\$ 980,000	\$ 980,000	\$ 1,078,483	\$ 98,483
Utility gross receipts.....	4,868,000	4,868,000	4,533,660	(334,340)
Property.....	2,113,000	2,113,000	2,112,070	(930)
Sales.....	4,365,000	4,365,000	5,223,984	858,984
Cigarette.....	70,000	70,000	79,131	9,131
Highway road and bridge.....	740,000	740,000	743,953	3,953
Franchise.....	435,000	435,000	498,893	63,893
Total Taxes.....	<u>13,571,000</u>	<u>13,571,000</u>	<u>14,270,174</u>	<u>699,174</u>
Intergovernmental.....	<u>573,396</u>	<u>576,396</u>	<u>608,631</u>	<u>32,235</u>
Licenses, Permits, Fines and Fees:				
Motor vehicle licenses and fees.....	132,000	132,000	137,699	5,699
Business licenses.....	564,640	564,640	547,857	(16,783)
Alcoholic beverage licenses.....	28,000	28,000	31,540	3,540
Building and plumbing permits.....	606,920	606,920	789,370	182,450
Excavation and sign permits.....	34,518	34,518	36,186	1,668
Fines and court costs.....	631,500	631,500	352,887	(278,613)
Miscellaneous fees.....	98,000	98,000	125,564	27,564
Total Licenses, Permits, Fines and Fees.....	<u>2,095,578</u>	<u>2,095,578</u>	<u>2,021,103</u>	<u>(74,475)</u>
Investment income.....	<u>20,000</u>	<u>20,000</u>	<u>136,754</u>	<u>116,754</u>
Charges For Services:				
Skating rink.....	666,450	666,450	782,025	115,575
Aquatic facility.....	414,200	414,200	364,822	(49,378)
Ambulance fees.....	850,000	850,000	779,809	(70,191)
Program fees.....	681,200	681,200	727,101	45,901
Total Charges For Services.....	<u>2,611,850</u>	<u>2,611,850</u>	<u>2,653,757</u>	<u>41,907</u>
Other	<u>604,296</u>	<u>643,571</u>	<u>647,421</u>	<u>3,850</u>
Total Revenues.....	<u>\$ 19,476,120</u>	<u>\$ 19,518,395</u>	<u>\$ 20,337,840</u>	<u>\$ 819,445</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
EXPENDITURES:				
Current:				
General Government and Finance:				
Personnel services.....	2,164,594	2,164,432	2,074,692	89,740
Contractual services.....	1,233,524	1,296,833	1,146,282	150,551
Commodities.....	279,320	192,959	91,299	101,660
Capital outlay.....	12,500	24,930	18,032	6,898
Interdepartmental charges, net.....	288,508	280,304	270,750	9,554
Total General Government and Finance....	<u>3,978,446</u>	<u>3,959,458</u>	<u>3,601,055</u>	<u>358,403</u>
Engineering:				
Personnel services.....	392,039	390,758	388,970	1,788
Contractual services.....	51,843	150,286	121,740	28,546
Commodities.....	8,520	7,562	6,165	1,397
Capital outlay.....	800	1,762	1,760	2
Interdepartmental charges, net.....	9,278	6,778	6,235	543
Total Engineering.....	<u>462,480</u>	<u>557,146</u>	<u>524,870</u>	<u>32,276</u>
Building Maintenance:				
Personnel services.....	184,761	184,868	178,782	6,086
Contractual services.....	240,208	240,391	226,182	14,209
Commodities.....	43,700	43,910	35,544	8,366
Capital outlay.....	2,500	2,500	1,420	1,080
Interdepartmental charges, net.....	12,489	11,864	10,153	1,711
Total Building Maintenance.....	<u>483,658</u>	<u>483,533</u>	<u>452,081</u>	<u>31,452</u>
Building Commissioner:				
Personnel services.....	585,927	591,771	576,412	15,359
Contractual services.....	108,531	97,970	58,464	39,506
Commodities.....	13,295	13,346	11,031	2,315
Interdepartmental charges, net.....	9,130	9,130	7,414	1,716
Total Building Commissioner.....	<u>716,883</u>	<u>712,217</u>	<u>653,321</u>	<u>58,896</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
EXPENDITURES (CONTINUED)				
Current (continued):				
Police:				
Personnel services.....	6,247,661	6,252,359	6,037,824	214,535
Contractual services.....	679,133	723,672	585,469	138,203
Commodities.....	112,725	116,003	97,147	18,856
Capital outlay.....	8,800	13,825	13,103	722
Interdepartmental charges, net.....	358,416	358,416	290,178	68,238
Total Police.....	<u>7,406,735</u>	<u>7,464,275</u>	<u>7,023,721</u>	<u>440,554</u>
Fire:				
Personnel services.....	4,460,885	4,655,026	4,546,000	109,026
Contractual services.....	416,104	423,448	385,536	37,912
Commodities.....	118,256	124,836	115,872	8,964
Interdepartmental charges, net.....	226,610	227,935	169,609	58,326
Total Fire.....	<u>5,221,855</u>	<u>5,431,245</u>	<u>5,217,017</u>	<u>214,228</u>
Streets:				
Personnel services.....	872,300	870,745	826,131	44,614
Contractual services.....	220,803	217,819	203,745	14,074
Commodities.....	212,828	223,382	187,260	36,122
Capital outlay.....	5,000	161	-	161
Interdepartmental charges, net.....	308,932	310,256	257,325	52,931
Total Streets.....	<u>1,619,863</u>	<u>1,622,363</u>	<u>1,474,461</u>	<u>147,902</u>
Recreation:				
Personnel services.....	1,088,653	1,079,553	1,037,640	41,913
Contractual services.....	697,052	708,090	657,842	50,248
Commodities.....	147,924	145,493	122,932	22,561
Interdepartmental charges, net.....	257,632	256,895	250,878	6,017
Total Recreation.....	<u>2,191,261</u>	<u>2,190,031</u>	<u>2,069,292</u>	<u>120,739</u>
Total Expenditures.....	<u>22,081,181</u>	<u>22,420,268</u>	<u>21,015,818</u>	<u>1,404,450</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
EXCESS REVENUES OVER (UNDER)				
EXPENDITURES.....	(2,605,061)	(2,901,873)	(677,978)	(2,223,895)
OTHER FINANCING SOURCES (USES):				
Transfers in.....	1,300,000	1,311,450	1,361,821	50,371
Transfers out.....	(19,300)	(278,330)	(277,652)	678
Proceeds from sale of capital assets.....	-	-	160	160
Insurance recoveries.....	-	-	14,280	14,280
Total Other Financing Sources (Uses).....	1,280,700	1,033,120	1,098,609	65,489
NET CHANGE IN FUND BALANCE.....	<u>\$ (1,324,361)</u>	<u>\$ (1,868,753)</u>	420,631	<u>\$ (2,289,384)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			103,315	
Expenditure accrual adjustments.....			(78,788)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>24,527</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			445,158	
FUND BALANCE, BEGINNING OF YEAR.....			<u>8,775,492</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 9,220,650</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - PUBLIC PARK BOARD FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 940,000	\$ 940,000	\$ 923,575	\$ (16,425)
Licenses, permits, fines and fees.....	72,300	76,600	67,389	(9,211)
Investment income.....	5,000	5,000	19,288	14,288
Total Revenues.....	<u>1,017,300</u>	<u>1,021,600</u>	<u>1,010,252</u>	<u>(11,348)</u>
EXPENDITURES:				
Current:				
Parks.....	1,446,482	1,433,482	1,368,313	65,169
Capital outlay.....	184,500	337,309	259,385	77,924
Total Expenditures.....	<u>1,630,982</u>	<u>1,770,791</u>	<u>1,627,698</u>	<u>143,093</u>
EXCESS REVENUES UNDER EXPENDITURES.....	<u>(613,682)</u>	<u>(749,191)</u>	<u>(617,446)</u>	<u>(131,745)</u>
OTHER FINANCING SOURCES:				
Transfers in.....	543,600	543,600	545,652	2,052
Proceeds from sale of capital assets.....	12,500	12,500	16,009	3,509
Insurance recoveries.....	-	12,815	18,939	6,124
Total Other Financing Sources.....	<u>556,100</u>	<u>568,915</u>	<u>580,600</u>	<u>11,685</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (57,582)</u>	<u>\$ (180,276)</u>	<u>(36,846)</u>	<u>\$ (143,430)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			48,334	
Expenditure accrual adjustments.....			(6,785)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>41,549</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			4,703	
FUND BALANCE, BEGINNING OF YEAR.....			<u>1,444,312</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 1,449,015</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - P&F PROPERTY TAX PENSION FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 916,460	\$ 916,460	\$ 893,894	\$ (22,566)
Investment income.....	1,500	1,500	27,533	26,033
Total Revenues.....	<u>917,960</u>	<u>917,960</u>	<u>921,427</u>	<u>3,467</u>
EXPENDITURES:				
Police.....	737,724	745,539	661,581	83,958
Fire.....	737,724	745,539	661,582	83,957
Total Expenditures.....	<u>1,475,448</u>	<u>1,491,078</u>	<u>1,323,163</u>	<u>167,915</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>\$ (557,488)</u>	<u>\$ (573,118)</u>	<u>(401,736)</u>	<u>\$ (171,382)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			42,046	
Expenditure accrual adjustments.....			(8,198)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>33,848</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(367,888)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>2,308,225</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 1,940,337</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2016

1. BUDGETARY DATA

Missouri state law and City ordinances require annual budgets to be prepared and legally adopted for the general fund; Public Park Board, P&F Property Tax Pension, Downtown Special Business District, Equitable Sharing and Sewer Lateral special revenue funds; debt service fund and capital projects funds. Budgets are prepared by the Chief Administrative Officer on the modified accrual basis according to the City of Kirkwood, Missouri Charter Article VI, Section 6.3. The budgets are reviewed by a Citizens' Finance Committee, and are discussed in public hearings prior to their legal adoption by April 1 each year. The City Council may revise the approved budget provided that the total authorized expenditures do not exceed the estimated revenues plus unreserved fund balance at the beginning of the year. The budget is legally enacted by ordinance following public hearings on the proposed budget. The Public Park Board is the only City agency that adopts its own budget.

Following adoption of the budget, the Chief Administrative Officer may transfer appropriations between departments provided that total appropriations do not exceed the authorized amount established by ordinance. City policy requires all budget amendments or transfers of \$10,000 or more to be approved by ordinance. All appropriations lapse at year end.

Due to the management controls adopted, which provide for the budget to be controlled at a detail level greater than the statutory level of control, the legal level of budgetary control for all governmental funds except the Public Park Board is established at the sub object level. Compliance with the legal level of budgetary control is demonstrated through the issuance of a separate report, which is available for inspection at the Finance Department. Budgetary comparisons presented herein are on the modified accrual basis in compliance with the City's Charter.

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Other Supplementary Information

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CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
MARCH 31, 2016

	Combined Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS:			
Cash held by trustees.....	\$ 299,845	\$ -	\$ 299,845
Cash and investments - unrestricted.....	1,254,068	432,363	1,686,431
Receivables, net of allowances:			
Taxes.....	91,393	46,821	138,214
Interest.....	1,614	574	2,188
Other.....	28,652	-	28,652
TOTAL ASSETS.....	\$ 1,675,572	\$ 479,758	\$ 2,155,330
LIABILITIES:			
Accounts payable.....	\$ 20,726	\$ 595	\$ 21,321
Accrued wages and vacation.....	7,410	-	7,410
Deposits payable.....	19,345	-	19,345
Unearned revenue.....	72,305	-	72,305
Total Liabilities.....	119,786	595	120,381
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue-taxes.....	33,396	19,861	53,257
Total Deferred Inflows of Resources.....	33,396	19,861	53,257
FUND BALANCES:			
Restricted for:			
Debt service.....	-	459,302	459,302
Law enforcement.....	189,954	-	189,954
Sewer lateral.....	795,862	-	795,862
Special business district.....	145,771	-	145,771
TIF bonds and notes.....	390,803	-	390,803
Total Fund Balances.....	1,522,390	459,302	1,981,692
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES.....	\$ 1,675,572	\$ 479,758	\$ 2,155,330

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Combined Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES:			
Taxes, including interest and penalties.....	\$ 442,827	\$ 508,026	\$ 950,853
Licenses, permits, fines and fees.....	815,034	-	815,034
Investment income.....	17,197	6,756	23,953
Other.....	12,859	-	12,859
Total Revenues.....	1,287,917	514,782	1,802,699
EXPENDITURES:			
General government and finance.....	680,908	-	680,908
Police.....	83,397	-	83,397
Capital outlay.....	58,212	-	58,212
Debt service:			
Principal retirement.....	341,000	455,000	796,000
Interest and fiscal charges.....	143,367	75,242	218,609
Total Expenditures.....	1,306,884	530,242	1,837,126
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(18,967)	(15,460)	(34,427)
OTHER FINANCING SOURCES (USES):			
Transfers in.....	50,000	-	50,000
Transfers out.....	(54,450)	-	(54,450)
Total Other Financing Sources (Uses).....	(4,450)	-	(4,450)
NET CHANGE IN FUND BALANCES.....	(23,417)	(15,460)	(38,877)
FUND BALANCES, BEGINNING OF YEAR.....	1,545,807	474,762	2,020,569
FUND BALANCES, END OF YEAR.....	\$ 1,522,390	\$ 459,302	\$ 1,981,692

See accompanying independent auditor's report

NON-MAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The special revenue funds maintained by the City are as follows:

Downtown Special Business District - Used to account for property taxes and business license fees set aside for the economic development of the special business district.

Equitable Sharing - Used to account for proceeds from the City's portion of seized assets as required by the United States Attorney General's Guidelines on Seized and Forfeited Property.

Sewer Lateral - Used to account for the sewer lateral insurance fees restricted specifically for repairs of broken single-family and condominium residential sewer laterals.

Kirkwood Commons TIF – Used to account for activities of the City's Kirkwood Commons public improvement revenue notes series 1998 related to the former Kirkwood Commons tax increment financing district.

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CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
MARCH 31, 2016

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Kirkwood Commons TIF	Total
ASSETS:					
Cash held by trustees.....	\$ -	\$ -	\$ -	\$299,845	\$ 299,845
Cash and investments - unrestricted.....	208,077	189,951	814,790	41,250	1,254,068
Receivables, net of allowances:					
Taxes.....	37,453	-	-	53,940	91,393
Interest.....	277	253	1,084	-	1,614
Other.....	1,700	-	6,708	20,244	28,652
TOTAL ASSETS.....	\$ 247,507	\$ 190,204	\$ 822,582	\$415,279	\$ 1,675,572
LIABILITIES:					
Accounts payable.....	\$ 13,991	\$ 250	\$ 6,485	\$ -	\$ 20,726
Accrued wages and vacation.....	6,320	-	1,090	-	7,410
Deposits payable.....	200	-	19,145	-	19,345
Unearned revenue.....	72,305	-	-	-	72,305
Total Liabilities.....	92,816	250	26,720	-	119,786
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-taxes.....	8,920	-	-	24,476	33,396
Total Deferred Inflows of Resources.....	8,920	-	-	24,476	33,396
FUND BALANCES:					
Restricted for:					
Law enforcement.....	-	189,954	-	-	189,954
Sewer lateral.....	-	-	795,862	-	795,862
Special business district.....	145,771	-	-	-	145,771
TIF bonds and notes.....	-	-	-	390,803	390,803
Total Fund Balances.....	145,771	189,954	795,862	390,803	1,522,390
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 247,507	\$ 190,204	\$ 822,582	\$415,279	\$ 1,675,572

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Kirkwood Commons TIF	Total
REVENUES:					
Taxes, including interest and penalties.....	\$ 142,795	\$ -	\$ -	\$ 300,032	\$ 442,827
Licenses, permits, fines and fees.....	171,044	174,697	276,383	192,910	815,034
Investment income.....	2,436	3,171	11,587	3	17,197
Miscellaneous.....	12,859	-	-	-	12,859
Total Revenues.....	329,134	177,868	287,970	492,945	1,287,917
EXPENDITURES:					
General government and finance.....	289,891	-	391,017	-	680,908
Police.....	-	83,397	-	-	83,397
Capital outlay.....	18,884	39,328	-	-	58,212
Debt service:					
Principal retirement.....	-	-	-	341,000	341,000
Interest and fiscal charges.....	-	-	-	143,367	143,367
Total Expenditures.....	308,775	122,725	391,017	484,367	1,306,884
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	20,359	55,143	(103,047)	8,578	(18,967)
OTHER FINANCING SOURCES (USES):					
Transfers in.....	50,000	-	-	-	50,000
Transfers out.....	(43,000)	(11,450)	-	-	(54,450)
Total Other Financing Sources (Uses).....	7,000	(11,450)	-	-	(4,450)
NET CHANGE IN FUND BALANCES.....	27,359	43,693	(103,047)	8,578	(23,417)
FUND BALANCES, BEGINNING OF YEAR.....	118,412	146,261	898,909	382,225	1,545,807
FUND BALANCES, END OF YEAR.....	\$ 145,771	\$ 189,954	\$ 795,862	\$ 390,803	\$ 1,522,390

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - DOWNTOWN SPECIAL BUSINESS DISTRICT FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES:				
Taxes, including interest and penalties.....	\$ 134,000	\$ 134,000	\$ 115,766	\$ (18,234)
Licenses, permits, fines and fees.....	181,700	181,700	170,940	(10,760)
Investment income.....	500	500	2,371	1,871
Miscellaneous.....	14,000	14,000	12,859	(1,141)
Total Revenues.....	<u>330,200</u>	<u>330,200</u>	<u>301,936</u>	<u>(28,264)</u>
EXPENDITURES:				
General government and finance.....	308,167	301,067	288,650	12,417
Capital outlay.....	2,700	59,800	18,884	40,916
Total Expenditures.....	<u>310,867</u>	<u>360,867</u>	<u>307,534</u>	<u>53,333</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>19,333</u>	<u>(30,667)</u>	<u>(5,598)</u>	<u>(25,069)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in.....	-	50,000	50,000	-
Transfers out.....	(43,000)	(43,000)	(43,000)	-
Total Other Financing Sources (Uses).....	<u>(43,000)</u>	<u>7,000</u>	<u>7,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (23,667)</u>	<u>\$ (23,667)</u>	<u>1,402</u>	<u>\$ (25,069)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			27,198	
Expenditure accrual adjustments.....			(1,241)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>25,957</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			27,359	
FUND BALANCE, BEGINNING OF YEAR.....			<u>118,412</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 145,771</u>	

See accompanying independent auditors' report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - EQUITABLE SHARING FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits, fines and fees.....	\$ -	\$ -	\$ 174,697	\$ 174,697
Investment income.....	-	-	3,083	3,083
Total Revenues.....	-	-	177,780	177,780
EXPENDITURES:				
Police.....	-	106,900	83,397	23,503
Capital Outlay.....	-	51,766	39,328	12,438
Total Expenditures.....	-	158,666	122,725	35,941
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	-	(158,666)	55,055	(213,721)
OTHER FINANCING USES:				
Transfers out.....	-	(11,450)	(11,450)	-
Total Other Financing Uses.....	-	(11,450)	(11,450)	-
NET CHANGE IN FUND BALANCES.....	\$ -	\$ (170,116)	43,605	\$ (213,721)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			88	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			88	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			43,693	
FUND BALANCE, BEGINNING OF YEAR.....			146,261	
FUND BALANCE, END OF YEAR.....			\$ 189,954	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - SEWER LATERAL FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits, fines and fees.....	\$ 274,000	\$ 274,000	\$ 274,186	\$ 186
Investment income.....	1,000	1,000	11,597	10,597
Total Revenues.....	<u>275,000</u>	<u>275,000</u>	<u>285,783</u>	<u>10,783</u>
EXPENDITURES:				
General government and finance.....	169,033	394,743	390,385	4,358
Total Expenditures.....	<u>169,033</u>	<u>394,743</u>	<u>390,385</u>	<u>4,358</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>\$ 105,967</u>	<u>\$ (119,743)</u>	<u>(104,602)</u>	<u>\$ (15,141)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			2,187	
Expenditure accrual adjustments.....			(632)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>1,555</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(103,047)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>898,909</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 795,862</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes, including interest and penalties.....	\$ 463,960	\$ 463,960	\$ 484,973	\$ 21,013
Investment income.....	600	600	6,739	6,139
Total Revenues.....	<u>464,560</u>	<u>464,560</u>	<u>491,713</u>	<u>27,153</u>
EXPENDITURES:				
Debt Service:				
Principal retirement.....	455,000	455,000	455,000	-
Interest and fiscal charges.....	<u>122,916</u>	<u>122,916</u>	<u>75,242</u>	<u>47,674</u>
Total Expenditures.....	<u>577,916</u>	<u>577,916</u>	<u>530,242</u>	<u>47,674</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>\$ (113,356)</u>	<u>\$ (113,356)</u>	<u>(38,529)</u>	<u>\$ (74,827)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			23,069	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			<u>23,069</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(15,460)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>474,762</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 459,302</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES:				
Taxes, including interest and penalties.....	\$ 2,100,000	\$ 2,100,000	\$ 2,184,712	\$ 84,712
Grants.....	7,200	7,200	6,064	(1,136)
Investment income.....	4,000	4,000	51,183	47,183
Other.....	-	-	32,629	32,629
Total Revenues.....	2,111,200	2,111,200	2,274,588	163,388
EXPENDITURES:				
General government and finance.....	70,882	71,462	71,055	407
Capital outlay.....	2,886,012	5,284,082	3,517,798	1,766,284
Total Expenditures.....	2,956,894	5,355,544	3,588,853	1,766,691
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(845,694)	(3,244,344)	(1,314,265)	(1,930,079)
OTHER FINANCING SOURCES (USES):				
Transfers in.....	520,000	1,670,000	1,695,000	25,000
Transfers out.....	-	-	(10,000)	(10,000)
Proceeds from sale of capital assets.....	49,000	49,000	135,690	86,690
Insurance recoveries.....	-	-	19,856	19,856
Total Other Financing Sources (Uses).....	569,000	1,719,000	1,840,546	121,546
NET CHANGE IN FUND BALANCES.....	\$ (276,694)	\$ (1,525,344)	526,281	\$ (2,051,625)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(5,470)	
Expenditure accrual adjustments.....			284	
Total Adjustments To Reconcile to GAAP Basis.....			(5,186)	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			521,095	
FUND BALANCE, BEGINNING OF YEAR.....			3,146,340	
FUND BALANCE, END OF YEAR.....			\$ 3,667,435	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - PARK & STORM WATER IMPROVEMENT FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 2,361,750	\$ 2,361,750	\$ 2,569,289	\$ 207,539
Intergovernmental.....	60,530	60,530	68,552	8,022
Investment income.....	3,000	3,000	23,149	20,149
Grants.....	20,000	20,000	315,000	295,000
Total Revenues.....	<u>2,445,280</u>	<u>2,445,280</u>	<u>2,975,990</u>	<u>530,710</u>
EXPENDITURES:				
General government and finance.....	8,250	7,010	6,067	943
Capital outlay.....	578,000	951,837	745,345	206,492
Debt Service:				
Principal retirement.....	950,000	950,000	780,000	170,000
Interest and fiscal charges.....	62,973	62,973	60,399	2,574
Total Expenditures.....	<u>1,599,223</u>	<u>1,971,820</u>	<u>1,591,811</u>	<u>380,009</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	846,057	473,460	1,384,179	(910,719)
OTHER FINANCING SOURCES (USES):				
Transfers out.....	(850,000)	(840,400)	(840,371)	29
Proceeds from sale of capital assets.....	1,000	1,000	3,261	2,261
Insurance recoveries.....	-	-	1,321	1,321
Total Other Financing Sources (Uses).....	<u>(849,000)</u>	<u>(839,400)</u>	<u>(835,789)</u>	<u>3,611</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (2,943)</u>	<u>\$ (365,940)</u>	<u>548,390</u>	<u>\$ (914,330)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(7,211)	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(7,211)</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			541,179	
FUND BALANCE, BEGINNING OF YEAR.....			<u>814,873</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 1,356,052</u>	

See accompanying independent auditor's report

INTERNAL SERVICE FUNDS

Medical Self Insurance - This fund is used to account for financial resources to be used for medical insurance premiums and claims expenditures.

Fleet Services - This fund is used to account for citywide vehicle and equipment maintenance and repair costs.

Workers' Compensation - This fund is used to account for financial resources to be used for medical and disability claims expenditures relating to workers' compensation.

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CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
MARCH 31, 2016

	<u>Medical Self Insurance</u>	<u>Fleet Services</u>	<u>Workers' Compensation Self Insurance</u>	<u>Total</u>
ASSETS:				
Cash and investments:				
Held by trustees.....	\$ -	\$ -	\$ 26,532	\$ 26,532
Unrestricted.....	1,283,073	100,569	1,209,815	2,593,457
Interest receivable.....	1,706	133	1,609	3,448
Other receivable.....	-	574	-	574
Inventory.....	-	3,594	-	3,594
 Total Assets.....	 <u>1,284,779</u>	 <u>104,870</u>	 <u>1,237,956</u>	 <u>2,627,605</u>
LIABILITIES:				
Accounts payable.....	3,135	28,309	3,416	34,860
Accrued wages and vacation.....	-	39,896	4,829	44,725
Claims payable.....	152,486	-	175,648	328,134
 Total Current Liabilities.....	 <u>155,621</u>	 <u>68,205</u>	 <u>183,893</u>	 <u>407,719</u>
NET POSITION				
Unrestricted.....	<u>1,129,158</u>	<u>36,665</u>	<u>1,054,063</u>	<u>2,219,886</u>
 TOTAL NET POSITION.....	 <u><u>\$ 1,129,158</u></u>	 <u><u>\$ 36,665</u></u>	 <u><u>\$ 1,054,063</u></u>	 <u><u>\$ 2,219,886</u></u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Medical Self Insurance	Fleet Services	Workers' Compensation Self Insurance	Total
OPERATING REVENUES:				
Charges for services.....	\$ 3,031,623	\$ 901,442	\$ 894,265	\$ 4,827,330
Other.....	2,667	15,089	-	17,756
Total Operating Revenues.....	3,034,290	916,531	894,265	4,845,086
OPERATING EXPENSES:				
Administrative and general.....	54,482	920,463	215,764	1,190,709
Claims and insurance premiums.....	2,835,581	-	571,963	3,407,544
Total Operating Expenses.....	2,890,063	920,463	787,727	4,598,253
OPERATING INCOME (LOSS).....	144,227	(3,932)	106,538	246,833
NONOPERATING REVENUES:				
Insurance recoveries.....	-	9,553	-	9,553
Investment income.....	19,243	1,955	16,776	37,974
Total Nonoperating Revenues.....	19,243	11,508	16,776	47,527
CHANGE IN NET POSITION.....	163,470	7,576	123,314	294,360
NET POSITION, BEGINNING OF YEAR.....	965,688	29,089	930,749	1,925,526
NET POSITION, END OF YEAR.....	\$ 1,129,158	\$ 36,665	\$ 1,054,063	\$ 2,219,886

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	<u>Medical Self Insurance</u>	<u>Fleet Services</u>	<u>Workers' Compensation Self Insurance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from interfund services provided.....	\$ 3,031,623	\$ 901,442	\$ 894,265	\$ 4,827,330
Other receipts.....	3,855	14,515	-	18,370
Payments to suppliers.....	(2,923,203)	(511,852)	(807,822)	(4,242,877)
Payments to employees.....	-	(403,584)	(68,746)	(472,330)
Payments for interfund services.....	-	(12,539)	(10,000)	(22,539)
Net Cash Provided By (Used In) Operating Activities.....	<u>112,275</u>	<u>(12,018)</u>	<u>7,697</u>	<u>107,954</u>
CASH FLOWS PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES:				
Insurance recoveries.....	-	9,553	-	9,553
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:				
Interest received on investments.....	<u>18,919</u>	<u>2,009</u>	<u>16,572</u>	<u>37,500</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	131,194	(456)	24,269	155,007
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	<u>1,151,879</u>	<u>101,025</u>	<u>1,212,078</u>	<u>2,464,982</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 1,283,073</u>	<u>\$ 100,569</u>	<u>\$ 1,236,347</u>	<u>\$ 2,619,989</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss).....	\$ 144,227	\$ (3,932)	\$ 106,538	\$ 246,833
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in assets:				
Miscellaneous receivables.....	1,188	(574)	-	614
Inventory.....	-	(1,161)	-	(1,161)
Increase (decrease) in liabilities:				
Accounts payable.....	(3,332)	(11,140)	1,081	(13,391)
Accrued wages and vacation.....	-	4,789	1,153	5,942
Claims payable.....	(29,808)	-	(101,075)	(130,883)
Total adjustments.....	<u>(31,952)</u>	<u>(8,086)</u>	<u>(98,841)</u>	<u>(138,879)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 112,275</u>	<u>\$ (12,018)</u>	<u>\$ 7,697</u>	<u>\$ 107,954</u>

See accompanying independent auditor's report

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FIDUCIARY FUND TYPES

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds.

Trust and Agency Funds

Trust and agency funds include pension trust funds and agency funds. Pension trust funds are accounted for and reported similar to proprietary funds. Agency funds are accounted for and reported similar to governmental funds. The trust and agency funds maintained by the City are as follows:

Pension Trust Funds – Used to account for the receipt, investment, and distribution of retirement contributions for civilian, police and fire employees.

Agency Funds – Used to account for municipal court collections for bail bonds.

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CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - PENSION TRUST FUNDS
MARCH 31, 2016

	Police Officers' and Fire Retirement	Civilian Employees Retirement	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS:			
Cash and investments:			
Held by trustees:			
Short-Term reserves.....	\$ 2,262,357	\$ 1,943,976	\$ 4,206,333
Bond funds.....	3,356,063	1,228,367	4,584,430
Balanced funds.....	7,443,352	7,274,576	14,717,928
Domestic stock funds.....	19,255,944	5,382,557	24,638,501
International stock funds.....	2,664,921	705,810	3,370,731
Stable value money market funds.....	81,536	62,819	144,355
Specialty stock funds.....	-	199,980	199,980
Vanguard brokerage option fund.....	1,952,123	-	1,952,123
Restricted.....	-	174	174
Contributions receivable.....	49,786	35,517	85,303
	<u> </u>	<u> </u>	<u> </u>
Total Assets.....	<u>37,066,082</u>	<u>16,833,776</u>	<u>53,899,858</u>
LIABILITIES:			
Accounts payable.....	<u> -</u>	<u> 174</u>	<u> 174</u>
	<u> -</u>	<u> 174</u>	<u> 174</u>
Total Liabilities.....	<u> -</u>	<u> 174</u>	<u> 174</u>
NET POSITION:			
Net Position Restricted for Pensions.....	<u><u>\$ 37,066,082</u></u>	<u><u>\$ 16,833,602</u></u>	<u><u>\$ 53,899,684</u></u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CHANGES IN NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Police Officers' and Fire Retirement	Civilian Employees Retirement	Total
ADDITIONS:			
Contributions:			
Employer.....	\$ 1,056,467	\$ 647,485	\$ 1,703,952
Employee, net of refunds.....	520,975	-	520,975
Rollover contributions.....	3,728	31,086	34,814
Total Contributions.....	<u>1,581,170</u>	<u>678,571</u>	<u>2,259,741</u>
Investment income:			
Interest and dividends.....	1,362,792	641,698	2,004,490
Net depreciation in the fair value of plan investments.....	<u>(2,714,063)</u>	<u>(938,773)</u>	<u>(3,652,836)</u>
Total Investment Income.....	<u>(1,351,271)</u>	<u>(297,075)</u>	<u>(1,648,346)</u>
Less: investment expenses.....	<u>69,219</u>	<u>188</u>	<u>69,407</u>
Net investment income (loss).....	<u>(1,420,490)</u>	<u>(297,263)</u>	<u>(1,717,753)</u>
TOTAL ADDITIONS.....	<u>160,680</u>	<u>381,308</u>	<u>541,988</u>
DEDUCTIONS:			
Benefit payments.....	<u>1,017,085</u>	<u>983,655</u>	<u>2,000,740</u>
Administrative and general expenses:			
Insurance, taxes and other premiums.....	81,240	80,615	161,855
Professional and administrative fees.....	<u>46,033</u>	<u>42,168</u>	<u>88,201</u>
Total Administrative and General Expenses.....	<u>127,273</u>	<u>122,783</u>	<u>250,056</u>
TOTAL DEDUCTIONS.....	<u>1,144,358</u>	<u>1,106,438</u>	<u>2,250,796</u>
CHANGE IN NET POSITION.....	<u>(983,678)</u>	<u>(725,130)</u>	<u>(1,708,808)</u>
NET POSITION RESTRICTED FOR PENSIONS, BEGINNING OF YEAR.....	<u>38,049,760</u>	<u>17,558,732</u>	<u>55,608,492</u>
END OF YEAR.....	<u>\$ 37,066,082</u>	<u>\$ 16,833,602</u>	<u>\$ 53,899,684</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - AGENCY FUND
MARCH 31, 2016

	<u>Appearance Bond Deposits</u>
ASSETS:	
Cash and investments:	
Restricted.....	\$ 11,500
TOTAL ASSETS.....	<u>\$ 11,500</u>
LIABILITIES:	
Deposits payable.....	\$ 11,500
TOTAL LIABILITIES.....	<u>\$ 11,500</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	Balance April 1, 2015	Additions	Deletions	Balance March 31, 2016
Appearance Bond Deposits				
ASSETS:				
Cash and investments - restricted.....	\$ 34,250	\$ 33,720	\$ 56,470	\$ 11,500
Total Assets.....	<u>\$ 34,250</u>	<u>\$ 33,720</u>	<u>\$ 56,470</u>	<u>\$ 11,500</u>
LIABILITIES:				
Deposits payable.....	\$ 34,250	\$ 33,720	\$ 56,470	\$ 11,500
Total Liabilities.....	<u>\$ 34,250</u>	<u>\$ 33,720</u>	<u>\$ 56,470</u>	<u>\$ 11,500</u>

See accompanying independent auditor's report

DISCRETELY PRESENTED COMPONENT UNIT

Industrial Development Authority of the City of Kirkwood, Missouri (IDA)

The IDA is a not-for-profit corporation established by an Ordinance of the City Council and formed under RSMo. Chapter 39, *The Industrial Development Corporations Act*. It is designed to develop, advance, encourage and promote commercial, industrial and manufacturing facilities in the City. Separate financial statements are not prepared for the IDA.

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CITY OF KIRKWOOD, MISSOURI

BALANCE SHEET - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)
MARCH 31, 2016

	<u>Total</u>
ASSETS:	
Cash and investments:	
Unrestricted.....	\$ 124,744
Interest receivable.....	<u>166</u>
Total Assets.....	<u>124,910</u>
LIABILITIES:	
Accounts payable.....	<u>-</u>
Total Current Liabilities.....	<u>-</u>
NET POSITION	
Unrestricted.....	<u>124,910</u>
TOTAL NET POSITION.....	<u><u>\$ 124,910</u></u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)
FOR THE FISCAL YEAR ENDED MARCH 31, 2016

	<u>Total</u>
REVENUES:	
Investment income.....	\$ 1,798
Total Revenues.....	<u>1,798</u>
EXPENDITURES:	
Administrative and general.....	<u>-</u>
Total Expenditures.....	<u>-</u>
CHANGE IN NET POSITION.....	1,798
NET POSITION, BEGINNING OF YEAR.....	<u>123,112</u>
NET POSITION, END OF YEAR.....	<u><u>\$ 124,910</u></u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

Statistical Section

This part of the City of Kirkwood's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Page

Financial Trends

These pages contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 101

Revenue Capacity

These pages contain information to help the reader assess the City's most significant local revenue sources. 108

Debt Capacity

These pages present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 116

Demographic and Economic Information

These pages offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 121

Operating Information

These pages contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 123

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

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CITY OF KIRKWOOD, MISSOURI
NET POSITIONS BY COMPONENT
LAST TEN FISCAL YEARS

	2007	2008 ^a	2009 ^b	2010 ^c	2011	2012	2013	2014	2015	2016
Governmental Activities:										
Net investment in capital assets.....	\$ 29,899,402	\$ 33,343,255	\$ 35,972,457	\$ 40,389,161	\$ 46,153,655	\$ 50,144,786	\$ 52,963,465	\$ 54,136,854	\$ 55,385,115	\$ 56,933,992
Restricted for:										
Capital projects.....	6,605,134	6,520,451	6,817,462	5,217,404	2,465,998	2,415,994	2,331,658	3,056,534	4,003,381	5,047,521
Debt service.....	2,343,396	2,275,390	2,030,332	2,134,897	2,289,210	1,941,607	1,454,116	1,272,840	1,153,844	1,102,928
Law enforcement.....	-	208,857	258,582	130,511	104,620	236,162	100,630	146,567	146,261	189,954
Park operations.....	-	-	-	1,164,982	1,244,613	1,384,988	1,433,102	1,544,679	1,534,683	1,486,942
Police and fire pension.....	-	-	3,458,067	3,479,833	3,279,934	3,118,751	2,973,222	2,779,281	2,395,294	1,977,258
Sewer lateral.....	-	-	-	463,476	596,602	771,756	867,327	918,456	898,909	795,862
Special business district.....	-	-	-	179,197	204,396	191,749	179,592	139,165	149,432	154,691
TIF bonds and notes.....	4,341,267	736,158	815,238	-	-	-	-	-	-	-
Unrestricted.....	(5,477,925)	2,329,558	6,669,276	6,585,255	7,335,848	6,748,336	8,674,045	8,989,005	9,084,425	10,017,247
Total Governmental Activities Net Assets.....	\$ 37,711,274	\$ 45,413,669	\$ 56,021,414	\$ 59,744,716	\$ 63,674,876	\$ 66,954,129	\$ 70,977,157	\$ 72,983,381	\$ 74,751,344	\$ 77,706,395
Business-Type Activities:										
Invested in capital assets, net of related debt.....	\$ 6,075,873	\$ 7,383,260	\$ 8,086,717	\$ 8,194,874	\$ 10,249,193	\$ 11,424,626	\$ 11,023,698	\$ 11,856,557	\$ 13,084,426	\$ 14,713,174
Restricted for Debt Service.....	-	-	266,246	704,360	704,368	704,381	675,039	675,097	787,160	832,892
Unrestricted.....	32,067,905	35,687,581	32,881,540	25,521,922	19,966,392	24,884,483	29,086,263	29,229,073	29,051,984	29,390,702
Total Business-Type Activities Net Assets.....	\$ 38,143,778	\$ 43,070,841	\$ 41,234,503	\$ 34,421,156	\$ 30,919,953	\$ 37,013,490	\$ 40,785,000	\$ 41,760,727	\$ 42,923,570	\$ 44,936,768
Primary Government:										
Net investment in capital assets.....	\$ 35,975,275	\$ 40,726,515	\$ 44,059,174	\$ 48,584,035	\$ 56,402,848	\$ 61,569,412	\$ 63,987,163	\$ 65,993,411	\$ 68,469,541	\$ 71,647,166
Restricted for:										
Capital projects.....	6,605,134	6,520,451	6,817,462	5,217,404	2,465,998	2,415,994	2,331,658	3,056,534	4,003,381	5,047,521
Debt service.....	2,343,396	2,275,390	2,296,578	2,839,257	2,993,578	2,645,988	2,129,155	1,947,937	1,941,004	1,935,820
Law enforcement.....	-	208,857	258,582	130,511	104,620	236,162	100,630	146,567	146,261	189,954
Park operations.....	-	-	-	1,164,982	1,244,613	1,384,988	1,433,102	1,544,679	1,534,683	1,486,942
Police and fire pension.....	-	-	3,458,067	3,479,833	3,279,934	3,118,751	2,973,222	2,779,281	2,395,294	1,977,258
Sewer lateral.....	-	-	-	463,476	596,602	771,756	867,327	918,456	898,909	795,862
Special business district.....	-	-	-	179,197	204,396	191,749	179,592	139,165	149,432	154,691
TIF bonds and notes.....	4,341,267	736,158	815,238	-	-	-	-	-	-	-
Unrestricted.....	26,589,980	38,017,139	39,550,816	32,107,177	27,302,240	31,632,819	37,760,308	38,218,078	38,136,409	39,407,949
Total Primary Government Net Assets.....	\$ 75,855,052	\$ 88,484,510	\$ 97,255,917	\$ 94,165,872	\$ 94,594,829	\$ 103,967,619	\$ 111,762,157	\$ 114,744,108	\$ 117,674,914	\$ 122,643,163

^aThe following prior period adjustment were made in Fiscal Year 2008:

Governmental Activities

Unrestricted was decreased by \$43,436 to correct prior period deferred revenue.

^bThe following prior period adjustment were made in Fiscal Year 2009:

Governmental Activities

Restricted for: Police and Fire Pension was added in the amount of \$3,321,732. The pension levy portion has been separated and is reported as a special revenue fund, P&F Pension Property Tax Fund.

^cThe following prior period adjustment was made in Fiscal Year 2010:

Governmental Activities

Unrestricted was increased by \$556,645 to record sales tax revenue from modified accrual to full accrual.

CITY OF KIRKWOOD, MISSOURI
CHANGES IN NET POSITIONS
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental Activities:										
General government.....	\$ 4,297,905	\$ 4,373,999	\$ 3,669,761	\$ 3,491,882	\$ 3,021,818	\$ 3,822,665	\$ 3,257,778	\$ 4,943,107	\$ 4,228,990	\$ 4,762,594
Purchasing(a).....	235,499	236,315	323,155	348,064	355,320	370,231	384,978	-	-	-
Engineering.....	366,342	308,752	299,729	381,851	347,880	331,278	347,880	377,683	386,031	535,097
Building maintenance.....	250,774	269,987	409,579	392,958	419,619	477,318	464,338	503,534	479,287	463,526
Building commissioner.....	647,741	601,951	618,245	642,225	633,227	587,664	588,061	619,165	655,724	661,117
Police.....	4,917,094	5,495,193	6,365,135	6,540,285	6,994,410	7,324,109	7,363,086	7,662,023	7,906,959	8,020,277
Fire.....	4,172,363	4,749,938	5,479,307	5,769,209	5,788,620	5,852,373	5,814,394	5,989,740	6,316,710	6,469,721
Streets.....	2,101,882	2,250,705	2,338,867	2,348,174	2,472,040	2,502,988	2,455,034	2,536,437	2,564,618	2,749,944
Parks.....	1,047,051	1,165,313	1,269,285	1,446,396	1,559,311	1,608,918	1,777,302	1,807,512	1,962,345	1,900,996
Recreation.....	2,237,529	2,439,274	2,499,541	2,478,971	2,580,364	2,573,528	2,619,015	2,670,425	2,623,291	2,885,760
Interest on long-term debt.....	1,461,984	1,592,120	973,108	1,021,841	733,959	607,851	549,588	415,651	366,537	309,657
Total Governmental Activities Expenses.....	21,736,164	23,483,547	24,245,712	24,861,856	24,903,605	26,059,373	25,621,454	27,525,277	27,490,492	28,758,689
Business-Type Activities Expenses:										
Electric.....	12,441,490	12,592,380	15,092,793	21,826,992	22,983,408	15,766,443	17,682,247	21,157,397	21,183,366	19,064,132
Water.....	5,021,933	3,344,549	3,267,137	3,606,859	4,056,703	4,011,031	4,214,911	4,492,087	4,432,946	4,178,436
Sanitation.....	2,145,594	2,291,488	2,469,613	2,595,032	2,929,443	2,531,020	2,613,619	2,683,206	2,724,726	2,702,667
Total Business-Type Activities Expenses.....	19,609,017	18,228,417	20,829,543	27,828,883	29,969,554	22,308,494	24,510,777	28,332,690	28,341,038	25,945,235
Total Primary Government Expenses.....	\$ 41,345,181	\$ 41,711,964	\$ 45,075,255	\$ 52,690,739	\$ 54,873,159	\$ 48,367,867	\$ 50,132,231	\$ 55,857,967	\$ 55,831,530	\$ 54,703,924
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General government.....	\$ 2,156,336	\$ 1,996,747	\$ 2,044,514	\$ 2,063,903	\$ 2,137,260	\$ 2,240,380	\$ 2,215,846	\$ 2,173,825	\$ 2,081,215	\$ 1,934,072
Building commissioner.....	836,284	925,287	668,134	582,796	823,535	750,809	626,011	716,233	867,478	897,572
Fire.....	469,010	651,217	690,494	674,579	567,230	725,835	787,223	831,292	797,923	820,457
Recreation.....	1,607,710	1,578,549	1,566,561	1,679,237	1,659,948	1,669,546	1,745,590	1,721,692	1,734,579	1,850,523
Other activities.....	411,499	424,759	372,539	418,996	456,255	414,433	466,831	531,460	734,336	627,146
Operating grants and contributions.....	290,150	553,706	231,323	151,388	183,938	397,780	186,525	194,135	225,084	300,332
Capital grants and contributions.....	230,520	9,704	135,842	512,625	203,389	1,143,090	518,559	103,384	101,787	489,443
Total Governmental Activities Program Revenues.....	6,001,509	6,139,969	5,709,407	5,976,175	6,138,904	7,341,873	6,546,585	6,272,041	6,542,402	6,919,545
Business-Type Activities:										
Charges for Services:										
Electric.....	13,956,969	14,940,084	14,221,834	14,278,400	19,989,393	20,632,374	21,373,776	22,403,293	21,785,886	21,125,937
Water.....	3,964,110	4,198,440	4,117,968	4,513,334	4,710,065	5,257,765	5,709,160	5,296,369	5,161,698	5,942,006
Sanitation.....	2,715,105	2,697,962	2,658,607	2,493,754	2,556,415	2,668,890	2,617,301	2,714,589	2,720,061	2,733,461
Operating grants and contributions.....	55,018	158,715	43,281	41,015	202,558	176,465	2,999	-	-	-
Capital grants and contributions.....	-	-	-	46,755	109,683	108,285	106,453	95,952	94,278	91,523
Total Business-Type Activities Program Revenues.....	20,691,202	21,995,201	21,041,690	21,973,258	27,568,114	28,843,779	29,809,689	30,510,203	29,761,923	29,892,927
Total Primary Government Program Revenues.....	\$ 26,692,711	\$ 28,135,170	\$ 26,751,097	\$ 27,349,433	\$ 33,707,018	\$ 36,185,652	\$ 36,356,274	\$ 36,782,244	\$ 36,304,325	\$ 36,812,472

CITY OF KIRKWOOD, MISSOURI
CHANGES IN NET POSITIONS (CONTINUED)
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue:										
Governmental activities.....	\$ (15,734,655)	\$ (17,343,578)	\$ (18,536,305)	\$ (18,885,681)	\$ (18,764,701)	\$ (18,717,500)	\$ (19,074,869)	\$ (21,253,236)	\$ (20,948,090)	\$ (21,839,144)
Business-type activities.....	1,082,185	3,766,784	212,147	(6,455,625)	(2,401,440)	6,535,285	5,298,912	2,177,513	1,420,885	3,947,692
Total Primary Government Net Expense.....	\$ (14,652,470)	\$ (13,576,794)	\$ (18,324,158)	\$ (25,341,306)	\$ (21,166,141)	\$ (12,182,215)	\$ (13,775,957)	\$ (19,075,723)	\$ (19,527,205)	\$ (17,891,452)
General Revenues and Other Changes in Net Assets:										
Governmental Activities:										
Taxes:										
Property taxes.....	\$ 3,572,951	\$ 5,441,110	\$ 5,441,110	\$ 4,863,382	\$ 4,860,932	\$ 4,301,948	\$ 4,502,003	\$ 4,568,455	\$ 4,545,472	\$ 4,471,266
Sales taxes.....	10,392,675	9,767,468	8,988,315	8,986,499	8,576,654	8,818,010	9,236,068	9,432,200	9,802,534	10,187,522
Other taxes.....	5,844,636	6,619,817	7,047,854	7,135,966	7,060,839	7,005,351	7,217,597	7,399,191	7,275,507	6,963,303
Investment earnings.....	901,413	1,218,193	683,612	328,843	149,812	369,438	125,888	38,727	121,404	324,298
Gain/(loss) on sale of capital assets.....	60,499	109,682	92,921	-	24,571	70,873	-	-	49,761	-
Miscellaneous.....	478,194	386,453	391,449	417,228	494,988	349,562	403,990	380,887	346,862	377,806
Transfers.....	71,168	1,576,292	3,177,055	877,065	1,527,065	1,081,571	1,683,406	1,440,000	574,513	2,470,000
Total Government Activities.....	21,321,336	25,089,409	25,822,316	22,608,983	22,694,861	21,996,753	23,238,952	23,259,460	22,716,053	24,794,195
Business-Type Activities										
Investment earnings.....	1,759,153	2,736,571	1,128,570	519,343	267,698	531,897	300,843	190,339	299,696	534,012
Gain/(loss) on sale of capital assets.....	(1,552,062)	-	-	-	159,604	30,574	25,186	47,875	16,775	1,494
Transfers.....	(71,168)	(1,576,292)	(3,177,055)	(877,065)	(1,527,065)	(1,081,571)	(1,683,406)	(1,440,000)	(574,513)	(2,470,000)
Total Business-Type Activities.....	135,923	1,160,279	(2,048,485)	(357,722)	(1,099,763)	(519,100)	(1,357,377)	(1,201,786)	(258,042)	(1,934,494)
Total Primary Government.....	\$ 21,457,259	\$ 26,249,688	\$ 23,773,831	\$ 22,251,261	\$ 21,595,098	\$ 21,477,653	\$ 21,871,575	\$ 22,057,674	\$ 22,458,011	\$ 22,859,701
Change in Net Assets:										
Governmental activities.....	\$ 5,586,881	\$ 7,745,831	\$ 7,286,011	\$ 3,723,302	\$ 3,930,160	\$ 3,279,253	\$ 4,154,083	\$ 2,006,224	\$ 1,767,963	\$ 2,955,051
Business-type activities.....	1,218,108	4,927,063	(1,836,338)	(6,813,347)	(3,501,203)	6,016,185	3,941,535	975,727	1,162,843	2,013,198
Total Primary Government.....	\$ 6,804,989	\$ 12,672,894	\$ 5,449,673	\$ (3,090,045)	\$ 428,957	\$ 9,295,438	\$ 8,095,618	\$ 2,981,951	\$ 2,930,806	\$ 4,968,249
Total Primary Government Net Assets										
Governmental activities										
Net assets, beginning.....	\$ 32,124,393	\$ 37,711,274	\$ 45,413,669	\$ 56,021,414	\$ 59,744,716	\$ 63,674,876	\$ 66,954,129	\$ 70,977,157	\$ 72,983,381	\$ 74,751,344
Prior period adjustment.....	-	(43,436)	3,321,734	-	-	-	(131,055)	-	-	-
Net assets, beginning, as restated.....	32,124,393	37,667,838	48,735,403	56,021,414	59,744,716	63,674,876	66,823,074	70,977,157	72,983,381	74,751,344
Net assets, ending.....	37,711,274	45,413,669	56,021,414	59,744,716	63,674,876	66,954,129	70,977,157	72,983,381	74,751,344	77,706,395
Business-type activities										
Net assets, beginning.....	36,925,670	38,143,778	43,070,841	41,234,503	34,421,156	30,919,953	36,936,138	40,785,000	41,760,727	42,923,570
Prior period adjustment.....	-	-	43,070,841	41,234,503	34,421,156	30,919,953	36,843,465	40,785,000	41,760,727	42,923,570
Net assets, beginning, as restated.....	36,925,670	38,143,778	43,070,841	41,234,503	30,919,953	36,936,138	40,785,000	41,760,727	42,923,570	44,936,768
Net assets, ending.....	38,143,778	43,070,841	41,234,503	34,421,156	30,919,953	36,936,138	40,785,000	41,760,727	42,923,570	44,936,768
Total Primary Government.....	\$ 75,855,052	\$ 88,448,510	\$ 97,255,917	\$ 94,165,872	\$ 94,594,829	\$ 103,890,267	\$ 111,762,157	\$ 114,744,108	\$ 117,674,914	\$ 122,643,163

NOTES:

(a) Purchasing is now included in General government and finance. This change was made to be consistent in putting all administrative and service departments in this category.

CITY OF KIRKWOOD, MISSOURI

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function/Program:										
Governmental Activities:										
General government and finance...	\$ 2,391,531	\$ 2,481,298	\$ 2,103,319	\$ 2,123,036	\$ 2,165,451	\$ 2,244,379	\$ 2,237,845	\$ 2,184,835	\$ 2,101,817	\$ 1,967,800
Engineering.....	123,015	116,740	77,255	52,050	75,545	75,125	84,645	99,699	169,180	115,504
Building commissioner.....	836,284	925,287	668,134	582,796	823,535	750,809	626,011	716,253	867,478	897,572
Police.....	240,227	296,892	395,856	378,783	447,086	655,922	430,280	518,402	678,339	769,499
Fire.....	471,630	651,217	690,494	590,515	676,579	728,835	787,223	831,292	797,923	820,682
Streets.....	-	-	-	17,325	122,329	644,744	155,128	525	-	3,345
Parks.....	77,162	65,786	91,510	147,902	59,083	63,521	87,509	77,018	95,739	72,078
Recreation.....	1,861,660	1,602,749	1,682,839	2,083,768	1,769,296	2,178,538	2,137,944	1,844,017	1,831,926	2,273,065
Subtotal Governmental Activities.....	6,001,509	6,139,969	5,709,407	5,976,175	6,138,904	7,341,873	6,546,585	6,272,041	6,542,402	6,919,545
Business-Type Activities:										
Electric.....	13,956,969	15,037,603	14,221,834	14,278,400	19,989,393	20,632,374	21,373,776	22,403,293	21,785,886	21,125,937
Water.....	3,964,110	4,198,440	4,117,968	4,560,089	4,819,748	5,366,050	5,815,613	5,392,321	5,255,976	6,033,529
Sanitation.....	2,770,123	2,759,158	2,701,888	2,534,769	2,758,973	2,845,355	2,620,300	2,714,589	2,720,061	2,733,461
Subtotal Business-Type Activities.....	20,691,202	21,995,201	21,041,690	21,373,258	27,568,114	28,843,779	29,809,689	30,510,203	29,761,923	29,892,927
Total Primary Government.....	\$ 26,692,711	\$ 28,135,170	\$ 26,751,097	\$ 27,349,433	\$ 33,707,018	\$ 36,185,652	\$ 36,356,274	\$ 36,782,244	\$ 36,304,325	\$ 36,812,472

CITY OF KIRKWOOD, MISSOURI

**FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund:										
Nonspendable:										
Inventories.....	\$ -	\$ -	\$ -	\$ 71,342	\$ 75,303	\$ 76,868	\$ 73,950	\$ 75,070	\$ 75,332	\$ 74,276
Prepaid assets.....	-	-	-	6,062	8,072	3,897	13,391	8,718	14,469	10,610
Long-term interfund advance.....	-	-	-	-	-	-	-	-	-	10,000
Assigned to:										
Projected use of reserves.....	-	-	-	2,811,462	2,530,257	1,332,554	1,909,810	1,420,265	1,325,561	950,528
Unassigned:										
Reserved.....	69,125	80,441	81,193	5,841,312	6,213,145	6,378,603	6,732,252	7,276,151	7,360,130	8,175,236
Unreserved.....	3,602,703	6,534,191	8,719,619	-	-	-	-	-	-	-
Total General Fund.....	\$ 3,671,828	\$ 6,614,632	\$ 8,800,812	\$ 8,730,178	\$ 8,826,777	\$ 7,791,922	\$ 8,729,403	\$ 8,780,204	\$ 8,775,492	\$ 9,220,650
All Other Governmental Funds:										
Restricted for:										
Capital projects.....	\$ -	\$ -	\$ -	\$ 5,217,404	\$ 2,465,998	\$ 2,415,994	\$ 2,331,658	\$ 3,056,534	\$ 3,645,968	\$ 4,753,801
Debt service.....	-	-	-	2,142,334	1,586,419	1,592,510	1,082,438	905,833	790,007	728,988
Law enforcement.....	-	-	-	130,511	104,620	236,162	100,630	146,567	146,261	189,954
Park operations.....	-	-	-	1,118,546	1,244,613	1,384,988	1,433,102	1,544,679	1,444,312	1,449,015
Police and fire pension.....	-	-	-	3,442,950	3,279,934	3,118,751	2,973,222	2,779,281	2,308,225	1,940,337
Sewer lateral.....	-	-	-	463,476	596,602	771,756	867,327	918,456	898,909	795,862
Special business district.....	-	-	-	164,190	204,396	191,749	179,592	139,165	118,412	145,771
TIF bonds and notes.....	-	-	-	669,766	680,217	354,091	371,996	364,204	382,225	390,803
Reserved.....	9,145,210	9,057,122	9,104,098	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds.....	6,062,062	2,545,753	6,129,017	-	-	-	-	-	-	-
Total All Other Governmental Funds.....	\$ 15,207,272	\$ 11,602,875	\$ 15,233,115	\$ 13,349,177	\$ 10,162,799	\$ 10,066,001	\$ 9,339,965	\$ 9,854,719	\$ 9,734,319	\$ 10,394,531

Note:

In February 2009 the Government Accounting Standards Board (GASB) issued Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. The City chose to present the fund balance information prospectively, although GASB encouraged retroactive application.

CITY OF KIRKWOOD, MISSOURI

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Taxes.....	\$ 19,786,041	\$ 21,715,753	\$ 21,417,215	\$ 20,427,387	\$ 20,489,250	\$ 20,231,294	\$ 20,939,301	\$ 21,140,400	\$ 21,475,444	\$ 21,964,593
Intergovernmental.....	500,815	768,934	436,572	461,501	522,915	479,014	425,188	484,153	606,148	593,983
Licenses, permits, fines and fees.....	2,937,618	2,877,439	2,734,141	2,527,056	2,890,393	3,159,029	2,794,934	2,857,464	3,000,167	2,914,121
Interest on investments.....	839,394	1,173,612	659,439	310,834	139,449	341,129	112,395	35,659	108,286	286,323
Charges for services.....	2,046,020	2,194,020	2,229,822	2,234,267	2,312,891	2,376,950	2,513,499	2,534,545	2,508,851	2,653,757
Grants and contributions.....	227,450	-	-	452,828	116,893	1,044,132	516,163	101,391	98,869	397,922
Other.....	725,697	683,852	698,802	715,179	692,495	654,804	648,060	630,191	689,589	693,110
Total Revenues.....	27,063,035	29,413,610	28,175,991	27,129,052	27,164,286	28,286,352	27,949,540	27,783,803	28,487,354	29,503,809
Expenditures:										
General government.....	3,319,112	3,226,821	3,343,109	3,243,396	3,337,487	3,475,859	3,504,637	4,048,516	4,066,910	4,353,129
Purchasing (a).....	235,431	233,930	314,537	334,393	350,191	366,809	381,138	-	-	-
Engineering.....	355,279	306,993	292,086	375,395	337,229	332,089	331,305	363,980	380,904	525,630
Building maintenance.....	245,393	268,139	343,642	334,676	379,951	393,925	428,068	451,232	453,158	451,573
Building commissioner.....	620,905	593,720	610,481	636,016	635,226	579,708	580,761	612,942	646,783	655,718
Police.....	4,725,854	5,299,252	6,275,642	6,445,351	6,896,387	7,147,973	7,164,412	7,445,505	7,667,135	7,783,412
Fire.....	3,809,314	4,352,170	5,087,210	5,229,074	5,313,435	5,362,889	5,372,685	5,513,560	5,680,975	5,913,338
Streets.....	1,255,150	1,384,722	1,486,801	1,445,518	1,462,292	1,518,372	1,441,724	1,481,168	1,470,530	1,478,553
Recreation.....	1,672,268	1,844,051	1,880,742	1,912,785	1,987,716	2,027,186	2,057,419	2,073,442	2,106,468	2,071,442
Parks.....	889,524	1,012,809	1,079,354	1,174,145	1,211,238	1,229,760	1,301,437	1,328,485	1,354,233	1,375,098
Capital outlay.....	2,981,546	4,628,194	3,708,496	5,640,735	7,018,006	6,005,542	4,628,866	3,533,070	3,774,329	4,615,055
Debt service:										
Issuance Costs.....	-	-	-	58,700	-	-	-	-	-	-
Interest.....	1,427,706	1,217,210	1,990,000	840,620	2,155,000	567,047	407,148	381,985	334,562	279,007
Principal.....	5,194,000	7,390,000	983,744	2,099,204	737,681	1,640,000	1,419,000	1,454,000	1,514,000	1,576,000
Payments to escrow agent.....	-	-	-	311,200	-	-	-	-	-	-
Total Expenditures.....	26,731,482	31,758,011	27,395,844	30,081,208	31,821,839	30,647,159	29,132,413	28,687,885	29,449,987	31,077,955
Excess of revenues over (under) expenditures.....	331,553	(2,344,401)	780,147	(2,952,156)	(4,657,553)	(2,360,807)	(1,182,873)	(904,082)	(962,633)	(1,574,146)
Other Financing Sources (Uses):										
Issuance of refunding debt.....	-	-	-	4,185,000	-	-	5,000,000	-	-	-
Discount on refunding debt.....	-	-	-	(27,202)	-	-	-	-	-	-
Premium on refunding debt.....	-	-	-	(4,099,098)	-	-	63,818	-	-	-
Payments to escrow agent.....	94,921	149,952	137,484	61,819	40,709	147,382	(5,394,474)	29,636	58,546	155,119
Proceeds from sale of capital assets.....	-	-	-	-	-	-	-	-	-	-
Insurance recoveries.....	-	-	-	-	-	-	-	-	198,975	54,397
Transfers in.....	621,168	2,763,332	2,003,159	1,860,288	2,132,530	3,424,009	2,517,630	2,754,105	1,487,693	3,652,473
Transfers out.....	(550,000)	(1,187,040)	(426,104)	(983,223)	(605,465)	(2,342,237)	(834,224)	(1,314,105)	(907,693)	(1,182,473)
Total Other Financing Sources (Uses).....	166,089	1,726,244	1,714,539	997,584	1,567,774	1,229,154	1,394,318	1,469,636	837,521	2,679,516
Net Change In Fund Balances.....	\$ 497,642	\$ (618,157)	\$ 2,494,686	\$ (1,954,572)	\$ (3,089,779)	\$ (1,131,653)	\$ 211,445	\$ 565,554	\$ (125,112)	\$ 1,105,370
Debt service as a percentage of noncapital expenditures.....	27.5%	31.3%	12.4%	11.9%	11.5%	8.8%	7.4%	7.2%	7.1%	6.8%

(a) Purchasing is now included in General government and finance. This change was made to be consistent in putting all administrative and service departments in this category.

CITY OF KIRKWOOD, MISSOURI

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Sales & Use	Property	Utility Gross Receipts	Gasoline/Motor Vehicle Sales	Highway Road and Bridge	Franchise	Cigarette	Total
2007	\$ 10,392,675	\$ 3,548,730	\$ 3,693,638	\$ 1,164,505	\$ 640,602	\$ 251,373	\$ 94,518	\$ 19,786,041
2008	9,767,468	5,328,468	4,400,733	1,119,624	772,018	237,210	90,232	21,715,753
2009	8,988,314	5,381,046	4,853,797	1,032,608	786,380	283,567	91,503	21,417,215
2010	8,429,854	4,861,566	4,966,983	1,017,004	741,313	333,332	77,335	20,427,387
2011	8,533,126	4,891,680	4,798,038	1,053,301	741,644	392,896	78,565	20,489,250
2012	8,889,445	4,331,358	4,786,762	1,022,331	721,122	403,980	76,296	20,231,294
2013	9,154,959	4,565,887	4,978,547	983,792	746,093	435,251	74,772	20,939,301
2014	9,186,519	4,561,918	5,123,579	1,008,285	747,752	439,097	73,250	21,140,400
2015	9,962,574	4,239,182	4,961,101	1,057,443	694,097	490,472	70,575	21,475,444
2016	10,242,203	4,760,010	4,521,274	1,083,459	778,061	497,158	82,428	21,964,593
Change 2007-2016	-1.5%	34.1%	22.4%	-7.0%	21.5%	97.8%	-12.8%	11.0%

CITY OF KIRKWOOD, MISSOURI

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Residential Real Estate Property	Commercial Real Estate Property	Regular Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2007	\$ 455,574,140	\$ 99,361,195	\$ 80,129,604	\$ 635,064,939	0.478	\$ 2,948,675,219	21.537
2008	559,912,540	120,413,032	78,381,210	758,706,782	0.662	3,558,365,977	21.322
2009	565,433,950	118,665,747	79,119,443	763,219,140	0.664	3,584,180,684	21.294
2010	526,140,160	117,452,818	73,310,002	716,902,980	0.631	3,356,150,794	21.361
2011	529,101,680	117,221,517	66,185,197	712,508,394	0.624	3,349,638,373	21.271
2012	518,688,130	105,102,560	65,525,970	689,316,660	0.645	3,254,980,596	21.177
2013	535,251,010	105,038,340	71,502,050	711,791,400	0.636	3,359,882,994	21.185
2014	533,417,190	104,833,670	72,778,170	711,029,030	0.621	3,353,420,459	21.203
2015	535,967,140	111,423,282	77,050,535	724,440,957	0.661	3,400,252,163	21.306
2016	557,258,520	117,332,508	76,549,720	751,140,748	0.606	3,529,275,794	21.283

Source: Office of the St. Louis County Assessor

Note: St. Louis County assesses property at approximately 19 percent of actual value for residential, 32 percent for commercial, and 33-1/3 of value for personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed value.

CITY OF KIRKWOOD, MISSOURI

DIRECT AND OVERLAPPING PROPERTY TAX RATES (RATE PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City of Kirkwood Direct Rates:										
General Fund.....	\$ -	\$ 0.276	\$ 0.276	\$ 0.280	\$ 0.274	\$ 0.293	\$ 0.295	\$ 0.295	\$ 0.333	\$ 0.286
Kirkwood Park Fund.....	0.130	0.130	0.130	0.132	0.127	0.138	0.139	0.133	0.134	0.128
Police and Firemen Retirement Fund.....	0.158	0.136	0.138	0.129	0.133	0.136	0.137	0.128	0.129	0.125
Debt Service Fund.....	0.190	0.120	0.120	0.090	0.090	0.078	0.065	0.065	0.065	0.067
Total Direct Rate.....	\$ 0.478	\$ 0.662	\$ 0.664	\$ 0.631	\$ 0.624	\$ 0.645	\$ 0.636	\$ 0.621	\$ 0.661	\$ 0.606
Overlapping Rates:										
County and State.....	0.588	0.588	0.588	0.553	0.553	0.553	0.553	0.553	0.553	0.545
Kirkwood Public Library.....	0.195	0.174	0.286	0.302	0.302	0.302	0.302	0.302	0.302	0.303
Special Business District.....	0.466	0.421	0.448	0.456	0.456	0.456	0.454	0.458	0.460	0.405
School Districts.....	5.081	5.179	5.042	5.236	5.400	5.520	5.516	5.715	5.733	5.590
Sewer Districts.....	0.129	0.127	-	-	0.160	0.166	0.148	0.173	0.174	0.171
Other.....	0.343	0.303	0.303	0.323	0.334	0.351	0.352	0.369	0.370	0.366

Source: St. Louis County Department of Revenue

CITY OF KIRKWOOD, MISSOURI

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

Tax Payer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value
Ashfield Active Living and Wellness.....	\$ 11,004,190	1	1.46%			- %
Kirkwood Commons LLC.....	5,903,980	2	0.79%	5,183,460	1	0.82%
Chaminade College Society.....	5,857,830	3	0.78%	4,064,000	3	0.64%
Mills Timberlake Apartments.....	4,086,900	4	0.54%	3,158,910	8	0.50%
Kirkwood Station Plaza LLC.....	4,072,180	5	0.54%			0.00%
1001 Kirkwood LLC.....	3,964,640	6	0.53%			- %
Pioneer Place LLC.....	3,474,390	7	0.46%	3,901,950	4	0.61%
Lowes Home Centers Inc.....	3,150,980	8	0.42%	3,689,150	5	0.58%
Dayton Hudson Corporate.....	3,014,880	9	0.40%	3,254,620	6	0.51%
RJC Partnership LLC.....	2,987,770	10	0.40%			- %
Novus Investment LLC.....	-	-	-	4,193,920	2	0.66%
Geneva Exchange Fund XXXIII LLC.....	-	-	-	3,229,950	7	0.51%
Greenbriar Development.....	-	-	-	2,810,590	9	0.44%
Supervalu Holdings Inc.....	-	-	-	2,080,000	10	0.33%
Total.....	\$ 47,517,740		6.32%	\$ 35,566,550		5.60%

Source: Office of the St. Louis County Assessor

CITY OF KIRKWOOD, MISSOURI

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 2,909,397	\$ 2,759,671	94.85 %	\$ 120,283	\$ 2,879,954	98.99 %
2008	4,816,711	4,351,879	90.35	380,302	4,732,181	98.25
2009	4,950,386	4,439,169	89.67	469,447	4,908,616	99.16
2010	4,433,098	3,949,385	89.09	415,857	4,365,242	98.47
2011	4,405,908	3,973,019	90.17	362,289	4,335,308	98.40
2012	4,229,527	3,800,812	89.86	317,115	4,117,927	97.36
2013	4,467,045	3,961,521	88.68	354,566	4,316,087	96.62
2014	4,465,960	3,903,043	87.40	405,352	4,308,395	96.47
2015	4,499,609	3,955,765	87.91	360,688	4,316,453	95.93
2016	4,543,913	4,058,082	89.31	-	4,058,082	89.31

Source: Office of the St. Louis County Assessor

CITY OF KIRKWOOD, MISSOURI

ELECTRICITY SOLD BY TYPE OF CUSTOMER (IN MEGAWATT HOURS)
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Type of Customer:										
Residential	101,909	105,280	97,988	96,092	114,458	101,132	102,392	101,411	98,250	96,631
Commercial by type										
Electric Primary	24,512	23,395	22,800	10,880	9,647	8,526	8,293	7,886	7,581	7,573
Small Commercial	37,684	44,684	43,365	42,292	45,693	40,244	38,694	39,122	37,833	45,992
Large User	58,202	61,097	58,713	55,501	64,492	62,225	66,003	66,106	64,778	52,067
Total	222,307	234,456	222,866	204,765	234,290	212,127	215,382	214,525	208,442	202,263

Total direct rate per megawatt hour..... \$ 60.46 \$ 61.25 \$ 61.87 \$ 67.25 \$ 82.24 \$ 94.75 \$ 95.95 \$ 101.85 \$ 102.26 \$ 102.45

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI

WATER SOLD BY TYPE OF CUSTOMER (IN HUNDRED CUBIC FEET)
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Type of Customer:										
Residential.....	1,032,301	1,110,604	904,757	884,399	953,661	965,730	1,078,098	963,864	917,012	848,767
Commercial.....	518,626	518,681	459,273	392,984	418,779	434,473	482,561	439,534	418,359	417,272
Total.....	<u>1,550,927</u>	<u>1,629,285</u>	<u>1,364,030</u>	<u>1,277,383</u>	<u>1,372,440</u>	<u>1,400,203</u>	<u>1,560,659</u>	<u>1,403,398</u>	<u>1,335,371</u>	<u>1,266,039</u>

Total direct rate										
per hundred cubic feet.....	\$ 2.35	\$ 2.36	\$ 2.74	\$ 3.17	\$ 3.12	\$ 3.38	\$ 3.34	\$ 3.43	\$ 3.50	\$ 3.46

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI

**TAXABLE SALES BY INDUSTRY
LAST TEN FISCAL YEARS**

(in thousands of dollars)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Apparel Stores	\$ 1,168	\$ 1,778	\$ 3,954	\$ 2,679	\$ 3,495	\$ 5,887	\$ 13,513	\$ 11,398	\$ 10,438	\$ 11,171
General Merchandise Stores	14,930	10,430	50,224	55,077	83,736	95,347	108,340	103,879	8,325	4,250
Food Stores	31,792	33,300	37,092	37,251	38,036	38,195	40,994	41,428	42,282	41,739
Eating and Drinking Establishments	35,267	37,571	46,377	48,539	47,728	48,987	50,192	54,551	56,690	61,184
Miscellaneous Retail Stores	42,840	41,156	37,674	43,359	45,756	48,150	49,093	49,791	53,376	52,035
Home Furnishings and Appliances	12,854	28,510	42,796	13,199	17,186	17,495	19,332	18,927	19,066	16,225
Building Material	7,649	9,303	21,036	44,924	45,171	50,833	48,325	41,891	11,904	10,137
Automotive Dealers and Gasoline Service	16,024	15,062	15,424	15,015	15,323	15,223	14,999	13,158	12,439	9,497
Automotive Repair Service and Garages	5,762	6,163	5,628	5,961	5,733	5,556	5,902	7,065	8,334	11,019
Construction-Special Trade Contractors	3,162	3,181	2,697	2,335	2,328	3,161	3,242	3,896	3,776	4,204
Printing, Publishing	1,143	879	743	584	483	430	360	472	801	784
Medical Instruments and Supplies	1,024	1,184	1,140	854	726	937	745	616	849	1,589
Miscellaneous Manufacturing Industry	287	125	176	364	318	484	406	303	298	642
Communication	19,138	19,679	19,641	21,493	20,660	17,520	14,681	13,591	12,546	10,533
Wholesale Trade-Durable Goods	3,260	3,374	2,227	2,184	2,061	2,428	2,417	2,388	5,564	8,052
Wholesale Trade-Nondurable Goods	9,058	8,173	18,370	21,690	21,843	21,131	18,890	18,004	17,214	14,897
Personal Services	3,347	3,318	3,615	3,079	3,162	2,754	3,089	2,588	2,564	2,625
Business Services	3,276	3,694	3,065	2,205	2,241	2,127	2,168	2,614	3,479	3,119
Health Services	691	672	837	704	959	901	1,250	1,441	1,680	1,714
Miscellaneous Services	9,965	11,900	8,970	2,807	2,490	2,575	2,826	3,574	2,916	3,450
All other industries	83,116	76,794	61,541	52,397	52,174	55,967	58,171	63,209	54,297	53,719
Total	\$ 305,753	\$ 316,246	\$ 383,227	\$ 376,700	\$ 411,609	\$ 436,088	\$ 458,935	\$ 454,784	\$ 328,838	\$ 322,585
City Direct Sales Tax Rate	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.50%

Source: St. Louis County Department of Revenue and Missouri Department of Revenue

NOTE: Industry categories that contain six (6) or less entities are not reported separately due to confidentiality purposes. Total taxable sales for these industries are reported under "All other industries." Kirkwood Commons TIF District's taxable sales have been excluded. The Kirkwood Commons TIF district sales tax revenue is shared with other taxing authorities within St. Louis County.

CITY OF KIRKWOOD, MISSOURI

**DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City of Kirkwood Direct Rates:										
General Corporate Sales Tax.....	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Local Option Use Tax.....	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Capital Improvement Sales Tax.....	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Fire Protection Sales Tax.....	-	-	-	-	-	-	-	-	-	0.25
Park and Stormwater Sales Tax.....	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Subtotal Direct Rate.....	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.50
Overlapping Rates:										
State.....	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225
St. Louis County Transportation.....	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Mass Transit Tax/Metrolink.....	0.250	0.250	0.250	0.250	0.750	0.750	0.750	0.750	0.750	0.750
St. Louis County Regional Parks & Trails.....	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Children's Service Fund.....	-	-	-	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Emergency Communitons.....	-	-	-	-	0.100	0.100	0.100	0.100	0.100	0.100
Metro Parks/Arch.....	-	-	-	-	-	-	-	-	0.188	0.188
Subtotal Overlapping Rate.....	5.075	5.075	5.075	5.325	5.925	5.925	5.925	5.925	6.113	6.113
Total Sales Tax Rate.....	7.325	7.325	7.325	7.575	8.175	8.175	8.175	8.175	8.363	8.613

Source: St. Louis County Department of Revenue and Missouri Department of Revenue

NOTE: Kirkwood has a new development that council approved a 1% transportation development district tax. The development is a one block area in downtown Kirkwood.

CITY OF KIRKWOOD, MISSOURI

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Leasehold Revenue Bonds	Certificates of Participation	Tax Increment Revenue Bonds and Notes	Capital Leases	Certificates of Participation	Capital Leases	Certificates of Participation	Total Primary Government				
2007	\$ 7,765,833	\$ 8,298,299	\$ -	\$ 10,297,190	\$ -	\$ 3,876,625	-	\$ 3,876,625	\$ 30,237,947	3.46%	1,107		
2008	6,955,625	7,704,306	-	4,687,204	-	3,771,039	-	3,771,039	23,118,174	2.64%	846		
2009	6,065,416	7,095,313	-	4,197,204	-	3,665,454	-	3,665,454	21,023,387	2.40%	769		
2010	4,853,376	6,476,320	-	3,668,000	-	9,973,395	-	9,973,395	24,971,091	2.85%	907		
2011	3,867,260	5,842,327	-	3,168,000	-	9,629,345	-	9,629,345	22,506,932	2.57%	817		
2012	3,491,352	5,193,334	-	2,608,000	-	9,280,296	-	9,280,296	20,572,982	2.35%	747		
2013	3,121,767	-	4,162,100	2,364,000	-	9,212,786	-	9,212,786	18,860,653	2.16%	685		
2014	2,723,139	-	3,428,047	2,090,000	-	8,554,427	1,736,975	8,554,427	18,532,588	1.46%	673		
2015	2,440,000	-	2,678,994	1,781,000	-	11,958,482	1,339,711	11,958,482	20,198,187	1.58%	733		
2016	1,985,000	-	1,914,941	1,440,000	-	938,360	938,360	11,289,101	17,567,402	1.38%	638		

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

^a Percentage of personal income for Fiscal Years 2010-2014 is based on the U.S. Census Bureau's 2010 Census. See page 122 for personal income and population data.

CITY OF KIRKWOOD, MISSOURI

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	General Obligation Bonds		Less: Amounts Available in Debt Service Fund		Total	Percentage of Estimated Actual Tax Value of Property ^a		Per Capita ^b
2007	7,765,833		2,329,035		5,436,798	0.18%		199
2008	6,955,625		2,267,065		4,688,560	0.13%		172
2009	6,065,416		2,028,054		4,037,362	0.11%		148
2010	4,853,376		1,266,492		3,586,884	0.11%		130
2011	3,867,260		710,576		3,156,684	0.09%		115
2012	3,491,352		716,667		2,774,685	0.09%		101
2013	3,121,767		661,251		2,460,516	0.07%		89
2014	2,723,139		594,276		2,128,863	0.06%		77
2015	2,440,000		474,762		1,965,238	0.06%		71
2016	1,985,000		459,302		1,525,698	0.04%		55

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

^a Property value data can be found on page 109: Assessed Value and Actual Value of Taxable Property.

^b Population data can be found on page 122: Demographic and Economic Statistics.

CITY OF KIRKWOOD, MISSOURI

LEGAL DEBT MARGIN INFORMATION
(DOLLARS IN THOUSANDS)
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed valuation.....	\$635,065	\$758,707	\$763,219	\$716,903	\$712,508	\$689,317	\$711,791	\$711,029	\$724,441	\$751,141
Debt limit - 10% of assessed valuation.....	\$ 63,507	\$ 75,871	\$ 76,322	\$ 71,690	\$ 71,251	\$ 68,932	\$ 71,179	\$ 71,103	\$ 72,444	\$ 75,114
Amount of debt applicable to debt limit:										
Total general obligation bonded debt.....	7,766	6,956	6,065	4,853	3,867	3,491	3,122	2,723	2,440	1,985
Less: Amount related to street improvements.....	-	-	-	-	-	-	-	-	-	-
Less: Amount available in debt service fund.....	(2,329)	(2,267)	(2,028)	(1,266)	(711)	(717)	(661)	(594)	(475)	(459)
Bonded indebtedness applicable to debt limit.....	5,437	4,689	4,037	3,587	3,156	2,774	2,461	2,129	1,965	1,526
Legal Debt Margin.....	\$ 58,070	\$ 71,182	\$ 72,285	\$ 68,103	\$ 68,095	\$ 66,158	\$ 68,718	\$ 68,974	\$ 70,479	\$ 73,588
Legal debt margin as a percentage of the debt limit.....	91.44%	93.82%	94.71%	95.00%	95.57%	95.98%	96.54%	97.01%	97.29%	97.97%

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

^aAmount available in debt service fund.

^bUnder the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation.

^cThe legal debt margin is the City's available borrowing authority under the statutes of the State of Missouri and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

CITY OF KIRKWOOD, MISSOURI

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF MARCH 31, 2016

Governmental Unit	Debt Outstanding ^a	Estimated Percentage Applicable ^b	Estimated Share of Overlapping Debt ^c
St. Louis County.....	\$ 101,310,000	3.18%	\$ 3,221,658
Kirkwood School District			
General obligation bonds.....	27,255,000	57.99%	15,805,175
Leasehold revenue bonds.....	19,490,000	57.99%	<u>11,302,251</u>
Subtotal, Overlapping Debt.....			30,329,084
City of Kirkwood, Direct Debt			
General obligation bonds.....			1,985,000
Certificate of Participation.....			1,950,000
Tax Increment Revenue notes.....			<u>1,440,000</u>
Subtotal, Direct Debt.....			<u>5,375,000</u>
Total Direct and Overlapping Debt.....			<u><u>\$ 35,704,084</u></u>

Source: Bond amounts were provided by the respective taxing districts or publicly available documents. Assessments were provided by the Office of the St. Louis County Collector.

^a Excludes overlapping taxing districts with assessed valuations applicable to the City that are less than 1%.

^b Estimated based on 2015 real and personal property.

^c Excludes lease obligations of overlapping taxing districts and taxing districts whose assessed valuation represents less than 1% of the City's total assessment.

CITY OF KIRKWOOD, MISSOURI

PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Tax Increment Financing Bonds and Notes						
	Revenue Sources			Debt Service			
	Property Tax	Sales Tax	Business License Revenue	Total Available Revenue	Principal	Interest	Coverage
2007	\$ 1,557,119	\$ 2,642,021	\$ 187,493	\$ 4,386,633	\$ 3,834,000	\$ 666,247	0.97
2008	1,395,068	1,358,561	186,271	2,939,900	5,985,000	496,623	0.45
2009	404,165	418,445	183,805	1,006,415	490,000	386,690	1.15
2010	326,916	314,685	183,826	825,427	529,204	350,394	0.94
2011	350,119	344,600	177,368	872,087	500,000	290,605	1.10
2012	39,764	325,303	171,067	536,134	560,000	250,268	0.66
2013	-	318,398	165,348	483,746	244,000	216,530	1.05
2014	-	268,421	193,282	461,703	274,000	195,495	0.98
2015	-	306,723	192,311	499,034	309,000	170,638	1.04
2016	-	300,032	192,910	492,942	341,000	143,367	1.02

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

CITY OF KIRKWOOD, MISSOURI

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Year	Population	Personal Income (thousand of dollars)	Per Capita Personal Income	Median Age ^a	Education Level				Unemployment Rate
					High School Graduate (%)	Bachelor's Degree or Higher (%)	School Enrollment		
2006	27,324	\$ 874,696	\$ 32,012	41.0	42.7%	51.5%	4,995	3.0%	
2007	27,324	\$ 874,696	\$ 32,012	41.0	42.7%	51.5%	4,975	3.9%	
2008	27,324						5,026	5.9%	
2009	27,324						5,000	7.5%	
2010	27,540						5,083	8.7%	
2011	27,540						5,132	5.1%	
2012	27,540						5,554	6.3%	
2013	27,540						5,608	4.7%	
2014	27,540	\$ 1,266,675	\$ 45,994		96.0%	59.4%	5,595	5.6%	
2015	27,540	\$ 1,274,358	\$ 46,273	42.8	94.2%	51.5%	5,681	2.6%	

Source: U.S. Census Bureau of Labor Statistics, 2010-2014 American Community Survey, 5-Year Estimates and Kirkwood School District

^aMedian age was not available.

CITY OF KIRKWOOD, MISSOURI

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	Product or Service	2016		2007	
		Employees	Rank	Employees	Rank
Kirkwood School District R-7.....	Education	687	1	601	2
Junior College District of St. Louis, St. Louis County Missouri.....	Education	365	2	514	4
The Lutheran Church-Missouri Synod.....	Church Headquarters	370	3	520	3
City of Kirkwood.....	City Government	331	4	256	7
Shop 'n Save Supermarket.....	Retail Grocer	188	5	202	6
Ashfield Active Living and Wellness.....	Retirement Residence	127	6		
Wal-Mart.....	Retail	130	7	281	5
St. Agnes Home.....	Long-Term Care	93	8		
Lowes.....	Retail	78	9	102	9
Schnuck Markets, Inc.....	Retail Grocer	72	10		
St. Joseph Hospital.....	Health Care		-	900	1
Target.....	Retail	*	-	178	8
AT&T (Formerly SBC Communications).....	Telephone	46	-	100	10
Total.....		<u>2,487</u>		<u>3,654</u>	

Source: Office of the Chief Administrative Officer

Note: Percentage of total city employment column has been omitted for both 2016 and 2007 because accurate information is unavailable.

* Target has historically ranked around the 5th to 7th major employer but has made it a policy decision not to disclose this information.

CITY OF KIRKWOOD, MISSOURI

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government:										
City clerk.....	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Administration.....	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
MIS ^a	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	6.0	6.0
Personnel.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Community development.....	-	-	-	-	-	-	-	-	-	-
Finance ^b	7.5	7.5	7.5	7.5	7.5	7.5	8.0	8.0	8.0	8.0
Municipal court.....	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.8	3.0	3.0
Special Business District.....	2.6	2.6	2.6	2.6	2.6	2.3	2.6	2.6	2.6	2.6
Purchasing.....	3.8	3.0	3.8	4.3	4.3	4.5	4.5	3.5	4.5	4.5
Engineering ^c	4.0	3.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Building maintenance.....	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Building commissioner.....	9.6	8.3	8.0	8.0	7.0	7.2	7.3	7.5	7.7	8.7
Police.....										
Commissioned Officers.....	53.0	52.0	56.0	58.0	59.0	60.0	60.0	60.0	62.0	60.0
Civilians.....	13.5	13.5	14.0	11.8	13.3	13.0	13.0	13.7	14.0	15.1
Fire:										
Officers, firefighters, and EMS.....	41.0	46.0	45.0	46.0	46.0	46.0	46.0	44.0	46.0	54.0
Civilians.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets.....	11.0	13.0	14.0	13.0	13.0	12.0	12.0	13.0	12.0	12.0
Parks.....	12.5	11.5	10.8	12.7	12.3	12.3	12.5	13.0	13.0	13.4
Recreation.....	25.3	18.7	18.8	17.5	18.8	17.0	17.0	17.0	17.0	16.0
Electric.....	20.5	22.0	21.0	21.0	21.0	21.0	21.0	21.0	22.0	21.0
Water.....	12.5	13.0	15.0	16.0	18.0	17.0	18.0	17.0	18.0	19.0
Sanitation ^d	20.0	18.6	19.0	20.6	17.8	16.0	17.8	16.8	14.9	15.8
Workers compensation.....	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fleet services.....	6.8	6.8	6.8	7.3	7.3	7.0	7.0	7.0	7.0	7.0
Total.....	261.9	258.8	267.5	271.6	273.2	268.6	272.5	270.2	275.5	283.9

Source: City of Kirkwood Finance Department

^aEffective FY2000 GIS technician position included in MIS is funded by the Water Fund.

^bOffice manager, (2) utility billing clerks, and customer service representative included in Finance are funded equally by the Electric, Water, and Sanitation Funds.

^cDirector of Public Works included in Engineering is funded 40% by Sanitation.

^dCustomer service assistant included in Sanitation is funded 33-1/3% by Fleet Services until Fiscal Year 2012.

CITY OF KIRKWOOD, MISSOURI

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government:										
Business/Liquor Licenses Issued.....	1,082	1,050	1,067	1,054	1,096	1,056	1,110	1,046	1,140	1,011
AP Checks Issued.....	5,278	5,453	5,455	4,875	4,754	4,838	4,466	3,994	3,994	3,715
Electronic Vendor Payments Processed.....	-	-	-	419	600	571	536	963	1,840	2,198
Payroll Checks Issued.....	140	165	147	128	122	125	42	28	12	32
Purchasing:										
Purchase Orders Issued.....	579	673	828	865	884	989	998	1,013	1,019	1,113
Invoices Processed.....	1,699	1,465	1,928	1,973	2,325	2,297	2,371	2,582	2,744	2,847
Formal Bids.....	54	78	54	93	100	187	197	212	218	185
Engineering:										
Concrete Street Replacement (Square Yds).....	6,800	7,171	7,293	13,226	13,570	16,499	20,385	17,978	12,516	29,676
Asphaltic Concrete Overlays (Tons).....	5,480	10,770	6,247	9,464	124,227	8,667	46,320	6,594	-	1,137
Planning & Zoning Applications including										
Performance Guarantee Administration.....	37	26	25	22	20	31	22	27	26	21
Excavation Deposits.....	302	253	84	141	148	162	200	225	296	274
Sewer Lateral Insurance Applications.....	141	144	144	94	140	120	141	174	165	173
Single Family Site Plan Reviews.....	69	58	30	25	19	28	41	52	66	54
Building Maintenance:										
Work Orders Completed.....	276	370	499	525	812	491	726	614	675	623
Building Commissioner:										
Cost Recovery Rate.....	134%	156%	109%	92%	143% ^c	130%	108%	116%	130%	127%
Permits Issued:										
Building.....	2,665	2,600	2,162	1,952	1,943	1,994	676	2,371	3,110	4,541
Occupancy.....	1,303	1,517	1,331	1,461	1,517	1,544	1,471	1,477	1,528	1,564
Inspections Performed:										
Construction.....	6,383	7,229	5,862	5,079	4,755	5,267	5,532	6,339	8,525	9,057
Re-Occupancy.....	2,776	2,809	2,429	2,856	3,026	3,049	2,746	2,490	2,586	2,809
Board of Adjustment Cases.....	39	60	24	14	19	25	27	33	44	29
Architectural Review Cases.....	57	66	68	43	57	49	204	216	247	272
Police:										
Number of Calls.....	21,877	21,495	20,712	18,442	18,451	20,893	22,929	22,730	24,223	24,009
Number of Code Violation Complaints.....	1,946	1,948 ^b	1,011	2,578	2,999	1,694	2,109	1,461	1,773	2,561

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Fire:										
Number of Calls.....										
Fire.....	1,454	1,282	1,305	1,170	1,234	1,317	1,096	1,088	1,162	1,353
EMS.....	2,036	2,185	2,236	2,207	2,180	2,703	2,568	2,625	2,840	2,698
Percentage of "At Risk" Property Saved.....	97.91%	96.34%	97.55%	95.71%	93.24%	97.74%	98.98%	98.80%	98.46%	93.91%
Streets:										
Maintenance - Asphaltic Concrete (Tons).....	768	541	426	866	15,462	440	424	387	597	597
Maintenance - Crack Seal after FY2003 (Pounds).....	10,656	-	1,332	4,107	2,143	4,847	4,551	6,750	999	1,369
Ground/Forestry Maintenance (Hours).....	5,499	2,336	3,269	3,053	4,137	4,804	5,067	5,021	4,642	3,502
Snow Removal:										
Salt Used (Tons).....	2,375	3,598	1,548	1,920	3,413	919	1,206	3,008	1,120	819
Labor (Hours).....	1,437	2,122	1,490	1,163	1,809	469	1,173	2,031	993	660
Parks:										
Park Maintenance Cost per Acre.....	\$ 2,916	\$ 3,072	\$ 3,493	\$ 3,617	\$ 3,719	\$ 3,739	\$ 3,941	\$ 4,108	\$ 4,075	\$ 4,441
Recreation:										
Aquatic Facility Attendance.....	73,934	75,283	71,812	62,995	74,014	67,519	61,754	55,048	66,132	49,030
Ice Rink Facility Attendance.....	26,732	24,982	26,073	28,383	27,623	33,734	37,528	41,675	41,675	39,978
Cost Recovery Rate.....	90%	87%	86%	90%	85%	84%	87%	84%	84%	89%
Electric:										
Number of Customer Accounts:										
Residential.....	8,956	8,825	8,832	8,948	8,804	8,763	8,878	8,790	8,872	8,769
Commercial.....	1,095	1,354	1,317	1,405	1,349	1,259	1,276	1,263	1,268	1,261
Personnel Cost/Customer Accounts.....	\$ 158	\$ 176	\$ 167	\$ 174	\$ 185	\$ 188	\$ 196	\$ 200	\$ 209	\$ 202
Distribution Cost Per Circuit Line Mile.....	\$ 12,737 ^a	\$ 13,097	\$ 13,555	\$ 11,490	\$ 11,552	\$ 18,088	\$ 20,475	\$ 19,738	\$ 20,218	\$ 21,751
Water:										
Number of Customer Accounts:										
Residential.....	9,513	9,497	9,468	9,633	9,465	9,252	9,470	9,444	9,488	9,458
Commercial.....	825	830	828	836	831	801	832	820	830	833
Personnel Cost/Customer Accounts.....	\$ 127	\$ 98	\$ 120	\$ 124	\$ 137	\$ 144	\$ 135	\$ 132	\$ 139	\$ 141

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Sanitation:										
Number of Customer Accounts										
Residential.....	9,259	9,297	9,247	9,275	9,338	9,324	9,325	9,187	9,167	9,154
Commercial.....	152	151	145	144	150	144	150	167	223	216
Personnel Cost/Customer Accounts.....	\$ 103	\$ 114	\$ 124	\$ 122	\$ 121	\$ 117	\$ 115	\$ 110	\$ 102	\$ 132
Material Collected:										
Recycling Material Collected (Tons).....	3,765	3,850	3,096	2,733	2,929	4,163	4,162	4,203	4,238	4,347
Waste Disposal (Tons).....	10,622	10,082	9,228	8,923	8,378	6,974	6,737	7,071	7,944	7,634
Landfill Diversion Rate (% Recycled/Total).....	26%	28%	25%	23%	26%	37%	38%	37%	41%	22%
Yard Waste (Cubic Yards).....	9,054 ^e	6,155	7,724	6,955	7,034	7,814	6,437	7,748	7,587	7,479
Workers Compensation:										
Number of Claims.....	47	92	52	31	21	15	43	38	30	30
Average Cost per Claim.....	\$ 23,420	\$ 14,415	\$ 15,936	\$ 24,580	\$ 12,459	\$ 5,511	\$ 9,648	\$ 12,190	\$ 6,166	\$ 5,215
Fleet Services:										
Average Age of Vehicles.....	7.0	6.9	9.7	8.4	6.2	6.2	6.1	6.3	6.7	6.9
Maintenance Cost per Vehicle.....	\$ 5,363	\$ 6,139	\$ 6,339	\$ 5,827	\$ 6,115	\$ 6,139	\$ 7,084	\$ 5,720	\$ 5,608	\$ 3,684

Source: Various city departments

* Data not available.

^aThree major storms during FY2007 contributed to increase in Electric distribution cost per mile and Sanitation yard waste.

^bBeginning Fiscal Year 2008, code enforcement was transferred from the Building Commissioner's Department to the Police Department.

^cIncludes permit for Aberdeen of \$282,456

CITY OF KIRKWOOD, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government:										
Vehicles.....	2	2	2	2	2	2	2	2	1	1
Purchasing:										
Vehicles.....	1	1	1	2	2	1	1	1	1	1
Warehouse										
Vehicles.....	-	-	-	-	-	-	-	-	0	1.5
Engineering:										
Vehicles.....	3	3	3	4	3	3	3	3	3	3
Building Maintenance:										
Vehicles.....	2	2	4	3	2	2	2	3	3	2.5
Building commissioner:										
Vehicles.....	5	4	4	4	4	4	4	4	4	4
Police:										
Stations.....	1	1	1	1	1	1	1	1	1	1
Vehicles.....	27	23	25	29	27	28	29	29	31	30
Fire:										
Stations.....	3	3	3	3	3	3	3	3	3	3
Vehicles.....										
Pumpers.....	3	4	4	4	4	3	3	4	4	4
Aerial Ladder.....	2	1	1	1	1	1	1	1	1	1
Ambulance.....	2	2	2	4	4	4	4	4	4	5
Hazmat/Rescue/Utility.....	2	2	2	2	2	2	2	5	5	3
Command Vehicles.....	4	4	4	4	4	4	4	4	3	3
Streets:										
Miles of Streets.....	109	109	109	109	109	221	221	221	221	221
Miles of Sidewalks.....	111	111	111	111	111	111	111	111	111	111
Vehicles.....	21	21	19	22	21	21	20	21	21	21
Parks and Recreation:										
Acres of Parks.....	305	309	325	325	326	330	330	330	330	324.5
Community Center.....	1	1	1	1	1	1	1	1	1	1
Outdoor Amphitheater.....	1	1	1	1	1	1	1	1	1	1
Aquatic Facility.....	1	1	1	1	1	1	1	1	1	1
Enclosed Ice Rink.....	1	1	1	1	1	1	1	1	1	1
Ball Diamonds.....	8	8	8	8	8	8	8	8	7	5
Tennis Courts.....	10	10	10	10	10	10	10	10	9	9

CITY OF KIRKWOOD, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Parks and Recreation (Continued):										
Handball Courts.....	2	2	2	2	2	2	2	2	2	2
Pickleball Courts.....	-	-	-	-	-	-	-	-	1	1
Vehicles.....	12	12	12	16	14	14	12	13	16	15
Electric:										
Substations.....	6	6	6	6	6	6	6	6	6	6
Miles of Line.....	132	132	132	132	132	132	132	132	132	132
Street Lights.....	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316
Traffic Lights.....	121	121	121	121	121	121	121	121	121	121
Vehicles.....	13	12	12	12	14	14	16	16	16	17
Water:										
Pumping Stations.....	6	6	6	6	6	6	6	6	6	4
Inter Connect Valves.....	2	2	2	2	2	2	2	2	2	4
Miles of Water Line.....	135	135	135	135	135	135	135	135	135	135
Vehicles.....	16	14	14	17	15	15	15	14	16	16
Sanitation:										
Collection Trucks.....	8	8	8	8	8	8	8	12	10	14
Other Vehicles.....	4	4	4	6	4	4	4	6	5	3
Recycling Equipment.....	4	4	4	4	4	4	4	4	4	5
Fleet Services:										
Vehicles.....	4	4	4	2	5	4	4	3	3	3

Source: Various city departments