
CITY OF UNIVERSITY CITY, MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

*Report prepared and submitted by the
Department Of Finance*

*Tina Charumilind
Director of Finance*

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SECTION I - INTRODUCTORY SECTION



Administrative Services
6801 Delmar Boulevard, University City, MO 63130

January 31, 2018

Honorable Mayor and City Councilmembers
and the Residents of the City of University City:

Pursuant to City policy and in conformance with state law, the Comprehensive Annual Financial Report of the City of University City, Missouri (the City), for the fiscal year ended June 30, 2017, is hereby submitted. The report was prepared in conformance with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by an independent firm of licensed certified public accountants.

This report is the City's management representations concerning the finances of the City and, therefore, management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation. The City's Finance Department prepared this report and believes that the financial statements, supporting schedules, and statistical information fairly present the financial position and results of operations of the various funds and agencies of the City. We further believe that all presented data is accurate in all aspects and that all necessary disclosures have been included to enable the reader to gain an understanding of the City's financial activities.

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

PROFILE OF THE CITY

The City is an inner-ring suburb on the western boundary of the City of St. Louis, Missouri. The City is located in St. Louis County. It ranks third and sixth with respect to total population and assessed valuation in St. Louis County. The City was founded by Edward Gardner Lewis and was incorporated in 1906.

The form of government established by Charter is Council-Manager. The City Council is the legislative and governing body of the City. It consists of six Council members and the Mayor, all of whom are elected by the residents of the City. Council members are elected from three wards to serve four-year staggered terms. The Mayor is elected at large and serves a four-year term. The City Council and Mayor appoint the City Manager and City Clerk, and enact legislation to protect the health, safety, and general welfare of the citizens of the City. The City Manager directly supervises all City government agencies and departments, except the Library, while also serving as chief advisor to the City Council.

The City is considered a residential community with a diverse population. There are approximately 35,400 residents (U.S. Census Bureau 2010) and 18,000 housing units in the City. The population density is 6,000 inhabitants per square mile. The area of the City is approximately six square miles.

The City provides a full range of municipal services for its citizens. These include public safety (police and fire), streets, sanitation (solid waste), culture and recreation, public improvements, community development, and general administrative services. The City defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board Statement No. 14; *The Financial Reporting Entity* (GASB 14). GASB 14 requirements for inclusion of component units are primarily based on whether the City's governing body has any significant amount of financial accountability for Potential Component Units (PCU). The City has determined that its financial reporting entity consists of the City (the primary government) and two blended component units: the University City Loop Special Business District and the Parkview Gardens Special Business District.

In addition to City funds, the City has a fiduciary responsibility as trustee for assets of the City's two Pension Funds (Non-Uniformed and Police & Firefighter) and other miscellaneous deposits.

DISCRETE COMPONENT UNITS

The City is financially accountable for the three legally separate entities that are discretely presented component units. The first two are the University City Industrial Development Authority that helps to attract industrial development and economic expansion in the City, and the Land Clearance for Redevelopment Authority that may prepare, recommend and carry out redevelopment plan as needed. The third is the University City Library. The auditor recommended an appropriate accounting treatment for the Library. In previous years, the Library's financial statement was presented as a governmental fund as opposed to the discrete component unit.

ECONOMIC CONDITION AND OUTLOOK

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment the City operates within.

Local economy. Known for a diverse mix of retail and restaurant establishments and cultural activities, the City is a regional destination in the St. Louis region. It is located north of Washington University Saint Louis, west of the City of St. Louis, and near major transportation corridors making access to City attractions convenient. Most commercial development is located along two major thoroughfares; Olive Boulevard and Delmar Boulevard. These two roadways run parallel to each other, traversing the City from East to West. The City's economy is also supported by secondary business districts and neighborhood serving commercial districts. The City is fully landlocked and developed as a stable residential community with a large variety of housing types that contribute to growth in residential and commercial assessed values. The City's future growth continues to in the development and redevelopment of business and residential areas.

The two major commercial districts are described below:

- *The Loop - Delmar Boulevard*

The six-block Loop on Delmar Boulevard was the original business center in University City and was established along a streetcar line. Currently, the Loop is comprised of a diverse mix of restaurants, galleries, entertainment venues, and specialty retail shops. It is a national and regional destination, attracting local residents, students from nearby Washington University St. Louis, and tourists. Unique attractions in the Loop include the elegantly restored Tivoli Theater, the St. Louis Symphony Music School, the Center for Creative Arts (COCA), and Craft Alliance. Growth continues near the University City and St. Louis Loop. A new four story, 58,624 square foot 68-unit assisted living facility will be

constructed at the corner of Kingsland and Vernon avenues in University City. In St. Louis, recent new construction includes a new concert venue, a new large apartment complex, and a planned office/retail development. These major developments will strengthen the entire Delmar Loop, including University City.

- *Olive Boulevard*

The Olive Business District begins at the western edge of the City near Interstate 170 and crosses east for four miles to the City of St. Louis. With few exceptions, a majority of frontage along Olive Boulevard includes commercial or industrial/commercial uses. These uses include convenience goods, small retail stores, personal service establishments and automobile service stations. There are many ethnic businesses concentrated along the corridor as well, which include grocery stores, retail stores and restaurants. Over the past year, new construction of a discount retailer occurred as well as several reoccupancies, and the City continues to pursue redevelopment opportunities at major nodes. As a result, a large-scale redevelopment project at the nexus of Olive Boulevard and I-170 is in the preliminary planning phase. The revitalization of Olive Boulevard continues to be a top priority, and one of the City's greatest economic development opportunities.

- *Secondary Business Districts*

Delmar-McKnight-I-170 – This district contains a large concentration of office space and a number of retail tenants and restaurants. Significant commercial and residential redevelopment has occurred in this area over the past five years, with additional residential development planned. Due to the district's proximity to major transportation routes, and the age and obsolescence of some buildings, additional redevelopment opportunities exist.

Delmar-Old Bonhomme – This district contains a combination of office, specialty retail convenience, and restaurant uses. There were several reoccupancies during this fiscal year; otherwise, the district is stable.

Forsyth-Forest Park Parkway – This district contains a mix of uses including multi-family, retail, office and service. A few residential infill development projects occurred in this area.

- *Neighborhood Districts*

The districts that serve surrounding neighborhoods include such uses as office, convenience and automotive related (such as repair shops). These districts are located at intersections of primary or secondary streets and are in good physical condition: Delmar-Midland, Delmar-Hanley, Delmar-North and South, Forest Park Parkway-Big Bend, Pershing-Jackson, McKnight-Old Bonhomme, Midland-Vernon/Balson and Kingsland-Vernon. A few reoccupancies occurred in this area.

The districts that are primarily auto-oriented contain neighborhood-oriented convenience stores. Purdue-Dartmouth, Sutter-Etzel, Ferguson-Plymouth, Ferguson-Roberts, North and South-Milan, North and South-Shaftesbury. Many of these districts have redevelopment opportunities or buildings in disrepair.

Long-term Financial Planning. Each year the City updates its five-year capital improvement plan. Projects totaling over \$4.1 million are planned for the fiscal years 2018 through 2022. The City confines long-term borrowing to capital improvements or projects that cannot be financed from current revenues, and where the issuance of long-term debt is required. The bonds are paid back within a period not to exceed the expected useful life of the project. Projects for which bonds have been issued include expansion and renovation of the city's recreational facility, renovation of City Hall and renovation of Fire Station #2. A general obligation property tax levy

repays a small issuance of debt related to City Hall renovations. The City paid off general obligation bonds in March of 2015. The parking garage revenue is used to repay a portion of the debt. Started in September 2015, the remainder and majority of the debt are paid by capital improvement and park and storm water sales tax revenues.

FINANCIAL MANAGEMENT AND CONTROLS

City of University City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the evaluation of the relative costs and benefits of the control system requires estimates and judgments by management.

Budgetary Controls

The annual budget serves as a foundation for the City's financial planning and control. All of the departments of the City are required to submit requests for appropriation to the City Manager who uses these requests as a starting point for development of a proposed budget. The Finance Director presents to the City Manager estimates detailing the various revenues, grants, bond proceeds, and other funding sources that are anticipated. The City Manager presents a proposed budget to the City Council who holds work sessions and a public hearing prior to adopting a budget in June. The budget is prepared by fund; broken down further by department, programs, or projects within the department; then object of expenditures within programs; and finally, line items within objects. Budget transfers up to \$25,000 within the same department and fund are approved by the City Manager. Transfers over \$25,000, or between departments or funds, are approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted. For the General Fund and Grant Fund, this comparison is presented as required supplemental information. For other governmental funds that have an adopted budget, comparison schedules are found in other supplemental information.

OTHER INFORMATION

Independent Audit

The City's financial statements have been audited by Schowalter & Jabouri P.C., a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended June 30, 2017, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Awards and Acknowledgments. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in financial reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2015. The Certificate

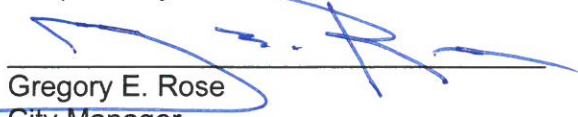
of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a


Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the various departments who assisted and contributed to the preparation. Further appreciation is extended to the Mayor and the City Council for their encouragement, interest, and support in conducting the financial operations of the City in a sound and progressive manner. The professional assistance of Schowalter & Jabouri auditors is also worthy of mention.

Respectively submitted,



Gregory E. Rose
City Manager

Tina Charumilind
Director of Finance

CITY OF UNIVERSITY CITY, MISSOURI

List of Principal Officials

As of June 30, 2017

MAYOR

Shelley Welsch

COUNCIL MEMBERS – WARD ONE

Terry Crow
Steve McMahon

COUNCIL MEMBERS – WARD TWO

Paulette Carr
L. Michael Glickert

COUNCIL MEMBERS – WARD THREE

Bwayne Smotherson
Rod Jennings

ACTING CITY MANAGER*

Charles Adams

City Clerk

LaRette Reese

Police Chief

Larry Hampton

Fire Chief

Adam Long

Director of Public Works and Parks

Sinan Alpaslan

**Director of Community Development
and Recreation**

Andrea Riganti

Director of Finance

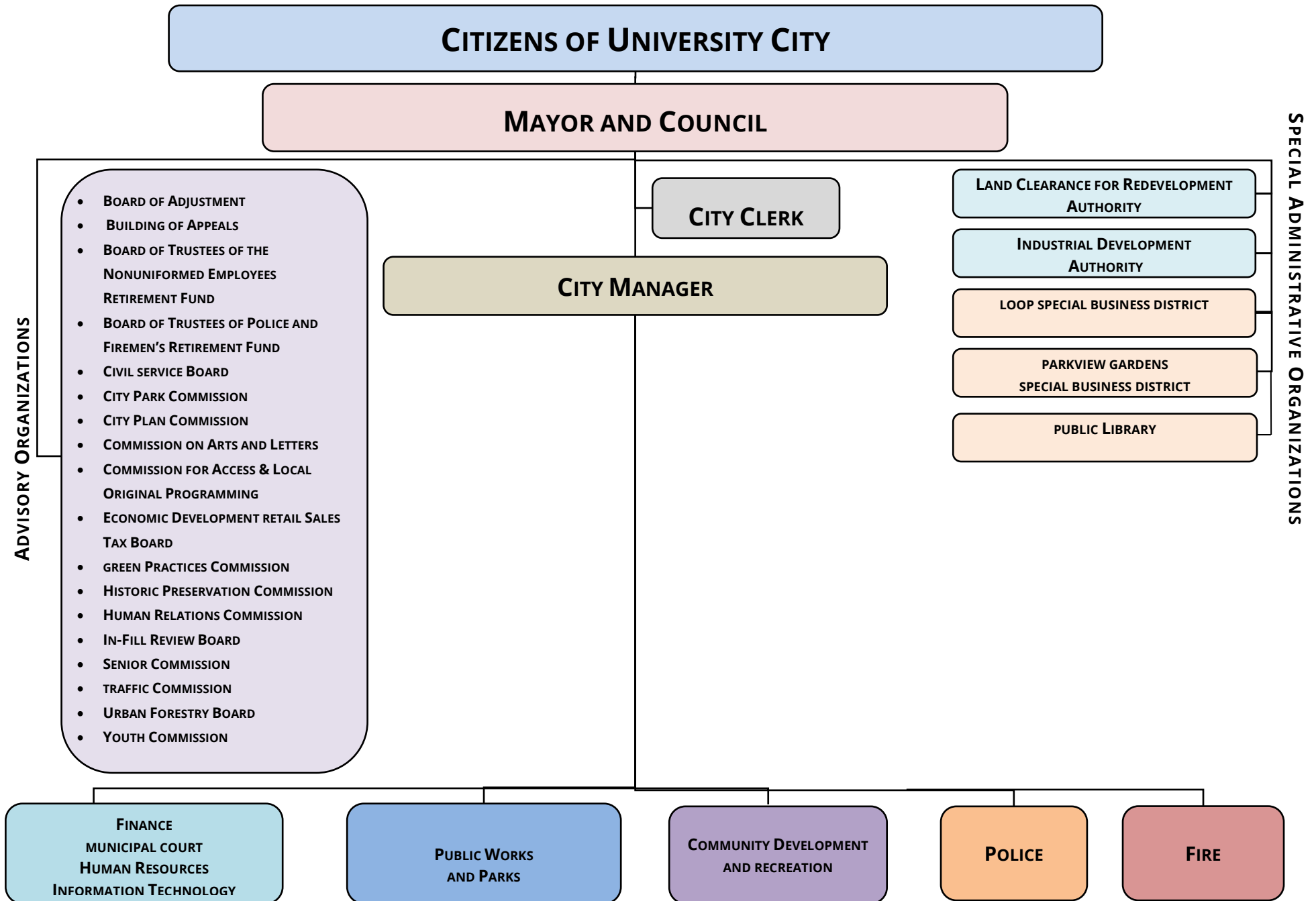
Tina Charumilind

Library Director

Patrick Wall

*Effective December 28, 2017, Gregory Rose is the City Manager.

GOVERNMENT OF THE CITY OF UNIVERSITY CITY, MISSOURI





Government Finance Officers Association

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

Presented to

**City of University City
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Christopher P. Morill

Executive Director/CEO

SECTION II - FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
City of University City, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the City of University City, Missouri (the "City") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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 on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that 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 aggregate discretely presented component units and remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2018 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



SCHOWALTER & JABOURI, P.C.

St. Louis, Missouri
January 31, 2018

Management's Discussion and Analysis

CITY OF UNIVERSITY CITY, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

This section of the City of University City, Missouri's (the City) financial report presents an overview and easily readable analysis of the City's financial activities based on currently known facts, decisions, and conditions. The purpose is to highlight significant financial issues, major financial activities and resulting changes in financial position, as well as economic factors affecting the City. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the letter of transmittal in the introductory section and the City's financial statements and accompanying notes following the Management's Discussion and Analysis (MD&A).

FINANCIAL HIGHLIGHTS (excluding Discretely Presented Component Units)

- On a government-wide basis, the City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2017 by \$60.3 million. Of this amount, \$7.0 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- As of June 30, 2017, governmental activities and business-type activities had net positions of \$56.6 million and \$3.7 million, respectively.
- The City's net position decreased by \$1.5 million from fiscal year 2016. For governmental activities, expenses exceeded revenues by \$1.5 million. For the business-type activities, expenses exceeded revenues by \$46 thousand.
- General revenues for governmental activities were \$22.1 million which included \$10.2 million of sales and local use and \$6.1 million of gross receipts taxes. Property taxes accounted for \$4.5 million of general revenues.
- Expenses from various functions of the City's governmental and business-type activities totaled \$34.8 million in fiscal year 2017, a decrease of \$1.5 million from fiscal year 2016.
- The City's total long-term debt obligations for both governmental and business-type activities decreased by \$967 thousand as compared to fiscal year 2016. This reduction was due to \$946 thousand of annual debt payment and \$21 thousand less of compensated absences than the previous year. In October 2016, the City signed a seven years lease-purchase of the 2014 Sutphen fire ladder truck in the amount of \$726 thousand.
- As of June 30, 2017, the City's governmental funds reported combined ending fund balances of \$20.7 million, a decrease of \$0.5 million from \$21.1 million reported in fiscal year 2016. Of this amount, \$8.2 million is unassigned fund balance and available for spending at the City's discretion.
- The unassigned fund balance for the General Fund was \$9.3 million or 37.1% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplementary information and other supplementary information.

Government-wide Financial Statements. The Government-wide Financial Statements are designed to provide readers with a broad overview of the City's financial position in a manner similar to that of a private-sector business. These statements are reported on the full accrual basis of accounting. Under the full accrual basis, certain revenues and expenses are reported that will not affect cash flows until future periods. The two government-wide statements, **Statement of Net Position** and **Statement of Activities**, report the City's net

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

position and how they have changed. In the government-wide statements, a distinction is made between governmental-type activities and business-type activities. Governmental-type activities are those normally associated with the operation of a government such as public safety, parks, and streets. Business-type activities are those activities of the government that are designed to be self-supporting such as the City's parking garage and solid waste services.

The **Statement of Net Position** presents information on all of the City's assets and deferred inflows of resources and liabilities and deferred outflows of resources; the difference between these is reported as net position. Evaluating increases and decreases in net position over time may serve as a useful indicator of whether or not the financial position of the City is improving or declining. The Statement of Net Position also provides information on unrestricted and restricted net position and net investment in capital assets.

The **Statement of Activities** presents information on the net cost of each governmental and business-type function during the fiscal year. The statement also identifies the amount of general revenues needed to fully fund each governmental function.

The Statement of Activities presents the various functions of the City and the degree to which they are supported by charges for services, federal and state grants and contributions, tax revenues, and investment income.

The governmental activities of the City include general government, public safety (fire and police), highway and streets, culture and recreation, as well as interest and fiscal charges. The business-type activities of the City include a parking facility and solid waste.

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate redevelopment agencies. Financial information for these component units is reported separately from the financial information presented for the primary government.

Fund Financial Statements. The fund financial statements focus on major governmental funds and proprietary funds separately. These statements provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The City uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the City's most significant funds - not the City as a whole. The City of University City has three types of funds: governmental funds, proprietary funds, and fiduciary funds.

1. **Governmental Funds** -- Governmental funds tell how general government services were financed in the short-term as well as what financial resources remain available for future spending to finance City programs.

The City maintains several individual governmental funds according to their type (General, Special Revenue, Capital Projects and Debt Service). Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Grants Fund, Park and Storm Water Sales Tax and Capital Improvement Sales Tax which are considered to be major funds. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements in the section of Other Supplementary Information.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

2. **Proprietary Funds** -- Proprietary funds offer short-term and long-term financial information about services for which the City charges customers, both external customers and internal departments of the City. The City maintains the following types of proprietary funds:
- *Enterprise Funds* are used to report information similar to business-type activities in the government-wide financial statements. The City uses the Enterprise Funds to account for the operations of the parking garage and solid waste. As mentioned in the financial highlight regarding refunding bonds, a portion of bond repayment was also funded by revenue generated from parking garage. Fiscal Year 2017 was the seventh year that the Solid Waste Fund has been classified as an enterprise fund.
 - *Internal Service Funds* are used to report activities that provide supplies and services for certain City programs and activities. The City uses Internal Service Funds to account for its central garage activities.
3. **Fiduciary Funds** -- Fiduciary funds are used to account for resources held for the benefit of individuals or units outside of the City. The City is the trustee or fiduciary responsible for assets which can be used only for the trust beneficiaries per trust arrangements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City's Pension Trust Funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements.

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

Required Supplementary Information (RSI). In addition to basic financial statements and notes to financial statements, this report presents required supplementary information concerning the City's budgetary comparisons for the General Fund and Grant Fund (Major Special Revenue). The Schedule of Changes in Net Pension Liability, the Schedule of Employer Contributions, and the Schedule of Investment Returns for the Non-Uniformed and Police & Fire Pension Trust Funds and Schedule of Funding Progress – Other Post Employments Benefit are also presented in this section.

Other Supplementary Information. The combining and individual fund statements provide fund level detail for all non-major governmental funds and budgetary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS OF THE CITY

The City presents its financial statements pursuant to Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Therefore, a comparative analysis of government-wide data will be included in this report.

Analysis of Net Position

The City's combined net position is approximately \$60.3 million. Reviewing the net position of governmental and business-type activities separately provides additional information.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

The condensed Statement of Net Position was as follows (dollars in thousands):

	2017	2016	2017	2016	2017	2016	Amount	Percent
ASSETS								
Current and other assets	\$ 25,698	\$ 26,834	\$ 1,665	\$ 1,388	\$ 27,363	\$ 28,222	\$ (859)	-3.0%
Capital assets, net	48,980	48,479	3,554	3,757	52,534	52,236	298	0.6%
Total assets	74,678	75,313	5,219	5,145	79,897	80,458	(561)	-0.7%
DEFERRED OUTFLOWS OF RESOURCES								
Deferred amount related to pensions	2,964	5,491	194	304	3,158	5,795	(2,637)	-45.5%
Deferred amount on refunding	126	168	-	7	126	175	(49)	-28.0%
Total Deferred Outflows of Resources	3,090	5,659	194	311	3,284	5,970	(2,686)	-45.0%
LIABILITIES								
Long-term debt outstanding	16,813	19,748	829	825	17,642	20,573	(2,931)	-14.2%
Other liabilities	3,152	2,906	902	878	4,054	3,784	270	7.1%
Total liabilities	19,965	22,654	1,731	1,703	21,696	24,357	(2,661)	-10.9%
DEFERRED INFLOWS OF RESOURCES								
Deferred amount related to pensions	1,173	215	-	25	1,173	240	933	388.8%
NET POSITION								
Net investment in capital assets	45,617	45,006	3,426	3,569	49,043	48,575	468	1.0%
Restricted	4,320	3,299	50	50	4,370	3,349	1,021	30.5%
Unrestricted	6,693	9,798	206	109	6,899	9,907	(3,008)	-30.4%
Total net position	\$ 56,630	\$ 58,103	\$ 3,682	\$ 3,728	\$ 60,312	\$ 61,831	\$ (1,519)	-2.5%

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. For the City, assets and deferred outflow of resources exceeded liabilities by \$60.3 million at the close of the fiscal year 2017.

The largest portion of the City's net position, \$49.0 million (81.3%), reflects its net investment in capital assets (e.g., land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities. The increase of \$0.5 million in net investment in capital assets for 2017 is due to growth in capital assets from grant funding, reduction in debt for normal annual debt payments.

Included in the City's total net position is \$4.4 million which represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation. The remaining balance of total net position, \$7.0 million, is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Changes in Net Position

The City's total revenue on a government-wide basis was \$33.2 million, a decrease of \$0.3 million or 0.8% as compared to FY 2016. This decrease was primarily due to a combination of a decrease of \$637 thousand from capital grant that is offset by an increase of miscellaneous income from the accumulative of insurance proceeds over the years of \$432 thousand.

The total cost of all programs and services was \$34.8 million, \$1.5 million or 4% less than FY 2016. The City's expenses cover a range of typical city services. The program with the largest burden on general revenues was public safety in the amount of \$13.0 million, \$0.5 million less than previous year. General government had the second largest expense of \$8.9 million, \$1.7 million less than previous year, follow by Public Works and Parks and Culture and Recreation in the amount of \$6.3 million and \$4.1 million, respectively.

The City's Statement of Changes in Net Position is as follows (dollars in thousands):

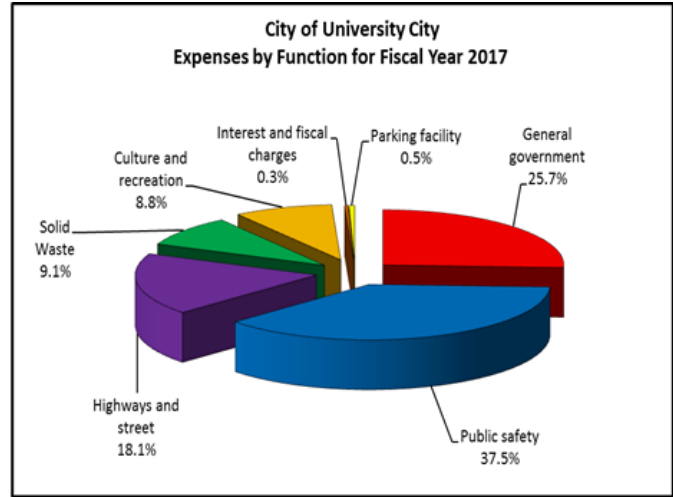
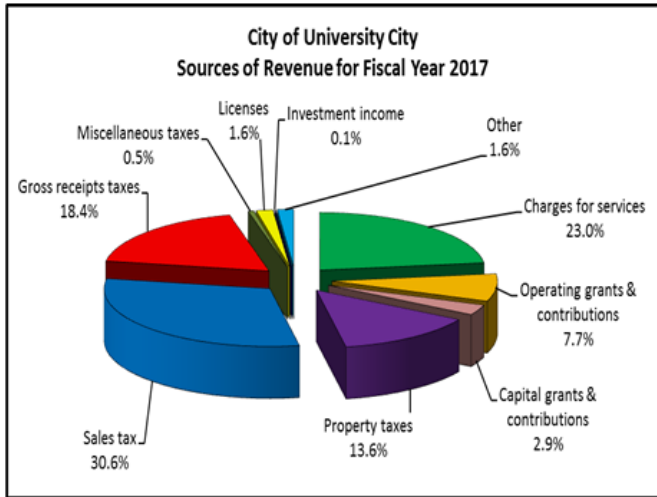
Condensed Statement of Changes in Net Position								
For the Year Ended June 30,								
	Governmental Activities		Business-type Activities		Total		2017 Change	
	2017	2016	2017	2016	2017	2016	Amount	Percent
Revenues								
Program revenues:								
Charges for services	\$ 4,367	\$ 4,756	\$ 3,269	\$ 2,933	\$ 7,636	\$ 7,689	\$ (53)	-0.7%
Operating grants and contributions	2,553	2,486	-	-	2,553	2,486	67	2.7%
Capital grants and contributions	956	1,593	-	-	956	1,593	(637)	-40.0%
General revenues:								
Taxes	21,537	21,533	-	-	21,537	21,533	4	0.0%
Investment Income	21	42	-	1	21	43	(22)	-51.2%
Miscellaneous	531	130	-	15	531	145	386	266.2%
Total revenues	<u>29,965</u>	<u>30,540</u>	<u>3,269</u>	<u>2,949</u>	<u>33,234</u>	<u>33,489</u>	<u>(255)</u>	-0.8%
Expenses								
General government	8,924	10,592	-	-	8,924	10,592	(1,668)	-15.7%
Public safety	13,039	13,565	-	-	13,039	13,565	(526)	-3.9%
Public works and parks	6,292	5,512	-	-	6,292	5,512	780	14.2%
Community development & recreation	3,067	2,990	-	-	3,067	2,990	77	2.6%
Interest and fiscal charges	116	112	-	-	116	112	4	3.6%
Solid Waste	-	-	3,137	3,359	3,137	3,359	(222)	-6.6%
Parking facility	-	-	178	166	178	166	12	7.2%
Total expenses	<u>31,438</u>	<u>32,771</u>	<u>3,315</u>	<u>3,525</u>	<u>34,753</u>	<u>36,296</u>	<u>(1,543)</u>	-4.3%
Change in net position	(1,473)	(2,231)	(46)	(576)	(1,519)	(2,807)	1,288	-45.9%
Beginning net position	58,103	60,334	3,728	4,304	61,831	64,638	(2,807)	-4.3%
Ending net position	<u>\$ 56,630</u>	<u>\$ 58,103</u>	<u>\$ 3,682</u>	<u>\$ 3,728</u>	<u>\$ 60,312</u>	<u>\$ 61,831</u>	<u>\$ (1,519)</u>	-2.5%

The City had a decrease in net position of \$1.5 million. Reasons for the decline are discussed further in the Governmental Activities and Business-Type Activities sections of the MD&A.

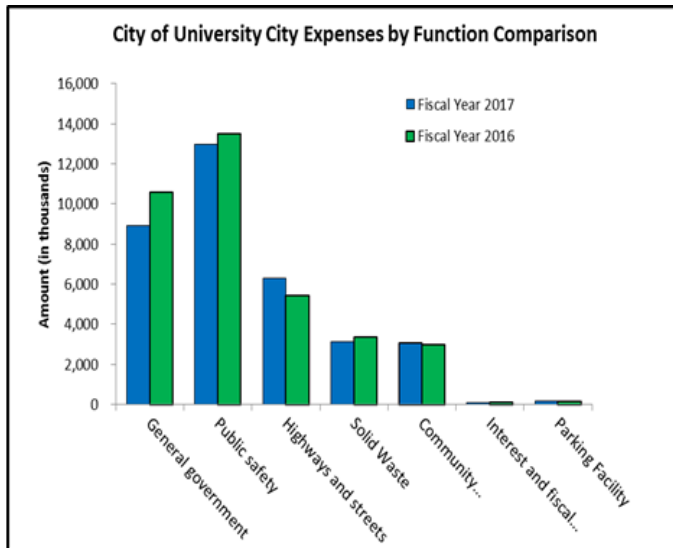
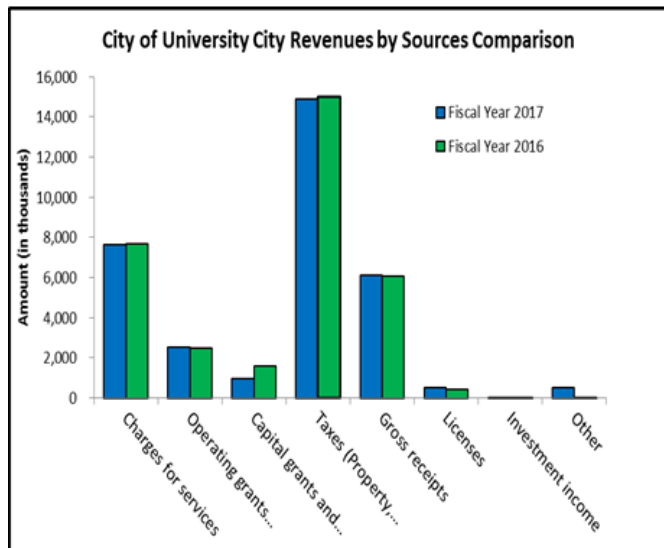
CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

The charts below illustrate the City's sources of revenue and expenses by percentages of total.



The charts below illustrate the comparison of 2017 and 2016 revenues by source and expense function.



Property, sales, and gross receipts taxes totaling 62.6% are the primary revenue sources used to support City-wide program activities. As shown, public safety is the largest function in expense (37.5%) of the total expenses of governmental activities. In FY 2017, General Government and Public Safety expenses decreased by \$1.7 million and \$0.6 million, respectively from previous year. Additionally, in FY 2017, the City also received \$0.6 million less in capital grant than previous year. A combined total of operating and capital grants was \$3.5 million or 10.6% of total revenue.

Governmental Activities -- Governmental activities decreased the City's net position by \$1.5 million which was nearly \$0.8 million lower than previous year. This decrease primarily was a result of the decrease of \$1.4 million of the total expenditures were not large enough to offset the decrease of \$1.1 million in total revenues. The gross receipts tax revenue changed significantly in both natural gas and telephone. These two combined was approximately \$755 thousand less than budget. Fire department also had \$726 thousand added to the capital outlay for the fire ladder truck. Furthermore, the government-wide pension expense

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

increased significantly as a result of a new accounting pronouncement (GASB 68) that was implemented for the second year. However, the City maintained to provide a 2% cost of living increase to all employees.

Business-type Activities -- Business-type activities decreased the City's net position by \$46 thousand. The Parking facility increased its net position by \$37 thousand as opposed to a decrease of \$29 thousand in the previous year. The Solid Waste Fund decreased its net position by \$83 thousand as opposed to \$546 thousand in the previous year. This significant change was due to the City imposed a rate increase of approximately 12% to improve the condition of this fund during FY 2017.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds. The governmental fund statements report on a near-term revenues/financial resources and expenditures basis. This information helps determine the City's financial requirements in the near future. In particular, unassigned fund balance is a good indicator of the City's resources available for spending at the end of the year. Restrictions on fund balance do not significantly affect the availability of fund resources for future use.

General Fund

At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$9.3 million, while the total fund balance was \$17.0 million.

The unassigned fund balance in the City's General Fund increased by \$0.7 million or 8.5% from the prior year's unassigned fund balance. This increase was mainly due to less amount of the committed fund balance of \$7.0 million in FY 2017 and \$7.8 million in previous year.

Grant Fund

Grant Fund was a major fund during FY 2017. This fund had a negative fund balance of \$745 thousand. This negative fund balance represents the portion of amount spent on the projects but will be reimbursed by the grantor in the subsequent year.

Park and Storm Water Sales Tax Fund

Park and Storm Water Sales Tax Fund was a major fund during FY 2017. This fund also had a negative fund balance of \$317 thousand. This negative fund balance was mainly a result of expenditures exceeding revenues for the past two years.

Capital Improvement Sales Tax Fund

Capital Improvement Sales Tax Fund was also a major fund during FY 2017. This fund had fund balance of \$2.2 million. In this amount, \$424 thousand was restricted for paying a portion of principal and interest of the certificates of participation series 2012 and \$1.8 million was restricted for capital projects. This amount mostly was committed for the uncompleted project in the subsequent years.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Proprietary Funds. The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Parking Facility and Solid Waste Funds at the end of the year amounted to negative \$54,268 and \$260,631 respectively with the increase in total net positions of \$37 thousand and decrease of \$83 thousand from last year. The Internal Service Fund, which is used to account for certain City activities, had \$1.0 million in unrestricted net position.

Fiduciary Funds. The City maintains Fiduciary Funds for the assets of the City Non-Uniformed and Police & Fire Employee Retirement Plans. As of the end of fiscal year 2017 the net position of the Pension Funds totaled \$47.1 million, representing an increase of \$2.7 million in total net position over last fiscal year. The change was primarily related to a strong performance of the market for the Pension Funds' investments during 2017.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of University City's investment in capital assets for the end of 2017 was \$52.5 million, net of accumulated depreciation, in a broad range of capital assets including buildings, park facilities, equipment, roads, bridges, and sidewalks. This amount represents a net decrease for the current fiscal year (including additions and deductions) of \$298 thousand or 0.6% over the previous year. The increase was due to a completion of various park improvements such as a playground at Millar Park, a tennis court at Kaufman Park and major renovation at Fogerty Park. Additionally, the City purchased a couple parcels of flood land that increased the asset by over \$570 thousand. The following table shows the balances by category for governmental activities, business activities, and the City as a whole (dollars in thousands):

Capital Assets, Net of Depreciation									
June 30,									
	Governmental Activities		Business-type Activities		Total		Change		
	2017	2016	2017	2016	2017	2016	Amount	Percent	
Land	\$ 8,207	\$ 7,636	\$ -	\$ -	\$ 8,207	\$ 7,636	\$ 571	7.5%	
Buildings	12,140	12,911	2,262	2,310	14,402	15,221	(819)	-5.4%	
Improvements other than buildings	6,146	5,238	1	1	6,147	5,239	908	17.3%	
Equipment and vehicles	4,361	4,138	1,291	1,446	5,652	5,584	68	1.2%	
Infrastructure	13,884	15,118	-	-	13,884	15,118	(1,234)	-8.2%	
Construction in progress	4,242	3,438	-	-	4,242	3,438	804	23.4%	
Total Capital assets net of depreciation	<u>\$ 48,980</u>	<u>\$ 48,479</u>	<u>\$ 3,554</u>	<u>\$ 3,757</u>	<u>\$ 52,534</u>	<u>\$ 52,236</u>	<u>\$ 298</u>	<u>0.6%</u>	

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures.

Additional information on the City's government capital assets can be found in Note 3, page 38-39.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Long-term Debt Obligations

At the end of the fiscal year 2017, the City had outstanding long-term debt obligations for governmental activities in the amount of \$4.6 million compared to \$4.8 million in fiscal year 2016. Of this amount, \$2.7 million are certificates of participation, \$0.2 million are special obligation bonds, \$726 thousand are capital leases for the fire ladder truck that was added during FY 2017 and \$945 thousand are compensated absences.

The City's governmental and business-type activities debt is detailed below (dollars in thousands):

	Outstanding Long-Term Debt Obligations			
	June 30,			
	2017	2016	Change	
			Amount	Percent
Governmental activities:				
Special obligation bonds	\$ 210	\$ 260	(50)	(19.2)
Certificates of participation	2,552	3,380	(828)	(24.5)
Capital leases	726	-	726	100.0
Unamortized premium, discount and deferred amount on refunding	1	2	(1)	(50.0)
Total bonds and notes payable	3,489	3,642	(153)	(4.2)
Compensated absences	908	929	(21)	(2.3)
Total governmental activities	4,397	4,571	(174)	(3.8)
Business-type activities:				
Certificates of participation	128	195	(67)	(34.4)
Compensated absences	37	37	-	-
Total business-type activities	165	232	(67)	(28.9)
	<u>\$ 4,562</u>	<u>\$ 4,803</u>	<u>(241)</u>	<u>(5.0) %</u>

Additional information on the City's long-term debt can be found in Note 4, page 41-42.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final budget for the City's General Fund expenditures represents an increase of \$1.8 million from an original budget. This increase was due to the City Council approved a one time transfer of \$1.0 million from fund reserve to pay for the annual lease of the temporary police building which was approximately \$1.3 million.

Revenues were originally budgeted at \$23.4 million. The actual as of yearend was \$22.3 million. The short fall of \$1.1 million in revenue was approximately 4.7% of the budget. A comparison of the actual performance of the General Fund on a budgetary basis to the final budget is presented in the Required Supplementary Information (RSI), page 59-63. The General Fund ended the year with an operating budget deficit of \$1.3 million.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

BOND RATINGS

The City's bond ratings was raised in March 2014 to AA+ rating from Standard and Poor's Corporation for its voter approved general obligation credit and AA for its revenue bonds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City has endured nearly four years of budget tightening and cost containment but has emerged with a budget that meets the needs of our community and sets our spending and staffing to affordable and sustainable levels while maintaining a level of service quality that is acceptable to our citizens.

Strong fiscal stewardship and economic development through the years, and engaged workforce stressing efficiency, quality and customer service along with targeting resources to core municipal services will continue to help the City get through these difficult times.

FY 2017 revenue ended the year with \$1.1 million below the amended budget. In this total, \$755 thousand caused by a shortage of the gross receipts tax from both natural gas and telephone. Overall, the General Fund showed a potential growth in sales tax revenue over FY 2016. The actual sales and use taxes came in approximately \$70 thousand higher than the original budget. Property taxes revenue was less than what originally budget by approximately \$20 thousand. The general and building inspection was also less than budget by \$37 thousand. All other revenues performed as originally adopted due to their stable nature.

The City continues to focus on providing the highest level of services, and capital investments. FY 2018 Budget delivers the outcomes identified by the City Council based on the city-wide priorities include Safe and Caring Community, Improved Mobility, Quality Neighborhood, Responsive Government, Sustainable Environment and Economic Growth. The budget provides adequate funding for Public Safety, Public Works and Parks while maintaining the efficiencies and cost savings in all departments.

REQUESTS FOR INFORMATION

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

City of University City
Department of Finance
6801 Delmar Boulevard
University City, MO 63130

Basic Financial Statements

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF NET POSITION
JUNE 30, 2017**

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Library	IDA	LCRA
ASSETS						
Cash and investments	\$ 13,433,691	\$ 2,423,628	\$ 15,857,319	\$ 1,131,593	\$ 1,302	\$ 19,173
Receivables (net of allowance for uncollectibles):						
Taxes	2,991,988	-	2,991,988	127,657	-	-
Grants	960,242	-	960,242	11,985	-	-
Court	311,125	-	311,125	-	-	-
Other	811,303	59,519	870,822	25,431	-	-
Internal balances	873,245	(873,245)	-	-	-	-
Due from fiduciary fund	4,549,012	-	4,549,012	-	-	-
Receivables from component units	203,469	4,358	207,827	-	-	-
Inventory	127,780	-	127,780	-	-	-
Prepaid items	179,461	606	180,067	114	-	-
Other assets	34,565	-	34,565	-	-	-
Cash and investments - restricted	651,818	50,181	701,999	-	-	-
Assets held for resale	570,000	-	570,000	-	-	-
Capital assets:						
Land and construction in progress	12,449,572	-	12,449,572	65,000	-	-
Other capital assets, net of accumulated depreciation	36,530,554	3,553,745	40,084,299	677,160	-	-
Total Assets	74,677,825	5,218,792	79,896,617	2,038,940	1,302	19,173
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amounts related to pensions	2,964,283	194,196	3,158,479	258,218	-	-
Deferred amount on refunding	125,996	-	125,996	-	-	-
Total Deferred Outflows of Resources	3,090,279	194,196	3,284,475	258,218	-	-

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2017

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Library	IDA	LCRA
LIABILITIES						
Accounts payable	1,264,927	93,702	1,358,629	36,159	-	-
Accrued expenses	404,358	136,196	540,554	1,048	-	-
Payable to primary government	-	-	-	184,863	-	22,964
Accrued interest payable	34,466	1,131	35,597	-	-	-
Unearned revenue	4,506	661,916	666,422	46,287	-	-
Deposits	1,154,122	9,231	1,163,353	-	-	-
Noncurrent liabilities:						
Due within one year	1,702,164	87,935	1,790,099	47,102	-	-
Due in more than one year	2,694,825	77,000	2,771,825	5,234	-	-
Due in more than one year- net pension obligation	12,320,702	663,588	12,984,290	854,992	-	-
Due in more than one year- net OPEB obligation	384,481	-	384,481	-	-	-
Total Liabilities	19,964,551	1,730,699	21,695,250	1,175,685	-	22,964
DEFERRED INFLOWS OF RESOURCES						
Deferred amounts related to pensions	1,173,411	-	1,173,411	-	-	-
Total Deferred Inflows of Resources	1,173,411	-	1,173,411	-	-	-
NET POSITION						
Net investment in capital assets	45,616,904	3,425,745	49,042,649	742,160	-	-
Restricted for:						
Library	-	-	-	379,313	-	-
Special business districts	291,056	-	291,056	-	-	-
Sewer lateral	298,794	-	298,794	-	-	-
Economic development	1,534,992	-	1,534,992	-	-	-
Debt services	423,682	50,181	473,863	-	-	-
Capital projects	1,770,851	-	1,770,851	-	-	-
Unrestricted	6,693,863	206,363	6,900,226	-	1,302	(3,791)
Total Net Position	\$ 56,630,142	\$ 3,682,289	\$ 60,312,431	\$ 1,121,473	\$ 1,302	\$ (3,791)

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

FUNCTIONS/PROGRAMS	Program Revenues				Net Revenues (Expenses) And Changes In Net Position				Component Units		
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Primary Government			Total	Library	IDA	LCRA
					Governmental Activities	Business-Type Activities					
Primary Government											
Governmental Activities											
General government	\$ 8,923,831	\$ 1,110,300	\$ 140,228	\$ -	\$ (7,673,303)	\$ -	\$ (7,673,303)	\$ -	\$ -	\$ -	-
Public safety	13,039,175	739,487	238,305	-	(12,061,383)	-	(12,061,383)	-	-	-	-
Public works and parks	6,291,871	957,836	2,174,251	955,837	(2,203,947)	-	(2,203,947)	-	-	-	-
Community development and recreation	3,066,572	1,559,068	-	-	(1,507,504)	-	(1,507,504)	-	-	-	-
Interest and fiscal charges	116,188	-	-	-	(116,188)	-	(116,188)	-	-	-	-
Total Governmental Activities	31,437,637	4,366,691	2,552,784	955,837	(23,562,325)	-	(23,562,325)	-	-	-	-
Business-type Activities											
Parking facility	178,086	214,952	-	-	-	36,866	36,866	-	-	-	-
Sanitation	3,136,718	3,053,796	-	-	-	(82,922)	(82,922)	-	-	-	-
Total Business-type Activities	3,314,804	3,268,748	-	-	-	(46,056)	(46,056)	-	-	-	-
Total Primary Government	<u>\$ 34,752,441</u>	<u>\$ 7,635,439</u>	<u>\$ 2,552,784</u>	<u>\$ 955,837</u>	<u>(23,562,325)</u>	<u>(46,056)</u>	<u>(23,608,381)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component Units											
Library	\$ 2,066,594	\$ 34,944	\$ 184,664	\$ -	-	-	-	(1,846,986)	-	-	-
IDA	583	-	-	-	-	-	-	-	(583)	-	-
LCRA	249	-	-	-	-	-	-	-	-	-	(249)
Total Component Units	<u>\$ 2,067,426</u>	<u>\$ 34,944</u>	<u>\$ 184,664</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,846,986)</u>	<u>(583)</u>	<u>(249)</u>	<u>-</u>
General Revenues											
Taxes:											
Property taxes levied for:											
General purposes					3,433,276	-	3,433,276	-	-	-	-
Police and fire pension					951,120	-	951,120	-	-	-	-
Library					-	-	-	1,523,783	-	-	-
Special business districts					137,587	-	137,587	-	-	-	-
Sales and use taxes levied for:											
General purposes					5,030,124	-	5,030,124	-	-	-	-
Parks and stormwater					1,384,754	-	1,384,754	-	-	-	-
Capital improvement					2,381,085	-	2,381,085	-	-	-	-
Economic development					692,359	-	692,359	-	-	-	-
Fire services					692,371	-	692,371	-	-	-	-
Gross receipts taxes					6,117,081	-	6,117,081	-	-	-	-
Miscellaneous taxes					181,884	-	181,884	-	-	-	-
Licenses (taxes)					536,352	-	536,352	-	-	-	-
Investment income					20,516	-	20,516	2,689	-	-	-
Other					41,698	-	41,698	58,505	-	-	-
Gain on sale of capital assets					57,587	-	57,587	-	-	-	-
Insurance proceeds					431,560	-	431,560	-	-	-	-
Total General Revenues					<u>22,089,354</u>	<u>-</u>	<u>22,089,354</u>	<u>1,584,977</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION					<u>(1,472,971)</u>	<u>(46,056)</u>	<u>(1,519,027)</u>	<u>(262,009)</u>	<u>(583)</u>	<u>(249)</u>	<u>(249)</u>
NET POSITION, JULY 1					<u>58,103,113</u>	<u>3,728,345</u>	<u>61,831,458</u>	<u>1,383,482</u>	<u>1,885</u>	<u>(3,542)</u>	<u>(3,542)</u>
NET POSITION, JUNE 30	<u>\$ 56,630,142</u>	<u>\$ 3,682,289</u>	<u>\$ 60,312,431</u>	<u>\$ -</u>	<u>\$ 56,630,142</u>	<u>\$ 3,682,289</u>	<u>\$ 60,312,431</u>	<u>\$ 1,121,473</u>	<u>\$ 1,302</u>	<u>\$ (3,791)</u>	<u>\$ (3,791)</u>

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	General	Grants	Park and Storm Water Sales Tax	Capital Improvement Sales Tax	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 8,356,000	\$ -	\$ -	\$ 1,873,022	\$ 2,496,908	\$ 12,725,930
Receivables						
Taxes	2,171,430	-	228,402	401,482	190,674	2,991,988
Grants	-	960,242	-	-	-	960,242
Court	311,125	-	-	-	-	311,125
Other	787,808	-	-	636	8,110	796,554
Due from other funds	7,577,337	-	-	20,221	25,605	7,623,163
Due from component units	203,469	-	-	-	-	203,469
Cash and investments - restricted	-	-	228,136	423,682	-	651,818
Prepaid items	175,178	-	-	-	-	175,178
Other	34,565	-	-	-	-	34,565
Assets held for resale	570,000	-	-	-	-	570,000
Total Assets	\$ 20,186,912	\$ 960,242	\$ 456,538	\$ 2,719,043	\$ 2,721,297	\$ 27,044,032
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 561,623	\$ 272,537	\$ 199,331	\$ 43,136	\$ 131,613	\$ 1,208,240
Accrued liabilities	398,333	-	4,345	1,202	478	404,358
Due to other funds	193,893	1,208,968	569,445	480,172	-	2,452,478
Deposits	1,154,122	-	-	-	-	1,154,122
Unearned revenue	-	4,506	-	-	-	4,506
Total Liabilities	2,307,971	1,486,011	773,121	524,510	132,091	5,223,704
Deferred Inflows of Resources						
Unavailable revenues:						
Property taxes	264,421	-	-	-	74,833	339,254
Grants	-	219,633	-	-	-	219,633
Other	600,803	-	-	-	-	600,803
Total Deferred Inflows of Resources	865,224	219,633	-	-	74,833	1,159,690
Fund Balances						
Nonspendable	779,743	-	-	-	-	779,743
Restricted for:						
Special business districts	-	-	-	-	291,056	291,056
Sewer lateral	-	-	-	-	298,794	298,794
Economic development	-	-	-	-	1,534,992	1,534,992
Debt services	-	-	-	423,682	-	423,682
Capital projects	-	-	-	1,770,851	-	1,770,851
Committed	6,955,000	-	-	-	-	6,955,000
Assigned for:						
CALOP	-	-	-	-	389,531	389,531
Unassigned	9,278,974	(745,402)	(316,583)	-	-	8,216,989
Total Fund Balances	17,013,717	(745,402)	(316,583)	2,194,533	2,514,373	20,660,638
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 20,186,912	\$ 960,242	\$ 456,538	\$ 2,719,043	\$ 2,721,297	\$ 27,044,032

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2017**

Total Fund Balances - Governmental Funds	\$ 20,660,638
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Amounts reported for governmental activities in the statement of net position
are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$81,875,794 and the accumulated depreciation is \$34,558,859.	47,316,935
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Property taxes assessed by the City, but not collected as of year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements.	339,254
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Grant revenue earned by the City, but not available, is deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements.	219,633
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	600,803
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The Internal Service Fund is used by the City to charge for services provided by the Central Garage Department to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	2,701,056
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Certain long-term liabilities are not due and payable in the current period and,
therefore, are not reported as liabilities in the governmental funds. Long-term
liabilities at year-end consist of:

Accrued interest payable	(34,466)
Accrued compensated absences	(896,178)
Net OPEB obligation	(384,481)
Net pension obligations	(12,320,702)
Deferred outflows related to pensions	2,964,283
Deferred inflows related to pensions	(1,173,411)
Bonds, notes payable, and capital lease outstanding	(3,488,101)
Unamortized bond premium	(1,117)
Deferred loss on refunding	125,996

Total Net Position of Governmental Activities	\$ 56,630,142
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See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	General	Grants	Park and Storm Water Sales Tax	Capital Improvement Sales Tax	Other Governmental Funds	Total Governmental Funds
REVENUES						
General taxes	\$ 15,856,608	\$ -	\$ 1,384,754	\$ 2,340,835	\$ 1,783,028	\$ 21,365,225
Charges for services	1,810,488	-	-	-	574,442	2,384,930
Intergovernmental	2,143,351	1,628,780	-	-	-	3,772,131
Licenses, permits, fines, and fees	2,372,360	-	-	-	30,859	2,403,219
Investment income	20,516	-	-	-	-	20,516
Special assessment	72,407	-	-	-	-	72,407
Distribution from component unit - Library	4,000	-	-	-	-	4,000
Other	38,463	-	-	-	140,259	178,722
Total Revenues	22,318,193	1,628,780	1,384,754	2,340,835	2,528,588	30,201,150
EXPENDITURES						
Current:						
General government	5,192,174	48,305	363,355	229,172	2,343,878	8,176,884
Public safety	12,288,679	-	-	-	-	12,288,679
Public works and parks	3,988,180	-	-	-	-	3,988,180
Community development and recreation	1,253,883	-	-	-	-	1,253,883
Capital outlay	2,205,718	969,311	880,807	516,483	190,970	4,763,289
Debt Service:						
Principal	50,000	-	290,000	538,000	-	878,000
Interest and fiscal charges	10,213	-	20,046	35,590	-	65,849
Total Expenditures	24,988,847	1,017,616	1,554,208	1,319,245	2,534,848	31,414,764
REVENUES (UNDER) OVER EXPENDITURES	(2,670,654)	611,164	(169,454)	1,021,590	(6,260)	(1,213,614)
OTHER FINANCING SOURCES						
Issuance of capital lease	726,101	-	-	-	-	726,101
NET CHANGE IN FUND BALANCES	(1,944,553)	611,164	(169,454)	1,021,590	(6,260)	(487,513)
FUND BALANCES, JULY 1	18,958,270	(1,356,566)	(147,129)	1,172,943	2,520,633	21,148,151
FUND BALANCES, JUNE 30	\$ 17,013,717	\$ (745,402)	\$ (316,583)	\$ 2,194,533	\$ 2,514,373	\$ 20,660,638

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Net Change In Fund Balances - Governmental Funds	\$	(487,513)
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over estimated useful lives and reported as depreciation expense.

Capital asset purchases	1,161,669	
Additions to construction in progress	2,486,424	
Depreciation expense	<u>(2,980,110)</u>	667,983

Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenue in the governmental funds. The net effect of these differences is as follows:

Property taxes	(8,583)	
Grants	(632,636)	
Ambulance and other	<u>(76,511)</u>	(717,730)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, the governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of capital lease	(726,101)	
Repayment bonds payable and other debt	878,000	
Amortization of deferred loss on refunding	(41,998)	
Amortization of premiums on debt issues	<u>432</u>	110,333

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

Accrued interest on bonds	(8,773)	
Accrued compensated absence liability	18,120	
Pension expense	(965,251)	
Net other post employment benefit obligation	<u>(47,450)</u>	(1,003,354)

Internal Service Fund is used by management to charge the costs of certain activities to individual funds. The revenue (expense) of the Internal Service Fund is reported with governmental activities in the statement of activities.

(42,690)

Change In Net Position of Governmental Activities	\$	<u><u>(1,472,971)</u></u>
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CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2017**

	Business-Type Activities - Enterprise Funds			
	Major Enterprise Funds			Governmental
	Parking Garage	Solid Waste	Total Enterprise Funds	Activities - Internal Service Fund
Current Assets				
Cash and investments	\$ 187,085	\$ 2,236,543	\$ 2,423,628	\$ 707,761
Receivables, net:				
Other	5,312	54,207	59,519	14,749
Due from other funds	-	-	-	251,572
Due from component unit	-	4,358	4,358	-
Inventory	-	-	-	127,780
Prepaid items	-	606	606	4,283
Total Current Assets	192,397	2,295,714	2,488,111	1,106,145
Noncurrent Assets				
Cash and investments - restricted	50,181	-	50,181	-
Capital assets, net of accumulated depreciation	2,050,177	1,503,568	3,553,745	1,663,191
Total Noncurrent Assets	2,100,358	1,503,568	3,603,926	1,663,191
Total Assets	2,292,755	3,799,282	6,092,037	2,769,336
Deferred Outflows of Resources				
Deferred amounts related to pensions	-	194,196	194,196	-
Total Deferred Outflows of Resources	-	194,196	194,196	-
Current Liabilities				
Accounts payable	776	92,926	93,702	56,687
Accrued expenses	-	136,196	136,196	-
Accrued interest payable	1,131	-	1,131	-
Due to other funds	235,527	637,718	873,245	-
Deposits	9,231	-	9,231	-
Unearned revenue	-	661,916	661,916	-
Certificates of participation - current	51,000	-	51,000	-
Accrued compensated absences	-	36,935	36,935	11,593
Total Current Liabilities	297,665	1,565,691	1,863,356	68,280
Noncurrent Liabilities				
Certificates of participation	77,000	-	77,000	-
Net pension obligation	-	663,588	663,588	-
Total Noncurrent Liabilities	77,000	663,588	740,588	-
Total Liabilities	374,665	2,229,279	2,603,944	68,280
Net Position				
Net investment in capital assets	1,922,177	1,503,568	3,425,745	1,663,191
Restricted for debt service	50,181	-	50,181	-
Unrestricted	(54,268)	260,631	206,363	1,037,865
Total Net Position	\$ 1,918,090	\$ 1,764,199	\$ 3,682,289	\$ 2,701,056

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities - Enterprise Funds			
	Major Enterprise Funds			
	Parking Garage	Solid Waste	Total Enterprise Funds	Governmental Activities - Internal Service Fund
OPERATING REVENUES				
Charges for services, net	\$ 214,952	\$ 3,053,796	\$ 3,268,748	\$ 1,290,928
Miscellaneous	-	-	-	24,475
Total Operating Revenues	214,952	3,053,796	3,268,748	1,315,403
OPERATING EXPENSES				
Personal services	-	1,380,645	1,380,645	499,214
Contractual services	93,877	1,385,682	1,479,559	254,503
Depreciation and amortization	62,157	285,530	347,687	557,304
Utilities	10,164	6,852	17,016	22,456
Supplies	2,300	65,280	67,580	19,057
Materials	-	10,021	10,021	486,806
Total Operating Expenses	168,498	3,134,010	3,302,508	1,839,340
OPERATING INCOME (LOSS)	46,454	(80,214)	(33,760)	(523,937)
NONOPERATING (EXPENSES) REVENUES				
Investment income (expense)	-	(2,708)	(2,708)	-
Gain on sale of asset	-	-	-	49,687
Interest expense	(9,588)	-	(9,588)	-
Insurance proceeds	-	-	-	431,560
Total Nonoperating (Expenses) Revenues	(9,588)	(2,708)	(12,296)	481,247
CHANGE IN NET POSITION	36,866	(82,922)	(46,056)	(42,690)
NET POSITION, JULY 1	1,881,224	1,847,121	3,728,345	2,743,746
NET POSITION, JUNE 30	\$ 1,918,090	\$ 1,764,199	\$ 3,682,289	\$ 2,701,056

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities - Enterprise Funds			
	Major Enterprise Funds			Governmental Activities - Internal Service Fund
	Parking Garage	Solid Waste	Total Enterprise Funds	
INCREASE IN CASH AND CASH EQUIVALENTS				
Cash Flows From Operating Activities:				
Receipts from customers and users	\$ 216,816	\$ 3,125,942	\$ 3,342,758	\$ 1,290,786
Payments to suppliers	(105,565)	(1,582,091)	(1,687,656)	(784,834)
Payments to employees	-	(1,150,636)	(1,150,636)	(494,449)
Miscellaneous revenue	-	-	-	24,475
Net Cash Provided By Operating Activities	111,251	393,215	504,466	35,978
Cash Flows From Noncapital Financing Activities:				
(Repayments of) advances on internal balances	78,963	314,734	393,697	404,131
Net Cash Provided By Noncapital Financing Activities	78,963	314,734	393,697	404,131
Cash Flows From Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	(144,229)	(144,229)	(398,305)
Proceeds from sale of capital assets	-	-	-	57,750
Principal payments on certificates of participation	(67,000)	-	(67,000)	-
Interest paid on certificates of participation	(2,744)	-	(2,744)	-
Net Cash Used In Capital and Related Financing Activities	(69,744)	(144,229)	(213,973)	(340,555)
Cash Flows From Investing Activities:				
Interest (loss) income	-	(2,708)	(2,708)	-
Net Cash Used In Interest Activities	-	(2,708)	(2,708)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	120,470	561,012	681,482	99,554
CASH AND CASH EQUIVALENTS, JULY 1	116,796	1,675,531	1,792,327	608,207
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 237,266	\$ 2,236,543	\$ 2,473,809	\$ 707,761
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 46,454	\$ (80,214)	\$ (33,760)	\$ (523,937)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	62,157	285,530	347,687	557,304
(Increase) decrease in assets and deferred outflows of resources:				
Service receivables	1,864	8,757	10,621	(142)
Inventory and prepaid items	-	151	151	(26,912)
Deferred amounts related to pensions	-	109,872	109,872	-
Increase (decrease) in liabilities and deferred inflows of resources:				
Accounts payable	776	(114,407)	(113,631)	24,900
Accrued expenses	-	74,518	74,518	4,765
Other liabilities	-	133,717	133,717	-
Deferred amounts related to pensions	-	(24,709)	(24,709)	-
Total Adjustments	64,797	473,429	538,226	559,915
Net Cash Provided By Operating Activities	\$ 111,251	\$ 393,215	\$ 504,466	\$ 35,978

See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
JUNE 30, 2017**

ASSETS:

Cash and investments:	
Common stock	\$ 34,402,933
U.S. government securities	4,465,997
Corporate bonds	4,004,388
Cash and money market accounts	8,737,866
Total cash and investments	<u>51,611,184</u>
Interest receivable	88,730
Other receivable	<u>13,283</u>
Total Assets	<u><u>51,713,197</u></u>

LIABILITIES:

Accounts payable	43,567
Due to other funds	<u>4,549,012</u>
Total Liabilities	<u><u>4,592,579</u></u>

NET POSITION:

Restricted for pension benefits	<u><u>\$ 47,120,618</u></u>
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CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

ADDITIONS:

Contributions:

Employee	\$ 212,220
Employer	1,979,782
Total Contributions	<u>2,192,002</u>

Investment income:

Net appreciation in fair value of investments and interest and dividends	<u>4,731,457</u>
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Total Additions	<u>6,923,459</u>
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DEDUCTIONS:

Benefits	3,545,795
Refund of contributions	235,642
Administrative	425,778
Total Deductions	<u>4,207,215</u>

CHANGE IN NET POSITION	2,716,244
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NET POSITION, JULY 1	<u>44,404,374</u>
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NET POSITION, JUNE 30	<u><u>\$ 47,120,618</u></u>
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See the accompanying notes to basic financial statements

CITY OF UNIVERSITY CITY, MISSOURI

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of University City, Missouri (the "City") was incorporated on September 6, 1906 and established a Council-Manager form of government. The City's major operations include police and fire protection, street maintenance and improvements, parks and recreation, certain social services, and general administrative services.

The accounting and financial reporting policies of the City conform to U.S. generally accepted accounting principles as applicable to governmental entities. The following is a summary of the more significant policies:

A. The Financial Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable or closely related.

The City's financial reporting entity consists of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity. There are no separate financial statements prepared for the City's component units.

Blended Component Units

The following component units are legally separate from the City; however, their governing bodies are substantively the same as the City's and, consequently, they are, in substance, the same as the primary government. As such, the balances and transactions of these component units are blended into the accompanying basic financial statements and reported in a manner similar to the balances and transactions of the City itself.

University City Loop Special Business District (LSBD) and Parkview Gardens Special Business District (PGSBD) - The LSBD and PGSBD were created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. The LSBD was established to promote retail trade activities and enhance the environment of an area within the City referred to as the Loop. The PGSBD was established to provide a mechanism for property owners to enhance their environment.

The City Council is responsible for imposing business license fees for the LSBD and for levying dedicated taxes to provide funding for both entities. Additionally, the City Council has the sole discretion as to how the revenues of these entities are to be utilized. The LSBD and PGSBD are presented as governmental fund types.

Discretely Presented Component Units

The discretely presented component unit columns in the basic financial statements include the financial data of the City's other component units. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

the City. The following entities are discretely presented in the basic financial statements as governmental fund types:

University City Municipal Library District (the Library) - The Library was incorporated in 1939, under the provisions of the State of Missouri RSMo 182.840 and is operated under a board of trustees and a librarian form of management. The University City Library District, based on Article X, Section 15 of the Missouri Constitution, levied a property tax as a primary revenue resource. The City Council is responsible for appointing the governing members of the Library's board and acknowledges the Library's budget, but the City's accountability does not extend beyond this. The City provides specific operational supports such as personnel, accounting, accounts payable, and payroll.

Industrial Development Authority (IDA) - The IDA is a not-for-profit corporation *Industrial Development Corporations Act*. It is designed to develop, advance, encourage, and promote commercial industrial and manufacturing facilities in the City. The Mayor, with consent of the City Council, appoints the IDA Board of Directors. The City provides the IDA financial and administrative support.

Land Clearance for Redevelopment Authority (LCRA) - The LCRA was created by Ordinance of the City Council, as provided under the laws of the State of Missouri, and is administered by a Board of Commissioners appointed by the Mayor and City Manager with the advice and consent of the City Council. It was established to redevelop and improve deteriorated areas of the City. As required by State Statute, certain activities of the LCRA are required to be approved or presented to the City's governing body.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities; which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes, unrestricted interest earnings and other items not included among program revenues are reported instead as general revenues.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

The City reports the following major governmental funds:

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

Grants Fund - The Grants Fund is used to account for revenues and expenditures related to grants awarded by the Federal government, State of Missouri, St. Louis County and local grantors. Resources received by the City from other government are accounted for within applicable programs based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the Fund's measurement objective.

Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred and revenues are available. Any excess or deficiency of grant revenues received compared to expenditures incurred is recorded as deferred revenue or amounts receivable from grantors.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

Park and Storm Water Sales Tax - The City established this fund to account for a revenue resource from the one-half cents Park and Storm Water sales tax (point of sales) passed by voters in November 2001. This revenue is used to pay for an approximately 35% of principal and interest payment on Certificates of Participation Series 2012 (COPs) as well as the City's parks and recreation capital projects for annual infrastructure maintenance.

Capital Improvement Sales Tax Fund - The Capital Improvement Sales Tax Fund is used to account for a revenue resource from the one-half cents Capital Improvement sales tax (pooled) passed by voters in April 1996. This revenue is used to pay for an approximately 65% of principal and interest payments on Certificates of Participation Series 2012 (COPs) as well as the City's capital projects for annual infrastructure maintenance.

The City reports the following major proprietary enterprise funds:

Parking Facility - The Parking Facility Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Solid Waste Fund - The City established this fund to account for revenues and expenditures related to solid waste management, including refuse collection and recycling.

Additionally, the City reports the following fund types:

Internal Service Fund - The Internal Service Fund is used to account for services provided to other departments of the City by the Fleet Maintenance Department. Charges for services are allocated to various City departments on a cost recovery basis.

Pension Trust Funds - The Police and Firemen's Retirement Fund is used to account for the accumulation of resources for pension benefit payments to police and fire personnel.

The Non-Uniformed Employees' Retirement Fund is used to account for the accumulation of resources for pension benefit payments to non-uniformed personnel.

The Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenues of the Parking Facility Enterprise Fund, the Solid Waste Enterprise Fund, and of the City's Internal Service Fund are charges for sales and services. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental fund types and the discretely presented component units. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. For the budgetary purposes, encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase.

E. Cash, Cash Equivalents, and Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Investments consist of those investments with maturity dates greater than three months at the time of purchase by the City. Investments are stated at fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Missouri State Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. government agencies, securities of the State of Missouri, and of local governments in Missouri with populations greater than 400,000. Deposits in financial institutions in excess of federally insured amounts must be collateralized by securities pledged to the City by those same institutions. The collateral is required to be held by the City or by the trust department of a financial institution other than the pledging bank.

The Pension Trust Funds are authorized to invest in obligations of the U.S. government or its agencies, other marketable equity and nonequity securities (not to exceed 5% of the trust fund in any one security), and other investments as approved by the Pension Trust Funds' Board of Trustees.

F. Allowance

Receivables are shown net of an allowance for uncollectible of \$1,247,168 including certain taxes, refuse fees, ambulance fees, and solid waste fees among others.

G. Due To/From Other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from", are considered "available spendable resources", and are subject to elimination upon consolidation.

H. Inventory

Purchases of materials and supplies in the governmental fund types are charged to expenditures when purchased. Amounts of inventories in such funds are not significant. For

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

the proprietary fund type, inventory is valued at cost (first-in, first-out) and the expense is recognized when inventories are consumed in operations.

I. Prepaid Items

Prepaid items are recorded in the governmental funds as expenditures when consumed rather than when purchased.

J. Restricted Assets

Certain resources set aside for the repayment of certificates of participation are classified as restricted assets on the balance sheet because their use is limited by applicable debt covenants.

K. Capital Assets

Capital assets which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items) are reported in the financial statements where applicable. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Infrastructure acquired prior to the implementation of GASB Statement No. 34 has been reported.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	25 - 50
Improvements other than buildings	5 - 20
Equipment	3 - 25
Infrastructure	5 - 35

During the fiscal year 2016, the City recorded an impairment loss of approximately \$150,000 due to physical damage, such as mold contamination at the former police annex building. At June 30, 2017, the annex building remained idle and the carrying value was approximately \$738,000.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet will sometimes include a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources until then. The City has a deferred loss on refunding reported as a deferred outflow of resources in the government-wide

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

In the government-wide and proprietary fund financial statements, components of pension expense that are recognized over a period of time are classified as either deferred outflows of resources (using plan assets that are applicable to a future period) or deferred inflows of resources (acquiring plan assets that are applicable to a future reporting period). Employer contributions subsequent to the measurement date of the net pension liability are required to be reported as deferred outflows of resources.

M. Compensated Absences

City employees generally earn vacation at the rate of 1 1/4 working day per month or 15 days per year. Regular full-time employees having completed 5 years of service are allowed vacation leave at the rate of 1 1/3, working days per month or 16 days per year. Regular full-time employees having completed 10 years of service are allowed vacation leave at the rate of 1 1/2, working days per month or 18 days per year. Regular full-time employees having completed 20 years of service are allowed vacation leave at the rate of 2 working days per month or 24 days per year. Regular full-time employees who are separated from service are compensated for vacation accrued up to the date of separation. The entire compensated absences are accrued when incurred in the government-wide financial statements. For governmental funds, the expenditure for compensated absences is recorded in the fund when the employees who have accumulated unpaid leave are paid. Therefore, current portion of the liability is not reported in the governmental funds. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

N. Unearned Revenue

Unearned revenue is composed primarily of grant revenue received in advance of grant expenditures having been incurred for reimbursement basis grants.

O. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

P. Governmental Fund Balances

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

Nonspendable - This consists of the governmental fund balances that are not in spendable form or legally or contractually required to be maintained intact. The City's nonspendable fund balance consists of prepaid items, inventory, and assets held for resale.

Restricted - This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. The City's restricted funds consist of various taxes approved by voters for specific purposes, TIF projects, and debt obligations.

Committed - This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the City Council, the City's highest level of decision-making authority. The City has the following committed fund balances as of June 30, 2017:

<u>Purpose</u>	<u>Amount</u>
Capital Projects	
City Hall fire escape	\$ 90,000
Police facility	6,000,000
Disaster Recovery	
Future flood buyout	250,000
Expenses associated with flooding in the City	500,000
Alley Trimming and Drainage Revision	35,000
Network Infrastructure Upgrade	50,000
Professional Services – City Manager Search	30,000
Total	<u>\$ 6,955,000</u>

Assigned - This consists of the governmental fund balances that are intended to be used for specific purposes by a) City Council or b) City Manager. The City's assigned

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

fund balance includes contractual obligations not previously accounted for and amounts accounted for in nonmajor special revenue and capital projects funds for intended purposes.

Unassigned - This consists of the governmental funds that do not meet the definition of "nonspendable," "restricted," "committed," or "assigned." The General Fund is the only fund that reports a positive unassigned fund balance amount. Residual deficit amounts of other governmental funds would also be reported as unassigned. At June 30, 2017, the following funds reported a deficit fund balance:

Fund	Amount
Grants	\$ (745,402)
Park and Storm Water Sales Tax	\$ (316,583)

The City's policy is to maintain unassigned fund balance in the General Fund at least 17% of the budgeted expenditures.

Q. Net Position

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

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

Restricted - This consists of 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 do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

R. Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the City's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications-committed and then assigned fund balances before using unassigned fund balances.

S. Property Taxes

The City's property taxes are levied each September based on the assessed valuation for all real and personal property located in the City as of the previous January 1. Taxes are billed on November 1 and due and payable on or before December 31. Liens are placed on property for delinquent taxes on January 1 following the due date.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

The St. Louis County Assessment Board establishes assessed values.

For 2016, the City's tax rate levied per \$100 of assessed valuation was as follows:

Fund	Real Estate		Personal Property	Total
	Residential	Commercial		
General	\$ 0.5690	\$ 0.5460	\$ 0.6800	\$ 1.7950
Police & Fire Pension	0.1650	0.1480	0.1950	0.5080
	<u>\$ 0.7340</u>	<u>\$ 0.6940</u>	<u>\$ 0.8750</u>	<u>\$ 2.3030</u>

In 2016, the University City Library District levied a tax rate per \$100 of assessed valuation of \$0.259 for residential, \$0.235 for commercial and \$0.280 for personal property.

T. Interfund Transactions

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

Transfers - Legally authorized transfers are reported when incurred as transfers in by the recipient fund and as transfers out by the disbursing fund.

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

U. Assets Held for Resale

The City records assets held for resale at the lower of cost or market value. As of June 30, 2017, market value was determined based on an appraisal of the property.

V. Use of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

A. Deposits

The City is governed by the deposit and investment limitations of state law. It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. Statutes require the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities. The Pension Trust Fund is authorized to invest in corporate stocks, bonds, and other investments as allowed by state law.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

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

As of June 30, 2017, the City's bank balances were entirely insured or collateralized with securities held by the City's or by its agent in the City's name. As of June 30, 2017, the discretely presented component units' bank balances were entirely insured or collateralized with securities by the discretely presented component units or by their agents in the discretely presented component units' names.

B. Investments

As of June 30, 2017, the City had the following investments:

Investments	Maturities						Credit Risk
	Fair Market Value	No Maturity	Less Than One Year	1-5 Years	6-10 Years	More Than 10 Years	
Primary Government							
U.S. Agency Obligations:							
Farm Credit System Banks	\$ 996,188	\$ -	\$ -	\$ 996,188 #	\$ -	\$ -	AA
Federal Home Loan Mortgage Corporation	1,990,102	-	-	1,990,102 ##	-	-	AA
Total Primary Government	\$ 2,986,290	\$ -	\$ -	\$ 2,986,290	\$ -	\$ -	
Fiduciary Funds							
Common Stock	\$ 34,402,933	\$ 34,402,933	\$ -	\$ -	\$ -	\$ -	N/A
Government Securities:							
U.S. Treasury Bonds	266,289	-	-	-	-	266,289	N/A
U.S. Treasury Notes	2,719,829	-	-	2,457,457	262,372	-	N/A
U.S. Agency Obligations:							
Federal Home Loan Mortgage Corporation	1,479,879	-	-	-	-	1,479,879	AA
Money Market Mutual Funds	726,080	726,080	-	-	-	-	AAA
Money Market Mutual Funds	6,318,739	6,318,739	-	-	-	-	Not Rated
Corporate Bonds	66,379	-	-	-	-	66,379	Aaa
Corporate Bonds	244,938	-	-	133,126	-	111,812	Aa
Corporate Bonds	2,417,386	-	-	1,119,778	1,008,041 ###	289,567	A
Corporate Bonds	1,275,685	-	-	495,162	641,019 #####	139,504	Baa
Total Fiduciary Funds	\$ 49,918,137	\$ 41,447,752	\$ -	\$ 4,205,523	\$ 1,911,432	\$ 2,353,430	
Grand Total Investments	\$ 52,904,427	\$ 41,447,752	\$ -	\$ 7,191,813	\$ 1,911,432	\$ 2,353,430	

\$996,188 is callable in less than one year

\$1,990,102 is callable in less than one year

\$144,827 is callable in 1-5 years

\$88,850 is callable in 1-5 years

The City had the following recurring fair value measurements as of June 30, 2017:

- Common stock and money market mutual funds are valued using quoted marked prices (Level 1 inputs).
- Government securities and corporate bonds are valued using a matrix pricing model (Level 2 inputs).

Investments Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In accordance with their investment policies, the City and the Pension Trust Funds (Fiduciary Funds) minimize credit risk by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which they will do business and diversifying the portfolio to reduce potential losses on individual securities.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. In accordance with its investment policy, the City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. In accordance with its investment policy, the City minimizes concentration of credit risk by not investing more than 5% of the City's total investments in any single issuer.

Custodial Credit Risk - For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by diversifying the investment portfolio.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

3. CAPITAL ASSETS

Capital asset activity was as follows:

	Balance July 1, 2016	Transfers and Additions	Transfers and Deletions	Balance June 30, 2017
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 7,636,071	\$ 571,203	\$ -	\$ 8,207,274
Construction in Progress	3,438,047	2,486,424	1,682,173	4,242,298
Total Capital Assets, Not Being Depreciated	11,074,118	3,057,627	1,682,173	12,449,572
Capital Assets Being Depreciated:				
Buildings	20,869,031	-	-	20,869,031
Improvements other than buildings	7,688,400	1,397,743	-	9,086,143
Equipment	13,019,302	1,235,814	274,650	13,980,466
Infrastructure	30,826,362	37,387	-	30,863,749
Total Capital Assets, Being Depreciated	72,403,095	2,670,944	274,650	74,799,389
Less - Accumulated Depreciation For:				
Buildings	7,958,147	771,410	-	8,729,557
Improvements other than buildings	2,450,557	489,114	-	2,939,671
Equipment	8,881,433	1,004,830	266,587	9,619,676
Infrastructure	15,707,871	1,272,060	-	16,979,931
Total Accumulated Depreciation	34,998,008	3,537,414	266,587	38,268,835
Total Capital Assets, Being Depreciated, Net	37,405,087	(866,470)	8,063	36,530,554
Governmental Activities, Capital Assets, Net	\$ 48,479,205	\$ 2,191,157	\$ 1,690,236	\$ 48,980,126
Business-type Activities:				
Parking Facility:				
Capital Assets Being Depreciated:				
Parking facilities	\$ 2,943,895	\$ -	\$ -	\$ 2,943,895
Equipment	27,085	-	-	27,085
Improvements other than buildings	5,361	-	-	5,361
Total Capital Assets, Being Depreciated	2,976,341	-	-	2,976,341
Less - Accumulated Depreciation For:				
Parking facilities	839,201	59,908	-	899,109
Equipment	20,785	1,712	-	22,497
Improvements other than buildings	4,021	537	-	4,558
Total Accumulated Depreciation	864,007	62,157	-	926,164
Total Capital Assets, Being Depreciated, Net	2,112,334	(62,157)	-	2,050,177
Parking Facility, Capital Assets, Net	\$ 2,112,334	\$ (62,157)	\$ -	\$ 2,050,177

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance July 1, 2016	Transfers and Additions	Transfers and Deletions	Balance June 30, 2017
Solid Waste:				
Capital Assets Being Depreciated:				
Buildings	\$ 450,276	\$ 28,317	\$ -	\$ 478,593
Equipment	4,008,519	115,912	-	4,124,431
Total Capital Assets, Being Depreciated	4,458,795	144,229	-	4,603,024
Less - Accumulated Depreciation For:				
Buildings	244,958	16,495	-	261,453
Equipment	2,568,968	269,035	-	2,838,003
Total Accumulated Depreciation	2,813,926	285,530	-	3,099,456
Total Capital Assets, Being Depreciated, Net	1,644,869	(141,301)	-	1,503,568
Solid Waste, Capital Assets, Net	\$ 1,644,869	\$ (141,301)	\$ -	\$ 1,503,568
Total Business-type Activities, Capital Assets, Net	\$ 3,757,203	\$ (203,458)	\$ -	\$ 3,553,745
Component Unit - Library:				
Capital Assets Not Being Depreciated:				
Land	\$ 65,000	\$ -	\$ -	\$ 65,000
Total Capital Assets, Not Being Depreciated	65,000	-	-	65,000
Capital Assets Being Depreciated:				
Buildings	1,065,748	-	-	1,065,748
Improvements other than buildings	606,788	-	-	606,788
Equipment	963,942	16,725	-	980,667
Total Capital Assets, Being Depreciated	2,636,478	16,725	-	2,653,203
Less - Accumulated Depreciation For:				
Buildings	916,543	21,315	-	937,858
Improvements other than buildings	205,879	27,888	-	233,767
Equipment	760,940	43,478	-	804,418
Total Accumulated Depreciation	1,883,362	92,681	-	1,976,043
Total Capital Assets, Being Depreciated, Net	753,116	(75,956)	-	677,160
Component Unit - Library, Capital Assets, Net	\$ 818,116	\$ (75,956)	\$ -	\$ 742,160

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

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

	For The Year Ended June 30, 2017
Governmental Activities	
General government	\$ 407,766
Public safety	551,300
Public works and parks, including depreciation of infrastructure assets	1,426,021
Community development and recreation	595,023
Capital assets held by the City's Internal Service Funds are charged to the various functions based on their usage of assets	557,304
Total Governmental Activities	\$ 3,537,414
Business-Type Activities	
Parking facility	\$ 62,157
Sanitation	285,530
Total Business-Type Activities	\$ 347,687
Component Unit Activities	
Library	\$ 92,681

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

4. LONG-TERM DEBT

The following is a summary of changes in the City's long-term liabilities for the year ended June 30, 2017:

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017	Amounts Due Within One Year
Governmental Activities					
Special Obligation Bonds, Series 2005	\$ 260,000	\$ -	\$ 50,000	\$ 210,000	\$ 50,000
Certificates of Participation, Series 2012	3,380,000	-	828,000	2,552,000	739,000
Capital leases	-	726,101	-	726,101	96,170
Total bonds, notes and capital leases	3,640,000	726,101	878,000	3,488,101	885,170
Compensated Absences	928,755	1,145,880	1,166,864	907,771	816,994
Total Governmental Activities	\$ 4,568,755	\$ 1,871,981	\$ 2,044,864	4,395,872	\$ 1,702,164
Add: Unamortized premium				1,117	
Total Governmental Activities				\$ 4,396,989	
Business-Type Activities					
Certificates of Participation, Series 2012	\$ 195,000	\$ -	\$ 67,000	\$ 128,000	\$ 51,000
Compensated Absences	36,979	46,908	46,952	36,935	36,935
Total Business-Type Activities	\$ 231,979	\$ 46,908	\$ 113,952	\$ 164,935	\$ 87,935
Component Unit Activities					
Compensated Absences	\$ 50,017	\$ 49,644	\$ 47,325	\$ 52,336	\$ 47,102
Total Component Unit Activities	\$ 50,017	\$ 49,644	\$ 47,325	\$ 52,336	\$ 47,102

Compensated absences are generally liquidated by the General Fund, Internal Service Fund, and Enterprise – Solid Waste Fund. Bonds payable are liquidated by the appropriate related fund. Capital leases are liquidated by the General Fund.

Special Obligation Bonds

In July 2005, the City issued \$700,000 of special obligation bonds payable for park improvements. The bonds bear interest at rates ranging from 3.5% to 4.5%. The General Fund is used to fund the debt service payments.

Certificates of Participation

In 2012, the City issued \$7,020,000 Series 2012 Certificates of Participation to current refund \$3,530,000 outstanding Series 2003 Certificates of Participation and advance refund \$3,815,000 outstanding Series 2004 Certificates of Participation. The Certificates bear interest at rates ranging from .55% to 1.9%. \$459,000 of the Series 2012 COPS were liquidated by the Enterprise – Parking Garage Fund, and the remaining balances were liquidated by the Park and Storm Water Sales Tax Fund and Capital Improvement Sales Tax Fund.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

Capital Leases

During 2017, a Lease Purchase Agreement in the amount of \$726,101 was issued to finance the purchase of a fire ladder truck. The Lease Purchase Agreement bears interest of 2.51%, and matures on September 1, 2023.

Rental payments equal to the principal and interest amounts are made annually throughout the life of the lease. Total assets acquired through the capital lease and accumulated depreciation are \$726,101 and \$24,203, respectively.

The annual principal and interest requirements on long-term liabilities outstanding as of June 30, 2017 are as follows:

Governmental Activities							
Years Ended June 30,	Special Obligation		Certificates of Participation		Capital Lease		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2018	\$ 50,000	\$ 8,338	\$ 739,000	\$ 42,616	\$ 96,170	\$ 18,241	\$ 954,365
2019	55,000	6,400	718,000	32,640	98,586	15,825	926,451
2020	105,000	4,200	1,095,000	20,805	101,062	13,349	1,339,416
2021	-	-	-	-	103,601	10,810	114,411
2022	-	-	-	-	106,204	8,207	114,411
2023	-	-	-	-	108,872	5,539	114,411
2024	-	-	-	-	111,606	2,804	114,410
Total	\$ 210,000	\$ 18,938	\$ 2,552,000	\$ 96,061	\$ 726,101	\$ 74,775	\$ 3,677,875

Business-Type Activities							
Years Ended June 30,	Special Obligation		Certificates of Participation		Capital Lease		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2018	\$ -	\$ -	\$ 51,000	\$ 1,972	\$ -	\$ -	\$ -
2019	-	-	77,000	1,282	-	-	-
Total	\$ -	\$ -	\$ 128,000	\$ 3,254	\$ -	\$ -	\$ -

In accordance with the issuance of the Certificates and the related trust indenture, the trustee established and maintained accounts that are included with cash and investments restricted in the basic financial statements.

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. This does not include an additional debt limit of 10% assessed valuation available for street improvements or waterworks and electric plants as provided under the statutes of the State of Missouri. The computation is as follows:

Assessed valuation - 2016 tax year	<u>\$ 596,037,605</u>
Debt limit - 10% of assessed valuation	<u>59,603,761</u>
Legal debt margin	<u><u>\$ 59,603,761</u></u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

5. EMPLOYEE RETIREMENT BENEFIT PLANS

The City maintains two single-employer defined benefit pension plans. The Plans and plan provisions are established by ordinances of the City in accordance with Missouri State Statutes. Contribution requirements are established by City Ordinance. The Plans do not issue separate stand-alone financial reports. The City's total payroll for the year ended June 30, 2017 was \$14,496,160. Net pension obligations are generally liquidated by the General Fund. All administrative costs to maintain the Plan are paid by a portion of the City's contribution and the earnings from its investments. The funded status of the City's Defined Benefit Pension Plans as of January 1, 2017, the most recent actuarial valuation date, is as follows:

	Non-Uniformed Employees	Uniformed Employees	
	January 1, 2017	January 1, 2017	Total
Total pension liability	\$ 29,419,915	\$ 36,118,492	\$ 65,538,407
Plan fiduciary net position	22,177,144	29,521,981	51,699,125
City's net pension liability	<u>\$ 7,242,771</u>	<u>\$ 6,596,511</u>	<u>\$ 13,839,282</u>
Plan fiduciary net position as a percentage of total pension liability	75.38%	81.74%	78.88%
Covered payroll	\$ 6,913,048	\$ 7,583,112	\$ 14,496,160
Net pension liability as a percentage of covered payroll	104.77%	86.99%	95.47%

Basis of Accounting - The financial statements of the Pension Trust Fund are prepared using the accrual basis of accounting. City contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits are recognized when due and payable in accordance with the terms of the Plan. All plan investments are reported at fair value.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

A. Non-Uniformed Employees' Retirement Fund

Plan Description and Provisions

The City sponsors and administers a single-employer defined benefit pension plan (the Plan) which covers substantially all full-time employees not covered under the Police and Firemen's Retirement Fund. Current membership in the Plan is as follows:

<u>Group</u>	<u>January 1, 2017</u>
Retirees and beneficiaries currently receiving benefits	65
Vested terminated employees	21
Active employees:	
Fully vested	69
Nonvested	<u>64</u>
Total	<u>219</u>

Employees become eligible to participate in the Plan upon full-time employment. Employees are required to contribute 3% of annual salary to the Plan. Employees contributed \$212,220 to their investment accounts for the year ended June 30, 2017. All benefits vest after 10 years of credited service in the form of a life annuity payable monthly. Employees attaining the age of 65 or the age of 62 with 30 years of credited service are entitled to the normal retirement benefit. The Plan permits early retirement at the completion of 20 years of credited service and attainment of age 55. Benefits and refunds of the postemployment benefit plan are recognized when due and payable in accordance with the terms of the plan.

Actuarial Calculations

The total pension liability was determined utilizing the following actuarial assumptions:

<u>Valuation date</u>	<u>January 1, 2017</u>
Actuarial Assumptions:	
Investment rate of return	6.5%
Projected salary increases	3%
Inflation rate	N/A

The discount rate used to measure the total pension liability was changed to 6.19% from 6.29%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will continue to follow the current funding policy. Based on those assumptions, the Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current plan members. A municipal bond rate of 3.13% was updated from 2.71% and was used in the development of the blended GASB discount rate after that point. The 3.13% rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index. Based on the long-term rate of return of 6.50% and the municipal bond rate of 3.13%, the blended GASB discount rate would be 6.19%. The mortality table was updated from RP-2014 Mortality Table projected using Scale MP-2014 to RP-2014 Mortality Table projected using Scale MP-2016.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.19%, as well as what the City's net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower (5.19%) or 1-percentage-point higher (7.19%) than the current rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Discount Rate	5.19%	6.19%	7.19%
Net Pension Liability	\$11,150,960	\$7,242,771	\$3,985,640

Investments

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Plan's Board of Trustees. It is the policy of the Plan to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Plan's adopted asset allocation policy as of June 30, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	50-75%
Fixed income	25-50%

Rate of Return

For the year ended June 30, 2017, the rate of return on pension plan investments, net of pension plan investment expense, was 7.2%.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

Schedule of Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2016	\$ 27,884,439	\$ 21,414,502	\$ 6,469,937
Changes for the year:			
Service cost	587,360	-	587,360
Interest	1,751,687	-	1,751,687
Difference between expected and actual experience	493,152	-	493,152
Change of Assumptions	(31,341)	-	(31,341)
Contributions - employer	-	-	-
Contributions - employee	-	212,220	(212,220)
Net investment income	-	2,201,195	(2,201,195)
Benefit payments, including refunds	(1,265,382)	(1,265,382)	-
Administrative expense	-	(385,391)	385,391
Net changes	1,535,476	762,642	772,834
Balances at January 1, 2017	\$ 29,419,915	\$ 22,177,144	\$ 7,242,771

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

For the year ended June 30, 2017, the City recognized government-wide pension expense of \$1,708,685. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 206,196	\$ -
Changes in assumptions	1,622,687	-
Difference between projected and actual earnings	305,145	-
Contributions subsequent to the measurement date*	-	-
Total	\$ 2,134,028	\$ -

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending June 30, 2018.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

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 of Resources
2018	542,393
2019	542,393
2020	470,989
2021	188,806
2022	296,189
Thereafter	93,258
	<u>\$ 2,134,028</u>

B. City of University City Police and Firemen's Retirement Fund

Plan Description and Provisions

Under City Ordinance, the City established a single-employer defined benefit pension plan, City of University City Police and Firemen's Retirement Fund (the Plan), that provides pension, disability, and death benefits. Current membership in the Plan is as follows:

<u>Group</u>	<u>January 1, 2017</u>
Retirees and beneficiaries currently receiving benefits	97
Vested terminated employees	14
Active employees:	
Fully vested	44
Non-vested	<u>55</u>
Total	<u>210</u>

Each employee who is employed by the City as a police officer or firefighter must participate in the Plan on the date the employee becomes a police officer or firefighter. Employees are not required to contribute to the defined benefit portion of the Plan. Employees who retire after the attainment of age 50 and 20 years of service are entitled to retirement benefits in the form of a life annuity payable monthly.

Actuarial Calculations

The total pension liability was determined utilizing the following actuarial assumptions:

<u>Valuation date</u>	<u>January 1, 2017</u>
Actuarial assumptions:	
Investment rate of return	6.5%
Projected salary increases	3.0%
Inflation rate	N/A

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

The discount rate used to measure the total pension liability was changed to 6.41% from 6.34%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will continue to follow the current funding policy. Based on those assumptions, the Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current plan members. A municipal bond rate of 3.13% was updated from 2.71% and was used in the development of the blended GASB discount rate after that point. The 3.13% rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index. Based on the long-term rate of return of 6.50% and the municipal bond rate of 3.13%, the blended GASB discount rate would be 6.41%. The mortality table was updated from RP-2014 Blue Collar Mortality Table projected using Scale MP-2014 to RP-2014 Blue Collar Mortality Table projected using Scale MP-2016.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.41%, as well as what the City's net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower (5.41%) or 1-percentage-point higher (7.41%) than the current rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Discount Rate	5.41%	6.41%	7.41%
Net Pension Liability	\$10,901,654	\$6,596,511	\$3,016,657

Investments

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Plan's Board of Trustees. It is the policy of the Plan to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Plan's adopted asset allocation policy as of June 30, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	50-75%
Fixed income	25-50%

Rate of Return

For the year ended June 30, 2017, the rate of return on pension plan investments, net of pension plan investment expense, was 11.1%.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

Schedule of Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at January 1, 2016	\$ 36,418,093	\$ 26,692,927	\$ 9,725,166
Changes for the year:			
Service cost	591,055	-	591,055
Interest	2,271,069	-	2,271,069
Difference between expected and actual experience	(85,791)	-	(85,791)
Change of Assumptions	(663,112)	-	(663,112)
Contributions - employer	-	1,516,000	(1,516,000)
Net investment income	-	3,869,496	(3,869,496)
Benefit payments, including refunds	(2,412,822)	(2,412,822)	-
Administrative expense	-	(120,970)	120,970
Other changes	-	(22,650)	22,650
Net changes	(299,601)	2,829,054	(3,128,655)
Balances at January 1, 2017	\$ 36,118,492	\$ 29,521,981	\$ 6,596,511

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

For the year ended June 30, 2017, the City recognized government-wide pension expense of \$1,122,528. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 52,634	\$ -
Changes in assumptions	801,245	-
Difference between projected and actual earnings	-	1,173,411
Contributions subsequent to the measurement date*	428,790	-
Total	\$ 1,282,669	\$ 1,173,411

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending June 30, 2018.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

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 Inflows of Resources
2018	(63,246)
2019	(63,247)
2020	(125,581)
2021	(270,949)
2022	162,597
Thereafter	40,894
	<u><u>\$ (319,532)</u></u>

The condensed statement of fiduciary net assets is as follows:

	June 30, 2017		
	Police and Firemen's Retirement Fund	Non-Uniformed Employees' Retirement Fund	Total
ASSETS			
Cash and investments:			
Common stock	\$ 18,706,560	\$ 15,696,373	\$ 34,402,933
U.S. government securities	2,468,634	1,997,363	4,465,997
Corporate bonds	2,219,629	1,784,759	4,004,388
Cash and money market accounts	6,079,018	2,658,848	8,737,866
Total Cash and Investments	<u>29,473,841</u>	<u>22,137,343</u>	<u>51,611,184</u>
Interest Receivable	48,575	40,155	88,730
Other receivable	11,785	1,498	13,283
Total Assets	<u>29,534,201</u>	<u>22,178,996</u>	<u>51,713,197</u>
LIABILITIES			
Accounts payable	15,250	28,317	43,567
Due to other funds	3,917,959	631,053	4,549,012
Total Liabilities	<u>3,933,209</u>	<u>659,370</u>	<u>4,592,579</u>
NET POSITION			
Restricted for pension benefits	<u><u>\$ 25,600,992</u></u>	<u><u>\$ 21,519,626</u></u>	<u><u>\$ 47,120,618</u></u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

The condensed statement of changes in fiduciary net position is as follows:

	For The Year Ended June 30, 2017		
	Police and Firemen's Retirement Fund	Non-Uniformed Employees' Retirement Fund	Total
ADDITIONS			
Contributions:			
Employee	\$ -	\$ 212,220	\$ 212,220
Employer	953,082	1,026,700	1,979,782
Total Contributions	953,082	1,238,920	2,192,002
Investment Income:			
Net appreciation in fair value of investments and interest and dividends	2,571,984	2,159,473	4,731,457
Total Additions	3,525,066	3,398,393	6,923,459
DEDUCTIONS			
Benefits	2,280,413	1,265,382	3,545,795
Refund of contributions	-	235,642	235,642
Administrative	276,029	149,749	425,778
Total Deductions	2,556,442	1,650,773	4,207,215
CHANGE IN NET POSITION	968,624	1,747,620	2,716,244
NET POSITION, JULY 1	24,632,368	19,772,006	44,404,374
NET POSITION, JUNE 30	\$ 25,600,992	\$ 21,519,626	\$ 47,120,618

6. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City provides healthcare benefits to employees who are eligible to retire once they have attained age 55 plus 20 years of service or age 62 and their spouses and police who are eligible to retire once they have attained age 50 plus 20 years of service or age 62. Employees and spouses must be on the plan at time of retirement to be eligible to participate in the plan after retirement. Medical and prescription drug benefits are available to retirees in the City's insurance plan. Retirees must contribute \$559.06/\$1,621.25 per month for single/with spouse coverage. Retirees who retire after age 62 with 30 years of service contribute \$83.86 per month for self-coverage and \$559.06 per month for dependent. Coverage stops at age 65. No life insurance coverage is provided. The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The most recent actuarial valuation was dated January 1, 2017.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

The City's annual OPEB cost for the current year and the related information are as follows:

	For The Year Ended June 30, 2017
Annual required contributions	\$ 85,668
Interest on net OPEB obligation	13,481
Adjustment to ARC	(30,313)
Annual OPEB Cost	<u>68,836</u>
Expected Contributions	<u>(21,386)</u>
Increase in Net OPEB Obligations	47,450
Net OPEB obligation at June 30, 2016	<u>337,031</u>
Net OPEB obligation at June 30, 2017	<u><u>\$ 384,481</u></u>

The net OPEB obligation is generally liquidated by the General Fund.

Trend Information

Fiscal Year Ended June 30,	Annual Required OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset) Obligation
2015	\$ 55,848	18.2%	\$ 273,271
2016	\$ 77,048	17.2%	\$ 337,031
2017	\$ 68,836	31.1%	\$ 384,481

The Plan was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City.

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit credit
Latest valuation	
Date	January 1, 2017
Discount rate	4% per annum, compounded annually
Amortization - open	15 years for initial unfunded actuarial accrued liability
Payroll inflation	N/A
Mortality	Non-uniformed – RP-2014
	Mortality Table projected generationally using scale MP-2017
	Police and Fire – RP-2014 Blue Collar
	Mortality Table projected using scale MP-2017
Medical premium rates	7% initial rate; 4.5% ultimate rate

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

Funded Status and Funding Progress

As of January 1, 2017, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$642,405, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$642,405. The covered payroll (annual payroll of active employees covered by the plan) was \$14.8 million, and the ratio of the UAAL to the covered payroll was 4.3%. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

7. DUE FROM AND DUE TO OTHER FUNDS

Interfund assets and liabilities balances are as follows:

June 30, 2017			
Receivable	Payable		Amount
Major Governmental Funds:			
General	Police and Firemen's Retirement	\$	3,917,959
General	Non-Uniform Employees Retirement		631,053
General	Enterprise - Parking Garage		235,527
General	Enterprise - Solid Waste		604,434
General	Major fund - Grant		1,188,747
General	Major fund - Capital Improvement Sales Tax		430,172
General	Major fund - Park and Storm Water Sales Tax		569,445
Capital Improvement Sales Tax	Major fund - Grant		20,221
			<u>7,597,558</u>
Nonmajor Governmental Funds:			
Economic Development Sales Tax	General		8,581
Loop Special Business District	General		11,241
Parkview Gardens Special			
Business District	General		742
Sewer Lateral	General		5,041
			<u>25,605</u>
Internal Service Fund:			
Internal Service	General Fund		168,288
Internal Service	Major fund - Capital Improvement Sales Tax		50,000
Internal Service	Enterprise - Solid Waste		33,284
			<u>251,572</u>
Total		\$	<u><u>7,874,735</u></u>

All of these interfund balances are generally due to either timing differences between the various funds or negative cash balances. All interfund balances are expected to be repaid during the fiscal year ending June 30, 2018.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

8. 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, along with various other local governments, participates in an insurance trust for medical, workers' compensation and general liability matters (St. Louis Area Insurance Trust - SLAIT). The purpose of this trust is to distribute the cost of self-insurance over similar entities.

The trust requires an annual premium payment by each entity to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust; however, the City retains a contingent liability to fund its pro rata share of any deficit incurred by the trust should the trust cease operations at some future date. The trust has contracted with an insurance agent to handle all administrative matters, including processing of claims filed.

The City also purchases commercial insurance to cover risks related to travel, public official liability, earthquakes, flooding, fiduciary and employee blanket bonds. Settled claims resulting from these risks have not exceeded coverage in any of the past three years.

9. SHORT-TERM DEBT

In a prior year, the City was awarded a loan from the Department of Economic Development to finance an energy-efficiency project for \$509,900 at 2.5% annual interest plus a loan origination fee of 1% of the principal loan amount. During the year ended June 30, 2017, the City drew \$394,603 on the loan. The loan was secured by a promissory note to finance the costs of the design, acquisition, and implementation of energy conservation measures. The note was originally scheduled to mature in August 2026; however, the City paid the entire principal and interest subsequent to the year ended June 30, 2017. As a result, the loan is classified as short-term debt and a liability is reported in the fund financial statements as of June 30, 2017.

The following schedule is a schedule of short-term debt activity for the year ended June 30, 2017:

<u>Balance, July 1, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2017</u>
\$0	\$394,603	\$0	\$394,603

10. COMMITMENTS AND CONTINGENCIES

Commitments

The City has operating leases for certain equipment. Payments related to these leases for the year ended June 30, 2017 totaled \$78,466.

The City also leases a parking lot and a temporary facility for the police station. Payments related to these leases for the year ended June 30, 2017 totaled \$965,420.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	
2018	\$ 1,339,026
2019	462,286
2020	<u>15,470</u>
Total	<u><u>\$ 1,816,782</u></u>

The City will be required to renovate or construct a new police station facility. On March 28, 2016, the City Council approved the construction of a new police facility. The amount and alternative funding mechanisms are still being evaluated.

Contingencies

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

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

11. RESTRICTED NET POSITION

The government-wide statement of net position reports \$4,369,556 of restricted net position, of which \$3,895,693 is restricted by enabling legislation.

12. ENCUMBRANCES

The following encumbrances were outstanding as of June 30, 2017:

<u>Fund</u>	<u>Amount</u>
General	\$ 178,014
Grant - Major Fund	116,713
Park and Storm Water Sales Tax - Major Fund	93,077
Capital Improvement Sales Tax - Major Fund	624,354
Nonmajor Special Revenue Funds	<u>217,194</u>
Total	<u><u>\$ 1,229,352</u></u>

13. CONDUIT DEBT

On November 1, 2003, the City issued \$5,800,000 principal amount of Industrial Development Revenue Bonds (Winco Redevelopment Corporation, Inc. Project) Series 2003, for the purpose of providing funds to pay the costs of acquiring, constructing, furnishing and equipping an approximately 79,500 square foot manufacturing facility, an approximately 5,930 square foot building attached to the new manufacturing building, and the purchase and installation of manufacturing equipment, all on land located in the City and deemed to be in the public interest. These bonds are secured by the property financed and are payable solely by the company. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State of Missouri, nor any political subdivision thereof are obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As of June 30, 2017, the outstanding balance was \$1,437,001.

14. TAX ABATEMENTS

As of June 30, 2017, the City provides tax abatements through two programs: Land clearance for redevelopment authority and Urban redevelopment corporations, as follows:

- Under Section 99.300 to 99.660 of the Revised Statutes of Missouri, as amended, the Land Clearance for Redevelopment Authority (the "Authority") was created to assist with the redevelopment of blighted or insanitary areas for residential, recreational, commercial, industrial, or public uses. Before an Authority can operate, the governing body of the County must (1) find that one or more "blighted" or "insanitary" areas (each as defined in the LCRA law) exist in the community and that the redevelopment of such area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of the community, and (2) approve the conduct of the business of the Authority. The Authority is governed by a board of five commissioners appointed by the County Commission. LCRA law provides for the financing of any land clearance or urban renewal project. Real property taxes are abated by freezing the assessed value when the agreement is entered into, and requiring the payment of tax based on the frozen assessed value.
- The Urban Redevelopment Corporations Law provides real property tax abatement to encourage the redevelopment of blighted areas throughout the State under Chapter 353 of the Revised Statutes of Missouri, as amended. Tax abatement is only available to real property that has been found to be blighted by an eligible city or county. Tax abatement is available for a redevelopment project following (1) the creation of a redevelopment plan describing the project and proposed abatement, (2) a tax impact statement being sent to each taxing district within the boundaries of a proposed redevelopment area, (3) a public hearing, (4) approval of the redevelopment plan by the governing body of the city or county, and (5) creation of an urban Redevelopment Corporation under the general corporation laws of Missouri. To be eligible for the abatement, the Corporation must take title to the property to be redeveloped. Tax abatement is available for up to 25 years. In the first period of the abatement, not to exceed 10 years, (1) 100% of the incremental increase in real property taxes on the land may be abated, and (2) 100% of the real property taxes on all improvements may be abated. During this first period, the property owner continues to pay real property taxes on the land in

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

an amount equal to those assessed in the year before the Corporation took title. During the next abatement period, not to exceed 15 years, at least 50% and up to 100% of the incremental real property taxes on all land and all improvements may be abated. Payments in lieu of taxes may also be imposed to achieve an effective tax abatement that is less than the abatement established by statute. These payments are allocated to each taxing district according to their proportionate share of real property taxes.

The City's tax revenues were reduced during 2017 as a result of the programs as follows:

Program	Amount of Taxes Abated
Land clearance for redevelopment authority	\$ 39,500
Urban redevelopment corporations	665
Total	\$ 40,165

15. RECENT ACCOUNTING PRONOUNCEMENTS

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

In June 2015, the GASB approved Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) and establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB. The requirements of Statement No. 75 are effective for fiscal years beginning after June 15, 2017.

In November 2016, the GASB approved Statement No. 83, "Certain Asset Retirement Obligations." This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to is tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

In January 2017, the GASB approved Statement No. 84, "Fiduciary Activities." This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (continued)

In March 2017, the GASB approved Statement No. 85, "Omnibus 2017." The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

In May 2017, the GASB approved Statement No. 86, "Certain Debt Extinguishment Issues." The objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

In June 2017, the GASB approved Statement No. 87, "Leases." The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

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

Required Supplementary Information

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
General Taxes				
Current real estate taxes	\$ 2,900,000	\$ 2,900,000	\$ 2,874,734	\$ (25,266)
Delinquent real estate taxes	90,000	90,000	74,746	(15,254)
Current personal property taxes	360,000	360,000	377,897	17,897
Delinquent personal property taxes	40,000	40,000	43,101	3,101
Railroad and utility taxes	75,000	75,000	69,419	(5,581)
Intangible property	700	700	532	(168)
Sales tax	5,770,000	5,770,000	5,762,746	(7,254)
Gross receipts tax:				
Electric	2,670,000	2,670,000	2,698,144	28,144
Gas	1,718,000	1,718,000	1,354,091	(363,909)
Water	520,000	520,000	527,590	7,590
Telephone	1,650,000	1,650,000	1,258,826	(391,174)
Cable television	280,000	280,000	278,430	(1,570)
Local option use tax	460,000	460,000	536,352	76,352
Total General Taxes	16,533,700	16,533,700	15,856,608	(677,092)
Charges for services	2,007,000	2,007,000	1,810,488	(196,512)
Intergovernmental				
Gasoline and vehicle sales taxes	1,380,000	1,380,000	1,425,353	45,353
Road and bridge tax	610,000	610,000	608,521	(1,479)
Cigarette tax	110,000	110,000	109,477	(523)
Total Intergovernmental	2,100,000	2,100,000	2,143,351	43,351
Licenses, Permits, Fines, and Fees				
Business licenses	490,000	490,000	512,404	22,404
Motor vehicle licenses	150,000	150,000	140,692	(9,308)
Animal licenses	3,000	3,000	1,687	(1,313)
Liquor licenses	45,000	45,000	35,350	(9,650)
General and building inspections	980,000	980,000	943,324	(36,676)
Excavation inspection fees	25,000	25,000	14,512	(10,488)
Rental property registrations	-	-	4,345	4,345
Parking meter collections	430,000	430,000	286,092	(143,908)
Fines	350,000	350,000	356,598	6,598
Court costs	50,000	50,000	59,865	9,865
Miscellaneous court costs	2,000	2,000	47	(1,953)
Bond forfeiture	20,000	20,000	12,140	(7,860)
Police training	10,000	10,000	5,286	(4,714)
Drug vice and liquor investigating	5,000	5,000	18	(4,982)
Total Licenses, Permits, Fines, and Fees	2,560,000	2,560,000	2,372,360	(187,640)
Interest Income	150,000	150,000	20,516	(129,484)
Distribution From Component Unit - Library	4,000	4,000	4,000	-
Other	65,300	65,300	109,870	44,570
Total Revenues	23,420,000	23,420,000	22,317,193	(1,102,807)

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
EXPENDITURES				
General Government				
Legislative Services:				
Personal services	107,000	108,200	105,844	2,356
Contractual services	104,600	144,600	114,480	30,120
Commodities	3,400	3,400	1,593	1,807
Capital outlay	5,000	5,000	-	5,000
Total Legislative Services	220,000	261,200	221,917	39,283
Human Resources:				
Personal services	83,300	84,400	76,414	7,986
Contractual services	70,700	70,700	42,514	28,186
Commodities	10,000	10,000	8,797	1,203
Total Human Resources	164,000	165,100	127,725	37,375
General Administration:				
Personal services	279,500	304,400	360,408	(56,008)
Contractual services	512,700	620,700	716,727	(96,027)
Commodities	7,800	7,800	1,841	5,959
Total General Administration	800,000	932,900	1,078,976	(146,076)
Information Technology				
Personal services	97,500	103,000	101,542	1,458
Contractual services	393,000	448,500	328,886	119,614
Commodities	28,000	28,000	26,788	1,212
Capital outlay	161,500	101,500	3,842	97,658
Total Information Technology	680,000	681,000	461,058	219,942
Municipal Court:				
Personal services	232,900	235,500	207,643	27,857
Contractual services	105,600	103,600	92,469	11,131
Commodities	6,500	8,500	8,025	475
Total Municipal Court	345,000	347,600	308,137	39,463
Finance Operations:				
Personal services	609,100	551,000	422,745	128,255
Contractual services	162,700	214,700	210,429	4,271
Commodities	18,200	20,200	19,290	910
Capital outlay	-	13,500	13,347	153
Total Finance Operations	790,000	799,400	665,811	133,589
Total General Government	2,999,000	3,187,200	2,863,624	323,576

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Public Safety				
Police Department:				
Personal services	6,965,700	6,981,600	6,852,632	128,968
Contractual services	818,200	2,264,700	2,187,712	76,988
Commodities	121,200	121,200	113,003	8,197
Capital outlay	10,000	129,500	119,800	9,700
Total Police Department	7,915,100	9,497,000	9,273,147	223,853
Fire Department:				
Personal services	3,631,500	3,631,500	2,749,326	882,174
Contractual services	443,300	443,300	282,025	161,275
Commodities	141,000	141,000	118,644	22,356
Capital outlay	-	-	734,128	(734,128)
Total Fire Department	4,215,800	4,215,800	3,884,123	331,677
Total Public Safety	12,130,900	13,712,800	13,157,270	555,530
Public Works and Parks				
Engineering:				
Personal services	418,100	481,800	480,292	1,508
Contractual services	88,500	88,500	99,784	(11,284)
Commodities	3,500	3,500	4,356	(856)
Capital outlay	-	-	364,798	(364,798)
Total Engineering	510,100	573,800	949,230	(375,430)
Street Maintenance:				
Personal services	472,300	434,900	322,984	111,916
Contractual services	1,125,600	1,110,600	1,128,729	(18,129)
Commodities	105,600	81,600	57,273	24,327
Total Street Maintenance	1,703,500	1,627,100	1,508,986	118,114
Park Maintenance:				
Personal services	950,400	964,300	882,970	81,330
Contractual services	504,700	519,700	535,897	(16,197)
Commodities	42,400	51,400	50,924	476
Capital outlay	-	-	1,820	(1,820)
Total Park Maintenance	1,497,500	1,535,400	1,471,611	63,789
Golf Course:				
Personal services	309,800	284,400	282,506	1,894
Contractual services	146,400	157,400	159,000	(1,600)
Commodities	115,900	138,900	137,455	1,445
Capital outlay	-	-	368	(368)
Total Golf Course	572,100	580,700	579,329	1,371
Total Public Works and Parks	4,283,200	4,317,000	4,509,156	(192,156)

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Community Development and Recreation				
Maintenance of City Property:				
Personal services	443,600	448,800	447,025	1,775
Contractual services	320,300	320,300	263,307	56,993
Commodities	21,500	21,500	18,496	3,004
Capital outlay	10,000	10,000	3,137	6,863
Total Maintenance of City Property	795,400	800,600	731,965	68,635
Community Development:				
Personal services	1,546,000	1,532,800	1,388,048	144,752
Contractual services	260,300	239,300	216,837	22,463
Commodities	14,700	14,700	8,587	6,113
Capital outlay	-	-	61,294	(61,294)
Total Community Development	1,821,000	1,786,800	1,674,766	112,034
Community Center:				
Personal services	111,100	111,800	15,116	96,684
Contractual services	54,400	54,400	52,748	1,652
Commodities	10,000	10,000	10,338	(338)
Capital outlay	18,000	18,000	9,027	8,973
Total Community Center	193,500	194,200	87,229	106,971
Aquatics:				
Personal services	138,400	107,400	101,050	6,350
Contractual services	85,000	137,000	138,440	(1,440)
Commodities	30,700	62,700	63,515	(815)
Capital outlay	10,000	10,000	2,107	7,893
Total Aquatics	264,100	317,100	305,112	11,988
Recreation Facility:				
Personal services	591,600	595,900	532,866	63,034
Contractual services	334,800	326,800	321,051	5,749
Commodities	29,000	37,000	36,215	785
Capital outlay	15,000	15,000	70,159	(55,159)
Total Recreation Facility	970,400	974,700	960,291	14,409
Total Community Development and Recreation	4,044,400	4,073,400	3,759,363	314,037

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget - Positive (Negative)
Debt Service				
Principal	50,000	50,000	50,000	-
Interest and fiscal charges	12,500	12,500	10,213	2,287
Total Debt Service	62,500	62,500	60,213	2,287
Total Expenditures	23,520,000	25,352,900	24,349,626	1,003,274
REVENUES OVER (UNDER) EXPENDITURES	(100,000)	(1,932,900)	(2,032,433)	(99,533)
OTHER FINANCING SOURCES				
Issuance of capital lease	-	-	726,101	726,101
NET CHANGE IN FUND BALANCE	<u>\$ (100,000)</u>	<u>\$ (1,932,900)</u>	<u>(1,306,332)</u>	<u>\$ 626,568</u>
ADJUSTMENT TO RECONCILE TO GAAP BASIS				
Current year encumbrances			178,014	
Prior year encumbrances			(809,051)	
Non budgetary activity			(7,184)	
Total Adjustment To Reconcile To GAAP Basis			<u>(638,221)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(1,944,553)	
FUND BALANCE, JULY 1			<u>18,958,270</u>	
FUND BALANCE, JUNE 30			<u><u>\$ 17,013,717</u></u>	

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GRANTS FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,745,100	\$ 1,730,541	\$ 1,468,839	\$ (261,702)
EXPENDITURES				
General government:				
Personal services	25,000	25,000	20,716	4,284
Contractual services	-	-	18,401	(18,401)
Commodities	8,500	8,500	9,188	(688)
Capital outlay	1,711,600	1,726,159	802,716	923,443
Total Expenditures	1,745,100	1,759,659	851,021	908,638
NET CHANGE IN FUND BALANCE				
	\$ -	\$ (29,118)	617,818	\$ 646,936
ADJUSTMENT TO RECONCILE TO GAAP BASIS				
Current year encumbrances			116,713	
Prior year encumbrances			(283,308)	
Liquidated encumbrances			(13,479)	
Current year accounts receivable related to encumbrances			(90,765)	
Prior year accounts receivable related to encumbrances			264,185	
Total Adjustment To Reconcile To GAAP Basis			(6,654)	
NET CHANGE IN FUND BALANCE - GAAP BASIS				
			611,164	
FUND BALANCE, JULY 1				
			(1,356,566)	
FUND BALANCE, JUNE 30				
			\$ (745,402)	

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON INFORMATION
JUNE 30, 2017**

Explanation of Budgetary Process

The City Council follows the procedures outlined below in establishing the budgetary data reflected in the basic financial statements:

- a. City department directors prepare departmental operating budgets and the Director of Finance makes revenue projections on or before December 31.
- b. Departmental meetings are conducted during the month of January with the City Manager and the Director of Finance to allow the departments to support their budgets.
- c. Preliminary budget summaries of revenues and expenditures/expenses are prepared for review by the City Manager.
- d. Public budget meetings are held for citizen's input in October, December and January.
- e. Final budget decisions are made by the City Manager by mid-February.
- f. A proposed budget is submitted to the City Council by the end of February.
- g. A City Council budget study session is held during March and April.
- h. A public hearing to obtain taxpayer comments on the budget is held by the City Council during the month of May.
- i. Prior to July 1, the budget is legally enacted. Projected expenditures cannot exceed estimated revenues plus fund balances at the beginning of the year.
- j. Budgetary control is exercised by the City Council at the department and fund levels. This is the legal level of control. All unexpended appropriations lapse at year-end.

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles, except that encumbered amounts are treated as revenues and expenditures for budgetary purposes and the change in fair value of assets held for resale is not budgeted.

The budgeted amounts included in the basic financial statements are as originally adopted or amended by the City Council, pursuant to State Statutes. The City Manager may approve the transfer of any unencumbered appropriation balance or portion thereof from one classification of expenditures to another within a department and fund under \$25,000. At the request of the City Manager, the City Council may, by resolution, transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another. No transfer shall be made of specified fixed appropriations. The City Council adopts annual budgets for the General Fund, Grants Fund, Solid Waste Fund, Loop SBD Fund, Parkview Gardens SBD Fund, Sewer Lateral Fund, Economic Development Fund, Park and Storm Water Sales Tax Fund and Capital Improvements Sales Tax Fund.

For the year ended June 30, 2017, actual expenditures exceeded those budgeted in the Public Works and Parks Department of the General Fund, the Loop SBD Fund, the Parkview Gardens SBD Fund, the Sewer Lateral Fund, and the Park and Storm Water Sales Tax Fund. A deficit was budgeted in the Grants Fund.

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY - NON-UNIFORMED
EMPLOYEES' RETIREMENT PLAN
JUNE 30, 2017**

<i>Fiscal year ending June 30,</i>	2017	2016	2015	2014
Total Pension Liability				
Service cost	\$ 587,360	\$ 610,727	\$ 567,606	*
Interest on the total pension liability	1,751,687	1,654,469	1,501,211	*
Difference between expected and actual experience	493,152	559,330	(1,022,936)	*
Assumption changes	(31,341)	175,199	2,498,154	*
Benefit payments, including refunds	(1,265,382)	(1,182,402)	(1,157,641)	*
Net Change in Total Pension Liability	1,535,476	1,817,323	2,386,394	*
Total Pension Liability Beginning	27,884,439	26,067,116	23,680,722	*
Total Pension Liability Ending	\$ 29,419,915	\$ 27,884,439	\$ 26,067,116	\$ 23,680,722
Plan Fiduciary Net Position				
Contributions-employer	\$ -	\$ 1,026,700	\$ 2,200,676	\$ 691,940
Contributions-employee	212,220	212,077	208,981	204,273
Pension plan net investment income	2,201,195	(13,386)	950,728	2,817,949
Benefit payments, including refunds	(1,265,382)	(1,182,402)	(1,157,641)	(1,120,376)
Pension plan administrative expense	(385,391)	(199,391)	(265,579)	(145,461)
Net Change in Plan Fiduciary Net Position	762,642	(156,402)	1,937,165	2,448,325
Plan Fiduciary Net Position beginning	21,414,502	21,570,904	19,633,739	17,185,414
Plan Fiduciary Net Position ending	\$ 22,177,144	\$ 21,414,502	\$ 21,570,904	\$ 19,633,739
Employer Net Pension Liability	\$ 7,242,771	\$ 6,469,937	\$ 4,496,212	\$ 4,046,983
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	75.38%	76.80%	82.75%	82.91%
Covered Employee Payroll	\$ 6,913,048	\$ 7,100,910	\$ 6,622,423	\$ 6,614,888
Employer's Net Pension Liability as a percentage of covered employee payroll	104.77%	91.11%	67.89%	61.18%

Notes to schedule:

* Information not available as this represents the first actuarial valuation performed pursuant to GASB Statement No. 67.

This schedule is intended to cover ten years. The City implemented GASB Statement No. 67 in fiscal year 2014. Information for years prior to fiscal year 2014 is therefore unavailable.

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY - UNIFORMED EMPLOYEES'
RETIREMENT PLAN
JUNE 30, 2017**

<i>Fiscal year ending June 30,</i>	2017	2016	2015	2014
Total Pension Liability				
Service cost	\$ 591,055	\$ 610,115	\$ 608,084	*
Interest on the total pension liability	2,271,069	2,188,475	2,097,652	*
Difference between expected and actual experience	(85,791)	923,956	(883,307)	*
Assumption changes	(663,112)	450,417	1,622,584	*
Benefit payments, including refunds	(2,412,822)	(2,116,120)	(1,964,147)	*
Net Change in Total Pension Liability	(299,601)	2,056,843	1,480,866	*
Total Pension Liability Beginning	36,418,093	34,361,250	32,880,384	*
Total Pension Liability Ending	\$ 36,118,492	\$ 36,418,093	\$ 34,361,250	\$ 32,880,384
Plan Fiduciary Net Position				
Contributions-employer	\$ 1,516,000	\$ 1,355,330	\$ 1,599,437	\$ 900,080
Pension plan net investment income	3,869,496	976,501	1,365,052	2,881,336
Benefit payments, including refunds	(2,412,822)	(2,116,120)	(1,964,147)	(1,974,058)
Pension plan administrative expense	(120,970)	(202,111)	(583,230)	(257,132)
Other	(22,650)	-	-	-
Net Change in Plan Fiduciary Net Position	2,829,054	13,600	417,112	1,550,226
Plan Fiduciary Net Position beginning	26,692,927	26,679,327	26,262,215	24,711,989
Plan Fiduciary Net Position ending	\$ 29,521,981	\$ 26,692,927	\$ 26,679,327	\$ 26,262,215
Employer Net Pension Liability	\$ 6,596,511	\$ 9,725,166	\$ 7,681,923	\$ 6,618,169
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	81.74%	73.30%	77.64%	79.87%
Covered Employee Payroll	\$ 7,583,112	\$ 7,567,499	\$ 7,800,144	\$ 7,890,213
Employer's Net Pension Liability as a percentage of covered employee payroll	86.99%	128.51%	98.48%	83.88%

Notes to schedule:

* Information not available as this represents the first actuarial valuation performed pursuant to GASB Statement No. 67.

This schedule is intended to cover ten years. The City implemented GASB Statement No. 67 in fiscal year 2014. Information for years prior to fiscal year 2014 is therefore unavailable.

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
JUNE 30, 2017**

	2017	2016	2015	2014
Non-Uniformed Employees Plan				
Actuarially determined contribution	\$ 921,929	\$ 867,427	\$ 759,255	\$ 650,317
Contributions in relation to the actuarially determined contribution	1,026,700	870,000	1,956,620	691,940
Contribution (excess) deficiency	(\$104,771)	(\$2,573)	(\$1,197,365)	(\$41,623)
Uniformed Employees Plan				
Actuarially determined contribution	\$ 1,406,650	\$ 1,396,746	\$ 1,294,175	\$ 1,200,770
Contributions in relation to the actuarially determined contribution	953,082	948,230	1,629,726	900,079
Contribution deficiency (excess)	\$453,568	\$448,516	(\$335,551)	\$300,691
Covered-employee payroll	\$ 6,913,048	\$ 7,100,910	\$ 6,622,423	\$ 6,614,888
Contributions as a percentage of covered-employee payroll	14.85%	12.25%	29.55%	10.46%
Covered-employee payroll	\$ 7,583,112	\$ 7,567,499	\$ 7,800,144	\$ 7,890,213
Contributions as a percentage of covered-employee payroll	12.57%	12.53%	20.89%	11.41%

Notes to Schedule:

Methods and assumptions used to determine contribution rates for the most recent year include:

Valuation date	January 1 of each year
Actuarial cost method	Entry age normal
Amortization method	Level dollar of payroll, closed.
Remaining amortization period	13 years
Asset valuation method	Expected actuarial value, plus 20% of the difference between expected and actual values
General inflation	N/A
Salary increases	3.00%
Investment rate of return	6.50%
Mortality	Non-uniformed employees plan - RP-2014 Mortality Table projected using scale MP-2016. Uniformed employees plan - RP-2014 Blue Collar Mortality Table projected using scale MP-2016.

Other information:

This schedule is intended to cover ten years. The City implemented GASB Statement No. 67 in fiscal year 2014. Information for years prior to fiscal year 2014 is therefore unavailable.

Changes from prior year(s):

FY17: Non-uniformed employees plan - The mortality table was updated from RP-2014 Mortality Table projected using Scale MP-2014 to RP-2014 Mortality Table projected using Scale MP-2016.

FY17: Uniformed employees plan - The mortality table was updated from RP-2014 Blue Collar Mortality Table projected using Scale MP-2014 to RP-2014 Blue Collar Mortality Table projected using Scale MP-2016.

FY15: Non-uniformed employees plan - The mortality table was updated from RP-2000 projections for 7 years and 15 years using Scale AA to RP-201 4 fully generational using projection Scale MP-2014.

FY15: Uniformed employees plan - The mortality table was updated from RP-2000 Blue Collar projected 10 years from the valuation date to RP-2014 Blue Collar fully generational using projection Scale MP-2014.

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF INVESTMENT RETURNS
JUNE 30, 2017**

Annual rate of return, net of investment expense:	2017	2016	2015	2014
Non-Uniformed Employees Plan	11.1%	-2.5%	12.6%	14.5%
Uniformed Employees Plan	7.2%	-2.3%	11.3%	15.2%

Notes to schedule:

This schedule is intended to cover ten years. The City implemented GASB Statement No. 67 in fiscal year 2014. Information for years prior to fiscal year 2014 is therefore unavailable.

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF FUNDING PROGRESS - OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2017**

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (2)	Unfunded Accrued Liability (UAAL) (1)-(2)	Funded Ratio (1)/(2)	Covered Payroll	UAAL as a Percentage of Covered Payroll
2011	1/1/2011	\$ -	\$ 595,265	\$ 595,265	0%	\$ 14,055,002	4.2%
2012	1/1/2011	-	595,265	595,265	0%	14,315,929	4.2%
2013	1/1/2013	-	448,173	448,173	0%	14,150,579	3.2%
2014	1/1/2013	-	448,173	448,173	0%	14,505,101	3.1%
2015	1/1/2015	-	615,237	615,237	0%	14,759,124	4.2%
2016	1/1/2015	-	615,237	615,237	0%	14,214,497	4.3%
2017	1/1/2017	-	642,405	642,405	0%	14,771,686	4.3%

See accompanying independent auditors' report

Other Supplementary Information

CITY OF UNIVERSITY CITY, MISSOURI

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures of specified purposes.

Committee for Access and Local Origination Programming (CALOP) -- This fund was established to account for revenues and expenditures for studies of the educational and cultural programming needs of the City and encouraging the development of programs to meet those needs.

University City Loop Special Business District -- The City has established this fund to account for revenues and expenditures related to promoting retail trade activities and enhancing the environment of a Special Business District (SBD) of the City, referred to as the Loop.

Parkview Gardens Special Business District -- The City established this fund in fiscal 1997 to account for revenues and expenditures related to enhancing the environment of a SBD of the City.

Sewer Lateral -- The City established this fund to account for revenues and expenditures related to sewer lateral repairs.

Economic Development -- The City established this fund to promote economic development through economic sales tax.

Pension Tax -- The City established this fund to account for revenues and expenditures related to taxes for the pension plan.

CITY OF UNIVERSITY CITY, MISSOURI

**COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Special Revenue						Total
	CALOP	Loop SBD	Parkview Gardens SBD	Sewer Lateral	Economic Development	Pension Tax	
ASSETS							
Cash and investments	\$ 389,531	\$ 184,544	\$ 92,889	\$ 407,907	\$ 1,422,037	\$ -	\$ 2,496,908
Receivables:							
Taxes	-	-	1,640	-	114,201	74,833	190,674
Other	-	-	-	8,110	-	-	8,110
Due from other funds	-	11,241	742	5,041	8,581	-	25,605
TOTAL ASSETS	\$ 389,531	\$ 195,785	\$ 95,271	\$ 421,058	\$ 1,544,819	\$ 74,833	\$ 2,721,297
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ 122,264	\$ 9,349	\$ -	\$ 131,613
Accrued liabilities	-	-	-	-	478	-	478
TOTAL LIABILITIES	-	-	-	122,264	9,827	-	132,091
DEFERRED INFLOW OF RESOURCES							
Property taxes	-	-	-	-	-	74,833	74,833
FUND BALANCES							
Restricted for:							
Special business districts	-	195,785	95,271	-	-	-	291,056
Sewer lateral	-	-	-	298,794	-	-	298,794
Economic development	-	-	-	-	1,534,992	-	1,534,992
Assigned	389,531	-	-	-	-	-	389,531
TOTAL FUND BALANCES	389,531	195,785	95,271	298,794	1,534,992	-	2,514,373
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 389,531	\$ 195,785	\$ 95,271	\$ 421,058	\$ 1,544,819	\$ 74,833	\$ 2,721,297

See accompanying independent auditors' report

CITY OF UNIVERSITY CITY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Special Revenue						Total
	CALOP	Loop SBD	Parkview Gardens SBD	Sewer Lateral	Economic Development	Pension Tax	
REVENUES							
General taxes:							
Current real estate taxes	\$ -	\$ 44,174	\$ 93,413	\$ -	\$ -	\$ 810,959	\$ 948,546
Delinquent real estate taxes	-	-	-	-	-	21,461	21,461
Current personal property taxes	-	-	-	-	-	108,367	108,367
Delinquent personal property taxes	-	-	-	-	-	12,295	12,295
Sales tax	-	-	-	-	692,359	-	692,359
Total General taxes	-	44,174	93,413	-	692,359	953,082	1,783,028
Charges for services	-	-	-	574,442	-	-	574,442
Licenses, permits, fines and fees	-	30,859	-	-	-	-	30,859
Other	-	140,259	-	-	-	-	140,259
TOTAL REVENUES	-	215,292	93,413	574,442	692,359	953,082	2,528,588
EXPENDITURES							
Current:							
General government	4,551	164,134	108,778	764,948	348,385	953,082	2,343,878
Capital outlay	-	-	-	-	190,970	-	190,970
TOTAL EXPENDITURES	4,551	164,134	108,778	764,948	539,355	953,082	2,534,848
NET CHANGE IN FUND BALANCES	(4,551)	51,158	(15,365)	(190,506)	153,004	-	(6,260)
FUND BALANCE, JULY 1	394,082	144,627	110,636	489,300	1,381,988	-	2,520,633
FUND BALANCES, JUNE 30	\$ 389,531	\$ 195,785	\$ 95,271	\$ 298,794	\$ 1,534,992	\$ -	\$ 2,514,373

See accompanying independent auditors' report

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
LOOP SBD SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Current real estate taxes	\$ 38,000	\$ 44,174	\$ 6,174
Licenses, permits, fines, and fees	30,000	30,859	859
Other	-	140,259	140,259
Total Revenues	68,000	215,292	147,292
EXPENDITURES			
General government:			
Personal services	1,000	-	1,000
Contractual services	146,200	156,708	(10,508)
Commodities	12,300	7,426	4,874
Total Expenditures	159,500	164,134	(4,634)
REVENUES UNDER EXPENDITURES	(91,500)	51,158	142,658
OTHER FINANCING SOURCES			
Transfers in	60,000	-	(60,000)
NET CHANGE IN FUND BALANCE	\$ (31,500)	51,158	\$ 82,658
FUND BALANCE, JULY 1		144,627	
FUND BALANCE, JUNE 30		\$ 195,785	

See accompanying independent auditors' report

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
PARKVIEW GARDENS SBD SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Current real estate taxes	\$ 85,000	\$ 93,413	\$ 8,413
Total Revenues	<u>85,000</u>	<u>93,413</u>	<u>8,413</u>
EXPENDITURES			
General government:			
Contractual services	45,000	44,111	889
Commodities	40,000	64,667	(24,667)
Total Expenditures	<u>85,000</u>	<u>108,778</u>	<u>(23,778)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(15,365)</u>	<u>\$ (15,365)</u>
FUND BALANCE, JULY 1		<u>110,636</u>	
FUND BALANCE, JUNE 30		<u>\$ 95,271</u>	

See accompanying independent auditors' report

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
SEWER LATERAL SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
Charges for services	\$ 580,000	\$ 574,442	\$ (5,558)
Investment income	5,000	-	(5,000)
Total Revenues	<u>585,000</u>	<u>574,442</u>	<u>(10,558)</u>
EXPENDITURES			
General government:			
Personal services	73,500	49,009	24,491
Contractual services	737,000	820,371	(83,371)
Total Expenditures	<u>810,500</u>	<u>869,380</u>	<u>(58,880)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (225,500)</u>	<u>(294,938)</u>	<u>\$ (69,438)</u>
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances		167,192	
Prior year encumbrances		(62,760)	
Total Adjustment To Reconcile To GAAP Basis		<u>104,432</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		(190,506)	
FUND BALANCE, JULY 1		<u>489,300</u>	
FUND BALANCE, JUNE 30		<u>\$ 298,794</u>	

See accompanying independent auditors' report

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Sales tax	\$ 650,000	\$ 692,359	\$ 42,359
Investment income	1,000	-	(1,000)
Total Revenues	651,000	692,359	41,359
EXPENDITURES			
General government:			
Personal services	100,400	88,097	12,303
Contractual services	259,000	249,998	9,002
Commodities	16,000	-	16,000
Capital outlay	275,000	129,047	145,953
Total Expenditures	650,400	467,142	183,258
NET CHANGE IN FUND BALANCE	\$ 600	225,217	\$ 224,617
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances		50,002	
Prior year encumbrances		(122,215)	
Total Adjustment To Reconcile To GAAP Basis		(72,213)	
NET CHANGE IN FUND BALANCE - GAAP BASIS		153,004	
FUND BALANCE, JULY 1		1,381,988	
FUND BALANCE, JUNE 30		\$ 1,534,992	

See accompanying independent auditors' report

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
PARK AND STORM WATER SALES TAX CAPITAL PROJECTS FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Sales tax	\$ 1,233,300	\$ 1,384,754	\$ 151,454
Total Revenues	<u>1,233,300</u>	<u>1,384,754</u>	<u>151,454</u>
EXPENDITURES			
General government:			
Personal services	269,000	268,906	94
Contractual services	111,600	100,598	11,002
Capital outlay	675,500	847,535	(172,035)
Debt service:			
Principal	290,000	290,000	-
Interest and fiscal charges	20,300	20,046	254
Total Expenditures	<u>1,366,400</u>	<u>1,527,085</u>	<u>(160,685)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (133,100)</u>	<u>(142,331)</u>	<u>\$ (9,231)</u>
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances		93,077	
Prior year encumbrances		(120,200)	
Total Adjustment To Reconcile To GAAP Basis		<u>(27,123)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		(169,454)	
FUND BALANCE, JULY 1		<u>(147,129)</u>	
FUND BALANCE, JUNE 30		<u>\$ (316,583)</u>	

See accompanying independent auditors' report

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL IMPROVEMENT
SALES TAX CAPITAL PROJECTS FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Sales tax	\$ 2,300,000	\$ 2,340,835	\$ 40,835
Total Revenues	<u>2,300,000</u>	<u>2,340,835</u>	<u>40,835</u>
EXPENDITURES			
General government:			
Personal services	103,500	94,124	9,376
Contractual services	91,200	93,108	(1,908)
Commodities	42,300	41,940	360
Capital outlay	1,357,400	1,083,618	273,782
Debt service:			
Principal	538,000	538,000	-
Interest and fiscal charges	36,100	35,590	510
Total Expenditures	<u>2,168,500</u>	<u>1,886,380</u>	<u>282,120</u>
NET CHANGE IN FUND BALANCE	<u>\$ 131,500</u>	<u>454,455</u>	<u>\$ 322,955</u>
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances		624,354	
Prior year encumbrances		(57,219)	
Total Adjustment To Reconcile To GAAP Basis		<u>567,135</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		1,021,590	
FUND BALANCE, JULY 1		<u>1,172,943</u>	
FUND BALANCE, JUNE 30		<u>\$ 2,194,533</u>	

See accompanying independent auditors' report

SECTION III - STATISTICAL SECTION

CITY OF UNIVERSITY CITY, MISSOURI

STATISTICAL INFORMATION

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

	Pages
Financial Trends	79 - 84
These five (5) schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	84 - 93
These five (5) schedules contain information to help the reader assess the City's most significant local revenue sources.	
Debt Capacity	94 - 97
These four (4) schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	98 - 99
These two (2) schedules provide demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	100 - 104
These three (3) schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF UNIVERSITY CITY, MISSOURI

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(Amounts expressed in thousands)**

	Fiscal Year									
	2008	2009	2010	2011*	2012	2013	2014**	2015	2016	2017
Governmental Activities:										
Net investment in capital assets	\$ 29,945	\$ 31,239	\$ 31,244	\$ 30,787	\$ 35,729	\$ 38,489	\$ 39,201	\$ 43,580	\$ 45,006	\$ 45,617
Restricted	7,103	7,640	8,626	8,890	5,196	5,167	4,127	3,012	3,299	4,319
Unrestricted	13,495	16,005	19,029	23,076	27,588	26,591	25,989	13,742	9,798	6,694
Total Governmental Activities Net Position	<u>\$ 50,543</u>	<u>\$ 54,884</u>	<u>\$ 58,899</u>	<u>\$ 62,753</u>	<u>\$ 68,513</u>	<u>\$ 70,247</u>	<u>\$ 69,317</u>	<u>\$ 60,334</u>	<u>\$ 58,103</u>	<u>\$ 56,630</u>
Business-type Activities:										
Net investment in capital assets	\$ 1,360	\$ 1,341	\$ 1,396	\$ 1,897	\$ 2,355	\$ 2,401	\$ 2,704	\$ 2,935	\$ 3,569	\$ 3,426
Restricted	122	122	124	125	50	50	50	50	50	50
Unrestricted	134	197	176	1,111	873	1,035	1,915	1,319	109	206
Total Business-type Activities Net Position	<u>\$ 1,616</u>	<u>\$ 1,660</u>	<u>\$ 1,696</u>	<u>\$ 3,133</u>	<u>\$ 3,278</u>	<u>\$ 3,486</u>	<u>\$ 4,669</u>	<u>\$ 4,304</u>	<u>\$ 3,728</u>	<u>\$ 3,682</u>
Primary Government:										
Net investment in capital assets	\$ 31,305	\$ 32,580	\$ 32,640	\$ 32,684	\$ 38,084	\$ 40,890	\$ 41,905	\$ 46,515	\$ 48,575	\$ 49,043
Restricted	7,225	7,762	8,750	9,015	5,246	5,217	4,177	3,062	3,349	4,369
Unrestricted	13,629	16,202	19,205	24,187	28,461	27,626	27,904	15,061	9,907	6,900
Total Primary Government Net Position	<u>\$ 52,159</u>	<u>\$ 56,544</u>	<u>\$ 60,595</u>	<u>\$ 65,886</u>	<u>\$ 71,791</u>	<u>\$ 73,733</u>	<u>\$ 73,986</u>	<u>\$ 64,638</u>	<u>\$ 61,831</u>	<u>\$ 60,312</u>

Notes:

* In 2011, the City changed accounting for the Solid Waste (Sanitation) Fund from a Government Fund to an Enterprise Fund.

** In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.

CITY OF UNIVERSITY CITY, MISSOURI

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(Amounts expressed in thousands)**

	Fiscal Year									
	2008	2009	2010	2011*	2012	2013	2014**	2015	2016	2017
Expenses										
Governmental Activities:										
General government	\$ 5,736	\$ 6,841	\$ 6,951	\$ 7,245	\$ 7,946	\$ 9,108	\$ 7,891	\$ 8,385	\$ 10,592	\$ 8,924
Public safety	11,169	10,804	12,433	10,902	11,753	12,202	12,600	12,807	13,565	13,039
Highways and streets	1,945	4,226	4,128	3,972	4,468	6,093	7,034	5,634	5,512	6,292
Sanitation	2,559	2,648	2,363	-	-	-	-	-	-	-
Community development and recreation	5,604	5,825	5,568	5,796	5,462	3,893	2,055	2,135	2,990	3,067
Interest and fiscal charges	481	454	440	476	319	178	139	125	112	116
Total Governmental Activities Expenses	27,494	30,798	31,883	28,391	29,948	31,474	29,719	29,086	32,771	31,438
Business-type Activities:										
Parking facility	173	174	178	175	198	154	173	167	166	178
Sanitation	-	-	-	2,389	2,172	2,430	2,519	3,033	3,359	3,137
Total Business-type Activities Expenses	173	174	178	2,564	2,370	2,584	2,692	3,200	3,525	3,315
Total Primary Government Expenses	\$ 27,667	\$ 30,972	\$ 32,061	\$ 30,955	\$ 32,318	\$ 34,058	\$ 32,411	\$ 32,286	\$ 36,296	\$ 34,753
Program Revenues										
Governmental Activities:										
Charges for services										
General government	\$ 707	\$ 603	\$ 837	\$ 900	\$ 1,166	\$ 1,180	\$ 1,145	\$ 1,167	\$ 938	\$ 1,110
Public safety	1,638	1,895	2,090	1,796	1,743	1,745	1,611	1,473	1,140	739
Highways and streets	664	564	571	663	717	1,004	1,012	956	1,141	958
Sanitation	3,404	3,614	3,133	-	-	-	-	-	-	-
Community development and recreation	1,290	1,411	1,667	1,674	1,707	1,688	1,536	1,576	1,537	1,559
Operating grants and contributions	2,429	2,286	3,187	2,832	3,429	2,565	2,281	2,465	2,486	2,553
Capital grants and contributions	928	1,535	882	901	4,009	2,065	2,182	582	1,593	956
Total Governmental Activities Program Revenues	11,060	11,908	12,367	8,766	12,771	10,247	9,767	8,219	8,835	7,875

Notes:

* In 2011, the City changes accounting for the Solid Waste (Sanitation) fund from a Government Fund to an Enterprise Fund.

** In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.

CITY OF UNIVERSITY CITY, MISSOURI

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(Accrual basis of accounting)
(Amounts expressed in thousands)**

	Fiscal Year									
	2008	2009	2010	2011*	2012	2013	2014**	2015	2016	2017
Business-type Activities:										
Parking facility	232	214	214	214	210	229	254	175	137	215
Sanitation	-	-	-	2,980	2,249	2,563	3,104	2,964	2,796	3,054
Total Business-type Activities Program Revenues	232	214	214	3,194	2,459	2,792	3,358	3,139	2,933	3,269
Total Primary Government Program Revenues	\$ 11,292	\$ 12,122	\$ 12,581	\$ 11,960	\$ 15,230	\$ 13,039	\$ 13,125	\$ 11,358	\$ 11,768	\$ 11,144
Net Revenue (Expenses):										
Governmental activities	\$ (16,434)	\$ (18,890)	\$ (19,516)	\$ (19,625)	\$ (17,177)	\$ (21,227)	\$ (19,952)	\$ (20,867)	\$ (23,936)	\$ (23,563)
Business-type activities	59	40	36	630	89	208	666	(61)	(592)	(46)
Total Primary Government Net Expense	\$ (16,375)	\$ (18,850)	\$ (19,480)	\$ (18,995)	\$ (17,088)	\$ (21,019)	\$ (19,286)	\$ (20,928)	\$ (24,528)	\$ (23,609)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes	\$ 24,128	\$ 21,822	\$ 22,297	\$ 23,514	\$ 22,150	\$ 22,345	\$ 21,030	\$ 21,375	\$ 21,079	\$ 21,002
Licenses	750	723	679	486	381	442	-	447	454	536
Investment Income	449	371	182	128	133	50	47	42	42	21
Gain on sale of assets	-	-	126	30	-	-	-	-	103	58
Miscellaneous	518	297	438	126	329	124	55	44	27	473
Transfers	-	-	-	-	(56)	-	-	-	-	-
Total Governmental Activities	25,845	23,213	23,722	24,284	22,937	22,961	21,132	21,908	21,705	22,090
Business-type Activities:										
Investment income	2	4	-	2	-	-	4	-	1	-
Gain on sale of assets	-	-	-	-	-	-	-	-	15	-
Transfers	-	-	-	-	56	-	-	-	-	-
Total Business-type Activities	2	4	-	2	56	-	4	-	16	-
Total Primary Government	\$ 25,847	\$ 23,217	\$ 23,722	\$ 24,286	\$ 22,993	\$ 22,961	\$ 21,136	\$ 21,908	\$ 21,721	\$ 22,090
Change in Net Position										
Governmental activities	\$ 9,411	\$ 4,323	\$ 4,206	\$ 4,659	\$ 5,760	\$ 1,734	\$ 1,180	\$ 1,041	\$ (2,231)	\$ (1,473)
Business-type activities	61	44	36	632	145	208	670	(61)	(576)	(46)
Total Primary Government	\$ 9,472	\$ 4,367	\$ 4,242	\$ 5,291	\$ 5,905	\$ 1,942	\$ 1,850	\$ 980	\$ (2,807)	\$ (1,519)

Notes:

* In 2011, the City changes accounting for the Solid Waste (Sanitation) fund from a Government Fund to an Enterprise Fund.

**In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.

CITY OF UNIVERSITY CITY, MISSOURI

**GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(Amounts expressed in thousands)**

Fiscal Year	Property Tax	Sales and Local Use Tax	Gross Receipts Tax	Miscellaneous Tax	Total
2008	\$ 5,633	\$ 10,162	\$ 8,038	\$ 293	\$ 24,126
2009	5,622	9,543	6,360	297	21,822
2010	5,871	9,095	7,043	288	22,297
2011	6,349	9,323	7,336	506	23,514
2012	5,852	9,518	6,533	247	22,150
2013	6,192	9,236	6,737	180	22,345
2014 *	4,468	9,779	6,755	28	21,030
2015 *	4,419	10,453	6,741	45	21,658
2016 *	4,520	10,757	6,063	251	21,591
2017 *	4,522	10,716	6,117	245	21,600

Note: * Excludes property taxes collected for University City Library

CITY OF UNIVERSITY CITY, MISSOURI

**FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)
(Amounts expressed in thousands)**

	Fiscal Year									
	2008	2009	2010	2011*	2012	2013	2014**	2015	2016	2017
General Fund:										
Reserved	\$ 3,260	\$ 3,487	\$ 2,359	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	7,257	7,805	11,342	-	-	-	-	-	-	-
Nonspendable	-	-	-	690	1,104	2,048	2,489	2,200	1,685	780
Committed	-	-	-	2,390	2,323	1,053	958	840	7,840	6,955
Restricted	-	-	-	-	650	647	655	655	-	-
Assigned	-	-	-	1,177	1,259	1,691	2,389	946	884	-
Unassigned	-	-	-	12,973	17,829	17,335	16,008	15,833	8,549	9,279
Total General Fund	\$ 10,517	\$ 11,292	\$ 13,701	\$ 17,230	\$ 23,165	\$ 22,774	\$ 22,499	\$ 20,474	\$ 18,958	\$ 17,014
All Other Governmental Funds:										
Reserved	\$ 2,719	\$ 3,932	\$ 5,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	4,224	3,853	3,122	-	-	-	-	-	-	-
Capital projects fund	71	94	162	-	-	-	-	-	-	-
Debt service funds	132	159	213	-	-	-	-	-	-	-
Nonspendable	-	-	-	47	64	72	-	-	-	-
Restricted	-	-	-	8,719	4,367	4,424	3,456	2,352	3,299	4,319
Assigned	-	-	-	675	461	445	438	425	394	390
Unassigned	-	-	-	(508)	(417)	(708)	(552)	(560)	(1,503)	(1,062)
Total All Other Governmental Funds	\$ 7,146	\$ 8,038	\$ 8,992	\$ 8,933	\$ 4,475	\$ 4,233	\$ 3,342	\$ 2,217	\$ 2,190	\$ 3,647

* GASB 54 was implemented in 2011.

** In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.

CITY OF UNIVERSITY CITY, MISSOURI

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)**

(Amounts expressed in thousands)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014*	2015	2016	2017
Revenues										
General taxes	\$ 24,761	\$ 22,435	\$ 22,599	\$ 23,103	\$ 22,314	\$ 22,595	\$ 21,443	\$ 21,624	\$ 21,341	\$ 21,365
Charges for services	6,024	6,407	6,488	3,303	3,429	3,140	3,018	3,092	2,675	2,385
Intergovernmental	3,468	3,945	3,344	3,543	6,762	4,317	4,198	2,747	2,877	3,772
Licenses, permits, fines and fees	2,146	2,203	2,577	2,553	2,729	2,818	2,625	2,441	2,661	2,403
Investment Income	379	348	168	117	124	47	47	42	34	21
Special assessments	-	288	521	150	203	92	87	114	85	72
Distributions from component unit-Library	-	-	-	-	-	-	4	4	4	4
Miscellaneous	579	615	464	118	280	204	70	103	96	179
Total Revenues	37,357	36,241	36,161	32,887	35,841	33,213	31,492	30,167	29,773	30,201
Expenditures										
General government	6,803	6,923	6,807	6,635	7,055	8,421	6,960	7,975	9,878	8,177
Public safety	10,879	10,725	11,098	11,011	11,388	11,758	11,803	12,775	11,530	12,289
Highways and streets	1,346	2,941	2,997	2,778	2,769	4,415	4,453	4,635	3,954	3,988
Sanitation	2,494	2,006	2,440	-	-	-	-	-	-	-
Community development and recreation	4,889	5,328	5,452	5,276	4,801	3,357	1,779	1,810	1,364	1,254
Capital outlay	4,077	4,561	2,768	1,863	6,530	4,767	5,343	4,949	3,693	4,763
Debt service:										
Principal	790	786	820	845	1,132	1,010	1,073	1,084	859	878
Interest and fiscal charges	461	434	416	460	687	117	103	90	75	66
Bond issuance costs	-	-	-	-	125	-	-	-	-	-
Total Expenditures	31,739	33,704	32,798	28,868	34,487	33,845	31,514	33,318	31,353	31,415
Excess of Revenues										
Over (Under) Expenditures	5,618	2,537	3,363	4,019	1,354	(632)	(22)	(3,151)	(1,580)	(1,214)
Other Financing Sources (Uses)										
Transfers in	-	44	338	4	4,312	4	-	588	-	-
Transfers out	-	(44)	(338)	(4)	(4,314)	(4)	-	(588)	-	-
Refunding on bond issuance	-	-	-	-	6,561	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(6,436)	-	-	-	-	-
Proceeds from capital lease	14	-	-	-	-	-	-	-	-	726
Total Other Financing Sources (Uses)	14	-	-	-	123	-	-	-	-	726
Net Change in Fund Balances	\$ 5,632	\$ 2,537	\$ 3,363	\$ 4,019	\$ 1,477	\$ (632)	\$ (22)	\$ (3,151)	\$ (1,580)	\$ (488)
Debt service as a percentage of noncapital expenditures	4.5%	4.2%	4.1%	4.7%	6.3%	3.9%	4.5%	4.1%	3.4%	3.3%

* In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.

CITY OF UNIVERSITY CITY, MISSOURI

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Amounts expressed in thousands)**

Fiscal Year Ended June 30,	Real Property¹	Personal Property	Railroad and Utilities²	Total Taxable Assessed Value	Total Weighted Average Direct Tax Rate³	Estimated Actual Taxable Value	Assessed Value as a Percentage of Estimated Actual Taxable Value
2008	\$ 560,796	\$ 65,229	\$ 8,078	\$ 634,103	1.004	\$ 3,054,891	20.76%
2009	534,918	60,788	8,324	604,030	1.081	3,059,619	19.74%
2010	537,172	52,639	8,474	598,285	1.088	2,911,594	20.55%
2011	537,029	53,033	8,474	598,536	1.112	2,885,607	20.74%
2012	532,495	53,577	9,129	595,201	0.855	2,886,720	20.62%
2013	530,263	57,676	8,993	596,932	0.857	2,887,085	20.68%
2014	497,822	57,629	9,332	564,783	0.818	2,718,366	20.78%
2015	500,437	59,837	9,608	569,882	0.818	2,734,643	20.84%
2016	519,947	60,764	10,616	591,327	0.793	3,087,680	19.15%
2017	523,841	62,139	9,770	595,750	0.780	3,189,787	18.68%

Fiscal Year Ended June 30,	Residential	Commercial	Personal Property	Agricultural
2008	0.927	1.033	1.236	0.000
2009	0.922	1.069	1.229	0.000
2010	0.987	1.114	1.211	0.000
2011	0.761	0.866	0.923	0.000
2012	0.753	0.892	0.909	0.000
2013	0.753	0.776	0.909	0.000
2014	0.753	0.776	0.909	0.000
2015	0.753	0.731	0.879	0.000
2016	0.734	0.694	0.875	0.000
2017	0.690	0.647	0.875	0.000

¹Assessments are based on January 1st valuations. Assessed valuations are determined and certified by the Assessor of St. Louis County.

²Railroad and Utilities are State Assessed. Locally assessed are included in Real and Personal. Laclede Gas Company and St. Louis County Water Company are included with personal assessments as they are local concerns.

³In 2015, the Total Weighted Average Direct Tax Rates has been restated back to 2006.

Sources:

<https://revenue.stlouisco.com/pdfs/>

<https://revenue.stlouisco.com/Collection/YourTaxRates.aspx>

CITY OF UNIVERSITY CITY, MISSOURI

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Per \$100 assessed valuation)**

	2008					2009				
	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate
City of University City	0.9270	1.0330	1.2360	0.0000	1.0808	0.9220	1.0690	1.2290	0.0000	1.0880
St. Louis County	0.5580	0.5580	0.5580	0.5580	0.7990	0.5580	0.5580	0.5580	0.5580	0.8050
University City School District	4.0331	4.2340	5.2751	0.0000	1.0805	4.0477	4.3440	5.2751	0.0000	1.0872
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.7990	0.0300	0.0300	0.0300	0.0300	0.8050
Metropolitan St. Louis Sewer District	0.0667	0.0667	0.0667	0.0667	0.7990	0.0000	0.0000	0.0000	0.0000	0.0000
Metropolitan Zoological Park and Museum District	0.2330	0.2330	0.2330	0.2330	0.7990	0.2344	0.2344	0.2344	0.2344	0.8050
St. Louis Community College	0.2003	0.2003	0.2003	0.2003	0.7990	0.2013	0.2013	0.2013	0.2013	0.8050
Sheltered Workshop	0.0700	0.0790	0.0850	0.0850	0.7886	0.6900	0.0810	0.0900	0.0900	0.8763
Special School District	0.9084	0.9084	0.9084	0.9084	0.7990	0.9184	0.9184	0.9184	0.9184	0.8050
MSD/University City Storm Sewer	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Black Creek	0.0600	0.0600	0.0600	0.0000	1.0653	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0600	0.0600	0.0600	0.0600	0.7990	0.0000	0.0000	0.0000	0.0000	0.0000

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:
St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(Per \$100 assessed valuation)**

	2010					2011				
	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate
City of University City	0.9870	1.1140	1.2110	0.0000	1.1116	0.7610	0.8660	0.9230	0.0000	0.8553
St. Louis County	0.5230	0.5230	0.5230	0.5230	0.8280	0.5230	0.5230	0.5230	0.5230	0.6375
University City School District	4.2099	4.4159	5.2751	0.0000	1.1123	4.6618	4.9747	5.7264	0.0000	0.8554
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.8280	0.0300	0.0300	0.0300	0.0300	0.6375
Metropolitan St. Louis Sewer District	0.0000	0.0000	0.0000	0.0000	0.0000	0.0790	0.0790	0.0790	0.0790	0.0000
Metropolitan Zoological Park and Museum District	0.2493	0.2493	0.2493	0.2493	0.8280	0.2546	0.2546	0.2546	0.2546	0.6375
St. Louis Community College	0.2136	0.2136	0.2136	0.2136	0.8280	0.2179	0.2179	0.2179	0.2179	0.6375
Sheltered Workshop	0.0740	0.0740	0.0740	0.0740	0.8280	0.0790	0.0850	0.0900	0.0870	0.6358
Special School District	0.9384	0.9384	0.9384	0.9384	0.8280	0.9950	0.9950	0.9950	0.9950	0.6375
MSD/University City Storm Sewer	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Black Creek	0.0000	0.0000	0.0000	0.0000	0.0000	0.0830	0.0920	0.0950	0.0000	8.5380
MSD/Deer Creek Subdistrict	0.0000	0.0000	0.0000	0.0000	0.0000	0.0810	0.0820	0.0930	0.0760	0.6581
Roads and Bridges	0.0000	0.0000	0.0000	0.0000	0.0000	0.1050	0.1050	0.1050	0.1050	0.6375
University City Library	0.0000	0.0000	0.0000	0.0000	0.0000	0.2380	0.2800	0.2800	0.0000	0.8547

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:
St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(Per \$100 assessed valuation)**

	2012					2013				
	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate
City of University City	0.7530	0.8920	0.9090	0.0000	0.8571	0.7530	0.7760	0.9090	0.0000	0.8185
St. Louis County	0.5230	0.5230	0.5230	0.5230	0.6385	0.5230	0.5230	0.5230	0.5230	0.6095
University City School District	4.7110	5.2122	5.7264	0.0000	0.8564	4.8154	5.3256	5.8603	0.0000	0.8178
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.6385	0.0300	0.0300	0.0300	0.0300	0.6095
Metropolitan St. Louis Sewer District	0.0818	0.0818	0.0818	0.0818	0.6385	0.0635	0.0635	0.0635	0.0635	0.6095
Metropolitan Zoological Park and Museum District	0.2671	0.2671	0.2671	0.2671	0.6385	0.2684	0.2684	0.2684	0.2684	0.6095
St. Louis Community College	0.2200	0.2200	0.2200	0.2200	0.6385	0.2200	0.2200	0.2200	0.2200	0.6095
Sheltered Workshop	0.0840	0.0900	0.0900	0.0900	0.6366	0.0840	0.0900	0.0900	0.0900	0.6071
Special School District	1.0125	1.0125	1.0125	1.0125	0.6385	1.0123	1.0123	1.0123	1.0123	0.6095
MSD/University City Storm Sewer	0.0000	0.0000	0.0000	0.0000	0.0000	0.0850	0.0940	0.0940	0.0000	0.0000
Black Creek	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0840	0.0820	0.0930	0.0790	0.6536	0.0840	0.0830	0.0930	0.0790	0.6259
Roads and Bridges	0.1050	0.1050	0.1050	0.1050	0.6385	0.1050	0.1050	0.1050	0.1050	0.6095
University City Library	0.2410	0.2800	0.2800	0.0000	0.8561	0.2480	0.2540	0.2800	0.0000	0.8163

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(Per \$100 assessed valuation)

	2014					2015				
	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate
City of University City	0.7530	0.7760	0.9090	0.0000	0.8185	0.7530	0.7310	0.8790	0.0000	0.7931
St. Louis County	0.5230	0.5230	0.5230	0.5230	0.6095	0.5230	0.5230	0.5230	0.5230	0.5908
University City School District	5.1107	5.3361	5.8603	0.0000	0.8166	5.1775	5.4462	5.9204	0.0000	0.7908
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.6095	0.0300	0.0300	0.0300	0.0300	0.5908
Metropolitan St. Louis Sewer District	0.0874	0.0874	0.0874	0.0874	0.6095	0.0879	0.0879	0.0879	0.0879	0.5908
Metropolitan Zoological Park and Museum District	0.2797	0.2797	0.2797	0.2797	0.6095	0.2797	0.2797	0.2797	0.2797	0.5908
St. Louis Community College	0.2200	0.2200	0.2200	0.2200	0.6095	0.2200	0.2200	0.2200	0.2200	0.5908
Sheltered Workshop	0.0890	0.0900	0.0900	0.0900	0.6091	0.0900	0.0900	0.0900	0.0900	0.5908
Special School District	1.2400	1.2400	1.2400	1.2400	0.6095	1.2609	1.2609	1.2609	1.2609	0.5908
MSD/University City Storm Sewer	0.0930	0.0950	0.0940	0.0000	0.8127	0.0930	0.0990	0.0940	0.0000	0.7868
Black Creek	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0860	0.0840	0.0930	0.1000	0.5909	0.0860	0.0870	0.0930	0.0990	0.5756
Roads and Bridges	0.1050	0.1050	0.1050	0.1050	0.6095	0.1050	0.1050	0.1050	0.1050	0.5908
University City Library	0.2660	0.2540	0.2800	0.0000	0.8149	0.2660	0.2510	0.2800	0.0000	0.7903

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(Per \$100 assessed valuation)

	2016					2017				
	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate	Residential	Commercial	Personal	Agricultural	Total Weighted Ave. Direct Tax Rate
City of University City	0.7340	0.7100	0.8750	0.0000	0.7799	0.7340	0.6940	0.8750	0.0000	0.7755
St. Louis County	0.5150	0.5130	0.5230	0.4510	0.5993	0.5150	0.5130	0.5230	0.4510	0.5952
University City School District	5.0929	5.2265	5.9204	0.0000	0.7777	5.1095	5.0594	5.9204	0.0000	0.7733
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.5798	0.0300	0.0300	0.0300	0.0300	0.5758
Metropolitan St. Louis Sewer District	0.0876	0.0876	0.0876	0.0876	0.5798	0.1196	0.1196	0.1196	0.1196	0.5758
Metropolitan Zoological Park and Museum District	0.2777	0.2777	0.2777	0.2777	0.5798	0.2795	0.2795	0.2795	0.2795	0.5758
St. Louis Community College	0.2176	0.2176	0.2176	0.2176	0.5798	0.2185	0.2185	0.2185	0.2185	0.5758
Sheltered Workshop	0.0880	0.0880	0.0900	0.0770	0.6001	0.0880	0.0900	0.0900	0.0790	0.5931
Special School District	1.2348	1.2348	1.2348	1.2348	0.5798	1.2409	1.2409	1.2409	1.2409	0.5758
MSD/University City Storm Sewer	0.0930	0.0930	0.0940	0.0000	0.7734	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0830	0.0850	0.0930	0.0490	0.6537	0.0000	0.0000	0.0000	0.0000	0.0000
Roads and Bridges	0.1030	0.1030	0.1050	0.0900	0.6000	0.1030	0.1030	0.1050	0.0900	0.5959
University City Library	0.2590	0.2380	0.2800	0.0000	0.7775	0.2590	0.2350	0.2800	0.0000	0.7729

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

CITY OF UNIVERSITY CITY, MISSOURI

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
JUNE 30, 2017
(Amounts expressed in thousands)**

2017

Rank	Taxpayer	Type of Business	Percentage of Total	
			Taxable Assessed	Value ¹
			Taxable Assessed Value	
1	McKnight Place Partnership I LLLP	Apartments	\$ 6,254	1.05%
2	Wyncrest St Louis L P	Apartments	5,071	0.85%
3	District St Louis L P	Apartments	4,572	0.77%
4	Mansions On The Plaza L P	Apartments	4,275	0.72%
5	Missouri American Water Company	Utilities	2,131	0.36%
6	Bobb LLC	Property Investment	2,038	0.34%
7	MCW Rd University City Square LLC	Retail Outlet	1,965	0.33%
8	1800 Highland CDC LLC Etal	Commercial Property	1,850	0.31%
9	Parkview Place Apartments L P	Apartments	1,600	0.27%
10	Laclede Gas Company	Utilities	1,465	0.25%
Total			\$ 31,221	5.24%

2008

Rank	Taxpayer	Type of Business	Percentage of Total	
			Taxable Assessed	Value ¹
			Taxable Assessed Value	
1	McKnight Place Partnership	Apartments	\$ 7,330	1.16%
2	Wyncrest Holdings, Inc.	Apartments	5,544	0.87%
3	MCW Rd University City Square LLC	Retail Outlet	2,126	0.34%
4	University City Lions LLC	Retail/Office Space	1,625	0.26%
5	Brentmoor Delmar SPVEF LLC	Apartments	1,420	0.22%
6	Eighteen Investments Inc	Property Investment	1,350	0.21%
7	Park Chung Hweetal J/T	Retail Outlet	1,344	0.21%
8	Gatesworth	Senior Living Facility	1,264	0.20%
9	Mansions on the Plaza LP	Apartments	1,235	0.19%
10	Deutsch Family Investmens LLC	Residential Property	1,227	0.19%
Total			\$ 24,465	3.85%

¹See the schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

Sources:

St. Louis County Department of Revenue Collection Division.

2016 Internet Source: <http://revenue.stlouisco.com/pdfs/2015/Top100Assessments2016-Muni.pdf>

City of University City Comprehensive Annual Financial Report, June 30, 2007

CITY OF UNIVERSITY CITY, MISSOURI

**PROPERTY TAX LEVIES AND COLLECTIONS *
LAST TEN FISCAL YEARS
(Amounts expressed in thousands)**

Fiscal Year Ended June 30	Collected within the Fiscal Year of the Levy				Total Collections to Date		
	Total Tax Levy for Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy	
2008	\$ 6,020	\$ 5,692	94.6%	\$ 325	\$ 6,017	100.0%	
2009	6,032	5,716	94.8%	\$ 314	6,030	100.0%	
2010*	5,985	5,770	96.4%	\$ 212	5,982	99.9%	
2011	6,144	5,851	95.2%	\$ 290	6,141	100.0%	
2012	6,351	6,062	95.4%	\$ 283	6,345	99.9%	
2013	6,368	6,083	95.5%	\$ 262	6,345	99.6%	
2014**	4,493	4,228	94.1%	\$ 233	4,461	99.3%	
2015	4,491	4,284	95.4%	\$ 151	4,435	98.8%	
2016	4,547	4,377	96.3%	\$ 88	4,465	98.2%	
2017	4,577	4,384	95.8%	\$ 39	4,423	96.6%	

*Amounts reflected do not include collections on railroads, intangible personal property, and other utilities.

First year bi-annual assessments.

** In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.

Sources:

St. Louis County

<https://revenue.stlouisco.com/pdfs/>

City of University City Finance Department

CITY OF UNIVERSITY CITY, MISSOURI

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

Fiscal Year Ended June 30	City Direct Rate	St. Louis County	State of Missouri
2008	1.500%	1.850%	4.225%
2009	1.500%	2.100%	4.225%
2010	1.500%	2.700%	4.225%
2011	1.500%	2.700%	4.225%
2012	1.500%	2.700%	4.225%
2013	1.500%	2.700%	4.225%
2014	1.888%	2.500%	4.225%
2015	1.888%	2.500%	4.225%
2016	1.888%	2.500%	4.225%
2017	1.888%	2.500%	4.225%

Sales and Local Use Tax

Fiscal Year Ended June 30	Total Sales Tax Rate at Beginning of Year	Sales Tax Collections (expressed in millions)¹
2008	7.575%	10,162
2009	7.825%	9,543
2010	8.425%	9,095
2011	8.425%	9,332
2012	8.425%	9,518
2013	8.425%	9,236
2014	8.613%	9,779
2015	8.613%	10,006
2016	8.613%	10,303
2017	8.613%	10,716

The City levies a sales tax of one-half percent (0.50%) for the purpose of parks and stormwater, one-half percent (0.50%) for the purpose of capital improvements, one-quarter (0.25%) for the purpose of fire services, and one-quarter (0.25%) for the purpose of economic development.

Additionally, the City receives a portion of 1% sales tax (included in the rates shown above) levied by St. Louis County.

St. Louis County added .25% for Children's Fund in 2009

St. Louis County added .100% for E-911 Communication and .500% for Metro Link in 2010.

Loop Trolley Transportation Development District added 1.00%

CITY OF UNIVERSITY CITY, MISSOURI

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

(Amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Business-type Activities		Percentage of		
	General Obligation Bonds ²	Special Obligation Bonds ²	Certificates of Participation	Capital Lease	Certificates of Participation	Total Primary Government	Personal Income ¹	Per Capita ¹	
2008	\$ 1,463	\$ 590	\$ 9,230	\$ 11	\$ 835	\$ 12,129	1.21%	328	
2009	1,277	555	8,665	5	755	11,257	1.13%	304	
2010	1,081	519	8,080	-	670	10,350	1.04%	280	
2011	880	479	7,475	-	585	9,419	0.77%	269	
2012	673	438	6,561	-	459	8,131	0.66%	232	
2013	457	398	5,806	-	389	7,050	0.58%	201	
2014	231	352	5,003	-	327	5,913	0.48%	169	
2015	-	307	4,194	-	261	4,762	0.39%	136	
2016	-	262	3,380	-	195	3,837	0.31%	110	
2017	-	211	2,552	726	128	3,617	0.30%	103	

¹Personal income and population data can be found in the Schedule of Demographic and Economic Statistics.

²The debt amounts are net of related premiums, discounts and adjustments.

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

CITY OF UNIVERSITY CITY, MISSOURI

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

(Amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation Bond³	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property¹	Per Capita²
2008	\$ 1,455	\$ 132	\$ 1,323	43.25%	36
2009	1,270	159	1,111	38.15%	30
2010	1,075	213	862	29.67%	23
2011	875	299	576	19.83%	16
2012	670	261	409	14.08%	11
2013	457	227	230	7.97%	6.57
2014	231	172	59	2.17%	2
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-

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

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

²Population data can be found in the Schedule of Demographics and Economic Statistics.

³Starting in 2013, the debt amount is net of related premium.

Source:

City of University City Comprehensive Annual Financial Reports, 2008-2017

CITY OF UNIVERSITY CITY, MISSOURI

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2017
(Amounts expressed in thousands)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable*</u>	<u>Estimate Share of Overlapping Debt</u>
St. Louis County	\$ 96,850	2.61%	\$ 2,529
School District of University City	87,248	98.67%	86,088
Subtotal, overlapping debt	184,098		88,617
University City direct debt	3,617 **	100.00%	3,617
Total Direct and Overlapping Debt	<u>\$ 187,715</u>		<u>\$ 92,234</u>

* Based on September, 2016 assessed valuations.

**The debt amounts are net of related premiums, discounts and adjustments.

The estimated percentage applicable was calculated based on the City's and School District of University City's assessed value as a portion of St. Louis County's assessed value.

Sources:

St. Louis County Division of Fiscal Management

<http://www.stlouisco.com/YourGovernment/CountyDepartments/FiscalManagement#dltop>

St. Louis County Department of Revenue

www.revenue.stlouisco.com/pdfs

City of University City Finance Department

CITY OF UNIVERSITY CITY, MISSOURI

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Amounts expressed in thousands)**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 63,410	\$ 60,403	\$ 59,965	\$ 59,854	\$ 59,520	\$ 59,735	\$ 56,478	\$ 56,810	\$ 59,166	\$ 59,604
Total net debt applicable to limit	1,323	1,111	862	576	409	58	58	-	-	-
Legal debt margin	\$ 62,087	\$ 59,292	\$ 59,103	\$ 59,278	\$ 59,111	\$ 59,677	\$ 56,420	\$ 56,810	\$ 59,166	\$ 59,604
Total net debt applicable to the limit as a percentage of debt limit	2.09%	1.84%	1.44%	0.96%	0.69%	0.10%	0.10%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed Value	\$ 596,038
Add back: exempt real property	-
Total Assessed Value	<u>\$ 596,038</u>
Debt limit (10% of total assessed value)*	\$ 59,604
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal Debt Margin	<u>\$ 59,604</u>

*Under Article VI Section 26(b) and 26(c) of the Missouri Constitution, the City, by vote of the qualified electors thereof, may incur general obligation bonded indebtedness for City purposes in an amount to exceed 10% of the assessed valuation of taxable tangible property within the City as ascertained by the last completed assessment for State or County purposes. Under Section 26(d) of said Article VI, the City may incur general obligation indebtedness not exceeding in the aggregate an additional 10% of the aforesaid assessed valuation for the purpose of acquiring rights-of-way, construction, extending and improving the streets and avenues and acquiring right-of-way, construction and improving sanitary or storm sewer systems, and under Section 26(e) of said Article VI, additional general obligation indebtedness may be incurred for purchasing or constructing waterworks, electric, or other light plants to be owned exclusively by the City, provided that the general obligation indebtedness of the City shall not exceed 20% of the assessed valuation.

CITY OF UNIVERSITY CITY, MISSOURI

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population¹	Personal Income¹	Per Capita Personal Income¹	Median Age¹	Education Level % High School Graduate Age 25+¹	Education Level % Bachelor's Degree or Higher Age 25+¹	Public School Enrollment²	Unemployment Rate³
2008	37,428	\$ 1,006,850,628	\$ 26,901	35.4	87.4%	45.0%	3,262	5.4%
2009	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,135	7.1%
2010	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,141	8.4%
2011	35,371	1,223,624,374	34,594	37.4	91.0%	49.3%	3,160	8.6%
2012	35,371	1,223,624,374	34,594	37.4	91.0%	49.3%	3,160	7.2%
2013	35,371	1,223,624,374	34,594	37.4	91.0%	49.3%	3,155	6.0%
2014	35,371	1,223,624,374	34,594	37.4	91.0%	49.3%	3,160	6.2%
2015	35,371	1,223,624,374	34,594	37.4	91.0%	49.3%	3,067	5.3%
2016	35,371	1,223,624,374	34,594	37.4	91.0%	49.3%	4,943	4.0%
2017	35,371	1,223,624,374	34,594	37.4	91.0%	49.3%	2,709	3.8%

Sources:

¹U.S. Census Bureau 2010

²City of University City School District, 2016-2017

³Missouri Economic Research and Information Center (MERIC)

CITY OF UNIVERSITY CITY, MISSOURI

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO *

2017					2008				
Employer	Employees ¹	Rank	Type of Business	Percentage of Total City Employment ²	Employer	Employees ¹	Rank	Type of Business	Percentage of Total City Employment ²
University City School District	609	1	School District	9.26%	University City School District	536	1	School District	9.14%
City of University City3	426	2	Local Government	6.48%	Gatesworth Community	445	2	Retirement/Independent Living/ Nursing Community	7.59%
McKnight Place Partnership I LLP DBA Gatesworth	246	3	Retirement/Independent Living/Nursing Community	3.74%	City of University City3	438	3	Local Government	7.47%
Victor's Home Care LLC	201	4	Home Care Services	3.06%	Winco Window Company Inc	185	4	Manufacturer - Commercial Aluminum Windows	3.15%
McKnight Place Extended Care	154	5	Retirement/Independent Living/Nursing Community	2.34%	Cintas	130	5	Uniform Supply	2.22%
Wiese USA Inc	144	6	Industrial Truck Sales and Leasing	2.19%	Schnucks Supermarket	127	6	Supermarket/Grocer	2.17%
Cintas	139	7	Uniform Supply	2.11%	Wiese Planning and Engineering	126	7	Industrial Truck Sales and Leasing	2.15%
Answer Corporation	137	8	Technological Services	2.08%	University city Forest Manor LLC	89	8	Nursing Facility	1.52%
Winco Window Company Inc	133	9	Manufacturer - Commercial Aluminum Windows	2.02%	Fitz's Bottling Company	85	9	Restaurant	1.45%
Aging Well Healthcare LLC	131	10	Medical/Non-Medical Services	1.99%	Shur Sav Markets	74	10	Supermarket/Grocer	1.26%

Sources:

¹Results of survey conducted by University City staff, June 2008 and June 2017.

²Total City Employment Source: 6,578, U.S. Census Bureau, 2012 Survey of Business Owners

³City of University City total represents full-time, part-time and seasonal staff employed at fiscal year end June 30, 2017.

N/A=Not Applicable

CITY OF UNIVERSITY CITY, MISSOURI

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

Full-Time Employees										
Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Legislative Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Human Resources	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0
General Administration	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Information Technology	2.0	2.0	2.0	2.0	-	-	-	1.0	1.0	1.0
Municipal Court	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Finance	13.0	9.0	8.9	11.0	10.0	10.0	10.0	9.0	9.0	9.0
Facilities Maintenance	4.0	4.0	4.0	4.0	7.0	7.0	7.0	8.0	8.0	8.0
Public Relations	1.0	-	-	-	-	-	-	-	-	-
Community Development	19.0	22.0	21.0	22.0	20.0	20.0	21.0	20.0	21.0	21.0
Public Safety										
Police										
Officers	77.0	75.0	73.0	76.0	76.0	76.0	80.0	79.0	79.0	79.0
Civilians	19.0	17.0	17.0	17.0	18.0	18.0	18.0	19.0	19.0	19.0
Fire										
Firefighters and Officers	44.0	44.0	44.0	44.0	43.0	44.0	45.0	40.0	39.0	40.0
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-
Highway and Streets										
Engineering	9.8	8.6	9.1	10.0	8.0	8.0	8.0	8.0	8.0	8.0
Street Maintenance	13.5	13.0	13.0	13.0	-	-	-	12.0	12.0	12.0
Parks and Forestry Maintenance	-	-	-	-	30.0	30.0	30.0	18.0	18.0	18.0
Sanitation	11.0	13.9	14.1	11.0	11.0	11.0	11.0	13.0	14.0	13.0
Culture and Recreation										
Maintenance, Administration and Forestry	22.0	22.0	22.0	22.0	-	-	-	-	-	-
Golf Course	3.0	3.0	3.0	3.0	1.0	1.0	1.0	1.0	1.0	1.0
Golf Course Maintenance	-	-	-	-	1.0	1.0	1.0	1.0	2.0	1.0
Recreation	-	-	-	-	-	-	-	-	4.0	5.0
Community Center	1.6	1.7	1.7	1.0	1.0	1.0	1.0	1.0	-	-
Aquatics	0.2	0.2	0.2	-	-	-	-	-	-	-
Centennial Commons	5.2	5.1	7.0	6.0	4.0	4.0	4.0	4.0	-	-
Library	17.0	17.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Internal Service										
Fleet Maintenance	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Total	279.3	273.5	272.0	274.0	261.0	262.0	268.0	264.0	265.0	265.0

Sources:

City of University City Annual Budget Reports, 2008-2017
City of University City Human Resources Office, 2017

CITY OF UNIVERSITY CITY, MISSOURI

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

Function	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Finance										
Business licenses issued	894	855	850	635	652	825	750	674	748	701
Community Development										
Zoning applications processed	31	30	24	34	29	46	41	39	19	28
Construction permits issued	4,688	4,905	4,614	3,760	4,299	5,097	5,118	9,998	4,266	N/A
Occupancy permits issued	3,479	2,789	2,983	3,410	3,847	3,806	3,812	8,389	3,236	N/A
Property inspections (existing structures)	9,845	9,745	10,129	15,844	6,698	10,764	7,066	14,856	6,483	13,000
Construction inspections	10,544	10,384	9,630	9,405	8,141	7,100	10,498	24,756	9,000	9,000
Environmental inspections	3,114	5,083	8,133	8,330	3,806	2,847	2,658	538	4,524	N/A
Vacant buildings registered	123	140	279	155	134	142	1,747	118	189	150
Public Safety										
Police										
Arrest for violations other than traffic	3,194	3,369	3,939	4,643	3,155	3,105	2,840	2,322	2,123	1,806
Number of juveniles taken into custody	422	555	626	375	252	261	222	241	316	208
Traffic violations										
Non-moving violations	9,548	10,032	11,355	18,300	22,797	9,241	12,099	9,759	9,364	8,058
Hazardous moving violations	3,285	3,304	3,327	3,146	3,562	1,635	1,781	2,119	2,420	3,919
Non-hazardous moving violations	1,556	2,068	1,266	1,446	2,408	804	1,013	1,044	1,210	838
Fire										
Total fire calls	1,877	1,973	1,890	2,166	2,026	1,961	1,838	1,236	1,722	2,296
Total ambulance calls	3,878	3,910	3,941	4,145	4,214	3,845	3,691	2,510	-	-
Total fires	185	205	188	211	231	197	193	116	160	198
Highway and Streets										
Sewer lateral repairs ¹	98	101	124	123	173	188	162	235	201	265
Right-of-way permits	363	300	285	164	275	372	253	279	401	379
Sidewalk repaired (square feet) ²	525	550	650	1,250	1,200	-	-	89	39,450	40,000
Asphalt base repairs (square yards) ³	-	-	-	-	-	900	1,000	262	40,012	23,500
Street sweeping (miles)	4,581	5,016	4,650	5,466	5,460	5,000	550	798	3,357	4,500
Number of street lights maintained by City	370	370	370	407	611	636	621	655	510	750

¹ Sewer Lateral Repair Program began in January 2000.

² Total sidewalk repairs performed by staff.

³ Reported total asphalt base repairs performed by staff because sidewalk repairs are contracted out.

Sources:

City of University City Annual Administrative Reports and Budget Reports 2008-2017

City of University City Departments

N/A = Not Available

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CITY OF UNIVERSITY CITY, MISSOURI

**OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

Function	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Sanitation										
Solid waste collected (tons)	11,856	10,910	10,088	11,192	11,000	12,052	12,698	14,138	13,596	13,458
Bulky items collected (tons)	270	180	203	238	195	335	352	520	525	485
Recyclables collected (tons)	2,936	2,697	2,308	2,488	2,642	2,660	2,668	2,456	2,854	2,987
Yard waste and leaves collected (tons)	5,747	7,914	8,538	6,408	5,328	7,882	7,612	7,651	9,597	N/A
Culture and Recreation										
Municipal golf course (rounds played)	23,179	26,319	30,395	26,744	31,482	29,249	29,983	30,749	31,946	33,949
Municipal swimming pool attendance	34,222	26,972	40,326	51,696	53,917	31,582	31,080	27,179	28,246	28,817
Community center attendance	34,126	35,505	40,441	33,369	32,005	25,426	29,933	29,753	30,044	32,148
Recreation facility attendance	136,902	144,014	164,274	154,957	137,363	154,503	147,726	150,333	130,837	125,668
Library patrons registered *	35,138	32,300	37,317	39,306	39,550	41,170	37,187	40,857	-	-
Circulation of library materials, all media *	447,586	494,679	488,669	514,225	475,901	451,751	447,023	452,318	-	-
Attendance at library programs for adult's and children *	8,941	9,376	8,481	11,490	11,422	12,569	14,870	24,070	-	-

* In 2016, the Library upgraded to a new system and was not able to retrieve accurate data from their previous system.

Sources:

City of University City Annual Administrative Reports and Budget Reports 2008-2017

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N/A = Not Available

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CITY OF UNIVERSITY CITY, MISSOURI

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
City hall building	1	1	1	1	1	1	1	1	1	1
Municipal parking garage	1	1	1	1	1	1	1	1	1	1
Central garage building	1	1	1	1	1	1	1	1	1	1
Trinity building	1	1	1	1	1	1	1	1	1	1
Motor vehicles	1	1	1	-	-	-	-	-	-	-
Data network telephone system	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Motor vehicles	29	32	31	31	31	30	33	33	30	33
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Hydrants	714	714	714	714	714	714	714	714	714	714
Motor vehicles	9	10	10	10	10	10	11	9	11	11
Highways and Streets										
Paved public streets (miles)	96.6	96.6	96.6	96.6	96.6	96.6	97	97	97	97
Streetlights (city-owned)	370	370	370	407	407	407	407	655	735	750
Traffic signals (city-owned)	3	3	3	3	3	3	8	8	8	8
Miles of sewer (MSD maintained)	177	177	-	-	-	-	173	173	173	172
Vehicles, trucks and various equipment	54	41	41	43	43	43	46	46	49	49
Sanitation										
Vehicles, trucks and various equipment	26	24	20	20	20	20	28	29	30	30
Transfer station	1	1	1	1	1	1	1	1	1	1
Compactor	1	2	2	2	2	2	2	2	2	2

Sources:

City of University City Comprehensive Annual Financial Reports, 2008-2017

City of University City Departments

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CITY OF UNIVERSITY CITY, MISSOURI

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

Function	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Culture and Recreation										
Number of parks	18	18	18	18	18	18	18	18	18	19
Parks acreage	187	257	257	257	257	257	259.5	259.5	259.5	257.0
Tennis courts	19	19	19	19	19	19	17	17	17	17
Soccer fields	9	9	9	6	6	6	5	5	5	5
Football fields	1	1	1	1	1	1	2	2	2	2
Soccer/Football fields (combo)	3	3	3	1	1	1	1	1	1	1
Basketball courts (outdoor)	5	5	5	5	5	5	5	5	5	5
Ball diamonds	15	14	14	14	14	14	14	14	14	14
Ponds	2	2	2	2	2	2	2	2	2	2
Golf course (9-hole)	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community center	1	1	1	1	1	1	1	1	1	1
Recreation facility	1	1	1	1	1	1	1	1	1	1
Vehicles, trucks and various equipment	25	25	25	25	25	27	27	28	28	28
Library building	1	1	1	1	1	1	1	1	1	1
Sutter Meyer historical building	1	1	1	1	1	1	1	1	1	1

Sources:

City of University City Comprehensive Annual Financial Reports, 2008-2017

City of University City Departments

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