



City of Clinton, Missouri

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ending September 30, 2022

Prepared By:

Christy Maggi, City Administrator
Wendee Seaton, City Clerk/Finance Officer

CITY OF CLINTON, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2022

Prepared by: Christy Maggi
City Administrator

Wendee Seaton
City Clerk/Chief Financial Officer

CITY OF CLINTON, MISSOURI
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INTRODUCTORY SECTION



March 27, 2023

To the Mayor and City Council:

Attached is a copy of the annual report for the City of Clinton, Missouri, for the fiscal year ended September 30, 2022. This report was prepared for your information and use as well as the use of citizens, vendors, developers, and other businesses. The responsibility for the accuracy of the data and completeness and fairness of the presentation, including disclosures, rests with the management of the City of Clinton, Missouri. We believe the data, as presented, is accurate in all material aspects, that it fairly sets forth the financial position of the City, and that all disclosures necessary to enable the reader to understand the financial affairs of the City have been included.

The Comprehensive Annual Financial Report is prepared in accordance with the Missouri Constitution Article VI Section 24 requirement that prescribes "by law all counties, cities, other legal subdivisions of the state, and public utilities owned and operated by such subdivisions shall have an annual budget, file annual reports of their financial transactions, and be audited" and is intended to meet those requirements.

In accordance with Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, this report encompasses all funds and entities of the primary government (the City of Clinton, Missouri) for which the City Council is financially accountable to its constituents. Based upon this criteria, the various funds are shown in the table of contents included with this report.

PROFILE OF THE CITY

The City of Clinton, Missouri (the City), is a third-class city organized and incorporated under the laws of the State of Missouri in 1836. The City has an elected Mayor and City Council and operates under the City Administrator plan. The City Administrator is appointed by the Mayor and City Council. The City Attorney is also appointed by the Mayor and City Council, after changes to the City Code.

The City provides a full range of municipal services authorized by statute. These include law enforcement, fire protection, wastewater collection and disposal, solid waste disposal, animal control, code enforcement, street repair and maintenance, community development, and economic development. In addition, the City provides an airport, a cemetery, community development services, parks and recreation facilities and programs, general administrative services, and an area transportation service that provides transportation to persons of all ages within the city limits.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining internal controls to ensure the protection of City assets, and to ensure that adequate accounting data are compiled for the presentation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met, recognizing that: (1) the cost of control should not exceed the benefits derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

The accounts of the City are organized in funds, which are considered separate accounting entities. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, equities, revenues, and expenses. The funds are grouped by type in the basic financial statements.

Accounting records for the City's governmental operations are maintained on the modified accrual basis, with revenues being recorded when measurable and available and expenditures being recorded when liability is incurred. The City's accounting records for proprietary funds are maintained on the accrual basis.

Controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the various funds are included in the annual budget. Purchase orders that will result in overruns of line item balances can be issued with the approval of the City Administrator provided there are no overruns in the fund appropriation. An overrun in any fund must be approved by the City Council and a supplemental budget adopted.

As required by accounting principles generally accepted in the United States of America, the Management's Discussion and Analysis (MD&A) can be found on pages 11 - 18. The MD&A is designed to complement the transmittal letter and should be read in conjunction with it.

ENTERPRISE FUND

The City operates the Sewer Department as an enterprise fund. This fund is used to account for operations that are financed and operated in a manner similar to private business enterprise where the stated intent is to finance the cost, including depreciation, of providing sewer service on a continuing basis through user charges.

LOCAL ECONOMY

Local economic activity remained fairly stable during the year. Taxable sales are shown on page 87 of the Statistical Section which presents categorical 10-year history for the calendar years from information provided by the Missouri Department of Revenue.

LONG-TERM FINANCIAL PLANNING

The City's comprehensive plan identifies capital needs, the first step towards creating a long-range capital improvements program. It will be necessary to secure long-term funding sources in order to implement the capital improvement program.

MAJOR PROJECTS AND ACTIVITIES

In May 2018, the City secured financing via a 10-year lease purchase program to assist in the payment of the aerial fire truck purchased in the prior year. The lease will be paid using revenue from the 1/4% Fire Protection Tax which the City started to collect within the fiscal year.

Construction on street projects financed in the prior year began within fiscal year 2018. Four projects have been completed to date. Additional projects may occur, depending on the remaining balance in the account for proceeds from the sale of certificates of participation.

CAPITAL IMPROVEMENTS

The following schedule lists the major capital improvement expenditures for the year ending September 30, 2022:

- Police vehicles and equipment
- Park vehicles, equipment, and building improvements
- Street vehicles, equipment, and infrastructure
- Fire department equipment
- Airport improvements

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Clinton, Missouri, for its comprehensive annual financial report for the fiscal year ended September 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

INDEPENDENT AUDIT

Each year an independent audit is made of the City's financial records. The auditor selected by the City Council to conduct the annual audit was Dana F. Cole & Company, LLP. The preparation of this comprehensive report was accomplished through the efforts of the administrative staff of the City and in cooperation with the City's auditor, Dana F. Cole & Company, LLP.

Respectfully submitted,



Wendee Seaton, City Clerk/Chief Financial Officer

CITY OF CLINTON, MISSOURI
PRINCIPAL OFFICIALS
SEPTEMBER 30, 2022

ELECTED OFFICIALS

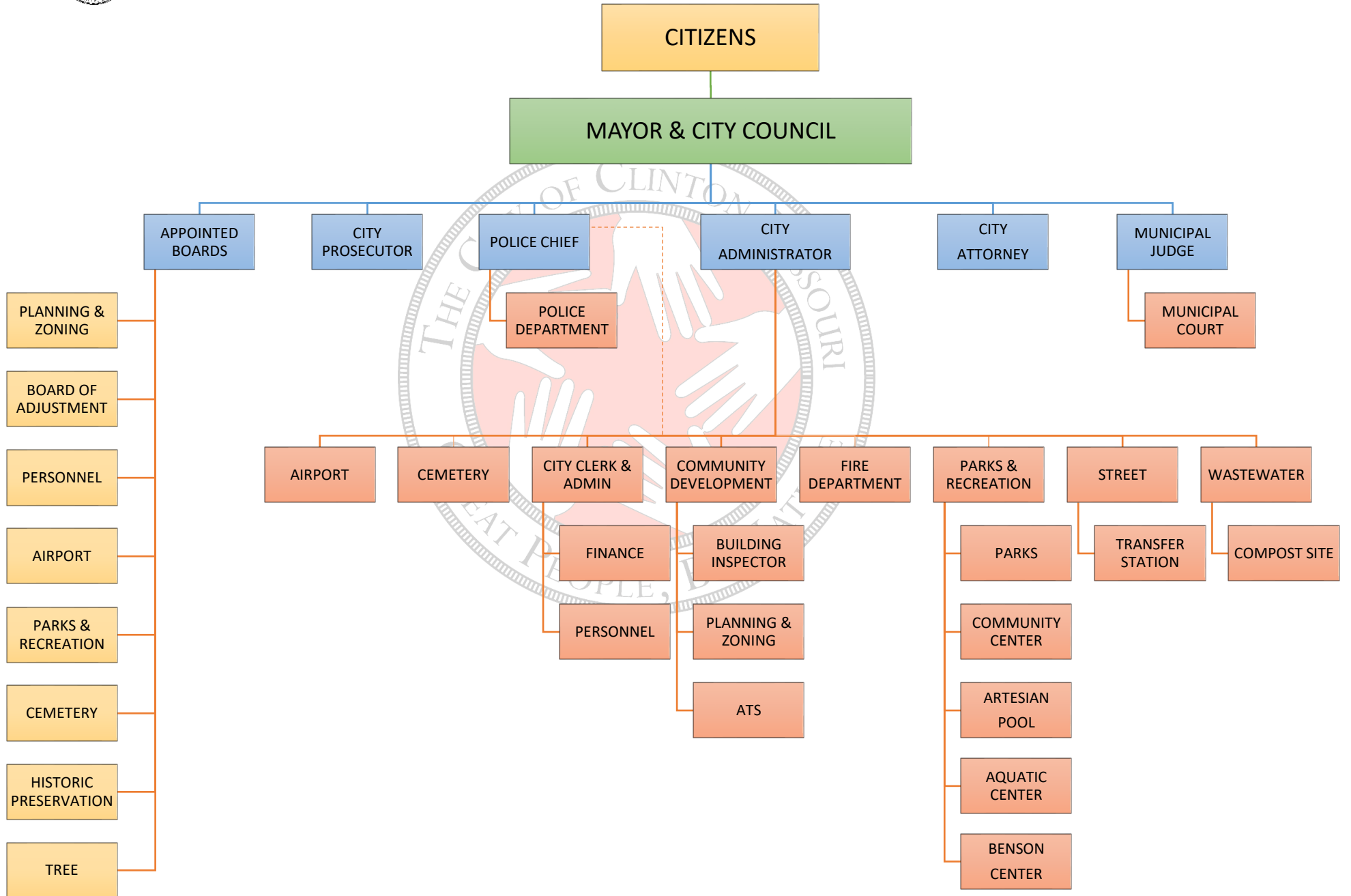
| | |
|--------------------------|---------------------------------|
| Mayor | Carla Moberly |
| Ward I Council Members | Daniel Wilson Debbie Smith |
| Ward II Council Members | Roger House Martha Nichols |
| Ward III Council Members | Becky Raysik Cameron Jackson |
| Ward IV Council Members | Rick Pereles Gene Henry |

ADMINISTRATOR AND DEPARTMENT HEADS

| | |
|------------------------------------|--------------------------|
| City Administrator | Christy Maggi |
| City Clerk/Chief Financial Officer | Wendee Seaton |
| Chief of Police | Kevin Miller |
| Community Development Director | Charles Bailey |
| Fire Chief | Mark Manuel |
| Parks and Recreation Director | Brad Combs |
| Municipal Judge | Gary V. Cover |
| Street Superintendent | T.J. Williams |
| Wastewater | Alliance Water Resources |
| Cemetery Sexton | John Wilson |
| City Attorney | Douglas Harris |
| City Prosecutor | Brandon Baker |



ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Clinton
Missouri**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
and Members of the City Council
City of Clinton, Missouri

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clinton, Missouri (the City), as of and for the year ended September 30, 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 City of Clinton, Missouri, as of September 30, 2022, and the respective changes in financial position and cash flows, thereof, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the City of Clinton, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the City of Clinton, 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.

Auditor's 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 auditor's 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 and *Government 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 include collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks 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 including examining, on a test basis, evidence regarding the amount and disclosures in the 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 the City of Clinton, 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Clinton, 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 on pages 11 - 18, budgetary comparison information on pages 60 - 65, schedule of employer's contributions on page 66, and schedule of changes in net pension liability on page 67, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Clinton, Missouri's financial statements as a whole. The combining schedule of revenues, expenditures, and changes in fund balance - general fund components on pages 70 - 71, combining and individual nonmajor fund financial statements on pages 72 - 73, and budgetary comparison schedule on page 74, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards on pages 69 - 70 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards on pages 68 - 69, combining schedule of revenues, expenditures, and changes in fund balance - general fund components on pages 70 - 71, combining and individual nonmajor fund financial statements on pages 72 - 73, and the budgetary comparison schedule on page 74, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information on pages 68 - 75, is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

The introductory section on pages 1 - 6, statistical section on pages 76 - 97, and accompanying information (schedule of sales tax collections) on page 98, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Our opinion on the basic financial statements does 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023, on our consideration of the City of Clinton, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of

internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Clinton, Missouri's internal control over financial reporting and compliance.

Dana F Cole + Company, LLP

Overland Park, Kansas
March 27, 2023

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Clinton, Missouri's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the transmittal letter on pages 1 - 3 and the City's financial statements, which begin on page 19.

FINANCIAL HIGHLIGHTS

The City's total assets totaled over \$51 million at the end of the fiscal year ending September 30, 2022. In comparison to the year ended September 30, 2021, total assets increased more than \$1.1 million from their prior year ending balance. The City's unrestricted cash and investments remained fairly steady at over \$11.5 million. The balance of the City's capital assets, net of accumulated depreciation, also remained steady at a little over \$27.1 million.

Sales taxes make up a significant portion of the City's revenue. Total sales tax revenue increased by \$388 thousand from the prior year due to increased spending in the area and additional sales taxes collected. In the governmental-type activities, City revenues exceeded expenses by \$1.6 million.

The business-type activities reported a reduction in net assets before general revenues of \$437 thousand and the inclusion of general revenues resulted in an overall decrease in net position of \$401 thousand.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The statement of net position and the statement of activities on pages 19 - 21, provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 22. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

REPORTING THE CITY AS A WHOLE

Our analysis of the City's government-wide statements begins on page 13. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in it. You can think of the City's net position - the difference between assets and liabilities - as one way to measure the City's financial health or financial position.

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

REPORTING THE CITY AS A WHOLE (Continued)

Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

In the statement of net position and the statement of activities, we divide the City into two kinds of activities:

Governmental activities - Most of the City's basic services are reported here, including general government, public safety, streets, and the parks department. Property taxes, sales taxes, franchise taxes, and state and federal grants finance most of these activities.

Business-type activities - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's sewer system is reported here.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Our analysis of the City's major funds begins on page 19. The fund financial statements begin on page 22, and provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of funds - governmental and proprietary - use different accounting approaches.

Governmental funds - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations on the pages following the respective fund statement.

Proprietary funds - When the City charges customers for the services it provides - whether to outside customers or to other units of the City - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's proprietary funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

The City's combined net position increased \$766 thousand compared to an increase of \$1.2 million last year. Our analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

Statement of Net Position
(Thousands of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | | % Change |
|---|----------------------------|---------------|-----------------------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 - 2021 |
| ASSETS | | | | | | | |
| Current and other assets | 11,580 | 9,618 | 6,393 | 6,514 | 17,973 | 16,132 | 11.4 |
| Net pension asset | 755 | 1,844 | 3 | 2 | 758 | 1,846 | |
| Capital assets | 27,097 | 25,621 | 8,354 | 8,624 | 35,451 | 34,245 | 3.5 |
| Total assets | <u>39,432</u> | <u>37,083</u> | <u>14,750</u> | <u>15,140</u> | <u>54,182</u> | <u>52,223</u> | <u>3.8</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | |
| Resources to be recognized in future pension expense | 341 | 248 | | 2 | 341 | 250 | 36.4 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>39,773</u> | <u>37,331</u> | <u>14,750</u> | <u>15,142</u> | <u>54,523</u> | <u>52,473</u> | <u>3.9</u> |
| LIABILITIES | | | | | | | |
| Long-term debt | 9,138 | 7,255 | | | 9,138 | 7,255 | 26.0 |
| Other liabilities | 838 | 850 | 51 | 49 | 889 | 899 | (1.1) |
| Total liabilities | <u>9,976</u> | <u>8,105</u> | <u>51</u> | <u>49</u> | <u>10,027</u> | <u>8,154</u> | <u>23.0</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Resources to be recognized in future pension expense | 487 | 1,926 | 77 | 77 | 564 | 2,003 | (71.8) |
| Resources to be recognized related to future federal grant expenses | 1,754 | 903 | | | 1,754 | 903 | |
| Total deferred inflows of resources | <u>2,241</u> | <u>2,829</u> | <u>77</u> | <u>77</u> | <u>2,318</u> | <u>2,906</u> | <u>(20.2)</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>12,217</u> | <u>10,934</u> | <u>128</u> | <u>126</u> | <u>12,345</u> | <u>11,060</u> | <u>11.6</u> |

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS (Continued)

Statement of Net Position (Continued)
(Thousands of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | | % Change |
|----------------------------------|----------------------------|---------------|-----------------------------|---------------|---------------|---------------|-------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 - 2021 |
| NET POSITION | | | | | | | |
| Net investment in capital assets | 18,151 | 18,553 | 8,354 | 8,624 | 26,505 | 27,177 | (2.5) |
| Restricted | 2,221 | 1,677 | | | 2,221 | 1,677 | 32.4 |
| Unrestricted | 7,183 | 6,167 | 6,269 | 6,391 | 13,452 | 12,558 | 7.1 |
| Total net position | <u>27,555</u> | <u>26,397</u> | <u>14,623</u> | <u>15,015</u> | <u>42,178</u> | <u>41,412</u> | <u>1.8</u> |

Governmental Activities

Current and Other Assets - Total current and other assets increased by \$2.0 million. Most of this increase was attributable to the collection of federal grant money that will be spent in the next fiscal year.

Capital Assets - Capital assets, net of accumulated depreciation, increased by \$1.5 million from the prior year mainly due to current year additions of property and equipment exceeding depreciation expense.

Net Pension Asset and Liabilities - Net pension asset is reported in the current year for \$755 thousand. The prior year was reported as an asset in the amount of \$1.8 million. This was the result of investment gains within the plan that exceeded payoffs and other transactions.

Other Liabilities - Other liabilities decreased by \$12 thousand.

Net Pension Asset (Liability) and Related Deferred Outflows And Inflows Of Resources - The net pension asset (liability) and related deferred outflows and inflows of resources with the City's multi-employer benefit plan has an allocated balance for the governmental activities of \$609 thousand.

Long-Term Debt - Long-term debt increased by \$1.9 million, due to refinancing of debt and additional proceeds for planned projects.

Net Position - Governmental net position increased by \$1.2 million from the prior year.

Business-Type Activities

Current and Other Assets - Total current and other assets decreased by \$121 thousand. The majority of this decrease was in unrestricted cash.

Capital Assets - Capital assets, net of accumulated depreciation, decreased by \$270 thousand as capital outlay was less than depreciation expense.

Net Position - Business-type net position decreased by a total of \$392 thousand.

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS (Continued)

Statement of Activities
(Thousands of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | | % Change |
|------------------------|----------------------------|--------------|-----------------------------|--------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 - 2021 |
| REVENUES | | | | | | | |
| Program revenues | | | | | | | |
| Charges for services | 674 | 645 | 1,378 | 1,313 | 2,052 | 1,958 | 4.8 |
| Operating grants | 122 | 810 | | 181 | 122 | 991 | (87.7) |
| Capital grants | 1,247 | 433 | | | 1,247 | 433 | |
| General revenues | | | | | | | |
| Property taxes | 992 | 960 | | | 992 | 960 | 3.3 |
| Sales taxes | 5,919 | 5,341 | | | 5,919 | 5,341 | 10.8 |
| Franchise taxes | 1,014 | 916 | | | 1,014 | 916 | 10.7 |
| Investment earnings | 97 | 32 | 82 | 35 | 179 | 67 | 167.2 |
| Other | 349 | 272 | 29 | 2 | 378 | 274 | 38.0 |
| Total revenues | <u>10,414</u> | <u>9,409</u> | <u>1,489</u> | <u>1,531</u> | <u>11,903</u> | <u>10,940</u> | <u>8.8</u> |
| EXPENSES | | | | | | | |
| General government | 780 | 595 | | | 780 | 595 | 31.1 |
| Public Safety | 3,362 | 3,017 | | | 3,362 | 3,017 | 11.4 |
| Streets | 1,263 | 1,022 | | | 1,263 | 1,022 | 23.6 |
| Parks and Recreation | 1,884 | 1,587 | | | 1,884 | 1,587 | 18.7 |
| Other | 1,343 | 1,385 | | | 1,343 | 1,385 | (3.0) |
| Interest/fiscal | 625 | 235 | | | 625 | 235 | 166.0 |
| Sewer | | | 1,881 | 1,932 | 1,881 | 1,932 | (2.6) |
| Total expenses | <u>9,257</u> | <u>7,841</u> | <u>1,881</u> | <u>1,932</u> | <u>11,138</u> | <u>9,773</u> | <u>14.0</u> |
| CHANGE IN NET POSITION | 1,157 | 1,568 | (392) | (401) | 765 | 1,167 | <u>(34.4)</u> |

Governmental Activities

Governmental revenues increased from the prior year by \$1.0 million primarily due to the capital grants received in the current year. Governmental expenses also increased from the prior year by \$1.4 million.

Business-Type Activities

Charges for services increased \$65 thousand compared to the prior year. Total business-type expenditures decreased by \$51 thousand.

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS (Continued)

Government-Wide Financial Analysis

The City's overall financial condition remains healthy after fiscal year 2022 results, with total revenues exceeding total expenditures by a little more than \$766 thousand.

The City's statement of net position shows that the City has current and other assets totaling \$18.0 million, of which \$11.6 million is unrestricted pooled cash and investments. Current liabilities, including the current portion of long-term debt, are \$1.8 million.

ANALYSIS OF THE FUND FINANCIAL STATEMENTS

Governmental Funds

**Fund Balances
September 30, 2022 and 2021**

| Fund Name | 2022 | 2021 |
|----------------------|------------------|------------------|
| General | 4,831,748 | 3,987,757 |
| Fire Protection | 462,720 | 557,661 |
| Street | 740,457 | 786,823 |
| Street Improvement | 1,567,976 | 1,910,655 |
| Pool Improvement | 648,937 | |
| Parks and Recreation | 743,918 | 546,679 |
| Other nonmajor | 73,463 | 75,716 |
| Total | <u>9,069,219</u> | <u>7,865,291</u> |

The fund balance in the General Fund increased by \$844 thousand, which was primarily due to an increase in sales tax revenue.

The Fire Protection Fund recorded its fifth year of tax receipts. Fund balance decreased by \$95 thousand. The final budget projected a decrease of \$379 thousand.

The fund balance in the Street Fund decreased by \$46 thousand. The final budget projected a decrease of \$599 thousand.

The Street Improvement Fund also recorded its fifth year of tax receipts. Fund balance decreased by \$343 thousand. This was primarily due to allocated refunding debt issuance proceeds being less than the debt paid.

The Pool Improvement Fund was established in the current fiscal year and has a fund balance of \$649, which is restricted for future pool improvements.

The fund balance of the Parks and Recreation Fund increased by \$197 thousand. This was primarily due to actual tax revenues exceeding budgeted revenues.

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

ANALYSIS OF THE FUND FINANCIAL STATEMENTS (Continued)

Governmental Funds (Continued)

| Budgetary Comparison Schedule | | | |
|--------------------------------------|--------------------|------------------|------------------------------------|
| General Fund | | | |
| | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | |
| Taxes | 3,887,235 | 4,278,899 | 391,664 |
| Intergovernmental | 724,804 | 919,628 | 194,824 |
| Charges for services | 226,625 | 273,251 | 46,626 |
| Fines and forfeitures | 63,800 | 88,927 | 25,127 |
| Interest | 17,800 | 57,393 | 39,593 |
| Other | 16,648 | 32,399 | 15,751 |
| Total revenues | <u>4,936,912</u> | <u>5,650,497</u> | <u>713,585</u> |
| EXPENSES | | | |
| General government | 669,953 | 809,099 | (139,146) |
| Public Safety | 2,345,199 | 2,145,432 | 199,767 |
| Economic Development | 391,962 | 366,170 | 25,792 |
| Airport | 192,041 | 182,226 | 9,815 |
| Sanitation | 202,323 | 218,077 | (15,754) |
| Streets | 9,764 | 8,150 | 1,614 |
| Capital outlay | 1,198,205 | 860,181 | 338,024 |
| Debt service | 1,625,109 | 1,520,695 | 104,414 |
| Total expenses | <u>6,634,556</u> | <u>6,110,030</u> | <u>524,526</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (1,697,644) | (459,533) | 1,238,111 |
| OTHER FINANCING SOURCES (USES) | <u>503,442</u> | <u>1,114,700</u> | <u>611,258</u> |
| NET CHANGE IN FUND BALANCE | <u>(1,194,202)</u> | <u>655,167</u> | <u>1,849,369</u> |

ANALYSIS OF THE BUDGETARY COMPARISON SCHEDULE

Actual revenues in the General Fund were higher than budgeted revenues and actual expenses were less than budgeted expenses by a total of \$639 thousand. Overall, the actual change in budgetary fund balance was an increase of \$671 thousand. The final budget for revenues and expenses was adjusted from the original budget to reflect the estimated changes for which the City was not aware of at the time of setting the original budget.

CITY OF CLINTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS

Capital asset activity for the fiscal year included an increase in governmental activities of \$2,767,434 and an increase in business-type activities of \$209,069.

Schedule of Property, Plant, and Equipment

| | Land and CIP | Buildings and Improvements | Machinery and Equipment | Infrastructure | Sewer Lines | Total |
|-------------------------|--------------------|----------------------------------|-------------------------------|-------------------|-------------------|-------------------|
| General government | 170,211 | 2,826,751 | 252,336 | | | 3,249,298 |
| Sanitation | | 88,111 | 193,188 | | | 281,299 |
| Transportation services | | 91,438 | 124,947 | | | 216,385 |
| Public Safety* | 1,018,037 | 339,937 | 2,685,101 | | | 4,043,075 |
| Streets | 574,668 | 117,849 | 1,106,799 | 7,216,017 | | 9,015,333 |
| Parks and Recreation | 276,571 | 13,709,438 | 1,241,483 | | | 15,227,492 |
| Cemetery | | 25,016 | 211,679 | | | 236,695 |
| Industrial park | 352,360 | 418,937 | | | | 771,297 |
| Airport | 1,510,141 | 273,569 | 209,795 | 7,508,227 | | 9,501,732 |
| Sewer | 323,168 | 5,612,194 | 2,003,130 | | 13,591,950 | 21,530,442 |
| Total | <u>4,225,156</u> | <u>23,503,240</u> | <u>8,028,458</u> | <u>14,724,244</u> | <u>13,591,950</u> | <u>64,073,048</u> |

*Police, Animal Control, and Fire

Please refer to Note 5 for more detailed information regarding capital asset activity during the fiscal year ended September 30, 2022.

LONG-TERM DEBT ACTIVITY

The City refinanced its debt during the current year. The City expects no debt limitations that would have an impact on financing planned facilities or services. Please refer to Note 11 for more detailed information regarding long-term debt activity, including new loans, during the fiscal year ended September 30, 2022.

REQUEST FOR INFORMATION

This report is intended to provide citizens an overview of the City's finances and demonstrate the City's accountability for the revenues received. Questions about the report should be directed to the City Administrator, City Hall, 105 E. Ohio Street, Clinton, Missouri, 64735.

BASIC FINANCIAL STATEMENTS

CITY OF CLINTON, MISSOURI
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|-------------------|
| ASSETS | | | |
| Pooled cash and investments | 5,450,209 | 6,178,536 | 11,628,745 |
| Accounts receivable | | 179,777 | 179,777 |
| Taxes receivable | 1,122,387 | | 1,122,387 |
| Grants receivable | 423,555 | | 423,555 |
| Other receivables | 150,847 | | 150,847 |
| Prepaid items | 180,374 | 22,359 | 202,733 |
| Restricted cash and investments | 4,252,176 | 12,140 | 4,264,316 |
| Net pension asset | 754,933 | 3,350 | 758,283 |
| Capital assets | | | |
| Land | 2,428,708 | 124,415 | 2,553,123 |
| Construction in progress | 1,473,280 | 198,753 | 1,672,033 |
| Other capital assets, net of depreciation | <u>23,194,528</u> | <u>8,031,304</u> | <u>31,225,832</u> |
| TOTAL ASSETS | <u>39,430,997</u> | <u>14,750,634</u> | <u>54,181,631</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Resources to be recognized in future pension expense | <u>341,277</u> | <u>406</u> | <u>341,683</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>39,772,274</u> | <u>14,751,040</u> | <u>54,523,314</u> |
| LIABILITIES | | | |
| Accounts payable | 400,799 | 35,666 | 436,465 |
| Accrued liabilities | 160,245 | 3,331 | 163,576 |
| Liabilities payable from restricted assets | 277,039 | 12,140 | 289,179 |
| Long-term liabilities | | | |
| Due within one year | 945,844 | | 945,844 |
| Due in more than one year | <u>8,191,927</u> | | <u>8,191,927</u> |
| TOTAL LIABILITIES | <u>9,975,854</u> | <u>51,137</u> | <u>10,026,991</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Resources to be recognized in future pension expense | 486,784 | 76,611 | 563,395 |
| Resources to be recognized related to future federal grant expenses | <u>1,754,158</u> | | <u>1,754,158</u> |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>2,240,942</u> | <u>76,611</u> | <u>2,317,553</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES | <u>12,216,796</u> | <u>127,748</u> | <u>12,344,544</u> |

CITY OF CLINTON, MISSOURI
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

| | Governmental Activities | Business-Type Activities | Total |
|----------------------------------|----------------------------|-----------------------------|-----------------------|
| NET POSITION | | | |
| Net investment in capital assets | 18,151,461 | 8,354,472 | 26,505,933 |
| Restricted for capital outlay | 2,220,979 | | 2,220,979 |
| Unrestricted | <u>7,183,038</u> | <u>6,268,820</u> | <u>13,451,858</u> |
| TOTAL NET POSITION | <u>27,555,478</u> | <u>14,623,292</u> | <u>42,178,770</u> |

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

| | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|-------------------|----------------------------|---|---|--|-----------------------------|--------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Functions/programs | | | | | | | |
| Primary government | | | | | | | |
| Governmental activities | | | | | | | |
| General government | 779,551 | 135,209 | 21,393 | 74,500 | (548,449) | | (548,449) |
| Public Safety | 3,361,950 | 88,927 | 25,311 | | (3,247,712) | | (3,247,712) |
| Economic Development | 360,493 | | | | (360,493) | | (360,493) |
| Airport | 370,956 | | | 823,735 | 452,779 | | 452,779 |
| Sanitation | 215,642 | 138,042 | | | (77,600) | | (77,600) |
| Streets | 1,263,323 | 160 | | | (1,263,163) | | (1,263,163) |
| Parks and Recreation | 1,883,696 | 206,901 | | 348,825 | (1,327,970) | | (1,327,970) |
| Cemetery operations | 190,850 | 88,415 | | | (102,435) | | (102,435) |
| Transportation services | 193,588 | 16,818 | 75,365 | | (101,405) | | (101,405) |
| Industrial park | 10,505 | | | | (10,505) | | (10,505) |
| Interest and debt issuance costs on long-term debt | 625,128 | | | | (625,128) | | (625,128) |
| Total governmental activities | <u>9,255,682</u> | <u>674,472</u> | <u>122,069</u> | <u>1,247,060</u> | <u>(7,212,081)</u> | | <u>(7,212,081)</u> |
| Business-type activities | | | | | | | |
| Sewer | <u>1,881,258</u> | <u>1,377,661</u> | | | | <u>(503,597)</u> | <u>(503,597)</u> |
| Total primary government | <u>11,136,940</u> | <u>2,052,133</u> | <u>122,069</u> | <u>1,247,060</u> | <u>(7,212,081)</u> | <u>(503,597)</u> | <u>(7,715,678)</u> |
| General revenues | | | | | | | |
| Taxes | | | | | | | |
| Property tax, levied for general purposes | | | | | 991,924 | | 991,924 |
| Local sales tax | | | | | 5,918,892 | | 5,918,892 |
| Franchise taxes | | | | | 1,013,969 | | 1,013,969 |
| Other taxes | | | | | 193,501 | | 193,501 |
| Unrestricted investment earnings | | | | | 97,391 | 82,014 | 179,405 |
| Other income | | | | | 154,490 | 29,361 | 183,851 |
| Total general revenues | | | | | <u>8,370,167</u> | <u>111,375</u> | <u>8,481,542</u> |
| CHANGE IN NET POSITION | | | | | 1,158,086 | (392,222) | 765,864 |
| NET POSITION, beginning of year | | | | | <u>26,397,392</u> | <u>15,015,514</u> | <u>41,412,906</u> |
| NET POSITION, end of year | | | | | <u>27,555,478</u> | <u>14,623,292</u> | <u>42,178,770</u> |

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

| | General Fund | Fire Protection Fund | Street Fund | Street Improvement Fund | Pool Improvement Fund | Parks and Recreation Fund | Other Nonmajor Funds | Total Governmental Funds |
|--|------------------|----------------------|----------------|-------------------------|-----------------------|---------------------------|----------------------|--------------------------|
| ASSETS | | | | | | | | |
| ASSETS | | | | | | | | |
| Pooled cash and investments | 3,554,249 | | 776,923 | 740,439 | | 347,232 | 31,366 | 5,450,209 |
| Taxes receivable | 516,287 | 89,728 | 167,471 | 89,728 | 44,523 | 214,650 | | 1,122,387 |
| Grants receivable | 288,292 | | | | | 135,263 | | 423,555 |
| Other receivables | 10,355 | | | | | 99,419 | 41,073 | 150,847 |
| Prepaid items | 112,811 | 22,033 | 14,600 | | | 21,343 | 9,587 | 180,374 |
| Restricted cash and cash equivalents | 2,508,415 | 374,991 | | 737,809 | 630,961 | | | 4,252,176 |
| TOTAL ASSETS | 6,990,409 | 486,752 | 958,994 | 1,567,976 | 675,484 | 817,907 | 82,026 | 11,579,548 |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| LIABILITIES | | | | | | | | |
| Accounts payable | 91,199 | 8,336 | 211,909 | | 26,547 | 59,482 | 3,326 | 400,799 |
| Accrued liabilities | 36,265 | 15,696 | 6,628 | | | 14,507 | 5,237 | 78,333 |
| Deferred inflow of resources from federal grants | 1,754,158 | | | | | | | 1,754,158 |
| Liabilities payable from restricted assets | 277,039 | | | | | | | 277,039 |
| Total liabilities | 2,158,661 | 24,032 | 218,537 | | 26,547 | 73,989 | 8,563 | 2,510,329 |
| FUND BALANCES | | | | | | | | |
| Nonspendable | 112,811 | 22,033 | 14,600 | | | 21,343 | 9,587 | 180,374 |
| Restricted for capital outlay | 477,218 | 374,991 | | 737,809 | 630,961 | | | 2,220,979 |
| Committed | 739,449 | | | | | | | 739,449 |
| Assigned | | 65,696 | 725,857 | 830,167 | 17,976 | 722,575 | 63,876 | 2,426,147 |
| Unassigned | 3,502,270 | | | | | | | 3,502,270 |
| Total fund balances | 4,831,748 | 462,720 | 740,457 | 1,567,976 | 648,937 | 743,918 | 73,463 | 9,069,219 |
| TOTAL LIABILITIES AND FUND BALANCES | 6,990,409 | 486,752 | 958,994 | 1,567,976 | 675,484 | 817,907 | 82,026 | 11,579,548 |

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

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

| | | |
|---|---------------------|--------------------------|
| Fund balance - total governmental funds | | 9,069,219 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. | | |
| Governmental capital assets | 42,757,297 | |
| Less accumulated depreciation | <u>(15,660,781)</u> | 27,096,516 |
| Long-term liabilities, including accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds. | | |
| Accrued interest | (81,912) | |
| Premiums of long-term debt | (530,054) | |
| Certificates of participation | <u>(8,415,000)</u> | (9,026,966) |
| Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. | | (192,716) |
| The effects of GASB 68 to record the net pension asset (liability) and related deferred outflows and inflows of resources are not reflected in the fund financial statements. | | |
| Net pension asset | 754,933 | |
| Deferred outflows of resources to be recognized in future pension expense | 341,277 | |
| Deferred inflows of resources to be recognized in future pension expense | <u>(486,785)</u> | <u>609,425</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | | <u>27,555,478</u> |

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2022

| | General Fund | Fire Protection Fund | Street Fund | Street Improvement Fund | Pool Improvement Fund | Parks and Recreation Fund | Other Nonmajor Funds | Total Governmental Funds |
|-------------------------|------------------|----------------------|------------------|-------------------------|-----------------------|---------------------------|----------------------|--------------------------|
| REVENUES | | | | | | | | |
| Taxes | | | | | | | | |
| Property | 776,436 | | | | | 215,488 | | 991,924 |
| Sales | 2,353,210 | 560,770 | 978,934 | 560,767 | 115,267 | 1,349,944 | | 5,918,892 |
| Franchise | 1,013,969 | | | | | | | 1,013,969 |
| Other | 193,501 | | | | | | | 193,501 |
| Charges for services | 273,251 | | 160 | | | 206,901 | 105,233 | 585,545 |
| Fines and forfeitures | 88,927 | | | | | | | 88,927 |
| Intergovernmental | 919,628 | 25,311 | | | | 348,825 | 75,365 | 1,369,129 |
| Interest | 72,757 | | 9,757 | 9,118 | | 5,739 | 20 | 97,391 |
| Miscellaneous | 32,549 | 2,719 | 47,851 | | | 53,849 | 17,522 | 154,490 |
| Total revenues | <u>5,724,228</u> | <u>588,800</u> | <u>1,036,702</u> | <u>569,885</u> | <u>115,267</u> | <u>2,180,746</u> | <u>198,140</u> | <u>10,413,768</u> |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| General government | 694,006 | | | | | | | 694,006 |
| Public Safety | 2,145,432 | 1,131,390 | | | | | | 3,276,822 |
| Economic Development | 366,170 | | | | | | | 366,170 |
| Airport | 182,226 | | | | | | | 182,226 |
| Sanitation | 218,077 | | | | | | | 218,077 |
| Streets | 8,150 | | 1,108,011 | | | | | 1,116,161 |
| Parks and Recreation | | | | | | 1,422,899 | | 1,422,899 |
| Cemetery operations | | | | | | | 192,332 | 192,332 |
| Transportation services | | | | | | | 186,794 | 186,794 |
| Capital outlay | 860,181 | 384,490 | 108,787 | 534,781 | 555,680 | 429,944 | 13,951 | 2,887,814 |

CITY OF CLINTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2022

| | General Fund | Fire Protection Fund | Street Fund | Street Improvement Fund | Pool Improvement Fund | Parks and Recreation Fund | Other Nonmajor Funds | Total Governmental Funds |
|---|------------------|----------------------|------------------|-------------------------|-----------------------|---------------------------|----------------------|--------------------------|
| EXPENDITURES (Continued) | | | | | | | | |
| Debt service | | | | | | | | |
| Principal | 1,448,618 | 1,043,211 | 446,547 | 4,130,000 | | | | 7,068,376 |
| Interest and fiscal fees | 72,077 | 46,079 | 14,158 | 216,781 | 10,650 | | | 359,745 |
| Total expenditures | <u>5,994,937</u> | <u>2,605,170</u> | <u>1,677,503</u> | <u>4,881,562</u> | <u>566,330</u> | <u>1,852,843</u> | <u>393,077</u> | <u>17,971,422</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(270,709)</u> | <u>(2,016,370)</u> | <u>(640,801)</u> | <u>(4,311,677)</u> | <u>(451,063)</u> | <u>327,903</u> | <u>(194,937)</u> | <u>(7,557,654)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Debt issuance | 1,370,000 | 1,585,000 | 410,000 | 3,985,000 | 1,065,000 | | | 8,415,000 |
| Debt premium | 86,295 | 99,838 | 25,826 | 251,011 | 67,083 | | | 530,053 |
| Debt issuance costs | (8,358) | (36,398) | (92) | (106,540) | (32,083) | | | (183,471) |
| Transfers in | 618,749 | 750,000 | 161,248 | | | 7,530 | 198,206 | 1,735,733 |
| Transfers out | <u>(951,986)</u> | <u>(477,011)</u> | <u>(2,547)</u> | <u>(160,473)</u> | | <u>(138,194)</u> | <u>(5,522)</u> | <u>(1,735,733)</u> |
| Total other financing sources (uses) | <u>1,114,700</u> | <u>1,921,429</u> | <u>594,435</u> | <u>3,968,998</u> | <u>1,100,000</u> | <u>(130,664)</u> | <u>192,684</u> | <u>8,761,582</u> |
| NET CHANGE IN FUND BALANCES | 843,991 | (94,941) | (46,366) | (342,679) | 648,937 | 197,239 | (2,253) | 1,203,928 |
| FUND BALANCE, beginning of year | <u>3,987,757</u> | <u>557,661</u> | <u>786,823</u> | <u>1,910,655</u> | | <u>546,679</u> | <u>75,716</u> | <u>7,865,291</u> |
| FUND BALANCE, end of year | <u>4,831,748</u> | <u>462,720</u> | <u>740,457</u> | <u>1,567,976</u> | <u>648,937</u> | <u>743,918</u> | <u>73,463</u> | <u>9,069,219</u> |

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The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, 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 SEPTEMBER 30, 2022

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

| | | |
|--|--|-----------|
| Net change in fund balances - total governmental funds | | 1,203,928 |
|--|--|-----------|

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

| | | |
|----------------|--|--------------------|
| Capital outlay | | 2,887,814 |
| Depreciation | | <u>(1,412,545)</u> |
| | | 1,475,269 |

The issuance of long-term debt (e.g., bonds, loan, leases) provides current financial resources to governmental funds, in which the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

| | | |
|--|--|------------------|
| Proceeds of long-term debt | | (8,415,000) |
| Proceeds of premiums from long-term debt | | (530,053) |
| Accrued interest | | (81,912) |
| Debt principal payments | | <u>7,068,376</u> |
| | | (1,958,589) |

CITY OF CLINTON, 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 SEPTEMBER 30, 2022

Governmental funds report payments required for pension costs as expenditures. However, in the statement of activities, these costs are adjusted for the actuarial balances of the net pension asset/liability and deferred outflows and inflows of resources. This is the amount by which the reported pension expense by the pension plan exceeded the amounts paid into the plan.

| | | |
|--|---------------|---------|
| Plan payments made by the City | 344,886 | |
| Pension expense reported by pension plan | <u>98,860</u> | |
| | | 443,746 |

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

| | | |
|----------------------|----------------|--|
| Compensated absences | <u>(6,268)</u> | |
|----------------------|----------------|--|

| | |
|---|-------------------------|
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | <u><u>1,158,086</u></u> |
|---|-------------------------|

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2022

ASSETS

ASSETS

Current assets

| | |
|---------------------------------|------------------|
| Pooled cash and investments | 6,178,536 |
| Accounts receivable | 179,777 |
| Prepaid items | 22,359 |
| Restricted cash and investments | <u>12,140</u> |
| Total current assets | <u>6,392,812</u> |

Noncurrent assets

| | |
|---|------------------|
| Net pension asset | 3,350 |
| Capital assets | |
| Land and construction in progress | 323,168 |
| Other capital assets, net of depreciation | <u>8,031,304</u> |
| Total noncurrent assets | <u>8,357,822</u> |

TOTAL ASSETS 14,750,634

DEFERRED OUTFLOWS OF RESOURCES

| | |
|--|------------|
| Resources to be recognized in future pension expense | <u>406</u> |
|--|------------|

TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES 14,751,040

LIABILITIES

LIABILITIES

Current liabilities

| | |
|--|---------------|
| Accounts payable | 35,666 |
| Accrued liabilities | 3,331 |
| Liabilities payable from restricted assets | <u>12,140</u> |
| Total current liabilities | <u>51,137</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|---|---------------|
| Resources to be recognized in future pension expense | <u>76,611</u> |
|---|---------------|

TOTAL LIABILITIES AND DEFERRED INFLOWS
OF RESOURCES 127,748

CITY OF CLINTON, MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2022

| | ASSETS | |
|----------------------------------|--------|-------------------|
| NET POSITION | | |
| Net investment in capital assets | | 8,354,472 |
| Unrestricted | | <u>6,268,820</u> |
| TOTAL NET POSITION | | <u>14,623,292</u> |

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED SEPTEMBER 30, 2022

| | |
|---------------------------------|--------------------------|
| OPERATING REVENUES | |
| Sewer charges | 1,373,711 |
| Sewer taps | 3,950 |
| Miscellaneous | <u>29,361</u> |
| Total operating revenues | <u>1,407,022</u> |
| | |
| OPERATING EXPENSES | |
| Personnel services | 17,212 |
| Contractual services | 1,365,762 |
| Commodities and other | 19,332 |
| Depreciation | <u>478,952</u> |
| Total operating expenses | <u>1,881,258</u> |
| | |
| OPERATING LOSS | (474,236) |
| | |
| NONOPERATING REVENUE | |
| Interest and investment income | <u>82,014</u> |
| | |
| CHANGE IN NET POSITION | (392,222) |
| | |
| NET POSITION, beginning of year | <u>15,015,514</u> |
| | |
| NET POSITION, end of year | <u><u>14,623,292</u></u> |

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED SEPTEMBER 30, 2022

| | |
|---|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash received from customers | 1,356,351 |
| Cash received from other sources | 33,311 |
| Cash payments to suppliers | (1,385,451) |
| Cash payments to employees | <u>(16,028)</u> |
| Net cash used in operating activities | <u>(11,817)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Acquisition and construction of capital assets | <u>(209,069)</u> |
| Net cash used in capital and related financing activities | <u>(209,069)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest received | <u>82,014</u> |
| Net cash provided by investing activities | <u>82,014</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (138,872) |
| CASH AND CASH EQUIVALENTS, beginning of year | <u>6,329,548</u> |
| CASH AND CASH EQUIVALENTS, end of year | <u><u>6,190,676</u></u> |
| ALLOCATION OF CASH AND CASH EQUIVALENTS | |
| Unrestricted - current | 6,178,536 |
| Restricted - current | <u>12,140</u> |
| | <u><u>6,190,676</u></u> |

CITY OF CLINTON, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED SEPTEMBER 30, 2022

Reconciliation of Operating Loss to Net
Cash Used In Operating Activities

| | |
|---|----------------------------|
| Operating loss | <u>(474,236)</u> |
| Adjustments to reconcile operating loss to net cash used in operating activities | |
| Depreciation | 478,952 |
| (Increase) decrease in the following assets | |
| Accounts receivable | (17,360) |
| Increase (decrease) in the following liabilities | |
| Accounts payable | 18,034 |
| Accrued expenses | (3,306) |
| Net pension liability and related deferred outflows and inflows of resources | (1,184) |
| Restricted liabilities | <u>(12,717)</u> |
| Total adjustments | <u>462,419</u> |
| Net cash used in operating activities | <u><u>(11,817)</u></u> |

The notes to the financial statements are an integral part of this statement.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Clinton, Missouri (the City), is a third-class city in which citizens elect the Mayor at large and eight council members by wards. The accompanying financial statements present the City's primary government and any component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). Management has considered all potential component units and has determined there are no entities outside of the primary government that should be blended into, or discretely presented with, the City's financial statements.

B. GOVERNMENT-WIDE AND FUND FINANCIAL ACCOUNTING

The government-wide financial statements (e.g., the statement of net position and the statement of activities) report information on all of the activities of the City. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The effect of interfund activities (i.e., the allocation of overhead within the same function) has been removed from these statements. Interfund services (e.g., the City's use of City-provided sewer service) provided and used are not eliminated from the statement of activities.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Governmental Funds

The government reports the following governmental funds:

General Fund

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

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL ACCOUNTING (Continued)

Governmental Funds (Continued)

General Fund (Continued)

Included in the General Fund is activity that occurred in the Second Street/Calvird Drive Maintenance Fund and Energy Improvements Fund. The function of the Second Street/Calvird Drive Maintenance Fund is to account for expenditures related to the property and infrastructure of the sections of Second Street and Calvird Drive which were relinquished by the Missouri Department of Transportation to the City of Clinton, Missouri. The function of the Energy Improvements Fund is to account for debt service expenses which are supported by transfers from other funds.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific sources of revenues that are legally restricted to expenditures for specified purposes.

Major Special Revenue Funds

Street Fund

The primary function of the Street Fund is to maintain the city street network. This consists of approximately 100 miles of nonstate highway miles. Some of the primary tasks are surfacing, patching, drainage, grading, right-of-way mowing, sweeping, and snow removal.

The Street Fund is financed by a gasoline fuel tax, motor vehicle sales tax, transportation sales tax, motor vehicle fee, and interest on investments.

Parks and Recreation Fund

The Parks and Recreation Fund is primarily responsible for the maintenance of the six community parks covering approximately 120 acres and including seven playgrounds, a public swimming pool, and tennis courts. The fund is also responsible for the administration of various programs including soccer, day camp, t-ball, youth volleyball, karate, flag football, coed volleyball, women's volleyball, men's softball, women's softball, coed softball, aerobics, girls' softball, youth basketball, etc.

The Parks and Recreation Fund is financed by the collection of program fees, activity cards, swimming pool pass sales, sale of concessions, a percentage of general property taxes collected by the City, a use tax, and special purpose sales taxes.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL ACCOUNTING (Continued)

Governmental Funds (Continued)

Major Special Revenue Funds (Continued)

Street Improvement Fund

The Street Improvement Fund accounts for sales tax revenue approved for street improvement projects. The revenue is also used for the payment and principal interest related to certificates of participation and for other street repair and maintenance projects funded on an annual basis.

Fire Protection Fund

The Fire Protection Fund is responsible for all capital purchases, as well as the operations and maintenance of the Fire Department. The Fund will receive special purpose sales tax, and periodically, will receive grants for specific purchases. In addition, the Fund will be supported with transfers from the General Fund as determined necessary.

Pool Improvement Fund

The Pool Improvement Fund accounts for sales tax revenue approved for pool improvement projects. The revenue is also used for the payment and principal interest related to certificates of participation and for other pool repair and maintenance projects funded on an annual basis.

Nonmajor Special Revenue Funds

Cemetery Fund

The Cemetery Fund is responsible for the operation and maintenance of Englewood Cemetery. All expenses related to manpower and equipment are shown in the Cemetery Fund.

Revenues for the Cemetery Fund are derived from the sale of cemetery lots and burial fees. The fund is also subsidized by the General Fund of the City.

Area Transportation Service Fund

The Area Transportation Service Fund (ATS) was established in the late 1970s to provide public transportation to persons of all ages within the city limits of the City of Clinton, Missouri. The service provides safe, convenient, and affordable transportation service, including meeting the needs of the handicapped. The ATS is subsidized by the General Fund with additional revenues from Missouri Department of Transportation grants, federal transit grants, and fees paid by riders.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL ACCOUNTING (Continued)

Proprietary Funds

Proprietary funds are used to account for activities that are financed and operated in a manner similar to private business enterprises - where the stated intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges - or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Amounts reported as program revenues include (1) charges to customers or applications for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

Sewer Fund

This Fund is used to account for the provision of sanitary sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this Fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

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

Governmental fund 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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION
(Continued)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, interest and principal on general long-term debt are recognized when due, or when payments are due early in the next fiscal year.

Property tax, sales tax, gasoline tax, motor vehicle tax, interest, and revenues from other governmental units associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

D. POOLED CASH AND INVESTMENTS

Cash resources of the individual governmental fund types are combined to form a pool of cash and cash equivalents. At September 30, 2022, the City's cash was deposited in demand accounts, certificates of deposit, and money market funds held by a trustee. Interest income on pooled cash and investments is allocated based upon each fund's respective cash balance. The City's policy is to carry all investments at fair value as opposed to amortized cost. State statutes authorize the City to invest in banking institutions and obligations of municipalities within the state, repurchase agreements, and obligations of the U.S. Treasury.

Certain proceeds of federal grants are classified as restricted assets on the balance sheet because their use is limited by applicable grant agreements. Assets are also restricted for refunding customer meter deposits and for sewer capital expenditures.

E. STATEMENT OF CASH FLOWS

A statement of cash flows has been presented in accordance with Governmental Accounting Standards Board (GASB) Statement 9 for the proprietary fund. For purposes of the statement of cash flows, demand deposits and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

F. INTERFUND TRANSACTIONS

During the course of normal operations, the City has transactions between funds, including expenditures and transfers of resources, to provide services and construct assets. Legally authorized transfers are included in the fund financial statements of both governmental and proprietary funds.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. PREPAID ITEMS

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

H. CAPITAL ASSETS

Capital assets are expensed when purchased for fund financial statement presentation in governmental funds. Capital assets purchased in the proprietary fund for fund statement presentation and in all government-wide financial statements are reported as an asset, and depreciated. Capital assets, including infrastructure, are defined as assets with an initial cost of \$2,500 or more and an estimated useful life of more than one year.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

General infrastructure assets acquired prior to October 1, 2003, are not reported in the basic financial statements. General infrastructure assets include all roads, bridges, and other infrastructure assets acquired subsequent to October 1, 2003.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

Property, plant, and equipment are depreciated by the City using the straight-line method over the following estimated useful lives:

| | |
|------------------------------------|---------------|
| Building and processing facilities | 20 - 40 years |
| Machinery and equipment | 5 - 20 years |
| Transmission lines and mains | 50 years |
| Streets | 50 years |

I. COMPENSATED ABSENCES

Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The amount of accrued vacation benefits included in the government-wide financial statements, related to governmental activities, for the year ended September 30, 2022, is \$192,716. Business-type activity funds reported accrued vacation benefits for the year ended September 30, 2022, of \$- 0 -.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. LONG-TERM OBLIGATIONS

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt is reported as liabilities in the government-wide statements and proprietary fund type statement of net position.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

K. LEASES

The City adopted GASB Statement 87, *Leases*, on October 1, 2021. A lease liability and a lease asset are recognized at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying assets. The lease liability is measured at the present value of payments expected during the lease term. The lease liability is reduced as payments are made and interest expense is recognized. The lease asset is generally amortized over the term of the lease unless the useful life of the underlying asset is less. This standard did not affect the City's reporting other than note disclosure. The City excludes immaterial leases based on the provisions of GASB 87. As such, no leases qualify for reporting with these requirements.

L. EQUITY CLASSIFICATION

Government-Wide Statements

Equity is classified as net position and displayed in three components:

Net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position consists of net position with constraints placed on the use either by external groups, such as through debt covenants, grantors, contributors, or laws and regulations of other governments, or by law through constitutional provisions or enabling legislation. It is the City's policy to use restricted net position first, prior to the use of unrestricted net position, when a disbursement is paid for the purposes in which both restricted and unrestricted net position are available.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATION (Continued)

Government-Wide Statements (Continued)

Unrestricted net position does not meet the definition of restricted or "net investment in capital assets."

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

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

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

Restricted

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws and regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. Ordinances and resolutions create the most binding constraint equally. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATION (Continued)

Fund Financial Statements (Continued)

Fund Balance Classification (Continued)

Assigned

This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the City Administrator through the budgetary process. Assigned categories are for the purpose as described in the fund title for which they are presented in the fund financial statements.

Unassigned

This classification includes the residual fund balance for the General Fund as it is the only fund that reports a positive, unassigned fund balance. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

M. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the statement of net financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expenditure/expense) until then. The City has several calculations related to its pension plan that qualify for reporting in this category.

In addition to liabilities, the statement of net financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City has several calculations related to its pension plan that qualify for reporting in this category in addition to calculations related to prior refinanced debt.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. USE OF ESTIMATES

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

O. REVENUES

Billings for sewer revenues are rendered monthly. Unbilled revenues from the last billing date to the end of the period are accrued in the period of usage and included in accounts receivable.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 2. POOLED CASH AND INVESTMENTS

As of September 30, 2022, the carrying amount of the City's pooled cash and investments (including money market accounts and certificates of deposit) was \$14,138,903.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of September 30, 2022, all of the City's deposits with financial institutions were fully insured or collateralized by securities held in the City's name in the form of joint safekeeping receipts. State law requires all funds in depositories to be fully insured or collateralized; and the City's policy is to require depositories to provide pledged securities to cover deposits in excess of Federal Deposit Insurance Corporation (FDIC) limits.

Authorized Investments

1. U.S. Treasury bills, notes, and bonds.
2. Notes and securities of U.S. government agencies not to exceed two years to stated maturity.
3. Repurchase agreements not to exceed 180 days to stated maturity where underlying purchased securities consist of securities of the U.S. government and its agencies.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 2. POOLED CASH AND INVESTMENTS (Continued)

Authorized Investments (Continued)

4. Certificates of deposit or other interest-bearing accounts issued by commercial banks and savings institutions collateralized at 100%.
5. Banker's acceptances not to exceed 180 days to stated maturity. No more than 20% of the total amount of City funds invested may be invested in banker's acceptances.
6. Commercial paper rated A-1 or P-1 or the equivalent by two nationally recognized rating organizations. No more than 20% of the total amount of City funds invested may be invested in commercial paper.

Investment Policy

The objectives of the City's investment policy, in their order of priority, shall be:

1. Safety of Principal.
2. Liquidity - Investment portfolio shall be structured so securities mature to meet cash needs.
3. Yield - Investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account the foregoing objectives.

NOTE 3. ACCOUNTS RECEIVABLE

As a result of providing sanitation services to its citizens, the City has extended credit to them. The accounts receivable balance at September 30, 2022, is \$180,077 and is presented net of a \$300 allowance for doubtful accounts.

NOTE 4. RESTRICTED CASH AND INVESTMENTS

Restricted cash and investments at September 30, 2022, consisted of the following:

| Account | General Fund | Fire Protection Fund | Street Improvement Fund | Pool Improvement Fund | Enterprise Fund |
|---------------------------------------|------------------|----------------------------|-------------------------------|-----------------------------|--------------------|
| Held for other entities | 277,039 | | | | |
| Restricted for capital outlay | 477,218 | 374,991 | 737,809 | 630,961 | |
| Restricted for federal grant | 1,754,158 | | | | |
| Restricted for customers' deposits | | | | | 12,140 |
| | <u>2,508,415</u> | <u>374,991</u> | <u>737,809</u> | <u>630,961</u> | <u>12,140</u> |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022, was as follows:

| | Balance October 1, 2021 | Increases | Decreases | Balance September 30, 2022 |
|--|-------------------------------|--------------------|--------------------|----------------------------------|
| <u>Governmental Activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Construction in progress | 3,839,626 | 1,575,476 | (3,941,822) | 1,473,280 |
| Land | 2,428,708 | | | 2,428,708 |
| Total capital assets, not being depreciated | <u>6,268,334</u> | <u>1,575,476</u> | <u>(3,941,822)</u> | <u>3,901,988</u> |
| Capital assets, being depreciated | | | | |
| Buildings and improvements | 17,095,537 | 795,509 | | 17,891,046 |
| Infrastructure | 10,782,422 | 3,941,822 | | 14,724,244 |
| Machinery and equipment | 5,630,879 | 516,829 | (120,380) | 6,027,328 |
| Total capital assets, being depreciated | <u>33,508,838</u> | <u>5,254,160</u> | <u>(120,380)</u> | <u>38,642,618</u> |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | (8,301,367) | (507,064) | | (8,808,431) |
| Infrastructure | (2,235,609) | (292,058) | | (2,527,667) |
| Machinery and equipment | (3,618,949) | (613,423) | 120,380 | (4,111,992) |
| Total accumulated depreciation | <u>(14,155,925)</u> | <u>(1,412,545)</u> | <u>120,380</u> | <u>(15,448,090)</u> |
| Total capital assets being depreciated, net | <u>19,352,913</u> | <u>3,841,615</u> | | <u>23,194,528</u> |
| Governmental activities capital assets, net | <u>25,621,247</u> | <u>5,417,091</u> | <u>(3,941,822)</u> | <u>27,096,516</u> |
| <u>Business-Type Activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Construction in progress | 134,438 | 64,315 | | 198,753 |
| Land | 124,415 | | | 124,415 |
| Total capital assets, not being depreciated | <u>258,853</u> | <u>64,315</u> | | <u>323,168</u> |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (Continued)

| | Balance October 1, 2021 | Increases | Decreases | Balance September 30, 2022 |
|---|-------------------------------|------------------|-----------------|----------------------------------|
| <u>Business-Type Activities (Continued)</u> | | | | |
| Capital assets, being depreciated | | | | |
| Buildings and improvements | 5,612,194 | | | 5,612,194 |
| Infrastructure | 13,591,952 | | | 13,591,952 |
| Machinery and equipment | <u>2,003,130</u> | <u>144,754</u> | <u>(17,237)</u> | <u>2,130,647</u> |
| Total capital assets, being depreciated | <u>21,207,276</u> | <u>144,754</u> | <u>(17,237)</u> | <u>21,334,793</u> |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | (4,606,766) | (104,028) | | (4,710,794) |
| Infrastructure | (6,544,537) | (270,180) | | (6,814,717) |
| Machinery and equipment | <u>(1,690,471)</u> | <u>(104,744)</u> | <u>17,237</u> | <u>(1,777,978)</u> |
| Total accumulated depreciation | <u>(12,841,774)</u> | <u>(478,952)</u> | <u>17,237</u> | <u>(13,303,489)</u> |
| Total capital assets, being depreciated, net | <u>8,365,502</u> | <u>(334,198)</u> | | <u>8,031,304</u> |
| Business-type activities capital assets, net | <u>8,624,355</u> | <u>(269,883)</u> | | <u>8,354,472</u> |

The following table summarizes the depreciation by function for the year ended September 30, 2022:

| | Governmental Funds | Proprietary Fund |
|-------------------------|-----------------------|---------------------|
| General government | 102,610 | |
| Public Safety | 407,073 | |
| Airport | 188,730 | |
| Streets | 179,125 | |
| Park and Recreation | 499,426 | |
| Cemetery operations | 9,222 | |
| Sanitation | 1,793 | |
| Transportation services | 14,061 | |
| Industrial park | 10,505 | |
| Water and Sewer | | <u>478,952</u> |
| | <u>1,412,545</u> | <u>478,952</u> |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION PLAN

Plan Description

The City of Clinton, Missouri, contributes to the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multi-employer, statewide public employee retirement plan for units of local government which is legally separate and fiscally independent of the state of Missouri. LAGERS was established in 1967 and is administered in accordance with RSMo. 70.600-70.755. At September 30, 2022, there were 838 participating political subdivisions.

Responsibility for the operation and administration of the plan is vested in the LAGERS Board of Trustees consisting of seven persons. Three trustees are elected by the employees who participate in the system, three trustees are elected by the members of the governing bodies of those political subdivisions which participate in the system, and one trustee is appointed by the governor. The regular term of office for members of the LAGERS Board of Trustees is four years. Members of the LAGERS Board of Trustees serve without compensation with respect to their duties, but are reimbursed by LAGERS for their actual and necessary expenses incurred in the performance of their duties.

For the City's year ending September 30, 2022, the net pension asset is based on an actuarial valuation performed as of February 28, 2022, and a measurement date of June 30, 2022.

Benefits Provided

LAGERS provides retirement, death, and disability benefits to employees of participating political subdivisions. All benefits vest after 5 years of service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program then in effect for their political subdivision. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance. The LAGERS Board of Trustees establishes the benefit plans and provisions that are available for adoption. The political subdivision's governing body adopts all benefits of the plan. 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.

At the date the actuarial valuation was performed, the City had 63 active employees, 28 inactive employees entitled to, but not yet receiving benefits, and 61 retirees (or their beneficiaries) who are currently receiving benefits.

Contributions

Each participating unit of government is obligated by state law to make all required contributions to the plan. The required contributions are actuarially determined using the individual entry-age actuarial cost method. There are no long-term contracts for contributions to the plan. All actuarial liabilities are amortized over a period of 30 years or less.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION PLAN (Continued)

Contributions (Continued)

Administrative costs of LAGERS are financed through investment earnings of the system. Employee contributions are determined at the election of the governing body of the local government. Should the governing body elect to participate in the contributory plan, all employees must contribute 4% of their gross salary. The governing body may elect to participate in the noncontributory plan which would result in no employee contributions.

Actuarial Assumptions

The pension liability for the June 30, 2022, measurement date was determined using the following actuarial assumptions applied to the measurement:

| | |
|-------------------------------|--|
| Actuarial Cost Method | Entry Age Normal and Modified Terminal Funding |
| Amortization Method | A level percentage of payroll amortization method is used to amortize the Unfunded Actuarial Accrued Liability (UAAL) over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period of (ii) 15 years. |
| Remaining Amortization Period | Multiple bases from 15 - 16 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% (7.15% for fire) including wage inflation |
| Investment Rate of Return | 7.00%, 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 postretirement 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 the PubS-2010 Employee Mortality Table for males and females of the police and fire groups. |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

| | |
|-----------------------|--|
| Mortality (Continued) | 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 |

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments, and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits). The expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.69% (based on the weekly rate closest to but not later than the measurement date of the "20-Year Municipal GO AA Index" rate from Fidelity); and the resulting single discount rate is 7.00% for the General, Police, and Fire Divisions.

This rate considers the ability of the plan to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses, and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the preceding paragraph.

LAGERS has provided tables to the City that provide background for the development of the single discount rate. These tables are described as follows:

The Projection of Contributions table shows the development of expected contributions in future years. Normal cost contributions for future hires are not included (nor are their liabilities).

The Projection of Plan Fiduciary Net Position table shows the development of expected asset levels in future years.

The Present Values of Projected Benefit Payments table shows the development of the Single Discount Rate (SDR). It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION PLAN (Continued)

Assumed Asset Allocation

Activities undertaken by LAGERS Investment Team include setting and implementing investment strategies; appointing and dismissing investment managers; monitoring investment allocation, liquidity, and performance; and ensuring safekeeping of assets.

To achieve the goal of a 7.25% long-term rate of return, LAGERS Investment Team sets an investment strategy which is devised after analyzing the long-term view of the market and consulting with LAGERS' Board of Trustees.

The assumed asset allocation is as follows:

| | |
|--------------------|-------|
| Equities | 25.0% |
| Fixed income | 27.7% |
| Real assets/return | 31.8% |
| Strategic | 6.3% |
| Alpha* | 9.2% |

* Alpha Portfolio allocation is based on a volatility adjusted exposure targeting 8% overall.

Pension Liability Sensitivity

The following table presents the net pension asset (liability) for the City's proportionate share of the net pension asset (liability) as of the measurement date of June 30, 2022, calculated using the discount rate of 7.00%, as well as what the pension plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

| | 1.00% Decrease (6.00%) | Current Rate (7.00%) | 1.00% Increase (8.00%) |
|------------------|------------------------------|----------------------------|------------------------------|
| General Division | 551,807 | (257,868) | (932,615) |
| Police Division | 345,647 | (460,906) | (1,115,323) |
| Fire Division | 504,238 | (39,509) | (488,098) |
| Total | <u>1,401,692</u> | <u>(758,283)</u> | <u>(2,536,036)</u> |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION PLAN (Continued)

Deferred Outflows and Inflows of Resources

The balances of deferred outflows and inflows of resources to be recognized in future pension expense consists of the following:

Deferred Outflows of Resources

| | |
|---|----------------|
| Differences between expected and actual experience | 246,189 |
| Changes in assumptions | 4,191 |
| Employer contributions subsequent to the measurement date - June 30, 2022 | 91,303 |
| | <u>341,683</u> |

Deferred Inflows of Resources

| | |
|--|------------------|
| Changes in assumptions | (130,843) |
| Net difference between projected and actual earnings on pension plan investments | (344,466) |
| Differences between expected and actual experience | (88,086) |
| | <u>(563,395)</u> |

| | |
|--|------------------|
| Net deferred outflows (inflows) of resources | <u>(221,712)</u> |
|--|------------------|

\$91,303 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023.

Net deferred outflows (inflows) of resources by year to be recognized in future pension expenses:

| Year Ending September 30, | Net deferred outflows (inflows) of resources |
|------------------------------|--|
| 2023 | (147,024) |
| 2024 | (143,333) |
| 2025 | (277,224) |
| 2026 | 235,917 |
| 2027 | 12,091 |
| Thereafter | 6,558 |
| | <u>(313,015)</u> |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION PLAN (Continued)

Changes in Net Pension Liability

| | |
|---|-------------------------|
| Total Pension Liability | |
| Service cost | 319,905 |
| Interest on total pension liability | 988,398 |
| Difference between expected and actual experience of the total pension liability | 152,045 |
| Benefit payments, including refunds of employee contributions | <u>(679,052)</u> |
| Net change in total pension liability | 781,296 |
| Total pension liability - beginning | <u>14,296,507</u> |
| Total pension liability - ending | <u>15,077,803</u> |
| | |
| Plan Fiduciary Net Position | |
| Contributions - employer | 337,200 |
| Contributions - employee | 116,276 |
| Net investment income | 15,302 |
| Benefit payments, including refunds of employee contributions | (679,052) |
| Pension plan administrative expense | (16,241) |
| Other | <u>(80,003)</u> |
| Net change in fiduciary net position | (306,518) |
| Plan fiduciary net position - beginning | <u>16,142,604</u> |
| Plan fiduciary net position - ending | <u>15,836,086</u> |
| | |
| Net Pension Liability (Asset) | <u><u>(758,283)</u></u> |

Pension Plan Fiduciary Net Position

Additional financial and actuarial information supporting the preparation of the schedule of changes in fiduciary net position is included in the System's Comprehensive Annual Financial Report for the year ended June 30, 2022. The Comprehensive Annual Financial Report can be obtained at www.molagers.org or from Missouri Local Area Government Employee Retirement System (LAGERS), P.O. Box 1665, Jefferson City, Missouri, 65102.

NOTE 7. INSURANCE

The City is a member of Missouri Rural Services Workers' Compensation Insurance Trust (MRSWCIT), a not-for-profit corporation consisting of governmental entities incorporated in 1984 to acquire insurance for its members.

MRSWCIT operates as a purchasing pool and is not a joint venture activity of the City. The City has no control over budgeting, financing, management selection, or the governing body.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 7. INSURANCE (Continued)

MRSWCIT provides both conventional and self-insurance coverage for its members including medical, dental, property, casualty, general liability, and workers' compensation. The City participates in workers' compensation insurance coverages.

MRSWCIT manages the cash and investment pool, funded by insurance premiums, on behalf of its members. MRSWCIT's investment pool consists of interest-bearing deposits, U.S. Treasury STRIPS, U.S. government agency obligations, and collateralized mortgage obligations.

In the event that a deficit occurs with respect to any fiscal year of MRSWCIT for which the City was a participant at any time during such year, and in the event that MRSWCIT determines that an assessment is required in order to provide additional funds for the obligations of MRSWCIT for such year, and further in the event that the City was covered by the types of benefits requiring the assessment during the time period in which the assessment arose, the City is obligated to pay its pro rata share of any such assessment, irrespective of whether or not the City is a member of MRSWCIT at the time of such assessment. Management of the City is not aware of any deficit situation in MRSWCIT, which would require an accrual of a liability as of September 30, 2022.

MRSWCIT's financial statements are presented in its Comprehensive Annual Financial Report for the year ended September 30, 2022.

NOTE 8. CONTINGENCIES

The City participates in certain federal and state-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

The City is exposed to various risks of loss from fire, explosion, or other hazards and manages risks through the purchase of commercial insurance other than the workers' compensation insurance.

NOTE 9. COMPLIANCE WITH MISSOURI STATUTES

Missouri House Bill No. 103 amending RSMo Section 302.341.2 became effective on August 28, 2013. The amendments to the statute now require municipalities to report an accounting of the percent of "annual general operating revenue" from fines and costs for traffic violations.

| | |
|--|-----------|
| Fines and costs for traffic violations | 25,567 |
| Annual general operating revenues | 4,789,086 |
| Fines and costs for traffic violations as a percentage of annual general operating revenue | 0.5% |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 10. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets at September 30, 2022, consisted of the following:

| | General Fund | Enterprise Fund |
|-----------------------------|-----------------|--------------------|
| Clinton Housing Authority | 8,712 | |
| Restitution | 2,415 | |
| D.A.R.E | (299) | |
| Judicial education | (825) | |
| LET fees | 8,559 | |
| DEA | 4,830 | |
| DHS | 110 | |
| 100-year capsule | 393 | |
| Fire damage | 242,031 | |
| Appointed counsel | 250 | |
| Police Department donations | 7,911 | |
| Show Me Courts | 2,952 | |
| Customer meter deposits | | <u>12,140</u> |
| Total | <u>277,039</u> | <u>12,140</u> |

NOTE 11. LONG-TERM DEBT

Governmental Activities

Changes in the debt for the year ended September 30, 2022, consisted of the following:

| | Balance October 1, 2021 | Additions | Retirements | Balance September 30, 2022 | Due in One Year |
|-------------------------------|-------------------------------|------------------|------------------|----------------------------------|-----------------------|
| From direct borrowings | | | | | |
| Capital lease obligations | 6,621,829 | | 6,621,829 | | |
| Certificates of participation | | 8,415,000 | | 8,415,000 | 720,000 |
| COP's premium | | 530,053 | | 530,053 | 33,128 |
| Loans | 446,548 | | 446,548 | | |
| Compensated absences | 186,448 | 192,716 | 186,448 | 192,716 | 192,716 |
| Total governmental debt | <u>7,254,825</u> | <u>9,137,769</u> | <u>7,254,825</u> | <u>9,137,769</u> | <u>945,844</u> |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 11. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

At September 30, 2022, the long-term debt consisted of the following:

Compensated Absences

Compensated absences are payable upon separation from employment which could occur at any time and are, therefore, considered payable within one year and are liquidated by the governmental fund responsible for generating the liability. The liability is allocated to each fund as follows:

| | |
|-----------------|----------------|
| General | 95,199 |
| Fire Protection | 34,478 |
| Street | 19,204 |
| Parks | 35,899 |
| Other nonmajor | 7,936 |
| | <u>192,716</u> |

Direct Borrowing Arrangements

Capital Lease Obligations

On September 1, 2020, the City entered into an agreement with Hawthorn Bank for the purchase of a pumper truck. The lease qualified as a capital lease for financial reporting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The cumulative amount of assets acquired under the capital lease described above amounted to \$540,000. This obligation was paid off with the issuance of Refunding and Improvement Certificates of Participation, Series 2022, described below.

On April 10, 2015, the City entered into a capital lease agreement for an energy efficient capital project. The lease qualified as a capital lease for financial reporting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The cumulative amount of assets acquired under the capital lease described above amounted to \$2,292,430. This obligation was paid off with the issuance of Refunding and Improvement Certificates of Participation, Series 2022, described below.

On May 15, 2018, the City entered into a capital lease agreement with U.S. Bancorp Government Leasing and Finance, Inc., for the purchase of a new fire truck. The lease qualified as a capital lease for financial reporting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. Under the terms of this lease, payments are due in May through the year 2027. This obligation was paid off with the issuance of Refunding and Improvement Certificates of Participation, Series 2022, described below.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 11. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Direct Borrowing Arrangements (Continued)

Capital Lease Obligations (Continued)

On August 25, 2017, the City entered into a capital lease agreement to fund various improvements. The lease qualified as a capital lease for financial reporting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. Remaining funds, which total \$3,435,905, are in an escrow account held by a third party. The funds will be disbursed in accordance with the escrow agreement to pay for costs of the projects including costs of issuance. This obligation was paid off with the issuance of Refunding and Improvement Certificates of Participation, Series 2022, described below.

The terms of these direct borrowing arrangements include provisions that if the City fails to pay any lease payment under the property schedule at the specified time, the lessor may declare all lease payments and other amounts payable by the City to be due and such amounts shall bear interest at applicable stated rates or the maximum rate permitted by applicable law, whichever is less. The leases are secured by the property purchased using the funds.

Loans

On April 2, 2019, the City entered into a lending agreement with the Missouri Transportation Finance Corporation (MTFC) to fund street improvements. The City borrowed a total of \$500,000 at an interest rate of 3.00%. The debt requires semi-annual interest and principal payments starting October 2019 through April 2034.

Per the loan terms, the City will be in default of the direct borrowing agreement if they fail to make a payment when due, if construction isn't completed within the time scheduled, if there is a default in the due observance or performance of any other covenant/agreement in the contract and/or if the City admits in writing its inability to pay its debts or files a petition in bankruptcy. Remedies on default include an accelerated payment due date whereby with written notice, the MTFC can declare the entire loan balance, including principal and interest amounts outstanding as of the date of the notice, to be immediately due and payable within 30 days from the date of declaration. This default can be cured if the City cures the event of default prior to the accelerated due date. In that case, the payment schedule will be adjusted accordingly to reflect a new payment date, and amount of future payments and remaining balances.

The security for the loan is a security interest in applicable federal or state funds due to the City that pass through, or are administered by, the Commission or the Missouri Department of Transportation. This obligation was paid off with the issuance of Refunding and Improvement Certificates of Participation, Series 2022, described below.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 11. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Direct Borrowing Arrangements (Continued)

Certificates of Participation

On February 1, 2022, the City issued Refunding and Improvement Certificates of Participation, Series 2022, in the amount of \$8,415,000 for the purpose of refunding current debt of the City and to provide additional funding for an improvement project. Interest at the rate of 3.00% is payable semi-annually beginning June 1, 2022, with annual principal payments beginning December 1, 2022, until maturity at December 1, 2037.

Payments to maturity on the certificates of participation are as follows:

| Years Ending September 30, | Principal | Interest | Total |
|-------------------------------|------------------|------------------|-------------------|
| 2023 | 720,000 | 241,650 | 961,650 |
| 2024 | 770,000 | 219,300 | 989,300 |
| 2025 | 800,000 | 195,750 | 995,750 |
| 2026 | 830,000 | 171,300 | 1,001,300 |
| 2027 | 850,000 | 146,100 | 996,100 |
| 2028 - 2032 | 2,655,000 | 452,175 | 3,107,175 |
| 2033 - 2037 | <u>1,790,000</u> | <u>160,800</u> | <u>1,950,800</u> |
| | <u>8,415,000</u> | <u>1,587,075</u> | <u>10,002,075</u> |

NOTE 12. PROPERTY TAXES

The assessed valuation of the tangible property for the purpose of local taxation for the calendar year 2022, was as follows:

| | |
|-------------------|--------------------|
| Real estate | 132,699,380 |
| Personal property | <u>33,413,669</u> |
| Total | <u>166,113,049</u> |

The tax levy per \$100 of assessed valuation of tangible real and personal property for the calendar year 2022 was as follows:

| | |
|---------------------------|---------------|
| General Fund | 0.4633 |
| Parks and Recreation Fund | <u>0.1297</u> |
| Total | <u>0.5930</u> |

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY TAXES (Continued)

Property taxes may attach as an enforceable lien on property as of January 1. Taxes are levied no later than November 1 and are due and payable at that time. All unpaid taxes levied by November 1 become delinquent January 1 of the following year.

NOTE 13. INTERFUND TRANSACTIONS

Transfers during the year ended September 30, 2022, were as follows:

| | Transfers in | | | | | Total |
|-----------------------|----------------------------|--------------------|----------------|----------------|--------------------------|------------------|
| | Parks and Recreation | Fire Protection | Street | General | Nonmajor Governmental | |
| Transfers out | | | | | | |
| General | 3,780 | 750,000 | | | 198,206 | 951,986 |
| Fire Protection | | | | 477,011 | | 477,011 |
| Street improvement | | | 160,473 | | | 160,473 |
| Street | | | | 2,547 | | 2,547 |
| Parks and Recreation | | | | 138,194 | | 138,194 |
| Nonmajor governmental | 3,750 | | 775 | 997 | | 5,522 |
| Total | <u>7,530</u> | <u>750,000</u> | <u>161,248</u> | <u>618,749</u> | <u>198,206</u> | <u>1,735,733</u> |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 14. AIRPORT CONTRACT

On April 16, 2013, the City amended its long-term agreement with the Clinton Airport Association, Inc. (the Association), whereby the City pays an operating subsidy of \$105,000 per year to the Association, and in return the Association operates the City-owned airport.

Semi-annual payments of \$52,500 are made each January 1 and July 1. This amendment commenced May 1, 2013, and extends through September 30, 2050. All revenues and expenditures related to airport operations are the responsibility of the Association, although the City has agreed to maintain and repair the runways, taxiways, aircraft parking area, and roadway leading from the public highway to the airport, and other maintenance as required by the Federal Aviation Administration (FAA). At the termination of the lease, the City will acquire from the Association, any airport capital improvements constructed by the Association. The operating subsidy may be modified only by written agreement between the parties by May 31 of such year, and such modifications would be effective on the following October 1.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 14. AIRPORT CONTRACT (Continued)

As of September 30, 2022, a schedule of future minimum operating subsidy payments required under the above is as follows:

| Years Ending September 30, | |
|-------------------------------|------------------|
| 2023 | 105,000 |
| 2024 | 105,000 |
| 2025 | 105,000 |
| 2026 | 105,000 |
| 2027 | 105,000 |
| 2028 - 2032 | 525,000 |
| 2033 - 2037 | 525,000 |
| 2038 - 2042 | 525,000 |
| 2043 - 2047 | 525,000 |
| 2048 - 2050 | 315,000 |
| | <u>2,940,000</u> |

NOTE 15. SEWER CONTRACT

On September 15, 2020, the City entered into an agreement with Alliance Water Resources, Inc., whereby the City pays an operating subsidy of \$647,064 the first year with 2% increases each year thereafter for the term of the contract which begins October 1, 2020, through September 30, 2025. The operating subsidy may be modified if agreed between both parties. Alliance Water Resources, Inc., will perform management, operation, and maintenance services for the City's wastewater collection, treatment, and compost facilities.

As of September 30, 2022, a schedule of future minimum operating subsidy payments required under the above is as follows:

| Year Ending September 30, | |
|------------------------------|------------------|
| 2023 | 673,205 |
| 2024 | 686,669 |
| 2025 | 700,402 |
| | <u>2,060,277</u> |

NOTE 16. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan (the Plan) in accordance with Internal Revenue Code Section 457. The Plan permits employees to defer a portion of their salary until future years.

CITY OF CLINTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 16. DEFERRED COMPENSATION PLAN (Continued)

The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the Plan are held in a trust for the exclusive benefit of plan participants and their beneficiaries and are not subject to the claims of creditors. Compensation deferred under the Plan is invested at the direction of the covered employee.

During 1998, the City adopted GASB Statement 32, *Accounting and Reporting for Internal Revenue Code 457 Deferred Compensation Plans*.

As a result of this change, the City reported the deferred compensation plan as an expendable trust fund instead of an agency fund in its annual financial statements. However, in 1999, it was determined that the City does not act in a fiduciary capacity with respect to the Plan investments. Accordingly, effective in 1999, the Plan assets are not reported in the City's financial statements.

NOTE 17. SUBSEQUENT EVENT

In preparing the financial statements, the City has evaluated events and transactions for potential recognition or disclosure through March 27, 2023, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CLINTON, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2022

| | General Fund | | | Variance Positive (Negative) |
|---|--------------------|--------------------|------------------|------------------------------------|
| | Original Budget | Final Budget | Actual | |
| REVENUES | | | | |
| Charges for services | | | | |
| Property | 783,595 | 783,595 | 775,306 | (8,289) |
| Sales | 2,031,000 | 2,031,000 | 2,306,455 | 275,455 |
| Franchise | 919,600 | 919,600 | 1,006,808 | 87,208 |
| Other | 153,040 | 153,040 | 190,330 | 37,290 |
| Charges for services | 226,625 | 226,625 | 273,251 | 46,626 |
| Fines and forfeitures | 63,800 | 63,800 | 88,927 | 25,127 |
| Intergovernmental | 724,804 | 724,804 | 919,628 | 194,824 |
| Interest | 17,800 | 17,800 | 57,393 | 39,593 |
| Miscellaneous | 16,648 | 16,648 | 32,399 | 15,751 |
| Total revenues | <u>4,936,912</u> | <u>4,936,912</u> | <u>5,650,497</u> | <u>713,585</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 585,503 | 669,953 | 809,099 | (139,146) |
| Public Safety | 2,310,199 | 2,345,199 | 2,145,432 | 199,767 |
| Economic Development | 328,862 | 391,962 | 366,170 | 25,792 |
| Airport | 192,041 | 192,041 | 182,226 | 9,815 |
| Sanitation | 182,323 | 202,323 | 218,077 | (15,754) |
| Streets | 9,764 | 9,764 | 8,150 | 1,614 |
| Capital outlay | 779,186 | 1,198,205 | 860,181 | 338,024 |
| Debt service | | | | |
| Principal | 139,776 | 1,587,713 | 1,448,618 | 139,095 |
| Interest and fiscal fees | 37,396 | 37,396 | 72,077 | (34,681) |
| Total expenditures | <u>4,565,050</u> | <u>6,634,556</u> | <u>6,110,030</u> | <u>524,526</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | <u>371,862</u> | <u>(1,697,644)</u> | <u>(459,533)</u> | <u>1,238,111</u> |

CITY OF CLINTON, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED SEPTEMBER 30, 2022

| | General Fund | | | Variance Positive (Negative) |
|--|--------------------|--------------------|------------------|------------------------------------|
| | Original Budget | Final Budget | Actual | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Debt issuance | | 1,370,000 | 1,370,000 | |
| Debt premium | | 86,295 | 86,295 | |
| Debt issuance costs | | (8,358) | (8,358) | |
| Transfers in | 177,172 | 177,172 | 618,749 | 441,577 |
| Transfers out | (1,121,667) | (1,121,667) | (951,986) | 169,681 |
| Total other financing sources (uses) | <u>(944,495)</u> | <u>503,442</u> | <u>1,114,700</u> | <u>611,258</u> |
| NET CHANGE IN FUND BALANCE | <u>(572,633)</u> | <u>(1,194,202)</u> | 655,167 | <u>1,849,369</u> |
| BUDGETARY FUND BALANCE, beginning of year | | | <u>3,637,825</u> | |
| BUDGETARY FUND BALANCE, end of year | | | 4,292,992 | |
| Accrual adjustments | | | <u>538,756</u> | |
| FUND BALANCE, end of year | | | <u>4,831,748</u> | |

See accompanying notes to budgetary comparison schedules.

CITY OF CLINTON, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2022

| | Street Fund | | | | Street Improvement Fund | | | |
|--|-----------------|------------------|------------------|------------------------------|-------------------------|------------------|------------------|------------------------------|
| | Original Budget | Final Budget | Actual | Variance Positive (Negative) | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | | | | | | |
| Taxes | | | | | | | | |
| Sales | 880,076 | 880,076 | 955,689 | 75,613 | 507,750 | 507,750 | 526,397 | 18,647 |
| Licenses, fees, and permits | 950 | 950 | 160 | (790) | | | | |
| Interest | 4,350 | 4,350 | 9,757 | 5,407 | 2,976 | 2,976 | 9,118 | 6,142 |
| Miscellaneous | | | 47,851 | 47,851 | | | | |
| Total revenues | <u>885,376</u> | <u>885,376</u> | <u>1,013,457</u> | <u>128,081</u> | <u>510,726</u> | <u>510,726</u> | <u>535,515</u> | <u>24,789</u> |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| Streets | 825,718 | 1,134,510 | 1,076,051 | 58,459 | | | | |
| Capital outlay | 97,458 | 324,509 | 108,787 | 215,722 | 571,168 | 571,168 | 534,781 | 36,387 |
| Debt service - principal | 28,557 | 28,557 | 446,547 | (417,990) | 195,000 | 195,000 | 4,130,000 | (3,935,000) |
| Debt service - interest and fees | 13,187 | 13,187 | 14,158 | (971) | 137,581 | 137,581 | 216,781 | (79,200) |
| Total expenditures | <u>964,920</u> | <u>1,500,763</u> | <u>1,631,385</u> | <u>(130,622)</u> | <u>903,749</u> | <u>903,749</u> | <u>4,881,562</u> | <u>(3,977,813)</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (79,544) | (615,387) | (617,928) | (2,541) | (393,023) | (393,023) | (4,346,047) | (3,953,024) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Debt issuance | | | 410,000 | 410,000 | 207,000 | 207,000 | 3,985,000 | 3,985,000 |
| Debt premium | | | 25,826 | | | | 251,011 | 44,011 |
| Debt issuance costs | | | (92) | | | | (106,540) | (106,540) |
| Transfers in | | | 161,248 | 161,248 | | | | |
| Transfers out | (12,772) | (12,772) | (2,547) | 10,225 | | | (160,473) | (160,473) |
| Total other financing sources (uses) | <u>(12,772)</u> | <u>(12,772)</u> | <u>594,435</u> | <u>607,207</u> | <u>207,000</u> | <u>207,000</u> | <u>3,968,998</u> | <u>3,761,998</u> |
| NET CHANGE IN FUND BALANCE | <u>(92,316)</u> | <u>(628,159)</u> | <u>(23,493)</u> | <u>604,666</u> | <u>(186,023)</u> | <u>(186,023)</u> | <u>(377,049)</u> | <u>(191,026)</u> |
| BUDGETARY FUND BALANCE, beginning of year | | | 800,416 | | | | 1,855,297 | |
| BUDGETARY FUND BALANCE, end of year | | | 776,923 | | | | 1,478,248 | |
| Accrual adjustments | | | (36,466) | | | | 89,728 | |
| FUND BALANCE, end of year | | | <u>740,457</u> | | | | <u>1,567,976</u> | |

CITY OF CLINTON, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2022

| | Parks and Recreation Fund | | | | Fire Protection Fund | | | |
|--|---------------------------|------------------|------------------|------------------------------|----------------------|--------------------|--------------------|------------------------------|
| | Original Budget | Final Budget | Actual | Variance Positive (Negative) | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | | | | | | |
| Taxes | | | | | | | | |
| Property | 219,405 | 219,405 | 215,172 | (4,233) | | | | |
| Sales | 1,063,608 | 1,063,608 | 1,336,462 | 272,854 | 507,750 | 507,750 | 550,482 | 42,732 |
| Charges for services | 177,300 | 177,300 | 206,901 | 29,601 | | | | |
| Interest | 2,300 | 2,300 | 5,739 | 3,439 | | | | |
| Intergovernmental | 37,500 | 37,500 | 348,825 | 311,325 | 12,000 | 12,000 | 25,311 | 13,311 |
| Miscellaneous | 59,930 | 59,930 | 53,849 | (6,081) | | | 2,719 | 2,719 |
| Total revenues | <u>1,560,043</u> | <u>1,560,043</u> | <u>2,166,948</u> | <u>606,905</u> | <u>519,750</u> | <u>519,750</u> | <u>578,512</u> | <u>58,762</u> |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| Public safety | | | | | 1,167,435 | 1,167,435 | 1,069,740 | 97,695 |
| Parks and Recreation | 1,315,487 | 1,444,187 | 1,414,645 | 29,542 | | | | |
| Debt service - principal | | | | | 183,283 | 183,283 | 1,043,211 | (859,928) |
| Debt service - interest and fees | | | | | 47,278 | 47,278 | 46,079 | 1,199 |
| Capital outlay | <u>189,000</u> | <u>448,855</u> | <u>429,944</u> | <u>18,911</u> | <u>6,000</u> | <u>384,550</u> | <u>384,490</u> | <u>(60)</u> |
| Total expenditures | <u>1,504,487</u> | <u>1,893,042</u> | <u>1,844,589</u> | <u>48,453</u> | <u>1,403,996</u> | <u>1,782,546</u> | <u>2,543,520</u> | <u>(760,974)</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>55,556</u> | <u>(332,999)</u> | <u>322,359</u> | <u>655,358</u> | <u>(884,246)</u> | <u>(1,262,796)</u> | <u>(1,965,008)</u> | <u>(702,212)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Debt issuance | | | | | | | 1,585,000 | 1,585,000 |
| Debt premium | | | | | | | 99,838 | 99,838 |
| Debt issuance costs | | | | | | | (36,398) | |
| Transfers in | 7,500 | 7,000 | 7,530 | 530 | | | 750,000 | 750,000 |
| Transfers out | <u>(138,194)</u> | <u>(138,194)</u> | <u>(138,194)</u> | | | | <u>(477,011)</u> | <u>(477,011)</u> |
| Total other financing sources (uses) | <u>(130,694)</u> | <u>(131,194)</u> | <u>(130,664)</u> | <u>530</u> | | | <u>1,921,429</u> | <u>1,957,827</u> |
| NET CHANGE IN FUND BALANCE | <u>(75,138)</u> | <u>(464,193)</u> | <u>191,695</u> | <u>655,888</u> | <u>(884,246)</u> | <u>(1,262,796)</u> | <u>(43,579)</u> | <u>1,219,217</u> |
| BUDGETARY FUND BALANCE, beginning of year | | | <u>155,537</u> | | | | <u>508,298</u> | |
| BUDGETARY FUND BALANCE, end of year | | | <u>347,232</u> | | | | <u>464,719</u> | |
| Accrual adjustments | | | <u>396,686</u> | | | | <u>(1,999)</u> | |
| FUND BALANCE, end of year | | | <u>743,918</u> | | | | <u>462,720</u> | |

CITY OF CLINTON, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED SEPTEMBER 30, 2022

| | | Pool Improvement Fund | | | |
|---|--------------------------------------|-----------------------|-----------------|-----------|------------------------------------|
| | | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | | | |
| | Taxes | | | | |
| | Sales | | | 70,744 | 70,744 |
| EXPENDITURES | | | | | |
| | Capital outlay | | 35,000 | 529,133 | (494,133) |
| | Debt service - interest and fees | | | 10,650 | (10,650) |
| | Total expenditures | | 35,000 | 539,783 | (504,783) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | | | (35,000) | (469,039) | (434,039) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| | Debt issuance | | 1,065,000 | 1,065,000 | |
| | Debt premium | | 67,083 | 67,083 | |
| | Debt issuance costs | | (32,083) | (32,083) | |
| | Total other financing sources (uses) | | 1,100,000 | 1,100,000 | |
| NET CHANGE IN FUND BALANCE | | | 1,065,000 | 630,961 | (434,039) |
| BUDGETARY FUND BALANCE, beginning of year | | | | | |
| BUDGETARY FUND BALANCE, end of year | | | | 630,961 | |
| Accrual adjustments | | | | 17,976 | |
| FUND BALANCE, end of year | | | | 648,937 | |

See accompanying notes to budgetary comparison schedules.

CITY OF CLINTON, MISSOURI
NOTES TO THE BUDGETARY COMPARISON SCHEDULES

NOTE 1. BUDGETARY INFORMATION

Budgets for the City are prepared and adopted on the cash basis (budget basis) for all governmental and proprietary funds. The Council performs the following procedures in establishing the budget:

A public hearing is conducted to obtain taxpayer comments on proposed tax rates.

The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1.

Prior to October 1, the budget is legally enacted through the passage of an ordinance.

The City Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. The fund level constitutes the City's legal level of budgetary control. Reported budgeted amounts are as originally adopted or amended by Council resolution.

Appropriations lapse at fiscal year end but may be reappropriated in the following fiscal year.

The actual results are presented in accordance with the cash basis of accounting and reconciled to the modified accrual basis used for governmental fund types and accrual basis for proprietary funds.

Budgeted amounts are as originally adopted, or as amended by the City Council.

CITY OF CLINTON, MISSOURI
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

| Fiscal Year Ending | Actuarially Determined Contribution (a) | Contributions in Relation to the Statutorily Required Contribution (b) | Contribution Deficiency (Excess) (a-b) | Covered Payroll (d) | Contributions as a Percentage of Covered Payroll (b/d) |
|-----------------------|--|---|---|------------------------|--|
| September 30, 2013 | 307,669 | 185,569 | 122,100 | 2,701,843 | 6.87% |
| September 30, 2014 | 299,219 | 217,390 | 81,829 | 2,760,923 | 7.87% |
| September 30, 2015 | 307,138 | 242,141 | 64,997 | 2,772,235 | 8.73% |
| September 30, 2016 | 302,967 | 251,549 | 51,418 | 2,762,738 | 9.11% |
| September 30, 2017 | 269,813 | 244,795 | 25,018 | 2,715,553 | 9.01% |
| September 30, 2018 | 293,856 | 261,737 | 32,119 | 2,707,972 | 9.67% |
| September 30, 2019 | 332,494 | 332,494 | | 2,921,894 | 11.38% |
| September 30, 2020 | 311,722 | 311,722 | | 2,852,646 | 10.93% |
| September 30, 2021 | 309,621 | 305,551 | 4,070 | 2,763,540 | 11.06% |
| September 30, 2022 | 366,277 | 356,915 | 9,362 | 3,032,761 | 11.77% |

CITY OF CLINTON, MISSOURI
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
YEAR ENDED SEPTEMBER 30, 2022

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|------------------|----------------|----------------|------------------|----------------|------------------|--------------------|------------------|
| Net pension liability (asset) - beginning | (413,708) | (190,670) | 806,943 | 298,878 | (415,970) | 433,223 | 1,164,295 | (1,846,097) |
| Service cost | 252,041 | 250,626 | 253,067 | 252,826 | 259,024 | 313,914 | 315,963 | 319,905 |
| Interest on total pension liability | 722,054 | 732,826 | 789,757 | 813,349 | 853,781 | 959,065 | 1,001,038 | 988,398 |
| Changes in benefit terms | | | | | 841,365 | | | |
| Difference between expected and actual experience of the total pension liability | (419,308) | (142,907) | (252,265) | (6,085) | 134,209 | 68,228 | (65,328) | 152,045 |
| Changes in assumptions | | 424,588 | | | | | (231,191) | |
| Contributions - employer | (237,599) | (246,860) | (254,976) | (258,065) | (318,753) | (314,522) | (306,268) | (337,200) |
| Contributions - employee | | | | | (90,486) | (113,837) | (111,295) | (116,276) |
| Net investment (income) loss | (201,224) | 1,583 | (1,185,494) | (1,339,152) | (839,683) | (171,683) | (3,493,459) | (15,302) |
| Pension plan administrative expense | 11,743 | 11,104 | 10,956 | 11,354 | 16,420 | 18,955 | 14,584 | 16,241 |
| Other | 95,331 | (33,347) | 130,890 | (189,075) | (6,684) | (29,048) | (134,436) | 80,003 |
| Net pension liability (asset) - ending | <u>(190,670)</u> | <u>806,943</u> | <u>298,878</u> | <u>(415,970)</u> | <u>433,223</u> | <u>1,164,295</u> | <u>(1,846,097)</u> | <u>(758,283)</u> |

* Schedule is to be provided prospectively beginning with the fiscal year ending September 30, 2015.

** For further analysis of the changes in net pension liability see the disclosure in Note 6 to the financial statements.

| | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Fiduciary net position as a percentage of the total pension liability | 101.86% | 92.66% | 97.36% | 100.49% | 96.78% | 91.69% | 112.91% | 105.03% |
| Covered payroll | 2,762,206 | 2,740,874 | 2,658,434 | 2,728,602 | 2,806,323 | 2,796,752 | 2,674,986 | 2,803,295 |
| Net pension liability (asset) as a percentage of covered payroll | (6.90%) | 29.44% | 11.24% | (15.24%) | 15.44% | 41.63% | (69.01%) | (27.05%) |

SUPPLEMENTARY INFORMATION

CITY OF CLINTON, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2022

| Federal Grantor/Pass-Through Grantor/ Program Title | Pass-Through Entity Identifying Number | Assistance Listing Number | Federal Expenditures |
|---|--|---------------------------------|-------------------------|
| <u>U.S. Department of Transportation</u> | | | |
| Pass-Through Missouri Department of Transportation | | | |
| COVID-19 - Formula Grants for Rural Areas | TM184036 CL1 TM184040 CLO TM184042 CL1 | 20.509 | 92,885 |
| Airport Improvement Program | 19-022A-1 | 20.106 | <u>759,315</u> |
| Total U.S. Department of Transportation | | | 852,200 |
| <u>U.S. Department of the Interior</u> | | | |
| Pass-Through Missouri Department of Natural Resources | | | |
| Outdoor Recreation Acquisition, Development, and Planning | 29-01677 | 15.916 | 8,922 |
| <u>U.S. Department of Health and Human Services</u> | | | |
| Pass-Through Missouri Department of Health and Human Services | | | |
| Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | NU50CK000546 | 93.323 | 4,400 |
| <u>U.S. Department of the Treasury</u> | | | |
| Direct | | | |
| Coronavirus State and Local Fiscal Recovery Funds (Alternative Compliance Examination) | | 21.027 | <u>90,014</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u><u>955,536</u></u> |

See accompanying notes to the schedule of expenditures of federal awards.

CITY OF CLINTON, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of the City of Clinton, Missouri. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The schedule of expenditures of federal awards is presented on the accrual basis of accounting.

NOTE 3. INDIRECT COST RATE

The City did not elect to use the de minimis cost rate.

NOTE 4. SUBRECIPIENTS

The City of Clinton, Missouri, provided no federal awards to subrecipients.

CITY OF CLINTON, MISSOURI
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2022

| | | General Fund | Energy Improvements Fund | Second Street/ Calvird Drive Maintenance Fund | Eliminations | Total |
|---------------------|--------------------------|------------------|--------------------------------|--|--------------|------------------|
| REVENUES | | | | | | |
| | Charges for services | | | | | |
| | Property | 776,435 | | | | 776,435 |
| | Sales | 2,353,210 | | | | 2,353,210 |
| | Franchise | 1,013,969 | | | | 1,013,969 |
| | Other | 193,501 | | | | 193,501 |
| | Charges for services | 273,251 | | | | 273,251 |
| | Fines and forfeitures | 88,927 | | | | 88,927 |
| | Intergovernmental | 919,628 | | | | 919,628 |
| | Interest | 62,152 | 719 | 9,886 | | 72,757 |
| | Miscellaneous | 32,549 | | | | 32,549 |
| | Total revenues | <u>5,713,622</u> | <u>719</u> | <u>9,886</u> | | <u>5,724,227</u> |
| EXPENDITURES | | | | | | |
| | Current | | | | | |
| | General government | 694,006 | | | | 694,006 |
| | Public Safety | 2,145,432 | | | | 2,145,432 |
| | Economic Development | 366,170 | | | | 366,170 |
| | Airport | 182,226 | | | | 182,226 |
| | Sanitation | 218,077 | | | | 218,077 |
| | Streets | | | 8,150 | | 8,150 |
| | Capital outlay | 860,181 | | | | 860,181 |
| | Debt service | | | | | |
| | Principal | | 1,448,619 | | | 1,448,619 |
| | Interest and fiscal fees | | 72,076 | | | 72,076 |
| | Total expenditures | <u>4,466,092</u> | <u>1,520,695</u> | <u>8,150</u> | | <u>5,994,937</u> |

CITY OF CLINTON, MISSOURI
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2022

| | General Fund | Energy Improvements Fund | Second Street/ Calvird Drive Maintenance Fund | Eliminations | Total |
|---|-------------------------|--------------------------------|--|--------------------------|-------------------------|
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>1,247,530</u> | <u>(1,519,976)</u> | <u>1,736</u> | <u> </u> | <u>(270,710)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Capital lease issuance | | 1,370,000 | | | 1,370,000 |
| Capital lease premium | | 86,295 | | | 86,295 |
| Capital lease issuance costs | | (8,358) | | | (8,358) |
| Transfers in | 611,825 | 177,172 | | (170,248) | 618,749 |
| Transfers out | <u>(1,122,234)</u> | <u> </u> | <u> </u> | <u>170,248</u> | <u>(951,986)</u> |
| Total other financing sources (uses) | <u>(510,409)</u> | <u>1,625,109</u> | <u> </u> | <u> </u> | <u>1,114,700</u> |
| NET CHANGE IN FUND BALANCE | 737,121 | 105,133 | 1,736 | | 843,990 |
| FUND BALANCE, beginning of year | <u>3,250,034</u> | <u>10</u> | <u>737,713</u> | <u> </u> | <u>3,987,757</u> |
| FUND BALANCE, end of year | <u><u>3,987,155</u></u> | <u><u>105,143</u></u> | <u><u>739,449</u></u> | <u><u> </u></u> | <u><u>4,831,747</u></u> |

See accompanying notes to budgetary comparison schedules.

CITY OF CLINTON, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2022

| | Cemetery Fund | Area Transportation Service Fund | Total |
|---|------------------|---|---------------|
| ASSETS | | | |
| ASSETS | | | |
| Pooled cash (claim on cash) and investments | 32,641 | (1,275) | 31,366 |
| Other receivables | 8,750 | 32,323 | 41,073 |
| Prepaid items | <u>5,386</u> | <u>4,201</u> | <u>9,587</u> |
| TOTAL ASSETS | <u>46,777</u> | <u>35,249</u> | <u>82,026</u> |
| LIABILITIES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable | 654 | 2,672 | 3,326 |
| Accrued expenditures | <u>2,802</u> | <u>2,435</u> | <u>5,237</u> |
| Total liabilities | <u>3,456</u> | <u>5,107</u> | <u>8,563</u> |
| FUND BALANCES | | | |
| Nonspendable | 5,386 | 4,201 | 9,587 |
| Assigned | <u>37,935</u> | <u>25,941</u> | <u>63,876</u> |
| Total fund balances | <u>43,321</u> | <u>30,142</u> | <u>73,463</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>46,777</u> | <u>35,249</u> | <u>82,026</u> |

CITY OF CLINTON, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2022

| | Cemetery Fund | Area Transportation Service Fund | Total |
|--|----------------------|---|----------------------|
| REVENUES | | | |
| Charges for services | 88,415 | 16,818 | 105,233 |
| Intergovernmental | | 75,365 | 75,365 |
| Interest | | 20 | 20 |
| Miscellaneous | <u>17,522</u> | | <u>17,522</u> |
| Total revenues | <u>105,937</u> | <u>92,203</u> | <u>198,140</u> |
| EXPENDITURES | | | |
| Current | | | |
| Cemetery operations | 192,332 | | 192,332 |
| Transportation | | 186,794 | 186,794 |
| Capital outlay | <u>3,493</u> | <u>10,458</u> | <u>13,951</u> |
| Total expenditures | <u>195,825</u> | <u>197,252</u> | <u>393,077</u> |
| DEFICIENCY OF REVENUES UNDER EXPENDITURES | <u>(89,888)</u> | <u>(105,049)</u> | <u>(194,937)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 116,962 | 81,244 | 198,206 |
| Transfers out | <u>(4,636)</u> | <u>(886)</u> | <u>(5,522)</u> |
| Total other financing sources (uses) | <u>112,326</u> | <u>80,358</u> | <u>192,684</u> |
| EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES | 22,438 | (24,691) | (2,253) |
| FUND BALANCE, beginning of year | <u>20,883</u> | <u>54,833</u> | <u>75,716</u> |
| FUND BALANCE, end of year | <u><u>43,321</u></u> | <u><u>30,142</u></u> | <u><u>73,463</u></u> |

CITY OF CLINTON, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED SEPTEMBER 30, 2022

| | Cemetery Fund | | | | Area Transportation Service Fund | | | | Total Nonmajor Special Revenue Funds | | | |
|--|------------------|------------------|------------------|------------------------------|----------------------------------|-----------------|------------------|------------------------------|--------------------------------------|------------------|------------------|------------------------------|
| | Original Budget | Final Budget | Actual | Variance Positive (Negative) | Original Budget | Final Budget | Actual | Variance Positive (Negative) | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | | | | | | | | | | |
| Sales taxes | | | | | | | | | | | | |
| Charges for services | 67,025 | 67,025 | 88,415 | 21,390 | 15,000 | 15,000 | 16,818 | 1,818 | 82,025 | 82,025 | 105,233 | 23,208 |
| Intergovernmental | | | | | 73,315 | 73,315 | 63,478 | (9,837) | 73,315 | 73,315 | 63,478 | (9,837) |
| Interest | 70 | 70 | | (70) | | | 20 | 20 | 70 | 70 | 20 | (50) |
| Other | | | 8,772 | 8,772 | | | | | | | 8,772 | 8,772 |
| Total revenues | <u>67,095</u> | <u>67,095</u> | <u>97,187</u> | <u>30,092</u> | <u>88,315</u> | <u>88,315</u> | <u>80,316</u> | <u>(7,999)</u> | <u>155,410</u> | <u>155,410</u> | <u>177,503</u> | <u>22,093</u> |
| EXPENDITURES | | | | | | | | | | | | |
| Current | | | | | | | | | | | | |
| Cemetery operations | 193,259 | 193,259 | 198,616 | (5,357) | | | | | 193,259 | 193,259 | 198,616 | (5,357) |
| Transportation services | | | | | 161,629 | 161,629 | 187,554 | (25,925) | 161,629 | 161,629 | 187,554 | (25,925) |
| Capital outlay | 2,833 | 2,833 | 3,493 | (660) | | | 10,458 | (10,458) | 2,833 | 2,833 | | 2,833 |
| Total expenditures | <u>196,092</u> | <u>196,092</u> | <u>202,109</u> | <u>(6,017)</u> | <u>161,629</u> | <u>161,629</u> | <u>198,012</u> | <u>(36,383)</u> | <u>357,721</u> | <u>357,721</u> | <u>386,170</u> | <u>(28,449)</u> |
| DEFICIENCY OF REVENUES UNDER EXPENDITURES | | | | | | | | | | | | |
| | <u>(128,997)</u> | <u>(128,997)</u> | <u>(104,922)</u> | <u>36,109</u> | <u>(73,314)</u> | <u>(73,314)</u> | <u>(117,696)</u> | <u>28,384</u> | <u>(202,311)</u> | <u>(202,311)</u> | <u>(208,667)</u> | <u>50,542</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | |
| Transfers in | 116,962 | 116,962 | 116,962 | | 60,155 | 60,155 | 81,244 | (21,089) | 177,117 | 177,117 | 198,206 | (21,089) |
| Transfers out | (4,666) | (4,666) | (4,636) | 30 | (886) | (886) | (886) | | (5,552) | (5,552) | (5,522) | (30) |
| Total other financing sources (uses) | <u>112,296</u> | <u>112,296</u> | <u>112,326</u> | <u>30</u> | <u>59,269</u> | <u>59,269</u> | <u>80,358</u> | <u>(21,089)</u> | <u>171,565</u> | <u>171,565</u> | <u>192,684</u> | <u>(21,119)</u> |
| EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES | | | | | | | | | | | | |
| | <u>(16,701)</u> | <u>(16,701)</u> | 7,404 | <u>36,139</u> | <u>(14,045)</u> | <u>(14,045)</u> | (37,338) | <u>7,295</u> | <u>(30,746)</u> | <u>(30,746)</u> | (15,983) | <u>29,423</u> |
| BUDGETARY FUND BALANCE, beginning of year | | | | | | | | | | | | |
| | | | <u>25,237</u> | | | | <u>36,063</u> | | | | <u>61,300</u> | |
| BUDGETARY FUND BALANCE (DEFICIT), end of year | | | | | | | | | | | | |
| | | | 32,641 | | | | (1,275) | | | | 45,317 | |
| Accrual adjustments | | | | | | | | | | | | |
| | | | <u>10,680</u> | | | | <u>31,417</u> | | | | <u>42,097</u> | |
| FUND BALANCE, end of year | | | | | | | | | | | | |
| | | | <u>43,321</u> | | | | <u>30,142</u> | | | | <u>87,414</u> | |

CITY OF CLINTON, MISSOURI
 PROPRIETARY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGE IN NET POSITION - BUDGET AND ACTUAL
 YEAR ENDED SEPTEMBER 30, 2022

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|--------------------|------------------|-------------------|------------------------------------|
| REVENUES | | | | |
| Charges for services | 1,336,650 | 1,336,650 | 1,356,351 | 19,701 |
| Sewer taps | 2,500 | 2,500 | 3,950 | 1,450 |
| Miscellaneous | 2,000 | 2,000 | 29,361 | 27,361 |
| Total revenues | <u>1,341,150</u> | <u>1,341,150</u> | <u>1,389,662</u> | <u>48,512</u> |
| EXPENSES | | | | |
| Personnel services | 21,113 | 21,113 | 16,028 | 5,085 |
| Contractual services | 1,554,290 | 1,554,290 | 1,366,119 | 188,171 |
| Commodities and other | 30,500 | 30,500 | 19,332 | 11,168 |
| Capital outlay | 475,186 | 475,186 | 209,069 | 266,117 |
| Total expenses | <u>2,081,089</u> | <u>2,081,089</u> | <u>1,610,548</u> | <u>470,541</u> |
| NONOPERATING REVENUE | | | | |
| Interest and investment income | <u>19,326</u> | <u>19,326</u> | <u>82,014</u> | <u>62,688</u> |
| NET CHANGE IN BUDGETARY FUND BALANCE | | | | |
| | <u>(720,613)</u> | <u>(720,613)</u> | <u>(138,872)</u> | <u>581,741</u> |
| BUDGETARY FUND BALANCE, beginning of year | | | <u>6,329,548</u> | |
| BUDGETARY FUND BALANCE, end of year | | | 6,190,676 | |
| Accrual adjustments | | | <u>8,432,616</u> | |
| NET POSITION, end of year | | | <u>14,623,292</u> | |

CITY OF CLINTON, MISSOURI
STATISTICAL SECTION
(Unaudited)

This part of the City of Clinton, Missouri'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 say about the City's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|---|-------------|
| Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. | 76 - 81 |
| Revenue Capacity These schedules contain information to help the reader assess the City's two most significant local revenue sources: sales tax and property tax. | 82 - 87 |
| Debt Capacity 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. | 88 - 91 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | 92 - 94 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 95 - 97 |

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

CITY OF CLINTON, MISSOURI
NET ASSETS/POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Governmental activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | 18,630,582 | 18,722,320 | 19,155,296 | 19,434,211 | 19,677,735 | 19,179,803 | 17,262,136 | 17,970,599 | 18,552,870 | 18,151,461 |
| Restricted | 866 | | | | | 25,000 | | 1,338,387 | 1,677,123 | 1,743,761 |
| Unrestricted | 2,983,814 | 3,133,479 | 3,506,150 | 3,552,321 | 2,984,916 | 4,463,776 | 6,987,360 | 5,519,856 | 6,167,399 | 7,660,256 |
| Total governmental activities | <u>21,615,262</u> | <u>21,855,799</u> | <u>22,661,446</u> | <u>22,986,532</u> | <u>22,662,651</u> | <u>23,668,579</u> | <u>24,249,496</u> | <u>24,828,842</u> | <u>26,397,392</u> | <u>27,555,478</u> |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | 6,776,992 | 7,379,173 | 9,750,449 | 10,367,346 | 10,012,247 | 9,674,936 | 9,428,263 | 9,093,437 | 8,624,355 | 8,354,472 |
| Restricted | 887,712 | 886,332 | 592,432 | | | | | | | |
| Unrestricted | 6,904,615 | 7,186,285 | 6,030,215 | 6,357,457 | 6,459,257 | 6,423,785 | 6,266,101 | 6,322,834 | 6,391,159 | 6,268,820 |
| Total business-type activities | <u>14,569,319</u> | <u>15,451,790</u> | <u>16,373,096</u> | <u>16,724,803</u> | <u>16,471,504</u> | <u>16,098,721</u> | <u>15,694,364</u> | <u>15,416,271</u> | <u>15,015,514</u> | <u>14,623,292</u> |
| 76 Primary government | | | | | | | | | | |
| Net investment in capital assets | 25,407,574 | 26,101,493 | 28,905,745 | 29,801,557 | 29,689,982 | 28,854,739 | 26,690,399 | 27,064,036 | 27,177,225 | 26,505,933 |
| Restricted | 888,578 | 886,332 | 592,432 | | | 25,000 | | 1,338,387 | 1,677,123 | 1,743,761 |
| Unrestricted | 9,888,429 | 10,319,764 | 9,536,365 | 9,909,778 | 9,444,173 | 10,887,561 | 13,253,461 | 11,842,690 | 12,558,558 | 13,929,076 |
| Total primary government | <u>36,184,581</u> | <u>37,307,589</u> | <u>39,034,542</u> | <u>39,711,335</u> | <u>39,134,155</u> | <u>39,767,300</u> | <u>39,943,860</u> | <u>40,245,113</u> | <u>41,412,906</u> | <u>42,178,770</u> |

CITY OF CLINTON, MISSOURI
CHANGES IN NET ASSETS/POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| EXPENSES | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| General government | 445,781 | 451,456 | 505,852 | 497,342 | 570,928 | 509,151 | 670,772 | 649,526 | 594,988 | 779,551 |
| Public Safety | 2,663,868 | 2,729,582 | 2,840,860 | 2,951,432 | 2,963,898 | 2,773,318 | 3,524,443 | 3,310,647 | 3,016,647 | 3,361,950 |
| Economic Development | 287,804 | 349,253 | 318,535 | 311,347 | 291,094 | 228,182 | 260,901 | 240,613 | 340,660 | 360,493 |
| Airport | 90,524 | 283,866 | 264,488 | 262,993 | 263,483 | 334,478 | 360,841 | 338,212 | 534,585 | 370,956 |
| Sanitation | 137,841 | 137,537 | 140,724 | 150,053 | 142,643 | 141,784 | 166,566 | 179,449 | 166,613 | 215,642 |
| Streets | 675,528 | 706,687 | 669,271 | 640,728 | 560,806 | 670,560 | 834,924 | 870,540 | 1,022,112 | 1,263,323 |
| Parks and Recreation | 1,481,707 | 1,408,773 | 1,449,619 | 1,411,061 | 1,244,456 | 1,482,424 | 1,626,148 | 1,576,766 | 1,587,296 | 1,883,696 |
| Community Center | 118 | 1,251 | 1,250 | 1,195 | 650 | | | | | |
| Cemetery operations | 161,960 | 145,446 | 147,030 | 141,357 | 164,905 | 151,465 | 177,503 | 171,561 | 171,415 | 190,850 |
| Transportation services | 158,522 | 155,206 | 155,270 | 146,324 | 157,956 | 149,951 | 160,955 | 173,955 | 160,634 | 193,588 |
| Industrial park | 36,005 | 34,505 | 18,803 | 10,587 | 10,505 | 10,504 | 10,505 | 10,504 | 10,505 | 10,505 |
| Pass-through for hospital | | | | | 245,897 | 135,449 | | | | |
| Interest and debt issuance costs on long-term debt | 84,514 | 17,685 | 3,108 | 73,177 | 104,001 | 51,630 | 353,641 | 235,336 | 235,416 | 625,128 |
| Total governmental activities expenses | <u>6,224,172</u> | <u>6,421,247</u> | <u>6,514,810</u> | <u>6,597,596</u> | <u>6,721,222</u> | <u>6,638,896</u> | <u>8,147,199</u> | <u>7,757,109</u> | <u>7,840,871</u> | <u>9,255,682</u> |
| Business-type activities | | | | | | | | | | |
| Sewer | <u>1,326,817</u> | <u>1,351,187</u> | <u>1,332,186</u> | <u>1,364,488</u> | <u>1,432,453</u> | <u>1,651,997</u> | <u>1,739,547</u> | <u>1,718,478</u> | <u>1,931,855</u> | <u>1,881,258</u> |
| Total primary government expenses | <u>7,550,989</u> | <u>7,772,434</u> | <u>7,846,996</u> | <u>7,962,084</u> | <u>8,153,675</u> | <u>8,290,893</u> | <u>9,886,746</u> | <u>9,475,587</u> | <u>9,772,726</u> | <u>11,136,940</u> |
| PROGRAM REVENUES | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | 86,584 | 100,293 | 87,922 | 94,789 | 121,248 | 89,106 | 90,649 | 120,168 | 118,186 | 135,209 |
| Public Safety | 116,212 | 134,685 | 133,169 | 114,315 | 91,916 | 75,761 | 81,021 | 72,406 | 83,581 | 88,927 |
| Sanitation | 119,483 | 114,526 | 114,370 | 115,783 | 117,608 | 110,053 | 116,767 | 131,499 | 137,720 | 138,042 |
| Streets | 735 | 1,747 | 330 | 569 | 1,050 | 950 | 910 | 829 | 2,816 | 160 |
| Parks and Recreation | 221,117 | 242,926 | 223,731 | 206,839 | 213,680 | 226,093 | 249,700 | 171,237 | 204,495 | 206,901 |
| Cemetery operations | 80,460 | 74,100 | 110,635 | 66,825 | 70,229 | 56,009 | 67,348 | 59,899 | 83,417 | 88,415 |
| Transportation services | 21,606 | 28,107 | 20,980 | 19,178 | 18,642 | 15,542 | 13,656 | 7,573 | 15,027 | 16,818 |
| Industrial park | | | | | 14,323 | 10,249 | | | | |
| Operating grants and contributions | 61,332 | 90,059 | 77,082 | 71,766 | 333,922 | 239,428 | 76,497 | 664,354 | 809,787 | 122,069 |
| Capital grants and contributions | <u>2,303,130</u> | <u>43,398</u> | <u>254,321</u> | <u>543,635</u> | <u>67,700</u> | <u>33,774</u> | <u>1,092,915</u> | | <u>433,047</u> | <u>1,247,060</u> |
| Total governmental activities program revenues | <u>3,010,659</u> | <u>829,841</u> | <u>1,022,540</u> | <u>1,233,699</u> | <u>1,050,318</u> | <u>856,965</u> | <u>1,789,463</u> | <u>1,227,965</u> | <u>1,888,076</u> | <u>2,043,601</u> |

CITY OF CLINTON, MISSOURI
CHANGES IN NET ASSETS/POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| PROGRAM REVENUES (Continued) | | | | | | | | | | |
| Business-type activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Sewer | 1,265,908 | 1,253,163 | 1,239,243 | 1,187,524 | 1,166,003 | 1,167,009 | 1,159,092 | 1,272,365 | 1,313,123 | 1,377,661 |
| Operating grants and contributions | | | | | | | 7,460 | 25,344 | 181,308 | |
| Total business-type activities program revenues | <u>1,265,908</u> | <u>1,253,163</u> | <u>1,239,243</u> | <u>1,187,524</u> | <u>1,166,003</u> | <u>1,167,009</u> | <u>1,166,552</u> | <u>1,297,709</u> | <u>1,494,431</u> | <u>1,377,661</u> |
| Total primary government program revenues | <u>4,276,567</u> | <u>2,083,004</u> | <u>2,261,783</u> | <u>2,421,223</u> | <u>2,216,321</u> | <u>2,023,974</u> | <u>2,948,555</u> | <u>2,500,330</u> | <u>3,201,199</u> | <u>3,421,262</u> |
| NET EXPENSE | | | | | | | | | | |
| Governmental activities | (3,213,513) | (5,591,406) | (5,492,270) | (5,363,897) | (5,670,904) | (5,781,931) | (6,357,736) | (6,529,144) | (5,952,795) | (7,212,081) |
| Business-type activities | <u>(60,909)</u> | <u>(98,024)</u> | <u>(92,943)</u> | <u>(176,964)</u> | <u>(266,450)</u> | <u>(484,988)</u> | <u>(572,995)</u> | <u>(420,769)</u> | <u>(437,424)</u> | <u>(503,597)</u> |
| Total primary government net expense | <u>(3,274,422)</u> | <u>(5,689,430)</u> | <u>(5,585,213)</u> | <u>(5,540,861)</u> | <u>(5,937,354)</u> | <u>(6,266,919)</u> | <u>(6,930,731)</u> | <u>(6,949,913)</u> | <u>(6,390,219)</u> | <u>(7,715,678)</u> |
| GENERAL REVENUES AND OTHER | | | | | | | | | | |
| CHANGES IN NET ASSETS | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | 796,187 | 829,769 | 837,460 | 847,750 | 847,237 | 911,571 | 923,600 | 940,225 | 959,506 | 991,924 |
| Franchise taxes | 1,091,162 | 1,132,963 | 1,129,594 | 999,207 | 1,078,125 | 1,070,612 | 973,027 | 956,931 | 916,498 | 1,013,969 |
| Sales taxes | 3,523,889 | 3,622,103 | 3,674,572 | 3,601,120 | 3,159,814 | 4,516,922 | 4,674,139 | 4,952,906 | 5,341,097 | 5,918,892 |
| Other taxes | 148,109 | 140,558 | 140,276 | 153,618 | 146,440 | 148,888 | 161,520 | 142,102 | 174,588 | 193,501 |
| Unrestricted investment earnings | 5,729 | 5,181 | 7,724 | 14,872 | 23,911 | 70,110 | 107,267 | 65,963 | 31,602 | 97,391 |
| Miscellaneous | 38,496 | 101,369 | 77,379 | 72,416 | 46,457 | 79,756 | 99,100 | 50,363 | 98,054 | 154,490 |
| Transfers | | | | | 45,039 | (10,000) | | | | |
| Total governmental activities | <u>5,603,572</u> | <u>5,831,943</u> | <u>5,867,005</u> | <u>5,688,983</u> | <u>5,347,023</u> | <u>6,787,859</u> | <u>6,938,653</u> | <u>7,108,490</u> | <u>7,521,345</u> | <u>8,370,167</u> |
| Business-type activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Sales taxes | 851,030 | 895,374 | 904,254 | 471,631 | 2,180 | 75 | | | | |
| Unrestricted investment earnings | 99,974 | 82,325 | 66,634 | 55,766 | 51,029 | 99,804 | 165,182 | 114,200 | 34,667 | 82,014 |
| Miscellaneous | (83) | 2,796 | 1,873 | 1,274 | 4,981 | 2,326 | 3,456 | 28,476 | 2,000 | 29,361 |
| Transfers | | | | | (45,039) | 10,000 | | | | |
| Total business-type activities | <u>950,921</u> | <u>980,495</u> | <u>972,761</u> | <u>528,671</u> | <u>13,151</u> | <u>112,205</u> | <u>168,638</u> | <u>142,676</u> | <u>36,667</u> | <u>111,375</u> |
| Total primary government | <u>6,554,493</u> | <u>6,812,438</u> | <u>6,839,766</u> | <u>6,217,654</u> | <u>5,360,174</u> | <u>6,900,064</u> | <u>7,107,291</u> | <u>7,251,166</u> | <u>7,558,012</u> | <u>8,481,542</u> |
| CHANGE IN NET ASSETS/POSITION | | | | | | | | | | |
| Governmental activities | 2,390,059 | 240,537 | 374,735 | 325,086 | (323,881) | 1,005,928 | 580,917 | 579,346 | 1,568,550 | 1,158,086 |
| Business-type activities | <u>890,012</u> | <u>882,471</u> | <u>879,818</u> | <u>351,707</u> | <u>(253,299)</u> | <u>(372,783)</u> | <u>(404,357)</u> | <u>(278,093)</u> | <u>(400,757)</u> | <u>(392,222)</u> |
| Total primary government | <u>3,280,071</u> | <u>1,123,008</u> | <u>1,254,553</u> | <u>676,793</u> | <u>(577,180)</u> | <u>633,145</u> | <u>176,560</u> | <u>301,253</u> | <u>1,167,793</u> | <u>765,864</u> |

CITY OF CLINTON, MISSOURI
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| GENERAL FUND | | | | | | | | | | |
| Nonspendable | 42,868 | 58,021 | 69,133 | 73,948 | 70,110 | 37,038 | 113,201 | 115,140 | 112,811 | 112,811 |
| Committed | | | | | | | 751,885 | 761,789 | 737,713 | 739,449 |
| Assigned | | | | 121,055 | | | | | | |
| Unassigned | <u>2,098,478</u> | <u>2,096,941</u> | <u>2,222,568</u> | <u>2,307,971</u> | <u>2,339,113</u> | <u>2,794,200</u> | <u>2,889,399</u> | <u>3,275,004</u> | <u>3,137,233</u> | <u>3,979,488</u> |
| Total General Fund | <u>2,141,346</u> | <u>2,154,962</u> | <u>2,291,701</u> | <u>2,502,974</u> | <u>2,409,223</u> | <u>2,831,238</u> | <u>3,754,485</u> | <u>4,151,933</u> | <u>3,987,757</u> | <u>4,831,748</u> |
| ALL OTHER GOVERNMENTAL FUNDS | | | | | | | | | | |
| Nonspendable | 28,284 | 38,280 | 45,612 | 48,788 | 46,198 | 60,793 | 66,080 | 65,644 | 67,563 | 67,563 |
| Restricted | 866 | | | | 4,546,384 | 3,767,507 | 2,524,797 | 1,338,387 | 1,677,123 | 1,112,800 |
| Committed | 153,148 | 305,721 | | | | | | | | |
| Assigned | 803,889 | 777,059 | 1,063,429 | 1,218,379 | 1,072,392 | 1,713,823 | 629,570 | 2,066,008 | 2,132,848 | 3,057,108 |
| Unassigned (deficit) | | | | | (98,928) | (27,590) | | | | |
| Total all other governmental funds | <u>986,187</u> | <u>1,121,060</u> | <u>1,109,041</u> | <u>1,267,167</u> | <u>5,566,046</u> | <u>5,514,533</u> | <u>3,220,447</u> | <u>3,470,039</u> | <u>3,877,534</u> | <u>4,237,471</u> |

CITY OF CLINTON, MISSOURI
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - MODIFIED ACCRUAL
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|------------------|------------------|--------------------|
| REVENUES | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Sales | 3,523,889 | 3,622,103 | 3,674,572 | 3,601,120 | 3,159,814 | 4,516,922 | 4,674,139 | 4,952,906 | 5,341,097 | 5,918,892 |
| General (1%) | 1,712,421 | 1,712,421 | 1,712,421 | 1,712,421 | 1,712,421 | | | | | |
| Transportation (0.25%) | 405,058 | 405,058 | 405,058 | 405,058 | 405,058 | | | | | |
| Use (2.25%) | 245,428 | 245,428 | 245,428 | 245,428 | 245,428 | | | | | |
| Aquatic (0.25%) | 405,057 | 405,057 | 405,057 | 405,057 | 405,057 | | | | | |
| Community Center (0.25%) | 405,082 | 405,082 | 405,082 | 405,082 | 405,082 | | | | | |
| Sewer (0.5%) | 856,166 | 856,166 | 856,166 | 856,166 | 856,166 | | | | | |
| Accrual adjustment | (520,261) | (520,261) | (520,261) | (520,261) | (520,261) | | | | | |
| Sales - Accrual | 3,508,951 | 3,508,951 | 3,508,951 | 3,508,951 | 3,508,951 | | | | | |
| Property | 796,187 | 829,769 | 837,460 | 847,750 | 847,237 | 911,571 | 923,600 | 940,225 | 959,506 | 991,924 |
| Franchise | 1,091,162 | 1,132,963 | 1,129,594 | 999,207 | 1,078,125 | 1,070,612 | 973,027 | 956,931 | 916,498 | 1,013,969 |
| Other | 148,109 | 140,558 | 140,276 | 153,618 | 146,440 | 148,888 | 161,520 | 142,102 | 174,588 | 193,501 |
| Fines and forfeitures | 116,212 | 134,685 | 133,169 | 111,518 | 91,916 | 75,761 | 81,021 | 72,406 | 83,581 | 88,927 |
| Charges for services | 529,985 | 561,699 | 557,968 | 506,780 | 556,780 | 508,002 | 539,030 | 491,205 | 561,661 | 585,545 |
| Intergovernmental | 2,364,462 | 133,457 | 210,348 | 615,401 | 401,622 | 245,702 | 1,169,412 | 664,354 | 1,242,834 | 1,369,129 |
| Interest | 5,729 | 5,181 | 7,724 | 14,872 | 23,911 | 70,110 | 107,267 | 65,963 | 31,602 | 97,391 |
| Other revenues | 53,158 | 101,369 | 73,199 | 193,471 | 40,156 | 74,177 | 70,093 | 43,363 | 93,665 | 154,490 |
| Total revenues | <u>8,628,893</u> | <u>6,661,784</u> | <u>6,764,310</u> | <u>7,043,737</u> | <u>6,346,001</u> | <u>7,621,745</u> | <u>8,699,109</u> | <u>8,329,455</u> | <u>9,405,032</u> | <u>10,413,768</u> |
| EXPENDITURES | | | | | | | | | | |
| General government | 381,538 | 391,171 | 414,234 | 394,391 | 440,510 | 436,388 | 513,428 | 535,273 | 540,898 | 694,006 |
| Public Safety | 2,574,084 | 2,647,100 | 2,749,667 | 2,714,459 | 2,723,294 | 2,763,983 | 2,999,007 | 3,136,144 | 3,172,720 | 3,276,822 |
| Economic Development | 287,804 | 349,253 | 311,782 | 308,315 | 284,478 | 230,574 | 249,596 | 239,763 | 334,683 | 366,170 |
| Airport | 81,003 | 137,496 | 118,119 | 116,093 | 115,489 | 168,780 | 193,587 | 153,825 | 350,198 | 182,226 |
| Sanitation | 131,309 | 131,733 | 130,575 | 141,426 | 132,627 | 137,823 | 153,821 | 174,222 | 171,734 | 218,077 |
| Streets | 565,668 | 606,730 | 560,514 | 545,634 | 440,985 | 583,025 | 650,449 | 718,038 | 927,082 | 1,116,161 |
| Community Center | 118 | 1,251 | 1,250 | 1,195 | 650 | | | | | |
| Parks and Recreation | 1,129,380 | 1,107,064 | 1,119,924 | 998,584 | 1,019,512 | 1,095,769 | 1,145,105 | 1,165,092 | 1,240,107 | 1,422,899 |
| Cemetery operations | 147,122 | 135,961 | 133,914 | 129,245 | 145,434 | 145,440 | 151,917 | 163,528 | 181,909 | 192,332 |
| Transportation services | 136,923 | 136,965 | 134,158 | 127,152 | 136,183 | 145,867 | 144,967 | 158,836 | 159,513 | 186,794 |
| Pass-through for hospital | | | | | 245,897 | 135,449 | | | | |
| Industrial park | 25,500 | 24,000 | 8,298 | 83 | | 221 | | | | |
| Capital outlay | 2,919,696 | 96,806 | 227,357 | 837,560 | 909,877 | 2,043,396 | 2,868,716 | 1,885,581 | 1,373,884 | 2,887,814 |
| Debt service | | | | | | | | | | |
| Principal | 671,448 | 718,270 | 719,060 | 275,214 | 191,469 | 226,332 | 422,836 | 415,662 | 477,958 | 7,068,376 |
| Interest and fiscal fees | 87,416 | 29,495 | 14,918 | 84,987 | 55,483 | 51,630 | 353,641 | 235,336 | 235,416 | 359,745 |
| Total expenditures | <u>9,139,009</u> | <u>6,513,295</u> | <u>6,643,770</u> | <u>6,674,338</u> | <u>6,841,888</u> | <u>8,164,677</u> | <u>9,847,070</u> | <u>8,981,300</u> | <u>9,166,102</u> | <u>17,971,422</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(510,116)</u> | <u>148,489</u> | <u>120,540</u> | <u>369,399</u> | <u>(495,887)</u> | <u>(542,932)</u> | <u>(1,147,961)</u> | <u>(651,845)</u> | <u>238,930</u> | <u>(7,557,654)</u> |

CITY OF CLINTON, MISSOURI
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - MODIFIED ACCRUAL
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|------------------|----------------|----------------|----------------|------------------|----------------|------------------|------------------|----------------|------------------|
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Proceeds from sale of assets | 3,100 | | 4,180 | | 6,301 | 33,079 | 29,007 | 7,000 | 4,389 | |
| Proceeds from capital leases | 66,567 | | | | 4,710,000 | 890,355 | | 540,000 | | |
| Proceeds from loans | | | | | | | 500,000 | | | |
| Debt proceeds and premium | 1,676,031 | | | | | | | | | 8,945,053 |
| Payment to escrow for bond defeasance | (1,775,000) | | | | | | | | | |
| Debt issuance costs | (39,624) | | | | (60,325) | | | | | (183,471) |
| Transfers in | 698,599 | 734,182 | 327,444 | 333,490 | 546,301 | 1,003,465 | 1,132,918 | 1,140,306 | 1,044,513 | 1,735,733 |
| Transfers out | (698,599) | (734,182) | (327,444) | (333,490) | (501,262) | (1,013,465) | (1,132,918) | (1,140,306) | (1,044,513) | (1,735,733) |
| Total other financing sources (uses) | <u>(68,926)</u> | <u></u> | <u>4,180</u> | <u></u> | <u>4,701,015</u> | <u>913,434</u> | <u>529,007</u> | <u>547,000</u> | <u>4,389</u> | <u>8,761,582</u> |
| NET CHANGE IN FUND BALANCES | <u>(579,042)</u> | <u>148,489</u> | <u>124,720</u> | <u>369,399</u> | <u>4,205,128</u> | <u>370,502</u> | <u>(618,954)</u> | <u>(104,845)</u> | <u>243,319</u> | <u>1,203,928</u> |
| Debt service as a percentage of noncapital expenditures | 12.2% | 11.7% | 11.4% | 6.2% | 4.2% | 4.5% | 11.1% | 9.2% | 9.2% | 49.2% |

CITY OF CLINTON, MISSOURI
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Fiscal Year Ended September 30, | Real Property | Personal Property | Total Taxable Assessed Value | Change in Valuation | % Change | Total Direct Tax Rate |
|---------------------------------|---------------|-------------------|------------------------------|---------------------|----------|-----------------------|
| 2013 | 93,918,385 | 28,561,692 | 122,480,077 | 3,473,758 | 2.92 | 0.67 |
| 2014 | 93,818,113 | 29,578,201 | 123,396,314 | 916,237 | 0.75 | 0.68 |
| 2015 | 95,070,583 | 28,084,106 | 123,154,689 | (241,625) | (0.20) | 0.68 |
| 2016 | 95,982,953 | 24,588,433 | 120,571,386 | (2,583,303) | (2.10) | 0.70 |
| 2017 | 102,266,710 | 26,755,159 | 129,021,869 | 8,450,483 | 7.01 | 0.68 |
| 2018 | 103,845,742 | 24,588,433 | 128,434,175 | (587,694) | (0.46) | 0.68 |
| 2019 | 105,883,255 | 27,021,556 | 132,904,811 | 4,470,636 | 3.48 | 0.68 |
| 2020 | 103,974,200 | 29,348,684 | 133,322,884 | 418,073 | 0.31 | 0.68 |
| 2021 | 128,677,390 | 33,342,202 | 162,019,592 | 28,696,708 | 21.52 | 0.59 |
| 2022 | 134,566,940 | 39,201,466 | 173,768,406 | 11,748,814 | 7.25 | 0.59 |

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Source: Henry County Assessor's Office

Note: Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value.

CITY OF CLINTON, MISSOURI
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Fiscal Year Ended September 30, | General Fund | Special Revenue Funds | Total Direct | Clinton Township Road | School | City Library | Health | State | County | Senior Citizens Service | Total Overlapping Rates | Total Direct and Overlapping |
|---------------------------------------|-----------------|-----------------------------|-----------------|-----------------------------|--------|-----------------|--------|-------|--------|-------------------------------|-------------------------------|------------------------------------|
| 2013 | 0.52 | 0.15 | 0.67 | 0.15 | 4.38 | 0.20 | 0.10 | 0.03 | 0.07 | 0.05 | 4.98 | 5.65 |
| 2014 | 0.53 | 0.15 | 0.68 | 0.15 | 4.37 | 0.20 | 0.10 | 0.03 | 0.07 | 0.05 | 4.97 | 5.65 |
| 2015 | 0.53 | 0.15 | 0.68 | 0.15 | 4.37 | 0.20 | 0.10 | 0.03 | 0.06 | 0.05 | 4.96 | 5.64 |
| 2016 | 0.55 | 0.15 | 0.70 | 0.15 | 4.39 | 0.20 | 0.10 | 0.03 | 0.04 | 0.05 | 4.96 | 5.66 |
| 2017 | 0.53 | 0.15 | 0.68 | 0.15 | 4.39 | 0.19 | 0.10 | 0.03 | 0.06 | 0.05 | 4.97 | 5.65 |
| 2018 | 0.53 | 0.15 | 0.68 | 0.15 | 4.39 | 0.20 | 0.10 | 0.03 | 0.07 | 0.05 | 4.99 | 5.67 |
| 2019 | 0.53 | 0.15 | 0.68 | 0.15 | 4.39 | 0.20 | 0.10 | 0.03 | 0.07 | 0.05 | 4.99 | 5.67 |
| 2020 | 0.53 | 0.15 | 0.68 | 0.16 | 4.40 | 0.20 | 0.10 | 0.03 | 0.05 | 0.05 | 4.98 | 5.66 |
| 2021 | 0.46 | 0.13 | 0.59 | 0.13 | 3.86 | 0.17 | 0.08 | 0.03 | 0.00 | 0.04 | 4.31 | 4.90 |
| 2022 | 0.46 | 0.13 | 0.59 | 0.13 | 3.91 | 0.17 | 0.08 | 0.03 | 0.05 | 0.04 | 4.41 | 5.00 |

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Source: Henry County Assessor, Henry County Courthouse

Note: The City's direct property tax rate may be increased only by a majority vote of the City's residents.

In addition, there is a surtax levy on commercial real property of 0.35.

CITY OF CLINTON, MISSOURI
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND TEN YEARS AGO
 (UNAUDITED)

| Taxpayer | 2022 | | | 2013 | | |
|---|------------------------|------|---|-------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentages of Total Assessed Valuation | Taxable Appraised Value | Rank | Percentages of Total Appraised Valuation |
| T.C. Transcontinental Packaging | 3,430,532 | 1 | 1.97 | | | |
| TKG Truman Lake Mall, LLC | 3,283,840 | 2 | 1.89 | 1,133,890 | 9 | 0.93 |
| Schreiber Foods | 2,649,847 | 3 | 1.52 | 8,259,977 | 1 | 6.74 |
| Champion Brands, LLC | 2,572,676 | 4 | 1.48 | 1,332,076 | 7 | 1.09 |
| Every Metro (formerly KCP&L) | 2,459,110 | 5 | 1.42 | 3,347,360 | 2 | 2.73 |
| White River Marine Group, LLC (Tracker Marine) | 2,342,060 | 6 | 1.35 | 2,105,443 | 4 | 1.72 |
| Spire (formerly Missouri Gas Energy) | 1,688,320 | 7 | 0.97 | | | |
| Liberty Utilities (formerly Empire Gas District) | 1,494,797 | 8 | 0.86 | 1,259,297 | 8 | 1.03 |
| OakStar Bank | 1,235,650 | 9 | 0.71 | | | |
| Hawthorn Bank | 999,620 | 10 | 0.58 | 1,410,640 | 5 | 1.15 |
| Town Creek Plaza, LLC | | | | 775,940 | 10 | 0.63 |
| Walmart | | | | 2,284,268 | 3 | 1.87 |
| Bourland, James and JoAnn | | | | 1,328,090 | 6 | 1.08 |
| TOTALS | <u>18,725,920</u> | | <u>10.78</u> | <u>23,236,981</u> | | <u>18.97</u> |

Data provided by Assessor, Henry County Courthouse.

CITY OF CLINTON, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year | Total Taxes Levied | Current Tax Collections | Percent of Levy Collected | Delinquent Tax Collections | Total Tax Collections | Total Tax Collections as Percent of Current Levy |
|----------------|-----------------------|----------------------------|---------------------------------|----------------------------------|--------------------------|---|
| 2013 | 820,984 | 745,682 | 90.8 | 75,302 | 820,984 | 100.00 |
| 2014 | 827,125 | 760,604 | 92.0 | 66,521 | 827,125 | 100.00 |
| 2015 | 798,508 | 769,377 | 96.4 | 29,131 | 798,508 | 100.00 |
| 2016 | 856,857 | 801,602 | 93.6 | 55,255 | 856,857 | 100.00 |
| 2017 | 842,191 | 797,325 | 94.7 | 44,866 | 842,191 | 100.00 |
| 2018 | 898,797 | 871,371 | 96.9 | 27,426 | 898,797 | 100.00 |
| 2019 | 933,107 | 876,697 | 94.0 | 56,410 | 933,107 | 100.00 |
| 2020 | 930,818 | 893,379 | 96.0 | 37,439 | 930,818 | 100.00 |
| 2021 | 988,714 | 913,160 | 92.4 | 75,554 | 988,714 | 100.00 |
| 2022 | 985,050 | 936,570 | 95.1 | 1,979 | 938,549 | 95.28 |

CITY OF CLINTON, MISSOURI
DIRECT AND OVERLAPPING
SALES TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year | City Rate | Henry County |
|-------------|-----------|--------------|
| 2013 | 2.25 | 1.00 |
| 2014 | 2.25 | 1.00 |
| 2015 | 2.25 | 1.00 |
| 2016 | 1.50 | 1.00 |
| 2017 | 1.50 | 1.00 |
| 2018 | 2.13 | 1.00 |
| 2019 | 2.13 | 1.45 |
| 2020 | 2.13 | 1.70 |
| 2021 | 2.13 | 1.70 |
| 2022 | 2.25 | 1.70 |

Source: Missouri Department of Revenue

CITY OF CLINTON, MISSOURI
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS
(in thousands of dollars)
(UNAUDITED)

| Sales by Retail Category | Calendar Year | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022* |
| Auto dealers and supplies | 4,164 | 3,609 | 3,908 | 4,393 | 2,679 | 2,690 | 4,395 | 4,342 | 5,257 | 807 |
| Building materials and farm tools | 8,302 | 7,511 | 8,290 | 9,489 | 389 | 698 | 2,715 | 2,790 | 4,779 | 761 |
| Communications | 5,087 | 5,304 | 5,200 | 4,410 | 4,139 | 4,139 | 3,170 | 1,030 | 4,541 | 3,417 |
| Eating and drinking establishments | 21,559 | 22,137 | 23,961 | 23,884 | 21,801 | 22,699 | 22,865 | 22,015 | 24,736 | 12,810 |
| Food stores | 14,950 | 16,328 | 16,935 | 17,195 | 13,500 | 20,124 | 5,642 | 2,601 | | 211 |
| Gasoline stations with convenience stores | | | | | | | 9,588 | 6,119 | 9,879 | 5,001 |
| General merchandise | 59,889 | 60,686 | 63,505 | 63,722 | 14,709 | 14,391 | 5,466 | 3,888 | 5,716 | 5,317 |
| Home furnishings and appliances | 4,104 | 4,203 | 4,136 | 4,057 | 4,199 | 2,699 | 6,877 | 8,554 | 10,001 | 5,603 |
| Sporting goods stores | | | | | | | 3,161 | 5,214 | 5,021 | 1,834 |
| Hardware stores | | | | | | | 2,598 | 3,474 | 2,856 | 1,759 |
| All other outlets | 27,284 | 24,747 | 25,968 | 28,435 | 18,835 | 47,829 | 32,460 | 13,828 | | 6,211 |
| Nondisclosed sales ** | <u>32,636</u> | <u>33,393</u> | <u>31,714</u> | <u>31,996</u> | | | | | | |
| Total | <u>175,230</u> | <u>177,975</u> | <u>177,918</u> | <u>183,617</u> | <u>80,251</u> | <u>115,269</u> | <u>98,937</u> | <u>73,855</u> | <u>72,787</u> | <u>43,731</u> |

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* - 2022 data is presented as of June 30, 2022, as full-year information was not available at the time this report was created.

** - The state of Missouri does not disclose sales figures for Standard Industrial Classification (SIC) codes with fewer than six establishments. This category presents the total of those sales.

Starting in 2017, the state of Missouri switched from reporting taxable sales using the SIC codes to the North American Industry Classification System (NAICS) codes.

Source: Missouri Department of Revenue, <https://dor.mo.gov/public-reports/taxablesales.php>

CITY OF CLINTON, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year Ended September 30, | Governmental Activities | | | Business-Type Activities | Total Primary Government | Percentage of Personal Income | Per Capita |
|---------------------------------------|-------------------------------------|-------------------|---------|-------------------------------|--------------------------------|-------------------------------------|---------------|
| | Certificates of Participation | Capital Leases | Loans | Sales Tax Revenue Bonds | | | |
| 2013 | 1,633,969 | 70,448 | | 1,671,315 | 3,375,732 | 1.12 | 362 |
| 2014 | 1,000,773 | 22,178 | | 1,140,790 | 2,120,615 | 0.67 | 235 |
| 2015 | 310,515 | 2,137,368 | | 577,895 | 3,025,778 | 0.93 | 336 |
| 2016 | 80,257 | 2,087,154 | | | 2,167,411 | 0.64 | 238 |
| 2017 | | 6,680,685 | | | 6,680,685 | 1.98 | 734 |
| 2018 | | 7,344,707 | | | 7,344,707 | 2.18 | 824 |
| 2019 | | 6,921,997 | 500,000 | | 7,421,997 | 2.08 | 830 |
| 2020 | | 7,072,068 | 474,267 | | 7,546,335 | 2.21 | 818 |
| 2021 | | 6,621,829 | 446,548 | | 7,068,377 | 2.94 | 748 |
| 2022 | 8,415,000 | | | | 8,415,000 | 3.41 | 914 |

CITY OF CLINTON, MISSOURI
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF SEPTEMBER 30, 2022
 (UNAUDITED)

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|--|---------------------|---------------------------------------|--|
| Debt repaid with property taxes Clinton School District | 21,142,645 | 75.00% | 15,856,984 |
| City of Clinton, Missouri, Direct Debt | | | <u>8,415,000</u> |
| Total direct and overlapping debt | | | <u><u>24,271,984</u></u> |

Note: The School District is the only outstanding, overlapping debt paid by property taxes. The County and all other levying districts do not use property tax for outstanding debt or have no outstanding debt. All debt for the City of Clinton, Missouri, is paid from resources other than property taxes.

CITY OF CLINTON, MISSOURI
 COMPUTATION OF LEGAL DEBT MARGIN
 SEPTEMBER 30, 2022
 (UNAUDITED)

| | General Obligation Bonds | | Total |
|---------------------------|-----------------------------|-------------------|-------------------|
| | Ordinary (1) | Additional (2) | |
| Assessed valuation | | | 166,113,049 |
| Constitutional debt limit | <u>16,611,305</u> | <u>16,611,305</u> | <u>33,222,610</u> |

- (1) Article VI, Sections 26(b) and (c) of the State Constitution permits the City, by vote of two-thirds of the voting electorate, to incur an indebtedness for City purposes, not to exceed 10% of the taxable tangible property therein as shown by the last completed assessment.

- (2) Article VI, Sections 26(d) and (e) of the State Constitution provides that the City may become indebted not exceeding the aggregate and additional 10% for the purpose of acquiring rights-of-way; constructing, extending, and improving streets and avenues and/or sanitary or storm systems; and purchasing or constructing waterworks, electric, or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation.

CITY OF CLINTON, MISSOURI
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (UNAUDITED)

SALES TAX REVENUE BONDS

| Fiscal Year Ended September 30, | Sales Tax Collections | Debt Service | | Coverage |
|---------------------------------------|-----------------------------|--------------|----------|----------|
| | | Principal | Interest | |
| 2013 | 851,030 | 530,000 | 106,355 | 1.34 |
| 2014 | 895,374 | 545,000 | 76,297 | 1.44 |
| 2015 | 904,254 | 575,000 | 17,432 | 1.53 |
| 2016 | 471,631 | | | N/A |
| 2017 | 2,180 | | | N/A |
| 2018 | 75 | | | N/A |
| 2019 | - 0 - | | | N/A |
| 2020 | - 0 - | | | N/A |
| 2021 | - 0 - | | | N/A |
| 2022 | - 0 - | | | N/A |

CITY OF CLINTON, MISSOURI
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Fiscal Year | (1) Population | Personal Income | (2) Per Capita Personal Income | (3) School Enrollment | (4) Unemployment Rate |
|-------------|-------------------|--------------------|---|-----------------------------|-----------------------------|
| 2013 | 9,313 | 300,688,831 | 32,287 | 2,194 | 5.80% |
| 2014 | 9,026 | 318,446,306 | 35,281 | 2,036 | 5.50% |
| 2015 | 9,015 | 324,540,000 | 36,000 | 1,976 | 5.10% |
| 2016 | 9,100 | 336,700,000 | 37,000 | 1,976 | 4.80% |
| 2017 | 9,100 | 336,700,000 | 37,000 | 2,114 | 3.50% |
| 2018 | 8,911 | 356,192,848 | 36,091 | 1,944 | 3.10% |
| 2019 | 8,947 | 356,192,848 | 36,751 | 2,019 | 3.20% |
| 2020 | 9,229 | 340,910,031 | 36,939 | 2,073 | 3.60% |
| 2021 | 9,455 | 240,790,485 | 27,640 | 1,951 | 2.20% |
| 2022 | 9,208 | 246,627,072 | 26,784 | 2,074 | 1.70% |

Data Sources:

- (1) Bureau of Census for 2012 - 2014, 2018 - 2022; estimates for years 2015 - 2017.
- (2) Fiscal Years Ended 2012 - 2014 - www.missourieconomy.org.
 Fiscal Years Ended 2015 - 2017 - estimated.
 Fiscal Years Ended 2018 - 2022 - Bureau of Census.
- (3) Clinton School District, Clinton Christian Academy, Holy Rosary Catholic School, and 7th Day Adventist School.
- (4) Data for 2013 - 2022 - Rate is for Henry County.

CITY OF CLINTON, MISSOURI
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND TEN YEARS AGO
 (UNAUDITED)

| Employer | 2022 | | | 2013 | | |
|--|-----------|------|------------------|-----------|------|------------------|
| | Employees | Rank | Percent of Total | Employees | Rank | Percent of Total |
| Golden Valley Memorial Hospital | 879 | 1 | 16.57 | 680 | 2 | 16.46 |
| Compass Health Network (Pathways) | 335 | 2 | 6.32 | 200 | 6 | 4.84 |
| White River Marine, LLC (Tracker Marine) | 318 | 3 | 6.00 | 250 | 4 | 6.05 |
| Walmart | 250 | 4 | 4.71 | 270 | 3 | 6.54 |
| Schreiber Foods | 236 | 5 | 4.45 | 682 | 1 | 16.51 |
| Clinton School District | 234 | 6 | 4.41 | 217 | 5 | 5.25 |
| TC Transcontinental | 200 | 7 | 3.77 | | | |
| Champion Brands | 100 | 8 | 1.89 | 71 | 10 | 1.72 |
| Henry County Government | 90 | 9 | 1.70 | | | |
| City of Clinton | 69 | 10 | 1.30 | 72 | 8 | 1.74 |
| KCP&L | | | | 140 | 7 | 3.39 |
| Hawthorn Bank | | | | 73 | 9 | 1.77 |

Source: City of Clinton Staff Survey of Local Employers

CITY OF CLINTON, MISSOURI
 SCHEDULE OF PROPERTY VALUE, CONSTRUCTION PERMITS
 ISSUED, AND TOTAL DOLLARS ON DEPOSIT AT YEAR END WITH
 LOCAL BANKS AND SAVINGS AND LOANS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Construction Permits and Value

| Year | Residential (1) | | Commercial (2) | | Total Year End Deposits at Local Banks (3) | Total Property Value (4) |
|------|-----------------|-----------|----------------|------------|--|-----------------------------|
| | Number | Value | Number | Value | (Thousands) | (Thousands) |
| 2013 | 16 | 881,631 | 6 | 732,665 | 375,483 | 508,723 |
| 2014 | 10 | 952,698 | 14 | 9,587,169 | 365,636 | 527,750 |
| 2015 | 27 | 1,784,995 | 8 | 30,108,602 | 369,532 | 526,532 |
| 2016 | 10 | 3,920,939 | 5 | 2,393,800 | 232,747 | 484,579 * |
| 2017 | 20 | 1,531,444 | 3 | 1,892,800 | 372,511 | 491,268 |
| 2018 | 13 | 1,356,930 | 5 | 4,443,750 | 405,426 | 507,672 |
| 2019 | 7 | 2,179,000 | 3 | 655,000 | 746,951 | 502,654 |
| 2020 | 5 | 819,000 | 7 | 5,868,500 | 448,436 | 104,066 ** |
| 2021 | 12 | 2,811,250 | 6 | 3,822,933 | 281,576 | 128,336 |
| 2022 | 9 | 4,852,125 | 12 | 25,553,050 | 635,732 | 130,931 |

(1) Information obtained from the Building Administration Department. Includes only new residential and room additions to existing homes. Does not include remodeling, fences, etc. Years 2012 - 2016 includes detached garages and carports.

(2) Information obtained from the Building Administration Department. Includes only new commercial and building additions. Does not include remodeling.

(3) Information obtained from <https://www7.fdic.gov/sod/sodMarketBank.asp?bartItem=2>.

(4) County Assessor determines based upon legislated relationship of actual property.

*Beginning 2016, state assessed values are not included.

** Beginning 2020, real property value used.

CITY OF CLINTON, MISSOURI
 OPERATING INDICATORS
 BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Function/Program | Fiscal Year | | | | | | | | | |
|---------------------------|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Business licenses issued | 741 | 712 | 720 | 669 | 709 | 647 | 689 | 673 | 695 | 732 |
| Building permits | 138 | 166 | 130 | 144 | 162 | 183 | 10 | 184 | 207 | 176 |
| Burial permits | 95 | 86 | 130 | 92 | 77 | 79 | 83 | 73 | 61 | 116 |
| Area transit service | | | | | | | | | | |
| Passengers | 24,089 | 23,715 | 23,015 | 18,861 | 17,550 | 15,300 | 14,987 | 11,880 | 11,150 | 16,286 |
| Fire Department | | | | | | | | | | |
| Emergency response | 275 | 355 | 329 | 357 | 141 | 124 | 231 | 425 | 840 | 1,352 |
| Fires extinguished | 74 | 141 | 108 | 79 | 70 | 85 | 63 | 98 | 87 | 147 |
| Inspections | 78 | 201 | 143 | 78 | 206 | 229 | 114 | 30 | 227 | 163 |
| Police Department | | | | | | | | | | |
| Physical arrests | 808 | 1,009 | 811 | 910 | 304 | 304 | 737 | 548 | 572 | 555 |
| Traffic stops | 2,837 | 5,101 | 2,398 | 1,320 | 1,951 | 1,597 | 1,796 | 2,010 | 2,297 | 2,015 |
| Traffic citations | 934 | 1,512 | 1,377 | 1,131 | 840 | 497 | 786 | 875 | 875 | 952 |
| Municipal Court | | | | | | | | | | |
| Cases filed | 1,705 | 1,526 | 1,428 | 1,475 | 1,476 | 1,227 | 1,341 | 1,089 | 1,178 | 1,240 |
| Street Department | | | | | | | | | | |
| Resurface/sealing (miles) | | 6.0 | | 1.2 | | 2.0 | | 5.0 | 5.5 | 1.2 |
| Transfer station | | | | | | | | | | |
| Tons transported | 1,490 | 1,619 | 1,650 | 1,475 | 1,597 | 1,240 | 1,420 | 1,365 | 1,512 | 1,411 |
| Wastewater | | | | | | | | | | |
| Sewage treated (mgls) | 421.0 | 416.0 | 426.0 | 464.0 | 459.3 | 442.5 | 632.4 | 535.2 | 467.0 | 370.6 |
| Sewer connections | 4,282 | 4,300 | 4,354 | 4,396 | 4,271 | 4,321 | 4,354 | 4,424 | 4,456 | 4,449 |
| Outdoor pool admissions | 7,582 | 5,510 | 8,362 | 8,857 | 18,736 | 19,420 | 16,406 | 21,037 | 24,683 | 14,887 |
| Indoor pool admissions | 9,422 | 8,055 | 12,655 | 13,526 | 17,305 | 16,941 | 18,666 | 11,471 | 21,846 | 18,902 |

Source: City Department Heads

CITY OF CLINTON, MISSOURI
 CAPITAL ASSET STATISTICS
 BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Function/Program | Fiscal Year | | | | | | | | | |
|------------------------------------|-------------|------|------|------|------|------|------|------|------|------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Area transportation service | | | | | | | | | | |
| Vans, buses | 4 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Police | | | | | | | | | | |
| Patrol units | 11 | 11 | 11 | 11 | 11 | 11 | 10 | 17 | 16 | 19 |
| Police stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire | | | | | | | | | | |
| Fire trucks | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Fire stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Streets | | | | | | | | | | |
| Miles | 100 | 100 | 100 | 100 | 100 | 100 | 105 | 105 | 105 | 105 |
| Number of streets | 180 | 180 | 180 | 180 | 180 | 180 | 180 | 180 | 180 | 180 |
| Trucks with plows and spreaders | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 5 |
| Parks | | | | | | | | | | |
| Parks | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Acreage | 129 | 129 | 129 | 129 | 129 | 129 | 129 | 129 | 157 | 157 |
| Playgrounds | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 10 | 10 |
| Ball fields | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Soccer fields | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Swimming pools | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Community centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Transfer station | | | | | | | | | | |
| Container trucks | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Compactors | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Containers | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 4 |
| Wastewater | | | | | | | | | | |
| * Sanitary sewer (miles) | 73 | 75 | 78 | 79 | 79 | 79 | 79 | 79 | 79 | 79 |
| Plant capacity (mgl) | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Sludge trucks | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 |
| Vac. trucks | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Source: City Department Heads

2013 - 2022 report actual GPS figures

CITY OF CLINTON, MISSOURI
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
 BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Function/Program | Fiscal Year | | | | | | | | | |
|-------------------------------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Administration | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Police | | | | | | | | | | |
| Sworn | 22 | 21 | 22 | 22 | 22 | 22 | 21 | 23 | 23 | 23 |
| Civilian | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Municipal Court | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire Department | 13 | 13 | 13 | 13 | 13 | 14 | 14 | 14 | 14 | 14 |
| Code Enforcement/ Animal Shelter | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Community Development | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Street | 8 | 8 | 8 | 7 | 7 | 7 | 8 | 8 | 8 | 8 |
| Parks and Recreation | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 11 | 11 | 11 |
| Wastewater | 6 | 6 | 6 | 6 | 6 | 6 | 6 | | | |
| Transfer station | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Cemetery | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| ATS | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 |
| Total | <u>74</u> | <u>72</u> | <u>71</u> | <u>72</u> | <u>71</u> | <u>72</u> | <u>72</u> | <u>69</u> | <u>70</u> | <u>69</u> |

Source: City Human Resources Department

OTHER INFORMATION

CITY OF CLINTON, MISSOURI
 SCHEDULE OF SALES TAX COLLECTIONS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| General (1%) | 1,702,054 | 1,790,827 | 1,808,574 | 1,882,646 | 1,791,314 | 1,914,903 | 1,953,508 | 2,061,647 | 2,203,534 | 2,306,455 |
| Transportation (0.25%) | 404,053 | 420,939 | 428,728 | 449,869 | 428,256 | 457,336 | 464,945 | 492,333 | 526,523 | 550,914 |
| Use (2.25%) | 285,424 | 228,065 | 221,822 | 234,027 | 147,060 | 234,232 | 264,220 | 321,625 | 386,738 | 509,667 |
| Park (0.25%) | | | 423,693 | 442,558 | 427,799 | 457,786 | 464,796 | 491,972 | 526,395 | 550,768 |
| Aquatic (0.25%) | 404,053 | 420,938 | 5,135 | 3,651 | 519 | | | | | |
| Community Center (0.25%) | 404,059 | 421,070 | 428,717 | 224,794 | 1,070 | 37 | | | | |
| Sewer (0.5%) | 851,030 | 895,374 | 904,254 | 471,631 | 2,180 | 75 | | | | |
| Additional City Storm | | | | | | | | | | |
| Water/Local Parks (0.125%) | | | | | | 217,938 | 232,391 | 245,965 | 263,028 | 275,241 |
| Mass Transportation (0.25%) | | | | | | 435,876 | 464,783 | 491,931 | 526,055 | 550,482 |
| Pool Improvement (0.125%) | | | | | | | | | | 70,744 |
| Fire Protection (0.25%) | | | | | | 435,876 | 464,783 | 491,931 | 526,052 | 550,481 |
| | <u>4,050,673</u> | <u>4,177,213</u> | <u>4,220,923</u> | <u>3,709,176</u> | <u>2,798,198</u> | <u>4,154,059</u> | <u>4,309,426</u> | <u>4,597,404</u> | <u>4,958,325</u> | <u>5,364,752</u> |



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor
and Members of the City Council
City of Clinton, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clinton, Missouri, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Clinton, Missouri's basic financial statements, and have issued our report thereon dated March 27, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

The City of Clinton, Missouri's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Clinton, Missouri's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Clinton, Missouri's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Dana F Cole + Company, LLP

Overland Park, Kansas
March 27, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor
and Members of the City Council
City of Clinton, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Clinton, Missouri's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City of Clinton, Missouri's major federal programs for the year ended September 30, 2022. The City of Clinton, Missouri's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Clinton, Missouri, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Clinton, Missouri, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Clinton, Missouri's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts and grant agreements applicable to the City of Clinton, Missouri's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Clinton, Missouri's compliance based on our audit. 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 and *Government 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 include collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is 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 report on compliance about the City of Clinton, Missouri's compliance with the requirements for each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures including examining, on a test basis, evidence regarding the City of Clinton, Missouri's compliance with the compliance requirements referred to above and performing other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Clinton, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Clinton, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

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 material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Dana F Cole + Company, LLP

Overland Park, Kansas
March 27, 2023

CITY OF CLINTON, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED SEPTEMBER 30, 2022

SECTION I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

| | |
|--|--------------------|
| Type of auditor's report issued: | Unmodified |
| Internal control over financial reporting: | |
| Material weakness identified: | ___Yes <u>X</u> No |
| Significant deficiencies identified that are not considered to be material weaknesses: | <u>X</u> Yes ___No |
| Noncompliance matter to the financial statements disclosed: | ___Yes <u>X</u> No |

Federal Awards

| | |
|--|--------------------|
| Internal control over major programs: | |
| Material weakness identified: | ___Yes <u>X</u> No |
| Significant deficiencies identified that are not considered to be material weakness: | ___Yes <u>X</u> No |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a): | ___Yes <u>X</u> No |
| Identification of major programs: Airport Improvement Program | 20.106 |
| Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| Auditee qualified as a low-risk auditee: | ___Yes <u>X</u> No |

CITY OF CLINTON, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2022

SECTION II. FINANCIAL STATEMENT FINDINGS

2022-001 RELIANCE UPON THE AUDITOR

Criteria

As described in our engagement letter, management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of financial statements, including the notes to the financial statements in conformity with accounting principles generally accepted in the United States of America.

Condition

Management should possess the ability to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements under this basis of accounting requires that management possess the ability to properly record and classify transactions in a general ledger, reconcile all accounts, measure and record needed adjustments to the accounts, and prepare the financial statements and related disclosures without the assistance from the auditors. During our audit, we compiled a working trial balance from financial records provided by the City.

Cause

City personnel do not obtain the expertise necessary to provide the auditors with a trial balance adjusted in accordance with accounting principles generally accepted in the United States of America and to draft the year end financial statements, supplementary information, and notes to the financial statements.

Potential Effect

The potential exists that a material misstatement of the financial statements could occur and not be prevented or detected by the City's internal control.

Recommendation

We recommend that the City review and approve the proposed auditor adjusting entries and the adequacy of financial statement disclosures prepared by the auditors and apply analytic procedures to the draft financial statements to ensure that all assets and liabilities of the City are recorded, among other procedures as considered necessary by management.

CITY OF CLINTON, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2022

SECTION II. FINANCIAL STATEMENT FINDINGS (Continued)

2022-001 RELIANCE UPON THE AUDITOR (Continued)

Views of Responsible Officials and Corrective Action Plan

The City relies on the auditor to propose adjustments necessary to prepare the financial statements including the related note disclosures. The City reviews such financial statements and approves all adjustments. The City also uses analytic procedures among other procedures necessary to complete the management's discussion and analysis.

SECTION III. FEDERAL AWARD FINDINGS

None reported.

CITY OF CLINTON, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2022

2021-001 RELIANCE UPON THE AUDITOR

Management should possess the ability to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements under this basis of accounting requires that management possess the ability to properly record and classify transactions in a general ledger, reconcile all accounts, measure and record needed adjustments to the accounts, and prepare the financial statements and related disclosures without the assistance from the auditors. As described in our engagement letter, management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of financial statements, including the notes to the financial statements in conformity with accounting principles generally accepted in the United States of America. The potential exists that a material misstatement of the financial statements could occur and not be prevented or detected by the City's internal control. We recommended that the City review and approve the proposed auditor adjusting entries, the adequacy of financial statement disclosures prepared by the auditors, and apply analytic procedures to the draft financial statements among other procedures as considered necessary by management. This is a continued finding as noted in the schedule of findings and questioned costs as item 2022-001 for the year ended September 30, 2022.



CORRECTIVE ACTION PLAN
March 27, 2023

The City of Clinton, Missouri, respectfully submits the following corrective action plan for the year ended September 30, 2022, for the findings identified by Dana F. Cole & Company, LLP, Overland Park, Kansas.

The findings from the Schedule of Findings and Findings and Questioned Costs are discussed below and are numbered consistently with the numbers assigned in that schedule.

FINANCIAL STATEMENT FINDINGS

2022-001 RELIANCE UPON THE AUDITOR

Recommendation: The City should review and approve the proposed auditor adjusting entries and the adequacy of financial statement disclosures prepared by the auditors and apply analytic procedures to the draft financial statements to ensure that all assets and liabilities of the City are recorded, among other procedures as considered necessary by management.

Action Taken: The City relies on the auditor to propose adjustments necessary to prepare the financial statements including the related note disclosures. The City reviews such financial statements and approves all adjustments. The City also uses analytic procedures, and other procedures determined necessary to complete the Management Discussion and Analysis.

If the Missouri Department of Transportation has questions regarding this plan, please call Christy Maggi at 660.885.6121.

Sincerely yours,

A handwritten signature in black ink that reads "Christy A. Maggi".

Christy Maggi
City Administrator