City Council Agenda
Monday, March 23, 2020
7:00 P.M.
200 S. Holden
Warrensburg, MO 64093
***Due to COVID-19 concerns the meeting will be broadcast to an established public area in the Police Training Room at the Police Station, 102 B S. Holden St. This action will assist in maintaining social distancing measures and minimizing group size. The meeting can also be observed live on the City's YouTube Channel, https://www.youtube.com/channel/UCjsAGFHVRHqVKq3EFHYOzww**

1. **7:00 P.M. Call To Order Regular City Council Meeting**
2. **Roll Call**
3. **Approval Of City Council Minutes**

   3.I. City Council Minutes 3/9/2020

   Documents:

   CITY.COUNCIL.MEETING.MARCH 9.2020.PDF

4. **Adoption Of Agenda**
5. **1st/2nd Reading Ordinance**

   5.I. Ordinance Ratifying State Of Emergence Declaration For COVID-19
   An ordinance of the City of Warrensburg ratifying the Declaration of Emergency of the City Manager dated March 17, 2020, ratifying regulations adopted thereunder, and extending the duration of the Emergency Declaration pending further action by the City Council.

   Presented by Harold Stewart, City Manager

   Documents:

   ORDINANCE STATE OF EMERGENCY DECLARATION 3-23-2020.PDF

6. **Other Business**

   6.I. Fiscal Year 2019 Audit Report And Presentation

Present summary of Fiscal Year 2019 Audit Report

Documents:

AUDIT REPORT CITY OF WARRENSBURG CLIENT WITH LETTERS.PDF
2019 CITY OF WARRENSBURG AUDIT SUMMARY PRESENTATION SLIDES.PDF

7. **Appearances To The Council Not Listed On The Agenda**

8. **Mayoral Appointment/S**

9. **Miscellaneous Matters From The Mayor And/Or City Council**

10. **City Manager Report**

    Documents:

    CM REPORT BY CM MAR 20.PDF

11. **Director Of Finance Report**

    Documents:

    DOF REPORT 3-23-20.PDF

12. Closed Session After Regular Session

    The City Council will meet in the Council Chambers, at 200 South Holden, Warrensburg, for Executive Session

    Vote to close part of this meeting pursuant to Section 610.021 of the Revised Statutes of Missouri, relating to:

    (1) Legal actions, causes of action or litigation involving the City and any confidential or privileged communication between the City and its representatives and its attorneys.

    (2) Leasing, purchase or sale of real estate where public knowledge might adversely affect the amount paid in the transaction.

    (3) Hiring, firing, disciplining or promoting of particular employees by a public governmental body when personal information about the employee is discussed or recorded.

    (12) Documents or any documents related to a negotiated contract until a contract is executed, or all proposals are rejected.

    (13) Individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment

CITY COUNCIL MEETING OF MARCH 9, 2020

A meeting of the Warrensburg City Council was held on March 9, 2020, at the Municipal Center, 102 S. Holden. Roll was called, Present were: Brooks, Jacobs, Holmberg, Allen, Lund. Absent: none.

The minutes of the February 24, 2020, City Council meeting were considered. Jacobs moved to approve the minutes of the February 24, 2020, City Council meeting. Yes: Brooks, Jacobs, Holmberg, Allen, Lund. No: none.

The adoption of the agenda was considered. Allen moved to adopt the agenda. Yes: Brooks, Jacobs, Holmberg, Allen, Lund. No: none.

Under Presentations, Dr. Scott Patrick, Superintendent of Schools for the Warrensburg R-VI District, presented information concerning the school's request for a funding increase. Patrick explained the School District is asking for a 10-cent increase, from 72 cents to 82 cents for the debt service levy, and Patrick said this increase will generate over 17 million dollars for additions and renovations.

Patrick said as an example, the tax increase for a home worth $154,000 would be approximately $ 23.00 per year. Patrick said this is an increase in taxes, but it is not intended to be a huge increase for property owners.

Patrick said the Facility committee, which includes parents and staff, presented the Board of Education with recommendations regarding future facility needs. He said that included additional space, classrooms, and an activities complex. Patrick said student enrollment continues to grow each year, and the middle school now has more students than it is equipped to handle. He said they believe the enrollment trend will continue.

Patrick added safety and security is also important as additional space is added. He said they want to be able to provide secure entryways in all facilities. He said high-wind shelters are necessary and have been added to this project.

Patrick said at the high school, restrooms, six classrooms, and an elevator would be added to the lower level. He said an Activities Center would be added at the high school which would include a 2,000-seat stadium. Patrick said with this levy, Phase I of the Activities Center would be constructed, with an alternative plan if there is extra money. He said if there is no extra money, a capital campaign will begin for those wishing to donate. Patrick said if the Activities Center was on-site, it would prevent the students from leaving the school.

Patrick said the Campaign Committee met this morning, and to contact them if interested in helping, and Patrick encouraged others to vote. Patrick said the completion date for the Activities Center is scheduled for August of 2021, if everything goes as planned. He also added in another 5 years there will most likely be the need for an additional facility, and at this time he is not sure but believes a new elementary school may be needed.

Mayor Lund thanked Scott Patrick for coming to tonight's meeting and making this presentation. He said this could be a huge economic development project for Warrensburg's future.

Bill No. 3-1-20 being for an Ordinance Approving and Accepting the Final Plat of 311 Broad Street Addition, a Subdivision in the City of Warrensburg, Missouri, Located at 311 Broad Street was read for the first time by title. Community Development Director Barbara Carroll said this is for property located on Broad Street. She said the property was rezoned from R2 to R4 for potential redevelopment of multi-family housing. Carroll said there was a fire at the property in June of last year, and this property was sold after the fire. She said this takes three lots and combines them into one. Carroll said City staff recommends approval as well as the Planning and Zoning, subject to conditions listed in this ordinance. Jacobs moved said bill be passed to second reading by title. Carried unanimously. Said bill was read a second time. Roll was called for the adoption or rejection of said bill as follows: Yes: Brooks, Jacobs, Holmberg, Allen, Lund. No: none. Said bill was declared duly adopted and given Ordinance No. 5571.

Bill No. 3-2-20 being for an Ordinance Authorizing the City Manager and City Clerk to Execute a Contract with SAK Construction LLC, for the 2020 Sanitary Sewer Main Lining Project, in the City of Warrensburg, Missouri, was read for the first time by title. Assistant City Manager Danielle Dulin said SAK Construction was the low bidder on this project. She said most of this project will be done in the Broadview addition, but some work will also be done around Warrensburg. Dulin said there will also be work on the manhole rehabilitation project. Allen moved said bill be passed to second reading by title. Carried unanimously. Said bill was read a second time. Roll was called for the adoption or rejection of said bill as follows: Yes: Brooks, Jacobs, Holmberg, Allen, Lund. No: none. Said bill was declared duly adopted and given Ordinance No. 5572.

In Other Business was Discussion of Journey House Parking Options. Carroll said this was discussed two weeks ago with the McDaniels. She said there are still several parking options for consideration before this homeless shelter can open. Carroll said the first option was to use the three, possibly four available parking spaces at Compton Park (west of the Police Department Building), on Madison Street, or the Journey House could purchase a hang tag for parking south of the safety center on University of Central Missouri (UCM) property. Carroll said either of these options would require authorization from the Mayor and City Council. Carroll said the parking could be provided on-site in the rear, but that would most likely require an application for a variance.

Council Member Allen asked what the City's requirements are for parking, how many spaces are required. Carroll said four spaces for a ten-bed facility, six spaces for a twenty-bed facility. When asked about the cost, Carroll said the variance request cost is $500. After further discussion of parking requirements and other possible solutions, the cost of the hang tags, the variance, and sharing parking solutions with neighbors and UCM will be explored further as options.

Mayor Lund read a Resolution of the Council of the City of Warrensburg Accepting a Proposal Prepared by Mike Keith Insurance for Workers' Compensation Insurance for 2020-2021. Human Resources Director Greg McCullough said this insurance will expire on April 1, 2020. He said there was a presentation by Mike Keith for City Manager, the Finance Director, and himself on March 3, 2020. McCullough said there is an increase of $34,683 year over year. He said the expense constant remained the same at $200, the second injury fund showed a decrease of $559, the MO Admn/Prem Tax showed a decrease of $349 and the dividends showed an increase of $53 for the total increase in premium of $34,683. Holmberg moved to approve. Yes: Brooks, Jacobs, Holmberg, Allen, Lund. No: none. Carried unanimously and given Resolution No. 2181.

Assistant City Manager Danielle Dulin gave a Presentation of the 2020 Street Maintenance Program. She said the last few weeks she has been driving with different members of the Public Works staff and learning more about Warrensburg's streets. Dulin said the age of the streets was taken into consideration, and she said some streets were marked off because the asphalt overlay will be used on those streets. Dulin said they are also trying to coordinate the department's activities with the other utilities. She said the Gas Company has provided a five-year maintenance plan as well as the Water Company.

Dulin explained the asphalt overlay program and the areas that will be treated. She said this will add an additional 10-15 years on these streets. Dulin explained the streets where the polymer overcoat will be used and said with the help of the Community Development team a map has been put together. Dulin said there will also be sewer lining replacements in some areas. She said with this polymer overcoat, they hope to extend the life of these roads another 5 to 7 years. Dulin said the total cost of this project will be around $384,000. She said there is money remaining after these repairs, and some patching and crack-filling will be done, as well as pavement markings.

Council member Allen mentioned the condition of Maguire Street and asked about future repairs and improvements. Stewart explained this is a huge expense and will most likely need to be a future ballot issue. He said he would recommend a Pavement Management Indexing Study for future reference. Stewart said this could be used to measure the highest priorities of replacement needs.

Mayor Lund read a Resolution of the City Council of the City of Warrensburg, Missouri, Establishing Fees for Application and Issuance of Suspensions of Section 3-14 Under Sections 3-14(C) and (D) for Open Containers in Public Places by title. Stewart said he included various fees which have not been adopted in the past. He said having Federal Emergency Management Agency (FEMA) fees available would be helpful.

Council member Allen asked what businesses have used the open container license in the past besides Main Street. City Counselor Doug Harris said there have been beer gardens and downtown festivals put on by non-profit organizations. Stewart said in this instance, a community event is being held were alcohol is sold and carried out in a wide area. He said there have been unruly circumstances and safety issues during these events.

Council member Holmberg said he does not want to flip-flop on this issue from what he has said previously, but the City is trying to bring people downtown and he believes the proposed expense of 25 per cent is excessive. Holmberg said he would prefer no fee or a flat fee.

Jill Purvis, Main Street Executive Director, said they use this type of license for concerts and Burg Fest. She said Main Street does not make any money when on the concerts because they do not run the bar. Purvis said this is the first year the open container license has been used for this event. She said the fee presented by the City for what is involved with this event is probably too low because applying for the license takes time and many documents are required. Purvis said if approved for the open container license, many volunteers must be available to help with exits to prevent any problems with drinking outside the approved area. She said it can become very complex and expensive. There was discussion of a reasonable percentage, and Holmberg moved to amend the Resolution to approve a fee of 10 percent. Yes: Brooks, Jacobs, Holmberg, Allen, Lund. Carried unanimously and given Resolution No. 2182.

In Mayoral appointments, Mayor Lund said he would like to recommend Dorothy Arvizu and

Vicki Martins as appointments to the Diversity and Inclusion Commission. Allen moved to approve the appointments. Yes: Brooks, Jacobs, Holmberg, Allen, Lund. No: none. Carried unanimously.

In the City Manager's Report, Stewart said he has been anxious to hear about the decision about on-line sales taxes. He said he received a call from a concerned citizen about the coronavirus. Stewart said with spring break near he expressed concerns about an outbreak. He said at this time the risk is considered low for this area. Stewart said City staff will continue to monitor and will devise a plan if necessary.

As there was no further business, the meeting was adjourned.

_____
Casey Lund, Mayor

Attest:

_____
Cindy Gabel, City Clerk

Bill No._____ **Ordinance No._____**

AN ORDINANCE OF THE CITY OF WARRENSBURG RATIFYING THE DECLARATION OF EMERGENCY OF THE CITY MANAGER DATED MARCH 17, 2020, RATIFYING REGULATIONS ADOPTED THEREUNDER, AND EXTENDING THE DURATION OF THE EMERGENCY DECLARATION PENDING FURTHER ACTION BY THE CITY COUNCIL.

WHEREAS, Chapter 7, Section 7.2, of the Code of Ordinances of the City of Warrensburg, Missouri grants the City Manager the authority to declare an emergency whenever a disaster is imminent or actually occurs with the city, and the safety and welfare of the inhabitants is jeopardized; and,

WHEREAS, in December 2019, a novel coronavirus, now designated COVID-19, was detected in Wuhan, China; and,

WHEREAS, symptoms of COVID-19 include fever, cough, and shortness of breath, and can range from mild to severe illness, and presents significant risk of death to persons with depressed immune systems, certain pre-existing conditions, and the elderly; and,

WHEREAS, on January 30, 2020, the World Health Organization (WHO) Director General declared the outbreak of COVID-19, as a Public Health Emergency of International Concern, advising countries to prepare for the containment, detection, isolation and case management, contact tracing and prevention of onward spread of the disease; and,

WHEREAS, on March 5, 2020, the WHO Director General urged aggressive preparedness and activation of emergency plans to aggressively change the trajectory of this epidemic; and,

WHEREAS, on March 11, 2020, the WHO declared COVID-19 a global pandemic; and,

WHEREAS, the Center of Disease Control (CDC) is closely monitoring the growing number of COVID-19 cases that have spread into the United States, and,

WHEREAS, on March 13, 2020, Governor Michael L. Parson declared a State of Emergency for the State of Missouri; and,

WHEREAS, on March 16, 2020, the Johnson County Commissioners declared a State of Emergency for Johnson County, Missouri; and,

WHEREAS the continued spread of COVID-19 constitutes a natural calamity and presents an imminent threat of widespread illness which could overwhelm local health care resources, increasing the risk of death in the community, which requires emergency action; and,

WHEREAS, the proclamation of a state of emergency provides the City the ability to take measures to reduce the possibility of exposure to disease, control the risk, and promote the health and safety of Warrensburg residents; and,

WHEREAS, the City wishes to employ all means available under the law to protect life, health, safety, and property to limit the development, contraction and spread of COVID-19 creating this emergency; and,

WHEREAS, pursuant to Section 77.530 RSMo, the Council is empowered to take measures designed to prevent and abate the spread of contagious disease within the City, and the Council finds and declares the provisions of this Ordinance to be essential to the carrying out of that power,

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WARRENSBURG, MISSOURI AS FOLLOWS:

Section One. The Declaration of Emergency of the City Manager dated March 17, 2020, and attached hereto, is ratified and adopted by the City Council of the City of Warrensburg.

Section Two. The regulations adopted by the March 17, 2020 declaration of emergency are hereby ratified and extended for the term that this ordinance is in force as follows:

1. That public interactions and public meetings place the community at risk of further spread of illness and to alleviate this, all time limits imposed by City Code or applicable law, either actions required to be taken by the City or filed with the City, are tolled pending the lifting of the emergency and resumption of normal operations. This does not apply to State law deadlines.
2. Applications for zoning, plats, and variances, which trigger the need for public meetings, will not be accepted by the City until the emergency is lifted, and meetings of subunits of the City, other than the City Council and Park Board, are suspended.
3. Fingerprinting services provided by the Police Department are suspended until the emergency is lifted.
4. Interactions between the general public and City Staff will be limited to phone or email contact where possible for the protection of both the public and the staff.
5. Purchases of emergency supplies and materials will be done in accordance with emergency purchase procedures.

Section Three. The State of Emergency declared by the City Manager and the regulations adopted thereunder are hereby extended until lifted by further action of the City Council.

Section Four. This ordinance and the regulations adopted hereunder shall be in immediate force and effect from and after passage of this ordinance.

Read two times and passed by title in open session this ___ day of March, 2020.

_____

Casey Lund, Mayor

Attest:

_____

Cindy Gabel, City Clerk

City of Warrensburg, Missouri

BASIC FINANCIAL STATEMENTS
Year Ended September 30, 2019

KPM
CPAS & ADVISORS

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Independent Auditors' Report

Honorable Mayor and City Council
City of Warrensburg
Warrensburg, Missouri

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit of the City of Warrensburg, Missouri, as of and for the year ended September 30, 2019, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 of 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the 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 (MD&A), budgetary comparison information, the Schedule of Changes in Net Pension Asset and Related Ratios, and the Schedule of Contributions and related notes 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 of Warrensburg, Missouri's basic financial statements. The Combining Statement of Fiduciary Net Position and the Combining Statement of Changes in Fiduciary Net Position are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2020, on our consideration of the City of Warrensburg, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Warrensburg, Missouri's internal control over financial reporting and compliance.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
March 20, 2020

Management’s Discussion and Analysis

The management's discussion and analysis of the City of Warrensburg's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the City's financial statements, which begin on page 17.

Financial Highlights

- The Net Position of the City's governmental activities increased by $2,486,249 for the year as a result of current year activities. The net position of the City's business activities increased $713,049 for the year.
- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflow of resources as of September 30, 2019, by $60.8 million (net position). Of this amount, $13.0 million was unrestricted and may be used to meet future obligations of the City.
- Total long-term liabilities of the City decreased by $3,550,316.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Government-Wide Financial Statements

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes in them. The City's net position – the difference between assets and liabilities – are one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental Activities: Most of the City's basic services are reported here. Taxes are the primary source of financing for these activities.
- Business-Type Activities: The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's sewer services are provided here.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds rather than the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes and grants.

- Governmental Funds: Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the governmental funds are shown in a reconciliation following the fund financial statements.
- Proprietary Funds: When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

Notes to the Basic Financial Statements

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

Government-Wide Financial Analysis

Net Position

The following table presents the condensed Statement of Net Position for the City as of September 30, 2019 and 2018, as restated:

	Governmental Activities	Business-Type Activities	Total September 30, 2019	Total September 30, 2018
Assets				
Current and other assets	$ 11,725,707	$ 4,124,760	$ 15,850,467	$ 16,698,682
Capital assets	49,804,083	24,948,052	74,752,135	74,741,304
Net pension asset	4,852,482	290,370	5,142,852	5,082,551
Total Assets	66,382,272	29,363,182	95,745,454	96,522,537
Deferred Outflow of Resources				
Deferred outflow of resources	291,507	19,114	310,621	481,885
Liabilities				
Other liabilities	4,034,320	1,598,968	5,633,288	6,063,705
Long-term liabilities outstanding	17,407,415	11,090,821	28,498,236	32,048,552
Total Liabilities	21,441,735	12,689,789	34,131,524	38,112,257
Deferred Inflow of Resources				
Deferred inflow of resources	1,031,172	61,925	1,093,097	1,260,009
Net Position				
Net investment in capital assets	31,340,156	12,612,231	43,952,387	42,369,167
Restricted	3,151,886	767,247	3,919,133	4,686,632
Unrestricted	9,708,830	3,251,104	12,959,934	10,576,357
Total Net Position	$ 44,200,872	$ 16,630,582	$ 60,831,454	$ 57,632,156

Total net position of the City increased $3,199,298 for the year due to current year activity. Total liabilities for the City have decreased by $3,965,440. Net capital assets for the governmental activities totaled $49.8 million as of September 30, 2019.

Change in Net Position

	Governmental Activities	Business-Type Activities	Total Year Ended September 30, 2019	Total Year Ended September 30, 2018
Revenues				
Program Revenues				
Charges for services	$ 1,649,214	$ 4,599,673	$ 6,248,887	$ 6,036,492
Operating grants and contributions	167,439	-	167,439	80,190
Capital grants and contributions	187,751	-	187,751	551,867
General Revenues				
Property taxes	2,330,854	-	2,330,854	2,152,710
Sales taxes	7,816,714	-	7,816,714	7,791,205
Motor vehicle taxes	762,824	-	762,824	761,479
Other taxes	368,870	-	368,870	331,858
Franchise fees	2,550,153	-	2,550,153	2,672,389
Interest	242,917	339,965	582,882	840,950
Other revenue	73,717	-	73,717	60,612
Gain on disposal of assets	502,943	-	502,943	24,964
Transfers	667,000	(667,000)	-	-
Total Revenues, Gains, and Transfers	17,320,396	4,272,638	21,593,034	21,304,716
Expenses				
General government	681,791	-	681,791	490,262
Finance	536,736	-	536,736	439,976
Other support services	514,926	-	514,926	400,623
Information technology	625,293	-	625,293	456,713
Municipal court	164,287	-	164,287	143,433
Buildings and grounds	309,806	-	309,806	419,965
Public safety and health	5,139,962	-	5,139,962	5,437,819
Community development	906,866	-	906,866	731,874
Transportation	2,446,870	-	2,446,870	3,036,300
Cemetery	121,790	-	121,790	144,430
Parks and recreation	2,776,682	-	2,776,682	2,770,218
Debt service	609,138	490,252	1,099,390	2,281,008
Sewer	-	3,069,337	3,069,337	3,271,889
Total Expenses	14,834,147	3,559,589	18,393,736	20,024,510
Increase in Net Assets	$ 2,486,249	$ 713,049	$ 3,199,298	$ 1,280,206

Governmental Activities

Governmental activities increased the net position of the City by $2,486,249. Total tax revenues for the City were $13.8 million, which represents 80% of the financing of these activities. Program revenues for the functions totaled $2.0 million or 12% of the funding. The following table shows the cost of the City's programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the taxpayers by each of these functions.

Net Cost of the City of Warrensburg's Governmental Activities

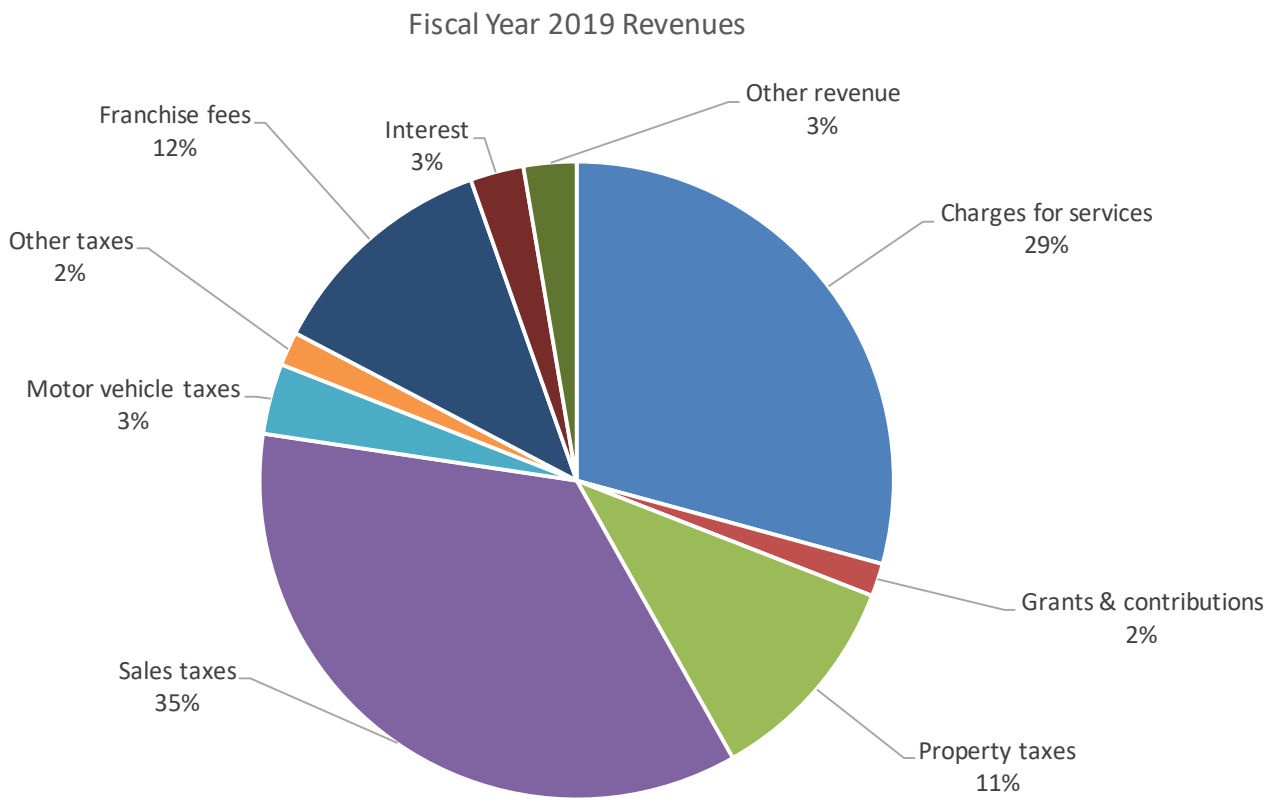
	Total Cost of Services	Net Cost of Services
General government	$ 681,791	$ 401,355
Finance	536,736	536,736
Other support services	514,926	514,926
Information technology	625,293	625,293
Municipal court	164,287	(199,388)
Buildings and grounds	309,806	309,806
Public safety and health	5,139,962	5,065,468
Community development	906,866	906,866
Transportation	2,446,870	2,361,629
Cemetery	121,790	(49,024)
Parks and recreation	2,776,682	1,746,938
Debt Service	609,138	609,138
	$ 14,834,147	$ 12,829,743

Business-Type Activities

Business-type activities increased the City's net position by $713,049. Last year the business-type activities increased $447,551.

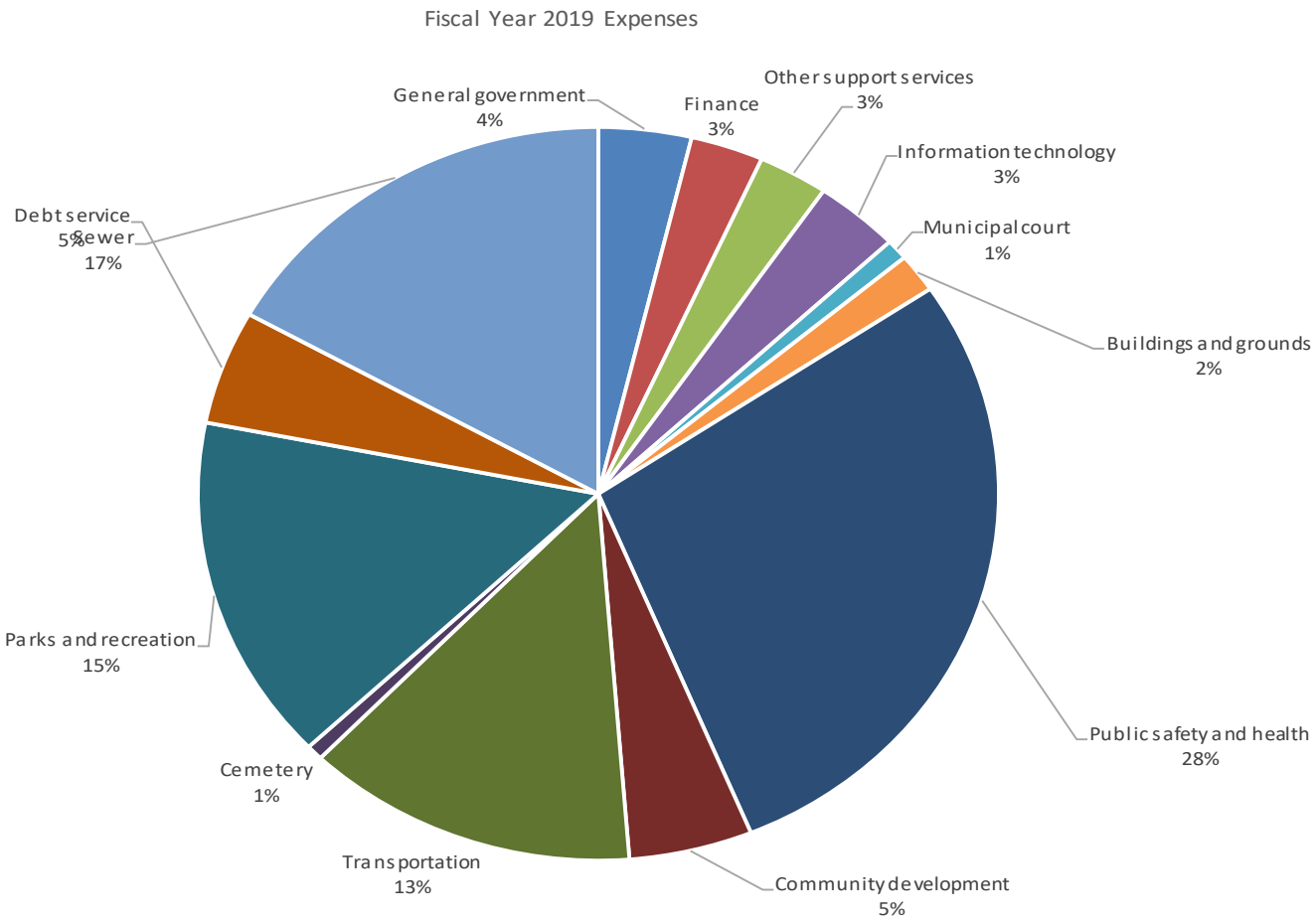
Financial Analysis of the City's Funds

The pie chart below illustrates the City of Warrensburg's revenue sources as percentages for the fiscal year 2019. The City saw an increase in revenues from fiscal year 2018 to fiscal year 2019, with the most important difference being property taxes. Property tax revenue increased $178,144 from $2,152,710 in fiscal year 2018 to $2,330,854 in fiscal year 2019. Sales tax revenue also saw a slight increase of $25,509. Changes in revenue continue to shift the proportions of revenue collections. Historically, Sales tax has been consistently over 50% of total revenue that is now down to 35%. Franchise fees continue to see a decline while charges for services saw an increase compared to fiscal year 2018.



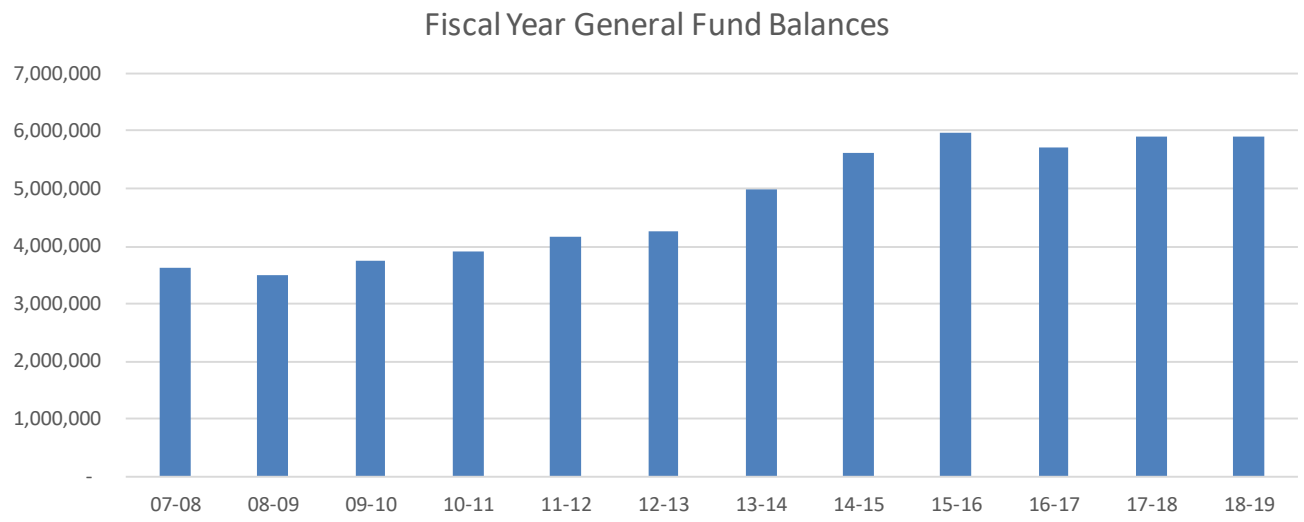
The City of Warrensburg saw an overall decrease in expenses in fiscal year 2019. Most of the divisions saw increases in operating expense. Decreases in Building and Grounds, Public Safety, Transportation capital, Debt Service and Water Pollution Control provided for the overall decrease in expense compared to 2018.

Implementation of the findings of the recent Wage & Benefit Study brought employee wages to the 50th percentile (the average) of comparable communities. This represents the increase in most of the divisions operating costs and will continue to impact the City's budget for FY20 and future budgets. Departments have done a great job this year making this matter a priority and balancing their budgets.



The combined fund balances of the City's governmental funds as of September 30, 2019, were $9.1 million. The General Fund increased by $39,017. The Park Fund increased by $111,757. The Tri-Centennial Fund increased by $431. The Capital Improvement Transportation Fund decreased by $14,991. The Capital Improvement Half-Cent Fund increased by $118,181. The Debt Service Fund decreased by $1. The Neighborhood Improvement Fund increased by $254,713. The Tax Increment Financing Fund increased by $4,332. The Capital Improvement Bond Fund decreased by $1,327,248 .

The following bar graph provides a view of the City of Warrensburg's ending General Fund balances, and displays the recent historical performance of the General Fund.



General Fund Budgetary Highlights

Differences between the original and the final amended budget can be summarized as follows:

- The original revenue budget of $9,176,876 was amended to $9,193,876 during the year.
- The total original budgeted expenditures of $10,711,146 were decreased by $70,166 to $10,640,980. Most of this increase was from an increase in transportation and public safety and health.

Capital Asset and Debt Administration

Capital Assets

Capital assets of the governmental activities were $49.8 million (net of accumulated depreciation) as of September 30, 2019. This represents an increase of $1.0 million from the prior year due to the current year purchase of capital assets and improvements. Net capital assets for business-type activities were $24.9 million as of September 30, 2019. This represents a decrease of $1.1 million from the prior year due primarily to current year provisions for depreciation.

Debt

Total debt and long-term obligations of the governmental activities as of September 30, 2019, was $19.4 million, which is an decrease of $2.3 million.

Total debt and long-term obligations of the business-type activities as of September 30, 2019, was $12.3 million, which is down by $1.2 million from the prior year due to the payments made on the City's Certificates of Participation and revenue bonds.

Economic Factors and Next Year's Budget

The City continues to experience stability in overall General Fund revenues, which is a positive. Overall revenue has plateaued, and staff does not anticipate any significant increase or decrease in the upcoming fiscal year. Some revenue streams have declined, with the most significant one being franchise fees. Given the significant dependence of the City on sales tax revenues it is imperative that a constant focus is applied to sustaining growth in this revenue stream. Efforts such as the "Love What's Local" campaign become increasingly important. The real driver, however, will be to increase population and discretionary income levels within the city limits and local region. Conversation also needs to continue with State and Federal elected officials regarding the disparity between online and local sales transactions.

Ideally the City would diversify its revenues streams to decrease dependency upon sales tax, particularly stronger property tax revenues. However, the Missouri legislature's enactment of the Hancock Amendment has made doing so more difficult. It is recommended that the Council consider placing significant infrastructure and capital purchase on the ballot for citizens to vote property tax increases to pay for these community needs. Examples of projects and capital purchases include the Maguire Street Corridor, storm water infrastructure, Public Safety apparatus and technology.

In fiscal year 2017, the City joined the Missouri Securities Investment Program (MOSIP). This has allowed the City to earn interest above what is currently offered by the City's banking institution, while maintaining compliance with state approved investments for municipalities.

Sewer rate increases in 2017 had the desired effect on generating revenues needed to stabilize the financial viability of the Sewer Utility. Additional increases are needed to provide the appropriate revenues to fund Sewer Capital Projects and maintain financial solvency.

After three years of extensive capital purchases and projects undertaken by the City, there has been a shift in focus for fiscal year 2020. Although capital projects where limited within this year's budget, there are a few significate expenditures. The demolition of a dilapidated Street Department storage building on West Culton street will take place sometime in the spring of 2020, leaving a prime lot in the downtown portion of the City. There will also be a refresh of the servers in City Hall. This refresh takes place every four years to update the City's virtual infrastructure.

The City also plans to do extensive upgrades to its wastewater plants, and some of that work will begin in fiscal year 2020. To address the reliability of phone and internet networks, which are a necessary tool for the operation of the plant, the City will have fiber installed to the facility. There will also be new SCADA components installed along with the replacement of Ultraviolet components and Sequencing Batch Reactor blowers that aid in the treatment of the City's wastewater.

Contacting the City's Financial Management

The City's financial statements are designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. Any questions regarding the report or request for additional information should be directed to:

Finance Director
102 South Holden St.
Warrensburg, Missouri
64093
(660-747-9131).

City of Warrensburg

Statement of Net Position

September 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Warrensburg Convention and Visitors Bureau
Assets				
Cash and cash equivalents - unrestricted	$ 6,296,629	$ 2,292,034	$ 8,588,663	$ 222,977
Investments - unrestricted	1,741,224	439,628	2,180,852	
Taxes receivable, net	1,642,065	-	1,642,065	-
Utilities receivable, net	-	463,944	463,944	-
Other accounts receivable, net	22,855	-	22,855	-
Special assessments receivable, net	523,078	-	523,078	-
Court fines receivable, net	2,579	-	2,579	-
Accrued interest receivable	22,279	5,887	28,166	-
Inventory	12,405	-	12,405	-
Prepaid expenses	189,601	33,460	223,061	-
Restricted cash and cash equivalents	388,473	249,285	637,758	-
Restricted investments	884,519	640,522	1,525,041	-
Net pension asset	4,852,482	290,370	5,142,852	-
Capital Assets:				
Non-depreciable	5,056,297	392,583	5,448,880	-
Depreciable, net	44,747,786	24,555,469	69,303,255	-
Total Assets	66,382,272	29,363,182	95,745,454	222,977
Deferred Outflow of Resources				
Deferred pension outflow	291,507	19,114	310,621	-
Total Deferred Outflow of Resources	291,507	19,114	310,621	-

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Net Position

September 30, 2019

	Governmental Activities	Business-Type Activities	Total	Warrensburg Convention and Visitors Bureau
Liabilities				
Current				
Accounts payable	1,185,737	115,911	1,301,648	12,054
Accrued expenses	182,167	16,650	198,817	-
Unearned revenue	122,091	-	122,091	-
Court bonds payable	9,328	-	9,328	-
Accrued interest payable	77,055	98,849	175,904	-
Arbitrage payable	-	122,558	122,558	-
Current maturities of long-term debt	2,457,942	1,245,000	3,702,942	-
	4,034,320	1,598,968	5,633,288	12,054
Noncurrent				
Capital leases payable	395,953	-	395,953	-
Neighborhood improvement bonds payable	2,238,000	-	2,238,000	-
Certificates of participation payable	11,204,060	-	11,204,060	-
Revenue bonds payable, net	-	11,056,423	11,056,423	-
General obligation bonds payable, net	3,075,000	-	3,075,000	-
Compensated absences payable	494,402	34,398	528,800	-
	17,407,415	11,090,821	28,498,236	-
Total Liabilities	21,441,735	12,689,789	34,131,524	12,054
Deferred Inflow of Resources				
Deferred pension inflow	1,031,172	61,925	1,093,097	-
Total Deferred Inflow of Resources	1,031,172	61,925	1,093,097	-
Net Position				
Net investment in capital assets	31,340,156	12,612,231	43,952,387	-
Restricted	3,151,886	767,247	3,919,133	-
Unrestricted	9,708,830	3,251,104	12,959,934	210,923
Total Net Position	$ 44,200,872	$ 16,630,582	$60,831,454	$ 210,923

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Activities

Year Ended September 30, 2019

		Program Revenues			Net (Expenses), Revenues and Changes in Net Position			
					Primary Government			Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Warrensburg Convention and Visitors Bureau
Primary Government								
Governmental Activities								
General government	$ (681,791)	$ 227,877	$ 52,559	$ -	$ (401,355)	$ -	$ (401,355)	$ -
Finance	(536,736)	-	-	-	(536,736)	-	(536,736)	-
Other support services	(514,926)	-	-	-	(514,926)	-	(514,926)	-
Information technology	(625,293)	-	-	-	(625,293)	-	(625,293)	-
Municipal court	(164,287)	363,675	-	-	199,388	-	199,388	-
Buildings and grounds	(309,806)	-	-	-	(309,806)	-	(309,806)	-
Public safety and health	(5,139,962)	59,444	15,050	-	(5,065,468)	-	(5,065,468)	-
Community development	(906,866)	-	-	-	(906,866)	-	(906,866)	-
Transportation	(2,446,870)	-	85,241	-	(2,361,629)	-	(2,361,629)	-
Cemetery	(121,790)	161,914	8,900	-	49,024	-	49,024	-
Parks and recreation	(2,776,682)	836,304	5,689	187,751	(1,746,938)	-	(1,746,938)	-
Debt service	(609,138)	-	-	-	(609,138)	-	(609,138)	-
Total Governmental Activities	(14,834,147)	1,649,214	167,439	187,751	(12,829,743)	-	(12,829,743)	-
Business-Type Activities								
Sewer	(3,559,589)	4,599,673	-	-	-	1,040,084	1,040,084	-
Total Business-Type Activities	(3,559,589)	4,599,673	-	-	-	1,040,084	1,040,084	-
Total Primary Government	$ (18,393,736)	$ 6,248,887	$ 167,439	$ 187,751	(12,829,743)	1,040,084	(11,789,659)	-

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Activities

Year Ended September 30, 2019

		Program Revenues			Net (Expenses), Revenues and Changes in Net Position			
					Primary Government			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Warrensburg Convention and Visitors Bureau
Component Unit								
Warrensburg Convention and Visitors Bureau	$ (167,949)	$ 171,701	$ 6,043	$ -	-	-	-	9,795
General Revenues								
Property taxes					2,330,854	-	2,330,854	-
Sales taxes					7,816,714	-	7,816,714	-
Motor vehicle taxes					762,824	-	762,824	-
Other taxes					368,870	-	368,870	-
Franchise fees					2,550,153	-	2,550,153	-
Interest					242,917	339,965	582,882	5,147
Other revenue					73,717	-	73,717	413
Gain on disposal of assets					502,943	-	502,943	-
Transfers					667,000	(667,000)	-	-
Total General Revenues and Transfers					15,315,992	(327,035)	14,988,957	5,560
Changes in Net Position					2,486,249	713,049	3,199,298	15,355
Net Position, Beginning of year, as restated					41,714,623	15,917,533	57,632,156	195,568
Net Position, End of year					$ 44,200,872	$ 16,630,582	$ 60,831,454	$ 210,923

See accompanying notes to the financial statements.

City of Warrensburg

Balance Sheet – Governmental Funds

September 30, 2019

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Assets											
Cash and cash equivalents	$ 4,001,888	$ 790,536	$ 11,310	$ 36,033	$ 283,806	$ 159,984	$ 359,735	$ 6,245	$ -	$ -	$ 5,649,537
Investments	1,045,959	288,600	3,563	146,055	115,352	-	-	-	-	-	1,599,529
Taxes receivable, net	1,007,222	209,423	-	126,407	281,324	-	-	-	17,689	-	1,642,065
Other accounts receivables	-	22,855	-	-	-	-	-	-	-	-	22,855
Special assessments receivable, net	-	-	-	-	-	-	523,078	-	-	-	523,078
Court fines receivable, net	2,579	-	-	-	-	-	-	-	-	-	2,579
Due from other funds	145,000	-	-	-	-	-	-	-	-	-	145,000
Accrued interest receivable	13,663	3,717	45	1,378	1,475	-	-	-	-	180	20,458
Inventory	12,405	-	-	-	-	-	-	-	-	-	12,405
Prepaid expenses	167,296	22,305	-	-	-	-	-	-	-	-	189,601
Restricted cash and cash equivalents	35,848	277	-	-	-	2,282	260,938	-	22,509	66,619	388,473
Restricted investments	-	-	-	-	-	-	-	-	884,519		884,519
Total Assets	$ 6,431,860	$ 1,337,713	$ 14,918	$ 309,873	$ 681,957	$ 162,266	$ 1,143,751	$ 6,245	$ 924,717	$ 66,799	$ 11,080,099
Liabilities, Deferred Inflow of Resources, and Fund Balances											
Liabilities											
Accounts payable	$ 325,669	$ 97,897	$ -	$ 6,941	$ 87,867	$ -	$ -	$ 1,893	$ 494,458	$ -	$ 1,014,725
Accrued expenses	160,824	21,343	-	-	-	-	-	-	-	-	182,167
Court bonds payable	9,328	-	-	-	-	-	-	-	-	-	9,328
Due to other funds	-	-	-	-	-	145,000	-	-	-	-	145,000
Unearned revenue	26,520	95,571	-	-	-	-	-	-	-	-	122,091
Total Liabilities	522,341	214,811	-	6,941	87,867	145,000	-	1,893	494,458		1,473,311

See accompanying notes to the financial statements.

City of Warrensburg

Balance Sheet – Governmental Funds

September 30, 2019

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Deferred Inflow of Resources											
Deferred inflows - special assessments	-	-	-	-	-	-	523,078	-	-	-	523,078
Fund Balances											
Nonspendable:											
Inventory	12,405	-	-	-	-	-	-	-	-	-	12,405
Prepaid expenses	167,296	22,305	-	-	-	-	-	-	-	-	189,601
Restricted for:											
Debt Service	-	-	-	-	-	17,266	620,673	4,352	-	-	642,291
Capital improvements	-	-	-	302,932	594,090	-	-	-	430,259	66,799	1,394,080
Tri-centennial	-	-	14,918	-	-	-	-	-	-	-	14,918
Parks and recreation	-	1,100,597	-	-	-	-	-	-	-	-	1,100,597
Unassigned	5,729,818	-	-	-	-	-	-	-	-	-	5,729,818
Total Fund Balances	5,909,519	1,122,902	14,918	302,932	594,090	17,266	620,673	4,352	430,259	66,799	9,083,710
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	$ 6,431,860	$ 1,337,713	$ 14,918	$ 309,873	$ 681,957	$ 162,266	$ 1,143,751	$ 6,245	$ 924,717	$ 66,799	$ 11,080,099

See accompanying notes to the financial statements.

City of Warrensburg

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

September 30, 2019

Fund balance - total governmental funds	$ 9,083,710
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	96,600,800
Less accumulated depreciation	(46,796,717)
	49,804,083
The net pension asset is not available to pay for the current-period expenditures, and therefore, is not reported in the funds. The following is the detail of the net effect of these differences in the treatment of the net pension asset and related deferred items:	
Net pension asset	4,852,482
Deferred outflows due to pension	291,507
Deferred inflows due to pension	(1,031,172)
	4,112,817
Internal Service Funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position	619,596
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due	(77,055)
Deferred inflows - special assessments	523,078
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	(19,865,357)
Net position of governmental activities	$ 44,200,872

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2019

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Revenues											
Taxes	$ 8,204,567	$ 1,808,084	$ -	$ 762,823	$ 1,862,859	$ -	$ 76,323	$ 149,409	$ 1,041,307	$ -	$ 13,905,372
Licenses and permits	227,877	-	-	-	-	-	-	-	-	-	227,877
Intergovernmental revenues	1,200	81,161	-	85,241	-	-	-	-	-	-	167,602
Charges for services	216,608	836,304	-	-	-	-	-	-	-	-	1,052,912
Fines and forfeitures	368,425	-	-	-	-	-	-	-	-	-	368,425
Interest income	148,565	32,470	431	10,686	14,674	802	-	-	34,338	951	242,917
Miscellaneous	133,124	118,768	-	5,566	-	-	-	-	-	3,847	261,305
Total Revenues	9,300,366	2,876,787	431	864,316	1,877,533	802	76,323	149,409	1,075,645	4,798	16,226,410
Expenditures											
Current											
General government	508,156	-	-	-	-	-	100	-	-	-	508,256
Finance	487,372	-	-	-	-	-	-	-	-	-	487,372
Other support services	506,941	-	-	-	-	-	-	-	-	-	506,941
Information technology	589,904	-	-	-	-	-	-	-	-	-	589,904
Municipal court	156,261	-	-	-	-	-	-	-	-	-	156,261
Buildings and grounds	303,403	-	-	-	-	-	-	-	-	-	303,403
Public safety and health	5,385,059	-	-	-	-	-	-	-	-	-	5,385,059
Community development	708,242	-	-	-	-	-	-	145,077	-	-	853,319
Transportation	1,795,752	-	-	-	-	-	-	-	-	-	1,795,752
Cemetery	102,289	-	-	-	-	-	-	-	-	-	102,289
Parks and recreation	-	2,481,341	-	-	-	-	-	-	-	-	2,481,341
Capital improvements	-	-	-	879,307	173,415	-	-	-	1,194,894	67	2,247,683
Debt Service											
Principal and interest	-	-	-	-	-	2,697,978	262,384	-	-	-	2,960,362
Total Expenditures	10,543,379	2,481,341	-	879,307	173,415	2,697,978	262,484	145,077	1,194,894	67	18,377,942

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2019

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Excess (Deficit) of Revenues over Expenditures	(1,243,013)	395,446	431	(14,991)	1,704,118	(2,697,176)	(186,161)	4,332	(119,249)	4,731	(2,151,532)
Other Financing Sources (Uses)											
Sale of land	-	-	-	-	-	-	440,875	-	-	-	440,875
Sale of equipment	-	-	-	-	-	-	-	-	-	62,068	62,068
Lease proceeds	234,580	-	-	-	-	-	-	-	-	-	234,580
Operating transfers in (out)	1,047,450	(283,689)	-	-	(1,585,937)	2,697,175	-	-	(1,207,999)	-	667,000
Total Other Financing Sources (Uses)	1,282,030	(283,689)	-	-	(1,585,937)	2,697,175	440,875	-	(1,207,999)	62,068	1,404,523
Excess (Deficit) of Revenues and Other Sources over Expenditures and other (Uses)	39,017	111,757	431	(14,991)	118,181	(1)	254,714	4,332	(1,327,248)	66,799	(747,009)
Fund Balance, October 1 **	5,870,502	1,011,145	14,487	317,923	475,909	17,267	365,959	20	1,757,507	-	9,830,719
Fund Balance, September 30	$ 5,909,519	$ 1,122,902	$ 14,918	$ 302,932	$ 594,090	$ 17,266	$ 620,673	$ 4,352	$ 430,259	$ 66,799	$ 9,083,710

** - as restated

See accompanying notes to the financial statements.

City of Warrensburg

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended September 30, 2019

Net change in fund balances - total governmental funds	$ (747,009)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives on a straight line basis and reported as depreciation expense. The following is the detail of the amount by which depreciation was exceeded by capital outlays for the year.	
Capital outlay	2,207,400
Depreciation	(2,093,761)
Disposal of capital assets, net	923,743
	1,037,382
Some revenues reported in the governmental funds represent current financial resources and were recognized in the Statement of Activities when earned	(75,957)
The issuance of long-term debt provides current financial resources to governmental funds. The repayment of the principal of long-term debt is a use of current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. In the Statement of Activities, interest is accrued on outstanding debt whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences.	
Lease proceeds	(234,580)
Repayment of principal on bonds, leases, and other debt	2,287,043
Bond premiums and discounts	51,992
Interest payable	12,189
	2,116,644
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net expense of certain activities of the Internal Service Fund is reported with governmental activities.	55,998
Some expenditures reported in the governmental fund represent the use of current financial resources and were recognized in the Statement of Activities when incurred	99,191
Change in net position of governmental activities	$ 2,486,249

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Net Position – Proprietary Funds

September 30, 2019

	Enterprise Fund Sewer Fund	Internal Service Fund
Assets		
Current Assets		
Cash and cash equivalents	$ 2,292,034	$ 647,092
Investments	439,628	141,695
Utilities receivable, net	463,944	-
Accrued interest receivable	5,887	1,821
Prepaid expenses	33,460	-
Total Current Assets	3,234,953	790,608
Noncurrent Assets		
Net pension asset	290,370	-
Total Noncurrent Assets	290,370	-
Restricted Assets		
Cash and cash equivalents	249,285	-
Investments	640,522	-
Total Restricted Assets	889,807	-
Property, Plant and Equipment		
Land	392,583	-
Buildings and improvements	19,494,721	-
Sewer mains and lines	27,214,393	-
Machinery and equipment	1,123,051	-
	48,224,748	-
Less accumulated depreciation	(23,276,696)	-
Total Property, Plant, and Equipment	24,948,052	-
Total Assets	29,363,182	790,608
Deferred Outflow of Resources		
Deferred pension outflow	19,114	-
Total Deferred Outflow of Resources	19,114	-

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Net Position – Proprietary Funds

September 30, 2019

	Enterprise Fund Sewer Fund	Internal Service Fund
Liabilities		
Current Liabilities		
Accounts payable	115,911	171,012
Accrued expenses	16,650	-
Accrued interest payable	98,849	-
Arbitrage payable	122,558	-
Current maturities of long-term debt	1,245,000	-
Total Current Liabilities	1,598,968	171,012
Long-Term Liabilities		
Revenue bonds payable, net	11,056,423	-
Compensated absences payable	34,398	-
Total Long-Term Liabilities	11,090,821	-
Total Liabilities	12,689,789	171,012
Deferred Inflow of Resources		
Deferred pension inflow	61,925	-
Total Deferred Inflow of Resources	61,925	-
Net Position		
Net investment in capital assets	12,612,231	-
Restricted	767,247	-
Unrestricted	3,251,104	619,596
Total Net Position	$ 16,630,582	$ 619,596

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds

Year Ended September 30, 2019

	Enterprise Fund Sewer Fund	Internal Service Fund
Operating Revenues		
Charges for services	$ 4,596,018	$ -
Miscellaneous	3,655	-
Premiums	-	1,062,449
Total Operating Revenues	4,599,673	1,062,449
Operating Revenues		
Personnel services	741,471	-
Contractual services	107,496	-
Repairs and maintenance	201,091	-
Supplies	65,022	-
Utilities	339,611	-
Education	2,484	-
Labs and testing	17,856	-
Insurance expenses	60,400	-
Depreciation	1,488,968	-
Miscellaneous	44,938	-
Insurance claims	-	668,360
Insurance administration fees	-	359,085
Total Operating Expenses	3,069,337	1,027,445
Operating Income	1,530,336	35,004
Nonoperating Revenues (Expenses)		
Interest income	339,965	20,994
Interest expense	(490,252)	-
Total Nonoperating Revenues (Expenses)	(150,287)	20,994
Income Before Operating Transfers	1,380,049	55,998
Operating Transfers (Out)	(667,000)	-
Net Income	713,049	55,998
Net Position, October 1	15,917,533	563,598
Net Position, September 30	$ 16,630,582	$ 619,596

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Cash Flows – Proprietary Funds

Year Ended September 30, 2019

	Sewer Fund	Internal Service Fund
Cash Flows from Operating Activities		
Cash received from customers	$ 4,587,042	$ 1,062,449
Cash paid to suppliers	(841,642)	(962,053)
Cash paid to employees	(717,018)	-
Net Cash Provided by Operating Activities	3,028,382	100,396
Cash flows from Noncapital Financing Activities		
Operating transfer (out)	(667,000)	-
Net Cash (Used) by Noncapital Financing Activities	(667,000)	-
Cash Flows from Capital and Related Financing Activities		
Purchase of fixed assets	(462,418)	-
Payment of bond principal	(1,220,000)	-
Payment of interest expense	(499,807)	-
Net Cash (Used) by Capital and Related Financing Activities	(2,182,225)	-
Cash Flows from Investing Activities		
Interest received on investments	328,502	19,956
Purchase of investments	(18,732)	(2,766)
Net Cash Provided by Investing Activities	309,770	17,190
Net Increase in Cash and Cash Equivalents	488,927	117,586
Cash and Cash Equivalents, Beginning of year	2,052,392	529,506
Cash and Cash Equivalents, End of year	2,541,319	647,092
Less Restricted Cash and Cash Equivalents	(249,285)	-
Unrestricted Cash and Cash Equivalents	$ 2,292,034	$ 647,092
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income	$ 1,530,336	$ 35,004
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,488,968	-
(Increase) decrease in:		
Utilities receivable	(12,631)	-
Prepaid expenses	(5,087)	-
Net pension asset	15,640	-
Deferred pension outflows	13,673	-
Increase (decrease) in:		
Accounts payable	289	65,392
Accrued expenses	2,983	-
Compensated absences	7,127	-
Arbitrage payable	2,054	-
Deferred pension inflows	(14,970)	-
Net Cash Provided by Operating Activities	$ 3,028,382	$ 100,396

See accompanying notes to the financial statements.

City of Warrensburg

Combined Statement of Fiduciary Net Position – Private Purpose Trusts

September 30, 2019

	Private-Purpose Trusts
Assets	
Cash and cash equivalents	$ 126,508
Investments	39,708
Interest receivable	81
Total Assets	166,297
Liabilities	
Due to others	-
Net Position	
Unrestricted	166,297
Total Net Position	$ 166,297

See accompanying notes to the financial statements.

City of Warrensburg

Combined Statement of Changes in Fiduciary Net Position – Private Purpose Trusts

Year Ended September 30, 2019

	Private-Purpose Trusts
Additions	
Donations	$ 5,356
Deductions	
Contributions and other	43,600
Changes in Net Position	(38,244)
Net Position, beginning of year	204,541
Net Position, end of year	$ 166,297

See accompanying notes to the financial statements.

City of Warrensburg

Statement of Fiduciary Net Position – Agency Funds

September 30, 2019

	Agency Funds		
	Children's Memorial Trust	Arts Commission Fund	Public Arts Fund
Assets			
Cash and cash equivalents	$ 33,356	$ 17,061	$ 549
Investments	5,381	8,863	174
Interest receivable	78	111	2
Total Assets	$ 38,815	$ 26,035	$ 725
Liabilities			
Accounts payable	$ -	$ 6,000	$ -
Due to others	38,815	20,035	725
Total Liabilities	$ 38,815	$ 26,035	$ 725

See accompanying notes to the financial statements.

1. Summary of Significant Accounting Policies

The City of Warrensburg, Missouri, (the City) is located in Johnson County and was incorporated in 1865, under the provisions of the State of Missouri. Warrensburg is a city of the third class and operates under a City Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, culture-recreation, public improvements, planning, and general administrative services. Other services include sewer operations.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies.

Financial Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is accountable for the component unit and the primary government is able to impose its will or the component unit may provide financial benefits or impose a financial burden on the primary government. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City is a primary government, which is governed by an elected board. As required by accounting principles generally accepted in the United States of America, the City has evaluated the above criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements. The City has determined that the entity described in the following paragraph meets the above criteria and therefore, has been included as a component unit in the City's basic financial statements.

Component Unit

The Warrensburg Convention and Visitors Bureau of the City of Warrensburg is a not-for-profit corporation organized for the purpose of promoting tourism in Warrensburg. The Bureau is governed by a nine-member board appointed by the City.

Government-Wide and Fund Financial Statements

The basic financial statements include both the government-wide (the Statement of Net Position and the Statement of Activities) and fund financial statements.

Government-Wide Financial Statements

The government-wide statements display information about the government as a whole. Interfund activity has been eliminated from these statements to minimize the duplication of internal activities. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for services for support.

In the government-wide Statement of Net Position, both the governmental and business-type activities are consolidated and presented on the full accrual, economic resources basis of accounting. The consolidated presentation incorporates long-term assets and receivables as well as long-term debt and obligations, and it provides information to improve analysis and comparability.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental and business-type activities. Direct expenses are those that are specifically associated with a program or a function. Program revenues include charges for goods or services offered by the programs and grants and contributions that are restricted to meet operating and capital expenses of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

Separate fund financial statements report information on the City's governmental and proprietary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Consequently, the emphasis on near-term inflows and outflows of resources do not present the long-term impact of transactions. Conversely, the proprietary fund statements incorporate the accrual basis of accounting and focus on the change in total economic resources. This presentation records long-term assets and liabilities, and recognizes revenues and expenses when transactions occur, regardless of their impact on the flow of cash. Since the accounting differs significantly between the governmental funds and the proprietary funds, it is necessary to convert the governmental fund data to arrive at the government-wide financial statements. Therefore, reconciliations have been provided following the Governmental Funds Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance identifying categories that required conversion from the fund statements.

The City reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the City. It is used to account for all financial resources not accounted for in other funds.

Park Fund: The Park Fund of the City is used to account for resources restricted, committed, or assigned for the parks department within the City.

Tri-Centennial Fund: The Tri-Centennial Fund is used to account for miscellaneous revenues and expenditures that are restricted, committed, or assigned for the Tri-Centennial activities.

Capital Improvement Transportation Fund: The Capital Improvement Transportation Fund is used to account for sales taxes and other resources that are restricted, committed, or assigned for the transportation capital improvements within the City.

Capital Improvement Half-Cent Fund: The Capital Improvement Half-Cent Fund is used to account for sales taxes and other resources that are restricted, committed, or assigned for the capital improvements within the City.

Neighborhood Improvement Fund: The Neighborhood Improvement Fund is used to account for proceeds that are restricted, committed, or assigned from the payment of Neighborhood Improvement Bonds.

Debt Service Fund: The Debt Service Fund is used to account for funds that are restricted, committed, or assigned from the payment of the City's governmental activities debt.

Tax Increment Financing Fund: This fund is used to account for collection and disbursement of economic activity taxes and property taxes collected on growth of assessed valuation of the redevelopment area of the TIF District.

Capital Improvement Bond Fund: This fund is used to account for collection and disbursement of proceeds of the Series 2017 General Obligation bonds.

Vehicle Fund: This fund is used to account for the acquisition and disposal of vehicles throughout various City departments.

The City reports the following major proprietary funds:

Sewer Fund: The Sewer Fund accounts for the activities and capital improvements of the City's sewer system.

Internal Service Fund: The Internal Service Fund accounts for the premiums received and claims paid under the City's hybrid cost-plus employee health insurance plan.

The City reports the following major fiduciary funds:

Fiduciary Funds: Fiduciary funds are used to report assets held in a trustee or agency capacity for others. Since by definition these assets are being held for the benefit of a third party and cannot be used to support activities or obligations for the City, these funds are not incorporated into the government-wide statements. The City is the fiduciary for four private purpose trust funds and three agency funds. The agency funds consist of the Children's Memorial Trust, the Arts Commission Fund, and the Public Arts Fund. The Children's Memorial Trust fund exists to account for funds donated to build a memorial to honor the memory of children who have died. The Arts Commission fund is used to account for funds donated to further the arts within the City. The Public Arts Fund is used to fund art in public places.

Capital Assets

Capital assets include land, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items) and are included in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, excluding land, are defined by the City as assets with a cost of $5,000 or greater and an estimated useful life of at least one year. All land purchases are capitalized regardless of cost. All purchased fixed assets are valued at cost when historical records are available and at an estimated historical cost when no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

In conformity with GASB 34, infrastructure, such as streets and storm sewers, completed in the current year has been capitalized. Additionally, the city elected to depreciate its infrastructure assets. Depreciation is provided in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated service lives on the straight-line basis. The service lives by type of asset are as follows:

Machinery and equipment	3 to 20 years
Cemetery buildings	5 to 20 years
Other buildings	15 to 50 years
Improvements	15 to 50 years
Sewer lines	20 to 70 years
Other infrastructure	20 to 50 years

Expenditures for maintenance and repairs are charged to expense; renewals and betterments are capitalized.

Pooled Cash and Cash Equivalents

The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash account is available to meet current operating requirements.

Fair Value

The fair value measurement and disclosure framework provides for a fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. There have been no significant changes from the prior year in the methodologies used to measure fair value. The levels of the fair value hierarchy are described below:

Level 1: Inputs using quoted prices in active markets for identical assets or liabilities

Level 2: Inputs using significant other observable inputs including quoted prices for similar assets or liabilities

Level 3: Inputs are significant unobservable inputs

Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory usage is recognized on the consumption method.

Compensated Absences

Under terms of the City's municipal code, City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation days up to the equivalent of one year's vacation (maximum of four weeks). The amount that can be accrued for sick leave is limited to 1080 hours for firefighters and 720 hours for all other employees. Employees are paid for one-half of the amount of accumulated sick leave only upon retirement from the City.

Vested or accumulated vacation leave and compensatory time is accounted for as follows:

> Governmental Funds: The accumulated liabilities for vacation and compensatory time is recorded in the governmental activities column of the government-wide financial statements.
>
> Proprietary Funds: The costs of vacation and compensatory time are accrued in the respective funds as earned by City employees and recorded in the proprietary fund financial statements and the business-type activities column of the government-wide financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are due and payable at that time. All unpaid taxes levied November 1 become delinquent after December 31 of that year.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds generally result from providing services and producing and delivering goods and/or services in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund is charges to customers for services. All other revenues and expenses are considered nonoperating.

Deposits and Investments

For financial statement purposes and the statement of cash flows, the City considers all accounts subject to withdrawal by check or on demand to be cash equivalents. All other deposits and Certificates of Deposit are considered to be investments.

Net Position

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

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

Restricted: This consists of net position that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted: This consists of net position that does not meet the definition of restricted or net investment in capital assets.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City first applies restricted net position.

Fund Balance Classification

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on constraints imposed on the use of these resources as follows:

Nonspendable fund balance: This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

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

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the City Council – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Council removes the specified use by taking the same type of action imposing the commitment.

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

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

In circumstances when a disbursement is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

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) until then. Currently, the City has one item that qualifies for reporting in this category, deferred amounts relating to employer contributions to the retirement plan.

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 City has only one type of item that qualifies for reporting in this category, deferred pension inflows relating to the retirement plan. These amounts are recognized as an inflow of resources in the period that the amounts become available.

Pensions

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

Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. These include 1) charges for city court fines, licenses and permits, planning and zoning services, parks and recreation services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All other governmental revenues are reported as general. All taxes are classified as general revenues, even if restricted for a specific purpose.

2. Cash & Cash Equivalents

Primary Government

State statutes require that the City's deposits be insured or collateralized in the name of the City by the trust department of a bank that does not hold the collateralized deposits. As of September 30, 2019, all bank balances on deposit are entirely insured or collateralized.

Warrensburg Convention and Visitors Bureau

State statutes require that the Bureau's deposits be insured or collateralized in the name of the Bureau by the trust department of a bank that does not hold the collateralized deposits. As of September 30, 2019, all bank balances on deposit are entirely insured or collateralized.

3. Investments

Primary Government

The City categorizes its investments within the fair value hierarchy as discussed in Note 1. At September 30, 2019, the City had the following recurring investments:

Investment Type	Maturity	Not Subject to Fair Value Hierarchy	Fair Value Level 1	Total
Guaranteed Investment Contracts	1/1/2028	$ 640,521	$ -	$ 640,521
Missouri Securities Investment Program (MOSIP) - Certificates of Deposit	11/18/2019 to 8/31/2020	2,192,000	-	2,192,000
Missouri Securities Investment Program (MOSIP) - Cash Management Funds	N/A	927,498	-	927,498
		$ 3,760,019	$ -	$ 3,760,019

Guaranteed Investment Contracts

The City has Guaranteed Investment Contracts on deposit with United Missouri Bank. These investments are not required to be reported under fair value hierarchy. Fair market value approximates cost as the City has a pro-rata share of the fund. These deposits are held in trust accounts for the 2007 Sewer System Revenue Bonds and the reserve accounts. The City's funds are invested under the State Revolving Fund Program and are required to be collateralized in the amount of 100% of the value of the investment.

Missouri Securities Investment Program

City funds in the Missouri Securities Investment Program are invested in cash management funds in which the City has a pro-rata share. The funds are invested in accordance with Section 165.051 and Section 360 of the Missouri Revised Statutes and the cash management fund has a current rating of AAAm. These investments are not required to be reported under fair value hierarchy.

Certificates of Deposit

Certificates of deposit with maturities in excess of three months at the date of purchase are classified as investments but are considered deposits for custodial risk determination. State statutes require that the City's deposits be collateralized in the name of the City by the trust department of a bank that does not hold the collateralized deposits. As of September 30, 2019, all certificates of deposit are entirely insured or collateralized with securities.

Interest Rate Risk

The City limits its exposure to interest rate risk. The City restricts its investments to those maturing in 5 years or less. This policy is limited to those investments made directly by the City and does not apply to investments of debt reserves made by trust account managers.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name.

At September 30, 2019, the City's deposits were insured by Federal depository insurance and uninsured deposits were fully collateralized by securities held in the City's name by their financial and government obligations and, accordingly, the City was not exposed to such credit risks.

Concentration of Credit Risk

The City's investment policy does not limit the amount it may invest in any one issuer. At September 30, 2019, the City's only investments were amounts held in trust invested in Guaranteed Investment Contracts on deposit with United Missouri Bank. The trust agreement requires that these amounts be collateralized in the amount of 100% of the value of the investment, and, accordingly, the City was not exposed to such credit risks.

4. Accounts Receivable

Primary Government

Accounts receivable are presented net of allowance for doubtful accounts as follows:

	Accounts Receivable	Allowance	Net Accounts Receivable
General Fund			
Ad valorem taxes receivable	$ 23,408	$ 13,338	$ 10,070
Sales and use tax receivable	690,203	-	690,203
Franchise tax receivable	281,971	-	281,971
Lodging tax receivable	24,978	-	24,978
Court fines receivable	60,851	58,272	2,579
Interest receivable	13,663	-	13,663
	$ 1,095,074	$ 71,610	$ 1,023,464
Park Fund			
Ad valorem taxes receivable	$ 5,894	$ 3,000	$ 2,894
Sales and use tax receivable	206,529	-	206,529
Interest receivable	3,717	-	3,717
Other receivables	33,217	10,362	22,855
	$ 249,357	$ 13,362	$ 235,995
Capital Improvement Transportation Fund			
Motor fuel and vehicle taxes receivable	$ 126,407	$ -	$ 126,407
Interest receivable	1,378	-	1,378
	$ 127,785	$ -	$ 127,785
Capital Improvement Half-Cent Fund			
Sales and use tax receivable	$ 281,324	$ -	$ 281,324
Interest receivable	1,475	-	1,475
	$ 282,799	$ -	$ 282,799
Neighborhood Improvement Fund			
Special assessments receivable	$ 765,167	$ 242,089	$ 523,078
Capital Improvement Bond Fund			
Ad valorem taxes receivable	$ 17,689	$ -	$ 17,689
Vehicle Fund			
Interest receivable	$ 180	$ -	$ 180
Sewer Fund			
Utilities receivable	$ 570,966	$ 107,022	$ 463,944
Interest receivable	5,887	-	5,887
	$ 576,853	$ 107,022	$ 469,831

5. Restricted Assets

Primary Government

Cash, investments and net position have been restricted in the following funds and activities as follows:

	Restricted Cash and Investments	Restricted Net Position
General Fund		
Court bonds	$ 9,328	$ -
Seizures and forfeitures	26,520	-
	$ 35,848	$ -
Park Fund		
Refundable deposits	$ 250	$ -
2014 Refunding Certificates of Participation Payment fund	27	-
Parks and recreation	-	1,100,597
	$ 277	$ 1,100,597
Tri-Centennial Fund		
Tri-Centennial activities	$ -	$ 14,918
Capital Improvement Fund		
Trustee funds	$ -	$ 302,932
Capital Improvement Half Cent Fund		
Trustee funds	$ -	$ 594,090
Debt Service Fund		
Debt service reserves	$ 2,282	$ 17,266
Neighborhood Improvement Fund		
Debt service reserves	$ 260,938	$ 620,673
TIF Fund		
Debt service reserves	$ -	$ 4,352

	Restricted Cash and Investments	Restricted Net Position
Capital Improvement Bond Fund		
Project reserves	$ 907,028	$ 430,259
Vehicle Fund		
Capital improvements	$ 66,619	$ 66,799
Sewer Fund		
2007 Revenue Bonds		
Rebate account	$ 122,559	$ -
Principal and interest	640,521	640,521
2010 Revenue Bonds		
Debt service reserve	1	-
Principal and interest	126,726	126,726
	$ 889,807	$ 767,247

6. Long-Term Liabilities – Governmental Activities

Long-term liabilities of the City of Warrensburg consist of four Certificates of Participation, three capital leases, one General Obligation Bond issue, two Neighborhood Improvement Bonds payable, and compensated absences payable.

During the year ended September 30, 2017, the City entered into a lease purchase agreement to finance police RMS Software and Park fitness equipment in the amount of $369,762. In the event of default, the Lessor may declare all payments immediately due and payable or retake possession of the leased property. The agreement requires quarterly payments of $19,710, including interest at 2.47% as shown in following schedule:

Year Ending September 30,	Direct Borrowing		
	Principal	Interest	Total
2020	$ 74,823	$ 4,017	$ 78,840
2021	76,689	2,151	78,840
2022	39,058	362	39,420
	$ 190,570	$ 6,530	$ 197,100

During the year ended September 30, 2017, the City entered into a lease purchase agreement to finance a Pierce Pumper Fire Truck in the amount of $344,678. In the event of default, the Lessor may declare all payments immediately due and payable or retake possession of the leased property. The agreement requires annual payments of $91,820, including interest at 3.3% as shown in following schedule:

Year Ending September 30,	Direct Borrowing		
	Principal	Interest	Total
2020	$ 87,243	$ 4,577	$ 91,820
2021	89,502	2,318	91,820
	$ 176,745	$ 6,895	$ 183,640

During the year ended September 30, 2019, the City entered into a lease purchase agreement to finance a Johnston Street Sweeper in the amount of $234,580. In the event of default, the Lessor may declare all payments immediately due and payable or retake possession of the leased property. The agreement requires annual payments of $51,735, including interest at 3.35% as shown in the following schedule:

Year Ending September 30,	Direct Borrowing		
	Principal	Interest	Total
2020	$ 43,876	$ 7,858	$ 51,734
2021	45,346	6,389	51,735
2022	46,865	4,869	51,734
2023	48,435	3,300	51,735
2024	50,058	1,677	51,735
	$ 234,580	$ 24,093	$ 258,673

These lease agreements provide for cancellation of the leases on the annual renewal date if the City should fail to appropriate funds. However, the City does not foresee exercising its option to cancel. Therefore, these leases are accounted for as noncancellable capital leases in accordance with GASB Section C20 – “Leases.”

Series 2013 Certificates of Participation

The City issued $8,485,000 of Series 2013 Refunding Certificates of Participation. The Certificates were issued to refund the Series 2007 Certificates of Participation which were originally used to fund various city building improvements and public safety equipment. The Certificates of Participation bear interest at 2.35% with principal and interest payments due March 1 and September 1 each year.

The total annual minimum lease payments required at September 30, 2019, are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	$ 785,000	$ 103,811	$ 888,811
2021	865,000	84,894	949,894
2022	940,000	64,155	1,004,155
2023	1,020,000	41,595	1,061,595
2024	1,005,000	17,684	1,022,684
	$ 4,615,000	$ 312,139	$ 4,927,139

Series 2014 Certificates of Participation

The City issued $655,000 of Series 2014 Certificates of Participation. The Certificates were issued to finance the Community Center roof project. The Certificates of Participation bear interest of 2.83% with principal payments due September 1 and interest payments due March 1 and September 1 each year.

The total annual minimum lease payments required at September 30, 2019, are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	$ 69,000	$ 10,216	$ 79,216
2021	70,000	8,264	78,264
2022	72,000	6,283	78,283
2023	74,000	4,245	78,245
2024	76,000	2,150	78,150
	$ 361,000	$ 31,158	$ 392,158

Series 2017 Certificates of Participation

December 12, 2017, the City issued $7,700,000 in Series 2017 Refunding Certificates of Participation for the purpose of refunding the 2009 and 2010 Certificates of Participation, which were originally issued for financing certain park projects, city buildings, and equipment purchases. The Certificates of Participation bear interest from 3.0% to 5.0% with principal payments due September 1 and interest payments due March 1 and September 1 each year.

The total annual minimum lease payments required at September 30, 2019, are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	$ 345,000	$ 250,075	$ 595,075
2021	335,000	232,825	567,825
2022	340,000	216,075	556,075
2023	380,000	199,075	579,075
2024	385,000	183,875	568,875
2025	605,000	168,475	773,475
2026	660,000	144,275	804,275
2027	715,000	117,875	832,875
2028	750,000	96,425	846,425
2029	805,000	73,925	878,925
2030	350,000	49,775	399,775
2031	395,000	39,275	434,275
2032	425,000	26,931	451,931
2033	420,000	13,650	433,650
	$ 6,910,000	$ 1,812,531	$ 8,722,531

Neighborhood Improvements Bonds – Series 2001

The City issued $105,000 of Series 2001 Neighborhood Improvement Bonds. The Bonds were issued to finance certain improvements to Russell Avenue. The bonds bear interest from 4.875% to 5.625% with principal payments due September 1 and interest payments due March 1 and September 1 each year. In conjunction with the issuance of these bonds, the City has agreed to assess certain Russell Avenue property owners the $105,000 cost of such improvements. The owners will be assessed $9,200 annually over the next 20 years. The special assessments received will be used for bond payments.

The total annual principal and interest payments required at September 30, 2019, are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	$ 8,000	$ 675	$ 8,675
2021	8,000	225	8,225
	$ 16,000	$ 900	$ 16,900

Neighborhood Improvements Bonds – Series 2011

The City issued $3,115,000 of Series 2011 Neighborhood Improvement Bonds. The Bonds were issued to retire Series 2009 Municipal Temporary Notes which were originally issued to fund improvements related to the Hawthorne Redevelopment Project. The bonds bear interest from 3.0% to 4.375% with principal payments due September 1 and interest payments due March 1 and September 1 each year. In conjunction with the issuance of these bonds, the City has agreed to assess property owners within the Hawthorne Redevelopment Project the $3,115,000 cost of such improvements. The special assessments received will be used for bond payments. During the year ended September 30, 2013, the City acquired various lots of property within the Hawthorne Development through a sheriff's tax sale. As such, the City will be absorbing a proportionate share of the debt service. The City intends to service debt principal and interest payments by using reserves created from pre-payments of special assessments by other property owners. The City-owned lots have been sold as of September 30, 2019 and the City will meet its obligation to provide for payments of principal and interest on these bonds. At September 30, 2019, special assessments receivable totaled $1,008,844.

The total annual principal and interest payments required at September 30, 2019, are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	$ 160,000	$ 93,575	$ 253,575
2021	165,000	88,088	253,088
2022	170,000	82,225	252,225
2023	180,000	75,650	255,650
2024	185,000	68,350	253,350
2025	190,000	60,850	250,850
2026	200,000	52,925	252,925
2027	210,000	44,469	254,469
2028	220,000	35,600	255,600
2029	225,000	26,141	251,141
2030	235,000	16,078	251,078
2031	250,000	5,468	255,468
	$ 2,390,000	$ 649,419	$ 3,039,419

General Obligation Bonds – Series 2017

The City issued $5,550,000 of Series 2017 General Obligation Bonds. The Bonds were issued to finance certain Fire Department Improvements and Street Improvements. The bonds bear interest from 2% to 5% with principal payments due September 1 and interest payments due March 1 and September 1 each year.

The total annual principal and interest payments required at September 30, 2019, are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	$ 885,000	$ 109,700	$ 994,700
2021	930,000	73,400	1,003,400
2022	980,000	40,100	1,020,100
2023	210,000	22,250	232,250
2024	220,000	16,900	236,900
2025	235,000	12,350	247,350
2026	245,000	7,550	252,550
2027	255,000	2,550	257,550
	$ 3,960,000	$ 284,800	$ 4,244,800

The following table is a summary of the changes in the Long-Term Liabilities – Governmental Activities:

	Balance September 30, 2018	Additions	Retirements	Balance September 30, 2019	Amounts Due Within One Year
Direct Borrowings					
Capital lease - US Bancorp	$ -	$ 234,580	$ -	$ 234,580	$ 43,876
Capital lease - PNC Equipment Finance	261,785	-	85,040	176,745	87,243
Capital lease - US Bank - Technology	263,573	-	73,003	190,570	74,823
2001 Neighborhood Improvement Bonds	23,000	-	7,000	16,000	8,000
2011 Neighborhood Improvement Bonds	2,545,000	-	155,000	2,390,000	160,000
2017 General Obligation Bonds	4,795,000	-	835,000	3,960,000	885,000
2013 Refunding Certificates of Participation	5,340,000	-	725,000	4,615,000	785,000
2014 Certificates of Participation	428,000	-	67,000	361,000	69,000
2017 Refunding Certificates of Participation	7,250,000	-	340,000	6,910,000	345,000
Issuance premiums	600,758	-	54,257	546,501	-
Issuance discounts	(31,706)	-	(2,265)	(29,441)	-
	21,475,410	234,580	2,339,035	19,370,955	2,457,942
Compensated Absences	523,301	-	28,899	494,402	-
Total	$ 21,998,711	$ 234,580	$ 2,367,934	$ 19,865,357	$ 2,457,942

7. Long-Term Liabilities – Business-Type Activities

Long-term liabilities in the Sewer Fund consists of the 2007 and 2010 Sewer System Revenue Bonds, and compensated absences.

2007 Sewerage System Refunding and Improvement Revenue Bonds

The City entered into an agreement with the State Environmental Improvement and Energy Resources Authority, the City issued $14.15 million in Sewerage System Refunding and Improvement Revenue Bonds, Series 2007. The bonds bear interest at 4.00% to 4.75%. In connection with the City's issuance of these revenue bonds, the City began participating in a revolving loan program established by the Missouri Department of Natural Resources (DNR). The State of Missouri manages and invests the bond proceeds on behalf of the City. As the City incurs approved capital expenditures, DNR reimburses the City for the expenditure from the bond proceeds account and deposits an additional 70% of the expenditure amount in a Bond Reserve Fund in the City's name. The interest paid on these sewer revenue bonds is offset by an interest subsidy from the State of Missouri's 70% bond reserves. Interest payments are due semi-annually on January 1 and July 1 of each year with annual principal payments due July 1 of each year. In the event of default, the DNR will have the right to take whatever action at law or in equity they deem necessary.

The annual debt service requirements to amortize the principal on the 2007 revenue bonds outstanding at September 30, 2019, are as follows:

	Direct Placement			
Year Ending September 30,	Principal	Interest	Administrative Fee	Total
2020	$ 815,000	$ 301,266	$ 50,087	$ 1,166,353
2021	830,000	265,781	44,268	1,140,049
2022	845,000	227,038	38,342	1,110,380
2023	865,000	186,425	32,309	1,083,734
2024	885,000	147,075	26,132	1,058,207
2025	905,000	106,775	19,814	1,031,589
2026	925,000	63,312	13,352	1,001,664
2027	945,000	20,672	6,747	972,419
	$ 7,015,000	$ 1,318,344	$ 231,051	$ 8,564,395

2010 Sewerage System Revenue Bonds

On September 30, 2015, the City had issued the maximum of $8,548,500, in the State of Missouri Direct Loan Program sewerage system revenue bonds, Series 2010, for the purpose of extending and improving the City's sewerage system. The bonds bear interest at 1.48%. The principal and interest payments are due January 1 and July 1 of each year. Bonds may be called at any time for redemption under various provisions outlined in the bond ordinance. In the event of default, the State of Missouri will have the right to take whatever action at law or in equity they deem necessary.

The annual debt service requirements to amortize the principal on the 2010 revenue bonds outstanding at September 30, 2019, are as follows:

Year Ending September 30,	Direct Placement			
	Principal	Interest	Administrative Fee	Total
2020	$ 430,000	$ 75,739	$ 25,587	$ 531,326
2021	438,000	69,345	23,428	530,773
2022	446,000	62,833	21,228	530,061
2023	456,000	56,196	18,985	531,181
2024	464,000	49,417	16,695	530,112
2025	474,000	42,513	14,362	530,875
2026	483,000	35,468	11,983	530,451
2027	493,000	28,283	9,555	530,838
2028	503,000	20,949	7,078	531,027
2029	513,000	13,468	4,550	531,018
2030	524,500	5,839	1,972	532,311
	$ 5,224,500	$ 460,050	$ 155,423	$ 5,839,973

Changes in Long-Term Liabilities - Enterprise Funds

The following table is a summary of the changes in the Enterprise Fund long-term liabilities for the year ended September 30, 2019:

	Balance September 30, 2018	Additions	Retirements	Balance September 30, 2019	Amounts Due Within One Year
Direct Placements					
Revenue Bonds:					
Series 2007 SRF Revenue Bonds	$ 7,815,000	$ -	$ 800,000	$ 7,015,000	$ 815,000
Series 2010 SRF Revenue Bonds	5,644,500	-	420,000	5,224,500	430,000
Premium on bonds	70,114	-	8,191	61,923	-
	13,529,614	-	1,228,191	12,301,423	1,245,000
Compensated Absences	27,271	-	7,127	34,398	-
Total	$ 13,556,885	$ -	$ 1,235,318	$ 12,335,821	$ 1,245,000

8. Capital Assets

Capital asset activity for the year ended September 30, 2019, was as follows:

	Balance September 30, 2018	Additions	Deletions	Balance September 30, 2019
Governmental Activities				
Non-depreciable Capital Assets:				
Land	$ 3,055,679	$ -	$ 114,915	$ 2,940,764
Construction in progress	1,257,339	1,440,048	581,854	2,115,533
Total Non-depreciable Capital Assets	4,313,018	$ 1,440,048	$ 696,769	5,056,297
Depreciable Capital Assets:				
Building and improvements	29,675,283	$ -	$ -	29,675,283
Machinery and equipment	9,098,511	2,531,102	335,529	11,294,084
Infrastructure	50,382,845	192,291	-	50,575,136
Total Depreciable Capital Assets	89,156,639	$ 2,723,393	$ 335,529	91,544,503
Less Accumulated Depreciation	44,702,956	$ 2,321,994	$ 228,233	46,796,717
Total Depreciable Capital Assets, Net	44,453,683			44,747,786
Total Capital Assets - Governmental Activities, Net	$ 48,766,701			$ 49,804,083

Depreciation expense for governmental activities was charged to functions as follows:

General	$ 133,749
Information Technology	37,349
Buildings and grounds	2,267
Fire	172,448
Police	99,576
Animal control	12,022
Parks	475,651
Community development	4,460
Streets	1,369,731
Cemetery	14,741
	$ 2,321,994

	Balance September 30, 2018	Additions	Deletions	Balance September 30, 2019
Business-Type Activities				
Sewer				
Non-depreciable Capital Assets:				
Land	$ 392,583	$ -	$ -	$ 392,583
Total Non-depreciable Capital Assets	392,583	$ -	$ -	392,583
Depreciable Capital Assets:				
Buildings and improvements	19,326,643	$ 168,078	$ -	19,494,721
Machinery and equipment	1,048,586	108,285	33,820	1,123,051
Sewer mains and lines	27,028,338	186,055	-	27,214,393
Total Depreciable Capital Assets	47,403,567	$ 462,418	$ 33,820	47,832,165
Less Accumulated Depreciation	21,821,547	$ 1,488,969	$ 33,820	23,276,696
Depreciable Capital Assets, Net	25,582,020			24,555,469
Total Capital Assets - Business-Type Activities, Net	$ 25,974,603			$ 24,948,052

9. Employee Pension Plan

General Information about the Pension Plan

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

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

	2019 Valuation
Benefit Multiplier	1.50% for life
Final Average Salary	5 Years
Member Contributions	0%

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

Employees Covered by Benefit Terms. At June 30, 2019, the following employees were covered by the benefit terms:

	General	Police	Fire	Total
Inactive employees or beneficiaries currently receiving benefits	41	14	15	70
Inactive employees entitled to but not yet receiving benefits	28	27	25	80
Active employees	65	35	23	123
	134	76	63	273

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year. With an additional amount to finance an unfunded accrued liability. Employer contribution rates are 6.5% for General, 5.0% for Police, and 2.8% for Fire of annual covered payroll.

Net Pension Asset. The employer's net pension asset was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of February 28, 2019.

Actuarial Assumptions. The total pension liability in the February 28, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage inflation; 2.50% price inflation
Salary Increase	3.25% to 6.55% including wage inflation for General and Police Divisions
Salary Increase	3.25% to 7.15% including wage inflation for Fire Division
Investment Rate of Return	7.25%, net of investment expenses

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

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

The actuarial assumptions used in the February 28, 2019, valuation were based on the results of an actuarial experience study for the period March 1, 2010, through February 28, 2015.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash	10.00%	0.00%
Leverage	-35.00%	-0.51%

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

Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension (Asset) (a) - (b)
General Division			
Balance at beginning of year	$ 9,753,806	$ 11,458,596	$ (1,704,790)
Changes for the year:			
Service cost	235,225	-	235,225
Interest	699,944	-	699,944
Difference between expected and actual experiences	(5,206)	-	(5,206)
Contributions - employer	-	186,686	(186,686)
Net investment income	-	724,326	(724,326)
Benefits paid, including refunds	(437,584)	(437,584)	-
Administrative expenses	-	(15,096)	15,096
Other changes	-	(37,614)	37,614
Net Changes	492,379	420,718	71,661
Balance at end of year	10,246,185	11,879,314	(1,633,129)
Police Division			
Balance at beginning of year	7,403,424	8,985,079	(1,581,655)
Changes for the year:			
Service cost	132,515	-	132,515
Interest	532,197	-	532,197
Difference between expected and actual experiences	37,245	-	37,245
Contributions - employer	-	79,702	(79,702)
Net investment income	-	573,758	(573,758)
Benefits paid, including refunds	(260,307)	(260,307)	-
Administrative expenses	-	(7,974)	7,974
Other changes	-	10,906	(10,906)
Net Changes	441,650	396,085	45,565
Balance at end of year	7,845,074	9,381,164	(1,536,090)

Fire Division	Increase (Decrease) Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension (Asset) (a) - (b)
Balance at beginning of year	5,817,805	7,613,911	(1,796,106)
Changes for the year:			
Service cost	146,158	-	146,158
Interest	421,874	-	421,874
Difference between expected and actual experiences	(21,683)	-	(21,683)
Contributions - employer	-	37,148	(37,148)
Contributions - employee	-	-	-
Net investment income	-	583,251	(583,251)
Benefits paid, including refunds	(143,834)	(143,834)	-
Administrative expenses	-	(5,675)	5,675
Other changes	-	109,152	(109,152)
Net Changes	402,515	580,042	(177,527)
Balance at end of year	6,220,320	8,193,953	(1,973,633)
Total Plan Balances at end of year	$ 24,311,579	$ 29,454,431	$ (5,142,852)

The Net Pension (Asset) is allocated as follows:

	Net Pension (Asset)
Governmental Activities	$ (4,852,482)
Business-Type Activities	(290,370)
	$ (5,142,852)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate. The following present the Net Pension Asset of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Asset would be using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

General Division	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	$ 11,707,542	$ 10,246,185	$ 9,043,413
Plan Fiduciary Net Position	11,879,314	11,879,314	11,879,314
Net Pension Liability/(Asset)	(171,772)	(1,633,129)	(2,835,901)
Police Division			
Total Pension Liability	9,058,308	7,845,074	6,862,791
Plan Fiduciary Net Position	9,381,164	9,381,164	9,381,164
Net Pension Liability/(Asset)	(322,856)	(1,536,090)	(2,518,373)
Fire Division			
Total Pension Liability	7,130,972	6,220,320	5,475,601
Plan Fiduciary Net Position	8,193,953	8,193,953	8,193,953
Net Pension (Asset)	(1,062,981)	(1,973,633)	(2,718,352)
Total Net Pension Liability/(Asset)	$ (1,557,609)	$ (5,142,852)	$ (8,072,626)

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

For the year ended 2019, the employer recognized pension expense of $258,735 in the general division, pension expense of $123,629 in the police division, and pension expense of $122,917 in the fire division. The employer reported deferred outflows and inflows of resources to be recognized in future expenses from the following sources:

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net Deferred Outflows (Inflows) of Resources
General Division			
Differences in experiences	$ -	$ (33,302)	$ (33,302)
Differences in assumptions	58,478	-	58,478
Excess investment returns	-	(314,981)	(314,981)
Contributions subsequent to the measurement date	49,027	-	49,027
	107,505	(348,283)	(240,778)

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net Deferred Outflows (Inflows) of Resources
Police Division			
Differences in experiences	102,070	(97,135)	4,935
Differences in assumptions	43,434	-	43,434
Excess investment returns	-	(232,695)	(232,695)
Contributions subsequent to the measurement date	20,560	-	20,560
	166,064	(329,830)	(163,766)
Fire Division			
Differences in experiences	6,510	(164,226)	(157,716)
Differences in assumptions	21,053	-	21,053
Excess investment returns	-	(250,758)	(250,758)
Contributions subsequent to the measurement date	9,489	-	9,489
	37,052	(414,984)	(377,932)
Total	$ 310,621	$ (1,093,097)	$ (782,476)

Deferred outflows and inflows have been allocated as follows:

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net Deferred Outflows (Inflows) of Resources
Governmental Activities	$ 291,507	$ (1,031,172)	$ (739,665)
Business-Type Activities	19,114	(61,925)	(42,811)
	$ 310,621	$ (1,093,097)	$ (782,476)

*The amount reported as deferred outflow of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Asset for the year ending September 30, 2020.

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

Year Ending June 30,	Net Deferred Outflows and Inflows of Resources			
	General Division	Police Division	Fire Division	Total
2020	$ (10,251)	$ 37,225	$ (92,362)	$ (65,388)
2021	(197,287)	(141,784)	(180,285)	(519,356)
2022	(100,458)	(96,169)	(104,994)	(301,621)
2023	18,191	16,402	(9,780)	24,813
2024	-	-	-	-
Thereafter	-	-	-	-
	$ (289,805)	$ (184,326)	$ (387,421)	$ (861,552)

Payable to the Pension Plan

At September 30, 2019, the City had outstanding contributions of $137 reported as payable to the pension plan.

10. Assessed Valuation, Tax Levy, & Legal Debt Margin

The assessed valuation of the tangible property and the tax levies per $100 assessed valuation of that property were as follows:

	2018
Assessed Valuation	
Real estate	$ 172,055,569
Personal property	41,586,485
Total	$ 213,642,054

	2018
Tax Rate Per $100 of Assessed Valuation	
General levy	$ .3608
Park levy	.1960
Debt service levy	.5900
Total	$ 1.1468

The legal debt margin at September 30, 2019, was computed as follows:

	General Obligation Bonds		
	Ordinary (1)	Additional (2)	Total
Constitutional debt limit	$ 21,364,205	$ 21,364,205	$ 42,728,410
General Obligation Bonds payable	(3,960,000)	-	(3,960,000)
Legal Debt Margin	$ 17,404,205	$ 21,364,205	$ 38,768,410

(1) Under Article VI, Section 26(b) and (c), Missouri Constitution, the City, by a vote of its qualified electors voting therein, may incur an indebtedness for any purposes authorized in the charter of the City or by any general law of the State of Missouri. The borrowings authorized by this section shall not exceed ten percent of the value of the taxable tangible property in the City.

(2) Under Article VI, Section 26(d) and (e), Missouri Constitution, the City, by a vote of its qualified electors voting therein, may become indebted not exceeding in the aggregate an additional ten percent for the purpose of acquiring rights of way, constructing, extending, and improving streets and avenues, and/or sanitary or storm sewer systems; and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed twenty percent of the value of the taxable tangible property in the City.

11. Unearned Revenue

Revenues from receivables not expected to be collected in time to pay current operating expenses are considered unearned until received in the governmental funds. These unearned revenues include special assessments to be collected over several years, and class fees. All of the unearned revenue at September 30, 2019, is accounted for as follows:

Park Fund	
Class fees	$ 95,571
Neighborhood Improvement Fund	
Special assessments	$ 523,078

12. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has transferred its risk by obtaining coverage from a public self-insured insurance pool. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

13. Interfund Transfers

Interfund transfers for the year ended September 30, 2019, consisted of the following:

	Transfers In	Transfers Out
General Fund	$ 1,111,748	$ 64,298
Park Fund	-	283,689
Capital Improvement Half Cent Fund	-	1,585,937
Debt Service Fund	2,697,175	-
Capital Improvement Bond Fund	-	1,207,999
Sewer Fund	-	667,000
	$ 3,808,923	$ 3,808,923

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, and (2) use unrestricted receipts in the Enterprise Funds and General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

14. Internal Balances

Internal balances as of September 30, 2019, consisted of the following:

	General Fund	Debt Service Fund
Internal Balances	$ 145,000	$ (145,000)

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds have not been paid or received as of September 30, 2019, balances of interfund amounts receivable or payable have been recorded within the fund financial statements

15. Pledged Revenues

The City has pledged future water and sewer customer revenues to repay the Series 2007 and 2010 Sewer Revenue Bonds issued to improve and expand the sewer system. The bonds are payable solely from sewer customers net revenues and are payable through 2030. Net revenues are revenues of the system less expenses of the system with the exception of depreciation. The total principal and interest remaining to be paid on the bonds is $14,017,894. Principal and interest paid for the current year and total customer net revenues were $1,396,827 and $3,019,304, respectively.

16. Keystone Tax Increment Financing Redevelopment Agreement

The Keystone TIF is committed to reimburse the developer for public infrastructure improvements in the Keystone Redevelopment Area. There is no debt on the City's part. However, the City is obligated to repay $2,355,801 of public infrastructure improvements to the extent that taxes are collected within this District. The City is only obligated if taxes are collected and only through the year 2038. As of September 30, 2019, the City has paid the developer $233,344, leaving a remaining balance of $2,122,457.

17. Conduit Debt

On June 8, 2017, the City authorized the issuance of $110,110,000 aggregate maximum principal amount of Taxable Industrial Development Revenue Bonds, Series 2017. The issuance is Chapter 100 debt in order to provide economic financial assistance to a third-party private entity and the City has no obligation beyond the rents, revenues and receipts derived by the City from the Project; therefore, the issue does not constitute a debt of the City and, accordingly, are not included in the City's statement of net position. The bonds are issued as the Project proceeds. As of September 30, 2019, the full $110,110,000 had been issued.

In May 2008, the City authorized the issuance of $45,000,000 aggregate maximum principal amount of Taxable Industrial Development Revenue Bonds, Series 2008. The issuance is Chapter 100 debt in order to provide economic financial assistance to a third-party private entity and the City has no obligation beyond the rents, revenues and receipts derived by the City from the Project; therefore, the issue does not constitute a debt of the City and, accordingly, are not included in the City's statement of net position. The bonds are issued as the Project proceeds. As of September 30, 2019, $43,869,147 had been issued.

18. Restatement

During the year ended September 30, 2019, the City elected to restate beginning fund balance and net position as follows:

	Governmental Activities
Net Position, as previously stated September 30, 2018	$ 41,729,916
Unearned income	(27,013)
Accounts payable	11,720
Net Position, as restated October 1, 2019	$ 41,714,623

	General Fund	Capital Improvement Bond Fund	Total
Fund Balance, as previously stated September 30, 2018	$ 5,897,515	$ 1,745,787	$ 7,643,302
Unearned income	(27,013)	-	(27,013)
Accounts payable	-	11,720	11,720
Fund Balance, as restated October 1, 2019	$ 5,870,502	$ 1,757,507	$ 7,628,009

Required Supplementary Information

City of Warrensburg

Schedule of Changes in Net Pension Asset and Related Ratios

Year Ended September 30, 2019

Missouri Local Government Employees Retirement System (LAGERS)

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total Pension Liability					
Service cost	$ 513,898	$ 505,322	$ 462,167	$ 431,128	$ 437,162
Interest on the total pension liability	1,654,015	1,589,103	1,491,584	1,358,800	1,292,940
Difference between expected and actual experience	10,356	(378,857)	73,407	(53,903)	(182,349)
Changes of assumptions	-	-	-	719,477	-
Benefit payments	(841,725)	(807,774)	(602,357)	(674,859)	(599,217)
Net Change in Total Pension Liability	1,336,544	907,794	1,424,801	1,780,643	948,536
Total Pension Liability, Beginning	22,975,035	22,067,241	20,642,440	18,861,797	17,913,261
Total Pension Liability, Ending	24,311,579	22,975,035	22,067,241	20,642,440	18,861,797
Plan Fiduciary Net Position					
Contributions - employer	303,536	253,688	267,924	327,108	436,101
Contributions - employee	-	5,374	-	11,176	-
Pension plan net investment income	1,881,335	3,180,351	2,744,149	(53,020)	478,382
Benefit payments	(841,725)	(807,774)	(602,357)	(674,859)	(599,217)
Pension plan administrative expense	(28,745)	(19,892)	(18,628)	(18,848)	(20,132)
Other	82,444	112,226	75,944	(266,524)	450,476
Net Change in Plan Fiduciary Net Position	1,396,845	2,723,973	2,467,032	(674,967)	745,610
Plan Fiduciary Net Position, Beginning	28,057,586	25,333,613	22,866,581	23,541,548	22,795,938
Plan Fiduciary Net Position, Ending	29,454,431	28,057,586	25,333,613	22,866,581	23,541,548
Employer Net Pension (Asset)	$ (5,142,852)	$ (5,082,551)	$ (3,266,372)	$ (2,224,141)	$ (4,679,751)
Plan fiduciary net position as a percentage of the total pension liability	121.15%	122.12%	114.80%	110.77%	124.81%
Covered employee payroll	$ 5,907,448	$ 5,567,272	$ 5,587,967	$ 4,910,908	$ 4,807,182
Employer's net pension asset as a percentage of covered employee payroll	(87.06%)	(91.29%)	(58.45%)	(45.29%)	(97.35%)

This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

City of Warrensburg

Schedule of Contributions

Year Ended September 30, 2019

Missouri Local Government Employees Retirement System (LAGERS)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	$ 335,095	$ 256,773	$ 249,997	$ 315,514	$ 421,140	$ 479,472	$ 521,963	$ 493,031	$ 465,772	$ 346,129
Contributions in relation to the actuarially determined contribution	315,365	256,773	249,997	315,515	421,140	479,472	474,502	436,855	392,554	346,129
Contribution deficiency (excess)	$ 19,730	$ -	$ -	$ (1)	$ -	$ -	$ 47,461	$ 56,176	$ 73,218	$ -
Covered-employee payroll	$ 6,046,527	$ 5,638,846	$ 5,585,361	$ 5,178,591	$ 4,972,607	$ 4,921,620	$ 4,869,803	$ 4,975,442	$ 5,042,751	$ 5,109,242
Contributions as a percentage of covered-employee payroll	5.22%	4.55%	4.48%	6.09%	8.47%	9.74%	9.74%	8.78%	7.78%	6.77%

See accompanying notes to the required schedules.

Valuation Date: February 28, 2019

Notes: The roll-forward of total pension liability from February 28, 2019, to June 30, 2019, reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method: Entry Age Normal and Modified Terminal Funding

Amortization Method: Level Percentage of Payroll, Closed

Remaining Amortization Period: 15 years

Asset Valuation Method: 5-Year smoothed market; 20% corridor

Inflation: 3.25% wage inflation; 2.50% price inflation

Salary Increases: 3.25% to 6.55% including wage inflation for general and police divisions

3.25% to 7.15% including wage inflation for fire division

Investment Rate of Return: 7.25%, net of investment expenses

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition

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

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

Other Information: None

City of Warrensburg

Budgetary Comparison Schedule – General Fund

Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Ad valorem taxes	$ 755,000	$ 755,000	$ 764,238	$ 9,238
City sales tax	4,515,000	4,515,000	4,595,193	80,193
Financial institution tax	3,600	3,600	3,573	(27)
Railroad and utility tax	37,000	37,000	33,868	(3,132)
Utility franchise tax	2,630,000	2,630,000	2,550,153	(79,847)
Surtax	32,800	32,800	28,791	(4,009)
Lodging tax	135,000	200,000	202,126	2,126
Cigarette tax	35,000	35,000	26,625	(8,375)
	8,143,400	8,208,400	8,204,567	(3,833)
Licenses and Permits				
Occupational licenses	105,850	105,850	100,736	(5,114)
Building permits	116,390	116,390	127,141	10,751
	222,240	222,240	227,877	5,637
Intergovernmental Revenues				
Grants	10,000	10,000	1,200	(8,800)
	10,000	10,000	1,200	(8,800)
Charges for Services				
Cemetery services	204,716	204,716	161,914	(42,802)
Animal shelter	60,000	60,000	54,694	(5,306)
	264,716	264,716	216,608	(48,108)
Fines and Forfeitures				
City court fines	349,400	349,400	363,675	14,275
Police training fees	3,500	3,500	4,750	1,250
	352,900	352,900	368,425	15,525
Miscellaneous				
Interest income	102,020	102,020	148,565	46,545
Other	81,600	33,600	133,124	99,524
	183,620	135,620	281,689	146,069
Total Revenues	9,176,876	9,193,876	9,300,366	106,490

City of Warrensburg

Budgetary Comparison Schedule – General Fund

Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Expenditures				
Current				
General government	624,287	603,562	508,156	95,406
Finance	501,779	487,011	487,372	(361)
Other support services	462,103	498,884	506,941	(8,057)
Information technology	588,852	592,114	589,904	2,210
Municipal court	171,905	170,381	156,261	14,120
Buildings and grounds	196,643	303,821	303,403	418
Public safety and health	5,367,111	5,271,481	5,385,059	(113,578)
Community development	803,551	760,538	708,242	52,296
Transportation	1,828,100	1,793,768	1,795,752	(1,984)
Cemetery	166,815	159,420	102,289	57,131
Total Expenditures	10,711,146	10,640,980	10,543,379	97,601
(Deficit) of Revenues over Expenditures	(1,534,270)	(1,447,104)	(1,243,013)	204,091
Other Financing Sources (Uses)				
Sale of equipment	6,000	6,000	-	(6,000)
Lease proceeds	240,000	240,000	234,580	(5,420)
Operating transfers in	904,199	904,199	1,111,748	207,549
Operating transfers (out)	(122,773)	(122,773)	(64,298)	58,475
Total Other Financing Sources (Uses)	1,027,426	1,027,426	1,282,030	254,604
Excess (Deficit) of Revenues and other Sources over Expenditures and other (Uses)	(506,844)	(419,678)	39,017	458,695
Fund Balance, October 1, as restated	5,870,502	5,870,502	5,870,502	-
Fund Balance, September 30	$ 5,363,658	$ 5,450,824	$ 5,909,519	$ 458,695

City of Warrensburg

Budgetary Comparison Schedule – Park Fund

Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes				
Ad valorem taxes	$ 418,000	$ 418,000	$ 424,406	$ 6,406
Sales tax	1,323,000	1,323,000	1,349,639	26,639
Other taxes	34,700	34,700	34,039	(661)
Intergovernmental	90,000	90,000	81,161	(8,839)
Charges for services	794,550	794,550	836,304	41,754
Interest income	31,000	31,000	32,470	1,470
Miscellaneous	131,700	131,700	118,768	(12,932)
Total Revenues	2,822,950	2,822,950	2,876,787	53,837
Expenditures				
Current				
Park	663,199	663,199	698,201	(35,002)
Park maintenance	444,165	444,165	421,301	22,864
Park recreation programs	930,511	930,511	894,224	36,287
Community center	489,264	489,264	467,615	21,649
Total Expenditures	2,527,139	2,527,139	2,481,341	45,798
Excess of Revenues over Expenditures	295,811	295,811	395,446	99,635
Other Financing (Uses)				
Operating transfers (out)	(294,581)	(294,581)	(283,689)	10,892
Total Other Financing (Uses)	(294,581)	(294,581)	(283,689)	10,892
Excess of Revenues over Expenditures and other (Uses)	1,230	1,230	111,757	110,527
Fund Balance, October 1	1,011,145	1,011,145	1,011,145	-
Fund Balance, September 30	$ 1,012,375	$ 1,012,375	$ 1,122,902	$ 110,527

City of Warrensburg

Budgetary Comparison Schedule – Tri-Centennial Fund

Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Interest income	$ 155	$ 155	$ 431	$ 276
Total Revenues	155	155	431	276
Expenditures				
Tri-Centennial	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues over Expenditures	155	155	431	276
Fund Balance, October 1	14,487	14,487	14,487	-
Fund Balance, September 30	$ 14,642	$ 14,642	$ 14,918	$ 276

City of Warrensburg

Budgetary Comparison Schedule – Capital Improvement Transportation Fund

Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Motor fuel and vehicle taxes	$ 846,000	$ 846,000	$ 762,823	$ (83,177)
Intergovernmental revenues	344,142	344,142	85,241	(258,901)
Interest income	13,000	13,000	10,686	(2,314)
Miscellaneous	1,000	1,000	5,566	4,566
Total Revenues	1,204,142	1,204,142	864,316	(339,826)
Expenditures				
Current				
Capital improvements	1,346,076	1,454,755	879,307	575,448
Total Expenditures	1,346,076	1,454,755	879,307	575,448
(Deficit) of Revenues over Expenditures	(141,934)	(250,613)	(14,991)	235,622
Fund Balance, October 1	317,923	317,923	317,923	-
Fund Balance, September 30	$ 175,989	$ 67,310	$ 302,932	$ 235,622

City of Warrensburg

Budgetary Comparison Schedule – Capital Improvement Half-Cent Fund

Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Sales and use tax	$ 1,820,000	$ 1,820,000	$ 1,862,859	$ 42,859
Interest income	17,000	17,000	14,674	(2,326)
Total Revenues	1,837,000	1,837,000	1,877,533	40,533
Expenditures				
Current				
Capital improvements	506,362	177,335	173,415	3,920
Total Expenditures	506,362	177,335	173,415	3,920
Excess of Revenues over Expenditures	1,330,638	1,659,665	1,704,118	44,453
Other Financing (Uses)				
Operating transfers (out)	(1,589,828)	(1,589,828)	(1,585,937)	3,891
Total Other Financing (Uses)	(1,589,828)	(1,589,828)	(1,585,937)	3,891
Excess (Deficit) of Revenues over Expenditures and other (Uses)	(259,190)	69,837	118,181	48,344
Fund Balance, October 1	475,909	475,909	475,909	-
Fund Balance, September 30	$ 216,719	$ 545,746	$ 594,090	$ 48,344

Budgets and Budgetary Accounting

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October, Administration submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditure plans for all fund types and the proposed means of financing them.
2. One public hearing is conducted by the City Council in late August or early September to obtain taxpayers' comments on the proposed budget and tax levy.
3. Prior to October 1, ordinances are passed by Council, which provide for legally adopted budgets for all funds of the City.
4. The City operates on a program performance budget system, with legally adopted budgets prepared by fund, program and department. The level of budgetary control is at the department level. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of City Council.
5. Formal budgetary integration is employed as a management control device for all funds of the City.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with GAAP. Budgeted amounts may be amended during the year by City Council on approved budget adjustment forms.

Other Financial Information

City of Warrensburg

Combining Statement of Fiduciary Net Position

September 30, 2019

	Private-Purpose Trusts				
	Stevenson	Brown	Crissey	Anderson-Stevenson	Total
Assets					
Cash and cash equivalents	$ 74,828	$ 20,126	$ 16,838	$ 14,716	$ 126,508
Investments	23,471	6,339	5,282	4,616	39,708
Interest receivable	-	81	-	-	81
Total Assets	98,299	26,546	22,120	19,332	166,297
Liabilities					
Due to others	-	-	-	-	-
Net Position					
Unrestricted	98,299	26,546	22,120	19,332	166,297
Total Net Position	$ 98,299	$ 26,546	$ 22,120	$ 19,332	$ 166,297

City of Warrensburg

Combining Statement of Changes in Fiduciary Net Position

Year Ended September 30, 2019

	Private-Purpose Trusts				
	Stevenson	Brown	Crissey	Anderson-Stevenson	Total
Additions					
Donations	$ 3,393	$ 767	$ 638	$ 558	$ 5,356
Deductions					
Contributions and other	42,600	-	-	1,000	43,600
Changes in Net Position	(39,207)	767	638	(442)	(38,244)
Net Position, beginning of year	137,506	25,779	21,482	19,774	204,541
Net Position, end of year	$ 98,299	$ 26,546	$ 22,120	$ 19,332	$ 166,297

Other Reporting Requirements

KPM
CPAS & ADVISORS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor and City Council
City of Warrensburg
Warrensburg, Missouri

We have audited, 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, the financial statements of the Primary Government which includes the governmental activities, business-type activities, and each major fund of the City of Warrensburg, Missouri, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Warrensburg, Missouri's basic financial statements, and have issued our report thereon, dated March 20, 2020.

We have also audited the discretely presented component unit, Warrensburg Convention and Visitors Bureau, and issued our report dated March 20, 2020. This report does not include our testing of internal control over financial reporting or compliance and other matters that are reported for the discretely presented component unit.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
March 20, 2020

KPM
CPAS & ADVISORS

Honorable Mayor and City Council
City of Warrensburg
Warrensburg, Missouri

In planning and performing our audit of the basic financial statements of the City of Warrensburg, Missouri, for the year ended September 30, 2019, we considered the City's internal control to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

In addition to the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we became aware of additional matters to bring to your attention. The following paragraphs summarize our comments and recommendations regarding these matters.

1. New Pronouncement

The Governmental Accounting Standards Board (GASB) has issued the following pronouncement that may affect the City in future years:

GASB Statement No. 87 – Leases – This Statement establishes a single model for lease accounting. It changes the definition of a lease and requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The effective date is for the City's year ending September 30, 2020, with earlier application encouraged.

We Recommend:

Management examine the new pronouncement to determine the effect this will have on future financial reporting and to ensure successful implementation on the effective dates.

2. Bank Depository Agreements

As a custodian of public monies, we believe the City should review certain elements of depository agreements with the City's banking institutions to ensure proper controls are in place regarding the deposits. The City has a responsibility for the safety of City monies and the depository agreements are often not reviewed and updated appropriately.

We Recommend:

a. The City determine that the depository agreement with the banking institution has instructions regarding when a check is valid and may be honored by the institution. If more than one signature is required on checks, then the depository agreement should reflect that requirement.

b. The City determine that the depository agreement specify the persons authorized to make wire transfers and to whom they may be made. This is necessary to prevent unauthorized wire transfers of City funds.

c. The City determine that the depository agreement has procedures for opening new accounts in order to prevent unauthorized accounts from being opened under the City name.

3. Internal Audit Procedures

As the City evolves, personnel, policies and procedures change. The City should periodically conduct a review of its internal control procedures to determine if any changes are necessary in order to protect the City's assets. As part of the process, the City should add periodic inspection of off-site procedures to verify that City policies and procedures are being followed routinely at satellite locations. While the situation had been corrected at the time of the audit, it was noted that during the year the Park department experienced deviations from normal City procedures and these instances resulted in extra time being spent by the accounting staff to determine what occurred and the necessary adjusting journal entries needed to correct the matter.

We Recommend:

The City conduct a review of its internal control procedures to determine opportunities for strengthening safeguards over the City's assets. The City may want to consider conducting reviews on cash management, computer information systems, mail distribution procedures, purchasing procedures, new vendor procedures, and other areas the City considers necessary. The City could also perform surprise visits to various facilities that collect cash to verify that appropriate controls are being exercised over the collection, recording, and depositing of cash. Random internal audit procedures serve the function of ensuring that the City's approved policies and procedures are being followed.

4. **Cybersecurity**

Cybersecurity threats are increasing and government entities of all sizes are at risk for a breach of their information systems. With this increase in risk, entities should be continually evaluating risk and taking steps necessary to ensure the security of information systems. Steps include identifying critical information systems, training employees to properly identify threats received in emails or by other means, and adopting internal communication methods other than email.

It is important that entities develop a recovery plan outlining procedures that personnel should follow once a cybersecurity breach is discovered. Additionally, entities should be aware of any insurance in place to help protect them from liabilities that can occur as the result of a breach.

We Recommend:

The City evaluate its cybersecurity risks and take the necessary steps to reduce the risk of cybersecurity threats to their information systems. This evaluation should be performed frequently as technology and information systems are continually changing.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with the City's administrative personnel. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

We appreciate this opportunity to serve as the City of Warrensburg's independent auditors and the courtesies and assistance extended to us by the City's employees.

Respectfully submitted,

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
March 20, 2020

KPM
CPAS & ADVISORS

Honorable Mayor and City Council
City of Warrensburg
Warrensburg, Missouri

We have audited the basic financial statements of the City of Warrensburg, Missouri, for the year ended September 30, 2019, and have issued our report thereon dated March 20, 2020. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 3, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated May 3, 2019.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Warrensburg, Missouri, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018-2019. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the business-type activities' financial statements was management's estimate of the allowance for doubtful accounts is based on historical utility revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Material misstatements detected as a result of audit procedures were corrected by management for the following:

- Accounts receivable
- Accrued liabilities
- Long-term debt activity
- Pension related activities
- Depreciation
- Capital assets

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 20, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Pension Schedules, the Budgetary Comparison Schedules and the Management's Discussion and Analysis, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI. With respect to the required supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This report is intended solely for the information and use of the Honorable Mayor, City Council, and management of the City of Warrensburg, Missouri, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
March 20, 2020

City of Warrensburg, Missouri
Audit Summary 2019

KPM

Independent Auditors' Report

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit of the City of Warrensburg, Missouri, as of and for the year ended September 30, 2019, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

KPM

Independent Auditors' Report

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 of 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

KPM

Independent Auditors' Report

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

KPM

Balance Sheet – Governmental Funds (pg. 21)

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Assets											
Cash and cash equivalents	$ 4,001,888	$ 790,536	$ 11,310	$ 36,033	$ 283,806	$ 159,984	$ 359,735	$ 6,245	$ -	$ -	$ 5,649,537
Investments	1,045,959	288,600	3,563	146,055	115,352	-	-	-	-	-	1,599,529
Taxes receivable, net	1,007,222	209,423	-	126,407	281,324	-	-	-	17,689	-	1,642,065
Other accounts receivables	-	22,855	-	-	-	-	-	-	-	-	22,855
Special assessments receivable, net	-	-	-	-	-	-	523,078	-	-	-	523,078
Court fines receivable, net	2,579	-	-	-	-	-	-	-	-	-	2,579
Due from other funds	145,000	-	-	-	-	-	-	-	-	-	145,000
Accrued interest receivable	13,663	3,717	45	1,378	1,475	-	-	-	-	180	20,458
Inventory	12,405	-	-	-	-	-	-	-	-	-	12,405
Prepaid expenses	167,296	22,305	-	-	-	-	-	-	-	-	189,601
Restricted cash and cash equivalents	35,848	277	-	-	-	2,282	260,938	-	22,509	66,619	388,473
Restricted investments	-	-	-	-	-	-	-	-	884,519		884,519
Total Assets	$ 6,431,860	$ 1,337,713	$ 14,918	$ 309,873	$ 681,957	$ 162,266	$ 1,143,751	$ 6,245	$ 924,717	$ 66,799	$ 11,080,099

1. Total assets decreased $1.5 million compared to last year
2. When the Capital Improvement Bond Fund activity is removed from the calculation, the City's assets increased by $249,312
3. The City also had $252,328 in grants receivable in the prior year compared to no grants receivable at 9/30/2019

KPM

Balance Sheet – Governmental Funds (pg. 21)

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Liabilities											
Accounts payable	$ 325,669	$ 97,897	$ -	$ 6,941	$ 87,867	$ -	$ -	$ 1,893	$ 494,458	$ -	$ 1,014,725
Accrued expenses	160,824	21,343	-	-	-	-	-	-	-	-	182,167
Court bonds payable	9,328	-	-	-	-	-	-	-	-	-	9,328
Due to other funds	-	-	-	-	-	145,000	-	-	-	-	145,000
Unearned revenue	26,520	95,571	-	-	-	-	-	-	-	-	122,091
Total Liabilities	522,341	214,811	-	6,941	87,867	145,000	-	1,893	494,458		1,473,311

1. Total liabilities decreased $686,516 compared to last year
2. When the Capital Improvement Bond Fund activity is removed from the calculation, the City's liabilities decreased by $254,477
3. General Fund liabilities increased $44,358
4. Park Fund liabilities increased $16,742
5. Capital Improvement ½ Cent Fund liabilities increased $73,155
6. Accounts payable in the Capital Improvement Transportation Fund declined by $338,732

KPM

Balance Sheet – Governmental Funds (pg. 22)

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Deferred Inflow of Resources											
Deferred inflows - special assessments	-	-	-	-	-	-	523,078	-	-	-	523,078
Fund Balances											
Nonspendable:											
Inventory	12,405	-	-	-	-	-	-	-	-	-	12,405
Prepaid expenses	167,296	22,305	-	-	-	-	-	-	-	-	189,601
Restricted for:											
Debt Service	-	-	-	-	-	17,266	620,673	4,352	-	-	642,291
Capital improvements	-	-	-	302,932	594,090	-	-	-	430,259	66,799	1,394,080
Tri-centennial	-	-	14,918	-	-	-	-	-	-	-	14,918
Parks and recreation	-	1,100,597	-	-	-	-	-	-	-	-	1,100,597
Unassigned	5,729,818	-	-	-	-	-	-	-	-	-	5,729,818
Total Fund Balances	5,909,519	1,122,902	14,918	302,932	594,090	17,266	620,673	4,352	430,259	66,799	9,083,710

1. Governmental Funds – Fund Balance decreased by a total of $747,009
2. When the Capital Improvement Bond Fund activity is removed from the calculation, the City's Governmental Fund Balances would have increased by $580,239
3. General Fund increased by $39,017 for year

KPM

Statement of Revenues, Expenditures & Changes in Fund Balance (pg. 24)

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Revenues											
Taxes	$ 8,204,567	$ 1,808,084	$ -	$ 762,823	$ 1,862,859	$ -	$ 76,323	$ 149,409	$ 1,041,307	$ -	$ 13,905,372
Licenses and permits	227,877	-	-	-	-	-	-	-	-	-	227,877
Intergovernmental revenues	1,200	81,161	-	85,241	-	-	-	-	-	-	167,602
Charges for services	216,608	836,304	-	-	-	-	-	-	-	-	1,052,912
Fines and forfeitures	368,425	-	-	-	-	-	-	-	-	-	368,425
Interest income	148,565	32,470	431	10,686	14,674	802	-	-	34,338	951	242,917
Miscellaneous	133,124	118,768	-	5,566	-	-	-	-	-	3,847	261,305
Total Revenues	9,300,366	2,876,787	431	864,316	1,877,533	802	76,323	149,409	1,075,645	4,798	16,226,410
Expenditures											
Current											
General government	508,156	-	-	-	-	-	100	-	-	-	508,256
Finance	487,372	-	-	-	-	-	-	-	-	-	487,372
Other support services	506,941	-	-	-	-	-	-	-	-	-	506,941
Information technology	589,904	-	-	-	-	-	-	-	-	-	589,904
Municipal court	156,261	-	-	-	-	-	-	-	-	-	156,261
Buildings and grounds	303,403	-	-	-	-	-	-	-	-	-	303,403
Public safety and health	5,385,059	-	-	-	-	-	-	-	-	-	5,385,059
Community development	708,242	-	-	-	-	-	-	145,077	-	-	853,319
Transportation	1,795,752	-	-	-	-	-	-	-	-	-	1,795,752
Cemetery	102,289	-	-	-	-	-	-	-	-	-	102,289
Parks and recreation	-	2,481,341	-	-	-	-	-	-	-	-	2,481,341
Capital improvements	-	-	-	879,307	173,415	-	-	-	1,194,894	67	2,247,683
Debt Service											
Principal and interest	-	-	-	-	-	2,697,978	262,384	-	-	-	2,960,362
Total Expenditures	10,543,379	2,481,341	-	879,307	173,415	2,697,978	262,484	145,077	1,194,894	67	18,377,942

1. Revenues - Taxes and Charges for Services increased by $127,825 and $132,616 respectively while Grant Revenue declined $218,424
2. Expenditures – Declined in total by $11 million, however this is primarily due to a bond refinancing in the prior year and decreases in Capital Improvement Bond Fund expenditures.

KPM

Statement of Revenues, Expenditures & Changes in Fund Balance (pg. 25)

		Special Revenue Funds				Debt Service Funds			Capital Projects Fund		
	General Fund	Park Fund	Tri-Centennial Fund	Capital Improvement Transportation Fund	Capital Improvement Half-Cent Fund	Debt Service Fund	Neighborhood Improvement Fund	Tax Increment Financing Fund	Capital Improvement Bond Fund	Vehicle Fund	Total Governmental Funds
Excess (Deficit) of Revenues over Expenditures	(1,243,013)	395,446	431	(14,991)	1,704,118	(2,697,176)	(186,161)	4,332	(119,249)	4,731	(2,151,532)
Other Financing Sources (Uses)											
Sale of land	-	-	-	-	-	-	440,875	-	-	-	440,875
Sale of equipment	-	-	-	-	-	-	-	-	-	62,068	62,068
Lease proceeds	234,580	-	-	-	-	-	-	-	-	-	234,580
Operating transfers in (out)	1,047,450	(283,689)	-	-	(1,585,937)	2,697,175	-	-	(1,207,999)	-	667,000
Total Other Financing Sources (Uses)	1,282,030	(283,689)	-	-	(1,585,937)	2,697,175	440,875	-	(1,207,999)	62,068	1,404,523
Excess (Deficit) of Revenues and Other Sources over Expenditures and other (Uses)	39,017	111,757	431	(14,991)	118,181	(1)	254,714	4,332	(1,327,248)	66,799	(747,009)
Fund Balance, October 1 **	5,870,502	1,011,145	14,487	317,923	475,909	17,267	365,959	20	1,757,507	-	9,830,719
Fund Balance, September 30	$ 5,909,519	$ 1,122,902	$ 14,918	$ 302,932	$ 594,090	$ 17,266	$ 620,673	$ 4,352	$ 430,259	$ 66,799	$ 9,083,710

** - as restated

Revenues net of expenditures and other financing sources (uses) resulted in the changes in fund balances and ending balances noted above.

1. General Fund increased $39,017
2. Total for all Governmental Funds decreased by $747,009. If the activity in the Capital Improvement Bond Fund is excluded, the City would have shown an increase of $580,239 for the year

KPM

Statement of Net Position – Proprietary Funds (pg. 27)

	Enterprise Fund Sewer Fund	Internal Service Fund
Assets		
Current Assets		
Cash and cash equivalents	$ 2,292,034	$ 647,092
Investments	439,628	141,695
Utilities receivable, net	463,944	-
Accrued interest receivable	5,887	1,821
Prepaid expenses	33,460	-
Total Current Assets	3,234,953	790,608
Noncurrent Assets		
Net pension asset	290,370	-
Total Noncurrent Assets	290,370	-
Restricted Assets		
Cash and cash equivalents	249,285	-
Investments	640,522	-
Total Restricted Assets	889,807	-
Property, Plant and Equipment		
Land	392,583	-
Buildings and improvements	19,494,721	-
Sewer mains and lines	27,214,393	-
Machinery and equipment	1,123,051	-
	48,224,748	-
Less accumulated depreciation	(23,276,696)	-
Total Property, Plant, and Equipment	24,948,052	-
Total Assets	29,363,182	790,608
Deferred Outflow of Resources		
Deferred pension outflow	19,114	-
Total Deferred Outflow of Resources	19,114	-

1. Sewer Fund current assets increased $516K and of that $495K was in cash and investments
2. Total assets for Sewer Fund declined $514K primarily due to deprecation of capital assets (1.5million)
3. Internal Service assets increase $91K from prior year

KPM

Statement of Net Position – Proprietary Funds (pg. 28)

	Enterprise Fund Sewer Fund	Internal Service Fund
Liabilities		
Current Liabilities		
Accounts payable	115,911	171,012
Accrued expenses	16,650	-
Accrued interest payable	98,849	-
Arbitrage payable	122,558	-
Current maturities of long-term debt	1,245,000	-
Total Current Liabilities	1,598,968	171,012
Long-Term Liabilities		
Revenue bonds payable, net	11,056,423	-
Compensated absences payable	34,398	-
Total Long-Term Liabilities	11,090,821	-
Total Liabilities	12,689,789	171,012
Deferred Inflow of Resources		
Deferred pension inflow	61,925	-
Total Deferred Inflow of Resources	61,925	-
Net Position		
Net investment in capital assets	12,612,231	-
Restricted	767,247	-
Unrestricted	3,251,104	619,596
Total Net Position	$ 16,630,582	$ 619,596

1. Sewer Fund total liabilities decreased by $1.2 million
2. Sewer Fund Net Position increased $713,049
3. Internal Service liabilities increased $65K from prior year
4. Internal Service balance increased $56K from prior year

KPM

Statement of Revenues, Expenses & Changes in Net Position (pg. 29)

	Enterprise Fund Sewer Fund	Internal Service Fund
Operating Revenues	$ 4,596,018	$ -
Charges for services	3,655	-
Miscellaneous	-	1,062,449
Premiums	4,599,673	1,062,449
Total Operating Revenues		
Operating Revenues	741,471	-
Personnel services	107,496	-
Contractual services	201,091	-
Repairs and maintenance	65,022	-
Supplies	339,611	-
Utilities	2,484	-
Education	17,856	-
Labs and testing	60,400	-
Insurance expenses	1,488,968	-
Depreciation	44,938	-
Miscellaneous	-	668,360
Insurance claims	-	359,085
Insurance administration fees	3,069,337	1,027,445
Total Operating Expenses		
Operating Income	1,530,336	35,004
Nonoperating Revenues (Expenses)		
Interest income	339,965	20,994
Interest expense	(490,252)	-
Total Nonoperating Revenues (Expenses)	(150,287)	20,994
Income Before Operating Transfers	1,380,049	55,998
Operating Transfers (Out)	(667,000)	-
Net Income	713,049	55,998
Net Position, October 1	15,917,533	563,598
Net Position, September 30	$ 16,630,582	$ 619,596

1. Sewer Fund operating revenues increased $57K
2. Operating Expenses for Sewer Fund declined $202K
3. Sewer Fund Net Income grew by $265K from prior year to $713
4. Internal Service Fund had a net income of $55,998 in the current year compared to $214,575 last year

KPM

Management Recommendation Letter Items

1. **New Pronouncement**

The Governmental Accounting Standards Board (GASB) has issued the following pronouncement that may affect the City in future years:

GASB Statement No. 87 – Leases – This Statement establishes a single model for lease accounting. It changes the definition of a lease and requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The effective date is for the City's year ending September 30, 2020, with earlier application encouraged.

We Recommend:

Management examine the new pronouncement to determine the effect this will have on future financial reporting and to ensure successful implementation on the effective dates.

KPM

Management Recommendation Letter Items

2. **Bank Depository Agreements**

As a custodian of public monies, we believe the City should review certain elements of depository agreements with the City's banking institutions to ensure proper controls are in place regarding the deposits. The City has a responsibility for the safety of City monies and the depository agreements are often not reviewed and updated appropriately.

We Recommend:

a. The City determine that the depository agreement with the banking institution has instructions regarding when a check is valid and may be honored by the institution. If more than one signature is required on checks, then the depository agreement should reflect that requirement.

b. The City determine that the depository agreement specify the persons authorized to make wire transfers and to whom they may be made. This is necessary to prevent unauthorized wire transfers of City funds.

c. The City determine that the depository agreement has procedures for opening new accounts in order to prevent unauthorized accounts from being opened under the City name.

KPM

Items of note

- Current events have led and are leading to changes in normal operating procedures:
  - Social distancing
  - Telework / remote work
  - Business disruptions
- As the situation evolves and emergency procedures are enacted in response to COVID-19, please monitor the impact on existing internal controls and make adaptations to the control processes as needed

KPM

Management Recommendation Letter Items

3. **Internal Audit Procedures**

As the City evolves, personnel, policies and procedures change. The City should periodically conduct a review of its internal control procedures to determine if any changes are necessary in order to protect the City's assets. As part of the process, the City should add periodic inspection of off-site procedures to verify that City policies and procedures are being followed routinely at satellite locations. While the situation had been corrected at the time of the audit, it was noted that during the year the Park department experienced deviations from normal City procedures and these instances resulted in extra time being spent by the accounting staff to determine what occurred and the necessary adjusting journal entries needed to correct the matter.

We Recommend:

The City conduct a review of its internal control procedures to determine opportunities for strengthening safeguards over the City's assets. The City may want to consider conducting reviews on cash management, computer information systems, mail distribution procedures, purchasing procedures, new vendor procedures, and other areas the City considers necessary. The City could also perform surprise visits to various facilities that collect cash to verify that appropriate controls are being exercised over the collection, recording, and depositing of cash. Random internal audit procedures serve the function of ensuring that the City's approved policies and procedures are being followed.

KPM

Management Recommendation Letter Items

4. **Cybersecurity**

Cybersecurity threats are increasing and government entities of all sizes are at risk for a breach of their information systems. With this increase in risk, entities should be continually evaluating risk and taking steps necessary to ensure the security of information systems. Steps include identifying critical information systems, training employees to properly identify threats received in emails or by other means, and adopting internal communication methods other than email.

It is important that entities develop a recovery plan outlining procedures that personnel should follow once a cybersecurity breach is discovered. Additionally, entities should be aware of any insurance in place to help protect them from liabilities that can occur as the result of a breach.

We Recommend:

The City evaluate its cybersecurity risks and take the necessary steps to reduce the risk of cybersecurity threats to their information systems. This evaluation should be performed frequently as technology and information systems are continually changing.

KPM

Items of note

- New accounting standard for 2019-20 with GASB 84 – Fiduciary Activities
  - Establishes criteria for identifying fiduciary activities focused on:
    - Whether the government is controlling the assets of the fiduciary activity
    - The beneficiaries with whom a fiduciary relationship exists
  - Establishes 4 fiduciary funds that should be reported where applicable
    - Pension & other employee benefit trust funds
    - Investment trust funds
    - Private-purpose trust funds
    - Custodial funds (formerly agency funds)
  - This standard will apply as there are Agency Funds and Custodial Funds that are held by the City

KPM

Items of note

- Effective for fiscal year end 2022:
  - GASB 91 Conduit Debt Obligations
    - Effective fiscal year end 2022
  - GASB is working a complete overhaul of the governmental reporting model and it is likely to happen in the next three-five years
  - Please check out gasb.org for the latest from the Governmental Accounting Standards Board on all pronouncements

KPM

Other information

- If you have questions throughout the year, my phone number is 417-882-4300 or my email address is jcummings@kpmcpa.com
- Thank you

KPM

CITY MANAGER REPORT

March 20, 2020

Honorable Mayor and Members of the City Council
City of Warrensburg, Missouri

Dear Mayor and Council Members:

City Manager:
It has been an interesting last couple of weeks. COVID-19 Coronavirus has dominated the schedule as Staff collaborates with community leaders and assesses internal policies and protocols. As of the writing of this memo there has been no confirmed cases of COVID-19 in Johnson County, Missouri. Meetings and conferences are being cancelled in advance for safety and travel purposes. The Election date of April 7th has also been rescheduled by the Governor for June 2, 2020.

Meetings attended include: Emergency Management Task Force meeting; monthly radio interview; and regular communication meeting with UCM President, Roger Best.

City Council Meetings, Study Sessions, and Executive Sessions
Tentative future City Council agendas include the following items at this time:

1. INFRA Grant Application and Resolution of Support (Federal Funding potential for Maguire Bridge Project)
2. Rental Inspection Program Ordinance Recommendation
3. Budget Process (Council Tours and Strategic Planning Session)

PUBLIC WORKS/INFORMATION TECHNOLOGY
Danielle Dulin, Assistant City Manager

No report this meeting.

COMMUNITY DEVELOPMENT
Director, Barbara Carroll

No report this meeting.

HUMAN RESOURCES
Director, Greg McCullough

Human Resources Activities:

1. Positions

    a. Full-Time Management Intern – This position was posted on December 2nd and will remain posted until January 31st, 2020. We currently have 6 applications for this position. Interviews have been completed. An offer has been made and orally accepted. A conditional offer letter was mailed, returned and accepted. This internship is scheduled to begin on June 1st, 2020.
    b. Baseball and Softball Officials – This position was posted on February 11th and will remain posted until March 31st. We currently have received a total of 12 applications for this position submitted.
    c. Summer Day Camp Director – This position was reposted on February 11th and will remain posted until March 1st. The position was reposted due to no applications having been submitted during the first posting period. Interviews have been completed and an offer extended.
    d. Part Time Firefighter and Student Resident Firefighter – This position was posted beginning January 31st will remain posted until February 20th. We currently have a total of 17 applications for this position. Applications are being reviewed at the present time and interviews will begin in the near future.
    e. Water Pollution Control Operator I – This position was posted on February 10th and will remain posted until February 23rd. Interviews have been completed and an offer extended. The offer has been accepted and this individual will start employment effective on Monday, March 23rd.
    f. Part-Time Parks Maintenance Worker – This position was posted on February 28th and will remain posted until March 13th. We currently have a total of applications submitted for this position. Interviews will be the next step, however these may be postponed due to current closings as a result of the COVID 19 situation.
    g. Animal Shelter Manager and Part-Time Shelter Laborer positions – I anticipate these positions will be posted yet this week.

Other Activities:

1. Completed a total of 4 employment verifications for various purposes and I have 2 LAGERS wage certifications for upcoming retirees that are certifications for the past 10 years.
2. Kathy has onboarded approximately 2 new employees in the last two weeks. One of these Full-time employees took more time than usual as we had to complete new protocol to satisfy the Federal Motor Carrier Safety Admin guidelines for the the Clearinghouse.
3. Developed the new training materials and releases to go with satisfying the FMCSA Clearinghouse guidelines for both new employee and current employee DOT queries.
4. Completed with the help of Peggy Hostetler and Guy Parsons, several endorsement requests for both Business Auto and Inland Marine changes to our property casualty policies.
5. Completed the processing of STI and LTI paperwork for one employee. We have had several conversations regarding an STI issue and have spent considerable time going to support for our employee in this process. This has required more time than usual. This

is still true for the past two weeks and that conversation is ongoing with McInnes Group personnel and Madison National.

6. We have also completed FMLA paperwork for a total of two employees during the last two weeks.
7. We completed information announcements for all employees in regards to internal procedures to help prevent COVID 19 contraction or any respiratory illness contraction.
8. Working to analyze the impacts of the new Federal Emergency legislation for FMLA and Paid Leave as is being implemented in response to the COVID 19 crises.
9. Kathy processed all I-9 submissions and social service registrations.
10. Kathy and I completed and oversaw our Wellness screening on March 12th and will continue to implement this program. In addition, Kathy conducted two different meetings with employees to present the changes to our Wellness program and will work to get the PowerPoint slides out to all employees.
11. Rewrote our Fitness and Wellness policy due to the above changes in our program moving forward. This policy is in the process of being reviewed at the present time.
12. Completed a demo with the McInnes Group, which would allow us to move to an automated enrollment process next year for our open enrollment process for all employees. We will continue to work with McInnes Group to implement processes which will help our efficiency and costs. This system is being offered to the City through the McInnes group as a service at no cost to us. We will continue to explore this process.
13. Completed the requirements and registration process for the new DOT federally mandated FMCSA established clearinghouse for employers to report and collect information about DOT driver drug and alcohol violations. We have now completed this registration process and paid all required fees. We have also created the release form for DOT drivers to sign for the annual check through the system which is mandated and have been reviewing suggested changes to our drug and alcohol policy and will be submitting to counsel for approval in the near future. This is a priority this week and we continue to work on this quickly. This process was utilized for our recent new hire requiring a DOT license. We will also be presenting this to all current City DOT drivers next week and obtaining signatures on both releases.
14. Upon completion of presentation of Work Comp renewal to Council and receiving approval, have completed the process of getting the invoice paid.
15. Began the process to review and make changes to our Personnel Policy manual. At this point all past changes that were approved through council have been incorporated into the manual. Recent changes have been incorporated and we are working on a few additional modifications and once completed will bring to council for approval of entire manual.
16. All updates have been made to the Insperity performance evaluation system due to recent personnel changes. Department Heads are currently logging into systems to check and make sure all changes have been made. Once verified we will be good to go for the Spring evaluation in April. Training for new employees will take place in the near future.
17. Have been working with Guy Parsons to review our business auto schedule and make changes to benefit the City. These changes are to make sure all vehicles are covered and to make changes from an asset standpoint that will improve coverage and also reduce premium charges.

Upcoming Activities:

1. Continue wellness program development and implementation until meets goals of City for this program. We keep moving this forward but will require continual review for the near future.
2. Complete additional revisions to our personnel manual, take to Council for approval and publish online to our intranet for all to have access. We will also provide a form and require everyone to review manual and sign form that they have reviewed the manual.
3. Continue updating and coordinating performance evaluation system to prepare for the Spring evaluation cycle.
4. Continue to catch up on documentation on several personnel issues.
5. Continue the cleaning and reorganizing of the Human Resources file room.
6. Continue participation in the monthly LMC meetings.
7. Continue to work on revision of the City Safety Manual.

CONVENTION AND VISITORS BUREAU
Director, Marcy Bryant

CORONAVIRUS IMPACT

Most if not all events/groups scheduled March 15, 2020 through the first of April have been cancelled/postponed. Some lodging establishments have cut hours staff due to the cancellations and low demand. We start preparing for these groups in January. We'll utilize the supplies/items for future groups if we can. We see the true impact once the lodging tax collections is reported for March and future months.

Starting Monday, March 9, the Visitor Center foot traffic has been minimal, some days we've had zero visitors. We're using this time to catch up on several projects-budget, grant applications, visitor guide content, website content, etc. Each morning and prior to leaving at night, we clean the hard surfaces in the office using disinfecting wipes.

The Visitor Center closed to the public starting Wednesday, March 18. We are answering phone calls and emails. The WCVB's part-time staff has voluntarily decided to stay home as they are in the at-risk group. We have signs on the doors directing guests to visit our website and social media platforms, along with my email and phone number.

CALENDAR OF EVENTS

We are working to keep the calendar up to date. This has become a great resource as event organizers look to reschedule. We are tracking events that have been cancelled/postponed so we can use this information to evaluate the economic impact the coronavirus has on our community.

WCVB MEETING CHANGE

The WCVB Board meetings have been moved to the second Thursday of the month at 10 a.m. in the Municipal Center-Council Chambers. This was decided by the board at the March WCVB Board meeting. The next meeting will be held 10 a.m. Thursday, April 9.

MARKETING PLATFORM AND CREATIVE STRATEGY DEVELOPMENT RFP

The RFP was distributed Monday, Feb. 3. The deadline for submissions was Friday, Feb. 28. Due to the short turnaround for the March 4 WCVB Board meeting, the RFP was moved to the April 9 WCVB Board meeting for the board to review/approve.

COMMUNITY BRAND STUDY
I am working with the Warrensburg Economic Coalition's Marketing Committee and the UCM marketing program on evaluating the Warrensburg community's brand, creating a marketing plan and more. The committee will be working with numerous UCM marketing classes throughout this project.

The class has been broken up into teams. Each team will be creating a marketing plan with the objective of bringing awareness of the attractions/events in Warrensburg to help reduce the *"There's Nothing To Do Here"* perception. At the end of the semester the teams will present their plan to the committee members.

I've met with several students this month and returned numerous emails regarding the project. I'm excited to have the opportunity to work with the WEC Marketing Committee and the eager, excited group of UCM students.

CANCELLED/POSTPONEMENT
JR ROTC Event, March 11-13

NCAA Central Region Women's Basketball Game, March 13-15

Children's Literature Festival, March 15-17

Rural Missouri Emergency Management Summit, March 19-20

4-H Carnival, March 21

MO Gymnastics Competition, March 25-27

Central States Anthropology Society, March 25-28

Blaine Whitworth Go Big or Go Home 5K, March 28-Postponement Oct. 3, 2020

Sip.Shop.Stroll, March 28

Mid-Missouri Artists, Inc. Spring Fine Arts Show (postponed)

Early Optimist Taste of Johnson County-April 7 (postponed Sept. 8, 2020)

Upcoming Meetings/Events

WCVB Board Meeting, April 9*

*Holding this meeting will be assessed closer to time.

Police Department
Police Chief, Rich Lockhart

We have been very busy with COVID – 19 plans and responses. We worked with the fire department to create level 1 and level 2 response kits for our officers. Each officer has a level 1 kit and access to a level

2 kit if necessary. We provided training to the officers for the proper method for putting it on and taking it off as well as proper disposal. Additionally, we provided disinfecting supplies and instructed the officers to disinfect their vehicles at the start of their shift and anytime they transport someone.

We are attempting to handle as many report calls by phone as possible. Officers will not be responding to calls that do not require an on-site investigation. They will take the information over the phone and send the victim a case number.

We are planning for potential staffing shortages should we need to quarantine officers. I am creating pools of officers whose public contact is being limited. This includes the SRO's and detectives. These officers are still working but we are limiting their public exposure.

A number of us attended an Advanced Active Shooter Response course. We will be using the information gathered to work on a county wide response.

Fire Department
Fire Chief, Robert Shaw

No report this meeting.

Parks Department
Director, Danielle Fesler

No report this meeting.

Director of Finance Report

March 23, 2020

Honorable Mayor and
Members of the City Council
City of Warrensburg, Missouri

Dear Mayor and Council Members:

The Director of Finance respectfully submits this report to augment your review of the financial information provided.

Incode 10 Upgrade:

The final stages to convert Utility Billing and Cash Receipting from Incode 9 to Incode 10 are being implemented. Final conversion takes place this week using current data. Carl continues frequent conversation with Tyler Technologies to manage the processes with little challenges. Originally a Tyler representative was scheduled to be on site this week. We changed that necessity to keep everyone involved safe and healthy. All remote work as been successful up to now.

Audit Process:

Audit report is complete and presented to Council at this meeting. Again, in order to keep everyone safe and health, the auditor did not present the report as originally planned. Mr. Jon Cummings, Auditor has offered to answer any questions by phone or come at a later time if the Council wishes to further discuss the report.

Budget Fiscal Year 2021:

To date there have been no photos submitted for the cover photo contest. The City website has all the information and forms to participate in this contest in the finance section. Photos will be accepted until May 29th at 5pm. Please visit the website to participate.

Prior-Year Comparative Income Statement

Attached for your review is a summary comparative income statement showing variances between February 2020 activity to February 2019. Additionally, it shows variances between Fiscal Year-to-Date (YTD) activities. General Fund year-to-date revenue through February 2020 reflects an increase of 3.31% compared to year-to-date February 2019.

Property tax collection is up slightly this year compared to last year along with sales tax. Franchise Taxes are down compared to last year except for Electric Franchise. The Lodging Tax reflects an increase over last year by nearly 84%.

Total year-to-date of all funds reflects revenue exceeding expenditures or expense. There are several Funds that reflect expenditures or expense exceeding revenue collected. General Fund and Capital Improvement ½ cent sales tax are two funds that currently reflect year-to-date expenditures exceeding revenue. Capital Improvement Transportation along with Water Pollution Control funds' revenue are currently exceeding expenditures.

Please keep in mind this is just a snapshot in time and a comparison to the events that were taking place this time last year.

Attachments:

Prior-Year Comparative Income Statement

City of Warrensburg, MO

Prior-Year Comparative Income Statement

Group Summary

For the Period Ending 02/29/2020

Account Typ...	2018-2019 Feb. Activity	2019-2020 Feb. Activity	Feb. Variance Favorable / (Unfavorable)	Variance %	2018-2019 YTD Activity	2019-2020 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 110 - GENERAL								
Revenue	626,419.73	699,021.00	72,601.27	11.59%	4,233,579.83	4,373,705.75	140,125.92	3.31%
Expense	764,082.92	721,496.01	42,586.91	5.57%	4,768,022.53	4,727,534.02	40,488.51	0.85%
Fund 110 Surplus (Deficit):	**-137,663.19**	**-22,475.01**	**115,188.18**	**83.67%**	**-534,442.70**	**-353,828.27**	**180,614.43**	**33.79%**
Fund: 210 - CAPITAL IMPROVEMENT TRAN								
Revenue	149,570.07	63,844.81	-85,725.26	-57.31%	655,712.93	324,797.15	-330,915.78	-50.47%
Expense	3,560.71	8,738.96	-5,178.25	-145.43%	196,442.18	46,969.95	149,472.23	76.09%
Fund 210 Surplus (Deficit):	**146,009.36**	**55,105.85**	**-90,903.51**	**-62.26%**	**459,270.75**	**277,827.20**	**-181,443.55**	**-39.51%**
Fund: 215 - CAPITAL IMPROVEMENT 1/2 C								
Revenue	141,144.52	153,698.59	12,554.07	8.89%	735,711.78	754,686.33	18,974.55	2.58%
Expense	508,779.09	520,479.74	-11,700.65	-2.30%	658,472.31	1,038,778.57	-380,306.26	-57.76%
Fund 215 Surplus (Deficit):	**-367,634.57**	**-366,781.15**	**853.42**	**0.23%**	**77,239.47**	**-284,092.24**	**-361,331.71**	**-467.81%**
Fund: 225 - GENERAL OBLIGATION BONDS								
Revenue	10,926.12	58,580.47	47,654.35	436.15%	997,343.38	1,039,874.46	42,531.08	4.26%
Expense	930,476.36	948,850.00	-18,373.64	-1.97%	1,728,612.82	1,351,402.25	377,210.57	21.82%
Fund 225 Surplus (Deficit):	**-919,550.24**	**-890,269.53**	**29,280.71**	**3.18%**	**-731,269.44**	**-311,527.79**	**419,741.65**	**57.40%**
Fund: 250 - VEHICLE AND EQUIPMENT REPLACEMENT								
Revenue	39.54	2.36	-37.18	-94.03%	22,899.35	404.30	-22,495.05	-98.23%
Expense	5.56	0.00	5.56	100.00%	13.59	74,785.29	-74,771.70	-550,196.47%
Fund 250 Surplus (Deficit):	**33.98**	**2.36**	**-31.62**	**-93.05%**	**22,885.76**	**-74,380.99**	**-97,266.75**	**-425.01%**
Fund: 310 - DEBT SERVICE								
Revenue	1,515,475.90	1,530,475.31	14,999.41	0.99%	1,629,656.50	1,720,287.71	90,631.21	5.56%
Expense	1,515,475.90	1,528,221.89	-12,745.99	-0.84%	1,629,656.50	1,720,287.71	-90,631.21	-5.56%
Fund 310 Surplus (Deficit):	**0.00**	**2,253.42**	**2,253.42**	**0.00%**	**0.00**	**0.00**	**0.00**	**0.00%**
Fund: 410 - NEIGHBORHOOD IMPROVEMENT								
Revenue	0.00	0.00	0.00	0.00%	67,571.52	583,282.80	515,711.28	763.21%
Expense	213,390.63	8,587.50	204,803.13	95.98%	213,490.63	788,064.16	-574,573.53	-269.13%
Fund 410 Surplus (Deficit):	**-213,390.63**	**-8,587.50**	**204,803.13**	**95.98%**	**-145,919.11**	**-204,781.36**	**-58,862.25**	**-40.34%**
Fund: 430 - PARK & RECREATION								
Revenue	154,518.00	175,101.16	20,583.16	13.32%	1,222,363.53	1,181,616.61	-40,746.92	-3.33%
Expense	197,405.38	185,281.16	12,124.22	6.14%	1,054,461.52	739,756.43	314,705.09	29.85%
Fund 430 Surplus (Deficit):	**-42,887.38**	**-10,180.00**	**32,707.38**	**76.26%**	**167,902.01**	**441,860.18**	**273,958.17**	**163.17%**

Account Typ...		2018-2019 Feb. Activity	2019-2020 Feb. Activity	Feb. Variance Favorable / (Unfavorable)	Variance %	2018-2019 YTD Activity	2019-2020 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 440 - TAX INCREMENTAL FINANCING									
Revenue		0.00	0.00	0.00	0.00%	43,431.63	146,173.32	102,741.69	236.56%
Expense		0.00	0.00	0.00	0.00%	5,647.66	2,708.02	2,939.64	52.05%
	Fund 440 Surplus (Deficit):	**0.00**	**0.00**	**0.00**	**0.00%**	**37,783.97**	**143,465.30**	**105,681.33**	**279.70%**
Fund: 610 - WATER POLLUTION CONTROL									
Revenue		398,257.02	396,973.15	-1,283.87	-0.32%	1,977,432.44	2,182,449.89	205,017.45	10.37%
Expense		283,242.58	215,914.64	67,327.94	23.77%	1,178,173.60	1,601,467.70	-423,294.10	-35.93%
	Fund 610 Surplus (Deficit):	**115,014.44**	**181,058.51**	**66,044.07**	**57.42%**	**799,258.84**	**580,982.19**	**-218,276.65**	**-27.31%**
Fund: 710 - STEVENSON									
Revenue		350.85	31.42	-319.43	-91.04%	1,579.59	806.88	-772.71	-48.92%
Expense		0.00	0.00	0.00	0.00%	600.00	1,600.00	-1,000.00	-166.67%
	Fund 710 Surplus (Deficit):	**350.85**	**31.42**	**-319.43**	**-91.04%**	**979.59**	**-793.12**	**-1,772.71**	**-180.96%**
Fund: 720 - BROWN									
Revenue		64.37	6.05	-58.32	-90.60%	300.30	215.18	-85.12	-28.34%
	Fund 720 Total:	**64.37**	**6.05**	**-58.32**	**-90.60%**	**300.30**	**215.18**	**-85.12**	**-28.34%**
Fund: 730 - ANDERSON									
Revenue		46.89	3.73	-43.16	-92.05%	218.74	155.99	-62.75	-28.69%
Expense		0.00	0.00	0.00	0.00%	1,000.00	0.00	1,000.00	100.00%
	Fund 730 Surplus (Deficit):	**46.89**	**3.73**	**-43.16**	**-92.05%**	**-781.26**	**155.99**	**937.25**	**119.97%**
Fund: 740 - CRISSEY									
Revenue		53.65	5.04	-48.61	-90.61%	250.31	179.34	-70.97	-28.35%
	Fund 740 Total:	**53.65**	**5.04**	**-48.61**	**-90.61%**	**250.31**	**179.34**	**-70.97**	**-28.35%**
Fund: 750 - TRICENTENNIAL									
Revenue		36.19	3.39	-32.80	-90.63%	168.79	120.90	-47.89	-28.37%
	Fund 750 Total:	**36.19**	**3.39**	**-32.80**	**-90.63%**	**168.79**	**120.90**	**-47.89**	**-28.37%**
Fund: 810 - CHILDREN'S MEMORIAL									
Revenue		75.48	6.69	-68.79	-91.14%	356.60	388.30	31.70	8.89%
Expense		5.81	208.94	-203.13	-3,496.21%	1,077.46	7,324.49	-6,247.03	-579.79%
	Fund 810 Surplus (Deficit):	**69.67**	**-202.25**	**-271.92**	**-390.30%**	**-720.86**	**-6,936.19**	**-6,215.33**	**-862.21%**
Fund: 820 - ARTS COMMISSION									
Revenue		75.12	7.85	-67.27	-89.55%	855.56	153.30	-702.26	-82.08%
Expense		5.41	127.99	-122.58	-2,265.80%	2,780.28	341.83	2,438.45	87.71%
	Fund 820 Surplus (Deficit):	**69.71**	**-120.14**	**-189.85**	**-272.34%**	**-1,924.72**	**-188.53**	**1,736.19**	**90.20%**
Fund: 825 - PUBLIC ARTS FUND									
Revenue		1.76	0.16	-1.60	-90.91%	8.20	5.90	-2.30	-28.05%
Expense		0.13	0.15	-0.02	-15.38%	0.71	0.75	-0.04	-5.63%
	Fund 825 Surplus (Deficit):	**1.63**	**0.01**	**-1.62**	**-99.39%**	**7.49**	**5.15**	**-2.34**	**-31.24%**
Fund: 830 - WCVB TOURISM BUREAU									
Revenue		8,113.41	26,764.84	18,651.43	229.88%	68,473.98	149,804.47	81,330.49	118.78%

Account Typ...		2018-2019 Feb. Activity	2019-2020 Feb. Activity	Feb. Variance Favorable / (Unfavorable)	Variance %	2018-2019 YTD Activity	2019-2020 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Expense		7,600.15	17,151.89	-9,551.74	-125.68%	44,317.88	76,283.72	-31,965.84	-72.13%
	Fund 830 Surplus (Deficit):	**513.26**	**9,612.95**	**9,099.69**	**1,772.92%**	**24,156.10**	**73,520.75**	**49,364.65**	**204.36%**
Fund: 900 - SELF INSURED									
Revenue		90,443.92	103,699.00	13,255.08	14.66%	505,097.24	484,305.61	-20,791.63	-4.12%
Expense		90,136.42	87,547.24	2,589.18	2.87%	468,615.88	428,883.98	39,731.90	8.48%
	Fund 900 Surplus (Deficit):	**307.50**	**16,151.76**	**15,844.26**	**5,152.60%**	**36,481.36**	**55,421.63**	**18,940.27**	**51.92%**
	Total Surplus (Deficit):	**-1,418,554.51**	**-1,034,381.09**	**384,173.42**	**27.08%**	**211,626.65**	**337,225.32**	**125,598.67**	**59.35%**

Fund Summary

Fund	2018-2019 Feb. Activity	2019-2020 Feb. Activity	Feb. Variance Favorable / (Unfavorable)	Variance %	2018-2019 YTD Activity	2019-2020 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
110 - GENERAL	-137,663.19	-22,475.01	115,188.18	83.67%	-534,442.70	-353,828.27	180,614.43	33.79%
210 - CAPITAL IMPROVEMENT ...	146,009.36	55,105.85	-90,903.51	-62.26%	459,270.75	277,827.20	-181,443.55	-39.51%
215 - CAPITAL IMPROVEMENT ...	-367,634.57	-366,781.15	853.42	0.23%	77,239.47	-284,092.24	-361,331.71	-467.81%
225 - GENERAL OBLIGATION B...	-919,550.24	-890,269.53	29,280.71	3.18%	-731,269.44	-311,527.79	419,741.65	57.40%
250 - VEHICLE AND EQUIPME...	33.98	2.36	-31.62	-93.05%	22,885.76	-74,380.99	-97,266.75	-425.01%
310 - DEBT SERVICE	0.00	2,253.42	2,253.42	0.00%	0.00	0.00	0.00	0.00%
410 - NEIGHBORHOOD IMPRO...	-213,390.63	-8,587.50	204,803.13	95.98%	-145,919.11	-204,781.36	-58,862.25	-40.34%
430 - PARK & RECREATION	-42,887.38	-10,180.00	32,707.38	76.26%	167,902.01	441,860.18	273,958.17	163.17%
440 - TAX INCREMENTAL FINA...	0.00	0.00	0.00	0.00%	37,783.97	143,465.30	105,681.33	279.70%
610 - WATER POLLUTION CON...	115,014.44	181,058.51	66,044.07	57.42%	799,258.84	580,982.19	-218,276.65	-27.31%
710 - STEVENSON	350.85	31.42	-319.43	-91.04%	979.59	-793.12	-1,772.71	-180.96%
720 - BROWN	64.37	6.05	-58.32	-90.60%	300.30	215.18	-85.12	-28.34%
730 - ANDERSON	46.89	3.73	-43.16	-92.05%	-781.26	155.99	937.25	119.97%
740 - CRISSEY	53.65	5.04	-48.61	-90.61%	250.31	179.34	-70.97	-28.35%
750 - TRICENTENNIAL	36.19	3.39	-32.80	-90.63%	168.79	120.90	-47.89	-28.37%
810 - CHILDREN'S MEMORIAL	69.67	-202.25	-271.92	-390.30%	-720.86	-6,936.19	-6,215.33	-862.21%
820 - ARTS COMMISSION	69.71	-120.14	-189.85	-272.34%	-1,924.72	-188.53	1,736.19	90.20%
825 - PUBLIC ARTS FUND	1.63	0.01	-1.62	-99.39%	7.49	5.15	-2.34	-31.24%
830 - WCVB TOURISM BUREAU	513.26	9,612.95	9,099.69	1,772.92%	24,156.10	73,520.75	49,364.65	204.36%
900 - SELF INSURED	307.50	16,151.76	15,844.26	5,152.60%	36,481.36	55,421.63	18,940.27	51.92%
Total Surplus (Deficit):	**-1,418,554.51**	**-1,034,381.09**	**384,173.42**	**27.08%**	**211,626.65**	**337,225.32**	**125,598.67**	**59.35%**