

**CITY OF TWIN OAKS,
MISSOURI**



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022**

CITY OF TWIN OAKS, MISSOURI
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2022

Prepared By: City Clerk

CITY OF TWIN OAKS, MISSOURI
ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION

CITY OF TWIN OAKS, MISSOURI
LIST OF PRINCIPAL OFFICERS

DECEMBER 31, 2022

Elected Officials	Term
Russ Fortune Mayor	April 2021 – April 2023
Lisa Eisenhauer Alderwoman	April 2021 – April 2023
April Milne Alderwoman	April 2022 – April 2024
Tim Stoeckl Alderman	April 2022 – April 2024
Dennis Whitmore Alderman	April 2021 – April 2023



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Twin Oaks
Missouri**

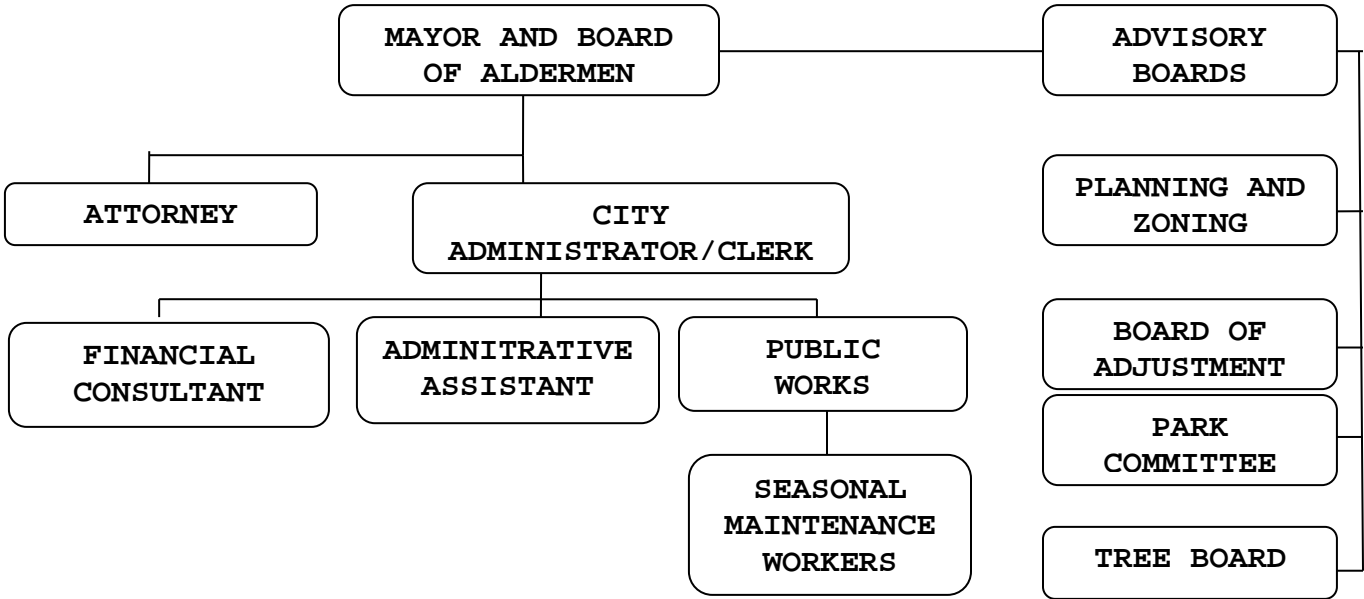
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

**CITY OF TWIN OAKS, MISSOURI
ORGANIZATIONAL CHART**





May 1, 2023

The Honorable Mayor, Board of Aldermen,
and Citizens of the City of Twin Oaks, Missouri

The Annual Comprehensive Financial Report (ACFR) of the City of Twin Oaks, Missouri (the City) for the fiscal year ending December 31, 2022, is hereby submitted. This report was prepared by the City Clerk/City Administrator and staff. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The financial statements and supporting schedules have been prepared in accordance with U.S. generally accepted accounting principles (GAAP). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is designed to fairly present the financial position and results of the various funds and operations of the City.

To provide a reasonable basis for making these representations, management of the City has established internal controls that are designed to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformance with GAAP. Because the cost of internal controls should not outweigh their benefits, the internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

PROFILE OF THE GOVERNMENT

The City was incorporated in 1938 to stop the neighboring communities from annexing the City. The City is a small, fast-growing community with a population of approximately 600, covering approximately 0.27 square miles. Prior to 2016 the City was a Village. During 2016, the residents voted to become a fourth-class city.

In compliance with Missouri State Statutes, the duties of the City are vested in the Board of Aldermen and Mayor. Aldermen are elected at large and hold two year terms. Two Aldermen run in the even numbered years and two in the odd numbered years. The Mayor runs for a two-year term in odd numbered years.

The City is located in Southwest St. Louis County at the intersection of Highway 141 and County arterial Big Bend Road with easy access to I-44, I-270, and Highway 40 (I-64).

ECONOMIC CONDITION

The City relies on retail sales tax collections from local businesses as its primary source of revenue electing not to assess taxes on personal, or residential real property. The commercial real property tax has been levied since 2012.

Housing sales within the City follow national trends and the City has seen a steady number of home sales throughout the community. In the last year, home values have increased and the City continues to be a desirable community in which to live due to our low taxes, superior services, and proximity to shopping and major highways.

MAJOR INITIATIVES

For a number of years, the City relied on Big Bend Square Shopping Center for a majority of its revenue. Following the completion of Highway 141, the City has experienced a steady stream of commercial development. Walgreen's opened a new store in 2005, Commerce Bank opened in 2006, another bank, Regions Bank, opened in 2020, Schnucks opened a new store in January 2007, and Shop N' Save opened a new store in November 2007. While the Shop N' Save store closed in 2018, discount grocery Aldi's and Westlake Ace Hardware will occupy 80 percent of the former retail space. Aldi's opened in September of 2022 and Ace Hardware is expected to open in spring 2023. Coincidental with the closure of the Shop N' Save store, in the 2018 – 2019 timeframe, the City saw a substantial shift of trade to the nearby Schnucks Markets store. However, early indications show that the addition of the Aldi's has not had any negative impact on the sales at Schnucks, instead creating a net gain in sales tax revenue. In 2021, Dunkin Donuts opened a store in the City.

In 2019, the Big Bend Square Redevelopment project was completed. This mixed-use development included a facelift for all existing businesses within the shopping area as well as new buildings and additional retail establishments. The most substantial feature of the redevelopment is "The Village of Twin Oaks," which features 219 new apartments with all the amenities. As a result, the population of Twin Oaks has increased by more than 50 percent. In addition, the development is expected to have two new restaurants open in 2023. One of these is replacing an existing tenant, but the other is a new addition filling a vacant space.

LONG-TERM FINANCIAL PLANNING

The voters have approved a ½ cent capital improvement sales tax. These funds are being used for major re-construction projects. In addition, the funds from this sales tax are being reviewed for future street and infrastructure projects.

The voters also passed a ½ cent sales tax for parks and stormwater. The City utilizes these funds for improvements to its park and general park services as well as stormwater mitigation projects.

In late 2021, the City entered discussions with its bank, the sole owner of its Certificates of Participation, regarding extension of the term of this debt. The transaction was closed effective April 1, 2022 with the term of the debt being extended five years to April 2032, thereby avoiding the need to make a balloon payment in April 2027, or re-negotiate the term of the debt at that time.

RELEVANT FINANCIAL POLICIES

In 2022, the City continued its policy of not assessing property taxes to residential and personal property.

INDEPENDENT AUDIT

City ordinances require an annual audit by independent certified public accountants. The certified public accounting firm of Botz, Deal and Company, P.C. was selected by the Board of Aldermen to perform this year's audit. The auditor's report is included in this report.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Finance Reporting to the City for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2021. This was the 15th year the City achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized ACFR. Such ACFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR 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 Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. The City will continue to work toward receiving this award as a commitment to the Board of Aldermen and the general public that we are committed to the highest standards in government financial reporting.

ACKNOWLEDGMENTS

The preparation of the ACFR on a timely basis was made possible by the dedicated service and cooperation of the entire staff of the City. Each member has my sincere appreciation for their contributions made in the preparation of this report. We would also like to acknowledge the assistance of our independent public accountants, Botz, Deal and Company, P.C., in formulating this report.

In closing, without the support of the Mayor and Board of Aldermen, preparation of this report would not have been possible.

Respectfully submitted,



Frank Johnson
City Clerk/City Administrator

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



The Honorable Mayor and the Board of Aldermen
CITY OF TWIN OAKS, MISSOURI

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Twin Oaks, Missouri, as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Twin Oaks, Missouri, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Twin Oaks, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Twin Oaks, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Twin Oaks, Missouri's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedule of changes in net pension liability (asset) and related ratios, and schedule of employer contributions 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.

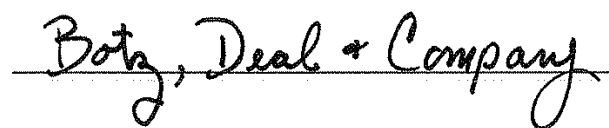
Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Twin Oaks, Missouri's financial statements. The other budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in cursive script that reads "Bots, Deal & Company". The signature is written in black ink and is positioned above a thin horizontal line.

St. Charles, Missouri
May 1, 2023

**CITY OF TWIN OAKS, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

The discussion and analysis of the City of Twin Oaks, Missouri's (the City) financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended December 31, 2022. It should be read in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the assets and deferred outflows of the City of Twin Oaks exceeded its liabilities and deferred inflows for the most recent fiscal year by \$5,815,054. This is an increase of \$311,130 from current year activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,857,297, an increase of \$267,875 from current year activities.
- At the close of the current fiscal year, the fund balance for the General Fund was \$722,190.
- The City's total long-term liabilities decreased by a net \$95,030 during the current fiscal year as a result of annual payments on certificates of participation.

REPORT LAYOUT

The report consists of the Management's Discussion and Analysis (MD&A), government-wide statements, fund financial statements, notes to the financial statements, required supplementary information, and supplemental information. The first several statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as police, parks, public works, and general government administration. The City currently does not have any business-type activities. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the City.

Basic Financial Statements

- The Statement of Net Position focuses on resources available for future operation. In simple terms, this statement presents a snap-shot view of the assets the City owns, the liabilities it owes, and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. Governmental activities reflect capital assets including infrastructure and long-term liabilities. Governmental activities are reported on the full accrual basis of accounting.
- The Statement of Activities focuses on gross and net costs of City programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

- Fund financial statements focus separately on major governmental funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column. Budgetary comparisons for the General Fund and major special revenue funds are presented as required supplementary information.
- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.

The Management's Discussion and Analysis is intended to explain the significant changes in financial position and differences in operation between the current and prior years.

THE CITY AS A WHOLE

It is the rare enterprise that has fared better in pandemic times than in pre-pandemic times. The City is not one of the exceptions. In Fiscal Year 2020, the City experienced an 8.3% decrease in tax revenues, collecting just \$967,000. Tax revenues account for almost 85% of its total revenues. These revenues were equivalent to those in Fiscal Year 2012, when the City collected about \$968,000 in tax revenues.

Seeing tax collections weaken early in the pandemic, the City's Board of Aldermen took decisive action, limiting discretionary spending where possible. This was especially true with respect to general government, park related activities and capital spending. This resulted in the City generating an increase in fund balances of just over \$150,000 in 2020, of which about \$32,000 were Coronavirus Aid, Relief, and Economic Security (CARES) Act receipts.

By the middle of Fiscal Year 2021, tax receipts began to strengthen and remained so until late in the fiscal year. This resurgence of economic activity resulted in total Fiscal Year 2021 revenues of about \$1,278,000. Operating revenues, those excluding American Rescue Plan Act (ARPA) grant receipts, were \$1,238,000; just \$1,000 less than those of Fiscal Year 2013. Fiscal Year 2013 revenues were the highest in the City's history.

With its unique mix of retail enterprises with concentrations in essential product areas like grocery, pharmacy and healthcare, the City has been able to strongly rebound from the pandemic. Fiscal Year 2022 saw the City bring in approximately \$1,520,000 in total revenue, eclipsing the City's previous record by a wide margin. This was largely thanks to robust growth in sales tax receipts, which increased by 20 percent from Fiscal Year 2021 to Fiscal Year 2022.

The opening of an Aldi's grocery store in 2022 in a vacant space previously occupied by a Shop n' Save (which closed in 2018) did not have a negative impact on the sales at Schnucks through the end of the Fiscal Year 2022. With an Ace Hardware have slated to open in the same development in spring 2023 and two new restaurants expected to open their doors the same year, the City is optimistic that the increased revenue seen in Fiscal Year 2022 will be sustainable going forward. To that end, the City has budgeted sales tax revenues to be 5.6 percent higher for Fiscal Year 2023.

However, as the pandemic has shown, governments and business must always be prepared for the unexpected. Over the last several years, the City has accumulated sufficient reserves to maintain financial stability, and the City's elected officials are always prepared to take decisive action to ensure the fiscal health, as they did during the pandemic.

Government-wide Financial Analysis

The City's net position was \$5,815,054 as of December 31, 2022. This analysis focuses on the net position (Table 1), changes in general revenues (Table 2), and significant expenses of the City's governmental activities.

The City's net position consists of its investment in capital assets (e.g., land, buildings, improvements, vehicles, infrastructure and equipment), less accumulated depreciation and any related debt used to acquire those assets that is still outstanding; restricted balances; and unrestricted balances. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment 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 used to liquidate these liabilities.

Table 1

	2022	2021	Increase (Decrease)
Current and other assets	\$ 2,355,386	\$ 1,631,824	\$ 723,562
Net pension asset	64,991	84,089	(19,098)
Capital assets	5,039,121	5,127,801	(88,680)
Total assets	<u>7,459,498</u>	<u>6,843,714</u>	<u>615,784</u>
Total deferred outflows of resources	<u>9,697</u>	<u>9,237</u>	<u>460</u>
Current and other liabilities	148,761	53,655	95,106
Long-term liabilities	<u>1,129,616</u>	<u>1,221,557</u>	<u>(91,941)</u>
Total liabilities	<u>1,278,377</u>	<u>1,275,212</u>	<u>3,165</u>
Total deferred inflows of resources	<u>375,764</u>	<u>73,815</u>	<u>301,949</u>
Net position:			
Net investment in capital assets	3,919,667	3,913,317	6,350
Restricted	1,135,107	1,039,335	95,772
Unrestricted	760,280	551,272	209,008
Total net position	<u>\$ 5,815,054</u>	<u>\$ 5,503,924</u>	<u>\$ 311,130</u>

Net position, over time, may serve as a useful indicator of a government's financial position.

Governmental activities increased the City's net position by \$311,130. The key elements of this increase are as follows:

Table 2

	2022	2021	Increase (Decrease)
Revenues:			
Program revenues:			
Charges for service	\$ 104,463	\$ 97,025	\$ 7,438
Operating and capital grants and contributions	83,947	77,867	6,080
General revenues:			
Taxes	1,300,024	1,076,950	223,074
Interest income	19,731	1,674	18,057
Miscellaneous	14,648	19,720	(5,072)
Total revenues	<u>1,522,813</u>	<u>1,273,236</u>	<u>249,577</u>
Expenses:			
General government	437,898	439,253	(1,355)
Sanitation and other health costs	44,820	51,401	(6,581)
Public safety	143,109	138,617	4,492
Streets	248,014	260,563	(12,549)
Parks	270,028	249,042	20,986
Stormwater	14,539	14,539	-
Sewer lateral	6,470	20,943	(14,473)
Interest and fiscal charges	46,805	50,417	(3,612)
Total expenses	<u>1,211,683</u>	<u>1,224,775</u>	<u>(13,092)</u>
Increase (decrease) in net position	311,130	48,461	262,669
Net position, beginning of year	5,503,924	5,455,463	48,461
Net position, end of year	<u>\$ 5,815,054</u>	<u>\$ 5,503,924</u>	<u>\$ 311,130</u>

Total 2022 revenues of \$1,522,813, shown in Table 2, compared with total revenues of \$1,273,236 in 2021 represents an increase in total revenues of \$249,577 or about 19.6%. Sales taxes and use tax increased approximately \$218,000 in 2022 compared to 2021. The City also received approximately \$40,000 in ARPA funding during 2022.

Total expenses decreased by \$13,092 in 2022 compared to 2021. The increase in Park expenses was due to the clearing of dead and invasive trees throughout the park. Streets expenses decreased due to less costly repair and maintenance projects in 2022 compared to 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2022, the City had invested in a broad range of capital assets, including public works equipment, buildings, park facilities, and roads (See Table 3). This represents a net decrease (including additions and deductions) of \$88,680 or 1.7% from the prior fiscal year.

Table 3

	2022	2021	Increase (Decrease)
Land and construction in progress	\$ 1,335,330	\$ 1,295,701	\$ 39,629
Buildings	1,996,304	2,058,455	(62,151)
Building improvements	28,474	30,200	(1,726)
Improvements other than buildings	573,647	603,020	(29,373)
Machinery and equipment	75,671	85,475	(9,804)
Infrastructure	<u>1,029,695</u>	<u>1,054,950</u>	<u>(25,255)</u>
Total capital assets, net of depreciation	<u>\$ 5,039,121</u>	<u>\$ 5,127,801</u>	<u>\$ (88,680)</u>

The decrease is mainly a result of depreciation this fiscal year. More detailed information on the City's capital assets is presented in Note 5 of the financial statements.

Debt

At year-end, the City had \$1,119,454 outstanding debt compared to \$1,121,484 at the end of the prior fiscal year.

Table 4

	2022	2021	Increase (Decrease)
Certificates of Participation	\$ 1,119,454	\$ 1,214,484	\$ (95,030)
Compensated absences	<u>10,162</u>	<u>7,073</u>	<u>3,089</u>
Total	<u>\$ 1,129,616</u>	<u>\$ 1,221,557</u>	<u>\$ (91,941)</u>

During the fiscal year, the City made principal payments totaling \$95,030 on the outstanding Certificates of Participation related to the construction of the new City Center. More detailed information on the City's long-term liabilities is presented in Note 6 of the financial statements.

THE CITY'S FUNDS

Governmental Funds

The following table presents the amount of governmental funds revenue from various sources on the modified accrual basis of accounting.

Table 5

	2022	2021	Increase (Decrease)
Taxes	\$ 1,299,644	\$ 1,082,056	\$ 217,588
Intergovernmental	83,947	77,867	6,080
Licenses and fees	96,303	86,746	9,557
Charges for service	3,400	5,400	(2,000)
Sewer lateral fees	4,760	4,879	(119)
Other revenue	14,648	19,720	(5,072)
Investment income	19,731	1,674	18,057
Total Governmental Revenues	<u>\$ 1,522,433</u>	<u>\$ 1,278,342</u>	<u>\$ 244,091</u>

The increase in total revenues of \$244,091 represents an overall increase in revenue of 19.1%. The increase is due to an increase in sales tax collections in 2022 compared to 2021 and the approval of a new use tax by voters.

At the close of the City's fiscal year on December 31, 2022, the governmental funds of the City reported a combined fund balance of \$1,857,297. This is an increase in fund balance of \$267,875. The primary reason for the increase was an increase to sales tax collections, without an equal increase in expenditures by the City.

General Fund Budgetary Highlights

For 2022, actual revenues in the General Fund were \$837,455 as compared to the amended budget amount of \$755,000. The budget was amended to account for an increase in sales tax, however the final numbers came in even higher.

For 2022, actual expenditures in the General Fund were \$579,652 compared to the amended budget amount of \$604,700. No significant changes were made to the original budget during 2022. The expenditures were slightly below budgeted expenditures.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The following is a synopsis of the 2023 budget:

- Over the last few years, the City has experienced significant public and private development. This includes completion of the City's government center as well as two significant mixed-use (commercial and residential) projects which doubled the City's population. These two developments were completed in late 2019. Together, they have increased the City's population by from approximately 392 to 605 residents.
- It also includes the opening of a Dunkin Donuts in a vacant outlot in Big Bend Square as well as the redevelopment of the former Shop n' Save on Meramec Station Road. An Aldi's grocery store opened in the space in September of 2022 and an Ace Hardware is anticipated to open in spring 2023. Two new restaurants are also expected to begin operations in Big Bend Square in 2023 as well. These developments will bring additional sales tax revenue, as well as property taxes and business license fees to the City.
- The City concurs with national assessments that while there are significant economic headwinds, primarily in the form of continued high inflation, the economy will continue to grow at a moderate pace in 2023.

Revenues and Expenditures

Sales tax receipts rebounded strongly in 2022 (up 21% from 2021), propelling the City's revenues to record levels as the effects of the pandemic continued to wane. Given this strong growth, the City budgeted sales tax revenues of about \$1.2 million. This represents a 5.6 percent increase from Fiscal Year 2022's forecasted sales tax collections.

The renegotiation of the terms of the City's debt for the Town Hall building in 2022 has given the City more flexibility in the way it approaches capital projects and allowed the City to move forward on projects that had been deferred. The Fiscal Year 2023 budget provided for capital expenditures of approximately \$551,000 for the construction of sidewalk and stormwater improvements along a portion of Crescent Avenue. Consequently, the City is planning for a minimal level of capital spending in Fiscal Year 2024.

Debt service

As of December 31, 2022, the total assessed valuation for the City of Twin Oaks was approximately \$23,700,000. Under State Law, the City is authorized to incur general obligation bond debt totaling no more than ten percent (10%) of the City's assessed valuation, or about \$2,370,000, or twenty percent (20%) for infrastructure related projects. The City's outstanding Certificates of Participation are not considered general obligation bonded debt.

The City's budgeted annual debt service is about \$143,000. This amount is the sum of principal and interest for its Certificates of Participation. Originally, this amount was due in Fiscal Years 2021 through 2026 with the outstanding principal balance of about \$700,000 due in its entirety in April 2027.

In 2022, the term of the debt was extended five years to April 2032, thereby avoiding the need to make a balloon payment in April 2027, or re-negotiate the term of the debt at that time.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives.

If you have questions about this report or need additional financial information, please contact the City office at 1381 Big Bend Road, Twin Oaks, Missouri 63021, or telephone 636-225-7873.

CITY OF TWIN OAKS, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and investments	\$ 1,581,413
Restricted cash and investments	136
Taxes receivable	397,174
Accounts receivable - other	75
Prepaid expenses	7,400
Accrued interest	88
Lease receivable	369,100
Net pension asset	64,991
Capital assets:	
Nondepreciable	1,335,330
Depreciable, net of accumulated depreciation	3,703,791
TOTAL ASSETS	7,459,498
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow related to pension	9,697
 LIABILITIES	
Accounts payable	120,837
Accrued expenses	9,380
Deposits	6,965
Unearned revenue	385
Interest payable	11,194
Noncurrent liabilities:	
Due in one year	104,084
Due in more than one year	1,025,532
TOTAL LIABILITIES	1,278,377
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflow related to pension	16,514
Lease related	359,250
TOTAL DEFERRED INFLOWS OF RESOURCES	375,764
 NET POSITION	
Net investment in capital assets	3,919,667
Restricted:	
Capital projects	700,450
Parks and storm water projects	383,293
Sewer lateral repairs	47,808
Road projects	3,556
Unrestricted	760,280
TOTAL NET POSITION	\$ 5,815,054

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

CITY OF TWIN OAKS, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities					
General government	\$ 437,898	\$ 96,303	\$ 40,339	\$ -	\$ (301,256)
Sanitation and other health costs	44,820	-	-	-	(44,820)
Public safety	143,109	-	-	-	(143,109)
Streets	248,014	-	43,608	-	(204,406)
Parks	270,028	3,400	-	-	(266,628)
Stormwater	14,539	-	-	-	(14,539)
Sewer lateral	6,470	4,760	-	-	(1,710)
Interest and fiscal charges	46,805	-	-	-	(46,805)
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 1,211,683</u>	<u>\$ 104,463</u>	<u>\$ 83,947</u>	<u>\$ -</u>	<u>(1,023,273)</u>

General revenues:

Taxes:

Property	42,594
Sales	1,249,621
Other	7,809
Investment income	19,731
Other miscellaneous revenue	14,648
TOTAL GENERAL REVENUES	<u>1,334,403</u>

CHANGE IN NET POSITION

311,130

NET POSITION BEGINNING OF YEAR:

5,503,924

NET POSITION - END OF YEAR

\$ 5,815,054

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

CITY OF TWIN OAKS, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	GENERAL	CAPITAL IMPROVEMENTS	PARKS AND STORM WATER	ROAD	NONMAJOR SEWER LATERAL	TOTAL
ASSETS						
Cash and investments	\$ 594,530	\$ 629,914	\$ 306,343	\$ 4,461	\$ 46,165	\$ 1,581,413
Restricted cash and investments	-	136	-	-	-	136
Taxes receivable	226,672	70,400	82,800	15,659	1,643	397,174
Other receivables	75	-	-	-	-	75
Lease receivable	369,100	-	-	-	-	369,100
Due from other funds	4,864	-	-	-	-	4,864
Other assets	88	-	-	-	-	88
Prepaid items	7,400	-	-	-	-	7,400
TOTAL ASSETS	<u>\$1,202,729</u>	<u>\$ 700,450</u>	<u>\$ 389,143</u>	<u>\$ 20,120</u>	<u>\$ 47,808</u>	<u>\$ 2,360,250</u>
LIABILITIES						
Accounts payable	\$ 104,437	\$ -	\$ 4,700	\$ 11,700	\$ -	\$ 120,837
Accrued expenses	9,380	-	-	-	-	9,380
Deposits	5,815	-	1,150	-	-	6,965
Unearned revenue	385	-	-	-	-	385
Due to other funds	-	-	-	4,864	-	4,864
TOTAL LIABILITIES	<u>120,017</u>	<u>-</u>	<u>5,850</u>	<u>16,564</u>	<u>-</u>	<u>142,431</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,272	-	-	-	-	1,272
Lease related	359,250	-	-	-	-	359,250
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>360,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,522</u>
FUND BALANCE						
Fund Balances:						
Non-spendable	7,400	-	-	-	-	7,400
Restricted:						
Parks and Stormwater projects	-	-	383,293	-	-	383,293
Sewer lateral repairs	-	-	-	-	47,808	47,808
Capital projects	-	700,450	-	-	-	700,450
Road projects	-	-	-	3,556	-	3,556
Unassigned	714,790	-	-	-	-	714,790
TOTAL FUND BALANCE	<u>722,190</u>	<u>700,450</u>	<u>383,293</u>	<u>3,556</u>	<u>47,808</u>	<u>1,857,297</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$1,202,729</u>	<u>\$ 700,450</u>	<u>\$ 389,143</u>	<u>\$ 20,120</u>	<u>\$ 47,808</u>	<u>\$ 2,360,250</u>

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

CITY OF TWIN OAKS, MISSOURI
RECONCILIATION OF THE STATEMENT OF NET POSITION
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
AS OF DECEMBER 31, 2022

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

Total fund balance per balance sheet	\$ 1,857,297
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	5,039,121
The net pension assets reported in governmental activities does not provide current financial resource and, therefore, is not reported in the funds.	64,991
Certain deferred outflows and inflows of resources represent a consumption or acquisition of net position in a future period and, therefore, are not reported in the funds:	
Deferred outflow of resources - related to pension	9,697
Deferred inflow of resources - related to pension	(16,514)
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are deferred in the funds.	1,272
Accrued interest payable recorded in the statement of net position does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(11,194)
Long-term liabilities, including certificates of participation and accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(1,129,616)</u>
Net position of governmental activities	<u><u>\$ 5,815,054</u></u>

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

CITY OF TWIN OAKS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	GENERAL	CAPITAL IMPROVEMENTS	PARKS AND STORM WATER	ROAD	NONMAJOR SEWER LATERAL	TOTAL
REVENUES						
Taxes	\$ 660,325	\$ 293,752	\$ 345,567	\$ -	\$ -	\$ 1,299,644
Intergovernmental	49,668	-	-	34,279	-	83,947
Licenses and fees	96,303	-	-	-	-	96,303
Charges for services	-	-	3,400	-	-	3,400
Sewer lateral fees	-	-	-	-	4,760	4,760
Other revenue	14,648	-	-	-	-	14,648
Investment income - interest	16,511	2,090	1,040	-	90	19,731
TOTAL REVENUES	<u>837,455</u>	<u>295,842</u>	<u>350,007</u>	<u>34,279</u>	<u>4,850</u>	<u>1,522,433</u>
EXPENDITURES						
Current:						
General government	392,665	-	-	-	-	392,665
Sanitation and other health costs	44,820	-	-	-	-	44,820
Public safety	142,167	-	-	-	-	142,167
Streets	-	-	-	162,093	-	162,093
Parks	-	-	184,756	-	-	184,756
Capital outlay	-	4,416	52,509	121,876	6,470	185,271
Debt service:						
Principal, interest and fiscal charges	-	142,786	-	-	-	142,786
TOTAL EXPENDITURES	<u>579,652</u>	<u>147,202</u>	<u>237,265</u>	<u>283,969</u>	<u>6,470</u>	<u>1,254,558</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	257,803	148,640	112,742	(249,690)	(1,620)	267,875
OTHER FINANCING SOURCES (USES)						
Transfers in (out)	(85,700)	(106,800)	(57,200)	249,700	-	-
CHANGE IN FUND BALANCES	<u>172,103</u>	<u>41,840</u>	<u>55,542</u>	<u>10</u>	<u>(1,620)</u>	<u>267,875</u>
FUND BALANCES - BEGINNING OF YEAR	<u>550,087</u>	<u>658,610</u>	<u>327,751</u>	<u>3,546</u>	<u>49,428</u>	<u>1,589,422</u>
FUND BALANCES - END OF YEAR	<u>\$ 722,190</u>	<u>\$ 700,450</u>	<u>\$ 383,293</u>	<u>\$ 3,556</u>	<u>\$ 47,808</u>	<u>\$ 1,857,297</u>

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

CITY OF TWIN OAKS, MISSOURI
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL
 FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2022**

Amounts reported for governmental activities in the statement of revenues, expenses,
 and changes in net position are different because:

Change in fund balance-total governmental funds	\$ 267,875
Revenues that do not provide current financial resources are not included in the fund financial statements.	380
The acquisition of capital assets requires the use of current financial resources but has no effect on net position.	158,304
The cost of capital assets is allocated over their estimated useful lives and are reported as depreciation expense in the statement of activities.	(246,984)
Interest is reported as an expenditure when due in the governmental funds but is accrued in the statement of activities.	951
Expenses related to providing pension benefits are reported using a different measurement focus in the statement of activities compared to the the governmental fund statements. Therefore, expeditures in the governmental fund were different from the expense reported in the statement of activities.	38,663
The costs of providing employee benefits in future periods are recognized as a expense in the statement of activities when the benefit is earned, however it is not recognized as an expenditure until paid in the funds.	(3,089)
Repayment of long-term debt principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position.	95,030
Changes in net position	\$ 311,130

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

CITY OF TWIN OAKS, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Village of Twin Oaks, Missouri was incorporated May 17, 1938. Voters approved transitioning to 4th Class City status in November 2016. The City of Twin Oaks, Missouri (the City) is a municipality governed by an elected four member board of aldermen and a mayor. The City applies the criteria set forth by GASB, to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected officials' accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal dependency, imposition of will and the primary recipient of services. The City presently has no component units included within its reporting entity.

B. BASIC FINANCIAL STATEMENTS

Basic financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements, and
- Notes to the basic financial statements.

The government-wide financial statements consist of the statement of net position and the statement of activities of the Primary Government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. All internal balances in the statement of net position have been eliminated.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenue includes charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and grants and contributions. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate fund based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined, if applicable, in a column in the fund financial statements.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

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. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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. The City in general considers revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

For the governmental funds financial statements, the City considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, franchise taxes, licenses, interest, special assessments, charges for services, and other miscellaneous revenue are considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period.

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The City reports the following major governmental funds:

The General Fund - The City's primary operating fund, which accounts for all the financial resources and the legally authorized activities of the City except those required to be accounted for in other specialized funds.

The Capital Improvements Fund - The City uses this fund to account for sales tax revenue designated for the acquisition or construction of major capital facilities and improvements. It is mainly funded by a dedicated ½-cent capital improvements sales tax.

The Parks and Storm Water Fund - The City uses this special revenue fund to account for financial resources designated for parks and stormwater detention improvements. It is mainly funded by a dedicated ½-cent parks/stormwater sales tax.

Road Fund - The City uses this special revenue fund to account for financial resources designated for construction of major road improvements as well as road maintenance. It is funded by dedicated sales and property tax.

The other governmental fund of the City is considered nonmajor. It is a special revenue fund which accounts for specific revenue sources that are legally restricted to expenditures for specific purposes.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

D. **NET POSITION AND FUND BALANCE**

The City's net position is reported in three categories: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt. Net investment in capital assets does not include the unspent proceeds of capital debt. Restricted net position represents net position restricted by parties outside of the City (such as creditors, grantors, contributors, laws and regulations of other governments). All other net position is considered unrestricted. It is the City's policy to use restricted funds before unrestricted funds.

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - Resources which cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted - Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Committed - Resources which are subject to limitations the government imposes upon itself at its highest level of decision making (ordinance), and that remain binding unless removed in the same manner.

Assigned - Resources neither restricted nor committed for which a government has a stated intended use as established by the Board of Alderman or an official to which the Board of Alderman has delegated the authority to assign amounts for specific purposes. Currently, the Board of Alderman has not delegated this authority to anyone.

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

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

E. **PREPAID ITEMS**

Payments made to vendors for services that will benefit periods beyond the fiscal year end are recorded as prepaid items using the consumption method.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

F. **CAPITAL ASSETS**

Capital assets, which include land, construction in process, buildings and improvements, equipment, furniture and fixtures, and infrastructure assets (e.g., roads, sidewalks, traffic lights, street lights, sewer lines and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives is not capitalized.

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

<u>Major Group</u>	<u>Life</u>
Buildings and improvements	15 - 40 years
Improvements other than buildings	15 - 20 years
Machinery and equipment	3 - 10 years
Furniture and fixtures	7 - 20 years
Infrastructure	20 - 30 years

As a result of the implementation of GASB 34, the City has accounted for infrastructure assets on its financial statements. The government-wide financial statements do not reflect those infrastructure assets completed prior to January 1, 2004. From that point forward, new infrastructure has been added to the records while the retroactive historical value of the City's infrastructure assets has not been added.

G. **ESTIMATES**

Management of the City use estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure or nondisclosure of contingent assets and liabilities, if any, and the reported revenues and expenses. Actual results could vary from the estimates that management use.

H. **DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND UNEARNED REVENUE**

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports Deferred Outflows/Inflows of Resources as follows:

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

H. **DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND UNEARNED REVENUE** - continued

Unavailable Revenues - Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Pension - Deferred outflows and inflows of resources are reported in the government-wide statement of net position related to the pension plan. Deferred outflows represent the deferral of the City's employer contributions subsequent to the net pension liability measurement date of June 30, 2022, as well as the difference between expected and actual plan experience. A deferred inflow of resources is reported for the difference between expected and actual plan experience and the net difference between projected and actual earnings on pension plan investments.

I. **COMPENSATED ABSENCES**

City employees earn vacation at varying rates based upon their length of service. Permanent full-time and part-time employees who are separated from service are compensated for vacation accrued up to the date of separation. All vacation pay is accrued when earned in the government-wide financial statements.

City employees earn sick leave at varying rates based upon their length of service and is available only to provide compensation during periods of illness. No portion of sick leave is payable to the employee upon termination. Compensated absences are generally liquidated by the funds in which they originate and within the following year.

J. **PENSIONS**

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

K. **LEASES - LESSOR**

The City is a lessor for a noncancellable lease of land on which a cellular tower is constructed. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

K. **LEASES – LESSOR** - continued

The City initially measures the lease receivable at the present value of payments expected to be received during the lease term on January 1, 2022 as allowed by GASB No. 87. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases. This rate is reduced if the incremental borrowing rate is more than the implied rate in the lease.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payment payments from the lease.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amounts of the lease receivable.

2. **BUDGETARY DATA**

The Board of Alderman adopts an annual budget which covers all funds. The budget includes proposed expenditures and means of financing and is approved at the conclusion of numerous proceedings with input from citizens and City personnel. All amendments to the budget are approved by the Board of Alderman. Legal budget control is maintained at the fund level. The budget is maintained on a basis consistent with generally accepted accounting principles.

3. **CASH AND INVESTMENTS**

Cash - The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is shown on the balance sheet as cash and investments.

The City's bank deposits are required by state law to be collateralized by the deposit of certain securities in an amount at least equal to the uninsured deposits with the financial institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporations. As of December 31, 2022, the City's bank deposits totaled \$1,629,188. The bank balances were covered by federal depository insurance in the amount of \$250,899 and the remainder was covered by collateral pledged in the name of the City and held by the pledging bank's trust department or agent.

Restricted Cash and Investments - Cash and investments are restricted for debt service reserves as of December 31, 2022.

Investments - Statutes authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, certain commercial paper, and certificates of deposit if the depository selected has deposited securities under the provisions of Sections 110.010 and 110.020, RSMo.

3. **CASH AND INVESTMENTS** - continued

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City places no limit on the amount that it may invest in any one issuer. The City is only invested in a Money Market Fund.

Interest rate risk for an investment is the risk that the fair value of securities will fall due to changes in general interest rates. The City does not currently have investments subject to interest rate risk.

4. **PROPERTY TAX**

The City's property tax is levied in September each year on the assessed value listed as of the previous January 1 for all real and personal property located in the City. The assessed value of commercial real estate at January 1, 2022, upon which the 2022 levy was based, amounted to \$9,696,576. The tax rates per \$100 of assessed value is \$.4330 for commercial property. The total assessed value of all property within the City was \$23,767,013.

Property taxes attach as an enforceable lien on property as of January 1. Taxes levied in September or October are due and payable prior to December 31. All unpaid taxes become delinquent after December 31. Property tax levied for 2022 and prior years which remain uncollected at December 31, 2022 are recorded as receivables.

5. **LEASE RECEIVABLE**

The City signed a lease in 1997 to lease land for a cellular tower for five years, with the option to renew for five additional five year renewal periods, granted to the leasee. In 2011, the lease was extended for three additional five year renewal periods through November 2042. Monthly payments increase 20% each renewal term. The City recognized \$6,941 in lease revenue and \$10,773 in interest revenue during the current fiscal year related to this lease. As of December 31, 2022, the City's receivable for lease payments was \$369,100. The deferred inflow of resources associated with this lease as of December 31, 2022, was \$359,250. Future minimum lease payments as of the years ending December 31 are as follows:

	<u>Future Minimum Lease Payments</u>
2023	\$ 20,904
2024	20,904
2025	20,904
2026	20,904
2027	21,252
2028-2032	125,400
2033-2037	150,982
2038-2042	<u>177,590</u>
Total payment	558,840
Portion representing interest	<u>(189,740)</u>
Lease receivable	<u><u>\$ 369,100</u></u>

5. CAPITAL ASSETS

Capital asset activity for the primary government for the year ended December 31, 2022 is as follows:

	Balance, Beginning Of Year	Additions	Deductions	Balance, End Of Year
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 1,295,701	\$ -	\$ -	\$ 1,295,701
Construction in progress	-	39,629	-	39,629
Total capital assets, not being depreciated	<u>1,295,701</u>	<u>39,629</u>	<u>-</u>	<u>1,335,330</u>
Capital assets, being depreciated:				
Buildings	2,353,824	-	-	2,353,824
Building improvements	71,030	-	-	71,030
Improvements other than buildings	1,492,692	45,423	-	1,538,115
Machinery and equipment	120,119	-	-	120,119
Furniture and fixtures	44,271	-	-	44,271
Infrastructure	2,049,009	73,252	-	2,122,261
Total capital assets, being depreciated	<u>6,130,945</u>	<u>118,675</u>	<u>-</u>	<u>6,249,620</u>
Less accumulated depreciation for:				
Buildings	(295,369)	(62,151)	-	(357,520)
Building improvements	(40,830)	(1,726)	-	(42,556)
Improvements other than buildings	(889,672)	(74,796)	-	(964,468)
Machinery and equipment	(62,420)	(7,618)	-	(70,038)
Furniture and fixtures	(16,495)	(2,186)	-	(18,681)
Infrastructure	(994,059)	(98,507)	-	(1,092,566)
Total accumulated depreciation	<u>(2,298,845)</u>	<u>(246,984)</u>	<u>-</u>	<u>(2,545,829)</u>
Total capital assets, being depreciated, net	<u>3,832,100</u>	<u>(128,309)</u>	<u>-</u>	<u>3,703,791</u>
Total governmental activities	<u>\$ 5,127,801</u>	<u>\$ (88,680)</u>	<u>\$ -</u>	<u>\$ 5,039,121</u>

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

Governmental activities:	
General government	\$ 59,917
Police	942
Parks	84,862
Stormwater	14,539
Streets	86,724
Total depreciation expense	<u>\$ 246,984</u>

6. **LONG-TERM DEBT**

CERTIFICATES OF PARTICIPATION

On April 7, 2017, the City issued Certificates of Participation, Series 2017 in the amount of \$1,600,000 to provide funds to be used to acquire, construct, furnish, and equip a new municipal complex in the City. On April 1, 2022, a supplement to the base lease extended the maturity date to April 1, 2032. The Certificate of Participation has an interest rate of 4.0%. At December 31, 2022 the outstanding balance on the certificates of participation was \$1,119,454.

In connection with the Certificates of Participation, the City leases the building from U.S. Bank National Association, as Trustee, under a base lease and entered into an annually renewable lease purchase agreement to lease the building back from U.S. Bank National Association. The lease terms are renewable annually at the option of the City with the final renewal term April 1, 2032. Total capital assets acquired under this lease amounted to \$2,062,982 with accumulated depreciation totaling \$249,276.

Future maturities are as follows:

For the Year ending December 31	Principal	Interest	Total
2023	\$ 99,003	\$ 43,798	\$ 142,801
2024	103,003	39,798	142,801
2025	107,165	35,636	142,801
2026	111,494	31,307	142,801
2027	115,998	26,803	142,801
2028	120,685	22,116	142,801
2029	125,560	17,241	142,801
2030	130,633	12,168	142,801
2031	135,911	6,890	142,801
2032	70,002	1,400	71,402
	<u>\$ 1,119,454</u>	<u>\$ 237,157</u>	<u>\$ 1,356,611</u>

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

	Beginning Of Year	Additions	Reductions	End Of Year	Amounts Due in One Year
Certificates of Participation	\$ 1,214,484	\$ -	\$ (95,030)	\$ 1,119,454	\$ 99,003
Compensated absences	7,073	14,072	(10,983)	10,162	5,081
	<u>\$ 1,221,557</u>	<u>\$ 14,072</u>	<u>\$ (106,013)</u>	<u>\$ 1,129,616</u>	<u>\$ 104,084</u>

Funds to pay accrued compensated absences are expected to be provided by the General Fund. The certificates of participation are expected to be serviced by the Capital Improvements Fund.

7. **INTERFUND TRANSACTIONS**

All revenue and expenditures are recorded through the General Fund cash receipts and disbursements records. This method results in the necessity of maintaining interfund accounts receivable and payable to provide fund accountability. As of December 31, 2022, the Road Fund owes the General Fund for general administrative expenses. The interfund balances at December 31, 2022 are as follows:

	<u>DUE FROM</u>	<u>DUE TO</u>
Major Governmental Funds:		
General Fund	\$ -	\$ 4,864
Road Fund	4,864	-

Interfund transfers are used to move resources from a fund budgeted to collect the revenue to the fund through which the resources are to be expended; to provide additional resources for debt service; and to provide funding for certain capital improvement projects. Such transfers are reported as other financing sources and uses. The following transfers were made during the fiscal year ending December 31, 2022:

	<u>TRANSFER IN</u>	<u>TRANSFER OUT</u>
Major Governmental Funds:		
Road Fund	\$ 249,700	\$ -
General Fund	-	85,700
Parks and Stormwater Fund	-	57,200
Capital Improvement Fund	-	106,800
	<u>\$ 249,700</u>	<u>\$ 249,700</u>

8. **PENSION PLAN**

Plan Description

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

9. **PENSION PLAN** - continued

Benefits Provided

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

	2020
Benefit Program	1.50% for life
Final Average Salary	3 years
Member Contribution Rate	4%

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

Employees Covered By Benefit Terms

At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	5
Active employees	3
TOTAL	10

Contributions - The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 4% of the gross pay to their pension plan. Employer contribution rates were 9.0% (General) of annual covered payroll.

Net Pension Liability (Asset) - The employer’s net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2022.

Actuarial assumptions - The total pension liability in the February 28, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage; 2.25% price
Salary Increase	2.75% to 6.75% including inflation
Investment rate of return	7.00%

9. **PENSION PLAN** - continued

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

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

The actuarial assumptions used in the February 28, 2022 valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 25, 2020.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	39.0%	4.16%
Fixed Income	28.0	1.05
Real Assets/real return	33.0	2.09

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

9. **PENSION PLAN** - continued

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance as of December 31, 2021	\$ 427,331	\$ 511,420	\$ (84,089)
Changes for the year:			
Service costs	17,686	-	17,686
Interest	30,267	-	30,267
Difference between expected and actual experience	2,449	-	2,449
Change in assumptions	-	-	-
Contributions - employer	-	15,957	(15,957)
Contributions - employee	-	6,545	(6,545)
Net investment income	-	395	(395)
Benefit payments	(7,413)	(7,413)	-
Administrative expense	-	(1,105)	1,105
Other (net transfers)	-	9,512	(9,512)
Net changes	<u>42,989</u>	<u>23,891</u>	<u>19,098</u>
Balance as of December 31, 2022	<u>\$ 470,320</u>	<u>\$ 535,311</u>	<u>\$ (64,991)</u>

Sensitivity of the net pension liability (asset) to changes in the discount rate - The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.0%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability (asset)	\$ (6,114)	\$ (64,991)	\$ (114,131)

9. **PENSION PLAN - continued**

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

For the year ended June 30, 2022 the employer recognized negative pension expense of \$23,592. The employer reported deferred outflows and inflows of resources related to the pension from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 1,431	\$ -
Net difference between projected and actual earnings on pension plan investments	-	16,514
Employer contributions subsequent to the measurement date	<u>8,266</u>	<u>-</u>
Total	<u>\$ 9,697</u>	<u>\$ 16,514</u>

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 (Asset) in the next fiscal year.

The other amounts reported as deferred outflows and inflows of resources related to the pension will be recognized in pension expense as follows:

<u>Year ended December 31</u>	
2023	\$ (5,250)
2024	(6,076)
2025	(10,998)
2026	7,241

10. **COMMITMENTS AND CONTINGENCIES**

The City contracts with the St. Louis County Police Department to provide public safety related services. Payments for services for the year ended December 31, 2022 amount to \$142,167. This amount can be adjusted when both parties agree that special circumstances arise which require additional related costs.

From time to time, the City is a party to various pending claims and legal actions arising in the ordinary course of its operations. Although the outcome of such matters cannot be forecast with certainty, in the opinion of management, all such matters are adequately covered by insurance, or if not covered, are without merit or involve amounts such that an unfavorable disposition would not have a material effect on the financial statements of the City.

11. **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 maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Claims have not exceeded coverage in the last three years. The City also maintains insurance coverage for loss of tax revenue that results from businesses within the City suspending operations due to direct physical loss or damage. Recoveries are limited to a deductible of \$1,000 per event, as well as to losses of certain larger stores. Losses are capped in the aggregate at \$925,000.

12. **SUBSEQUENT EVENT**

Management has evaluated subsequent events through the date of the audit report which is the date the financial statements were available to be issued.

13. **CHANGE IN ACCOUNTING PRINCIPLE**

The City implemented the requirements of GASB No. 87 *Leases* beginning January 1, 2022. The standard allows for the measurement of the lease receivable and deferred inflow at the beginning of the earliest period presented in the financial statements, which is January 1, 2022. As a result, a lease receivable and deferred inflow was recorded of \$372,040 in the General Fund and governmental activities upon implementation.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TWIN OAKS, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 514,500	\$ 583,900	\$ 660,325	\$ 76,425
Intergovernmental	56,700	55,200	49,668	(5,532)
Licenses and fees	101,500	114,200	96,303	(17,897)
Other revenue	1,900	800	14,648	13,848
Investment income - interest	400	900	16,511	15,611
TOTAL REVENUES	<u>675,000</u>	<u>755,000</u>	<u>837,455</u>	<u>82,455</u>
EXPENDITURES				
Current:				
General government	411,100	415,600	392,665	22,935
Sanitation	47,600	48,000	44,820	3,180
Public safety	140,900	141,100	142,167	(1,067)
TOTAL EXPENDITURES	<u>599,600</u>	<u>604,700</u>	<u>579,652</u>	<u>25,048</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	75,400	150,300	257,803	107,503
OTHER FINANCING SOURCES				
Transfers in (out)	<u>(85,700)</u>	<u>(85,700)</u>	<u>(85,700)</u>	<u>-</u>
CHANGE IN FUND BALANCE	(10,300)	64,600	172,103	<u>\$ 107,503</u>
FUND BALANCE - BEGINNING OF YEAR	<u>550,087</u>	<u>550,087</u>	<u>550,087</u>	
FUND BALANCE - END OF YEAR	<u>\$ 539,787</u>	<u>\$ 614,687</u>	<u>\$ 722,190</u>	

CITY OF TWIN OAKS, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental	\$ 33,300	\$ 26,500	\$ 34,279	\$ 7,779
EXPENDITURES				
Current:				
Streets	162,200	162,300	162,093	207
Capital outlay	67,500	122,700	121,876	824
TOTAL EXPENDITURES	<u>229,700</u>	<u>285,000</u>	<u>283,969</u>	<u>1,031</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(196,400)	(258,500)	(249,690)	6,748
OTHER FINANCING SOURCES				
Transfers in (out)	196,400	225,000	249,700	24,700
CHANGE IN FUND BALANCE	-	(33,500)	10	<u>\$ 33,510</u>
FUND BALANCE - BEGINNING OF YEAR	<u>3,546</u>	<u>3,546</u>	<u>3,546</u>	
FUND BALANCE - END OF YEAR	<u>\$ 3,546</u>	<u>\$ (29,954)</u>	<u>\$ 3,556</u>	

CITY OF TWIN OAKS, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PARKS AND STORM WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 270,500	\$ 320,100	\$ 345,567	\$ 25,467
Investment income	-	-	1,040	1,040
Other revenue	4,100	4,000	3,400	(600)
TOTAL REVENUES	<u>274,600</u>	<u>324,100</u>	<u>350,007</u>	<u>25,907</u>
EXPENDITURES				
Current:				
Parks	162,900	184,540	184,756	(216)
Capital outlay	33,000	61,200	52,509	8,691
TOTAL EXPENDITURES	<u>195,900</u>	<u>245,740</u>	<u>237,265</u>	<u>8,475</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	78,700	78,360	112,742	34,382
OTHER FINANCING USES				
Transfers in (out)	<u>(57,200)</u>	<u>(57,200)</u>	<u>(57,200)</u>	-
CHANGE IN FUND BALANCE	21,500	21,160	55,542	<u>\$ 34,382</u>
FUND BALANCE - BEGINNING OF YEAR	<u>327,751</u>	<u>327,751</u>	<u>327,751</u>	
FUND BALANCE - END OF YEAR	<u>\$ 349,251</u>	<u>\$ 348,911</u>	<u>\$ 383,293</u>	

CITY OF TWIN OAKS, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

1. BUDGETARY INFORMATION

The City prepares its budget on a basis consistent with generally accepted accounting principles. The budgetary process is detailed in footnote 2 of the notes to the financial statements.

CITY OF TWIN OAKS, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
 YEARS ENDING JUNE 30,

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service cost	\$ 17,686	\$ 20,219	\$ 20,537	\$ 17,494	\$ 15,236	\$ 12,275	\$ 9,923	\$ 12,619
Interest on the total pension liability	30,267	30,431	27,559	23,606	19,509	17,281	13,817	14,510
Change of benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	2,449	(12,414)	1,109	13,320	21,117	(274)	18,003	(35,372)
Changes of assumptions	-	(11,923)	-	-	-	-	4,879	-
Benefit payments, including refunds	(7,413)	(17,280)	(1,863)	(932)	-	-	-	-
Net change in total pension liability	42,989	9,033	47,342	53,488	55,862	29,282	46,622	(8,243)
Total pension liability - beginning	427,331	418,298	370,956	317,468	261,606	232,324	185,702	193,945
Total pension liability - ending	<u>\$ 470,320</u>	<u>\$ 427,331</u>	<u>\$ 418,298</u>	<u>\$ 370,956</u>	<u>\$ 317,468</u>	<u>\$ 261,606</u>	<u>\$ 232,324</u>	<u>\$ 185,702</u>
Plan Fiduciary Net Position								
Contributions-employer	\$ 15,957	\$ 15,703	\$ 14,882	\$ 15,076	\$ 11,385	\$ 9,915	\$ 9,154	\$ 8,457
Contributions-employee	6,545	6,090	6,108	6,776	5,516	5,048	4,605	4,381
Net investment income	395	119,600	4,828	23,191	34,594	28,434	(791)	3,922
Benefit payments, including refunds	(7,413)	(17,280)	(1,863)	(932)	-	-	-	-
Pension plan administrative expense	(1,105)	(925)	(1,076)	(967)	(683)	(590)	(505)	(559)
Other (net transfer)	9,512	(3,258)	(53)	260	(410)	(325)	(227)	8,842
Net change in plan fiduciary net position	23,891	119,930	22,826	43,404	50,402	42,482	12,236	25,043
Plan fiduciary net position - beginning	511,420	391,490	368,664	325,260	274,858	232,376	220,140	195,097
Plan fiduciary net position - ending	<u>\$ 535,311</u>	<u>\$ 511,420</u>	<u>\$ 391,490</u>	<u>\$ 368,664</u>	<u>\$ 325,260</u>	<u>\$ 274,858</u>	<u>\$ 232,376</u>	<u>\$ 220,140</u>
Employer net pension liability (asset)	<u>\$ (64,991)</u>	<u>\$ (84,089)</u>	<u>\$ 26,808</u>	<u>\$ 2,292</u>	<u>\$ (7,792)</u>	<u>\$ (13,252)</u>	<u>\$ (52)</u>	<u>\$ (34,438)</u>
Plan fiduciary net position as a percentage of the total pension liability	113.82 %	119.68 %	93.59 %	99.38 %	102.45 %	105.07 %	100.02 %	118.54 %
Covered payroll	\$ 144,650	\$ 166,704	\$ 172,159	\$ 167,964	\$ 132,538	\$ 123,921	\$ 90,810	\$ 85,641
Employer's net pension liability (asset) as a percentage of covered payroll	(44.93) %	(50.44) %	15.57 %	1.36 %	(5.88) %	(10.69) %	(0.06) %	(40.21) %

Notes to schedule:

Information for years prior to 2015 is not available. Amounts presented for the year end were determined as of June 30, the measurement date.

CITY OF TWIN OAKS, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS

Year ended December 31,	Actuarial Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2013	\$ 9,233	\$ 9,233	\$ -	\$ 119,913	7.7 %
2014	8,626	8,626	-	118,166	7.3
2015	9,732	9,732	-	118,681	8.2
2016	8,294	8,294	-	109,126	7.6
2017	10,582	10,582	-	130,645	8.1
2018	13,183	13,183	-	156,933	8.4
2019	16,264	16,093	171	171,198	9.4
2020	13,373	13,373	-	131,111	10.2
2021	18,219	18,219	-	175,183	10.4
2022	15,071	15,071	-	167,456	9.0

Notes to Schedule of Contributions

Valuation date: 02/28/22

Notes: The roll-forward of total pension liability from February 28, 2022 to June 30, 2022 reflects expected service cost and interest reduced by actual benefit payments.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal and Modified Terminal Funding
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% - 6.75% including wage inflation
Investment rate of return	7.0%, net of investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups.

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

Other information: None

SUPPLEMENTAL INFORMATION

CITY OF TWIN OAKS, MISSOURI
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 240,100	\$ 272,100	\$ 293,752	\$ 21,652
Investment income - interest	-	1,100	2,090	990
TOTAL REVENUES	<u>240,100</u>	<u>273,200</u>	<u>295,842</u>	<u>22,642</u>
EXPENDITURES				
Capital outlay	-	4,600	4,416	184
Debt service	142,800	142,900	142,786	114
TOTAL EXPENDITURES	<u>142,800</u>	<u>147,500</u>	<u>147,202</u>	<u>298</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	97,300	125,700	148,640	22,940
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	<u>(53,500)</u>	<u>(82,100)</u>	<u>(106,800)</u>	<u>(24,700)</u>
CHANGE IN FUND BALANCE	43,800	43,600	41,840	<u>\$ (1,760)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>658,610</u>	<u>658,610</u>	<u>658,610</u>	
FUND BALANCE - END OF YEAR	<u>\$ 702,410</u>	<u>\$ 702,210</u>	<u>\$ 700,450</u>	

CITY OF TWIN OAKS, MISSOURI
BUDGETARY COMPARISON SCHEDULE
SEWER LATERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
REVENUES				
Sewer lateral fees	\$ 4,700	\$ 3,900	\$ 4,760	\$ 860
Investment income - interest	100	100	90	(10)
TOTAL REVENUES	<u>4,800</u>	<u>4,000</u>	<u>4,850</u>	<u>850</u>
EXPENDITURES				
Capital outlay	<u>4,500</u>	<u>7,200</u>	<u>6,470</u>	<u>730</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	300	(3,200)	(1,620)	<u>\$ 1,580</u>
FUND BALANCE - BEGINNING OF YEAR	<u>49,428</u>	<u>49,428</u>	<u>49,428</u>	
FUND BALANCE - END OF YEAR	<u>\$ 49,728</u>	<u>\$ 46,228</u>	<u>\$ 47,808</u>	

STATISTICAL SECTION

This part of the 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.

Contents

Financial Trends	PAGES
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These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

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Revenue Capacity	
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These schedules contain information to help the reader assess the City’s most significant local revenue sources.

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Debt Capacity	
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These 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.

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Demographic and Economic Information	
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These schedules offer demographic and economic indicators to help the reader understand the environment which the City’s financial activities take place.

52-53

Operating Information	
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These schedules contain service and infrastructure data to help the reader understand how information in the City’s financial report relates to the services the City provides and the activities it performs.

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

CITY OF TWIN OAKS, MISSOURI
NET POSITION BY COMPONENT
FOR THE LAST TEN FISCAL YEARS
 (Accrual basis of accounting)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Governmental activities:										
Net investment										
in capital assets	\$ 3,919,667	\$ 3,913,317	\$ 4,042,101	\$ 4,161,309	\$ 3,880,501	\$ 3,891,184	\$ 3,613,872	\$ 3,551,946	\$ 3,582,373	\$ 2,731,259
Restricted	1,135,107	1,039,335	919,682	779,353	1,074,064	1,116,254	1,323,704	1,342,045	1,135,095	1,099,489
Unrestricted	<u>760,280</u>	<u>551,272</u>	<u>493,680</u>	<u>502,110</u>	<u>560,089</u>	<u>639,436</u>	<u>683,065</u>	<u>780,923</u>	<u>734,093</u>	<u>651,273</u>
Total governmental activities net position	<u>\$ 5,815,054</u>	<u>\$ 5,503,924</u>	<u>\$ 5,455,463</u>	<u>\$ 5,442,772</u>	<u>\$ 5,514,654</u>	<u>\$ 5,646,874</u>	<u>\$ 5,620,641</u>	<u>\$ 5,674,914</u>	<u>\$ 5,451,561</u>	<u>\$ 4,482,021</u>

CITY OF TWIN OAKS, MISSOURI
CHANGES IN NET POSITION
FOR THE LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
EXPENSES										
Governmental activities:										
General government	\$ 437,898	\$ 439,253	\$ 454,102	\$ 517,194	\$ 534,743	\$ 438,161	\$ 490,778	\$ 417,647	\$ 333,695	\$ 326,932
Sanitation and other health costs	44,820	51,401	46,030	44,272	43,260	46,060	51,011	47,953	53,276	53,698
Public safety	143,109	138,617	135,475	131,638	121,181	107,921	107,720	102,460	99,010	98,971
Streets	248,014	260,563	236,081	273,875	244,664	247,629	224,846	205,169	200,439	182,038
Parks	270,028	249,042	190,819	248,791	284,402	240,828	227,136	222,730	217,603	201,969
Stormwater	14,539	14,539	14,539	14,539	14,539	9,888	19,178	9,338	13,781	24,452
Sewer lateral	6,470	20,943	3,993	1,923	-	3,836	3,960	-	-	2,088
Interest and fiscal charges	46,805	50,417	53,992	57,292	60,765	46,529	-	-	-	-
Total governmental	<u>1,211,683</u>	<u>1,224,775</u>	<u>1,135,031</u>	<u>1,289,524</u>	<u>1,303,554</u>	<u>1,140,852</u>	<u>1,124,629</u>	<u>1,005,297</u>	<u>917,804</u>	<u>890,148</u>
PROGRAM REVENUE										
Governmental activities:										
Charges for services										
General government	96,303	88,246	84,195	67,917	86,538	91,865	63,261	54,036	53,979	53,905
Parks	3,400	3,900	400	100	600	400	1,090	200	-	1,875
Sewer lateral	4,760	4,879	3,799	4,248	4,658	4,783	2,170	4,780	4,844	4,496
Operating grants and contributions	83,947	77,867	42,763	26,971	32,021	30,786	15,555	17,000	58,869	145,713
Capital grants and contributions	-	-	-	30,197	-	-	-	-	710,000	8,200
Total governmental activities program revenue	<u>188,410</u>	<u>174,892</u>	<u>131,157</u>	<u>129,433</u>	<u>123,817</u>	<u>127,834</u>	<u>82,076</u>	<u>76,016</u>	<u>827,692</u>	<u>214,189</u>
NET EXPENSES	<u>(1,023,273)</u>	<u>(1,049,883)</u>	<u>(1,003,874)</u>	<u>(1,160,091)</u>	<u>(1,179,737)</u>	<u>(1,013,018)</u>	<u>(1,042,553)</u>	<u>(929,281)</u>	<u>(90,112)</u>	<u>(675,959)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes	1,300,024	1,076,950	958,748	1,061,089	921,231	1,016,914	965,901	1,124,149	1,033,721	984,170
Investment income	19,731	1,674	2,947	7,704	6,038	7,580	7,652	7,113	6,792	7,027
Other miscellaneous revenue	14,648	19,720	54,870	19,416	120,248	14,757	14,727	16,020	19,139	34,197
Total governmental activities	<u>1,334,403</u>	<u>1,098,344</u>	<u>1,016,565</u>	<u>1,088,209</u>	<u>1,047,517</u>	<u>1,039,251</u>	<u>988,280</u>	<u>1,147,282</u>	<u>1,059,652</u>	<u>1,025,394</u>
CHANGE IN NET POSITION	<u>\$ 311,130</u>	<u>\$ 48,461</u>	<u>\$ 12,691</u>	<u>\$ (71,882)</u>	<u>\$ (132,220)</u>	<u>\$ 26,233</u>	<u>\$ (54,273)</u>	<u>\$ 218,001</u>	<u>\$ 969,540</u>	<u>\$ 349,435</u>

CITY OF TWIN OAKS, MISSOURI
PROGRAM REVENUES BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Governmental activities:										
General government	\$ 136,642	\$ 88,246	\$ 84,195	\$ 67,917	\$ 86,538	\$ 91,865	\$ 63,261	\$ 54,036	\$ 763,979	\$ 63,776
Streets	43,608	37,913	42,763	57,168	32,021	30,786	15,555	15,356	14,905	22,409
Parks	3,400	3,900	400	100	600	400	1,090	1,844	43,964	123,508
Sewer lateral	4,760	4,879	3,799	4,248	4,658	4,783	2,170	4,780	4,844	4,496
Total governmental activities revenues	<u>\$ 188,410</u>	<u>\$ 134,938</u>	<u>\$ 131,157</u>	<u>\$ 129,433</u>	<u>\$ 123,817</u>	<u>\$ 127,834</u>	<u>\$ 82,076</u>	<u>\$ 76,016</u>	<u>\$ 827,692</u>	<u>\$ 214,189</u>

CITY OF TWIN OAKS, MISSOURI
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable - prepaid items	\$ 7,400	\$ 7,400	\$ 6,916	\$ 7,057	\$ 7,057	\$ 8,357	\$ 12,063	\$ 8,804	\$ 7,357	\$ 7,135
Committed	-	200,087	100,010	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	38,800	-	-	-
Unassigned	714,790	342,600	410,818	495,236	555,298	623,672	602,267	743,973	716,220	631,922
Total General Fund	<u>\$ 722,190</u>	<u>\$ 550,087</u>	<u>\$ 517,744</u>	<u>\$ 502,293</u>	<u>\$ 562,355</u>	<u>\$ 632,029</u>	<u>\$ 653,130</u>	<u>\$ 752,777</u>	<u>\$ 723,577</u>	<u>\$ 538,636</u>
All Other Governmental Funds:										
Nonspendable - prepaid items	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:										
Capital improvements	700,450	658,610	590,701	458,445	503,433	589,782	762,485	808,383	714,503	826,362
Parks and stormwater	383,293	327,751	257,946	231,363	509,480	470,276	508,822	483,889	371,670	227,012
Sewer lateral repair program	47,808	49,428	65,448	65,427	61,151	56,196	52,397	49,318	48,922	46,115
Road	3,556	3,546	587	24,118	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 1,135,107</u>	<u>\$ 1,039,335</u>	<u>\$ 919,682</u>	<u>\$ 779,353</u>	<u>\$ 1,074,064</u>	<u>\$ 1,116,254</u>	<u>\$ 1,323,704</u>	<u>\$ 1,341,590</u>	<u>\$ 1,135,095</u>	<u>\$ 1,099,489</u>

CITY OF TWIN OAKS, MISSOURI
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Taxes	\$ 1,299,644	\$ 1,082,056	\$ 967,491	\$ 1,054,919	\$ 927,401	\$1,018,924	\$ 968,746	\$ 1,132,991	\$ 1,042,322	\$ 990,146
Intergovernmental	83,947	77,867	42,763	26,971	32,021	30,786	-	1,644	43,964	129,833
Licenses and permits	96,303	86,746	82,695	67,917	76,322	76,560	64,238	60,179	60,169	58,737
Charges for services	3,400	5,400	1,900	100	10,816	15,705	7,316	2,300	2,105	2,685
Sewer lateral fees	4,760	4,879	3,799	4,248	4,658	4,783	2,170	4,780	4,844	4,496
Other revenues	14,648	19,720	49,819	49,613	120,248	14,757	15,867	16,270	19,139	45,943
Investment income - interest	19,731	1,674	7,998	7,704	6,038	7,580	7,652	7,113	6,792	7,027
Total Revenues	1,522,433	1,278,342	1,156,465	1,211,472	1,177,504	1,169,095	1,065,989	1,225,277	1,179,335	1,238,867
Expenditures										
General government	392,665	380,925	378,688	444,979	423,453	426,145	477,687	423,271	323,320	319,616
Sanitation and other health costs	44,820	51,401	46,030	44,272	43,260	46,060	50,854	47,740	52,898	53,284
Public safety	142,167	137,675	133,110	128,621	118,164	104,779	107,720	102,460	99,010	98,971
Streets	162,093	143,705	137,630	184,992	150,808	133,424	135,515	127,510	140,903	113,453
Parks	184,756	152,192	100,767	168,271	187,208	155,694	152,469	154,281	155,641	147,683
Stormwater	-	-	-	-	-	-	10,555	41,913	6,729	17,400
Sewer lateral	-	-	-	-	-	-	-	-	-	2,088
Capital outlay	185,271	117,662	61,688	452,482	223,688	2,060,151	249,177	91,952	280,708	222,891
Debt service:										
Principal	95,149	91,455	87,889	84,490	81,209	40,460	-	-	-	-
Interest	47,637	51,331	54,883	58,138	61,578	30,933	-	-	-	-
Total Expenditures	1,254,558	1,126,346	1,000,685	1,566,245	1,289,368	2,997,646	1,183,977	989,127	1,059,209	975,386
Excess of revenues over (under) expenditures	267,875	151,996	155,780	(354,773)	(111,864)	(1,828,551)	(117,988)	236,150	120,126	263,481
Other Financing Sources (Uses)										
Transfers in	249,700	153,920	142,787	287,953	162,094	215,352	160,884	169,032	304,584 #	146,425
Transfers out	(249,700)	(153,920)	(142,787)	(287,953)	(162,094)	(215,352)	(160,884)	(169,032)	(304,584)	(146,425)
Proceeds from the issuance of debt	-	-	-	-	-	1,600,000	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	1,600,000	-	-	-	-
Net changes in fund balances	\$ 267,875	\$ 151,996	\$ 155,780	\$ (354,773)	\$ (111,864)	\$ (228,551)	\$ (117,988)	\$ 236,150	\$ 120,126	\$ 263,481
Debt service as a percentage of noncapital expenditures	13.0%	13.2%	14.9%	12.6%	12.5%	7.2%	-	-	-	-

CITY OF TWIN OAKS, MISSOURI
TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Property Tax</u>	<u>Other</u>	<u>Total</u>
2022	\$ 1,249,621	\$ 42,214	\$ 7,809	\$ 1,299,644
2021	1,031,441	41,029	9,586	1,082,056
2020	902,510	51,731	13,250	967,491
2019	1,023,671	25,741	11,677	1,061,089
2018	889,343	28,897	9,161	927,401
2017	986,199	24,552	8,173	1,018,924
2016	920,292	23,543	1,006	944,841
2015	1,076,608	29,469	1,127	1,107,204
2014	989,937	27,282	-	1,017,219
2013	936,311	29,348	-	965,659

CITY OF TWIN OAKS, MISSOURI
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
FOR THE LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Railroads And Utilities (1)</u>	<u>Total</u>		<u>Direct Tax Rate</u>
				<u>Assessed Value</u>	<u>Estimated Actual Value</u>	
2022	\$ 20,738,440	\$ 2,920,987	\$ 107,586	\$ 23,767,013	\$ 96,378,790	\$ 0.433
2021	21,045,050	2,307,450	124,763	23,477,263	96,378,790	0.419
2020	18,450,010	2,046,000	117,139	20,613,149	80,756,416	0.385
2019	23,357,290	1,352,168	111,885	24,821,343	96,680,997	0.340
2018	14,572,760	1,459,740	126,515	16,159,015	62,278,341	0.322
2017	15,152,490	1,409,950	134,921	16,697,361	63,962,822	0.302
2016	14,009,010	1,403,400	132,920	15,545,330	58,662,807	0.312
2015	13,974,450	1,385,867	141,446	15,501,763	58,579,229	0.312
2014	13,014,620	1,368,210	130,019	14,512,849	55,376,137	0.342
2013	13,118,659	1,295,160	127,978	14,541,797	54,931,683	0.337

Source: St. Louis County Collector's Office

(1) The real estate position of railroads and utilities is included with the real estate category.

Notes: All real property is reassessed every two years. Property tax is levied each year on the assessed value listed as of prior January 1. Only commercial property located in the City is taxed. Assessed values are established by St. Louis County Assessment Board at 32% of estimated market value for commercial property. The tax rates are based on \$100 of assessed value.

CITY OF TWIN OAKS, MISSOURI
DIRECT AND OVERLAPPING PROPERTY TAX RATES
FOR THE LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
City of Twin Oaks - Basic Rate	\$ 0.433	\$ 0.419	\$ 0.385	\$ 0.340	\$ 0.322	\$ 0.302	\$ 0.312	\$ 0.312	\$ 0.342	\$ 0.337
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County General	0.1650	0.1650	0.1760	0.1760	0.1980	0.1980	0.0300	0.0300	0.0300	0.0300
Co. Park Maintenance	0.0400	0.0400	0.0420	0.0420	0.0470	0.0470	0.0490	0.0490	0.0500	0.0500
Co. Bond Retirement	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0190	0.0280
Roads and Bridges	0.0830	0.0830	0.0880	0.0880	0.0990	0.0990	0.1030	0.1030	0.1050	0.1050
Co. Health Fund	0.1110	0.1110	0.1180	0.1180	0.1330	0.1330	0.1370	0.1370	0.1400	0.1400
St. Louis Community College	0.2787	0.2787	0.1987	0.1986	0.2129	0.2112	0.2185	0.2126	0.2200	0.2200
Special School District	1.0495	1.0158	1.1077	1.1077	1.1980	1.1912	1.2409	1.2348	1.2609	1.2400
Metro Zoo	0.2528	0.2455	0.2532	0.2549	0.2724	0.2694	0.2795	0.2777	0.2797	0.2797
County Library	0.2060	0.2060	0.2350	0.2120	0.2590	0.2530	0.2630	0.2590	0.2250	0.2500
Sheltered Workshops	0.0700	0.0710	0.0750	0.0750	0.0890	0.0870	0.0900	0.0880	0.0900	0.8900
MSD-Extension	0.1053	0.1041	0.1078	0.1077	0.1170	0.1159	0.1196	0.0195	0.0197	0.0163
Valley Park School District (1)	4.6373	4.6462	4.9326	4.8519	5.5600	5.4288	5.6642	5.4965	5.5910	5.6526
Valley Park Fire District (1)	1.7567	1.7527	1.8025	1.5980	1.1600	1.1390	1.2076	1.1860	1.3100	1.2780
Total Overlapping Governments	8.8043	8.7680	9.1855	8.8788	9.3943	9.2215	9.4513	9.1421	9.3703	10.2096
Total City And Overlapping Governments	\$ 9.237	\$ 9.187	\$ 9.571	\$ 9.219	\$ 9.716	\$ 9.524	\$ 9.763	\$ 9.454	\$ 9.712	\$ 10.547

(1) The City elected to report Valley Park School District and the Valley Park Fire District tax authorities above. A portion of the City's residents are in the Parkway School District and West County Fire District. These District's tax rates are:

West County Fire District	1.0490	1.0560	1.1060	1.1070	1.2490	1.2450	1.2920	1.2941	1.0000	0.0961
Parkway School District	3.6481	3.6390	3.8330	3.7661	5.2247	4.8758	4.7419	4.6796	4.1279	4.0743

Source - St. Louis County Collector's Office

Note: These figures represent residential property only and tax rates for commercial and personal property taxes may differ slightly. The City may not raise property tax rates above the maximum authorized levy of \$0.50 per \$100 of assessed valuation without a vote of the people. Only commercial property is taxed by the City.

CITY OF TWIN OAKS, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS

Fiscal Year	Tax Levy	Current Tax Collections	Percent Collected As Current	Delinquent Tax Collections	Total Tax Collections	Total Collections As Percent Of Levy
2022	\$ 41,986	\$ 31,893	75.96 %	\$ -	\$ 31,893	75.96 %
2021	41,250	11,300	27.39	29,900	41,200	99.88
2020	39,492	1,624	4.11	37,868	39,492	100.00
2019	28,539	2,269	7.95	26,270	28,539	100.00
2018	28,539	3,392	11.89	25,147	28,539	100.00
2017	28,491	7,623	26.76	20,868	28,491	100.00
2016	28,698	12,468	43.45	16,230	28,698	100.00
2015	28,701	16,930	58.99	11,771	28,701	100.00
2014	28,446	14,297	50.26	14,149	28,446	100.00
2013	28,082	14,250	50.74	13,832	28,082	100.00

Source: St. Louis County Collector's Office

Note: Sales tax revenue is the most significant own source revenue for the City, but is excluded from statistical section as sales tax information is confidential and not available from the State.

CITY OF TWIN OAKS, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
FOR THE LAST TEN FISCAL YEARS

Governmental Activities:

Fiscal Year	Certificates of Participation	Total Primary Government	Percentage of Personal Income	Per Capita
2022	\$ 1,119,454	\$ 1,119,454	2.8 %	\$ 1,850
2021	1,214,484	1,214,484	3.2	2,007
2020	1,305,939	1,305,939	6.8	3,331
2019	1,393,841	1,393,841	7.7	3,556
2018	1,478,331	1,478,331	9.0	3,771
2017	1,559,540	1,559,540	9.1	3,978
2015	-	-	-	-
2014	-	-	-	-
2013	-	-	-	-
2012	-	-	-	-

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

CITY OF TWIN OAKS, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022

<u>City of Twin Oaks</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable To City Of Twin Oaks</u>	<u>Amount Applicable To City Of Twin Oaks</u>
Direct	\$ 1,119,454	100.00 %	\$ 1,119,454
Overlapping:			
St. Louis County	476,100,000	0.01	53,835
Parkway School District	227,965,000	0.01	20,445
Valley Park School District	24,337,797	0.10	19,135
West County Fire Protection District	7,025,000	0.11	12,694
Total Overlapping Debt			<u>106,110</u>
 Total Direct And Overlapping Debt			 <u><u>\$ 1,225,564</u></u>

Sources: Individual taxing authorities

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should not be taken into account. However, this does not imply that every taxpayer is a resident - and therefore responsible for repaying the debt - of each overlapping government. The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

CITY OF TWIN OAKS, MISSOURI
LEGAL DEBT MARGIN INFORMATION
FOR THE LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net Assessed Value	\$ 23,767,013	\$ 23,477,263	\$ 20,613,149	\$ 24,821,343	\$ 16,159,015	\$ 16,697,361	\$ 15,545,330	\$ 15,501,763	\$ 14,512,849	\$ 14,541,797
Debt limit (10% of assessed value)	2,376,701	2,347,726	2,061,315	2,482,134	1,615,902	1,669,736	1,554,533	1,550,176	1,451,285	1,454,180
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 2,376,701</u>	<u>\$ 2,347,726</u>	<u>\$ 2,061,315</u>	<u>\$ 2,482,134</u>	<u>\$ 1,615,902</u>	<u>\$ 1,669,736</u>	<u>\$ 1,554,533</u>	<u>\$ 1,550,176</u>	<u>\$ 1,451,285</u>	<u>\$ 1,454,180</u>
Total net debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Note: Under Article VI, Sections 26(b) and 26(c) of the Missouri Constitution, the City by vote of 2/3 of the qualified electors thereof, may incur general obligation bonded indebtedness for City purposes in an amount not to exceed 5% of the assessed valuation of taxable tangible property within the City as asserted 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 purposes of acquiring rights-of-way, constructing 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. The City does not have any debt related to the legal debt margin.

CITY OF TWIN OAKS, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
FOR THE LAST TEN CALENDAR YEARS

Fiscal Year	Population (1)	Median Age (1)	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income (2)	Unemployment Rate (3)
2022	605	42.9	\$40,368,020	\$ 66,724	2.5 %
2021	605	42.9	37,634,025	62,205	3.0
2020	392	49.0	19,244,848	49,094	5.1
2019	392	49.0	18,193,896	46,413	3.1
2018	392	49.0	16,464,392	42,001	2.5
2017	392	49.0	17,169,992	43,801	2.5
2016	392	49.3	15,253,116	40,498	3.6
2015	392	57.0	15,253,116	38,812	3.6
2014	392	49.0	13,580,000	35,831	4.7
2013	392	49.0	13,580,000	35,831	5.7

Sources:

- (1) 2010 Census, US Census Bureau
- (2) American Community Survey 5-Year Estimates
- (3) U.S. Bureau of Labor Statistics - St. Louis Metro Area

CITY OF TWIN OAKS, MISSOURI
PRINCIPAL EMPLOYERS
FOR THE CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Schnucks Market	115	1	26 %	110	1	23 %
1356 Pub	38	2	9			
Dairy Queen	35	3	8	37	3	8
Walgreens Pharmacy	31	4	7	24	6	5
Imo's Pizza	20	5	5	31	5	6
Sauce on the Side	20	6	5			
Aldi's	17	7	4			
Dunkin Donuts	15	8	3			
Pizza Hut	13	9	3	16	9	3
Herman and Grumke	12	10	3			
Shop N Save				71	2	15
Krieger's Pub & Grill				35	4	7
Hardees				24	7	5
Nicoletti's				22	8	5
Subway				12	10	2

Source: City Business License Applications

CITY OF TWIN OAKS, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Function/Program	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Government:										
Administrator/Clerk	1	1	1	1	1	1	1	1	1	1
Administrative assistant	1	1	1	1	1	1	1	1	1	1
Accounting clerk	-	-	-	-	-	-	-	-	1	1
Streets/parks:										
Maintenance/landscaping	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	<u><u>4</u></u>	<u><u>4</u></u>	<u><u>4</u></u>	<u><u>4</u></u>	<u><u>4</u></u>	<u><u>3</u></u>	<u><u>3</u></u>	<u><u>3</u></u>	<u><u>4</u></u>	<u><u>4</u></u>

Source: Annual Budget Document and Payroll Records

CITY OF TWIN OAKS, MISSOURI
OPERATING INDICATORS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Function/Program	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>General government:</u>										
City clerk (1):										
Site development/concept plans	-	1	1	1	1	1	2	-	-	1
Rezoning applications	-	-	-	-	-	-	1	-	-	-
Text amendments	5	3	2	4	-	-	-	-	-	-
Building permits	11	7	4	8	5	10	5	12	16	11
Building/housing inspections	84	155	78	13	6	9	15	12	9	13
Administrative assistant (2):										
Accounts payable processed	575	644	557	591	609	582	590	579	589	673
Payroll checks authorized	191	188	188	194	215	226	196	214	213	172
Public records requested	3	5	7	1	3	1	1	-	2	6
Collector (3):										
Business licenses issued	41	40	38	39	39	38	36	37	37	34
Liquor licenses issued	11	13	12	13	14	14	14	14	14	14
Sewer lateral fees collected (4)	151	192	176	176	176	176	165	167	160	161
<u>Streets/parks:</u>										
Maintenance/landscaping	1	1	1	1	1	1	1	1	1	1

(1) Source: Office records and St. Louis County Public Works Department records

(2) Source: Annual Budget Document and Payroll Records

(3) Source: Office Records/Business and Liquor License Applications

(4) Sewer lateral fees are collected by St. Louis County and remitted to the City.

CITY OF TWIN OAKS, MISSOURI
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Parks:</u>										
Number of parks	1	1	1	1	1	1	1	1	1	1
Acres of parks	11	11	11	11	11	11	11	11	11	11
<u>Streets:</u>										
Miles of streets	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Street lights and signals	53	53	53	52	52	52	52	52	52	52

Source: Office records